

Staff Summary Report

Council Meeting Date: 6/05/08

Agenda Item Number: 2

SUBJECT: This is the introduction and first public hearing for adopting the FY 2008-2009 Property Tax Ordinance No. 2008.25; and setting the final adoption of this ordinance on June 19, 2008.

DOCUMENT NAME: 20080605fsae02 **MISCELLANEOUS TAXES (0210-06)** Ordinance No. 2008.25

SUPPORTING DOCS: No

COMMENTS: N/A

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 adoption of Ordinance No. 2008.25

ADDITIONAL INFO: As the final budget consideration for Fiscal Year 2008-2009, Council is required to set the property tax rate for the 2008-2009 Fiscal Year.

Pursuant to A.R.S. §42-17151 and as a result of the FY 2008-2009 Annual Budget and Capital Improvements Program, the attached Ordinance establishes the property tax rate for the 2008-2009 budget year at \$1.40 per \$100 of assessed valuation.

Based upon levy information received from the County, we estimate that the \$1.40 tax rate will generate \$34.7 million, including \$11.0 million of primary levy from an estimated .5070 primary tax rate and \$23.7 million of secondary levy from an estimated .8930 secondary tax rate.

The primary property tax levy amount as indicated in the Annual Budget reflects the allowable levy limit as estimated by the County. Since the City intends to adopt a levy equal to the primary levy limit, the provisions of Truth in Taxation are invoked. 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.

ORDINANCE NO. 2008.25

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 TEMPE FOR THE FISCAL YEAR ENDING JUNE 30, 2009.

PURSUANT to A.R.S. §42-17151, the ordinance levying taxes for Fiscal Year 2008-2009 is required to be adopted on or before the third Monday in August.

WHEREAS, the County of Maricopa is the assessing and collecting authority for the City of Tempe.

WHEREAS, Tempe City Charter Section 5.11 allows an ordinance necessary in connection with the adoption of the annual budget to be adopted and go into effect upon adoption.

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

Section 1: There is hereby levied on each One Hundred Dollars (\$100.00) of the limited assessed value of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a primary property tax rate, for general and administrative expenses of the City of Tempe. The City of Tempe intends to adopt a primary property tax levy of \$10,976,100, resulting in a tax rate of \$0.5070 per \$100 of assessed value. The primary tax levy amount is equal to the maximum allowable levy limit as determined by Maricopa County pursuant to the laws of the state of Arizona.

Section 2: In addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of unlimited assessed valuation of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a secondary property tax rate equal to the difference between the primary tax rate, established in Section 1, and totaling \$1.4000.

Section 3: The combined tax rate as set forth in Sections 1 and 2 shall equal \$1.4000 per one hundred dollars (\$100.00) of assessed valuation of all property, real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation.

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 any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Tempe 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 foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

Section 5: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 6: This ordinance shall become effective upon adoption.

Section 7: The Clerk of the City is directed to transmit a certified copy of this ordinance to the County Assessor and Board of Supervisors of Maricopa County.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA,
this _____ day of _____, 2008.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

FINANCIAL SERVICES MANAGER