

PROPERTY TAX OVERSIGHT COMMISSION

Arizona Department of Revenue Building



Meeting Minutes February 28, 2023 Virtual meeting held on Google Meets

Katie Hobbs
Governor

Neeraj Deshpande
Chairman

Jim Brodnax Member	Kevin McCarthy Member
Chris Kelling Member	Vacant Member

Members in Attendance:

Neeraj Deshpande, Chairman
Jim Brodnax, Member
Kevin McCarthy, Member
Chris Kelling, Member

Staff:

Alexandra Kusen, PTOC
Elaine Smith, PTOC

Guests:

Jeremy Pittman, Coconino County Assessor's Office
Christina Hext, Gila County County Assessor's Office
Ken Burrell, Gila County County Assessor's Office
Dawn Marie Buckland, Maricopa County Assessor's Office
Nikolaus Decker, Maricopa County Assessor's Office
Tim Holland, Maricopa County Assessor's Office
Charlie Moore, Maricopa County Assessor's Office
Molly Rogers, Maricopa County Assessor's Office
Michael Wheeler, Property Owner
Randie Stein, Stifel's Public Finance Department

1. Call to Order

Chairman Deshpande called the meeting to order at 1:07 p.m. and asked Commission members and staff to state their name for the record.

2. Approval of Minutes

The minutes of the December 21, 2022, meeting were reviewed. No additions or deletions were recommended. Mr. Kelling made a motion to approve the minutes as distributed and it was seconded by Mr. McCarthy. The motion passed unanimously.

3. Adjustment to the primary levy limit for Coconino Community College District per A.R.S. § 42-17056

The Governing Board of Coconino Community College called an election to be held on May 12, 2022, to request voter authorization to reset the primary property tax levy limit for the College. Voters approved an amount not to exceed \$14,715,587 beginning in tax year 2022 and collectable by the College in the increments prescribed by law.

The adjustment to be phased in over three years is equal to the approved amount of \$14,715,587 less the authorized levy amount for tax year 2022 of \$8,982,977, or \$5,732,610 without two percent growth. The voter approved adjustment is \$1,910,870 for tax year 2022, \$3,821,740 for tax year 2023, and \$5,732,610 for tax year 2024. Adding the amounts to the allowable levy limit in tax year 2022 of \$8,982,977 produces adjusted allowable levy limits of \$10,893,847 for tax year 2022, \$12,804,717 for tax year 2023, and \$14,715,587 for tax year 2024.

4. Review adjustment to the values associated with the primary levy for Gila County and Maricopa County

A summary was presented showing the proposed change in values for jurisdictions in Gila County as prepared by staff using the Gila County Abstract of Assessment. Staff held that property values presented on the levy limit worksheets were overstated. Staff replaced the locally assessed personal property values of \$9,937,412 from the Abstract of Assessment, which decreased the current year total assessed value by \$1,870,195. The County Assessor disagreed with the staff recommendation and maintained using last year's values as an estimate of locally assessed personal property values.

Mr. McCarthy made a motion to approve Gila County's request to use values submitted January 24 that were based on last year's values and it was seconded by Mr. Brodnax. The motion passed unanimously.

Staff presented changes in values for jurisdictions in Maricopa County as requested by the County Assessor. In transitioning to a new reporting system, incorrect amounts attributable to new construction were sent initially. Corrected worksheets were submitted to Staff for review and approval by the Commission. Staff also recognized that the incorrect maximum allowable primary tax levy of the prior year, or line A.1 of the worksheet, was submitted for all dual-county jurisdictions.

Significant changes included a decrease in new construction of \$1,437,820 for the County and College, a decrease in new construction of \$572,145 for the city of Avondale, and a decrease in new construction of \$325,008 for the city of Phoenix. Significant changes for fire districts included a decrease in total net assessed values of \$718,413 for Daisy Mountain Fire District shared with Yavapai County, a decrease in total net assessed values of \$5,492,211 for North County Fire and Medical District and a decrease in the current year allowable levy limit of \$192,228, and a decrease in total net assessed values of \$128,128 for South County Fire and Medical District.

Mr. Brodnax made a motion to approve the review as presented by staff and it was seconded by Mr. McCarthy. The motion passed unanimously.

5. Adjournment

With all agenda items for the meeting complete, Chairman Deshpande asked if there was a motion to adjourn. Mr. McCarthy made a motion to adjourn and it was seconded by Mr. Brodnax. The motion passed unanimously. The meeting adjourned at 1:39 p.m.