

**FISCAL YEAR 2024-2025  
BUDGET STUDY  
SESSION**

**MARCH 13, 2024**



**NORTHWEST  
FIRE DISTRICT**

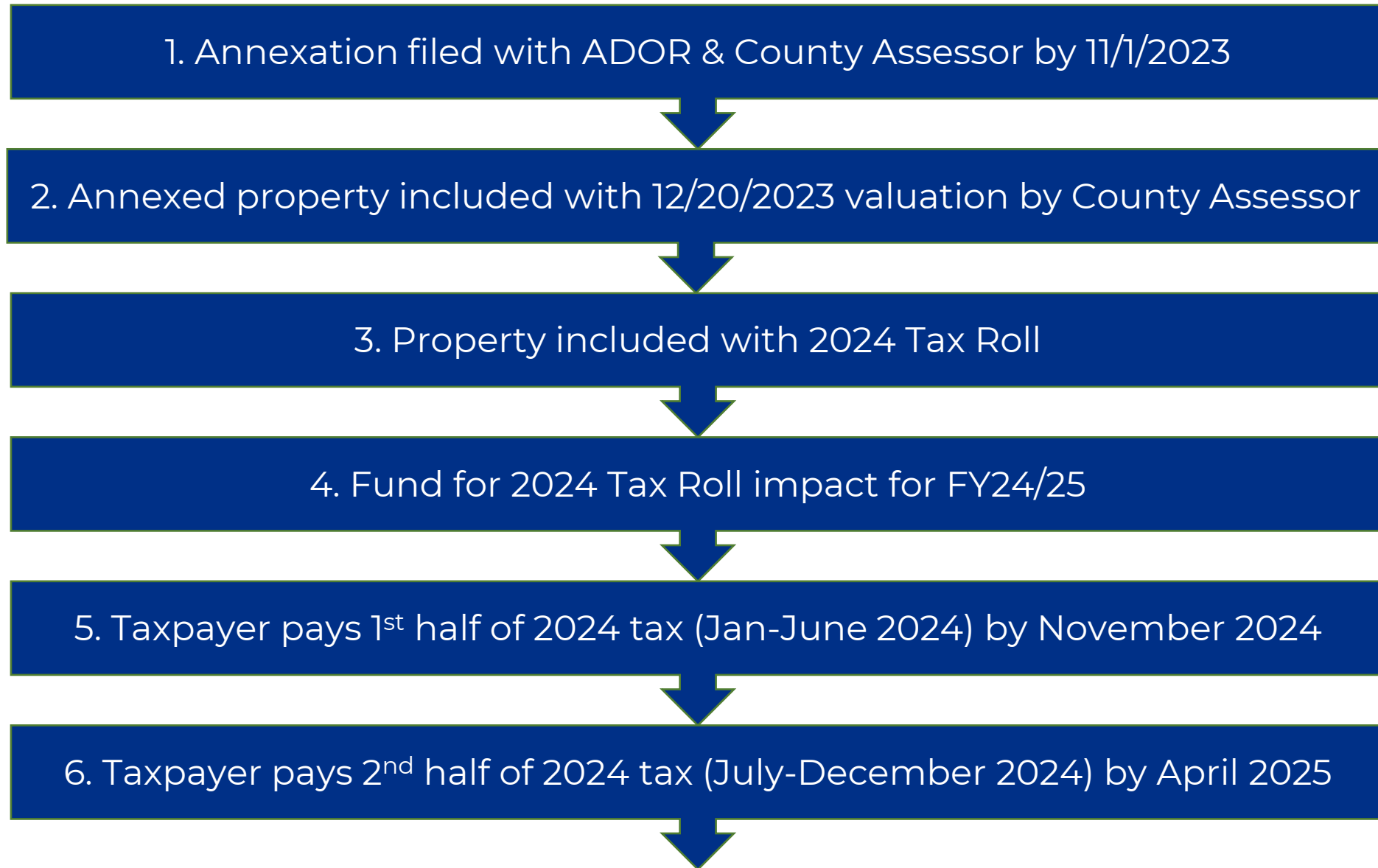
# AGENDA

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- **TAXING PROCESS**
- **LEGISLATIVE CHALLENGES**
- **DEVELOPMENT**
- **ECONOMIC OUTLOOK**
- **ASSESSED VALUE**
- **ESTIMATED RESOURCES**
- **ESTIMATED REQUIREMENTS**
- **CAPITAL IMPROVEMENT PROGRAM**
- **FUTURE BOND CONSIDERATIONS**
- **HISTORICAL TAX RATE INFORMATION**
- **CONSIDERATIONS FOR THE BOARD**



# Fire District Taxing Process for 24/25 Fiscal Year



## 2024 FIRE DISTRICT LEVY LIMIT WORKSHEET

**PIMA COUNTY - NORTHWEST FIRE DISTRICT**

### ADJUSTMENTS FOR ANNEXED PROPERTY

**2023**

A.1. Net Assessed Value of Property Annexed for TY 2024	\$723,550
A.2. A.1. divided by 100	\$7,236
A.3. Prior Year Actual Tax Rate (excluding debt service tax rate)	\$2.9110
A.4. Adjustment for Annexed Property (A.2. multiplied by A.3.)	\$21,064

### MAXIMUM ALLOWABLE LEVY LIMIT

**2024**

B.1. Prior Year Maximum Allowable Levy Limit (B.4 from prior year)	\$82,462,475
B.2. Line B.1. multiplied by 1.08	\$89,059,473
B.3. Plus amount attributable to annexed property (Line A.4.)	\$21,064
B.4. <b>MAXIMUM ALLOWABLE LEVY LIMIT</b> (Line B.2. + B.3.)	<b>\$89,080,537</b>

### CURRENT YEAR NET ASSESSED VALUES

**2024**

C.1. Centrally Assessed Property	\$47,576,448
C.2. Locally Assessed Real Property	\$1,555,665,810
C.3. Locally Assessed Personal Property	\$45,295,577
C.4. Total Net Assessed Values (C.1. through C.3.)	<b>\$1,648,537,835</b>
C.5. C.4. divided by 100	\$16,485,378

### CURRENT YEAR TAX RATE / LEVY LIMIT CALCULATION

**2024**

D.1. Current Year Net Assessed Values / 100 (Line C.5.)	\$16,485,378
D.2. Maximum Allowable Levy Limit (Line B.4.)	\$89,080,537
D.3. Tax Rate (D.2. divided by D.1.; rounded to 4 decimals)	\$5.4036
D.4. Maximum Tax Rate (lesser of D.3. or \$3.75)	\$3.7500
D.5. <b>Current Year Allowable Tax Rate</b> <sup>1</sup>	<b>\$3.7500</b>
D.6. <b>Current Year Allowable Levy Limit</b> (D.5. multiplied by D.1.)	<b>\$61,820,169</b>
D.7. Prior Year Excess Collections	
D.8. Prior Year Excess Levy	
D.9. <b>Current Year Allowable Levy Limit</b> (D.6. - D.7. - D.8.)	<b>\$61,820,169</b>

New revenue from annexations

+ Prior year Maximum Allowable Levy Limit  
+ 8% allowable levy limit annual increase  
+ New revenue from annexations  
= Maximum Allowable Levy Limit

Net Assessed Property Values

Based on NWFD assessed values, if the District reached its Maximum Allowable Levy Limit, the associated operating tax rate would be \$5.4036

AZ State Statute limits the allowable tax rate to \$3.75 for FY24/25. Based on a \$3.75 operating rate, the maximum allowable levy for the District is \$61,820,169.

<sup>1</sup> Adjusted D.5. to avoid a levy that exceeds the maximum allowable levy limit (Line B.4.)



# CURRENT LEGISLATIVE CHALLENGES

## **Arizona Revised Statutes §48-807**

- (1992) The fire district tax rate cap was first established at \$3.00.
- (2005) Capped the maximum tax rate of \$3.25 per \$100 of assessed property value.
- (2021) Capped the maximum tax rate per \$100 of assessed value at \$3.75 for tax year 2022, \$3.50 for tax year 2023, \$3.75 for tax year 2024 and each tax year thereafter.

## **Senate Bill 1421 (2009)**

- Limited the increase in total tax levy for fire districts to no more than 8% over the prior year's actual levy.

## **House Bill 2001 (2011)**

- Reduced tax assessment of Class One (commercial) and centrally valued properties (utilities) from 20% to 18% further transferring the tax burden to homeowners (with no additional tax rate cap adjustments).

## **Proposition 117 (2012)**

- Amended the Arizona Constitution.
- Set a limit on the annual percentage increase to property values for taxing purposes at 5% above the previous year.
- Established a single Limited Property Value (LPV) as the basis for determining all property taxes on real property starting in fiscal year 2015-2016.
- Consequently, it took approximately 10 years for most Arizona first district values to return to 2008 levels while inflationary costs for expenditures continued to increase annually.

# CURRENT LEGISLATIVE CHALLENGES

## **Senate Bill 1108** (2021)

- Reduced tax assessment of Class One (commercial) property from 18% to 17.5% for tax year 2022, further reducing one-half percent each year until tax year 2027.

## **House Bill 2028** (2023)

- Contribution rate for members in PSPRS is reduced to 7.65% from 11.654%; Retroactive to July 1, 2023.
- Beginning July 1, 2023, the amount of the member's contribution that exceeds 7.65% and that was accumulated from July 1, 2011, through June 30, 2023, may be used in calculating the employer's contributions.

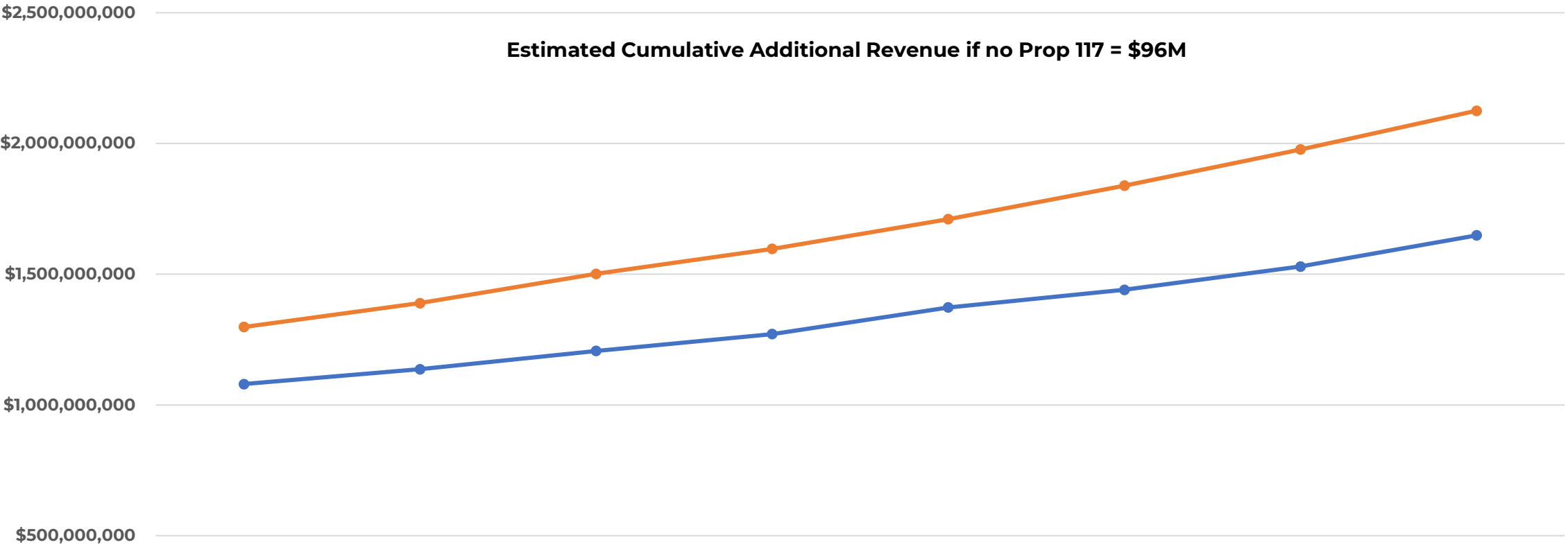
## **House Bill 2064** (2023)

- Property tax exemption for persons with total and permanent disabilities defined as unable to engage in any substantial gainful activities by reason of any physical or mental impairment expected to last for a continuous period of at least 12 months or result in death within 12 months as certified by a "competent medical authority".

## **House Bill 2446** (2023)

- Modifies distributions from the Smart and Safe Fund by adding Indian reservation police and firefighting agencies, university police departments under the jurisdiction of the Arizona Board of Regents, the Department of Public Safety, and Joint Powers of Authorities to the list of entities that receive 31.4% of the monies generated by the associated tax. (Retroactive to January 1, 2021)

# NWFD ASSESSED VALUE



\$-	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Assessed Value	\$1,080,073,267	\$1,136,805,280	\$1,206,875,030	\$1,271,372,801	\$1,373,136,865	\$1,440,337,964	\$1,529,397,141	\$1,648,537,835
Est. Assessed Value	1,298,138,824	1,389,473,051	1,501,566,516	1,596,778,459	1,710,536,002	1,838,826,202	1,976,738,167	2,124,993,530

# ESTIMATED REVENUE IMPACTS TO REDUCTION IN CLASS ONE PROPERTY SB1108

Projections based on 5-year average increase to Class One Net Taxable Value of 4.92%

Fiscal Year	Tax Year	Limited Full Cash Value	Assessed % Pre-SB1108	Revenue @ Pre-SB1108 Rate	Assessed % Post-SB1108	Revenue Post-SB1108 Rate	Estimated Revenue Loss	Estimated Cumulative Revenue Loss	Equivalent Increase to Tax Rate
22/23	CY2022	\$1,954,069,901	18%	\$9,529,445	17.5%	\$9,245,024	(\$284,421)	(\$284,421)	\$0.02
23/24	CY2023	\$2,070,515,200	18%	\$10,119,007	17.0%	\$9,516,282	(\$602,725)	(\$887,146)	\$0.04
24/25	CY2024	\$2,273,943,209	18%	\$11,132,899	16.5%	\$10,139,981	(\$992,918)	(\$1,880,064)	\$0.06
25/26	CY2025	\$2,387,640,369	18%	\$11,680,012	16.0%	\$10,290,986	(\$1,389,026)	(\$3,269,090)	\$0.08
26/27	CY2026	\$2,507,022,388	18%	\$12,254,012	15.5%	\$10,432,304	(\$1,821,707)	(\$5,090,797)	\$0.10
27/28	CY2027	\$2,632,373,507	18%	\$12,856,219	15.0%	\$10,562,617	(\$2,293,602)	(\$7,384,399)	\$0.12

The Class One (commercial) ratio for most centrally valued commercial properties (utilities) was 50% in 1979, gradually dropped to 25% by 1999, dropped to 20% in 2012, and 18% in 2011 for a total reduction of 64%. Current legislation will further drop the ratio to 15% by 2027.



# PENDING LEGISLATIVE CHALLENGE RELATED TO BONDS

## House Bill 2719

- Limits ***bond elections*** to the November general election in ***even numbered years only***.
- ***Increases the percentage of*** registered district ***voters required to sign a petition*** that subsequently mandates the governing board to call for a bond election ***from 15% to 25%***.
- Stipulates that a ***bond is only approved*** if a ***majority*** of qualified voters ***vote in favor and*** the ***voter turnout on the issue is at least 60%***.

# MARANA DEVELOPMENT UPDATE



## COMMERCIAL

- Panda Express & Dairy Queen (Marana Main Street)
- Fry's Market Area (Tangerine & Lon Adams)
- Southern Arizona Logistics (Flint)
  - Working with two potential tenants for existing buildings
  - Plans to begin construction of another building in FY24/25
- Shamrock Foods (250,000-300,000 SF)
- U-Haul (Tangerine & I-10)
- Springhill Suites (near Outlet Mall)
- Child Protective Services building (Ina & Silverbell)

## RESIDENTIAL

- Projected 1,054 new single-family residences to be permitted in FY24/25
- *If additional subdivisions do not begin soon, FY25/26 will be a difficult year for single-family residence permit numbers*

## MULTI-FAMILY

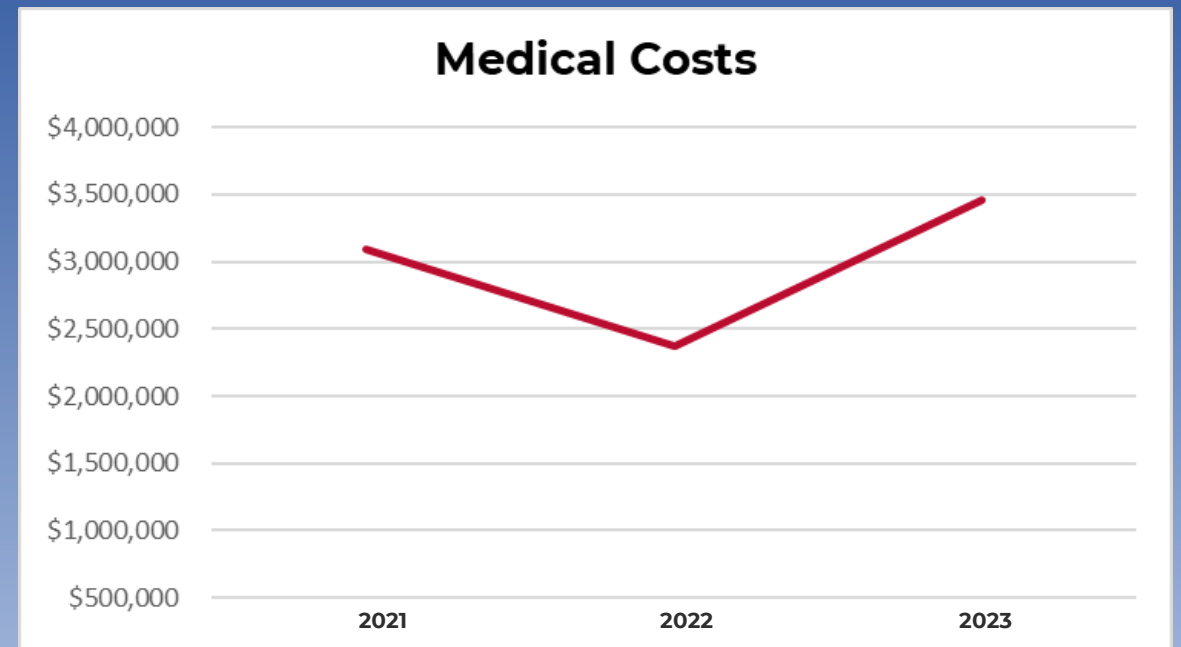
- 1,800 units currently under construction and scheduled to be completed within the next 9-12 months
- 500 units are currently in the planning stage

# PIMA COUNTY ECONOMIC OUTLOOK FOR FY24/25

Economic Indicator	Current Stage	Stage Trigger	Trending	Mitigation Actions to be Considered
<b>Housing</b>	<b>0</b>	N/A	unfavorable	N/A
<b>Retail Sales</b>	<b>0</b>	N/A	unfavorable	N/A
<b>Unemployment</b>	<b>1</b>	2 or more quarters of actual or forecasted negative economic trend and a 2% projected shortfall as a result of Arizona's Unemployment Rate showing increases against the previous quarter's actuals and trending towards the State's historical average, along with continued upward projections.	unfavorable	<ul style="list-style-type: none"> <li>*Consider reducing non-essential expenditures where reasonably possible</li> <li>*Evaluate rearranging Capital Projects where reasonable</li> <li>*Consider withholding vacancy savings by Department</li> <li>*Prioritize the use of special revenue funds to cover appropriate expenses</li> </ul>
<b>Inflation</b>	<b>2</b>	2 or more quarters of actual or forecasted negative economic trend and a 2% projected shortfall as a result of inflation greater than Arizona's 3.5% historical average with projections to increase.	unfavorable	<ul style="list-style-type: none"> <li>*Postpone all non-essential purchases and delay large purchases</li> <li>*Study all non-essential services, programs, and projects and limit expansions</li> <li>*Implement interim budget reductions</li> <li>*Evaluate vacant positions for possible delayed start</li> </ul>
<b>Gasoline Sales</b>	<b>2</b>	2 or more quarters of actual or forecasted negative economic trend and a 2% projected shortfall as a result of Arizona gas sales showing declines against the previous quarter's actuals and a downward forecast.	unfavorable	<ul style="list-style-type: none"> <li>*Postpone all non-essential purchases and delay large purchases</li> <li>*Study all non-essential services, programs, and projects and limit expansions</li> <li>*Implement interim budget reductions</li> <li>*Evaluate vacant positions for possible delayed start</li> </ul>
<b>Federal Funds Rate</b>	<b>4</b>	8 or more quarters of actual or forecasted negative economic trend and a 8% - 12% projected shortfall as a result of Federal Funds Rate showing increases against the previous quarter's actuals and upward activity.	unfavorable	<ul style="list-style-type: none"> <li>*Consider furloughs where required</li> <li>*Suspend all salary increases</li> <li>*Require strong justification for all large purchases</li> <li>*Evaluate services, programs, and projects for cuts</li> </ul>

# YEAR OVER YEAR MEDICAL COSTS

	2021 CIGNA	2022 UHC	2023 UHC
Admin Fees + Reinsurance Premiums	\$533,172	\$385,857	\$393,243
Medical Claims	\$1,830,856	\$1,565,562	\$2,184,132
RX Claims	\$536,407	\$422,639	\$711,217
Stop Loss Recovery	\$0	\$0	\$ (78,658)
District HSA Contributions	\$196,000	\$218,600	\$250,010
<b>Total</b>	<b>\$3,096,435</b>	<b>\$2,374,058</b>	<b>\$3,459,944</b>
<b>% Increase/Decrease Year Over Year</b>		<b>-23.33%</b>	<b>45.74%</b>







# FAMILY CARE CENTER

**MAY 2023 – JANUARY 2024**

## **PATIENT VISITS BY TYPE**

Office Visit / Tele-Health	399
Office Procedure	163
Lab Draw	48
Phone Consult / Follow Up	1,196
RX Dispensed	174

## **ESTIMATED NET SAVINGS**

**\$78,678**

## **ENGAGEMENT**

Employee	41%
Spouse	29%
Dependent	23%
Overall Engagement	30%



# ASSESSED VALUE FISCAL YEAR 2024-2025

Limited  
Assessed  
Value (LAV)

**\$1.648 billion**

Increase over  
prior year  
(7.79%)

**\$119.1 million**

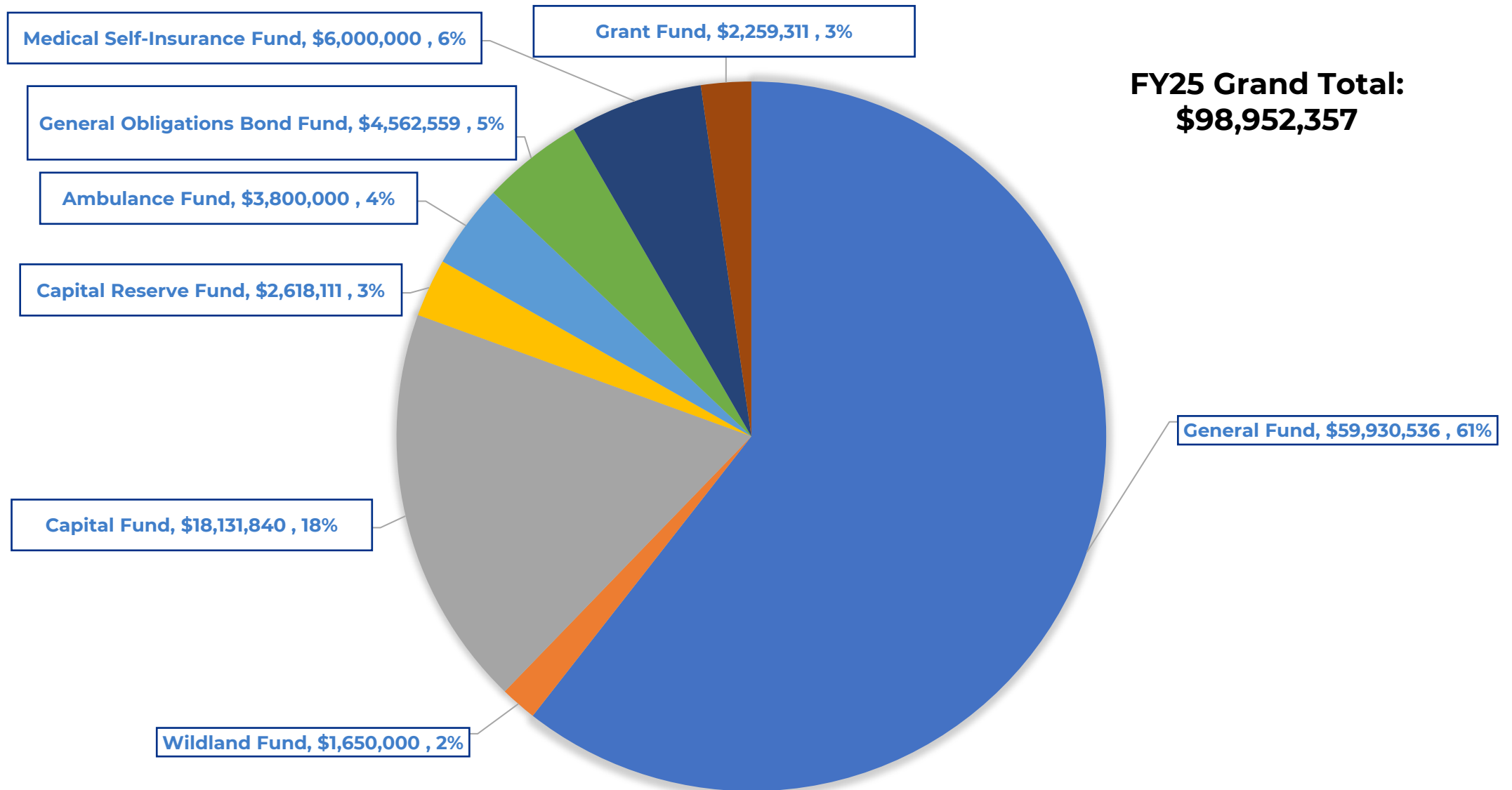
Additional  
revenue at  
current tax rate

**\$3.468 million**

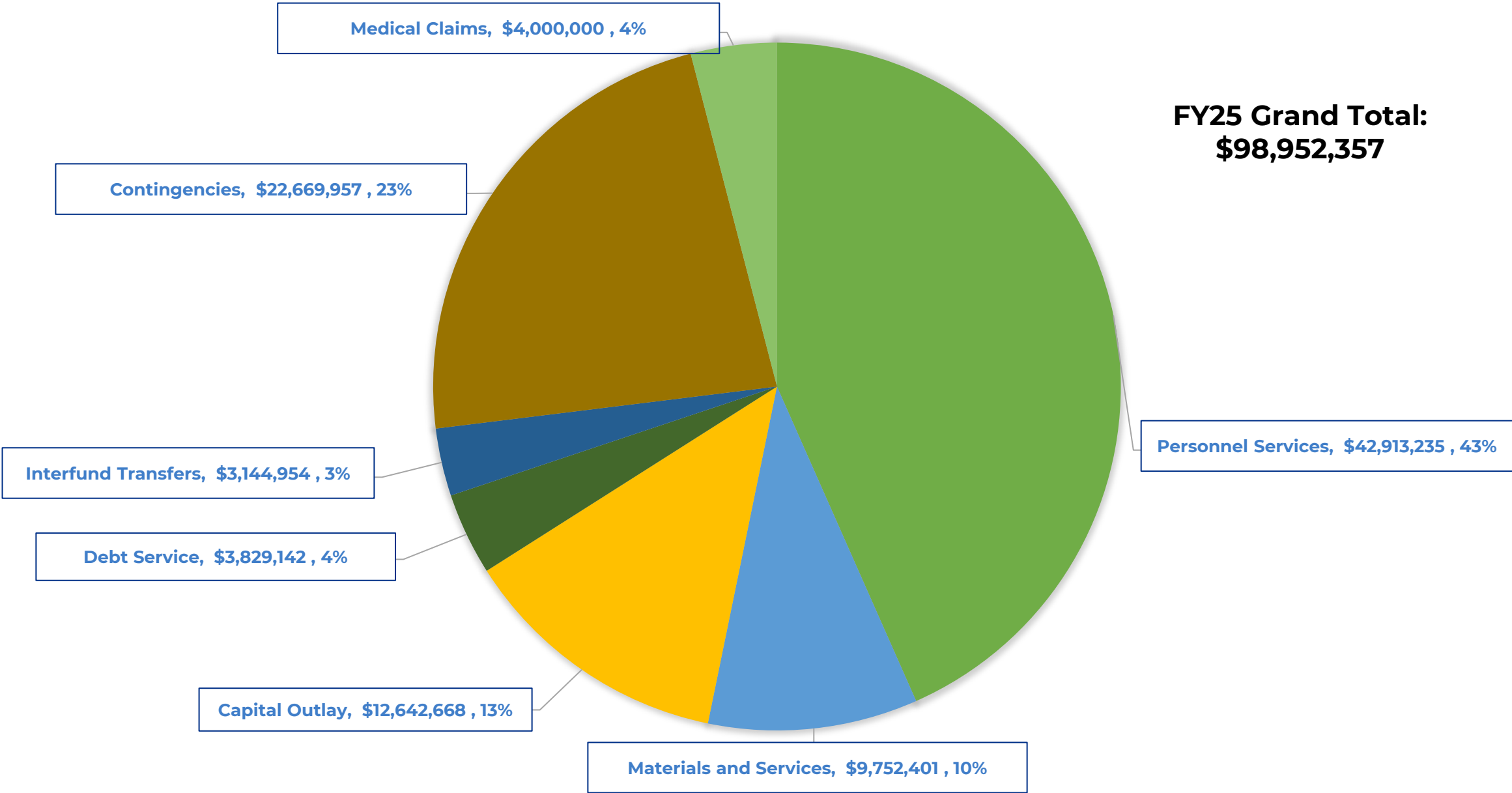
Additional  
revenue  
budgeted at  
98% collections

**\$3.398 million**

# FISCAL YEAR 2024-2025 TENTATIVE BUDGET RESOURCES BY FUND



# FISCAL YEAR 2024-2025 TENTATIVE BUDGET REQUIREMENTS BY FUND





# FISCAL YEAR 2024-2025

Description	All Funds		Description	All Funds
Available cash on hand	\$ 32,690,868			
<b>Resources</b>			<b>Requirements</b>	
Ambulance Revenues	\$ 3,300,000		Personnel Services	\$ 42,913,235
FDAT	\$ 390,000		Materials & Services	\$ 9,752,401
Dispatch revenue	\$ 579,852		Capital Outlay	\$ 12,642,668
Communications Contract	\$ 127,431		Debt Service Payments	\$ 3,829,142
Grant Proceeds	\$ 646,009		Medical Claims	\$ 4,000,000
Prevention review fees	\$ 389,000		Transfers Out	\$ 3,144,954
Intergovernmental agreements	\$ 835,000		Contingency	\$ 22,669,957
Rents/leases	\$ 71,504			
Facility use	\$ 10,000			
Training revenue	\$ 4,875			
Technology maintenance revenue	\$ 36,603			
Investment Revenue	\$ 650,000			
Smart & Safe AZ - Prop 207	\$ 390,000			
Previously levied taxes estimated to be received	\$ 560,000			
Transfers from other funds	\$ 3,144,954			
Billings from other funds	\$ 4,000,000			
Total resources, except taxes to be levied	\$ 15,135,228			
Taxes estimated to be received	\$ 51,126,261			
<b>TOTAL RESOURCES</b>	<b>\$ 98,952,357</b>		<b>TOTAL REQUIREMENTS</b>	<b>\$ 98,952,357</b>

# FISCAL YEAR 2024-2025 CHANGES

Description	Amount
Tax Revenue (7.79% increase)	\$3,398,821
<i>Tax Revenue (\$.0209)</i>	<i>\$344,545</i>
Interest	\$375,000
Ambulance Revenue	\$500,000
Step Increase (includes ERE except PSPRS)	(\$810,000)
10 Positions (SAFER Grant Ending except PSPRS)	(\$495,860)
Market Adjustment* (includes ERE except PSPRS)	(\$532,297)
PSPRS	(\$685,360)
Medical	(\$500,000)
Academy Costs (non-personnel)	(\$253,000)
Materials, Supplies, & Services (7.81% increase)	(\$761,006)
<i>Transfer to Reserve</i>	<i>\$(344,545)</i>
	<b>\$0</b>

\*includes phase 2 of compensation study adjustment & 1% market adjustment for all employees



# FUND BALANCE POLICY

- 1. General Fund Unassigned Fund Balance** – The District shall strive to maintain the General Fund unassigned fund balance at 20 percent of regular general fund operating revenues. After completion of the annual audit, if the unassigned fund balance exceeds 20 percent, the excess must be specifically designated for subsequent year expenditures or transferred to the Capital Projects Fund. (The use of this Fund shall be guided by the Capital Expenditures and Improvements Policy Statements.)
- 2. Use of Fund Balance** – Fund Balance shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, restoration recommendations will accompany the decision to utilize said balance.

	FY2024*	FY2023	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014
<b>General Revenues</b>	\$ 47,158,251	\$ 44,617,697	\$ 40,375,197	\$ 37,414,786	\$ 34,672,117	\$ 32,563,348	\$ 30,601,292	29,519,577	\$ 27,556,999	\$ 27,140,991	\$ 27,037,636
<b>20%</b>	\$ 9,431,650	\$ 8,923,539	\$ 8,075,039	\$ 7,482,957	\$ 6,934,423	\$ 6,512,670	\$ 6,120,258	\$ 5,903,915	\$ 5,511,400	\$ 5,428,198	\$ 5,407,527
<b>Unassigned FB</b>	\$ 9,243,017	\$ 8,819,465	\$ 7,516,993	\$ 5,620,400	\$ 5,976,213	\$ 6,488,073	\$ 5,164,700	\$ 5,329,844	\$ 5,750,826	\$ 6,354,350	\$ 7,784,984
<b>Unassigned FB %</b>	19.60%	19.77%	18.62%	15.02%	17.24%	19.92%	16.88%	18.06%	20.87%	23.41%	28.79%
<b>% Over/(Under) Policy</b>	-0.40%	-0.23%	-1.38%	-4.98%	-2.76%	-0.08%	-3.12%	-1.94%	0.87%	3.41%	8.79%
<b>\$ Over/(Under) Policy</b>	\$ (188,633)	\$ (104,074)	\$ (558,047)	\$ (1,862,557)	\$ (958,210)	\$ (24,597)	\$ (955,558)	\$ (574,071)	\$ 239,426	\$ 926,152	\$ 2,377,457
<b>Operating Tax Rate</b>	\$ 2.9110	\$ 2.9110	\$ 2.9110	\$ 2.7095	\$ 2.7095	\$ 2.7095	\$ 2.6995	\$ 2.6995	\$ 2.6086	\$ 2.6083	\$ 2.6926

\* FY2024 is estimated based on revenues through January 2024

# FUND 400

## CAPITAL IMPROVEMENT

### Capital Fund 400

	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	Master Plan	TOTAL
<b>SOURCES</b>							
Beginning Fund Balance	\$ 15,600,000	\$ 4,809,627	\$ 20,892,873	\$ 25,664,616	\$ 10,810,250	\$ 14,415,484	
Communications Contract Revenue	\$ 127,431	\$ 130,617	\$ 133,882	\$ 137,229	\$ 140,660	\$ 144,176	\$ 813,996
Debt Proceeds	\$ -	\$ 19,700,000	\$ 14,000,000	\$ -	\$ 11,950,000	\$ -	\$ 45,650,000
Transfers In	\$ 2,404,409	\$ 2,524,629	\$ 2,650,861	\$ 2,783,404	\$ 2,922,574	\$ 3,068,703	\$ 16,354,580
<b>Total Revenue</b>	<b>\$ 2,531,840</b>	<b>\$ 22,355,246</b>	<b>\$ 16,784,743</b>	<b>\$ 2,920,633</b>	<b>\$ 15,013,234</b>	<b>\$ 3,212,879</b>	<b>\$ 62,818,576</b>
<b>Total Sources</b>	<b>\$ 18,131,840</b>	<b>\$ 27,164,873</b>	<b>\$ 37,677,616</b>	<b>\$ 28,585,250</b>	<b>\$ 25,823,484</b>	<b>\$ 17,628,363</b>	
<b>USES</b>							
	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	Master Plan	TOTAL
<b>Engines (2) - FY22-23 (carryover)</b>	\$ 1,600,462	\$ -	\$ -	\$ -	\$ -	\$ -	1,600,462
<b>Engines (2) - FY23-24 (carryover)</b>	\$ 1,774,007	\$ -	\$ -	\$ -	\$ -	\$ -	1,774,007
<b>Aerial Platform Apparatus - FY23-24 (carryover)</b>	\$ 1,880,961	\$ -	\$ -	\$ -	\$ -	\$ -	1,880,961
Aerial Platform Equipment Load	\$ 140,155	\$ -	\$ -	\$ -	\$ -	\$ -	140,155
<b>Ambulances (2) - FY23-24 (carryover)</b>	\$ 590,083	\$ -	\$ -	\$ -	\$ -	\$ -	590,083
Training Drive Project	\$ 4,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	4,500,000
Station 330 & 332 Bay Heating Improvement	\$ -	\$ 273,000	\$ -	\$ -	\$ -	\$ -	273,000
Vehicle/Apparatus Replacement Program	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	11,100,000
Fuel Trailer	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	35,000
Vehicle Lifts (2)	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	30,000
Network Infrastructure Replacement	\$ 96,000	\$ 80,000	\$ 59,000	\$ 200,000	\$ -	\$ -	435,000
Cardiac Monitor Replacement (Transfer to Reserve)	\$ -	\$ 308,000	\$ 308,000	\$ 308,000	\$ 308,000	\$ 308,000	1,540,000
SCBA Cylinder Replacement (Transfer to Reserve)	\$ 396,000	\$ 396,000	\$ 396,000	\$ 396,000	\$ -	\$ -	1,584,000
Future Station Build Needs Non-Bond (Transfer to Reserve)	\$ 344,545	\$ -	\$ -	\$ -	\$ -	\$ -	344,545
Combine Essential Services Divisions to One Location	\$ -	\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000	\$ -	3,400,000
Station 340 Construction	\$ -	\$ -	\$ 8,400,000	\$ 5,600,000	\$ -	\$ -	14,000,000
Station 340 Furniture & Equipment	\$ -	\$ -	\$ -	\$ 321,000	\$ -	\$ -	321,000
Aerial Platform Apparatus for Station 340	\$ -	\$ 2,300,000	\$ -	\$ -	\$ -	\$ -	2,300,000
Station 331 Demolition & Rebuild	\$ -	\$ -	\$ -	\$ 8,400,000	\$ 5,600,000	\$ -	14,000,000
Station 342 Land Purchase	\$ -	\$ -	\$ -	\$ -	\$ 750,000	\$ -	750,000
Station 342 Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000	9,000,000
Station 342 Furniture & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 268,000	268,000
Engines (2) for Future Stations	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000	\$ -	2,200,000
<b>Total Uses</b>	<b>\$ 13,322,213</b>	<b>\$ 6,272,000</b>	<b>\$ 12,013,000</b>	<b>\$ 17,775,000</b>	<b>\$ 11,408,000</b>	<b>\$ 11,276,000</b>	<b>72,066,213</b>
<b>Ending Fund Balance</b>	<b>\$ 4,809,627</b>	<b>\$ 20,892,873</b>	<b>\$ 25,664,616</b>	<b>\$ 10,810,250</b>	<b>\$ 14,415,484</b>	<b>\$ 6,352,363</b>	

\$3.8M - 2023 series debt proceeds in Fund Balance

# POTENTIAL FUTURE BOND NEEDS

Capital Project	Estimated Cost
Combine Essential Services Divisions to One Location	\$3,400,000
Construction of Station 340	\$14,000,000
Aerial Platform Apparatus for Station 340	\$2,300,000
Station 331 Demolition & Rebuild	\$14,000,000
Land Purchase for Station 342	\$750,000
Construction of Station 342	\$9,000,000
Engines (2) for Future Stations	\$2,200,000
<b>TOTAL</b>	<b>\$45,650,000</b>

# ESTIMATED FY24/25 DEBT LIMITATION

Estimated FY24/25 Net Limited Assessed Property Valuation:	\$1,648,537,835
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Estimated FY24/25 Debt Limitation: (6% of Net Limited Assessed Property Value)	\$98,912,270
Less: General Obligation Bonds Outstanding <sub>1</sub>	(25,730,000)
Less: Original Issue Premium <sub>2</sub>	(1,780,740)
<b>Projected Unused Borrowing Capacity</b>	<b><u>\$71,401,530</u></b>

<sub>1</sub> Represents the District's principal balance following the July 1, 2024, debt service payment.

<sub>2</sub> Represents the unamortized portion of premium that was utilized for project purposes.





# Northwest Fire District of Pima County

## Debt Service and Tax Rate Analysis

EXAMPLE: \$45,650,000 - November 2025 Bond Authorization

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)			
		FYE	Projected Net Assessed Valuation (a)	Growth Rate	EXISTING	PROPOSED				PROPOSED			PROPOSED			COMBINED PROPOSED		ESTIMATED AGGREGATE							
					Outstanding Debt Service	Plus: \$19,400,000 Series 2026				Plus: \$14,000,000 Series 2027			Plus: \$11,950,000 Series 2028			Debt Service		Estimated Debt Service		Combined Tax Rates					
					Annual P & I (b)	Estimated Tax Rate (c)	Principal	Interest (d)	Capitalized Interest	Annual P&I	Principal	Interest (d)	Annual P&I	Principal	Interest (d)	Annual P&I	Total Debt Service	Proposed Tax Rate	Aggregate P&I	Estimated Tax Rate (c)	Operations Tax Rate (c)	Est. Combined Tax Rate (c)			
Historical	2017		\$1,035,651,466	4.2%		\$2,918,959	\$0.2925												\$2,918,959	\$0.2925	\$2.6995	\$2.9920			
	2018		1,080,073,267	4.3%		3,778,820	0.3739												3,778,820	0.3739	2.6995	3.0734			
	2019		1,136,805,280	5.3%		3,856,868	0.3406												3,856,868	0.3406	2.7095	3.0501			
	2020		1,206,875,030	6.2%		4,083,771	0.2954												4,083,771	0.2954	2.7095	3.0049			
	2021		1,271,363,993	5.3%		3,685,325	0.2900												3,685,325	0.2900	2.7095	2.9995			
	2022		1,373,136,865	8.0%		3,708,025	0.2700												3,708,025	0.2700	2.7795	3.0495			
	2023		1,440,337,964	4.9%		3,723,175	0.2585												3,723,175	0.2585	2.9110	3.1695			
Current	2024		\$1,529,397,141	6.2%		3,869,626	\$0.2532												\$4,904,292	\$0.2532	\$2.9110	\$3.1642			
	2025		1,648,537,835	7.8%		3,829,142	0.2323												3,829,142	0.2323	2.9310	3.1633			
	2026		1,737,865,471	5.4%		3,800,687	0.2187												3,800,687	0.2187	2.9460	3.1647			
	2027		1,832,033,412	5.4%		3,665,709	0.2001			\$1,034,667	(\$825,000)	\$209,667		\$186,667	\$186,667			\$396,333	\$0.0216	4,062,042	0.2217	2.9460	3.1677		
	2028		1,931,303,935	5.4%		2,801,750	0.1451		200,000	776,000	-	976,000		560,000	560,000			1,536,000	0.0795	4,337,750	0.2246	2.9410	3.1656		
	2029		2,035,953,528	5.4%		2,802,900	0.1377		400,000	768,000	-	1,168,000		560,000	560,000			1,728,000	0.0849	4,530,900	0.2225	2.9410	3.1635		
	2030		2,146,273,663	5.4%		2,680,772	0.1249		350,000	752,000	-	1,102,000	\$300,000	560,000	860,000		\$159,333	\$159,333	2,121,333	0.0988	4,802,105	0.2237	2.9410	3.1647	
	2031		2,169,533,250	1.1%		2,685,898	0.1238		200,000	738,000	-	938,000	200,000	548,000	748,000		-	478,000	478,000	2,164,000	0.0997	4,849,898	0.2235	2.9410	3.1645
	2032		2,193,044,907	1.1%		2,622,000	0.1196		250,000	730,000	-	980,000	150,000	540,000	690,000	\$200,000	478,000	678,000	2,348,000	0.1071	4,970,000	0.2266	2.9410	3.1676	
	2033		2,216,811,363	1.1%		2,056,700	0.0928		400,000	720,000	-	1,120,000	350,000	534,000	884,000	500,000	470,000	970,000	2,974,000	0.1342	5,030,700	0.2269	2.9410	3.1679	
	2034		2,240,835,382	1.1%		1,996,300	0.0891		400,000	704,000	-	1,104,000	500,000	520,000	1,020,000	500,000	450,000	950,000	3,074,000	0.1372	5,070,300	0.2263	2.9410	3.1673	
	2035		2,265,119,754	1.1%		1,562,250	0.0690		500,000	688,000	-	1,188,000	700,000	500,000	1,200,000	750,000	430,000	1,180,000	3,568,000	0.1575	5,130,250	0.2265	2.9410	3.1675	
	2036		2,289,667,300	1.1%		1,496,250	0.0653		600,000	668,000	-	1,268,000	750,000	472,000	1,222,000	750,000	400,000	1,150,000	3,640,000	0.1590	5,136,250	0.2243	2.9410	3.1653	
	2037		2,314,480,872	1.1%					1,500,000	644,000		2,144,000	1,300,000	442,000	1,742,000	1,000,000	370,000	1,370,000	5,256,000	0.2271	5,256,000	0.2271	2.9410	3.1681	
	2038		2,339,563,354	1.1%					1,800,000	584,000		2,384,000	1,100,000	390,000	1,490,000	1,050,000	330,000	1,380,000	5,254,000	0.2246	5,254,000	0.2246	2.9410	3.1656	
	2039		2,364,917,660	1.1%					2,200,000	512,000		2,712,000	1,000,000	346,000	1,346,000	1,000,000	288,000	1,288,000	5,346,000	0.2261	5,346,000	0.2261	2.9410	3.1671	
	2040		2,390,546,736	1.1%					2,600,000	424,000		3,024,000	1,000,000	306,000	1,306,000	750,000	248,000	998,000	5,328,000	0.2229	5,328,000	0.2229	2.9410	3.1639	
	2041		2,416,453,559	1.1%					2,800,000	320,000		3,120,000	1,000,000	266,000	1,266,000	850,000	218,000	1,068,000	5,454,000	0.2257	5,454,000	0.2257	2.9410	3.1667	
	2042		2,442,641,139	1.1%					2,000,000	208,000		2,208,000	1,800,000	226,000	2,026,000	1,100,000	184,000	1,284,000	5,518,000	0.2259	5,518,000	0.2259	2.9410	3.1669	
	2043		2,469,112,519	1.1%					3,200,000	128,000		3,328,000	1,750,000	154,000	1,904,000	250,000	140,000	390,000	5,622,000	0.2277	5,622,000	0.2277	2.9410	3.1687	
	2044		2,469,112,519	1.1%					-			-	2,100,000	84,000	2,184,000		3,250,000	130,000	3,380,000	5,564,000	0.2253	5,564,000	0.2253	2.9410	3.1663
Totals:									\$19,400,000	\$10,398,667	\$ (825,000)	\$ 28,973,667	\$ 14,000,000	\$ 7,008,000	\$ 21,008,000	\$ 11,950,000	\$ 4,773,333	\$ 16,723,333	\$66,891,667		\$105,663,517				

(a) The FY 24/253 Net Assessed Limited Property Value is preliminary. FY26-FY30 assume the 10 year average growth of 5.4%. Assessed valuations thereafter assume 20% of the 10 year average.

(b) Bond debt service (P&I) is actual.

(c) Tax Rates through and including 2024 are actual.

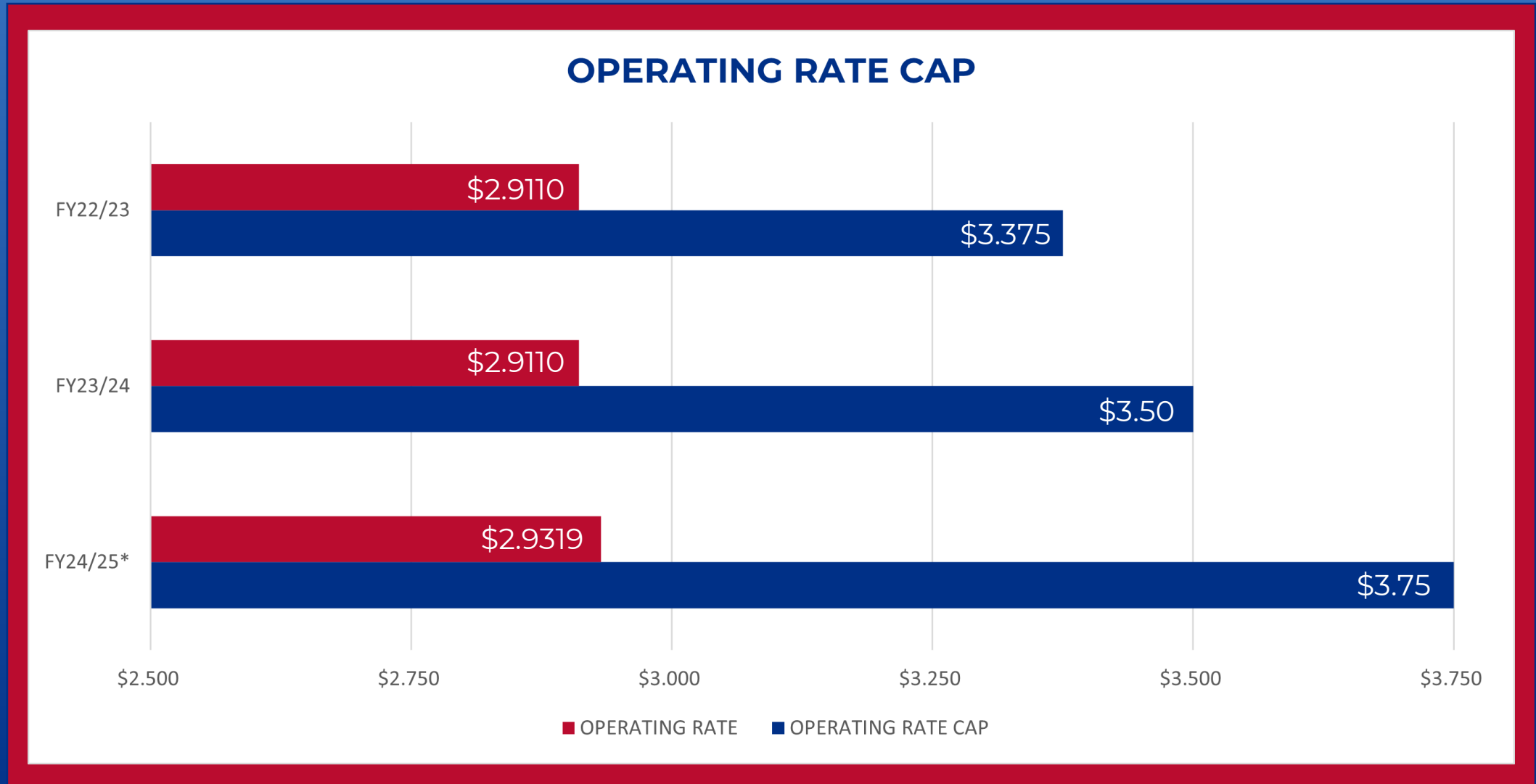
Avg. Tax Rate for Proposed Bonds \$0.1603



# HISTORICAL TAX RATE INFORMATION

<u>Fiscal Year</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Combined</u>
2011	\$2.1761	\$0.2885	\$2.4646
2012	\$2.4103	\$0.3006	\$2.7109
2013	\$2.5253	\$0.3130	\$2.8383
2014	\$2.6926	\$0.3287	\$3.0213
2015	\$2.6083	\$0.3189	\$2.9272
2016	\$2.6086	\$0.3052	\$2.9138
2017	\$2.6995	\$0.2925	\$2.9920
2018	\$2.6995	\$0.3739	\$3.0734
2019	\$2.7095	\$0.3406	\$3.0501
2020	\$2.7095	\$0.2954	\$3.0049
2021	\$2.7095	\$0.2900	\$2.9995
2022	\$2.7795	\$0.2700	\$3.0495
2023	\$2.9110	\$0.2585	\$3.1695
2024	\$2.9110	\$0.2532	\$3.1642
<i>static combined rate</i>			
<b>2025</b>	<b>\$2.9319</b>	<b>\$0.2323</b>	<b>\$3.1642</b>

# HISTORICAL TAX RATE INFORMATION



# CONSIDERATIONS



Direction from Board regarding seeking authorization to form Bond Committee



Direction from Board regarding static combined rate strategy