

City of Flagstaff FY 2022-2023 Budget and Property Taxes



June 21, 2022



Budget Timeline

- ✓ **June 7th – Tentative Budget Adoption**
- **June 21st**
 - Public Hearing for Budget and Tax Levy
 - Final Budget Adoption
 - 1st Reading of Property Tax Ordinance
- **July 5th**
 - 2nd Reading and Adoption of Property Tax Ordinance



Legal Schedule A

**Total
FY 2022-2023
Budget:
\$540,887,795**

**\$152.1M (39%)
increase over FY 2021-
2022**

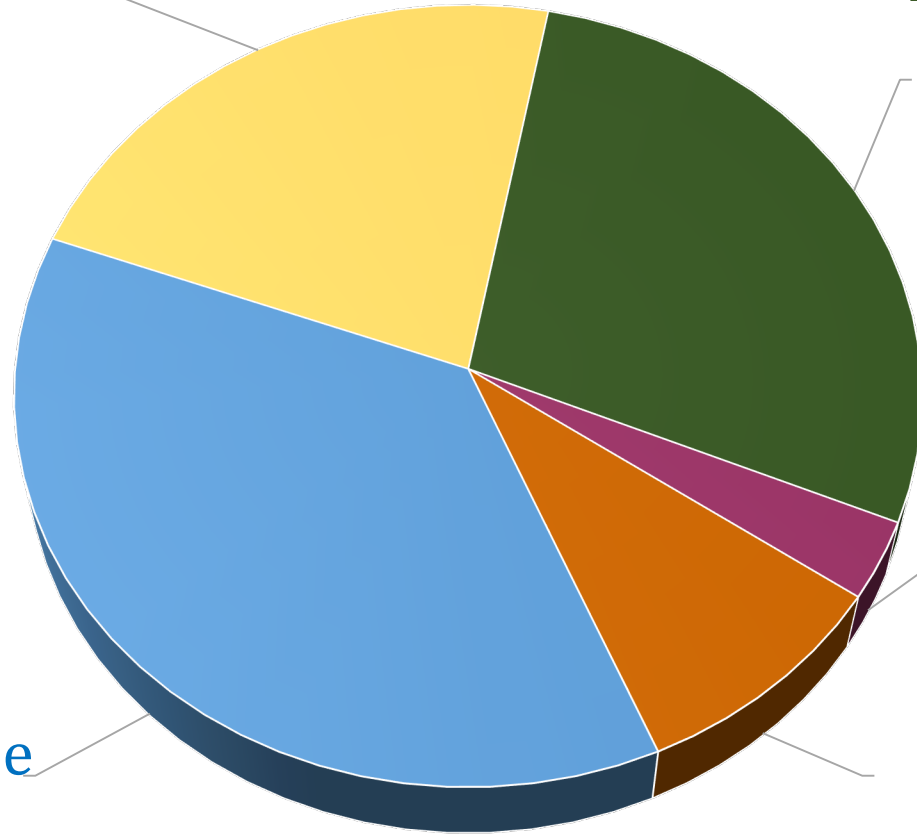
**General Fund
\$121,529,793
23%**

**Enterprise
Funds
\$199,934,096
37%**

**Special
Revenue Funds
\$152,815,463
28%**

**Debt Service
Funds
\$17,500,376
3%**

**Capital Project
Funds
\$49,108,067
9%**





Proposed Property Tax

Total Proposed Primary Tax Levy: \$7,133,686

- New construction revenue totals \$90,600
- Assessed values increased 3.4% on average
- Proposed tax rate of 0.6954 per \$100/AV
- Rate decrease from 0.7186 in the prior year
- Adopting \$435,982 below maximum allowed
- Unrestricted revenue per state statutes

Total Proposed Secondary Tax Levy: \$8,102,485

- Proposed tax rate of \$0.8000 per \$100/AV, same as prior year
- 4.7% levy increase
- Cannot exceed the estimated general obligation debt service payments for FY 2022-2023



Property Tax Rate History

Property Tax	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2022-2022	FY 2022-2023 Proposed
Primary	0.8334	0.7933	0.7510	0.7186	0.6954
Secondary	0.8366	0.8366	0.8000	0.8000	0.8000
Total	1.6700	1.6299	1.5510	1.5186	1.4954

- **Primary Property Tax Rate (FY 2022-2023)**

- Proposed: 0.6954 per \$100/AV
- Flat Levy: 0.6954 per \$100/AV
- Maximum: 0.7379 per \$100/AV



Property Assessed Values

	Budget FY 2021-22 (Tax Year 2021)	Budget FY 2022-23 (Tax Year 2022)	% Increase
Limited Net AV	\$ 979,496,706	\$ 1,025,839,285	4.7%
Full Cash Net AV	\$ 1,187,412,636	\$ 1,229,276,002	3.5%

- Determined by the County Assessor's Office
- New construction 1.3%, \$13M assessed value
- Values based on valuation done in late 2020 for Tax Year 2022
- 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 Example:

	\$100,000 Property in 2021		\$100,000 Property in 2022	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.7186	\$ 71.86	0.6954	\$ 69.54
Secondary Property Tax	0.8000	\$ 80.00	0.8000	\$ 80.00
Total: City Taxing Authority	1.5186	\$ 151.86	1.4954	\$ 149.54
			Change	\$ (2.32)

In FY 2021-2022, City property taxes were approximately 22% of the total residential property tax bill



City Property Tax Impact

Commercial Example:

	\$1,000,000 Property in 2021		\$1,000,000 Property in 2022	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.7186	\$ 1,293.48	0.6954	\$ 1,216.95
Secondary Property Tax	0.8000	\$ 1,440.00	0.8000	\$ 1,400.00
Total: City Taxing Authority	1.5186	\$ 2,733.48	1.4954	\$ 2,616.95
			Change	\$ (116.53)

Questions

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