

**SUBMITTED BY:** Alejandro Martinez, Finance Director/City Treasurer

**MANAGEMENT TEAM REVIEW:** Ana Urquijo, City Manager

**FOCUS AREA:** Other / NA

**ORGANIZATIONAL IMPROVEMENTS:** EnterTextHere

**SUBJECT:** **PUBLIC HEARING** pertaining to the **2026-2027 PROPERTY TAX LEVY.**

**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 17, 2026.

**BACKGROUND:**

On February 10, 2026, the city received the 2026 net assessed primary valuation. Consistent with last year, staff recommends approval of the proposed property tax levy as part of the 2027 budget process.

**Key details for the 2026 primary property tax levy:**

- Primary assessed value: **\$69,631,679**
- New construction added: **\$1,121,004** to the tax rolls
- Proposed tax rate: **1.0783** per \$100 of assessed value (unchanged from 2025)
- This rate produces a total primary levy of **\$750,838**

The total levy increases from \$724,941 in 2025 to \$750,838 in 2026 — a gross increase of **\$25,897**. After accounting for taxes from new construction, the net increase is approximately **\$14,000**. This growth is driven by new construction and higher assessed values on existing properties.

In compliance with Arizona law (A.R.S. § 42-17107), the city published a public notice of this Truth in Taxation hearing in the newspaper for two consecutive weeks and posted it on the City website. Because the proposed total levy exceeds last year's levy (even with no rate increase), state law requires this public hearing, which is being held today. The hearing provides transparency and an opportunity for taxpayers to comment on the proposed levy.

**Important note:** The amount taxpayers pay **per \$100 of assessed value** remains exactly the same at 1.0783. Any increase in your individual property tax bill results solely from changes in your property's assessed value, not from a higher tax rate.

**DISCUSSION:**

Hearing only. No action to be taken

**FISCAL IMPACT:**

Potential of \$750,838 in General Fund Revenue

**Fiscal Year:** 2026/2027

**Amount Requested:**

**Budgeted:** Y / N

**Account (s):**