Attachment 2:

Average Homeowner's Cost Comparison

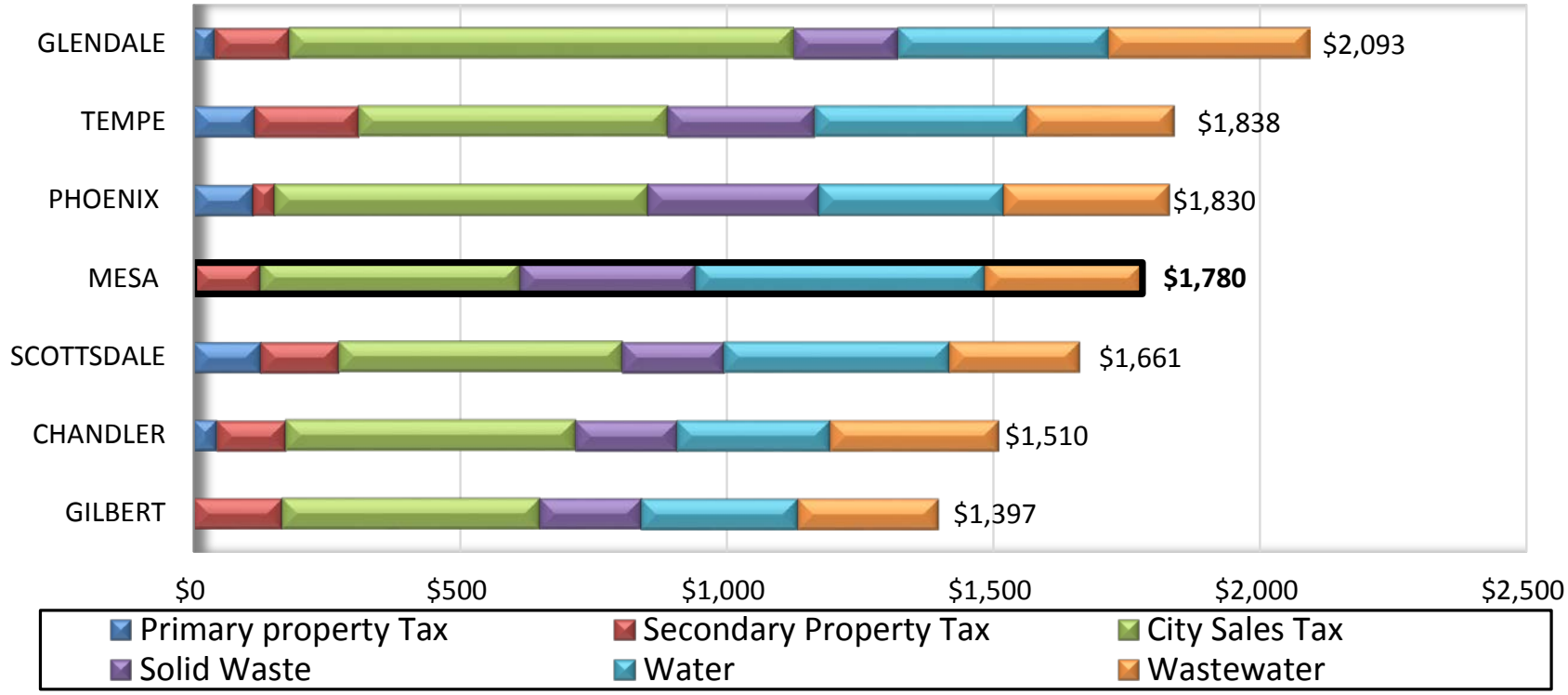
One key analytical tool used by the City Council and City staff is a comparison of the average costs incurred by homeowners in several cities throughout the Valley. The average charges for the current fiscal year for various cities are compared with the average costs for the current fiscal year in the City of Mesa. While some neighboring municipalities have a different resource mix than Mesa, bringing them all together allows for comparison to ensure that Mesa remains an affordable place to live, work and play.

The Average Homeowner's Annual Cost Comparison Notes:

- The City of Mesa and the Town of Gilbert are the only municipalities that do not have a primary property tax. All other revenue sources exist in all municipalities.
- Estimated city sales taxes paid is based on average household expenditures from the Bureau of Labor and Statistics Consumer Expenditure Survey applied to each city's sales tax rate. Some cities have different rates for different taxable items. Mesa does not collect sales tax on the sale of food for consumption at home.
- Comparisons are determined using a standard service level for all cities.
- Standard solid waste charges are for biweekly garbage (and recyclables where applicable) collection using 90 gallon barrels. Solid Waste residential charges include a Green and Clean fee for Mesa.
- Other city's environmental fees are included as applicable.
- Water charges are based on an average consumption per month.
- Wastewater charges are based on the average consumption of water during the winter months.

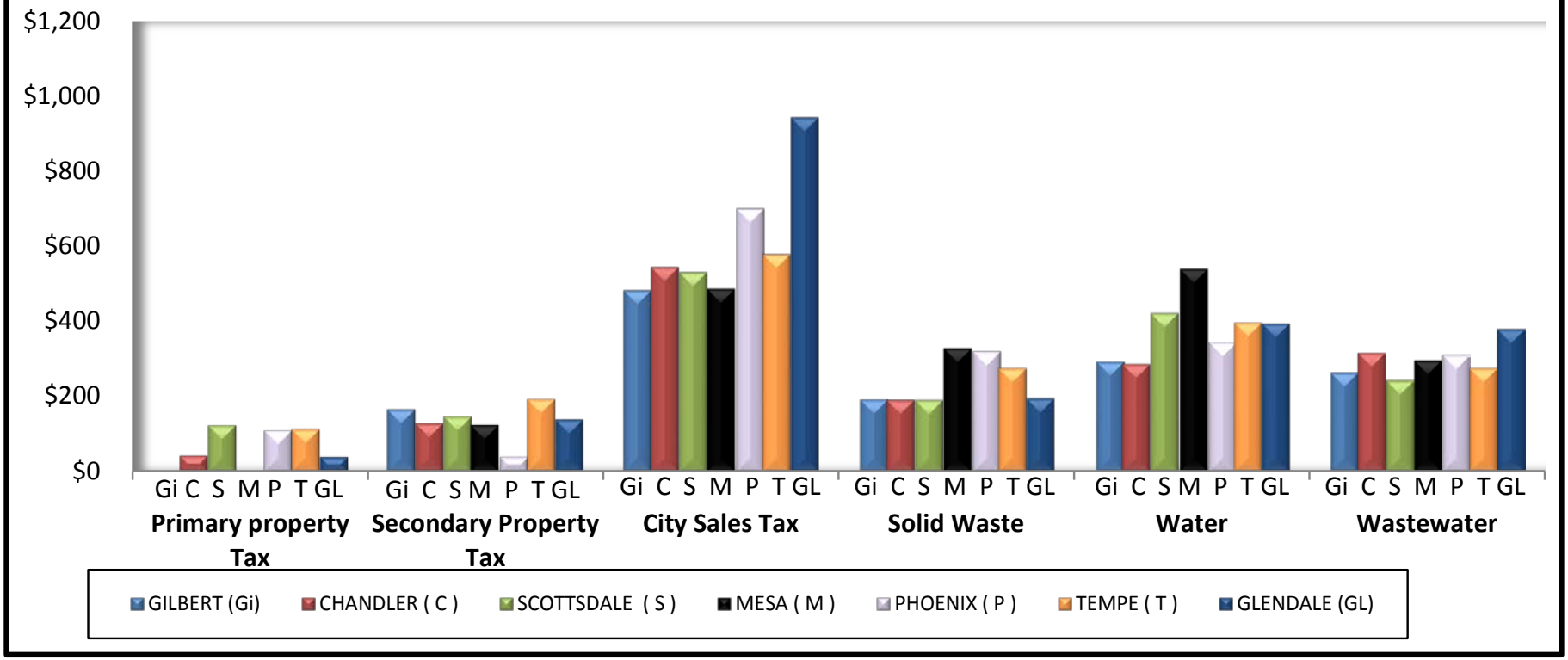
FY 2015/16 Average Homeowner's Annual Cost Comparison

Prepared 03/03/16



FY 2015/16 Average Homeowner's Annual Cost Comparison

Prepared 03/03/16



FY 2015/16 AVERAGE HOMEOWNER'S COST COMPARISON

Prepared 03/03/16

	CITY PROPERTY TAXES (1)							
	PRIMARY (2, 3)	SECONDARY (2, 3)	CITY SALES TAXES (4, 5, 9)	SOLID WASTE CHARGES (6)	WATER CHARGES (7)	WASTEWATER CHARGES (8)	ANNUAL TOTAL	PCT OF MESA
MESA								
Median Value	$103,950	$103,950						
Rate	$0.0000	$1.2125	1.75%	$27.46	$45.03	$24.77		
Annual Cost	$0	$126	$487	$330	$540	$297	$1,780	100%
CHANDLER								
Median Value	$147,032	$147,032						
Rate	$0.2992	$0.8800	1.50%	$15.97	$23.84	$26.35		
Annual Cost	$44	$129	$543	$192	$286	$316	$1,510	85%
GILBERT								
Median Value	$157,889	$157,889						
Rate	$0.0000	$1.0567	1.50%	$16.00	$24.38	$21.98		
Annual Cost	$0	$167	$482	$192	$293	$264	$1,397	79%
GLENDALE								
Median Value	$82,121	$82,121						
Rate	$0.4898	$1.7067	2.90%	$16.30	$32.91	$31.63		
Annual Cost	$40	$140	$943	$196	$395	$380	$2,093	118%
PHOENIX								
Median Value	$83,265	$83,265						
Rate	$1.3425	$0.4786	2.30%	$26.80	$28.79	$25.96		
Annual Cost	$112	$40	$700	$322	$346	$311	$1,830	103%
SCOTTSDALE								
Median Value	$236,355	$236,355						
Rate	$0.5293	$0.6244	1.65%	$15.96	$35.16	$20.36		
Annual Cost	$125	$148	$531	$192	$422	$244	$1,661	93%
TEMPE								
Median Value	$122,622	$122,622						
Rate	$0.9334	$1.5861	1.80%	$23.00	$33.16	$23.02		
Annual Cost	$114	$194	$579	$276	$398	$276	$1,838	103%

Notes:

1. In FY 2015/16, both the Primary and Secondary Property Tax are based on Limited Property Value
2. Single family residential property: Annual Cost = (Median Value) x 10% x (Tax Rate/100) (Source: Maricopa County Assessor's Office)
3. Primary and Secondary Property Tax rates reflect the tax rates as listed on the Maricopa County, Department of Finance page
4. City Sales Tax annual cost is based on average household expenditures from the Consumer Expenditure Survey from the Bureau of Labor Statistics
5. The city sales tax listed is for retail sales. If two cities show the same retail sales tax rate, the estimated sales tax dollar amount may be different because some cities have different tax rates for non-retail items. Mesa does not collect sales tax on the sale of food for consumption at home.
6. Charge for biweekly garbage (and recyclables where applicable) collection using 90 gallon barrels. The Solid Waste residential charge includes a Green and Clean Fee for Mesa. Other city's environmental fees are also included as applicable.
7. Charges are based on the average usage of water gallons per month.
8. Winter Water Average formulas are applied in cities where known.

AVERAGE MESA HOMEOWNER'S COST COMPARISON OF FY 2015/16 TO FY 2016/17							Prepared 03/03/16
	CITY PROPERTY TAXES (1, 2)						
	PRIMARY (3, 4)	SECONDARY (3, 4)	CITY SALES TAXES (5, 6)	SOLID WASTE CHARGES (7)	WATER CHARGES (8)	WASTEWATER CHARGES (9)	ANNUAL TOTAL
MESA (FY 2015/16)							
Median Value (2015)	$103,950	$103,950					
Rate / Monthly	$0.0000	$1.2125	1.75%	$27.46	$45.03	$24.77	
Annual Cost	$0	$126	$487	$330	$540	$297	$1,780
MESA (FY 2016/17)							
Median Value (2016)	$109,148	$109,148					
Rate / Monthly	$0.0000	$1.1578	1.75%	$28.63	$47.26	$26.00	
Annual Cost	$0	$126	$487	$344	$567	$312	$1,836
CHANGE							
Median Value	$5,198	$5,198					
Rate / Monthly	$0.0000	-$0.0547	$0.00	$1.17	$2.23	$1.24	$4.7
Annually	$0	$0	$0	$14.040	$26.776	$14.868	$56
PCT CHANGE		0.3%	0.0%	4.3%	5.0%	5.0%	3.1%

Notes:

1. In FY 2015/16, both the Primary and Secondary Property Tax are based on Limited Property Value
2. In FY 2016/17, both the Primary and Secondary Property Tax are based on Limited Property Value with an assumption of a 5.0% increase
3. Single family residential property: Annual Cost = (Median Value) x 10% x (Tax Rate/100) (Source: Maricopa County Assessor's Office)
4. Primary and Secondary Property Tax rates reflect the tax rates as listed on the County Treasurer website.
5. City Sales Tax annual cost is based on average household expenditures from the Consumer Expenditure Survey from the Bureau of Labor Statistics
6. The city sales tax listed is for retail sales. If two cities show the same retail sales tax rate, the estimated sales tax dollar amount may be different because some cities have different tax rates for non-retail items. Mesa does not collect sales tax on the sale of food for consumption at home.
7. Charge for biweekly garbage (and recyclables where applicable) collection using 90 gallon barrels. The Solid Waste residential charge includes a Green and Clean Fee for Mesa. Other city's environmental fees are also included as applicable.
8. Charges are based on the average usage of water gallons per month.
9. Winter Water Average formulas are applied in cities where known.