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# MEMORANDUM

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Date: April 5, 2018

To: The Honorable Chairman and Members  
Pima County Board of Supervisors

From: C.H. Huckelberry  
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Transition of Financing County Capital Projects from Voter-Authorized General Obligation Bond Funding to Pay-As-You-Go Funding**

In the next few weeks, I will transmit the Fiscal Year 2018/19 Recommended Tentative Budget to the Board of Supervisors. The budget will contain a departure from the traditional general obligation bond financing for capital improvements to a pay-as-you-go plan. This means the County will no longer rely on general obligation bond funding to finance capital improvements and will shift to a pay-as-you-go model funded through a property tax levy. This funding concept is already embedded in the Library District capital program for the Flowing Wells Library expansion, the initial library construction at Houghton Road and Mary Ann Cleveland Way and library construction in Sahuarita.

The Flowing Wells Library expansion is now under construction, the Mary Ann Cleveland Way/Houghton Road facility is under zoning and the Sahuarita Library site will be selected and paid for in the next few months.

The Regional Flood Control District (RFCD) is also transitioning to a pay-as-you-go capital program.

In my Recommended Budget, you will see the Library District tax rate increased by \$0.01 and the RFCD increased by \$0.02 to fund this pay-as-you-go capital program.

In addition, the County will continue our shift away from leased properties housing County operational units to an owned model. Given the long-term provision of County public services, I believe an owned model provides the best value for County taxpayers and I will continue to transition all County services in leased properties to owned properties.

In the near future, I will propose the Board collapse nearly \$1 million in annual lease payments into an ownership plan that provides these same County services through a consolidated Northwest Service Center. I believe these are prudent and appropriate investments for the taxpayers of Pima County.

CHH/anc

c: Jan Leshar, Chief Deputy County Administrator  
Tom Burke, Deputy County Administrator for Administration  
Dr. Francisco Garcia, Assistant County Administrator for Community and Health Services  
Lisa Josker, Director, Facilities Management