



Debt Service Fund



Report Criteria:
Account Termination Date = {Is NULL}
Account Detail

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>DEBT SERVICE FUND</u>						
<u>TAXES</u>						
20-31-61000	SECONDARY TAX LEVY - GO BONDS	156,227	150,458	156,639	159,976	151,094
	TAXES Totals:	156,227	150,458	156,639	159,976	151,094
<u>NON-OPERATING</u>						
20-38-75300	PRORATA WATER REVENUE	5,400	5,150	6,000	5,000	5,700
	Revenue:	161,627	155,608	162,639	164,976	156,794
	NON-OPERATING Totals:	5,400	5,150	6,000	5,000	5,700
<u>DEBT SERVICE</u>						
20-406-9612	ALLOWANCE--UNCOLLECTIBLE TAX	0	0	1,891	0	1,891
20-406-9897	PRINCIPAL	104,000	104,000	110,000	109,000	110,000
20-406-9898	INTEREST (DEBT SERVICE)	58,753	54,624	50,748	49,896	44,903
	DEBT SERVICE Totals:	162,753	158,624	162,639	158,896	156,794
	DEBT SERVICE FUND Revenue Totals:	161,627	155,608	162,639	164,976	156,794
	DEBT SERVICE FUND Expenditure Totals:	162,753	158,624	162,639	158,896	156,794
	Expenditure:	(162,753)	(158,624)	(162,639)	(158,896)	(156,794)
	Grand Totals:	(1,126)	(3,016)	0	6,080	0

Year	Governmental Obligation												GADA Bond & Trustee Fees		Total GO	
	Water-1974			GADA-2004B			GADA-2007			GADA-2007			Trustee Fees		Total GO	
	#20-406-9897	#20-406-9898	Total	#20-406-9897	Interest	#20-406-9898	Principal	Interest	#20-406-9897	Principal	Interest	#20-406-9897	Principal	Interest	#20-406-9897	Interest
2005/06	4,000.00	1,950.00	5,950.00	0.00	46,183.76	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00	48,133.76			
2006/07	4,000.00	1,750.00	5,750.00	70,000.00	45,308.76	0.00	0.00	0.00	0.00	0.00	0.00	74,000.00	47,058.76			
2007/08	4,000.00	1,550.00	5,550.00	75,000.00	43,308.76	0.00	0.00	0.00	0.00	0.00	0.00	79,000.00	44,858.76			
2008/09	4,000.00	1,350.00	5,350.00	90,000.00	40,721.26	10,000.00	16,688.96	10,000.00	10,000.00	13,093.76	104,000.00	104,000.00	58,760.22			
2009/10	4,000.00	1,200.00	5,200.00	90,000.00	37,683.76	10,000.00	13,093.76	10,000.00	10,000.00	13,093.76	104,000.00	104,000.00	51,977.52			
2010/11	4,000.00	1,000.00	5,000.00	95,000.00	34,208.76	10,000.00	12,693.76	10,000.00	10,000.00	12,693.76	109,000.00	109,000.00	50,747.52			
2011/12	5,000.00	700.00	5,700.00	95,000.00	30,408.76	10,000.00	12,293.76	10,000.00	10,000.00	11,893.76	1,500.00	110,000.00	44,902.52			
2012/13	5,000.00	450.00	5,450.00	105,000.00	26,408.76	10,000.00	11,893.76	10,000.00	10,000.00	11,893.76	120,000.00	120,000.00	38,752.52			
2013/14	6,000.00	200.00	6,200.00	110,000.00	22,108.76	15,000.00	11,393.76	15,000.00	15,000.00	11,393.76	131,000.00	131,000.00	33,702.52			
2014/15				110,000.00	17,653.76	15,000.00	10,793.76	15,000.00	15,000.00	10,793.76	125,000.00	125,000.00	28,447.52			
2015/16				115,000.00	12,983.76	15,000.00	10,193.76	15,000.00	15,000.00	10,193.76	130,000.00	130,000.00	23,177.52			
2016/17				120,000.00	8,018.76	15,000.00	9,593.76	15,000.00	15,000.00	9,593.76	135,000.00	135,000.00	17,612.52			
2017/18				125,000.00	2,734.38	15,000.00	8,993.76	15,000.00	15,000.00	8,993.76	140,000.00	140,000.00	11,728.14			
2018/19						15,000.00	8,318.76	15,000.00	15,000.00	8,318.76	15,000.00	15,000.00	8,318.76			
2019/20						15,000.00	7,568.76	15,000.00	15,000.00	7,568.76	15,000.00	15,000.00	7,568.76			
2020/21						15,000.00	6,893.76	15,000.00	15,000.00	6,893.76	15,000.00	15,000.00	6,893.76			
2021/22						20,000.00	6,181.26	20,000.00	20,000.00	6,181.26	20,000.00	20,000.00	6,181.26			
2022/23						20,000.00	5,356.26	20,000.00	20,000.00	5,356.26	20,000.00	20,000.00	5,356.26			
2023/24						20,000.00	4,518.76	20,000.00	20,000.00	4,518.76	20,000.00	20,000.00	4,518.76			
2024/25						20,000.00	3,593.76	20,000.00	20,000.00	3,593.76	20,000.00	20,000.00	3,593.76			
2025/26						20,000.00	2,593.76	20,000.00	20,000.00	2,593.76	20,000.00	20,000.00	2,593.76			
2026/27						20,000.00	1,593.76	20,000.00	20,000.00	1,593.76	20,000.00	20,000.00	1,593.76			
2027/28						25,000.00	546.88	25,000.00	25,000.00	546.88	25,000.00	25,000.00	546.88			
2028/29																
2029/30																
2030/31																
2031/32																
2032/33																
2033/34																
2034/35																
2035/36																
Total	36,000.00	8,200.00	44,200.00	1,200,000.00	321,548.24	315,000.00	164,798.52	315,000.00	315,000.00	164,798.52	1,555,000.00	1,555,000.00	547,025.52			

NOTE: Must also budget for a transfer from water to debt svc for the principal & interest. This GO bond is funded from water revenues. (51-453-9735 Transfer to Debt Service)

CITY OF WILLCOX
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2012

	2011	2012
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 68,917	\$ 74,454
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 68,917	\$ 74,454
B. Secondary property taxes	156,639	151,094
C. Total property tax levy amounts	\$ 225,556	\$ 225,548
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 65,743	
(2) Prior years' levies	4,347	
(3) Total primary property taxes	\$ 70,090	
B. Secondary property taxes		
(1) Current year's levy	\$ 149,740	
(2) Prior years' levies	10,236	
(3) Total secondary property taxes	\$ 159,976	
C. Total property taxes collected	\$ 230,066	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.3020	0.3209
(2) Secondary property tax rate	0.6700	0.6750
(3) Total city/town tax rate	0.9720	0.9959

B. Special assessment district tax rates
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating no special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Primary Property Tax
Calculation Example
Tax Bill Information Provided by Cochise County Treasurer

OWNER-OCCUPIED PROPERTY:

Full Cash Value Total: \$ **198,386**

Jurisdiction	2009 Taxes		2010 Taxes		Rates			
					FY10	FY11	FY12 2%	FY12
02000 Cochise County	\$ 465.32	\$ 508.98			0.2890	0.3020	0.3467	0.3375
02001 State School Tax Equ	\$ 58.22	\$ 69.03			0.6556	0.6700	0.6749	0.6749
04157 City of Willcox	\$ 191.47	\$ 191.43			0.9446	0.9720	1.0216	1.0124
07013 Willcox SD #13	\$ 504.29	\$ 506.38			\$ 186.04	\$ 192.83	\$ 202.67	\$ 200.85
08150 Cochise County Junior	\$ 283.06	\$ 309.61						
10251 No Cochise Cnty Hosp	\$ 154.35	\$ 195.19						
11900 Fire District Assist	\$ 18.72	\$ 15.69						
14900 Cochise County Library	\$ 31.12	\$ 28.79						
15000 Cochise County FCD	\$ 55.69	\$ 51.52						
30000 Cochise Cnty Joint T	\$ 10.72	\$ 9.92						
	\$ 1,772.96	\$ 1,886.54						

Citywide:

Allowable Levy .3467	\$ 76,478.00
Maximum Allowable Levy .3209	\$ 74,454.00
Difference	\$ <u>2,024.00</u>

Property Tax Increase:	2010 Increase	Total
Primary Prop Tax 2.2%	\$ 59.48	\$ 61.06

Addl on Prop \$ 1.83
Valued @ \$198,386:

On \$100,000 Prop:	
	\$ 102.16
	\$ 101.24
	\$ <u>0.92</u>

COMMERCIAL PROPERTY:

Full Cash Value Total: \$ **3,453,562**

04157 City of Willcox	2010 Increase	Total
Property Tax Increase:	\$ 6,605.91	
Primary Prop Tax 2.2%	\$ 174.83	\$ 6,780.74

The additional tax equals tax on new construction in the current year.

2010 PROPERTY TAX NOTICE

Cochise County

ARIZONA

PARCEL # 202 27 001G 0 AREA CODE 1320 PRIMARY TAX RATE PER \$100 ASSESSED VALUE 7.8475 SECONDARY TAX RATE PER \$100 ASSESSED VALUE 3.0044 RIGATION DISTRICT \$ PER ACRE

ASSESSMENT	VALUE IN DOLLARS	ASMT'S	ASSESSED VALUE	EXEMPTIONS	TAX RATE	TAX
LIMITED LAND, BLDGS, ETC	193,697	10.0	19,370	0	7.8475	1,520.07
LIMITED PERSONAL PROPERTY	193,697	0.0	0	0	0.0000	0.00
UNLIMITED TOTALS	321,800	10.0	19,370	0	0.0000	1,520.07
FULL CASH BLDG	165,586	10.0	3,280	0	3.0044	98.54
FULL CASH PERSONAL PROPERTY	198,386	0.0	16,559	0	0.0000	497.50
UNLIMITED TOTALS			19,839	0	0.0000	0.00
TOTAL TAX DUE FOR 2010						596.04

2005 TAXES	2010 TAXES
COCHISE COUNTY	465.32
STATE SCHOOL TAX EQU	58.72
CITY OF WILCOX	191.47
WILCOX SD #13	504.29
COCHISE COUNTY JUNIO	283.06
NO COCHISE CNTY HOSP	154.35
FIRE DISTRICT ASSIST	18.72
COCHISE COUNTY LIBRA	31.12
COCHISE COUNTY FCD #	55.69
COCHISE CNTY JOINT T	10.72
TOTALS	1,772.96

2010 TAXES	2010 TAXES
PRIMARY PROPERTY TAX	1,520.07
LESS STATE AND TO EDUCATION	229.57
NET PRIMARY PROPERTY TAX	1,290.50
SECONDARY PROPERTY TAX	596.04
SPECIAL DISTRICT TAX	0.00
TOTAL TAX DUE FOR 2010	1,886.54

ACREAGE:	4.06
TOTALS	1,772.96
TOTALS	1,886.54

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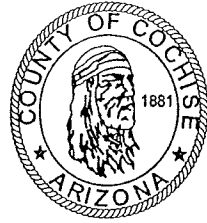


PAYMENT INSTRUCTIONS
 To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than and no interest will be charged for current year.

Make your check payable to and mail to:
 Marsha Bonham
 Cochise County Treasurer
 PO Box 1778
 Bisbee AZ 85603-2778

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PARCEL NUMBER



County of Cochise
OFFICE OF THE COUNTY ASSESSOR

PO Drawer 168 Bisbee, AZ 85603
(520) 432-8650 FAX (520) 432-8698
E-Mail: assessor@cochise.az.gov

Philip S. Leiendecker
Assessor

Felix Dagnino
Chief Deputy

TO: **City of Willcox**
Cristina G. Whelan, City Clerk
Ruth Graham, Finance Director
101 S Railroad Ave, Ste B
Willcox, AZ 85643
520-384-4271 FAX: 520-384-2590
cwhelan@willcoxcity.org rgraham@willcoxcity.org

FROM: Philip S. Leiendecker, Cochise County Assessor

DATE: February 14, 2011

SUBJECT: 2011 Net Assessed Values - REVISED

Attached is the year 2011 Levy Limit Worksheet for City of Willcox

I am providing this data for your taxing jurisdiction pursuant to A.R.S. 42-17052 & 42-17107.
The figures have been reviewed and appear accurate at this date.

This year 2011 Net Assessed Value for your District is listed below. I am providing this data to you to assist in your budget process.

Net Assessed Value (Secondary)	\$22,383,136
Net Assessed Value (Primary)	\$22,058,684

If you have questions regarding the Levy Limit worksheets, please contact Bobby Garrard or myself at 432-8659

2011 LEVY LIMIT WORKSHEET

Date: 2/10/2011

COCHISE COUNTY - CITY OF WILCOX

MAXIMUM LEVY	2010
A.1. Maximum Allowable Primary Tax Levy	\$72,994
A.2. A.1 multiplied by 1.02	\$74,454

CURRENT YEAR NET ASSESSED VALUE SUBJECT TO TAXATION IN PRIOR YEAR	2011
B.1. Centrally Assessed	\$4,062,555
B.2. Locally Assessed Real Property	\$16,202,608
B.3. Locally Assessed Personal Property	\$1,210,383
B.4. Total Assessed Value (B.1 through B.3)	\$21,475,546
B.5. B.4. divided by 100	\$214,755

CURRENT YEAR NET ASSESSED VALUES	2011
C.1. Centrally Assessed	\$4,369,307
C.2. Locally Assessed Real Property	\$16,478,994
C.3. Locally Assessed Personal Property	\$1,210,383
C.4. Total Assessed Value (C.1 through C.3)	\$22,058,684
C.5. C.4. divided by 100	\$220,587

LEVY LIMIT CALCULATION	2011
D.1. LINE A.2	\$74,454
D.2. LINE B.5	\$214,755
D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)	0.3467
D.4. LINE C.5	\$220,587
D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT	\$76,478
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)	\$76,478

PROPERTY TAX OVERSIGHT COMMISSION

Arizona Department of Revenue Building



April 1, 2011

Janice K. Brewer
Governor

Gale Garriott
Chairman

Lester Abrams Jim Brodnax
Member Member

Kevin McCarthy Fred Stiles
Member Member

Patrick McCourt
City Manager
City of Willcox
101 S. Railroad Ave., Suite B
Willcox, AZ 85643

APR 1 2011 REC'D

RE: Truth in Taxation Hearing

Dear Mr. McCourt:

Attached is the 2011 levy limit worksheet with net assessed values certified on February 10, 2011 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 net assessed values of \$22,058,684 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.

Per A.R.S. § 42-17107(A), 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. If the City of Willcox intends to levy a tax rate greater than \$0.3209, a truth in taxation hearing must be held (truth in taxation rate = prior year actual levy of \$68,910 ÷ current year value of last year's property of \$214,755). If a truth in taxation hearing is required, forward to my attention a copy of the published truth in taxation notice, the Affidavit of Publication, and the result of the governing body's roll call to consider a motion to levy the increased property taxes.

If you have any questions regarding the 2011 Levy Limit Worksheet or 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
PTOC Staff

cc: Patrick Call, Chairman, Cochise County Board of Supervisors
Lois Klein, Finance Director, Cochise County
Ruth Graham, Finance Director, City of Willcox

2011 LEVY LIMIT WORKSHEET

COCHISE COUNTY - CITY OF WILCOX

MAXIMUM LEVY	2010
A.1. Maximum Allowable Primary Tax Levy	\$72,994
A.2. A.1 multiplied by 1.02	\$74,454

CURRENT YEAR NET ASSESSED VALUE SUBJECT TO TAXATION IN PRIOR YEAR	2011
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B.4. Total Assessed Value (B.1 through B.3)	\$21,475,546
B.5. B.4. divided by 100	\$214,755

CURRENT YEAR NET ASSESSED VALUES	2011
C.1. Centrally Assessed	\$4,369,307
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LEVY LIMIT CALCULATION	2011
D.1. LINE A.2	\$74,454
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D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)	0.3467
D.4. LINE C.5	\$220,587
D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT	\$76,478
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)	\$76,478

Truth in Taxation Rate (prior year actual levy divided by B.5) 0.3209

PROPERTY TAX LEVY LIMITATION

The State Constitution and State law also specify a property tax levy limitation system. This system consists of two levies, a limited levy known as the primary property tax levy and an unlimited levy referred to as the secondary property tax levy. The primary levy may be imposed for all purposes, while the secondary levy in cities and towns may only be used to retire the principal and interest or redemption charges on bonded indebtedness.

Primary Property Tax Levy Limit

There is a strict limitation on just how much a city or town can levy as a primary property tax. This primary tax levy is limited to an increase of 2% over the previous year's maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed the previous year.⁹² In November 2006, voters elected to reset the "base year" from which annual levy increases are calculated from 1979-80 to 2005-06.⁹³

Note that the 2% increase is based on a city or town's "maximum allowable levy" for the prior year. That is, even if you do not adopt the maximum allowable levy from year to year, the 2% allowable increase will be based on the prior year's "maximum allowable levy" anyway. Also, it should be pointed out that the "net new property" factor is included in the calculation to take into account all new construction and any additional property added to a community due to an annexation. There is an Attorney General's Opinion that has been interpreted to state that a city or town can levy in excess of its maximum allowable levy limit for involuntary tort judgments.⁹⁴ The Property Tax Oversight Commission will recognize an involuntary tort judgment if:

1. The judgment is pursuant to a court order or settlement agreement; and
2. The judgment is approved for payment by the city or town council; and
3. The Attorney General certifies that the judgment is an involuntary tort judgment; and
4. The city or town submits copies of the court order or settlement agreement and the minutes of the meeting at which the council approved payment on or before the first Monday in July.

The primary property tax from all taxing jurisdictions for homeowners may not exceed 1% of their home's primary assessed value.⁹⁵ If the combined primary property tax (for the city/town, county, etc.) exceeds 1% of the primary assessed value of the home, the school districts will reduce their rate until the homeowners aggregate rate is equal to or less than the allowable 1%. The State will then subsidize the school district for the reduced revenue. Note that this 1% limitation only applies to primary property taxes and does not affect the secondary property tax levy.

Secondary Property Tax Levy

The two-tiered system includes a primary levy, discussed above, and a secondary property tax levy. The secondary property tax allows a city or town to levy a property tax for the purpose of retiring the principal and interest on bonded indebtedness. This levy is referred to as the "unlimited" levy. In other words, this property tax may be levied in an amount necessary to retire the bonded indebtedness of a city or town as is deemed necessary by the city or town.⁹⁶

Not only is the dollar amount of the secondary property tax levy "unlimited," the actual full cash value of property will be used in determining the tax rate.⁹⁷ This is unlike the primary tax system which uses a controlled assessment system to determine the tax rate for primary property tax purposes.

The bottom line on the secondary property tax system is that a city or town can levy the amount necessary to pay off its debt service.

⁹² A.R.S. § 42-17051

⁹³ Article IX, Section 19, paragraph 4, Arizona State Constitution

⁹⁴ Attorney General Opinion (186-031) (R85-121)

⁹⁵ Article IX, Section 18, Arizona State Constitution and A.R.S. § 42-17152

⁹⁶ Article IX, Section 19, subsection 2, paragraph a, Arizona State Constitution