

# City of Flagstaff FY 2020 Budget

June 18, 2019





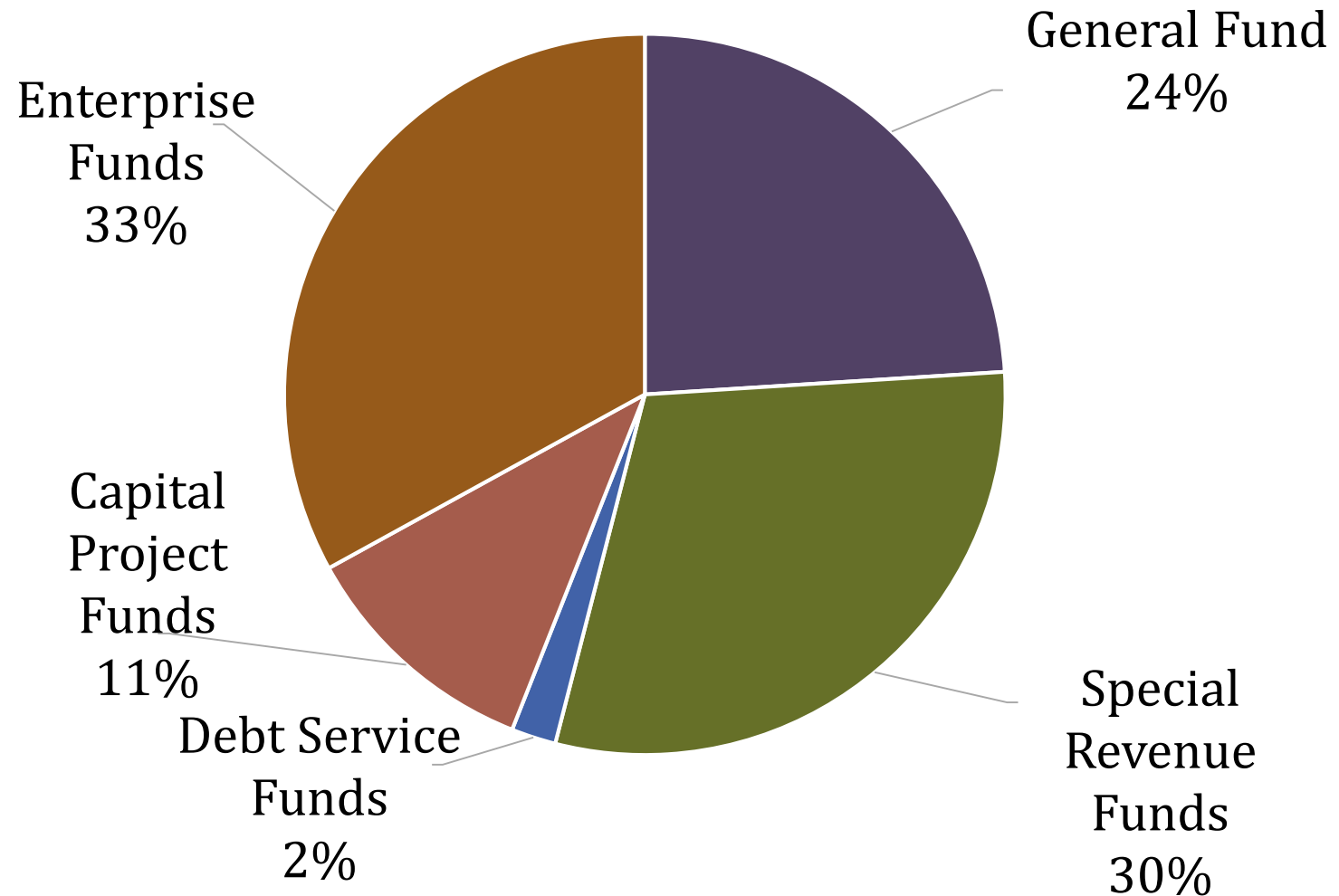
# FY 2020 Budget Timeline

- **June 4<sup>th</sup> – Tentative Budget Adoption**
- **June 18<sup>th</sup>**
  - Public Hearing for Truth in Taxation, Budget and Tax Levy
  - Final Budget Adoption
  - Truth in Taxation Roll Call Vote
  - 1<sup>st</sup> Reading of Property Tax Ordinance
- **July 2<sup>nd</sup>**
  - 2<sup>nd</sup> Reading and Adoption of Property Tax Ordinance

# FY 2020 Budget

Total FY 2020 Budget:  
\$338,853,866

\$58.9M (21%) increase over FY 2019

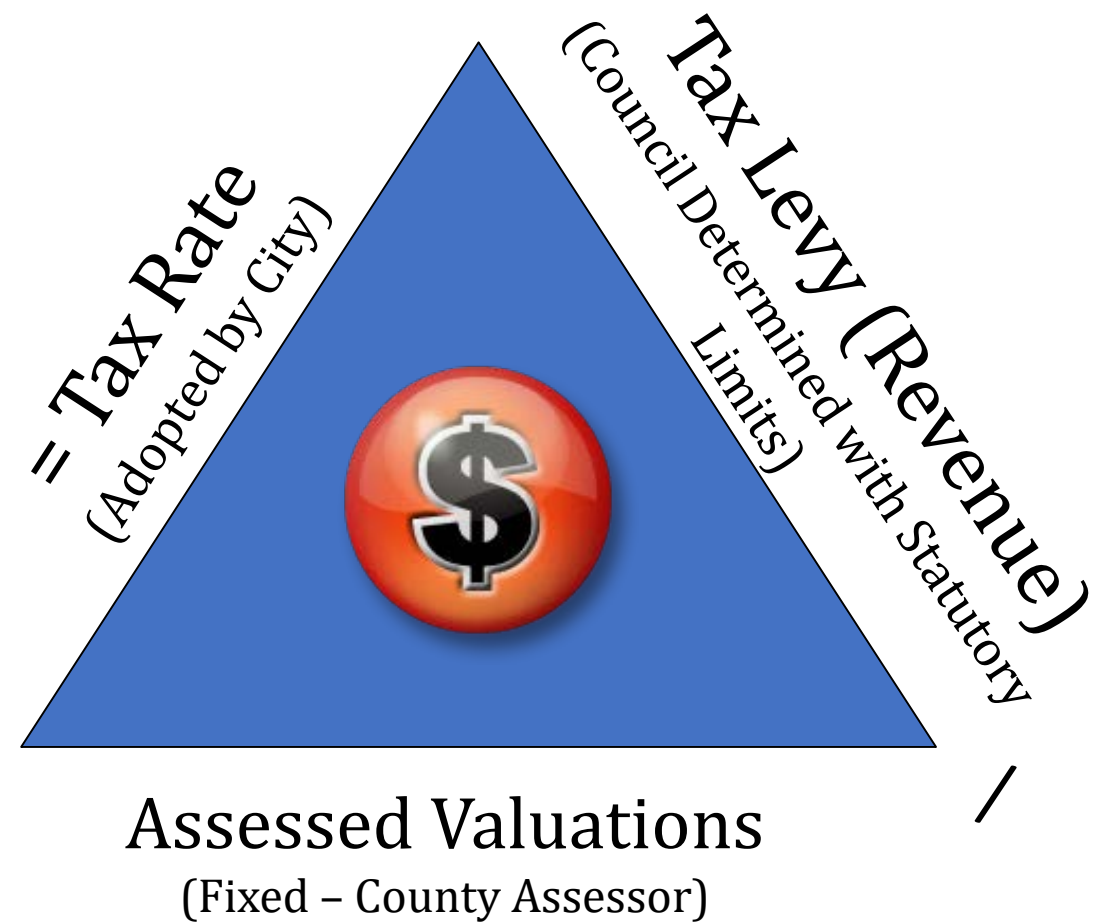




# Property Taxes

## Anatomy of Property Taxes

$$\text{Tax Levy (Revenue)} / \text{Assessed Valuation (AV)} = \text{Tax Rate}$$





# Proposed Property Tax

Total Proposed Primary Tax Levy: \$6,892,243

- Maximum allowable
- 2% increase plus new construction
- New construction revenue totals \$49,682
- Assessed values increased 7.15% on average
- Unrestricted per state statutes

Total Proposed Secondary Tax Levy: \$7,268,436

- Based on a flat rate of \$0.8366 per \$100/AV
- 7.95% levy increase
- Cannot exceed the estimated general obligation debt service payments for FY 2020



# Property Tax Rates

Property Tax Rates	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020 Proposed
Primary	\$ 0.8234	0.8121	0.8233	0.8334	0.7933
Secondary	0.8366	0.8366	0.8366	0.8366	0.8366
Total	\$ 1.6600	1.6487	1.6599	1.6700	1.6299

- **Primary Property Tax Rate (FY 2020)**
  - Proposed: .7933 per \$100/AV
  - Flat Levy: .7778 per \$100/AV
  - Maximum: .7933 per \$100/AV



# Property Assessed Values

	Budget 2019	Budget 2020	
	<u>Tax Year 2018</u>	<u>Tax Year 2019</u>	<u>% Increase</u>
Limited Net AV	\$804,836,851	\$868,806,647	7.9%
Full Cash Net AV	\$927,150,868	\$1,008,490,173	8.8%

- Determined by the County Assessor's Office
- New construction .8%
- Values based on valuation done in late 2017 for Tax Year 2019
- Limited assessed value is used to calculate both the primary and secondary property tax per State Statutes
- Limited assessed value is limited to maximum 5% increase per year for most real property



# City Property Tax Impact

## On Homeowners:

Impact on Home Owner-Primary:

	FY 2019 Value	Inc/Decr AV	FY 2020 Value	Incr/(Decr)	
	300,000	5.000%	315,000		
Primary Tax Estimate	250.02		249.89	(0.13)	-0.1%

Impact on Home Owner-Secondary:

	FY 2019 Value	Inc/Decr AV	FY 2020 Value	Incr/(Decr)	
	300,000	5.00%	315,000		
Secondary Tax Estimate	250.98		263.53	12.55	5.0%

- In FY 2019, City property taxes were 22% of the total homeowner property tax bill



# City Property Tax Impact

## Commercial Property:

Impact on Commercial-Primary:

	FY 2019 Value	Inc/Decr AV	FY 2020 Value	Incr/(Decr)	
	1,000,000	5.000%	1,050,000		
Primary Tax Estimate	1,500.12		1,499.34	(0.78)	-0.1%

Impact on Commercial-Secondary:

	FY 2019 Value	Inc/Decr AV	FY 2020 Value	Incr/(Decr)	
	1,000,000	5.00%	1,050,000		
Secondary Tax Estimate	1,505.88		1,581.17	75.29	5.0%

# Questions

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