

**NOTICE OF PROPOSED TAX INCREASE**

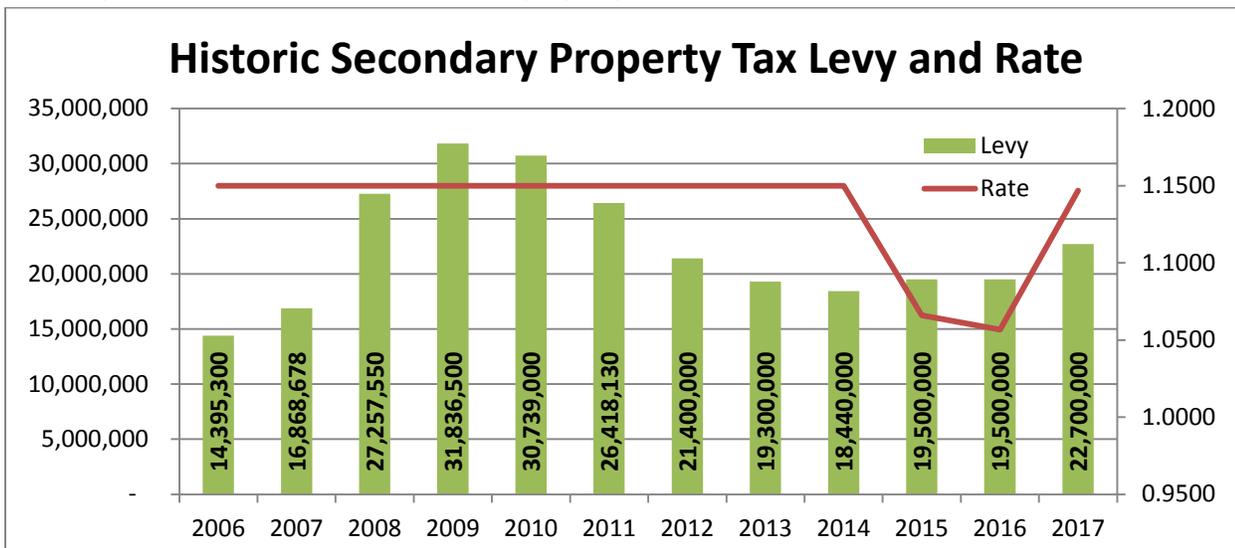
In accordance with A.R.S. § 9-499.15, and pursuant to A.R.S § 42-17151, public notice is hereby given that the Gilbert Town Council will adopt its property tax levy for Fiscal Year 2016-17 at a public hearing and that the secondary property tax rate may be increased over the approved FY 2015-16 secondary tax rate.

Annually, the secondary property tax levy and resulting tax rate must be approved by ordinance. The introduction and first public hearing of the FY 2016-2017 property tax levy and resulting property tax rate will be held on Thursday, June 23, 2016 at 7:00 pm in the Town Council Chambers. The Town Council will further meet for the purpose of the second and final hearing of the property tax levy and resulting property tax rate on Tuesday, August 9, 2016 at 7:00 pm in the Town Council Chambers (50 E. Civic Center Drive, Gilbert).

In November 2007, voters authorized the issuance of \$174,000,000 in General Obligation bonds for street and highway improvements. Due to a slowing of growth during the recession and responsible use of bonds previously issued, \$71,010,000 of the original authorization still remains. The Town anticipates selling bonds in spring 2017 for the remaining amount and will use the proceeds for street and highway improvements identified in the Capital Improvement Plan. Given the existing debt and assuming the new bonds are issued at 3.5% interest over 20 years, the anticipated levy for Fiscal Year 2016-2017 would be \$22,700,000 (estimated tax rate of \$1.1468 per \$100 of assessed value). See the chart below for details.

<b>Debt Paid with Secondary Property Tax</b>	<b>FY 17 Debt Service</b>
General Obligation Bonds, Series 2008	\$ 17,676,250
General Obligation Bonds, Series 2017 (Anticipated)	\$ 4,996,340
<b>Total</b>	<b>\$ 22,672,590</b>

For comparison, below is a chart of historic property tax levies and rates for Gilbert.



The Town Council will discuss and may choose other funding or debt structure options which could result in a lower secondary property tax levy being adopted on August 9, 2016.

Posted June 9, 2016