

# City of Flagstaff FY 2023-2024 Budget and Property Taxes



June 20, 2023



# Budget Timeline

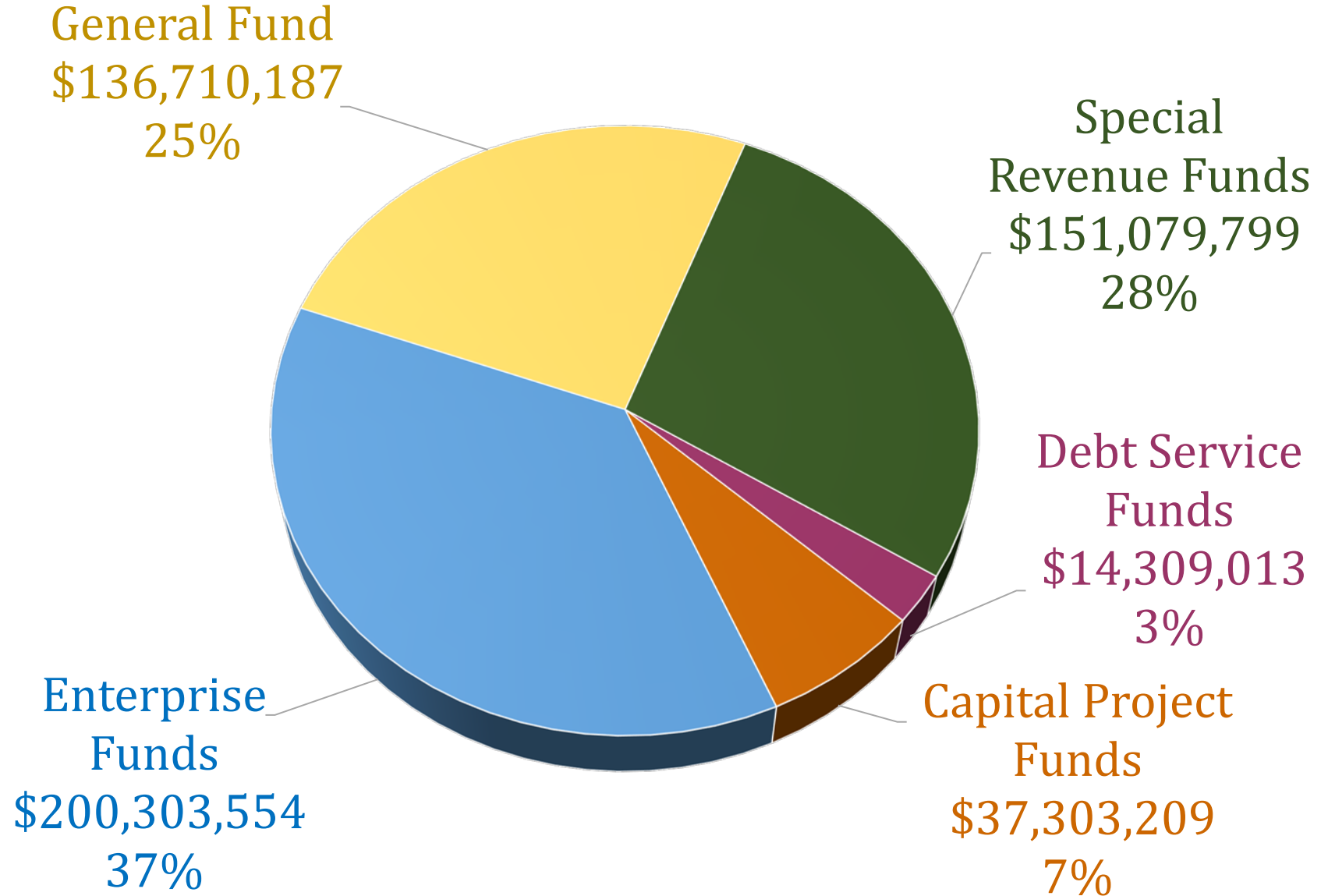
- ✓ **June 6<sup>th</sup> – Tentative Budget Adoption**
- **June 20<sup>th</sup>**
  - Public Hearing for Budget and Tax Levy
  - Final Budget Adoption
  - 1<sup>st</sup> Reading of Property Tax Ordinance
- **July 3<sup>rd</sup>**
  - 2<sup>nd</sup> Reading and Adoption of Property Tax Ordinance



# Legal Schedule A

**Total  
FY 2023-2024  
Budget:  
\$539,705,762**

**\$1.2M (0.2%) decrease  
over FY 2022-2023**





# Proposed Property Tax

**Total Proposed Primary Tax Levy: \$7,159,580**

- New construction revenue totals \$25,448
- Assessed values increased 4.83% on average
- Proposed tax rate of 0.6634 per \$100/AV
- Rate decrease from 0.6954 in the prior year
- Adopting \$589,256 below maximum allowed
- Unrestricted revenue per state statutes

**Total Proposed Secondary Tax Levy: \$8,633,802**

- Proposed tax rate of \$0.8000 per \$100/AV, same as prior year
- 5.2% levy increase
- Cannot exceed the estimated general obligation debt service payments for FY 2023-2024



# Property Tax Rate History

Property Tax	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024 Proposed
Primary	0.7933	0.7510	0.7186	0.6954	0.6634
Secondary	0.8366	0.8000	0.8000	0.8000	0.8000
Total	1.6299	1.5510	1.5186	1.4954	1.4634

- **Primary Property Tax Rate (FY 2023-2024)**

- Proposed: 0.6634 per \$100/AV
- Flat Levy: 0.6634 per \$100/AV
- Maximum: 0.7180 per \$100/AV



# Property Assessed Values

	Budget FY 2022-23 (Tax Year 2022)	Budget FY 2023-24 (Tax Year 2023)	% Increase
Limited Net AV	\$ 1,025,839,285	\$ 1,079,225,196	5.2%
Full Cash Net AV	\$ 1,229,276,002	\$ 1,485,788,250	20.9%

- Determined by the County Assessor's Office
- New construction 0.374%, \$3.8M assessed value
- Values based on valuation done in late 2021 for Tax Year 2023
- 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 2022		\$100,000 Property in 2023	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.6954	\$ 69.54	0.6634	\$ 66.34
Secondary Property Tax	0.8000	\$ 80.00	0.8000	\$ 80.00
Total: City Taxing Authority	1.4954	\$ 149.54	1.4634	\$ 146.34
			Change	\$ (3.20)

In FY 2022-2023, City property taxes were approximately 28% of the total residential property tax bill



# City Property Tax Impact

## Commercial Example:

	\$1,000,000 Property in 2022		\$1,000,000 Property in 2023	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.6954	\$ 1,216.95	0.6634	\$ 1,160.95
Secondary Property Tax	0.8000	\$ 1,400.00	0.8000	\$ 1,400.00
Total: City Taxing Authority	1.4954	\$ 2,616.95	1.4634	\$ 2,560.95
			Change	\$ (56.00)

# Questions

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