

July 16, 2024

MEMORANDUM TO: Honorable Mayor and City Council

THRU: Charles P. Potucek, City Manager
Victoria Yarbrough, Assistant City Manager

FROM: David J. Felix, Chief Finance Officer
Jennifer Dillaha, Budget Officer

SUBJECT: REQUEST FOR AGENDA ITEM PLACEMENT
ORDINANCE 2024-005, Fiscal Year 2024/2025
Property Tax Levy

BACKGROUND

Attached please find the property tax levy ordinance for FY2025.

The proposed primary property tax levy rate is \$0.1033 per \$100 of assessed value, generating an estimated \$387,167 this fiscal year. This is a slight increase from \$382,261 in FY24 and \$379,068 in FY23. The slight increase in total property tax revenue is due to new construction.

The FY25 property tax levy rate and total collection amount was provided to the City by the Arizona Department of Revenue. The rate was adjusted slightly lower due to an increase in valuation of taxable property so that the amount paid by the citizens remains the same as the amount paid in FY24. State law refers to the actual total property levy collection amount and not the City's property tax rate when determining a property tax increase and whether truth in taxation requirements need to be met. The City is not required to publish truth in taxation notices for the property tax levy at this proposed new rate.

State budget law requires final adoption by the third Monday in August.

ORDINANCE 2024-005

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF SIERRA VISTA SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM FINES, LICENSES, AND OTHER SOURCES OF REVENUE; PROVIDING A GENERAL FUND FOR GENERAL MUNICIPAL EXPENSES ALL FOR THE FISCAL YEAR ENDING JUNE 30, 2025; AUTHORIZING AND DIRECTING THE CITY MANAGER, CITY CLERK, CITY ATTORNEY OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS ORDINANCE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR SEVERABILITY

WHEREAS, by the provisions of the state law, the ordinance levying taxes for the Fiscal Year 2024/2025 is required to be adopted not later than the third Monday in August; and

WHEREAS, the County of Cochise is the assessing and collecting authority for the City of Sierra Vista, the City Clerk is hereby directed to transmit a certified copy of this ordinance to the Assessor and the Board of Supervisors of Cochise County, Arizona; and

WHEREAS, it is settled policy of the City Council to adopt the ordinance levying property taxes for the fiscal year not later than the third Monday in August.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, AS FOLLOWS:

SECTION 1

There is hereby levied on each One Hundred Dollars (\$100) of assessed value of all property, both real and personal, within the corporate limits of the City of Sierra Vista, except such property as may be by law exempt from taxation, a tax rate sufficient to raise the sum of Three Hundred Eighty Seven Thousand and One Hundred Sixty Seven Dollars (\$387,167) for the purpose of providing the City of Sierra Vista for the fiscal year ending on the 30th day of June, 2025, but not to exceed the \$0.1033 per each One Hundred Dollars (\$100) of the assessed valuation of all real and personal property in the City of Sierra Vista subject to taxation.

SECTION 2

There is no secondary tax levied upon the property within the corporate limits of the City of Sierra Vista for the fiscal year ending June 30, 2025.

SECTION 3

No failure by the county officials of Cochise County, Arizona, to properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed; nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within the time specified, work an invalidation or any proceedings or of any such deed or sale or affect the validity of the collection of the same may be enforced or in any manner affect the lien of the City upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for the collection of taxes or the foreclosure; and the acts of officers de facto shall be valid as if prepared by officers de jure.

SECTION 4

Should any section, clause or provision of this Ordinance be declared by the courts to be invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end, the provisions of this Ordinance are declared to be severable.

SECTION 5

That the City Manager, City Clerk, City Attorney, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this Ordinance.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, THIS 8th DAY OF AUGUST 2024.

CLEA McCAA, II
Mayor

ATTEST:

APPROVED AS TO FORM:

JILL ADAMS
City Clerk

NATHAN J. WILLIAMS
City Attorney

PREPARED BY: Jennifer Dillaha, Budget Officer