

Staff Summary Report



Council Meeting Date: 05/07/09

Agenda Item Number: _____

SUBJECT: This is a Truth in Taxation public hearing to adopt a resolution by roll call vote as required under the state Truth in Taxation statute, indicating the City's intention to adopt a primary property tax levy that, excluding amounts related to new construction, will be greater than last year's primary levy.

DOCUMENT NAME: 20090507fsae01 **MISCELLANEOUS TAXES (0210-06)** RESOLUTION NO. 2009.32

SUPPORTING DOCS: No

COMMENTS: Resolution No. 2009.32 Truth in Taxation

PREPARED BY: Cecilia Robles, Deputy Financial Services Manager (350-8881)

REVIEWED BY: Jerry Hart, Financial Services Manager (350-8505)

LEGAL REVIEW BY: Andrew Ching, City Attorney (350-8575)

FISCAL NOTE: See below

RECOMMENDATION: Staff recommends approval of Resolution No. 2009.32.

ADDITIONAL INFO: State law (A.R.S. §42-17107) requires cities and towns to provide notice and conduct a public hearing if their primary property tax levy, excluding amounts related to new construction, will be greater than the primary levy in the prior year. The Truth in Taxation law requires a public hearing on the proposed primary levy on or before final budget adoption. Further, the statute stipulates a roll call vote on the Truth in Taxation resolution.

The primary property tax levy reflects the preliminary levy limit as estimated by the County. That amount, excluding amounts related to new construction, reflects 5.6% valuation growth over 2008 assessed values. Since the City intends to adopt a levy equal to the primary levy limit, the provisions of Truth in Taxation are invoked.

The Truth in Taxation notification and hearing requirements do not address the secondary portion of the property tax levy. The secondary levy supports voter-approved debt, while the primary levy funds general City services. Based upon levy information received from the County, we estimate the primary tax levy will generate \$229,805 over last year's primary tax levy.

As required by statute, two published notices and a press release have preceded this public hearing, appearing in the form and manner explicitly prescribed by A.R.S. §42-17107.

RESOLUTION NO. 2009.32

**A RESOLUTION OF THE MAYOR AND THE
THE CITY OF TEMPE, ARIZONA,
ADOPTING THE PRIMARY PROPERTY TAX LEVY
FOR THE FISCAL YEAR 2009-10 IN COMPLIANCE
WITH THE "TRUTH IN TAXATION" PROVISIONS
OF ARIZONA REVISED STATUTES.**

WHEREAS, the City of Tempe's proposed primary property tax levy for fiscal year 2009-10, excluding amounts that are attributable to new construction, is greater than the amount levied by the City of Tempe in the preceding tax year;

WHEREAS, the City of Tempe intends to adopt a primary property tax levy reflecting the 2009 allowable levy limit as determined by Maricopa County pursuant to the laws of the state of Arizona;

WHEREAS, this Resolution is in compliance with A.R.S. §42-17107;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA:

That the City of Tempe primary property tax levy for fiscal year 2009-10 shall equal the allowable levy limit as determined by Maricopa County pursuant to the laws of the state of Arizona, to be adopted by ordinance as prescribed in Arizona Revised Statutes and the City of Tempe Charter.

That the City Clerk be, and is hereby authorized and directed to transmit within three days of the date of approval of this Resolution a copy of the Truth in Taxation Notice, a statement of its publication, and the result of the Mayor and City Council's vote to the Property Tax Oversight Commission.

PASSED AND ADOPTED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this _____ day of _____, 2009.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

FINANCIAL SERVICES MANAGER