



**Public Hearing on Adoption of Property Tax Levy for 2021-22 Fiscal Year**

As required by State statute, request the City Council hold a public hearing prior to the adoption of a property tax levy for the City of Phoenix for 2021-22.

**Concurrence/Previous Council Action**

The proposed 2021-22 property tax levy reflects actions taken by the Council on the budget at the May 18, 2021 Policy meeting, at the June 2, 2021 Formal meeting to adopt the tentative 2021-22 budget, and at the June 16, 2021 Formal meeting to adopt the final 2021-22 budget. At the June 16, 2021 Formal meeting, a public hearing on the proposed primary property tax levy was held in accordance with statutory truth-in-taxation requirements.

**Responsible Department**

This item is submitted by City Manager Ed Zuercher, Assistant City Manager Jeff Barton and the Budget and Research Department.



### **Adoption of Property Tax Levy for 2021-22 Fiscal Year (Ordinance S-47779)**

An ordinance levying separate amounts to be raised for primary and secondary property tax levies upon each one hundred dollars (\$100.00) of the assessed valuation of the property subject to taxation within the City of Phoenix for the fiscal year ending June 30, 2022.

The ordinance (**Attachment A**) provides for a primary property tax rate resulting in a levy of \$193,225,455 (a General Fund revenue source) equating to a rate of \$1.3055 per \$100 of assessed valuation, including \$0.08 for maintenance of parks and playgrounds and \$0.3055 for the operation and maintenance of libraries; and an estimated secondary property tax levy of \$120,493,943 (used only for debt service) equating to a rate of \$0.8141 per \$100 of assessed valuation. The total rate of \$2.1196 is \$0.01 lower than the total 2020-21 rate of \$2.1296.

#### **Concurrence/Previous Council Action**

The proposed 2021-22 property tax levy reflects actions taken by the Council on the budget at the May 18, 2021 Policy meeting, at the June 2, 2021 Formal meeting to adopt the tentative 2021-22 budget, and at the June 16, 2021 Formal meeting to adopt the final 2021-22 budget. At the June 16, 2021 Formal meeting, a public hearing on the proposed primary property tax levy was held in accordance with statutory truth-in-taxation requirements.

#### **Responsible Department**

This item is submitted by City Manager Ed Zuercher, Assistant City Manager Jeff Barton and the Budget and Research Department.

**ATTACHMENT A**

THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF THE FINAL,  
ADOPTED ORDINANCE

ORDINANCE S-#####

AN ORDINANCE LEVYING SEPARATE AMOUNTS TO BE RAISED FOR PRIMARY AND SECONDARY PROPERTY TAX LEVIES UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUATION OF PROPERTY SUBJECT TO TAXATION WITHIN THE CITY OF PHOENIX FOR THE FISCAL YEAR ENDING JUNE 30, 2022.

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WHEREAS, by the provisions of the City Charter an ordinance levying taxes for the fiscal year 2021-22 is required to be finally adopted not later than the last regular Council meeting in July of said fiscal year, which date complies with State law requirements; and

WHEREAS, the County of Maricopa is now the tax assessing and collecting authority for the City of Phoenix, the City Clerk is hereby directed to transmit a certified copy of this tax levy ordinance to the Assessor and the Board of Supervisors of Maricopa County, Arizona as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as follows:

SECTION 1. There is hereby levied on each ONE HUNDRED DOLLARS (\$100.00) of the limited assessed value of all property, real, personal and possessory interest, within the corporate limits of the City of Phoenix, except such property as may

be by law exempt from taxation, a primary property tax rate equating to \$1.3055 which is sufficient to generate a primary property levy of ONE HUNDRED NINETY-THREE MILLION, TWO HUNDRED TWENTY-FIVE THOUSAND, AND FOUR HUNDRED FIFTY-FIVE DOLLARS (\$193,225,455), an amount less than the maximum allowable primary tax levy under the Arizona Constitution. The primary tax levy is allocated into the following amounts or rates for each of the following purposes:

(a) For the purpose of providing funds for the GENERAL MUNICIPAL AND ADMINISTRATIVE EXPENSES of the City, in accordance with Chapter XVIII - Section 8 of the City Charter, a tax rate of \$1.00 per ONE HUNDRED DOLLARS (\$100.00) of limited assessed valuation of all taxable real, personal and possessory interest property in the City of Phoenix, which includes \$0.08 per ONE HUNDRED DOLLARS (\$100.00) of such limited assessed valuation for the purpose of providing funds for the OPERATION AND MAINTENANCE OF PARKS AND PLAYGROUNDS, in accordance with Chapter XXIII - Section 2 - Subsection 2 of the City Charter.

(b) For the purpose of providing funds for the OPERATION AND MAINTENANCE OF LIBRARIES, in accordance with Chapter XVIII - Section 11 of the City Charter, a tax rate of \$0.3055 per ONE HUNDRED DOLLARS (\$100.00) of limited assessed valuation of all taxable real, personal and possessory interest property in the City of Phoenix.

SECTION 2. In addition to the property tax levy for primary purposes set in Section 1 above, there is hereby levied on each ONE HUNDRED DOLLARS (\$100.00) of the limited assessed value of all property, real, personal and possessory interest, within the corporate limits of the City of Phoenix, except such property as may

by law be exempt from taxation, a secondary tax rate of \$0.8141 for secondary purposes for paying principal of and interest on or redemption charges on general obligation bonds of the City of Phoenix.

SECTION 3. The primary property tax rate as calculated in Section 1 and the secondary tax rate as calculated in Section 2 shall equal a combined tax rate of \$2.1196.

SECTION 4. Failure by the County officials of Maricopa County, Arizona to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by a tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto; the questioned validity of assessment or levy of taxes or of the judgment of sale by which collection of the same may be enforced shall not affect the lien of the City upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosures; and all acts of officers de facto shall be valid as if performed by officers de jure.

PASSED by the Council of the City of Phoenix on this 1st day of July, 2021.

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MAYOR

ATTEST:

\_\_\_\_\_ City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_ Acting City Attorney

REVIEWED BY:

\_\_\_\_\_ City Manager

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PHOENIX, ARIZONA  
 2021-22 LEGAL LIMIT  
 PROPERTY TAX LEVY FOR PRIMARY PURPOSES  
 A.R.S. § 42-17051, Subsection A

1.	Maximum allowable levy for the prior year	\$ <u>185,428,990</u>
2.	The above figure increased by two percent (2%)	<u>189,137,570</u>
3.	Current Assessed Value of last year's property	<u>14,481,643,949</u>
4.	A. "3" divided by 100	<u>144,816,439</u>
	B. Maximum Allowable Tax Rate equals - "2" divided by "4A" ( <u>\$189,137,570 ÷ \$144,816,439</u> )	<u>1.3061</u>
5.	Estimated Current Assessed Value	<u>14,800,877,416</u>
6.	A. Current Assessed Value divided by 100	<u>148,008,774</u>
	B. Levy equals - "4B" multiplied by "6A" ( <u>\$1.3061 X \$148,008,774</u> )	<u>193,314,260</u>
	Estimated over collections of the 2020-21 primary property tax levy will reduce this estimate as follows:	
7.	A. Estimated over collections of 2020-21 primary levy	<u>-0-</u>
	B. Maximum Allowable Levy Limit for 2021-22	<u>\$ 193,314,260</u>
8.	Adjusted Allowable Levy Limit and Tax Rate:	
	A. Allowable Levy Limit for 2021-22	<u>\$ 193,314,260</u>
	B. Accepted Torts	<u>-0-</u>
	C. Adjusted Allowable Levy Limit	<u>\$ 193,314,260</u>
	D. Adjusted Allowable Tax Rate - "8C" divided by "6A" ( <u>\$193,314,260 ÷ \$148,008,774</u> )	<u>1.3061</u>
	<b>2021-22 Primary Levy</b>	<b>\$ 193,225,455</b>
	<b>2021-22 Primary Tax Rate</b>	<b>1.3055</b>