

**GOVERNING BOARD AGENDA ITEM
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

DATE OF MEETING: June 21, 2010

TITLE: **Delegation of Authority to Superintendent and Chief Financial Officer to Certify the District's Projected Ending Cash Balance for the 2009-2010 Fiscal Year for 2010-2011 Budget Process**

BACKGROUND: During its second regular session, the 49th Legislature passed SB 1188 as emergency act. The bill modified existing statutory provisions relating to the estimation of property taxes by each county school superintendent.

A.R.S. § 15-302 and A.R.S. § 15-991 presently outline the relevant duties of a county school superintendent. These elected officials are required to:

- distribute all laws, reports, circulars, instructions and forms that they receive for the use of school officers;
- record all official acts;
- appoint governing board members of school districts to fill all vacancies;
- make reports, when directed by the Superintendent of Public Instruction, showing matters relating to schools in that county;
- *file, in writing, with the governing board of each school district in the county and the Board of Supervisors the estimate of monies required by each school district annually, based on the budgets adopted by the governing boards; and*
- recalculate equalization assistance for education and compute the additional amount to be levied for pupil transportation costs no later than August 1 (A.R.S. § 15-991).

SB 1188 now adds the Property Tax Oversight Commission (PTOC) to the list of those to whom a county school superintendent must report the estimated amount of monies each school district needs for the upcoming year.

The PTOC, established pursuant to A.R.S. § 42-17002, consists of the Director of the Department of Revenue (as chairman) and four persons who are knowledgeable in the area of property tax assessment and levy. The commission members are appointed by the Governor, the President of the Arizona Senate, and the Speaker of the Arizona House of Representatives. The stated purpose of the PTOC is to further the public confidence in property tax limitations, provide a uniform methodology for determining those limitations, and provide a continuing review of practices for ensuring a fair and equitable administration of property tax laws.

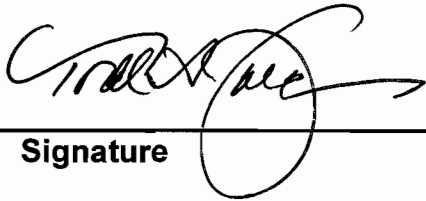
SB 1188 also specifies that the county superintendent's estimate of the amount of funds required by each school district must include the projected ending cash balance from the previous year and be adjusted for encumbrances and payables as provided by the school district and as certified by the president of the school district governing board. The county superintendent is then required by the law to subtract from each school district's budgeted expenditures the total amount of estimated revenues including the projected ending cash balance from the previous year adjusted for encumbrances and payables in order to estimate the additional amounts needed from the primary and secondary property tax for each school district.

The county superintendent must then certify, in writing, the estimated additional amounts needed from the primary and secondary property tax for each school district to the Board of Supervisors and the PTOC. The county superintendent must also certify the amount of equalization assistance for education and the amount needed for each school district from the primary property tax to the Board of Supervisors and the PTOC

The timing of these processes, culminating in the setting of the school district tax rate can be exacting. In order to facilitate the certification and budgeting process, and allow for timely procedures, SB 1188 allows a school district governing board to delegate the authority to certify the district's projected ending cash balance to a school district superintendent or business manager.

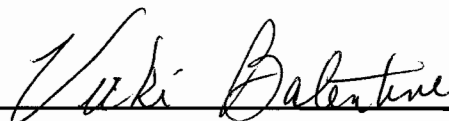
It is recommended that the Board make such a delegation by policy, and such a policy form will be drafted in the future. For the present, however, a one time delegation by this item is proposed.

RECOMMENDATION: The Administration recommends the Board approve the delegation of authority to the Superintendent and Chief Financial Officer for certifying the projected ending cash balance for the 2009-2010 fiscal year to the Pima County School Superintendent.

INITIATOR:		Todd A. Jaeger	6/14/2010
	Signature	Name/Title	

**ASSOCIATE SUPERINTENDENT
SIGNATURE:**

SUPERINTENDENT SIGNATURE:



REC'D OFFICE OF THE
ASSOC. TO THE SUPT.



10 JUN 14 PM 2:26

Linda Arzoumanian, Ed.D.
Pima County School Superintendent

Debbie D'Amore
Chief Deputy

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June 9, 2010

Hon. Jeff Grant
Governing Board President
Amphitheater Unified School District No. 10
701 W. Wetmore
Tucson, AZ 85705

Dear Mr. Grant:

During the latest legislative session, the Arizona Legislature updated the requirements for all county school superintendents to report the annual estimate of school district monies pursuant to A.R.S. §15-991. These new requirements will modify the way the Office of the Pima County School Superintendent and school districts will calculate tax rates for the fiscal year starting July 1, 2010.

One of the changes implemented this upcoming year will require each school district Governing Board President to certify the projected ending cash balance, adjusted for encumbrances and payables, from the fiscal year that ends on June 30, 2010. The update in the statute also specifies that a Governing Board may delegate the authority to certify your school district's projected ending cash balance to the District Superintendent or the Business Manager. Once certified, the projection will be reported to the Property Tax Oversight Commission at the Arizona Department of Revenue.

Enclosed with this letter is a form that will allow your district to certify its projected ending cash balance for the fiscal year that ends on June 30, 2010. The form must be signed by the school district Governing Board President. If the authority to certify this form is delegated to the District Superintendent or the Business Manager, a copy of the Governing Board meeting minutes indicating that this authority was delegated, and to whom, must be included with this form.

Because these estimates must be provided for each of Pima County's 17 school districts on or before August 1st, the certification is provided must be returned no later than Friday, July 23, 2010. If you have questions or concerns, please do not hesitate to contact Ricardo Hernández, Chief Financial Officer, at (520) 740-8451 or at ricardo.hernandez@schools.pima.gov. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Arzoumanian".

Linda Lee Arzoumanian, Ed.D.
Pima County School Superintendent

Cc: Dr. Vicki Balentine, Superintendent
Scott Little, Chief Financial Officer

The Pima County School Superintendent's Office promotes educational excellence
through *leadership, service, and collaboration*.

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-991, Arizona Revised Statutes, is amended to
3 read:

4 15-991. Annual estimate by county school superintendent of
5 monies for ensuing year

6 A. The county school superintendent, not later than August 1 each
7 year, shall file in writing with the governing board of each school district
8 in the county, ~~and~~ the board of supervisors AND THE PROPERTY TAX OVERSIGHT
9 COMMISSION the superintendent's estimate of the amount of school monies
10 required by each school district for the ensuing year, based on the budgets
11 adopted by the governing boards of the school districts. The estimate shall
12 contain:

13 1. A statement of the student count of each school district.

14 2. The total amount to be received for the year by each school
15 district from the county school fund and the special county school reserve
16 fund.

17 3. The PROJECTED ending cash balance from the previous year ADJUSTED
18 FOR ENCUMBRANCES AND PAYABLES for each school district AS PROVIDED BY THE
19 SCHOOL DISTRICT AND AS CERTIFIED BY THE PRESIDENT OF THE SCHOOL DISTRICT
20 GOVERNING BOARD. A GOVERNING BOARD MAY DELEGATE TO A SUPERINTENDENT, HEAD
21 TEACHER OR BUSINESS MANAGER THE AUTHORITY TO CERTIFY THE PROJECTED CASH
22 BALANCE.

23 4. The anticipated interest earnings for each school district.

24 5. Revenues equal to the amount included in the adopted budget for the
25 maintenance and operation section of the budget permitted by section 15-947,
26 subsection C, paragraph 2, subdivision (a), items (ii), (iii), (iv), (v) and
27 (vi) and subdivision (d). The county school superintendent shall SUBTRACT
28 FROM EACH SCHOOL DISTRICT'S BUDGETED EXPENDITURES THE TOTAL AMOUNT OF
29 ESTIMATED REVENUES INCLUDING THE PROJECTED ENDING CASH BALANCE FROM THE
30 PREVIOUS YEAR ADJUSTED FOR ENCUMBRANCES AND PAYABLES IN ORDER TO estimate the
31 additional amounts needed for each school district from the primary property
32 tax and the secondary property tax. ~~and~~ THE COUNTY SCHOOL SUPERINTENDENT
33 shall certify such amounts to the board of supervisors AND THE PROPERTY TAX
34 OVERSIGHT COMMISSION in writing at the time of filing the estimate. When
35 estimating the additional amount needed from the primary property tax for a
36 school district that is not eligible for any equalization assistance as
37 provided in section 15-971, the county school superintendent shall include
38 the school district governing board's estimate of the increase in the revenue
39 control limit as prescribed by section 15-948 for the applicable year, except
40 that the percentage increase in average daily membership used to compute the
41 estimated increase in the revenue control limit may not exceed the average of
42 the percentage increase in average daily membership in the three years before
43 the year for which the estimate is made.

1 B. The county school superintendent shall recompute equalization
2 assistance for education for each school district as provided in section
3 15-971, subsection A using the property values provided by the county
4 assessor as provided in section 42-17052. The county school superintendent
5 shall certify in writing the amount of equalization assistance for education
6 and the amount needed for each school district from the primary property tax
7 to the board of supervisors AND THE PROPERTY TAX OVERSIGHT COMMISSION on or
8 before the third day prior to the day the board of supervisors is required to
9 levy school district taxes as provided in section 15-992.

10 C. The county school superintendent shall compute the additional
11 amount to be levied as provided in section 15-992, subsection B, using the
12 property values provided in section 42-17052. The county school
13 superintendent shall certify in writing the additional amount to be levied to
14 the county board of supervisors AND THE PROPERTY TAX OVERSIGHT COMMISSION on
15 or before the third day prior to the day the board of supervisors is required
16 to levy school district taxes as provided in section 15-992.

17 D. On or before September 1, the governing board of a school district
18 shall file with the county school superintendent an estimate of the amount of
19 title VIII of the elementary and secondary education act of 1965 monies which
20 it is eligible to receive during the current year. On or before June 1, the
21 governing board shall file with the county school superintendent and the
22 superintendent of public instruction a statement of the actual amount of
23 title VIII of the elementary and secondary education act of 1965 monies it
24 received during the current year. This subsection does not apply to
25 accommodation schools.

26 E. The department may collect any other similar or related information
27 from school districts that the department may determine is necessary to carry
28 out the purposes of this section.

29 Sec. 2. Budget adjustments; extension

30 For fiscal year 2009-2010, notwithstanding any other law, any May 15
31 budget adjustment deadline prescribed by law for school districts, charter
32 schools and joint technical education districts shall be extended to July 15,
33 2010.

34 Sec. 3. Emergency

35 This act is an emergency measure that is necessary to preserve the
36 public peace, health or safety and is operative immediately as provided by
37 law.



Linda Arzoumanian, Ed.D.
Pima County School Superintendent

Debbie D'Amore
Chief Deputy

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FY2010 PROJECTED ENDING CASH BALANCE
SCHOOL DISTRICT CERTIFICATION FORM
PURSUANT TO A.R.S. §15-991(A)

SCHOOL DISTRICT: _____

DISTRICT FUND	PROJECTED ENDING CASH BALANCE	ADJUSTMENT FOR ENCUMBRANCES & PAYABLES
MAINTENANCE & OPERATIONS		
SOFT CAPITAL		
UNRESTRICTED CAPITAL		
ADJACENT WAYS		
CLASS A DEBT SERVICE		
CLASS B DEBT SERVICE		

BY SIGNING BELOW, I CERTIFY THAT THE AMOUNTS SPECIFIED ARE THE PROJECTED ENDING CASH BALANCES
ADJUSTED FOR ENCUMBRANCES AND PAYABLES AS OF JUNE 30, 2010.

SIGNED: _____ **TITLE:** _____
(Board President, Superintendent, or Business Manager Only)

Please provide contact information for a District representative should the
Property Tax Oversight Commission have questions regarding this certification.

Name:	Phone:
Address:	Email:

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