

PROPERTY TAX OVERSIGHT COMMISSION

Arizona Department of Revenue Building



April 14, 2016

Douglas A. Ducey
Governor

David Briant
Chairman

Bill Lee, City Manager
City of Somerton
P.O. Box 638
Somerton, AZ 85350

Jim Brodnax Member	Kevin McCarthy Member
Jeff Lindsey Member	Chris Kelling Member

RE: Truth in Taxation Hearing

Dear Mr. Lee:

Attached is the 2016 levy limit worksheet with net assessed values certified by the County Assessor. Per A.R.S. § 42-17052(A), these values cannot be changed after February 10 without the approval of the Property Tax Oversight Commission. Therefore, the total net assessed values of **\$32,357,725** noted in Section C must be used when adopting a primary property tax levy and tax rate. Please note the maximum allowable tax rate and levy limit in Section D of the levy limit worksheet.

If the proposed tax levy, excluding amounts that are attributable to new construction, is greater than the amount levied in the preceding tax year, a truth in taxation hearing must be held. Therefore, if the City of Somerton intends to levy a tax rate greater than **\$1.7373**, a truth in taxation hearing must be held. Reference the attached levy limit worksheet for the truth in taxation rate calculation.

If a truth in taxation hearing is required, refer to § 42-17107 for the notice and hearing procedures. Within three days after the truth in taxation hearing, forward to my attention a copy of the published truth in taxation notice, the affidavit of publication, and the result of the roll call to consider a motion to levy the increased property taxes.

If you have any questions regarding the truth in taxation hearing requirements, please feel free to contact me at (602) 716-6436 or dteller@azdor.gov. Thank you for your cooperation with the Commission.

Sincerely,

Darlene Teller
Property Tax Oversight Commission Staff

cc: Scott Holt, Financial Services Director, Yuma County
Ralph Villa, Finance Director, City of Somerton

2016 LEVY LIMIT WORKSHEET

YUMA COUNTY - CITY OF SOMERTON

MAXIMUM LEVY	2015
A.1. Maximum Allowable Primary Tax Levy	\$546,010
A.2. A.1 multiplied by 1.02	\$556,930

CURRENT YEAR NET ASSESSED VALUE SUBJECT TO TAXATION IN PRIOR YEAR	2016
B.1. Centrally Assessed	\$1,661,580
B.2. Locally Assessed Real Property	\$29,541,751
B.3. Locally Assessed Personal Property	\$225,325
B.4. Total Assessed Value (B.1 through B.3)	\$31,428,656
B.5. B.4. divided by 100	\$314,287

CURRENT YEAR NET ASSESSED VALUES	2016
C.1. Centrally Assessed	\$1,721,031
C.2. Locally Assessed Real Property	\$30,411,369
C.3. Locally Assessed Personal Property	\$225,325
C.4. Total Assessed Value (C.1 through C.3)	\$32,357,725
C.5. C.4. divided by 100	\$323,577

LEVY LIMIT CALCULATION	2016
D.1. LINE A.2	\$556,930
D.2. LINE B.5	\$314,287
D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)	1.7720
D.4. LINE C.5	\$323,577
D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT	\$573,378
D.6. Excess Collections/Excess Levy	
D.7. Amount in Excess of Expenditure Limit	
D.8. ALLOWABLE LEVY LIMIT (D.5 - D.6 - D.7)	\$573,378

<i>2016 New Construction</i>	\$929,069
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<i>Prior year actual levy (from line F.1 of the 2015 worksheet)</i>	\$546,010
<i>Divided by current values excluding new construction per line B.5</i>	\$314,287
Truth in Taxation Rate	1.7373

If the proposed tax rate is greater than the Truth in Taxation Rate noted above, a truth in taxation hearing must be held. (see A.R.S. § 42-17107)

Note: The values certified by the County Assessor cannot be changed after February 10 without the approval of the Property Tax Oversight Commission pursuant to § 42-17051.A. Therefore, the total net assessed values per line C.4 must be used when adopting a primary property tax levy and tax rate.

For questions, contact Darlene Teller at (602) 716-6436 or dteller@azdor.gov.