
FY2020 PROPERTY TAX LEVY

CITY OF CASA GRANDE

JULY 22, 2019





Mission

To Provide a Safe,
Pleasant Community For All Citizens

Vision

We will leverage the current economic climate, new opportunities and our strong community to improve quality of life, civic pride and quality jobs. Casa Grande's strategic location and strongly motivated City Leadership will honor diversity and provide opportunities for all residents to be successful. By building a sustainable and attractive community we can create a place where people can safely live, work and play.



We are Committed to Service

Serve Casa Grande through a variety of City Services designed to promote quality of life.

Ensure the safety of the community through aggressive public safety efforts and programs.

Respond to the needs of the community by promoting communications and accessibility.

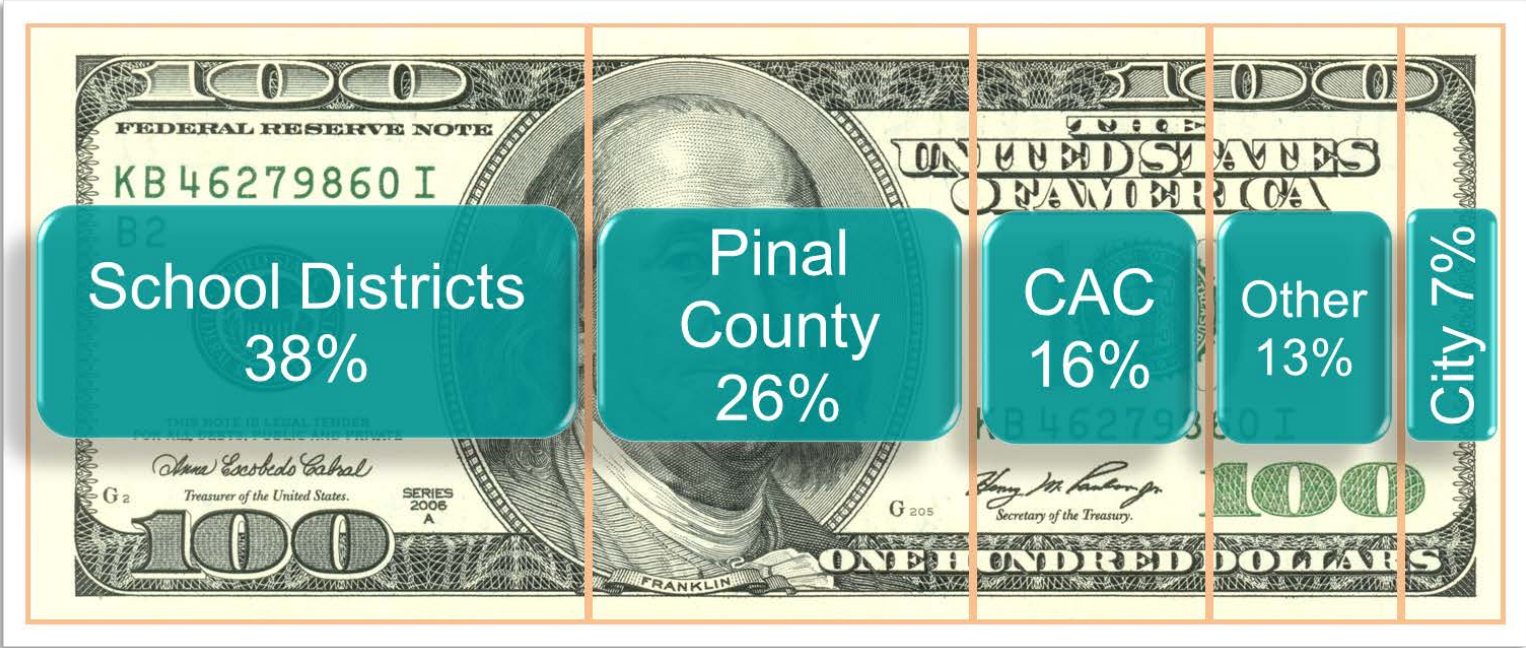
Value the tax dollar and maintain a fiscal policy that keeps taxes low.

Incorporate safeguards to assure fairness and equitable treatment of all citizens.

Continue to evaluate our services and ourselves to ensure quality.

Endeavor to hire the best people we can find and help them develop their abilities.

PINAL COUNTY PROPERTY TAX BILL



PROPERTY TAX

- A tax authority is any legal body authorized to levy property taxes on land, improvements, and/or personal property within a specific geographic area
- A legal class is assigned to determine the assessed valuation for tax purposes. Each legal class is defined by property use and is associated with a percentage factor, which is multiplied by the limited property value of the property to obtain assessed valuations
- Limited property value (LPV) cannot exceed Full Cash Value (FCV) and is derived:
 - For existing parcels that did not undergo significant modification, it is established based on the previous year with no more than a 5% increase
 - For parcels that were modified, values are established by applying a ratio of Full Cash Value to Limited Property Value of existing properties of the same use or legal classification
- The primary and secondary taxes for a taxing authority is the same for all legal classes
 - For example, all property with the City's Taxing Authority (4151) were assessed a primary rate of .9905 and a secondary rate of .6010 on their 2018 Property Tax Statement

LEGAL CLASSES OF PROPERTY

- All property, both real and personal, is assigned a classification to determine assessed valuation for tax purposes
- Defined by property use and is associated with a percentage (%) factor, which is multiplied by the limited and full cash value of the property to obtain assessed valuations
- Defined pursuant to ARS 42-12001 through ARS 42-12009
 - **Class One – 18% (commercial property, commercial golf course, mines, gas and electric, water utility, shopping centers, manufacturing, telecommunications, electric cooperatives)**
 - Class Two – 15% (vacant land, agriculture, non-commercial golf course, conservation easement land)
 - **Class Three – 10% (primary residential, primary leased)**
 - Class Four – 10% (non-primary residential, bank owned, child care facilities, non-profit housing, B&B, residential common areas, non-primary leased)
 - Class Five – 15% (railroads, private rail cars, flight property)
 - Class Six – 5% (residential noncommercial, foreign trade zones, military reuse, environmental technology or remediation, biodiesel fuel, renewable energy equipment and manufacturing)
 - Class Seven – 18% (commercial historic property)
 - Class Eight – 10% (rented historic property)
 - Class Nine – 1% (certain improvements located on Federal, State, County or Municipal property)

EXEMPTIONS

Exemptions

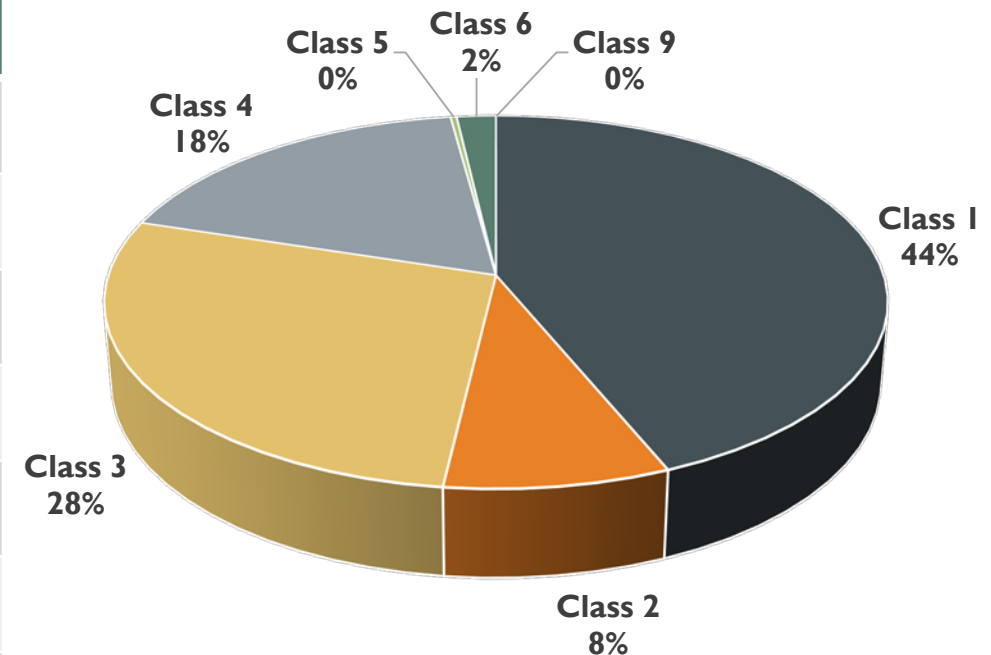
- Real estate, improvements to real estate, and all personal property items are taxable unless exempted by the Arizona Constitution
- Arizona Constitutionally Authorized Tax Exemptions
 - Article 9, Section 2
- Arizona Revised Statutory Exemptions
 - ARS 42-11102 – ARS 42-11133
- Local County Assessor may grant tax exemptions to:
 - Private nonprofit organizations, institutions, and associations that own and use land for specified purposes
 - Individuals who can satisfactorily evidence their eligibility
- Exemption only granted automatically to federal, state, county and municipal property

Reductions and Limits

- Class 03 properties (owner occupied residential):
 - The Limited Property Value cannot increase by more than 5% per year
 - Maximum amount of ad valorem taxes that may be collected from residential property shall not exceed 1% of the property's full cash value (subject to exceptions)
 - Primary homeowners rebate
 - Reduction is applied to school district primary taxes if the combined primary rate exceeds the threshold (State Aid to Education)

CALCULATION OF NET ASSESSED VALUES

Legal Class	# of Parcels	% Assessed	Limited Property Value	Assessed Value	Exempt	Net Assessed Value
01	1,897	18%	1,084,080,912	195,134,581	24,466,199	170,668,382
02	8,882	15%	393,956,315	59,093,290	27,272,468	31,820,822
03	11,345	10%	1,104,043,837	110,404,592	1,247,606	109,156,986
04	7,920	10%	704,763,999	70,476,633	130,214	70,346,419
05	10	15%	7,438,490	1,115,773	-	1,115,773
06	50	5%	145,115,639	7,255,777	2,466	7,253,311
09	2	1%	20,660,210	206,602	205,000	1,602
Total	30,106		3,460,059,402	443,687,248	53,323,953	390,363,295



TRUTH IN TAXATION ANALYSIS

City of Casa Grande
Truth in Taxation Analysis

Calculation for Truth in Taxation Hearing Notice pursuant to A.R.S. § 42-17107

	Option #1 .9225	Option #2 .9999	Option #3 1.0606	Option #4 1.1244
Actual current primary property tax levy:	\$ 3,572,996	\$ 3,572,996	\$ 3,572,996	\$ 3,572,996
Net assessed valuation:	390,363,295	390,363,295	390,363,295	390,363,295
Value of new construction:	3,035,250	3,035,250	3,035,250	3,035,250
Net assessed value minus new construction:	387,328,045	387,328,045	387,328,045	387,328,045
MAXIMUM TAX RATE THAT CAN BE IMPOSED WITHOUT A TRUTH IN TAXATION HEARING:	0.9225	0.9225	0.9225	0.9225
Growth in property tax levy capacity associated with new construction:	28,000	28,000	28,000	28,000
MAXIMUM PRIMARY PROPERTY TAX LEVY WITHOUT A TRUTH IN TAXATION HEARING:	3,601,101	3,601,101	3,601,101	3,601,101
Proposed primary property tax levy:	3,601,101	3,903,350	4,140,000	4,389,245
Proposed increase in primary property tax levy, exclusive of new construction	\$ -	\$ 299,899	\$ 534,709	\$ 782,016
Proposed percentage increase in primary property tax levy:	0.00%	8.39%	14.96%	21.89%
Proposed primary property tax rate:	\$ 0.9225	\$ 0.9999	\$ 1.0606	\$ 1.1244
Proposed increase in primary property tax rate:	\$ (0.0000)	\$ 0.0774	\$ 0.1381	\$ 0.2019
Proposed primary property tax levy on a home valued at \$100,000	\$ 92.25	\$ 99.99	\$ 106.06	\$ 112.44
Primary property tax levy on a home valued at \$100,000 if the tax rate was not raised:	\$ 92.25	\$ 92.25	\$ 92.25	\$ 92.25
Proposed primary property tax levy increase on a home valued at \$100,000:	\$ (0.00)	\$ 7.74	\$ 13.81	\$ 20.19

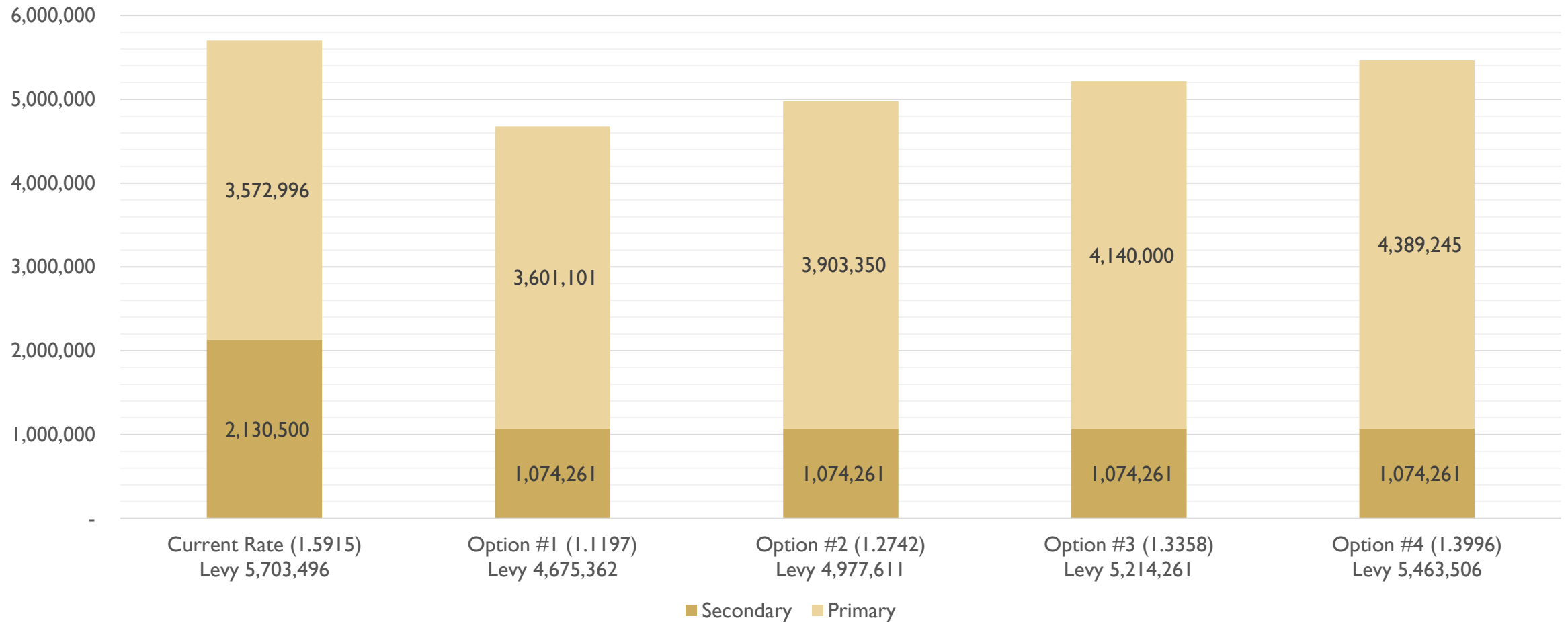
COMBINED PROPERTY TAX RATES

	Current Tax Rate	Option #1	Option #2	Option #3	Option #4
Primary Property Tax	.9905	.9225	.9999	1.0606	1.1244
Secondary Property Tax	.6010	.2752	.2752	.2752	.2752
Total	1.5915	1.1197	1.2742	1.3358	1.3996

Combined property tax levy on a home valued at \$100K	159.15	111.97	127.42	133.58	139.96
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	Current Rate .9905	Rate of .9225	Rate of .9999	Rate of 1.0606	Rate of 1.1244
Primary Property Tax Levy	3,572,996	3,601,101	3,903,350	4,140,000	4,389,245
Secondary Property Tax Levy	2,130,500	1,074,261	1,074,261	1,074,261	1,074,261
Total	5,703,496	4,675,362	4,977,611	5,214,261	5,463,506

PROPERTY TAX LEVY BY TYPE

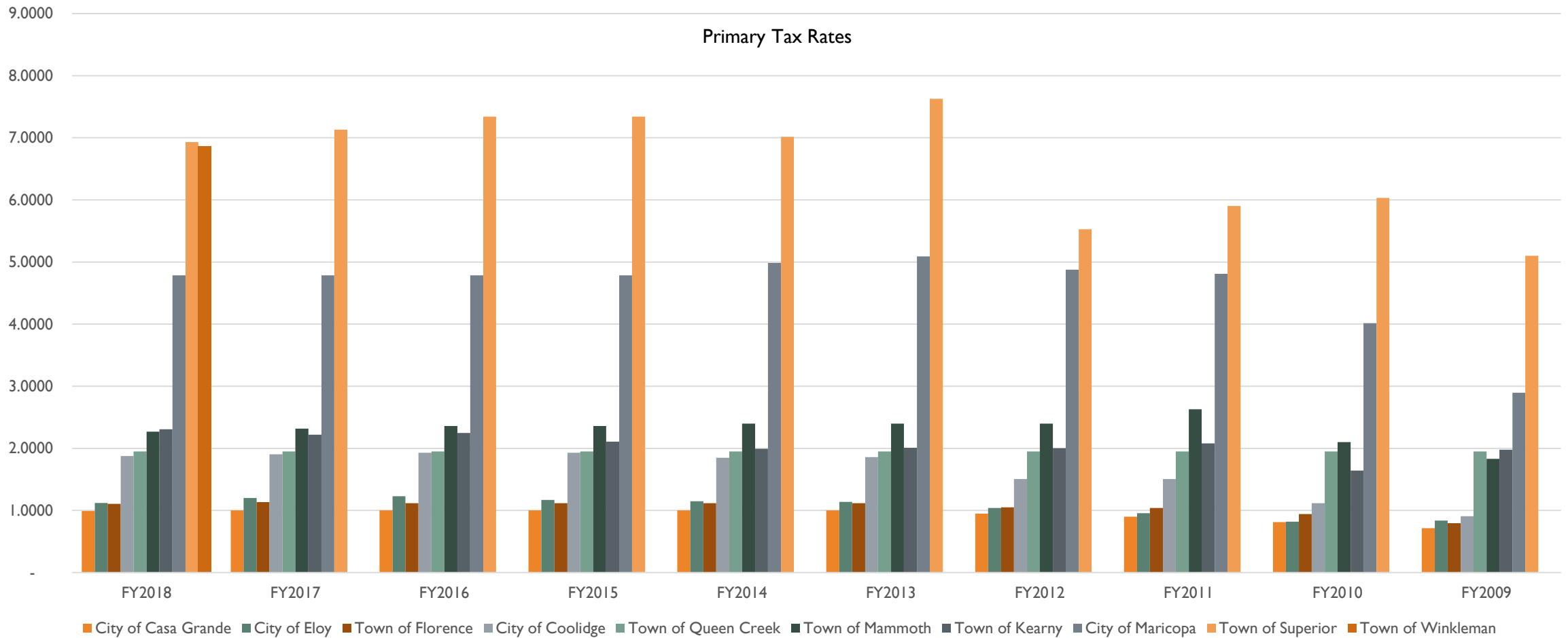


RESIDENTIAL VS. COMMERCIAL

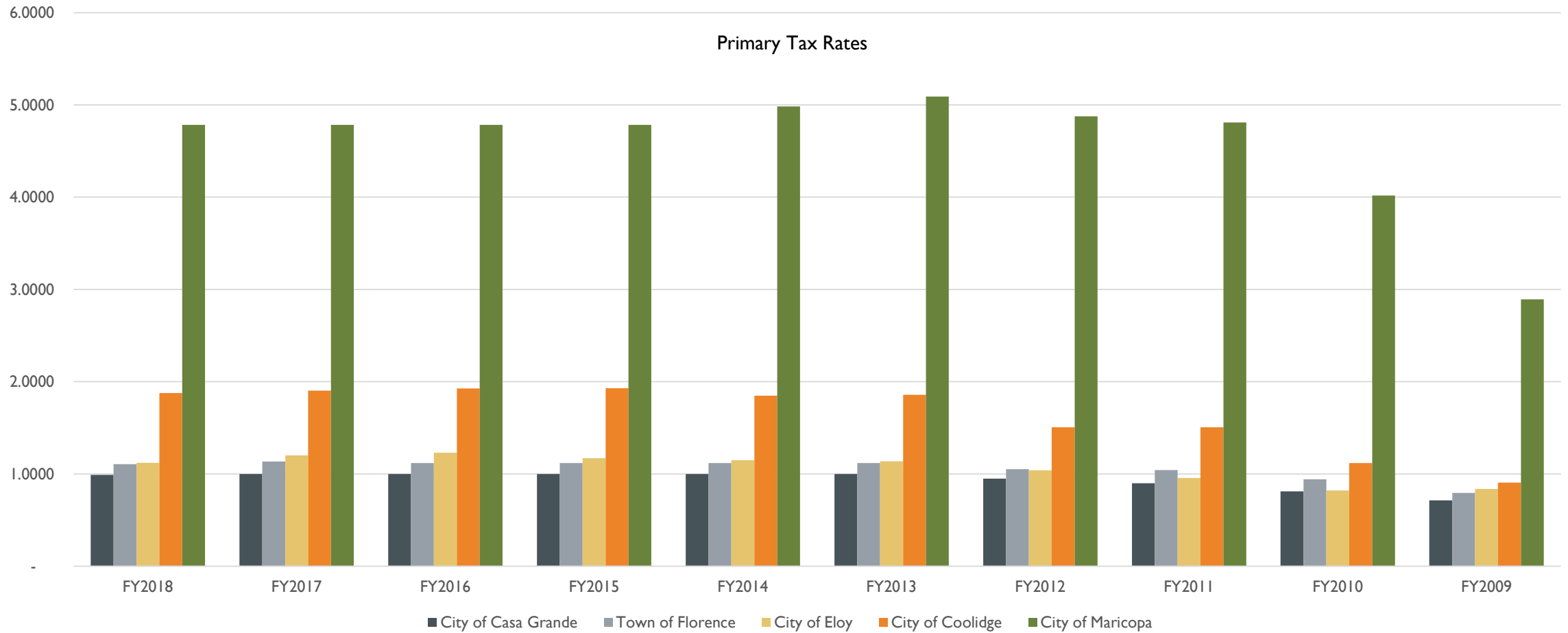
	Residential (Class 3)	Commercial (Class 1)
Limited Property Value	\$1,104,043,837	\$1,084,080,912
Assessment Ratio	10%	18%
Net Assessed Value	\$109,156,986	\$170,668,382
# of Parcels	11,345	1,897
Personal Property Included	No	Yes
Primary Homeowner's Rebate	Yes	No
Maximum amount of ad valorem taxes shall not exceed 1% of the property's full cash value (subject to exceptions)	Yes	No
Limited Property Value cannot exceed more than 5% per year (subject to exceptions)	Yes	Yes
Reduction is applied to school district primary taxes if the combined primary rate is exceeds the threshold	Yes	No

CITIES WITHIN PINAL COUNTY

Primary Tax Rates

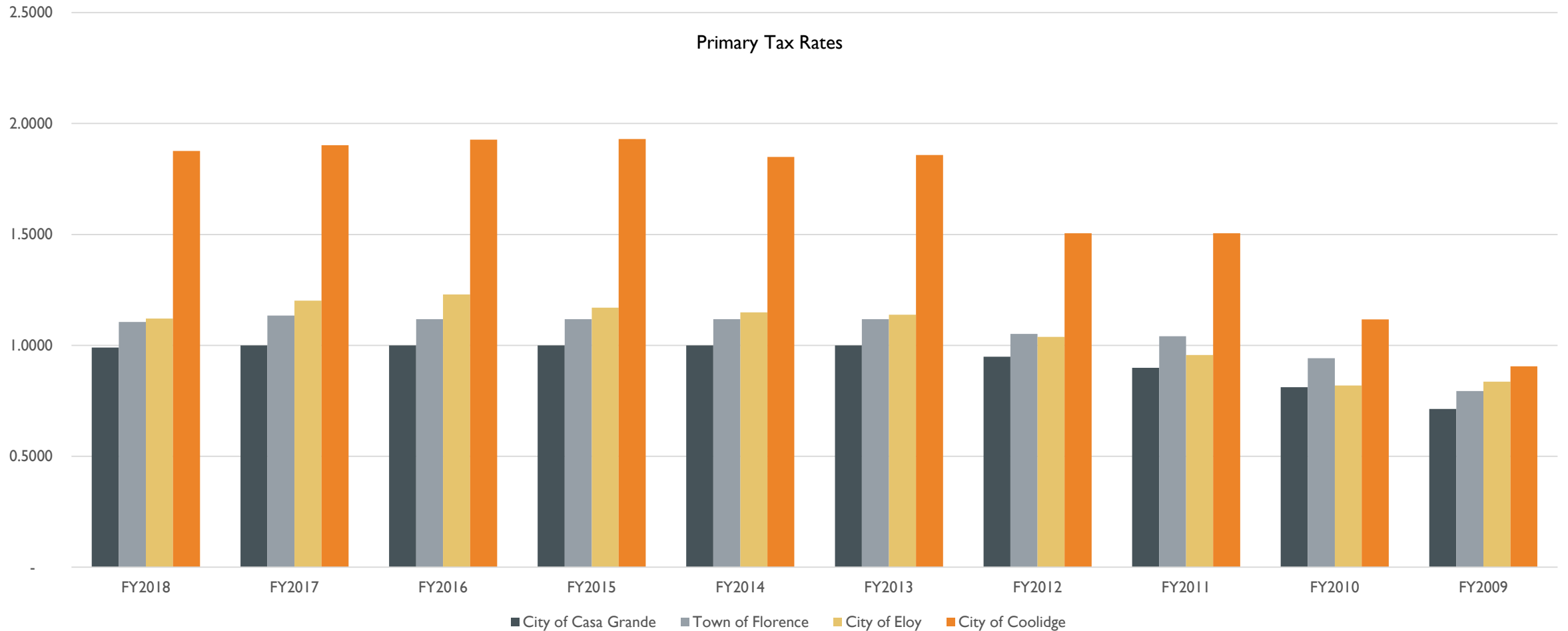


SURROUNDING CITIES



SURROUNDING CITIES (EXCLUDING MARICOPA)

Primary Tax Rates




2018 TAX LEVY (FY19)

	Proposed	2018 Primary Property Tax Rates					
Property Tax Type	City of Casa Grande	City of Casa Grande	City of Maricopa	City of Eloy	City of Coolidge	Town of Florence	City of Apache Junction
Primary	1.1244	.9905	4.7845	1.1210	1.8759	1.1060	-
Secondary	.2752	.6010	1.122	-	-	-	-
Fire District		-	0.1211	2.4999		-	-
Flood		-	.1964	-		1.8864	-
Total	1.3996	1.5915	6.224	3.6209	1.8759	2.9924	-

The above comparison does not include School Districts, Street Light Improvement Districts (SLID) or Community Facility Districts (CFD)



Questions????



**NOTICE OF PUBLIC HEARINGS
ADOPTION OF BUDGET AND TAX LEVY**

Notice is hereby given that the City of Casa Grande City Council will conduct public hearings on the adoption of the City's Budget and Tax Levy for Fiscal Year 2019-2020. The hearings will be held during the Regular Council meeting on July 8, 2019, 7:00 p.m. at the City Council Chambers, 510 E. Florence Boulevard.

Additionally, the City Council will meet for a Special meeting for the purpose of adopting the City's Budget for Fiscal Year 2019-2020, following the scheduled Regular Council meeting on July 8, 2019, 7:00 p.m. at the City Council Chambers, 510 E. Florence Boulevard.

Citizens are welcome to provide written and/or oral comments and to ask questions regarding the FY 2019-2020 budget by calling the City of Casa Grande Finance Director, Celina Morris, at 520-421-8600, ext. 2070 or the Budget Analyst, Veronica Ramirez, at 520-421-8600, ext. 2080. The tentative budget may be viewed at City Clerk's Office at 510 E. Florence Boulevard, the Main Library at 449 N. Dry Lake, and the Vista Grande Library at 1556 N. Arizola Road. The tentative budget may also be viewed at the City website www.casagrandeaz.gov.

Further, the City Council will meet for the purpose of setting the Property Tax Levy for Fiscal Year 2019-2020 during the Regular Council meeting on July 22, 2019, 7:00 p.m. at the City Council Chambers, 510 E. Florence Boulevard, Casa Grande, AZ 85122.

TRUTH IN TAXATION HEARING NOTICE OF TAX INCREASE

IN COMPLIANCE WITH SECTION 42-17107, ARIZONA REVISED STATUTES, THE CITY OF CASA GRANDE IS NOTIFYING ITS PROPERTY TAXPAYERS OF CITY OF CASA GRANDE'S INTENTION TO RAISE ITS PRIMARY PROPERTY TAXES OVER LAST YEAR'S LEVEL. THE CITY OF CASA GRANDE IS PROPOSING AN INCREASE IN PRIMARY PROPERTY TAXES OF \$782,016 OR 22%.

FOR EXAMPLE, THE PROPOSED TAX INCREASE WILL CAUSE CITY OF CASA GRANDE'S PRIMARY PROPERTY TAXES ON AN \$100,000 HOME TO BE \$112.44 (TOTAL PROPOSED TAXES INCLUDING THE TAX INCREASE). WITHOUT THE PROPOSED TAX INCREASE, THE TOTAL TAXES THAT WOULD BE OWED ON A \$100,000 HOME WOULD HAVE BEEN \$99.05.

THIS PROPOSED INCREASE IS EXCLUSIVE OF INCREASED PRIMARY PROPERTY TAXES RECEIVED FROM NEW CONSTRUCTION. THE INCREASE IS ALSO EXCLUSIVE OF ANY CHANGES THAT MAY OCCUR FROM PROPERTY TAX LEVIES FOR VOTER APPROVED BONDED INDEBTEDNESS OR BUDGET AND TAX OVERRIDES.

ALL INTERESTED CITIZENS ARE INVITED TO ATTEND THE PUBLIC HEARING ON THE TAX INCREASE THAT IS SCHEDULED TO BE HELD MONDAY, JULY 8, 2019, 7:00 PM AT THE CITY COUNCIL CHAMBERS, 510 E. FLORENCE BOULEVARD, CASA GRANDE, AZ 85122.