

AGENDA ITEM #: _____

DATE: May 22, 2017

COAC #: EMRCFD 17-526

**CITY OF GOODYEAR
CFD BOARD ACTION FORM**

SUBJECT: Adopt Resolution EMRCFD RES 17-106 approving the tentative budget for Fiscal Year 2017-2018 and setting a Public Hearing.

STAFF PRESENTER: Rebecca Chitwood,
Controller

CASE NUMBER: None

OTHER PRESENTER: None

PROPOSED ACTION:

Adopt resolution EMRCFD RES 17-106; approving the tentative budget of the District for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018, setting a hearing date for the budget (Rebecca Chitwood, Controller).

BACKGROUND AND PREVIOUS ACTIONS:

District Board will consider a resolution to approve the tentative budget for Fiscal Year 2017-2018, set a Public Hearing for June 26, 2017, to consider the adoption of the final budget and of the tax levy, both starting at 5:30 P.M., in the Goodyear Justice Center, at 14455 W. Van Buren Street, Suite B101 (southeast corner of 145th Avenue and Van Buren Street), Goodyear, Arizona. At the Public Hearing, any taxpayer may speak for or against the proposed expenditures.

There have been no previous actions on this matter.

STAFF ANALYSIS:

Exhibit A of the resolution is the statements and schedules presented for District Board adoption as the tentative budget for Fiscal Year 2017-2018. The tentative budget represents the estimates for the operations and maintenance expenses, capital costs and other expenses to be paid from the tax levy plus the amount needed for general obligation bond debt service expenses.

Although general obligation bonding authority remains for this District, there are no capital improvements projects budgets for Fiscal Year 2017-2018 and there are no bond sales planned at this time.

FISCAL ANALYSIS:

The combined property tax is collected and used for operations and maintenance in Fiscal Year 2017-2018 and debt service payments in Calendar Year 2018. For Fiscal Year 2017-2018 the combined property tax levy will be \$1,104,400. Per an existing Standby Contribution Agreement, the Developer will contribute funds to make the general obligation bond debt service payments relating to any shortfalls in property tax collections. In Fiscal Year 2016-2017, the Developer contributed \$540,120 under the Standby Contribution Agreement. The approximate combined property tax rate projected using the preliminary net limited assessed valuation

information from February 2017 is \$1.30 per \$100 of net limited assessed valuation. However, the actual rate may vary from this estimate based upon the final net limited assessed valuation of the district which will be certified in August 2017.

Of the combined property tax rate, (i) \$1.00 per \$100 of net limited assessed valuation is used to pay the general obligation bond debt service payments and (ii) \$0.30 per \$100 of net limited assessed valuation is used for operations and maintenance for the District. The target combined tax rate for this district is \$1.30 per \$100 of net assessed valuation or less, however the District is legally obligated to levy the amount necessary to service existing general obligation debt.

The total proposed Fiscal Year 2017-2018 tentative budget is \$7,267,200.

RECOMMENDATION:

Adopt the tentative budget for the Estrella Mountain Ranch Community Facilities District (EMRCFD) Fiscal Year 2017-2018, set a Public Hearing for the final budget and the tax levy on June 26, 2017.

ATTACHMENTS:

1. EMRCFD RES 17-106
2. Exhibit A: 2017-2018 Annual Budget
3. 2017 Average residential assessed value