

**RESOLUTION NO. 10030**  
**RESOLUTION TO FIX ANNUAL TAX LEVY**

A RESOLUTION PROVIDING FOR THE ANNUAL TAX  
LEVY IN MILLS FOR THE FISCAL YEAR BEGINNING  
JULY 1, 2013 AND ENDING JUNE 30, 2014

**WHEREAS,** Montana Code Annotated (MCA), 7-1-114, states "(1) A local government with self-governing powers is subject to ...(g) except as provided in subsection (3), any law regulating the budget, finance, or borrowing procedures and powers of local governments...(3) (b) The provisions of 15-10-420 apply to self-governing local government units."

**WHEREAS,** The City of Great Falls, Montana adopted a self-governing charter in 1986. Article I, Section 3 of the Charter of the City of Great Falls, Montana states: "The total mill levy shall not exceed that allowed to general powers cities of the first class by Montana Law."

**WHEREAS,** Section 7-6-4036, MCA, requires the City Commission to fix the tax levy for each taxing jurisdiction by the later of the first Thursday in September or within 30 calendar days after receiving certified taxable values. Certified taxable values were received July 29, 2013.

**WHEREAS,** Section 15-10-420, MCA provides:

(1)(a) Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's value of newly taxable property plus one-half the average rate of inflation for the prior 3 years...

(2) ... plus any additional levies authorized by the voters ...

(7) In determining the maximum number of mills in subsection (1)(a), the governmental entity may increase the number of mills to account for a decrease in reimbursements.

(9) (a) The provisions of subsection (1) do not prevent or restrict...(vi) the portion that is the amount in excess of the base contribution of a governmental entity's property tax levy for contributions for group benefits excluded under 2-9-212 or 2-18-703.

**WHEREAS,** Section 15-10-201, MCA, requires the City Commission to fix its tax levy in mills and tenths and hundredths of mills.

**WHEREAS,** The Department of Revenue’s certified taxable value for the City of Great Falls is \$78,054,590 which equates to \$78,055 per mill; when the incremental value of the tax increment finance district is removed the value is \$77,328 per mill. This includes \$787,945, or \$788 per mill, of newly taxable property.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:**

**Section 1. - Determination of Mill Levy Limit**

- Appendix A shows the determination of the total mill levy limit of 172.19 mills.
- An additional 20.06 “Permissive Medical Levy” is allowed under 15-10-420(9)(a)(v) for increased health insurance premiums not included in the Appendix A calculation.
- An additional 2.57 mills is allowed under 15-10-420(2) for additional voter supported mills. On November 4, 2003, a \$2.5 million general obligation bond was approved by voters for construction of a soccer park. It has been determined that 2.57 mills for soccer park debt service payments is needed for Fiscal Year 2014.
- Lastly, an additional 3.92 mills is allowed under 15-10-420(2) for additional voter supported mills. On November 7, 2006, a \$2.27 million general obligation bond was approved by voters for repair and improvement of city pool facilities. It has been determined that 3.92 mills for swimming pool debt service payments is needed for Fiscal Year 2014.

**Section 2. - Tax Levy Amounts**

A 198.74 mill levy will generate:

- a. \$ 13,179,604 from the \$76,540 certified value per mill for Previously Taxable Property;
- b. \$ 135,678 from the \$788 certified value per mill for Newly Taxable Property;
- c. \$ 1,551,623 from the \$77,328 certified value per mill for increased Health Insurance premiums “Permissive Medical Levy”;
- d. \$ 198,900 from the \$77,328 certified value per mill for soccer park debt service payments, and,
- e. \$ 303,500 from the \$77,328 certified value per mill for swimming pool debt service payments.
- f. \$15,369,305 in total City tax for 2013 Tax Year from the \$77,328 total certified value per mill.

This does not reflect delinquent collections or tax increments withheld.

**Section 3. - Tax Levy Required and Set**

- a. The City Commission has determined a \$13,315,282 tax levy, requiring a 172.19 mill levy, is necessary to balance the General Fund Budget.
- b. The City Commission has determined a \$1,551,623 “Permissive Medical Levy”, requiring a 20.06 mill levy, is necessary for increased health premium costs to balance the General Fund Budget.
- c. The City Commission has determined a \$198,900 tax levy, requiring a 2.57 mill levy, is necessary for the soccer park debt service payment.
- d. The City Commission has determined a \$303,500 tax levy, requiring a 3.92 mill levy, is necessary for the swimming pool debt service payment.
- e. The City Commission of the City of Great Falls, Montana hereby fixes the tax levy for the fiscal year July 1, 2013 through June 30, 2014 at 198.74 mills.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, August 20, 2013.

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Michael J. Winters, Mayor

ATTEST:

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Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

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Sara R. Sexe, City Attorney

**APPENDIX A. DETERMINATION OF TAX REVENUE AND MILL LEVY LIMITATIONS UNDER  
SECTION 15-10-420, MCA  
GENERAL FUND  
FYE JUNE 30, 2014  
CITY OF GREAT FALLS**

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The tax revenue and mill levy limitations will be computed automatically.

**NOTE: WHEN ENTERING A NUMBER TO BE SUBTRACTED ENTER AS A NEGATIVE NUMBER  
WHERE FORMULAS EXIST, NO ENTRY IS NECESSARY**

**MAXIMUM PROPERTY TAXES AUTHORIZED: (Note that appropriate statutes are referenced)**

Ad valorem tax revenue authorized to be assessed prior year		<u>13,045,238</u>
Add: FISCAL YEAR 2014 INFLATION ADJUSTMENT @ 1.03% (Section 15-10-420(1a)(1c), MCA)	134,366	<u>134,366</u>
Less: Property taxes authorized to be assessed in the prior year for Class 1 and 2 property (net and gross proceeds, county only) (Section 15-10-420(6), MCA (enter as negative number))		<u>0</u>
<small>*SB372 adjustment was an adjustment for the prior year only and is not applicable for FY2014</small>		
Adjusted ad valorem tax revenue		<u>13,179,604</u>

**CURRENT YEAR LEVY COMPUTATION:**

Taxable value per mill		<u>78,055</u>
Less per mill incremental value of tax increment financing district (TIF) (enter as negative)	(726)	<u>77,328</u>
Adjusted taxable value (adjusted for removal of TIF per mill incremental district value)		<u>77,328</u>
Less: Newly taxable property per mill value, (enter as negative)	(788)	<u>76,540</u>
Taxable value per mill of net and gross proceeds (county only) (enter as negative)		<u>(788)</u>
Adjusted Taxable value per mill		<u>76,540</u>
Authorized mill levy under Section 15-10-420, MCA (includes floating mills)		<u>172.19</u>
Adjusted taxable value per mill		<u>76,540</u>
Add: Newly taxable property per mill value	788	<u>77,328</u>
Taxable value per mill of net and gross proceeds (county only)	0	<u>77,328</u>
Taxable value per mill (including newly taxable property but excluding TIF per mill incremental value)		<u>77,328</u>
Authorized mill levy under Section 15-10-420, MCA (includes floating mills)		<u>172.19</u>
Current property tax revenue authorized limitation		<u>13,315,282</u>

**RECAPITULATION:**

Adjusted ad valorem tax revenue		13,179,604
Amount attributable to newly taxable property and net/gross proceeds		<u>135,678</u>
Current property tax revenue authorized limitation		<u><u>13,315,282</u></u>