

DEBT OVERSIGHT COMMISSION

Arizona Department of Administration



Minutes of Meeting

Friday, January 22, 2021
2:30 p.m.

**Andy Tobin ADOA
Director**

**Michael DiMaria
Member**

**Jennifer Stielow
Member**

**Jason Baran
Member**

Arizona Department of Administration

Virtual Meeting via Google Meets

Members Present

Andy Tobin, Chairman
Michael DiMaria, Member
Jennifer Stielow, Member
Jason Baran, Member

Others Present

Angela Dillard, General Accounting Office Staff
Joanna G. Greenaway, General Accounting Office Staff
Richard Evitch, General Accounting Office Staff
Jolene Teeters, General Accounting Office Staff

1. Call to Order

Director Tobin called the Debt Oversight Commission meeting to order at 2:33 PM and noted attendance for the record.

2. Approval of Minutes

The minutes of the December 5, 2019 meeting were reviewed. No additions or deletions to the minutes were recommended. Jennifer Stielow made a motion to approve the minutes as presented. Jason Baran seconded the motion. Members unanimously approved the minutes.

3. Review the FY2020 Report of Outstanding Indebtedness report

The report was distributed to the Commission members for review prior to the meeting. ADOA General Accounting Office (GAO) staff provided a summary of this year's report statistics:

- 954 entities should report
- 390 reported no debt; 30% of the entities
- 32 reported exempt from reporting; 3% of the entities
- 151 entities did not submit or send any response; 16% of the entities
- 803 entities reported to ADOA; 84% of the entities

Staff also provided the following report overview:

DEBT OVERSIGHT COMMISSION

Arizona Department of Administration



a. Entities in Excess of their Bonding Capacity

As of the date of this report, it does not appear as though any entity has exceeded their capacity through the issuance of new debt. This year School Districts general obligation (GO) Bonding Capacity has been included in the report, causing this list to grow. Entities that are over 60% of their full general obligation debt limit are:

- Buckeye Elementary District, 89.96%
- Tolleson Union High School District, 83.76%
- Union Elementary District, 76.36%
- Pendergast Elementary District, 75.43%
- Liberty Elementary District, 75.08%
- Tolleson Elementary District, 74.24%
- Avra Valley Fire District, 74.21%
- Osborn Elementary District, 70%
- Queen Creek Unified District, 69.26%
- City of El Mirage, 68%
- City of Tempe, 67%
- Laveen Elementary District, 66.5%
- Tubac Fire District, 64.39%
- Creighton Elementary District, 65.26%
- Glendale Elementary District, 64.06%
- Gadsden Elementary District, 63.53%
- Madison Elementary District, 63%
- Agua Fria Union High School District, 60.58%
- J O Combs Unified School District, 60.11%

b. How data is collected

Staff sent emails to all the entities from the previous year's contact list and used the State and County 2020 Abstract of the Assessment Roll presented by State of Arizona Department of Revenue. An Excel spreadsheet was sent to these entities at their request and available online to download for them to input their information. Then, staff uploads the data into an Access database in order to produce the report.

c. Non-Reporting Political Subdivisions

The list of entities that did not report their debt status for FY2020 are in the report section titled "FY 2020 Unsubmitted Debt Reports."

- For the FY2020 report (as of November 1, 2020), 151 entities had not reported
- For the FY2019 report:
 - 84 entities submitted their data untimely
 - 56 entities never submitted their data

d. Late Entity submissions

The deadline for entity submission was September 15, 2020. However, submissions were accepted and included in report through November 1, 2020.

The following entities sent submissions after November 1, 2020 and were not included in the final report:

DEBT OVERSIGHT COMMISSION

Arizona Department of Administration



- City of Williams
- Heber Domestic Water Improvement District
- Rio Rico Fire District
- Thatcher Unified School District
- Town of Kearny
- Mt. Lemmon Water District
- Chevelon Butte School District
- Whiteriver Unified District
- Town of Star Valley
- Clearwater Hills Fire District
- Duncan Valley Rural Fire District
- Altar Valley Elementary District
- Palominas Fire District
- Rancho Solano Improvement District
- Graham County Special Services
- Vernon Elementary School District
- Plymouth Street District K109
- Rocking K South Community Facilities District
- Flagstaff Unified School District
- Peach Springs Unified School District
- Villa Grande Improvement District
- Public Health Services District
- Kingman Regional Medical Center
- Pinal County Health Services District
- Desert Vista Sanitary District
- Blue Elementary School District
- Arizona State Land Department
- San Carlos Unified School District
- Adaman Irrigation Water Delivery District No. 6
- La Paz County
- Retreat at Oak Creek Domestic Water Improvement District
- Cochise County
- City of Yuma
- Companion Animal Spay/Neuter Committee
- Antelope Union High School
- Littlefield Unified School District
- Alpine Fire District
- San Carlos Unified School District
- Yuma Mesa Irrigation and Drainage District
- Mayer Fire District
- Department of Insurance
- Western Meadows Irrigation District
- Dudleyville Fire Department
- Elfrida Fire District
- Mcneal Elementary School District
- Valentine Elementary District
- East Valley Institute of Technology School District
- Payson Unified School District
- Continental Elementary School District

During and post staff report review, Commission members discussed number of missing and late submissions and impact of COVID-19 on reporting compliance, minor irregularities in the report and recommendations on potential reporting improvements including emphasizing accuracy from reporting entities. GAO staff will review the report irregularities and make necessary corrections. GAO staff will also consider reporting improvements and incorporate those changes, where practical, for next year's report. The Commission expressed their appreciation to GAO staff for FY2020 report improvements and emphasized the overall importance of the report to the public.

4. Adjournment

Director Tobin motioned to adjourn the Debt Oversight Commission meeting. Jennifer Stielow made a motion to adjourn. Jason Baran seconded the motion. The meeting was adjourned at 3:01 PM.