



SURPRISE
ARIZONA

FY2022 Tentative Budget

City Council Meeting

May 4, 2021

FY2022 Budget

- November 4, 2020 – Budget Kickoff with City Staff
- January 2021 – City Management and Directors Meet
- February 2021 – Projects and Priorities are Determined
- April 16, 2021 – Budget Retreat/Recommended Budget
- May 4, 2021 – Tentative Budget

FY2022 Tentative Budget

Category	2022 CM Rec.	2022 Tentative	\$ Variance	% Variance
Operating Expenses	\$ 234.3	\$ 234.3	\$ -	0%
Capital Outlay	115.4	115.4	-	0%
Debt Service	11.5	11.5	-	0%
Contingency	76.6	76.6	-	0%
Transfers Out	48.2	48.2	-	0%
Total	\$ 486.0	\$ 486.0	\$ -	0%

Amounts in millions

Prior Year Comparison

Expense Category	FY2021 Adopted	FY2021 Revised	FY2022 Recommended	FY2022 Tentative	Variance from Recommended	% Variance
Operating Expenses	191,878,400	208,735,500	234,349,000	234,349,000	-	0.0%
Capital Outlay	97,864,300	97,788,400	115,384,800	115,384,800	-	0.0%
Debt Service	11,248,000	11,248,000	11,494,500	11,494,500	-	0.0%
Contingency	74,306,100	57,524,900	76,601,100	76,601,100	-	0.0%
Expenditure Limit	<u>375,296,800</u>	<u>375,296,800</u>	<u>437,829,400</u>	<u>437,829,400</u>	-	0.0%
Transfers Out	<u>40,163,600</u>	<u>59,782,000</u>	<u>48,155,000</u>	<u>48,155,000</u>	-	0.0%
Total Budget	415,460,400	435,078,800	485,984,400	485,984,400	-	0.0%

Transfers are not included in the Expenditure Limit

FY2022 Tentative Budget

- Adopted by Council
- Sets maximum expenditure limit
- Can reduce but cannot increase
- Can make revisions without increasing total
- Do not have to spend the limit

FY2022 Primary and Secondary Property Tax

	Current Rate	Current Levy	Proposed Rate	Proposed Levy
Primary Property Tax	\$0.7591	\$9,135,500	\$0.7591	\$9,974,200
Secondary Property Tax	\$0.3880	\$4,669,400	\$0.3880	\$5,098,200

TRUTH IN TAXATION HEARING NOTICE OF TAX INCREASE

IN COMPLIANCE WITH SECTION 42-17107, ARIZONA REVISED STATUTES, THE CITY OF SURPRISE IS NOTIFYING ITS PROPERTY TAXPAYERS OF THE CITY OF SURPRISE'S INTENTION TO RAISE ITS PRIMARY PROPERTY TAXES OVER LAST YEAR'S LEVEL. THE CITY OF SURPRISE IS PROPOSING AN INCREASE IN PRIMARY PROPERTY TAXES OF \$554,485 OR 6.0%.

FOR EXAMPLE, THE PROPOSED TAX INCREASE WILL CAUSE THE CITY OF SURPRISE'S PRIMARY PROPERTY TAXES ON A \$100,000 HOME TO BE \$75.91 (TOTAL PROPOSED TAXES INCLUDING THE TAX INCREASE). WITHOUT THE PROPOSED TAX INCREASE, THE TOTAL TAXES THAT WOULD BE OWED ON A \$100,000 HOME WOULD HAVE BEEN \$71.69.

THIS PROPOSED INCREASE IS EXCLUSIVE OF INCREASED PRIMARY PROPERTY TAXES RECEIVED FROM NEW CONSTRUCTION. THE INCREASE IS ALSO EXCLUSIVE OF ANY CHANGES THAT MAY OCCUR FROM PROPERTY TAX LEVIES FOR VOTER APPROVED BONDED INDEBTEDNESS OR BUDGET AND TAX OVERRIDES.

ALL INTERESTED CITIZENS ARE INVITED TO ATTEND THE PUBLIC HEARING ON THE TAX INCREASE THAT IS SCHEDULED TO BE HELD JUNE 1, 2021 AT 6:00 PM AT THE CITY OF SURPRISE COUNCIL CHAMBERS, 16000 N. CIVIC CENTER PLAZA, SURPRISE, AZ, 85374.

Budget Calendar

- Publish budget and truth in taxation May 18
May 25

- Final budget adoption and tax hearings June 1

- Property Tax Levy Adoption June 15
 - City of Surprise, primary and secondary
 - SLIDs
 - Marley Park



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**QUESTIONS OR
COMMENTS?**

Thank You