

City of Flagstaff FY 2024-2025 Budget and Property Taxes



June 18, 2024



Budget Timeline

- ✓ **June 4th – Tentative Budget Adoption**
- **June 18th**
 - Public Hearing for Budget and Tax Levy
 - Final Budget Adoption
 - 1st Reading of Property Tax Ordinance
- **July 2nd**
 - 2nd Reading and Adoption of Property Tax Ordinance



Legal Schedule A

**Total
FY 2024-2025
Budget:
\$579,432,772**

**\$39.7M (7.4%) increase
over FY 2023-2024**

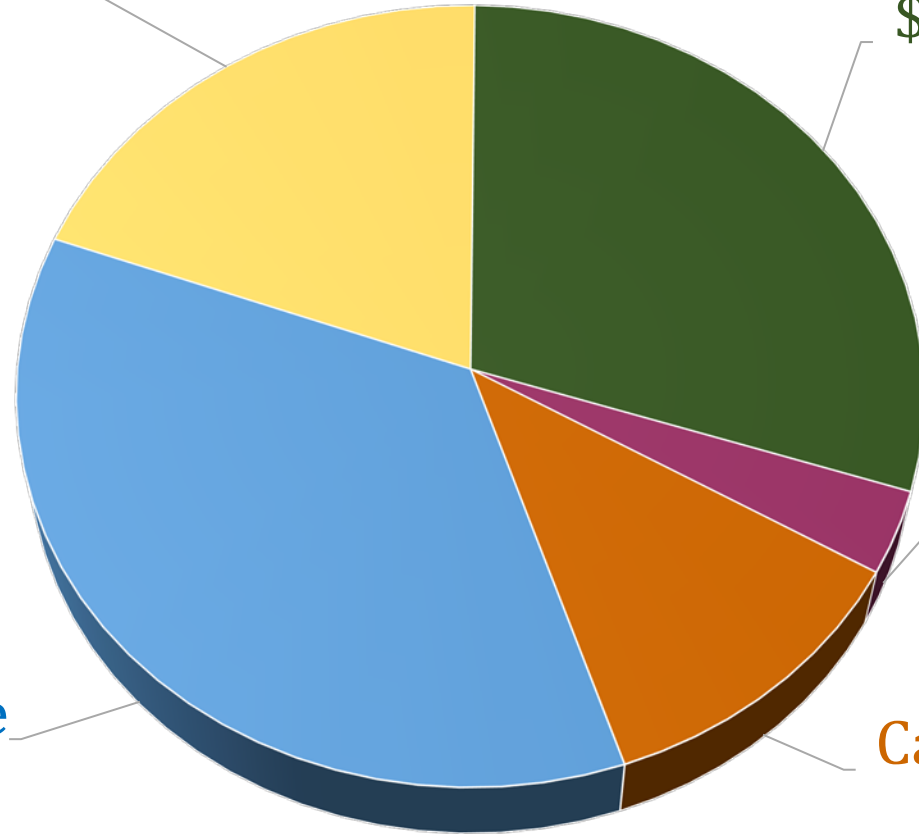
**General Fund
\$113,568,260
20%**

**Special
Revenue Funds
\$172,842,029
30%**

**Debt Service
Funds
\$19,790,763
3%**

**Enterprise
Funds
\$206,813,764
36%**

**Capital Project
Funds
\$66,417,956
11%**





Proposed Property Tax

Total Proposed Primary Tax Levy: \$7,230,877

- New construction revenue totals \$71,670
- Assessed values increased 4.25% on average
- Proposed tax rate of 0.6363 per \$100/AV
- Rate decrease from 0.6634 in the prior year
- Adopting \$752,293 below maximum allowed
- Unrestricted revenue per state statutes

Total Proposed Secondary Tax Levy: \$9,091,154

- Proposed tax rate of \$0.8000 per \$100/AV, same as prior year
- 5.3% levy increase
- Cannot exceed the estimated general obligation debt service payments for FY 2024-2025



Property Tax Rate History

Property Tax	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025 Proposed
Primary	0.7510	0.7186	0.6954	0.6634	0.6363
Secondary	0.8000	0.8000	0.8000	0.8000	0.8000
Total	1.5510	1.5186	1.4954	1.4634	1.4363

- **Primary Property Tax Rate (FY 2024-2025)**

- Proposed: 0.6363 per \$100/AV
- Flat Levy: 0.6363 per \$100/AV
- Maximum: 0.7025 per \$100/AV



Property Assessed Values

	Budget FY 2023-24 (Tax Year 2023)	Budget FY 2024-25 (Tax Year 2024)	% Increase
Limited Net AV	\$ 1,079,225,196	\$ 1,136,394,237	5.3%
Full Cash Net AV	\$ 1,485,788,250	\$ 1,834,376,367	23.5%

- Determined by the County Assessor's Office
- New construction 1.3%, \$11.2M assessed value
- Values based on valuation done in late 2022 for Tax Year 2024
- 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 2023		\$100,000 Property in 2024	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.6634	\$ 66.34	0.6363	\$ 63.63
Secondary Property Tax	0.8000	\$ 80.00	0.8000	\$ 80.00
Total: City Taxing Authority	1.4634	\$ 146.34	1.4634	\$ 143.63
			Change	\$ (2.71)

In FY 2023-2024, City property taxes were approximately 17% of the total residential property tax bill



City Property Tax Impact

Commercial Example:

	\$1,000,000 Property in 2023		\$1,000,000 Property in 2024	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	0.6634	\$ 1,160.95	0.6363	\$ 1,049.90
Secondary Property Tax	0.8000	\$ 1,400.00	0.8000	\$ 1,320.00
Total: City Taxing Authority	1.4634	\$ 2,560.95	1.4634	\$ 2,369.90
			Change	\$ (191.05)

Questions

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