



TAX YEAR 2019 UPDATE

OCTOBER 11, 2019

Alliance Policy & Management Group



COCONINO COUNTY TAXES

Proposition 117 – Effective Tax Year 2015(FY2016)

- Limit set on annual percentage increase in limited property value to no more than 5% above the previous year.
- County Assessor is required to notify property owners as to the property's full cash and limited property values.
- Limited Property Value will be used to calculate all taxes and cannot exceed the Full Cash Value.



COCONINO COUNTY TAXES

Assessed Values – February 10th

Each taxing entity receives a levy limit worksheet from the PTOC (Property Tax and Oversight Commission) to assist in developing tax levies and tax rates

Tax Notices were mailed September 27th

COCONINO COUNTY TAXES – Preliminary Assessed Value Projection

Limited Assessed Values are Projected to Increase by 4.32% in FY21 (Tax Year 2020)

Full Cash Assessed Values are Projected to Increase 7.53% in FY21 (Tax Year 2020)

All tax levies are calculated using the Limited Assessed Values

Coconino County Assessed Value Projection			
	FY20	FY21	Change
Limited Assessed Values	\$ 1,831,089,260	\$ 1,910,138,042	4.32%
Full Cash Assessed Values	\$ 2,080,145,525	\$ 2,236,870,340	7.53%



Agency Information

CCC

FUSD

City of Flagstaff

Coconino County

Summit Fire District

Highlands Fire District



Coconino Community College



Coconino Community College: Primary Property Taxes

General Fund Levy for College Programs (Instruction, Academic Support, Student Services, Institutional Support, and Facilities)

Levy is capped at 2% growth + new construction

Evaluation	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,726,579,756	\$ 1,831,089,260	6.05%
Primary Tax Rate	0.4741	0.4592	-3.14%
Primary Tax Levy	\$ 8,185,715	\$ 8,408,362	2.72%

Coconino Community College has the lowest primary property tax rate of all Community Colleges in the State of Arizona



Coconino Community College: Secondary Property Taxes

\$25 Million Debt Service for 20-year bonds was used for the construction of Lone Tree and Williams buildings and expansion of Page Campus

Debt Service was completed in FY 19

Evaluation	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,726,579,756	\$ 1,831,089,260	6.05%
Secondary Tax Rate	0.1218	-	-100.00%
Secondary Tax Levy	\$ 2,102,974	\$ -	-100.00%



Coconino Community College:

Property Tax Summary

For all properties in the City of Flagstaff, the average change for Community College property taxes is a levy decrease of **(\$15.76)**.

Average Value	FY2019	FY2020	Change
Average Limited Value	\$ 211,042	\$ 239,558	13.5%

CCC Tax Rate	FY2019	FY2020	Change	Average Taxpayer Impact
Primary - General Fund	0.4741	0.4592	(0.0149)	\$ 9.95
Secondary - Debt Service	0.1218	-	(0.1218)	\$ (25.70)
Total	0.5959	0.4592	(0.1367)	\$ (15.76)



Coconino Community College: Property Tax Summary

Impact on a \$100,000 home located in the City of Flagstaff valued in FY 2018 with comparisons.

Example #1: No Change in Value			
\$100,000 Property in 2019		\$100,000 Property in 2020	
FY2019	Taxes	FY2020	Taxes
0.4741	\$ 47.41	0.4592	45.92
0.1218	\$ 12.18	-	-
0.5959	\$ 59.59	0.4592	45.92
Decrease FY2019 to FY2020			\$ (13.67)

Example #2: Average District Value Change			
	FY2019	FY2020	Change
Property Value	\$ 100,000	\$ 113,500	13.5%
Tax Rate	\$ 0.5959	0.4592	-29.8%
Total Levy	\$ 59.59	\$ 52.12	\$ (7.47)

Summary: If there was no change to the value of the property the tax decrease would be **(\$13.67)**. However, on average a home valued at \$100,000 in FY18 is valued at \$113,500 in FY19 due to an increase in average district values. This results in an average tax decrease of **(\$7.47)**.

*Average Taxpayer Impact on owner occupied residential (class 3) properties only



Maintenance and Operations

(including: Teachers, Student Transportation, Custodial, Maintenance, Administration, Building Renewal, Textbooks, etc.)

	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,216,314,746	\$ 1,303,847,931	7.20%
Primary Tax Rate	3.8173	\$ 3.7092	-2.83%
Desegregation Rate	-	\$ 0.1719	
Primary Tax Levy	\$ 46,430,383	\$ 50,603,642	8.99%

Starting in FY2020 Desegregation funding has been reclassified as a primary tax. Of the increase in the Primary Rate, \$0.0638 is a result of this reclassification.

Maintenance and Operations Override – 15%
Year four of five of full funding

Debt Services

Remainder of current bond authorization was
sold February 2017

	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,216,314,746	\$ 1,303,847,931	7.20%
Secondary Tax Rate	\$ 1.3302	\$ 1.2363	-7.06%
Secondary Tax Levy	\$ 16,179,419	\$ 16,119,472	-0.37%

Starting in FY2020 Desegregation funding has been reclassified as a primary tax. The decrease in the secondary rate, (\$0.0939) is a result of this reclassification.

For owner occupied residential properties within Flagstaff Unified School District, the change per \$100,000 of assessed valuation for District property taxes is a levy decrease of **(\$3.01)** before Homeowner's Rebate.

	Tax Rate			Average Taxpayer Impact per \$100,000 Assessed Valuation
	FY2019	FY2020	Change	
Primary Property Tax	\$ 3.8173	\$ 3.8811	\$ 0.06	6.38
Secondary Property Tax	\$ 1.3302	\$ 1.2363	\$ (0.09)	-9.39
Total: FUSD Taxing Authority	\$ 5.1475	\$ 5.1174	\$ (0.03)	-3.01

For demonstration purposes only. Impact on a home with assessed valuation of \$100,000 with comparisons to change in proposed rates.

	\$100,00 Property in 2019		\$100,000 Property in 2020	
FUSD Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	\$ 3.8173	\$ 381.73	\$ 3.8811	\$ 388.11
Secondary Property Tax	\$ 1.3302	\$ 133.02	\$ 1.3302	\$ 133.02
Overall Rates and Taxes	\$ 5.1475	\$ 514.75	\$ 5.2113	\$ 521.13
Primary Homeowner's Rebate	\$ (1.86)	\$ (186.00)	(1.76)	(176.00)
Total Net Rates and Taxes	\$ 3.29	\$ 328.75	\$ 3.45	\$ 345.13



City of Flagstaff



City of Flagstaff: Primary Property Taxes

General Fund Levy for City Services

(Examples: Police, Fire, Parks, Recreation, City Court, Administration, Management Services...)

Levy is capped at 2% growth + new construction each year

Council agreed to increase the allowable levy by 2% + new construction, maximum allowed

	FY2019	FY2020	Change
Limited Assessed Value	\$ 804,836,851	\$ 868,806,647	7.95%
Primary Tax Rate	0.8334	0.7933	-4.81%
Primary Tax Levy	\$ 6,707,510	\$ 6,892,243	2.75%



City of Flagstaff: Secondary Property Taxes

Debt Service Obligations

Water, Sewer, Lighting, Open Spaces, Recreation, and Fire Facilities (20%)

Other General Obligation Debt (6%)

	FY2019	FY2020	Change
Limited Assessed Value	\$ 804,836,851	\$ 868,806,647	7.95%
Secondary Tax Rate	0.8366	0.8366	0.00%
Secondary Tax Levy	\$ 6,733,265	\$ 7,268,436	7.95%



City of Flagstaff: Property Tax Summary

For owner occupied residential properties in the City of Flagstaff, the average change for City property taxes is a levy increase of \$38.01.

	FY2019	FY2020	Change
Average Limited Value	\$ 211,042	\$ 239,558	13.5%

City Taxing Authority	Tax Rate			Average Tax Payer Impact
	FY2019	FY2020	Change	
Primary Property Tax	\$ 0.8334	\$ 0.7933	\$ (0.04)	\$ 14.16
Secondary Property Tax	\$ 0.8366	\$ 0.8366	\$ -	\$ 23.86
Total: City Taxing Authority	\$ 1.67	\$ 1.63	\$ (0.04)	\$ 38.01

(*) Average Taxpayer Impact on owner occupied residential (class 3) properties only



City of Flagstaff: Property Tax Summary

For demonstration purposes only. Impact on a \$100,000 home valued in FY2019 with comparisons to change in proposed rates and home value changes.

	\$100,000 Property in 2019		\$100,000 Property in 2020	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	\$ 0.8334	\$ 83.34	\$ 0.7933	\$ 79.33
Secondary Property Tax	\$ 0.8366	\$ 83.66	\$ 0.8366	\$ 83.66
Total: City Taxing Authority	\$ 1.6700	\$ 167.00	\$ 1.6299	\$ 162.99
			Change	\$ (4.01)
	\$100,000 Property in 2019		\$113,500 Property in 2020	
City Taxing Authority	Rate	Taxes	Rate	Taxes
Primary Property Tax	\$ 0.8334	\$ 83.34	\$ 0.7933	\$ 90.04
Secondary Property Tax	\$ 0.8366	\$ 83.66	\$ 0.8366	\$ 94.95
Total: City Taxing Authority	\$ 1.6700	\$ 167.00	\$ 1.6299	\$ 184.99
			Change	\$ 17.99

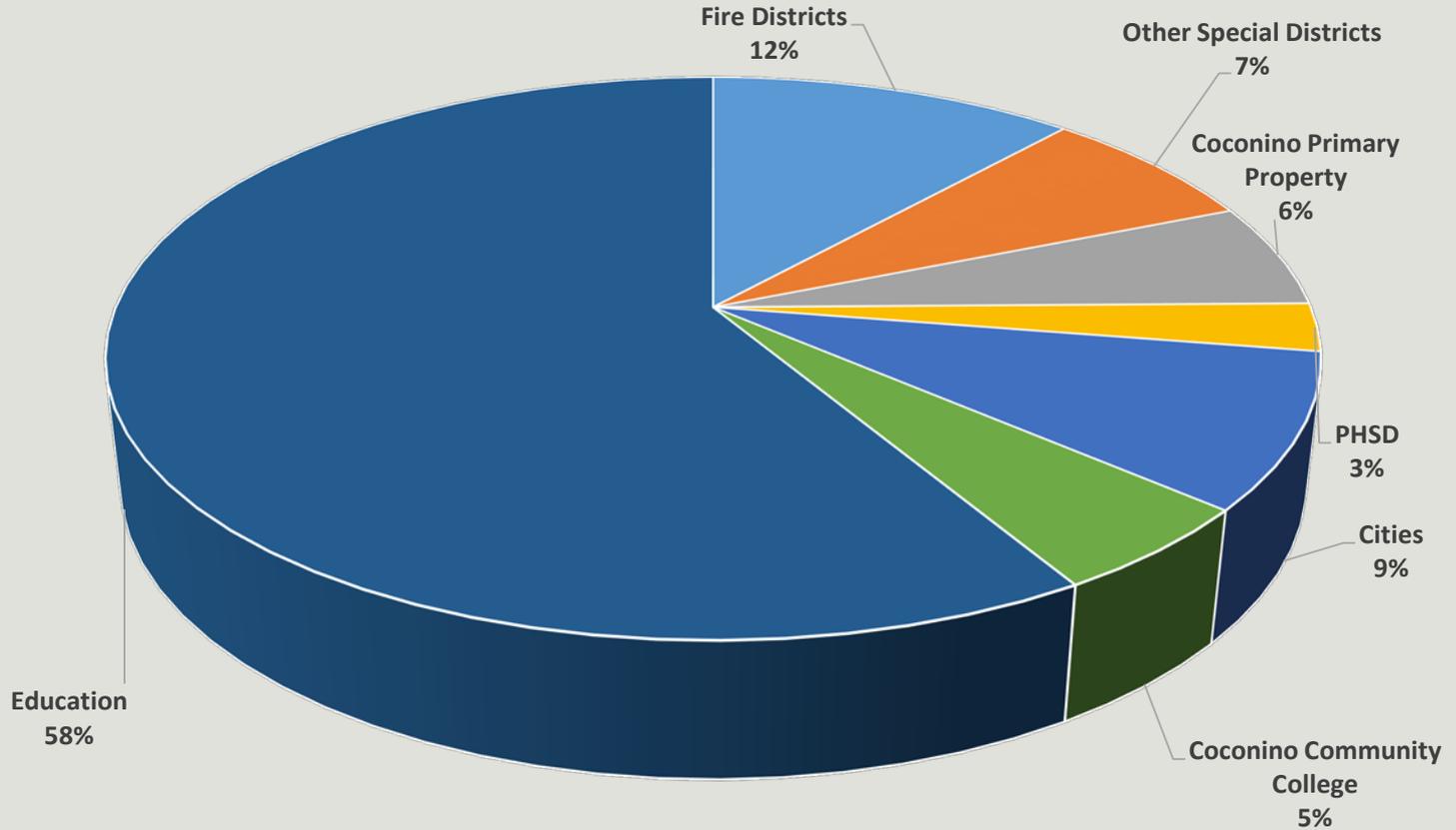
*State maximum allowable assessed valuation increase is 5%



Coconino County



Property Tax Disbursement



Based on FY20 Levy Data



Coconino County: Primary Property Taxes

- General Fund Levy for County Services
(Sheriff, Parks and Recreation, Superior Court, County Attorney, Public Defender, Probation)
- Levy is capped at 2% growth + new construction

Evaluation	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,726,579,756	\$ 1,831,089,260	6.05%
Primary Tax Rate	0.5589	0.5413	-3.15%
Primary Tax Levy	\$ 9,649,854	\$ 9,911,686	2.71%

Coconino County has the lowest primary property tax rate of all Counties in the State of Arizona



Coconino County: Secondary Property Taxes

- Library District
 - County-wide, funds library operations
 - No rate or levy restrictions

Evaluation	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,726,579,756	\$ 1,831,089,260	6.05%
Secondary Tax Rate	0.2556	0.2556	0.00%
Secondary Tax Levy	\$ 4,413,138	\$ 4,680,264	6.05%



Coconino County: Secondary Property Taxes

- Public Health Services District
 - County-wide, funds public health services
 - \$0.25 rate limit

Evaluation	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,726,579,756	\$ 1,831,089,260	6.05%
Secondary Tax Rate	0.2500	0.2500	0.00%
Secondary Tax Levy	\$ 4,316,449	\$ 4,577,723	6.05%



Coconino County: Secondary Property Taxes

- Flood Control District
 - Includes incorporated Flagstaff, Page, Fredonia
 - \$0.50 rate limit

Evaluation	FY2019	FY2020	Change
Limited Assessed Value	\$ 1,498,964,650	\$ 1,593,855,017	6.33%
Secondary Tax Rate	0.1808	0.2280	26.08%
Secondary Tax Levy	\$ 2,710,757	\$ 3,633,990	34.06%



Coconino County: Property Tax Summary

- The average per parcel impact County Districts is an **increase** of \$38.94.

Property Changes	FY19	FY20	Change
Average Limited Assessed Value	\$ 211,042	\$ 239,558	13.5%

County Taxing District	Tax Rate			Average per Parcel Levy Impact
	FY19	FY20	Change	
General Fund Primary	\$ 0.5589	\$ 0.5413	\$(0.0176)	\$ 11.72
Library District	\$ 0.2556	\$ 0.2556	\$ -	\$ 7.29
Public Health Services District	\$ 0.2500	\$ 0.2500	\$ -	\$ 7.13
Flood Control District	\$ 0.1808	\$ 0.2280	\$ 0.0472	\$ 12.80
Total: All County Districts	\$ 1.2453	\$ 1.2749	\$ 0.0296	\$ 38.94



Other Taxing Jurisdictions Property Tax Summary

- FDAT
 - State required formula, dependent upon Fire District levies County-wide
 - Maximum rate = \$0.10
- State Equalization
 - State required rate
 - 1.75% decrease for FY19 (Tax Year 2019)
- JTEDs (Joint Technology Education Districts)
 - Statutory rate of \$0.05

Property Tax Projections

For properties located in the following taxing areas:
City of Flagstaff
Highlands Fire District
Summit Fire District





Tax Rates by Taxing Area

- The following slides show sample tax assessments based on the typical property by taxing area. The average value changes by taxing area. The chart below shows the tax rates that would apply in each Flagstaff area jurisdiction.

FY20 Rates			
Location	Primary	Secondary	Total Rate
City of Flagstaff	6.1315	2.9565	9.0880
Summit Fire District	5.3382	5.6063	10.9445
Highlands Fire District	5.3382	5.3699	10.7081



Tax Levy by Taxing Area

- Assessed values changed by area as well. The chart below shows the average change in total tax levy for a home that was valued at \$100,000 in FY19 in various location. The net tax levy will change for each property based on change in value and change in area tax rates.

Projected Levy: \$100,000 Home Value (FY19 Value)				
Location	FY19	FY20	Change	
City of Flagstaff	\$ 910	\$ 1,031	\$ 121	13.3%
Summit Fire District	\$ 1,111	\$ 1,152	\$ 41	3.7%
Highlands Fire District	\$ 1,108	\$ 1,121	\$ 13	1.2%



Tax Year 2019 (FY2020) Property Tax Projection: Property Located in the City of Flagstaff

	FY19	FY20	Change
Limited Assessed Value	\$ 211,042	\$ 239,558	13.51%
	FY19 Tax	FY20 Tax	Change
Primary Taxing Jurisdictions			
Coconino County General Fund	\$ 118	\$ 130	10%
State Education Equalization	100	109	9%
Flagstaff Unified School District	806	930	15%
Coconino Community College	100	110	10%
City of Flagstaff	176	190	8%
Total Primary	\$ 1,300	\$ 1,469	13%
Secondary Taxing Jurisdictions:			
Library District	\$ 54	\$ 61	14%
Fire District Assistance Tax	21	24	14%
Public Health Services District	53	60	14%
Flagstaff Unified School District	281	296	5%
Coconino Community College	26	-	-100%
Joint Vocational Tech Institute	11	12	14%
Flood Control District	38	55	43%
City of Flagstaff	177	200	14%
Total Secondary	\$ 660	\$ 708	7%
Combined Total	\$ 1,959	\$ 2,177	11%
State Aid to Education	\$ (393)	\$ (422)	7%
Net Tax Assessment	\$ 1,567	\$ 1,755	12.1%



Tax Year 2019 (FY2020) Property Tax Projection: Residential Property Located in the Highlands Fire District

	FY19	FY20	Change
Limited Assessed Value	\$ 199,753	\$ 209,124	4.69%
	FY19	FY20	Change
Primary Taxing Jurisdictions			
Coconino County General Fund	\$ 112	\$ 113	1%
State Education Equalization	95	95	1%
Flagstaff Unified School District	763	812	6%
Coconino Community College	95	96	1%
Total Primary	\$ 1,064	\$ 1,116	5%
Secondary Taxing Jurisdictions:			
Library District	\$ 51	\$ 53	5%
Fire District Assistance Tax	20	21	5%
Public Health Services District	50	52	5%
Flagstaff Unified School District	266	259	-3%
Coconino Community College	24	-	-100%
Joint Vocational Tech Institute	10	10	5%
Coconino County Flood Control	36	48	32%
Highlands Fire District	649	680	5%
Total Secondary	\$ 1,106	\$ 1,123	2%
Combined Total	\$ 2,170	\$ 2,239	3%
State Aid to Education	\$ (372)	\$ (368)	-1%
Net Tax Assessment	\$ 1,798	\$ 1,871	4%



Tax Year 2018 (FY2019) Property Tax Projection: Owner Property Located in the Summit Fire District

	FY19	FY20	Change
Limited Assessed Value	\$ 224,213	\$ 236,104	5.3%
	FY19	FY20	Change
Primary Taxing Jurisdictions			
Coconino County General Fund	\$ 125	\$ 128	2%
State Education Equalization	106	108	1%
Flagstaff Unified School District	856	916	7%
Coconino Community College	106	108	2%
Total Primary	\$ 1,194	\$ 1,260	6%
Secondary Taxing Jurisdictions:			
Library District	\$ 57	\$ 60	5%
Fire District Assistance Tax	22	24	5%
Public Health Services District	56	59	5%
Flagstaff Unified School District	253	292	15%
Coconino Community College	27	-	-100%
Joint Vocational Tech Institute	11	12	5%
Coconino County Flood Control	41	54	33%
Summit Fire District	784	823	5%
Total Secondary	\$ 1,252	\$ 1,324	6%
Combined Total	\$ 2,446	\$ 2,584	6%
State Aid to Education	\$ (417)	\$ (416)	0%
Net Tax Assessment	\$ 2,029	\$ 2,169	7%