

SUBMITTED BY: Alejandro Martinez, Finance Director

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

**ORGANIZATIONAL
IMPROVEMENTS:** EnterTextHere

SUBJECT: **FIRST READING OF ORDINANCE NO. 25-1211**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **LEVYING UPON** the **ASSESSED VALUATION** of the **PROPERTY** within the CITY of DOUGLAS, subject to taxation, a certain rate upon each ONE HUNDRED DOLLARS (\$100.00) of VALUATION Sufficient to RAISE the AMOUNT estimated to be required in the annual budget, and providing funds for general municipal expenses: all for the fiscal year ending the 30th day of June 2026, establishing severability of components of Ordinance; and establishing an effective date thereof.

EXECUTIVE SUMMARY:

Every fiscal year the City of Douglas is required to adopt its annual property tax levy and submit certification of the levy to the Cochise County Board of Supervisors no later than the third Monday in August. This year the certification must be submitted on or before August 18, 2025.

BACKGROUND:

On February 10, 2025, the city received the 2025 net assessed primary valuation. In line with the previous year, staff presents this first reading recommendation, which aligns with the 2026 budget process.

Key details for the 2025 tax levy include:

- The city's primary assessed value is \$67,229,957.
- New construction added \$1,982,391 to the tax rolls.
- The proposed property tax rate decreases from 1.1138 to 1.0783, yielding a total levy of \$724,941. This reduces the tax rate by \$3.55 per \$100,000 of property value.
- The total levy rises from \$703,542 to \$724,941, a \$21,399 increase, primarily due to new construction and higher assessed values.

This tax rate reduction seeks to balance revenue stability with fiscal responsibility, maintaining competitiveness amid rising property values while easing the tax burden on residents.

DISCUSSION:

Staff recommends approval of the first reading of the property tax levy as presented.

FISCAL IMPACT:

\$724,941 in General Fund Revenue.

Fiscal Year: 2025/2026

Amount Requested:

Budgeted: Y / N

Account (s):

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE PLACEMENT OF ORDINANCE NO. 25-1211 ON ITS FIRST READING BY NUMBER AND TITLE ONLY.”

“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE FIRST READING OF ORDINANCE NO. 25-1211 AND TO PLACE IT ON ITS SECOND READING BY NUMBER AND TITLE ONLY.”