

A G E N D A R E P O R T

DATE August 17, 2004

Item Resolution 9399 - Annual Tax Levy

Initiated By Taxable Valuations from the Dept. of Revenue

Action Requested Adoption of the Annual Tax Levy Resolution

Prepared By Melissa Kinzler, Budget Officer

Reviewed & Approved By Cheryl Patton, Assistant City Manager

RECOMMENDATIONS

Staff recommends adoption of Resolution 9399 to fix the annual tax levy.

MOTIONS

I move the City Commission adopt Resolution 9399.

SYNOPSIS

We received the taxable valuation for the City of Great Falls from the Department of Revenue. Accordingly, the City can now compute and set its annual mill levy.

The proposed mill levy is 131.64 mills, which provides for the same mills levied in the previous year plus:

- a less than one percent tax levy increase as allowed by MCA 15-10-420 for inflation;
- normal tax revenue growth from the \$2,030,124 in newly taxable property resulting from new construction; and,
- a levy of 4 mills for debt service payments for the soccer park.

The public hearing on our Intent to Increase Property Taxes .968% was held on July 6, 2004, in accordance with MCA 15-10-203.

The total mill levy for 2004 is 131.64 mills totaling \$8,737,999. This includes a levy of 4 mills for soccer park debt service payment which is \$265,512 of the \$8.7 million.

The total mill levy for 2003 was 124.33 mills totaling \$8,122,355. The differences between the mill levy of \$8.7 million and \$8.1 million are:

- \$265,512 for soccer park debt service payments;
- \$249,121 for newly taxable property; and
- \$100,938 for inflation and changes in revenue from the state.

BACKGROUND

Section 15-10-202, MCA requires the Montana Department of Revenue to send certification to each taxing authority of the total taxable value within the jurisdiction of the taxing authority by the first Monday of August.

The statement, and the certified millage are necessary for the City to determine compliance with MCA 15-10-420.

Section 7-6-4036, MCA, Fixing tax levy, provides:

- (1) The governing body shall fix the tax levy for each taxing jurisdiction within the county or municipality:
 - (a) by the later of the second Monday in August or within 45 calendar days after receiving certified taxable values;
 - (b) after the approval and adoption of the final budget; and
 - (c) at levels that will balance the budgets as provided in 7-6-4034.
- (2) Each levy:
 - (a) must be made in the manner provided by 15-10-201; and
 - (b) except for a judgment levy under 2-9-316 or 7-6-4015, is subject to 15-10-420.

ATTACHED are:

1. Tax Levy Resolution 9399, with Appendix A showing the tax calculation worksheet.