

TO: Members of the Arizona State Legislature and staff

FROM: ATRA Staff

RE: Maricopa County tax rate changes in tax year 2015

Many Maricopa County lawmakers have been asking for information regarding tax rate changes in their respective districts in order to respond to their constituents' questions resulting from the Maricopa County Treasurer Hos Hoskins' letter to homeowners blaming the State Legislature and the Arizona Tax Research Association for any tax increases in those bills.

Recognizing there is usually not one answer that explains an increase in an entire tax bill, this summary provides information on tax increases that impacted all Maricopa County taxpayers as well as specific school districts and cities that increased taxes. In an effort to shift taxpayers' focus away from tax levies and government spending, Hoskins suggests that Prop 117, in its first year of implementation, actually caused residential taxes to be higher than they otherwise would have been. This is patently untrue. The truth is the county assessor increased the full cash values for residential property for the 2015 tax year by 25%. Prop 117 limited the increase in the **taxable** value for those residential properties to 5%. Moreover, in the first year that Prop 117 was in effect, property tax levies for all jurisdictions in Maricopa County increased just 2.12% - less than half the growth rate from last year (4.6%).

As was the case with the significant levy and rate increase to pay for the voter approved bonds for the Maricopa County hospital, many times significant increases in tax bills are attributed to voter approved bonds and overrides of school districts. For example in 2014, in addition to the \$935 million in bonds approved for the Maricopa County hospital, voters approved \$369 million in G.O. bonds and \$89 million in annual levies for overrides for school districts. This general election voters will decide the fate of \$804 million in bonds and \$147 million annual override levies for Maricopa County schools. These numbers don't include bond requests at the city level.

Lastly, in the first year of implementation for Prop 117, there is a transition from the use of secondary net assessed values for taxing purposes to all taxes being calculated and paid using one limited value. In this transition year, the values used to pay secondary taxes dropped slightly (1.3%) on a countywide basis. Depending on the jurisdiction, this obviously resulted in a small increase in secondary rates for bond debt service or overrides.

Included in this email is an attachment that shows the property tax rates for jurisdictions (excluding most special districts) in Maricopa County for tax years 2014 and 2015. Below is a list highlighting some of the major rate increases in tax year 2015 with a brief explanation for what caused the increases.

County:

- County Hospital - 62.8%: Prop 480 bond election passed in Nov. 2014
- County Primary - 3%: 4-cent primary tax rate increase
- Flood control District - 14.4%: 2-cent secondary rate increase

Cities:

- Fountain Hills - 355.8%: Nov. 2013 G.O. Bond election (52-cent secondary rate increase)
- Gila Bend - 15.4%: 4.5-cent primary rate increase
- El Mirage - 8.6%: 32-cent secondary rate increase

School Districts:

- Aguila EI 10.7% - Cash balance fix
- Alhambra EI 7.5%EI - Cash balance fix;
- Avondale EI 7.4% - Cash balance fix
- Balsz EI 22% - Voters passed Capital Override; Cash balance fix
- Creighton EI 50.4% - Voters passed Capital Override, increased M&O override; bond payments increased; cash balance fix
- Isaac EI 65% - Cash balance fix
- Murphy EI 36% - Cash balance fix
- Palo Verde EI 11% - Cash balance fix
- Peoria Uni 7% - Cash balance fix
- Phoenix EI 7% - Cash balance fix;
- Phoenix Union 7% - Bond payment grew \$12 million
- Riverside EI 9% - Cash balance fix
- Union EI 16% - Cash balance fix

Explanations:

Cash balance fix: If school districts under levied in a previous year and as a result have a negative cash balance or had a larger cash balance in a previous year, their primary tax levy will grow.

Fire Districts:

- Queen Creek FD - 29%: 57-cent rate increase
- Gilbert County Island FD - 12.6%: 19-cent rate increase
- Harquahala Valley FD - 7.2%: 15-cent rate increase

Jurisdiction	TY 2014			TY 2015			\$ Change	% Change
	Primary	Secondary	TOTAL	Primary	Secondary	TOTAL		
State & County								
State Eq Rate	\$0.5089	-	\$0.5089	\$0.5089	-	\$0.5089	\$0.0000	0.0%
Maricopa Comm College	\$1.2824	\$0.2363	\$1.5187	\$1.2628	\$0.2312	\$1.4940	-\$0.0247	-1.6%
County	\$1.3209	-	\$1.3209	\$1.3609	-	\$1.3609	\$0.0400	3.0%
Flood Control	-	\$0.1392	\$0.1392	-	\$0.1592	\$0.1592	\$0.0200	14.4%
Library	-	\$0.0556	\$0.0556	-	\$0.0556	\$0.0556	\$0.0000	0.0%
Central AZ Project	-	\$0.1400	\$0.1400	-	\$0.1400	\$0.1400	\$0.0000	0.0%
County Hospital	-	\$0.1856	\$0.1856	-	\$0.3021	\$0.3021	\$0.1165	62.8%
Cities & Towns								
Avondale	\$0.7766	\$0.9734	\$1.7500	\$0.7756	\$0.9744	\$1.7500	\$0.0000	0.0%
Buckeye	\$1.8011	-	\$1.8011	\$1.8000	-	\$1.8000	-\$0.0011	-0.1%
Chandler	\$0.2992	\$0.8800	\$1.1792	\$0.2992	\$0.8800	\$1.1792	\$0.0000	0.0%
El Mirage	\$1.7426	\$1.7980	\$3.5406	\$1.7264	\$2.1176	\$3.8440	\$0.3034	8.6%
Fountain Hills	-	\$0.1151	\$0.1151	-	\$0.5246	\$0.5246	\$0.4095	355.8%
Gila Bend	\$0.2931	-	\$0.2931	\$0.3382	-	\$0.3382	\$0.0451	15.4%
Gilbert	-	\$1.0659	\$1.0659	-	\$1.0567	\$1.0567	-\$0.0092	-0.9%
Glendale	\$0.4896	\$1.6605	\$2.1501	\$0.4898	\$1.7067	\$2.1965	\$0.0464	2.2%
Goodyear	\$1.1836	\$0.6864	\$1.8700	\$1.1637	\$0.7063	\$1.8700	\$0.0000	0.0%
Mesa	-	\$1.1853	\$1.1853	-	\$1.2125	\$1.2125	\$0.0272	2.3%
Peoria	\$0.1900	\$1.2500	\$1.4400	\$0.1900	\$1.2500	\$1.4400	\$0.0000	0.0%
Phoenix	\$1.3541	\$0.4659	\$1.8200	\$1.3414	\$0.4786	\$1.8200	\$0.0000	0.0%
Queen Creek	\$1.9500	-	\$1.9500	\$1.9500	-	\$1.9500	\$0.0000	0.0%
Scottsdale	\$0.5580	\$0.6869	\$1.2449	\$0.5293	\$0.6244	\$1.1537	-\$0.0912	-7.3%
Surprise	\$0.7591	-	\$0.7591	\$0.7591	-	\$0.7591	\$0.0000	0.0%
Tempe	\$0.9231	\$1.5119	\$2.4350	\$0.9334	\$1.5861	\$2.5195	\$0.0845	3.5%
Tolleson	\$1.8309	\$1.9148	\$3.7457	\$1.8344	\$2.1371	\$3.9715	\$0.2258	6.0%
Wickenburg	\$0.5270	-	\$0.5270	\$0.5270	-	\$0.5270	\$0.0000	0.0%
School Districts								
Agua Fria Union	\$2.9900	\$1.2105	\$4.2005	\$2.0732	\$1.1935	\$3.2667	-\$0.9338	-22.2%
Aguila El	\$4.5575	-	\$4.5575	\$5.0457	-	\$5.0457	\$0.4882	10.7%
Alhambra El	\$1.9572	\$5.0448	\$7.0020	\$2.2642	\$5.2643	\$7.5285	\$0.5265	7.5%
Arlington El	\$1.1126	\$0.1794	\$1.2920	\$1.1420	\$0.1883	\$1.3303	\$0.0383	3.0%
Avondale El	\$2.7442	\$3.0575	\$5.8017	\$3.1076	\$3.1217	\$6.2293	\$0.4276	7.4%
Balsz El	\$2.1016	\$1.6377	\$3.7393	\$2.2828	\$2.2977	\$4.5805	\$0.8412	22.5%
Buckeye El	\$3.7761	\$2.1411	\$5.9172	\$3.2117	\$2.3722	\$5.5839	-\$0.3333	-5.6%
Buckeye Union	\$2.3817	\$1.1274	\$3.5091	\$2.2096	\$1.1277	\$3.3373	-\$0.1718	-4.9%
Cartwright El	\$4.3281	\$6.3080	\$10.6361	\$4.3281	\$6.8168	\$11.1449	\$0.5088	4.8%
Cave Creek Unified	\$2.2403	\$0.1099	\$2.3502	\$2.1752	\$0.1829	\$2.3581	\$0.0079	0.3%
Chandler Unified	\$4.8944	\$2.3919	\$7.2863	\$4.1598	\$2.4515	\$6.6113	-\$0.6750	-9.3%
Creighton El	\$2.1031	\$1.8850	\$3.9881	\$2.3847	\$3.6149	\$5.9996	\$2.0115	50.4%
D.V. Unified	\$4.4104	\$2.0685	\$6.4789	\$4.3630	\$1.9610	\$6.3240	-\$0.1549	-2.4%
Dysart Unified	\$4.3489	\$2.7750	\$7.1239	\$4.2672	\$2.4096	\$6.6768	-\$0.4471	-6.3%
Fowler El	\$2.0419	\$1.8548	\$3.8967	\$2.0408	\$2.0089	\$4.0497	\$0.1530	3.9%
Ftn. Hills Unified	\$2.2763	\$0.8269	\$3.1032	\$2.1009	\$0.8246	\$2.9255	-\$0.1777	-5.7%
Gila Bend Unified	\$2.2667	\$0.4887	\$2.7554	\$2.3022	\$0.5018	\$2.8040	\$0.0486	1.8%
Gilbert Unified	\$5.2090	\$2.0194	\$7.2284	\$5.2599	\$1.1968	\$6.4567	-\$0.7717	-10.7%
Glendale El	\$2.2343	\$4.2328	\$6.4671	\$1.3400	\$4.5021	\$5.8421	-\$0.6250	-9.7%
Glendale Union	\$2.5904	\$1.8285	\$4.4189	\$2.4743	\$1.9818	\$4.4561	\$0.0372	0.8%
Higley Unified	\$5.1617	\$2.1058	\$7.2675	\$5.1709	\$1.7805	\$6.9514	-\$0.3161	-4.3%
Isaac El	\$2.6025	\$3.7535	\$6.3560	\$6.4029	\$4.0818	\$10.4847	\$4.1287	65.0%
Kyrene El	\$2.2522	\$1.7840	\$4.0362	\$2.1409	\$1.8654	\$4.0063	-\$0.0299	-0.7%
Laveen El	\$2.5143	\$4.4918	\$7.0061	\$2.4591	\$4.9233	\$7.3824	\$0.3763	5.4%
Liberty El	\$2.8010	\$1.7001	\$4.5011	\$2.5534	\$1.7242	\$4.2776	-\$0.2235	-5.0%
Litchfield El	\$2.3282	\$1.4498	\$3.7780	\$2.2606	\$1.5746	\$3.8352	\$0.0572	1.5%
Littleton El	\$2.5899	\$3.3086	\$5.8985	\$2.4797	\$3.4455	\$5.9252	\$0.0267	0.5%
Madison El	\$2.3677	\$2.2349	\$4.6026	\$2.4048	\$2.2514	\$4.6562	\$0.0536	1.2%
Mesa Unified	\$4.9302	\$2.5681	\$7.4983	\$4.6211	\$2.7435	\$7.3646	-\$0.1337	-1.8%
Mobile El	\$8.1774	-	\$8.1774	\$8.5433	-	\$8.5433	\$0.3659	4.5%
Morrison El	\$4.3742	\$0.6038	\$4.9780	\$7.3555	\$0.5842	\$7.9397	\$2.9617	59.5%
Murphy El	\$1.4280	\$3.0506	\$4.4786	\$3.1207	\$2.9681	\$6.0888	\$1.6102	36.0%

School Districts								
Nadaburg Unified	\$4.4482	\$0.3654	\$4.8136	\$4.3735	\$0.3675	\$4.7410	-\$0.0726	-1.5%
Osborn El	\$2.1494	\$1.6485	\$3.7979	\$2.2370	\$1.7802	\$4.0172	\$0.2193	5.8%
P.V. Unified	\$4.1128	\$2.6670	\$6.7798	\$4.3431	\$2.6499	\$6.9930	\$0.2132	3.1%
Palo Verde El	\$2.1696	\$1.8555	\$4.0251	\$2.6716	\$1.8079	\$4.4795	\$0.4544	11.3%
Paloma El	\$6.2528	-	\$6.2528	\$5.9804	-	\$5.9804	-\$0.2724	-4.4%
Pendergast El	\$2.6783	\$4.5117	\$7.1900	\$2.5302	\$4.3506	\$6.8808	-\$0.3092	-4.3%
Peoria Unified	\$4.4291	\$2.8417	\$7.2708	\$4.9320	\$2.8437	\$7.7757	\$0.5049	6.9%
Phoenix El	\$3.9479	\$2.7682	\$6.7161	\$4.2675	\$2.9206	\$7.1881	\$0.4720	7.0%
Phoenix Union	\$3.4171	\$1.2025	\$4.6196	\$3.5951	\$1.3620	\$4.9571	\$0.3375	7.3%
Queen Creek Unified	\$4.3042	\$2.2433	\$6.5475	\$4.2808	\$1.8941	\$6.1749	-\$0.3726	-5.7%
Riverside El	\$1.3757	\$1.9465	\$3.3222	\$1.6208	\$1.9918	\$3.6126	\$0.2904	8.7%
Roosevelt El	\$4.3869	\$3.1912	\$7.5781	\$4.3869	\$3.2527	\$7.6396	\$0.0615	0.8%
Saddle Mtn. Unified	\$2.1855	\$0.4309	\$2.6164	\$2.1863	\$0.4150	\$2.6013	-\$0.0151	-0.6%
Scottsdale Unified	\$3.1091	\$1.0045	\$4.1136	\$2.8332	\$1.0263	\$3.8595	-\$0.2541	-6.2%
Sentinel El	\$10.0411	-	\$10.0411	\$10.0411	-	\$10.0411	\$0.0000	0.0%
Tempe El	\$3.3038	\$2.4510	\$5.7548	\$3.2204	\$2.2514	\$5.4718	-\$0.2830	-4.9%
Tempe Union	\$2.4348	\$0.6268	\$3.0616	\$2.2188	\$0.6559	\$2.8747	-\$0.1869	-6.1%
Tolleson El	\$1.9787	\$2.5933	\$4.5720	\$2.0699	\$2.7101	\$4.7800	\$0.2080	4.5%
Tolleson Union	\$2.8582	\$1.6766	\$4.5348	\$2.4000	\$1.6051	\$4.0051	-\$0.5297	-11.7%
Union El	\$1.8486	\$2.3384	\$4.1870	\$2.5673	\$2.2789	\$4.8462	\$0.6592	15.7%
Washington El	\$2.9215	\$2.7800	\$5.7015	\$2.8248	\$2.9628	\$5.7876	\$0.0861	1.5%
Wickenburg Unified	\$3.9198	\$1.6306	\$5.5504	\$3.6581	\$1.4229	\$5.0810	-\$0.4694	-8.5%
Wilson El	\$4.4554	\$2.2918	\$6.7472	\$4.4554	\$2.4098	\$6.8652	\$0.1180	1.7%

Fire Districts	TY 2014	TY 2015	\$ Change	% Change
	Secondary	Secondary		
Aguila	\$2.5173	\$2.4047	-\$0.1126	-4.5%
Buckeye Valley	\$3.2500	\$3.2500	\$0.0000	0.0%
Chandler CIFD	\$1.6465	\$1.6317	-\$0.0148	-0.9%
Circle City/Morr.	\$3.2500	\$3.2500	\$0.0000	0.0%
Clearwater Hills	\$1.1861	\$1.1911	\$0.0050	0.4%
Daisy Mtn.	\$3.2500	\$3.2500	\$0.0000	0.0%
Gilbert CIFD	\$1.5129	\$1.7032	\$0.1903	12.6%
Goldfield Ranch	\$0.6378	\$0.6537	\$0.0159	2.5%
Harquahala Valley	\$2.1340	\$2.2874	\$0.1534	7.2%
Laveen	\$2.8203	\$2.9647	\$0.1444	5.1%
Queen Creek CIFD	\$1.9840	\$2.5584	\$0.5744	29.0%
North County*	\$2.9177	\$2.8577	-\$0.0600	-2.1%
Rio Verde	\$3.2500	\$3.2500	\$0.0000	0.0%
Scottsdale CIFD	\$0.6754	\$0.6882	\$0.0128	1.9%
Sun City	\$3.2500	\$3.2500	\$0.0000	0.0%
Sun Lakes	\$3.2500	\$3.2500	\$0.0000	0.0%
Superstition	\$3.1900	\$3.1900	\$0.0000	0.0%
Tempe CIFD	\$1.5855	\$1.2060	-\$0.3795	-23.9%
Tonopah	\$3.2500	\$3.2500	\$0.0000	0.0%
Wickenburg	\$1.3954	\$1.3340	-\$0.0614	-4.4%
Wittmann	\$3.2500	\$3.2500	\$0.0000	0.0%

* Sun City West F.D. was renamed North County FMD.