

# Secondary Property Tax Levy FY 2022-23

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Ryan Wimmer, Treasurer

June 2, 2022



# Property Tax Types

Type	Permitted Use	City of Mesa
Primary	General city operations	No
Secondary	Debt service on general obligation bonds approved by voters	Yes

*Formula:*

Property Value \* Tax Rate = Tax Levy

# Total Property Value in Mesa (2-3 year delay from sales value)



# Change in Taxable Property Value

*Formula:*

**Property Value \* Tax Rate = Tax Levy**

## **Change in Taxable Property Value in Mesa (FY21/22 to FY22/23)**

	<b>\$ Change</b>	<b>% Change</b>
Appreciation of Existing Property	+\$158 million	+4.0%
New Property	+\$ 86 million	+2.1%
<b>Total</b>	<b>+\$244 million</b>	<b>+6.1%</b>

# FY22/23 Property Tax Levy

*Formula:*

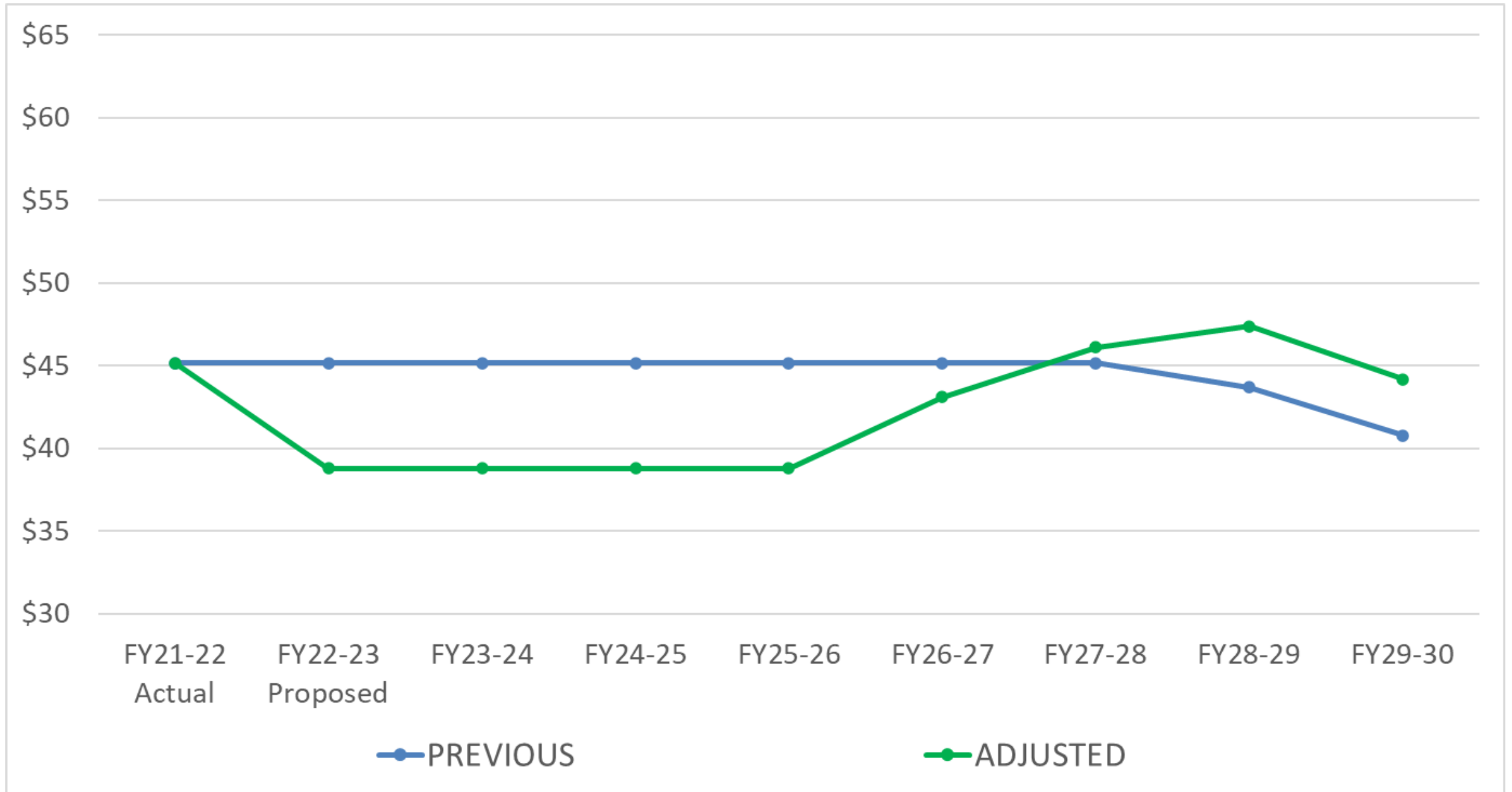
Property Value \* Tax Rate = Tax Levy

**FY22/23 Proposed Levy:** Set at a level that funds annual debt payments for several years but that may need to be increased once all bonds authorized by voters in 2018 and 2020 have been sold

Less than prior year due to:

1. Timeframe – aligns levy with progress of bond programs
  - Timeframe to complete bond programs (6-8 years) versus original assumption (4-5 years)
  - 31% of bonds authorized by voters in 2018 have been sold
  - 3% of bonds authorized by voters in 2020 have been sold
2. Savings from conservative financial assumptions (interest rates, collection rates, etc.)
3. Healthy reserve balance

# Property Tax Levy Forecast



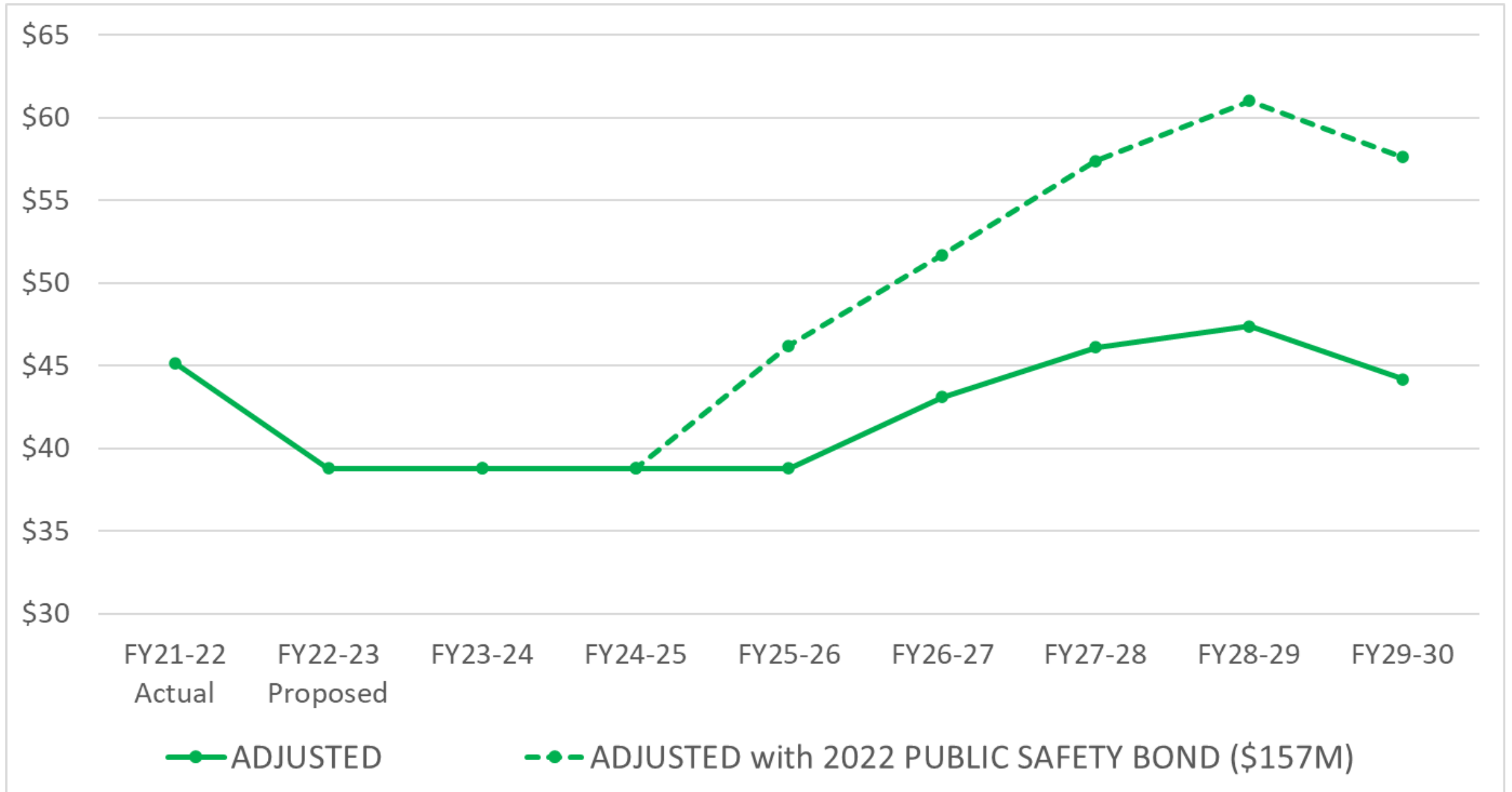
# Proposed Levy and Rate

	FY21/22	FY22/23 Proposed	\$ Change	% Change
<b>Taxable Property Value</b>	\$3,990 million	\$4,234 million	+\$244 million	+6%
<b>Tax Levy</b>	\$45.2 million	<b>\$38.8 million</b>	-\$6.4 million	-14%
<b>Tax Rate</b>	\$1.1319	<b>\$0.9157</b>	-\$0.2162	-19%
<b>Annual Cost to Median Homeowner</b>	\$171	\$146	<b>-\$25</b>	-15%

*Formula:*

Property Value \* Tax Rate = Tax Levy

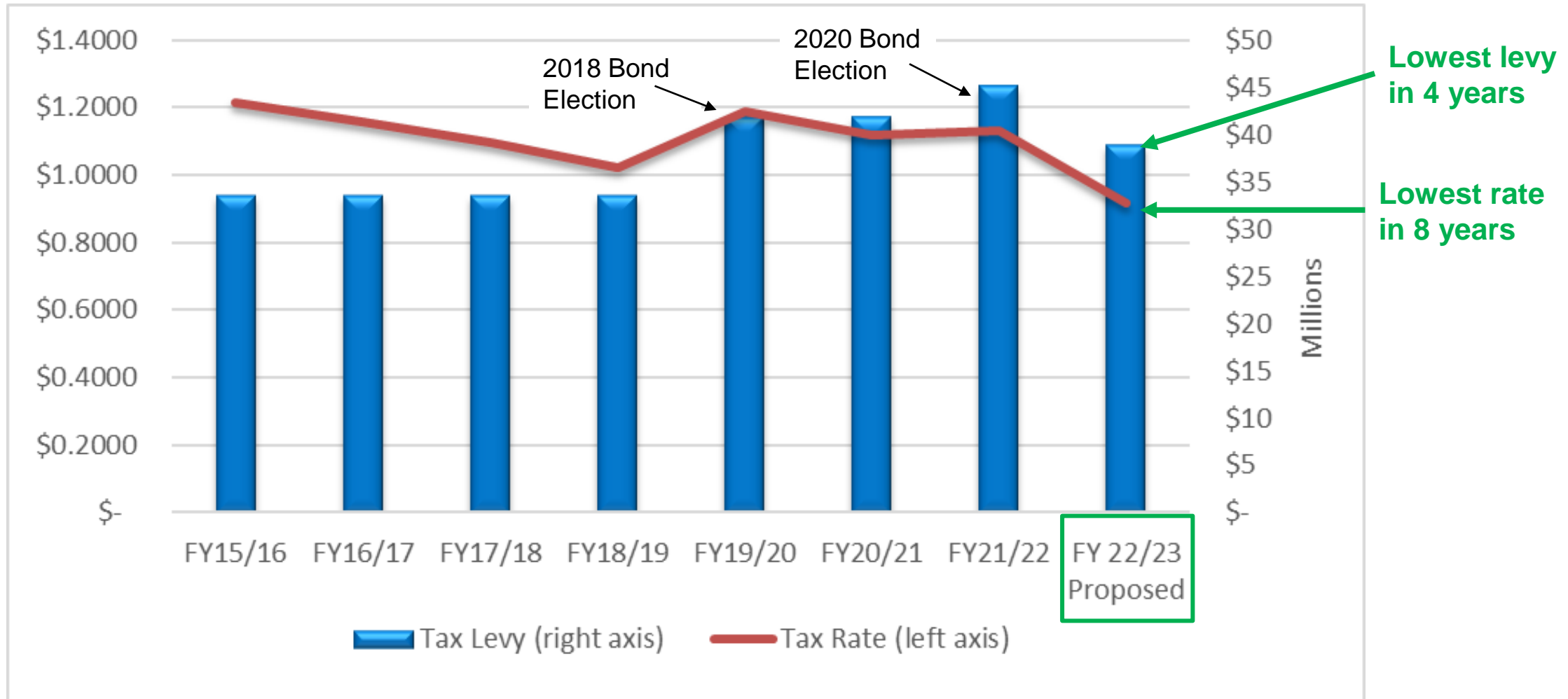
# Property Tax Levy Forecast





# Proposed Levy and Rate

## Historical Comparison



# Calendar

June 6	Public hearing on annual budget and secondary property tax levy
	Final adoption of annual budget
June 20	Adoption of secondary property tax levy



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# General Obligation Debt Service

