

UPDATE DISTRICT TWO

It is often easier for elected officials to raise taxes on residents than to make tough decisions about spending.

And so it was no surprise that many in the City became concerned with recent talk of changing the secondary property tax rate to help pay debt on the Phoenix bond program approved by voters in 2006.

Thankfully, my colleagues were



**CITY COUNCILWOMAN
PEGGY NEELY**

Phoenix

unanimous in voting with me to maintain the current rate of \$1.82 per \$100 of assessed valuation. Rather than voting to increase the current rate or create a floating tax rate that may or may not have led to higher property taxes, we instead agreed to move

Phoenix City Council Makes Right Call In Tough Times

forward with a plan that combines debt refinancing with delays on certain future capital projects as a way to address this latest revenue shortfall.

This is good news for people struggling to make monthly mortgage payments as our decision will save the owner of a \$200,000 home about \$146 over the next two fiscal years.

Time and again, I have said we should not be looking at raising taxes before we have thoroughly addressed government spending. And this action proves there are ways to solve our fiscal problems without first running to taxpayers for help.

It seems every time we turn around, our City is faced with another tough decision about the fate of

programs or failing revenues. The constant drumbeat of difficult news can take the wind out of our sails at a time when we need optimism the most.

But if we can begin to make good decisions like this one on taxes, we can be assured that signs of recovery in our City will continue, and we will put ourselves on a path toward recovery and sustainability – a path that leads to brighter days as one of America's greatest cities.

Phoenix City Councilwoman Peggy Neely represents District 2, which includes most of Northeast Phoenix. She can be reached at 602.262.7445 or through e-mail at council.district.2@phoenix.gov.