

COCHISE COUNTY

SUNSITE-PEARCE FIRE DISTRICT ANNEXATION

Impact Statement Review and Comments from
Board of Supervisors



Public Programs...Personal Service

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Statutory Citation

Pursuant to A.R.S. § 48-262, an Impact Statement for the annexation of territory into the Sunsites-Pearce Fire District was filed with the fire district governing board. By statute the fire district then sends the Impact Statement to the Board of Supervisors to review, comment and ask for any other additional information. After the Board reviews the Impact Statement, any comments are then sent in writing to the fire district governing board for consideration.



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Sequence of Events

An Impact Statement was filed with the governing board of the Sunsites-Pearce Fire District.

The fire district then set and published a date for a public hearing on the proposed annexation. Following that hearing, the board conditionally accepted the Impact Statement, pending written comments from the Board of Supervisors before petition signatures are collected.

A copy of the Impact Statement was mailed to the Board of Supervisors to review and comment.



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Impact Statement Requirements

The Impact Statement must include the following information:

1. Description of boundaries, with map
2. List of taxable properties per County Assessor
3. Estimate of assessed valuation of proposed area to be annexed
4. Estimated change in tax rate
5. Estimated change of property tax liability
6. List of benefits
7. List of injuries



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Impact Statement Requirements, con't.

The Clerk of the Board shall also determine the minimum number of signatures and assessed valuation required to comply with statute. Annexation petitions are to be signed by more than one-half of the property owners and persons owning collectively more than one-half of the assessed valuation of property within the proposed annexation.

Board of Supervisors shall determine the validity of signed petitions when submitted.



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Review of Impact Statement



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Description of area to be annexed, with map

- Area to be annexed is contiguous to current boundaries of the fire district
- County Assessor has reviewed the written legal description of area to be annexed
- GIS Department created map of proposed annexation



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List of taxable properties, per County Assessor

- List has been provided by the County Assessor and filed with the Clerk of the Board



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Estimated assessed valuation of proposed area to be annexed

- \$2,408,262



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Estimated change in tax rate

- If annexation is accomplished there will be no estimated tax rate reduction or increase.
- Current tax rate is \$3.20 per hundred dollars of assessed valuation.
- Taxes from this annexation would be due no sooner than July 2016.



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Estimated change of property tax liability

- Current language in Impact Statement is as follows:

AFTER the proposed boundary changes, a resident previously outside of the district with a median secondary assessed value, as listed above, would begin to pay Fire District tax in the estimated amount of \$336.51 per year.



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Estimated change of property tax liability (con't.)

- Review by the County Attorney suggests additional language to #5 B 2, be as follows:
 - AFTER the proposed boundary changes, a resident with a median secondary assessed value, as listed above, would begin to pay Fire District tax in the estimated amount of \$336.51 per year, *at the same “\$3.20 per hundred” tax rate as current fire district property owners pay.*



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List of benefits- Annexation Residents

- Many property owners in proposed area currently have Subscriptions with the fire district paying the same \$3.20 tax rate per hundred dollars assessed valuation.
- Those people would experience no change in the amount they pay for fire protection and would no longer have to renew Subscription each year.



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List of benefits- Annexation Residents (con't.)

- Certificate of Necessity held by the fire district covers all area to be annexed for ambulance service.
- Sunsites-Pearce Fire District has two fire stations with the Richland Station being only 2 miles from boundary of proposed annexation.
- Lower fire insurance premiums once part of a fire district with 24/7 emergency response.



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List of Benefits – Annexation Residents

- Relief from out of district billing liability for property owners who currently do not have a Subscription with the fire district.
- Residents will have a direct vote for election of governing board.
- The tax base of the Sunsites-Pearce Fire District will be increased by \$77,064.42.



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List of Benefits – Annexation Residents

- Proposed additional language per County Attorney for #6 B 1: *The tax revenue of the Sunsites-Pearce Fire District will be increased by \$77,064.42 with annexation of additional land.*
- Residents will receive direct benefit from additional tax base.
- Additional revenues to be used to fund fire suppression and other emergency services.



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List of Injuries- Annexation Residents

- Increase in property taxes that the residents and property owners of the to-be-annexed area will have to pay.
- The fire district is a governmental agency that could be subjected to potential liability during performance of its functions and should this occur, the tax rate could increase to pay for such liabilities. The fire district maintains liability insurance in amount believed to be adequate and a tax increase due to liability of this type is extremely remote.



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Next Steps

- ✓ Questions and further comments from Board of Supervisors.
- ✓ Elections/Special Districts to forward Board of Supervisors' written comments to governing board for consideration.
- ✓ Clerk of the Board to determine required minimum signatures.
- ✓ Petitions to be circulated and submitted to the Board of Supervisors' Office.
- ✓ If sufficient # of signatures gathered, annexation is achieved.

