

SUBMITTED BY: Luis Pedroza, Deputy City Manager/City Treasurer

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

ORGANIZATIONAL IMPROVEMENTS: EnterTextHere

SUBJECT: **SECOND READING OF ORDINANCE NO. 22-1146**, 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, 2023, 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 15, 2022.

BACKGROUND:

The City was notified on 2/10/22 of the 2022 net assessed primary valuation for the City. As was done last year, we will bring for your consideration the adoption in three separate readings in order to allow the levy to be adopted in conjunction with the budget.

The following information pertains to the 2022 tax levy information:

- The primary assessed value for the City this year is \$58,097,555
- Primary assessed valuation went up \$237,740 or 0.4% (excluding new construction)
- \$1,193,037 was added to the tax rolls from new construction
- The recommended property tax rate for this year is to keep the City's property tax rate at 1.1519 which would levy \$669,226.
- The levy is an increase from \$656,825 to \$669,226 for a total increase of \$12,401, due to new construction and slight increase in valuation.

DISCUSSION:

Staff recommends keeping the property tax rate at 1.1519 which would increase our levy by \$12,401 due to new construction and slight increase in valuation. The City's portion of the property tax levy on \$100,000 assessed value would remain the same as last year, at \$115.19 per year. On the average home valuation of \$70,000 it would be \$80.63 per year.

The primary property tax levy is used to pay for the general operations expenses of City government.

FISCAL IMPACT:

\$669,226 in General Fund Revenue

Fiscal Year: 2022/2023

Amount Requested:

Budgeted: Y / N

Account (s):

“...I move that the Mayor and Council approve the second reading of Ordinance No. 22-1146 and to place it on third reading by number and title only.”