

City of Flagstaff FY 2021-2022 Budget and Property Taxes



June 15, 2021



Budget Timeline

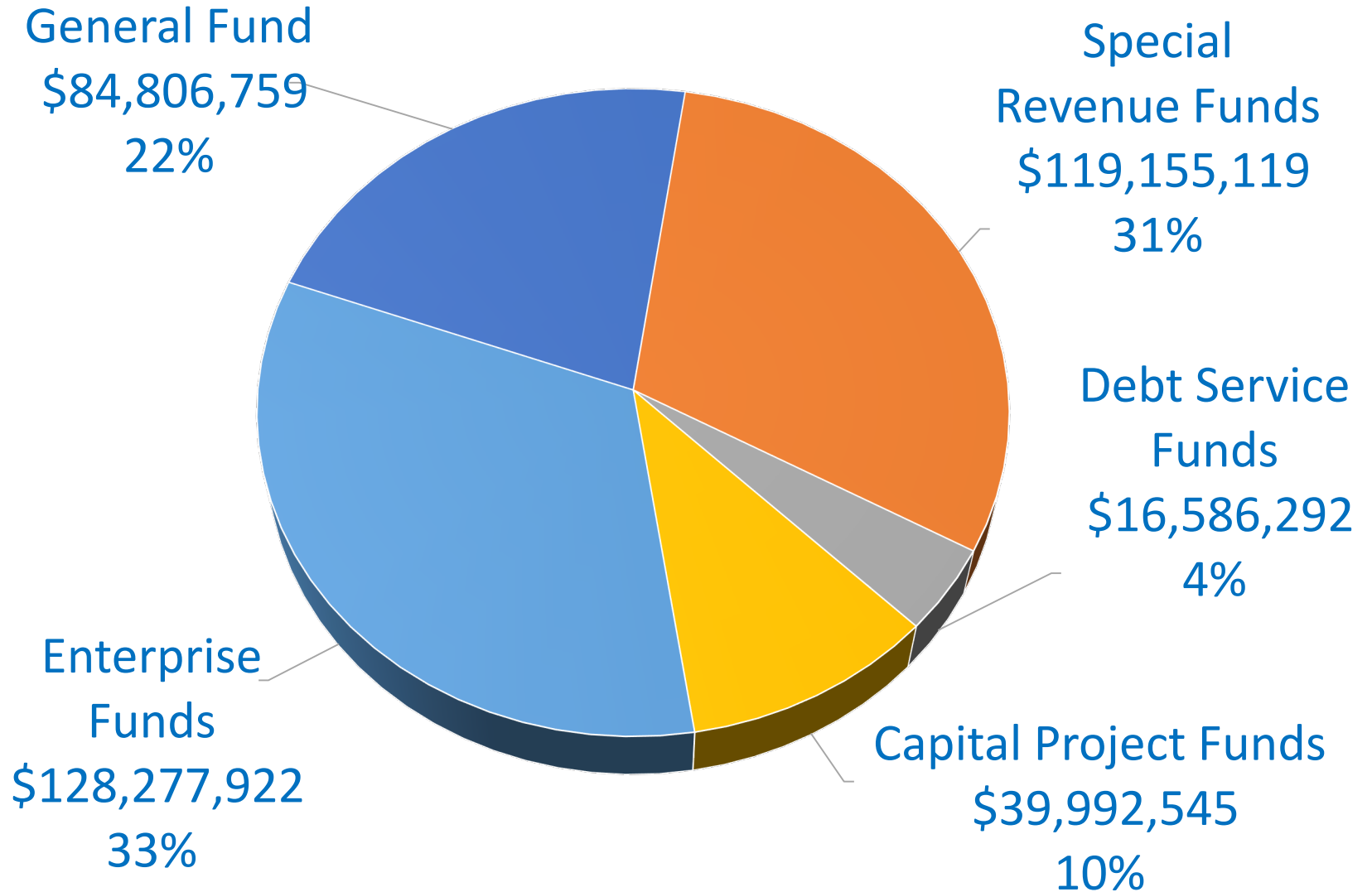
- ✓ **June 1st – Tentative Budget Adoption**
- **June 15th**
 - Public Hearing for Budget and Tax Levy
 - Final Budget Adoption
 - 1st Reading of Property Tax Ordinance
- **July 6th**
 - 2nd Reading and Adoption of Property Tax Ordinance



Legal Schedule A

**Total
FY 2021-2022
Budget:
\$388,818,634**

**\$61.9M (14%) decrease
over FY 2020-2021**





FY 21-22 Approved CAAP Requests

FY 21-22 Approved Budget Requests

Climate and Equity Both	\$3,651,613	10%
Climate Only	\$6,039,264	17%
Equity Only	\$535,065	2%
N/A	\$25,352,248	71%
Total	\$35,578,190	100%

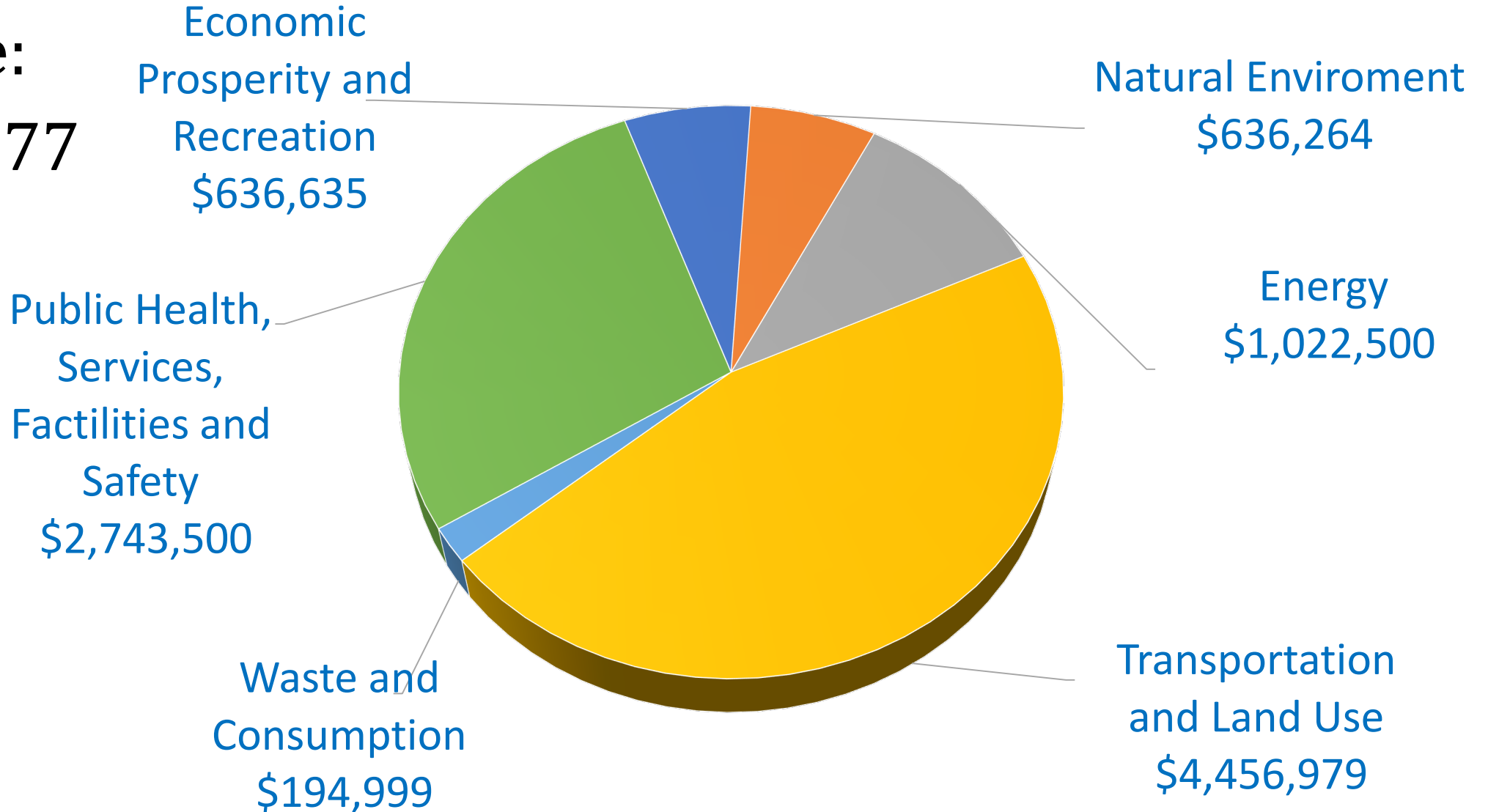
29% of FY 21/22 requests have **potential** to advance strategies in the Climate Action and Adaptation Plan and advance equity



Climate Related Approved Requests



Climate:
\$9,690,877

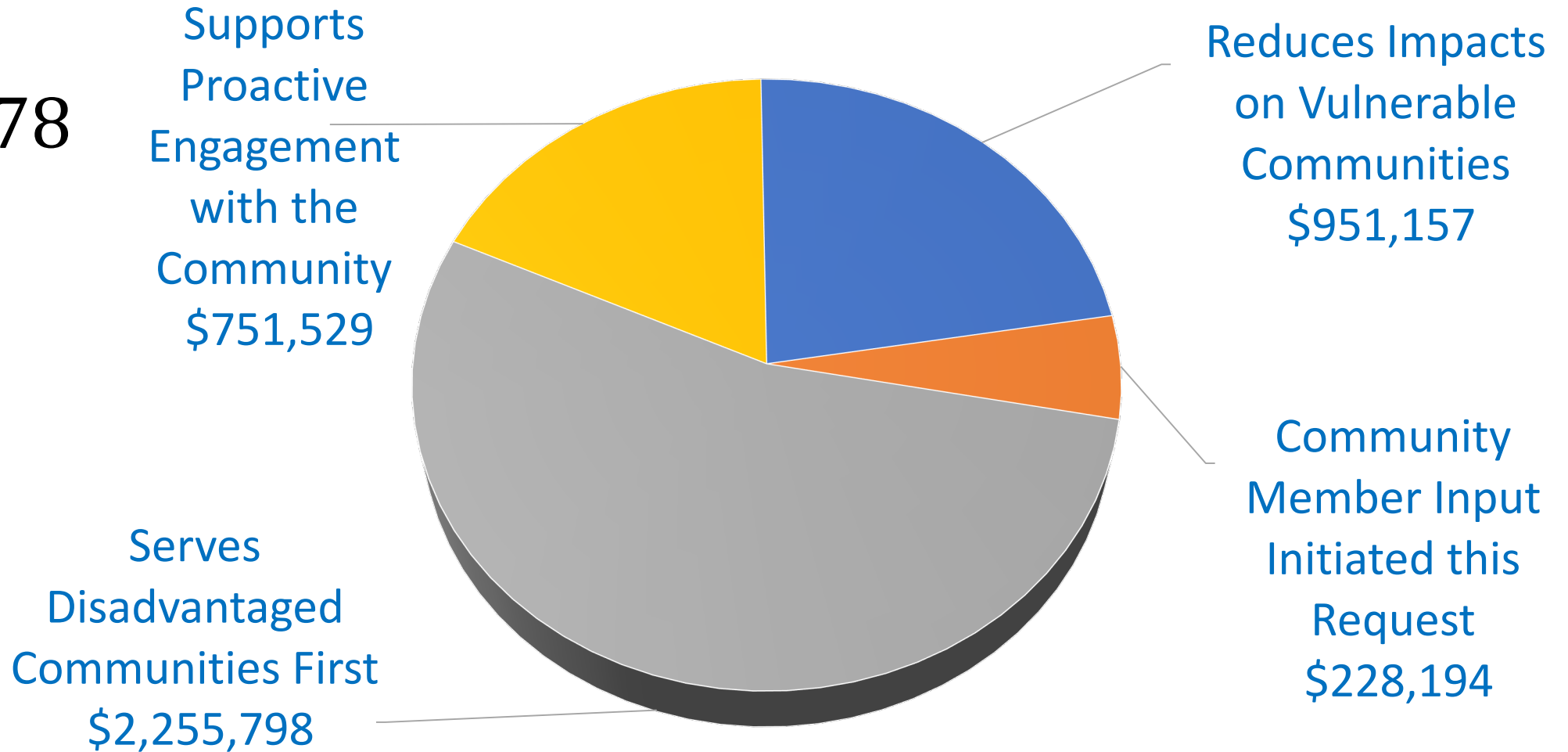




Equity Related Approved Requests



Equity:
\$4,186,678





Proposed Property Tax

Total Proposed Primary Tax Levy: \$7,038,663

- New construction revenue totals \$86,167
- Assessed values increased 4.5% on average
- Proposed tax rate of 0.7186 per \$100/AV
- Rate decrease from 0.7510 in the prior year
- Unrestricted per state statutes

Total Proposed Secondary Tax Levy: \$7,835,974

- Proposed tax rate of \$0.8000 per \$100/AV, same as prior year
- 5.8% levy increase
- Cannot exceed the estimated general obligation debt service payments for FY 2021-2022



Property Tax Rate History

Property Tax	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022 Proposed
Primary	0.8233	0.8334	0.7933	0.7510	0.7186
Secondary	0.8366	0.8366	0.8366	0.8000	0.8000
Total	1.6599	1.6700	1.6299	1.5510	1.5186

- **Primary Property Tax Rate (FY 2021-2022)**
 - Proposed: 0.7186 per \$100/AV
 - Flat Levy: 0.7186 per \$100/AV
 - Maximum: 0.7476 per \$100/AV



Property Assessed Values

	Budget FY 2019-20 (Tax Year 2020)	Budget FY 2021-22 (Tax Year 2021)	% Increase
Limited Net AV	\$ 925,765,090	\$ 979,496,706	5.8%
Full Cash Net AV	\$ 1,123,106,392	\$ 1,187,412,636	5.7%

- Determined by the County Assessor's Office
- New construction 1.2%, \$12M assessed value
- Values based on valuation done in late 2019 for Tax Year 2021
- 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

Residential:

	\$100,000 Property in 2020		\$100,000 Property in 2021	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.7510	\$ 75.10	0.7186	\$ 71.86
Secondary Property Tax	0.8000	\$ 80.00	0.8000	\$ 80.00
Total: City Taxing Authority	1.5510	\$ 155.10	1.5186	\$ 151.86
			Change	\$ (3.24)

In FY 2021, City property taxes were approximately 22% of the total residential property tax bill



City Property Tax Impact

Commercial:

	\$1,000,000 Property in 2020		\$1,000,000 Property in 2021	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.7510	\$ 1,351.80	0.7186	\$ 1,293.48
Secondary Property Tax	0.8000	\$ 1,440.00	0.8000	\$ 1,440.00
Total: City Taxing Authority	1.5510	\$ 2,791.80	1.5186	\$ 2,733.48
			Change	\$ (58.32)

Questions

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