

RESOLUTION NO. 10081
RESOLUTION TO FIX ANNUAL TAX LEVY
A RESOLUTION PROVIDING FOR THE ANNUAL TAX
LEVY IN MILLS FOR THE FISCAL YEAR BEGINNING
JULY 1, 2014 AND ENDING JUNE 30, 2015

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 25, 2014. Revised Certified taxable values were received August 8, 2014.

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 ...
- (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 \$76,098,354 which equates to \$76,098 per mill; when the incremental value of the tax increment finance district is removed the value is \$75,052 per mill. This includes \$312,611 or \$313 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 175.77 mills.
- An additional 22.87 “Permissive Medical Levy” is allowed under 15-10-420(9)(a)(vi) for increased health insurance premiums not included in the Appendix A calculation.
- An additional 2.28 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 2.28 mills for soccer park debt service payments is needed for Fiscal Year 2015.
- Lastly, an additional 3.62 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 3.62 mills for swimming pool debt service payments is needed for Fiscal Year 2015.

Section 2. - Tax Levy Amounts

A 204.54 mill levy will generate:

- a. \$ 13,137,088 from the \$74,740 certified value per mill for Previously Taxable Property;
- b. \$ 54,948 from the \$313 certified value per mill for Newly Taxable Property;
- c. \$ 1,716,462 from the \$75,053 certified value per mill for increased Health Insurance premiums “Permissive Medical Levy”;
- d. \$ 171,120 from the \$75,053 certified value per mill for soccer park debt service payments, and,
- e. \$ 271,692 from the \$75,053 certified value per mill for swimming pool debt service payments.
- f. \$15,351,310 in total City tax for 2014 Tax Year from the \$75,053 total certified value per mill.

This does not reflect delinquent collections or tax increments withheld.

Section 3. - Tax Levy Required and Set

- a. 175.77 mill levy- The City Commission has determined a \$13,192,036 tax levy, requiring a 175.77 mill levy, is necessary to balance the General Fund Budget.
- b. 22.87 mill levy- The City Commission has determined a \$1,716,462 “Permissive Medical Levy”, requiring a 22.87 mill levy, is necessary for increased health premium costs to balance the General Fund Budget.
- c. 2.28 mill levy- The City Commission has determined a \$171,120 tax levy, requiring a 2.28 mill levy, is necessary for the soccer park debt service payment.
- d. 3.62 mill levy- The City Commission has determined a \$271,692 tax levy, requiring a 3.62 mill levy, is necessary for the swimming pool debt service payment.
- e. Total 204.54 mills - The City Commission of the City of Great Falls, Montana hereby fixes the tax levy for the fiscal year July 1, 2014 through June 30, 2015 at 204.54 mills.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, August 19, 2014.

Michael J. Winters, Mayor

ATTEST:

Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

Resolution 10081 - Appendix A

DETERMINATION OF TAX REVENUE AND MILL LEVY LIMITATIONS UNDER SECTION 15-10-420, MCA

GENERAL FUND
FYE JUNE 30, 2015

CITY OF GREAT FALLS, MT

Numbers appearing in GREEN are ADDITIONS

Numbers appearing in RED are SUBTRACTIONS

Do not enter information in salmon cells. This form contains formulas in	SALMON SHADED CELLS
Enter amounts in	YELLOW SHADED CELLS

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 (Salmon-shaded Cells), No Entry is Necessary

EXPLANATION
REFERENCE

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

Ad valorem tax revenue authorized to be assessed prior year (from prior year's determination form - (8a))	13,315,282	(1)
Add: FISCAL YEAR 2015 INFLATION ADJUSTMENT @ 1.03% (Section 15-10-420(1a)(1c), MCA)	137,147	137,147 (2)
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))	0	(3)
Less: FY15 SB96 Reimbursement through Entitlement Share (enter as a negative number)	(315,341)	(315,341) (3a)*
*adjustment line for FY2015 (SB96 reduced class 8 property and provided reimbursement through state entitlement)		
Adjusted ad valorem tax revenue	13,137,088	(4)

CURRENT YEAR LEVY COMPUTATION:

Taxable value per mill	76,098	(5)
Less per mill incremental value of tax increment financing district (TIF) (enter as negative)	(1,046)	(5a)
Adjusted taxable value (adjusted for removal of TIF per mill incremental district value)	75,052	(5b)
Less: Newly taxable property per mill value, (enter as negative)	(313)	(5c)
Taxable value per mill of net and gross proceeds (county only) (enter as negative)	(313)	(5d)
Adjusted Taxable value per mill	74,740	(6)
Authorized mill levy under Section 15-10-420, MCA (includes floating mills)	175.77	(7)
Adjusted taxable value per mill	74,740	(8)
Add: Newly taxable property per mill value	313	
Taxable value per mill of net and gross proceeds (county only)	0	313 (5e)
Taxable value per mill (including newly taxable property but excluding TIF per mill incremental value)	75,052	(5b)
Authorized mill levy under Section 15-10-420, MCA (includes floating mills)	175.77	(7)
Current property tax revenue authorized limitation	13,192,036	(8a)

RECAPITULATION:

Adjusted ad valorem tax revenue	13,137,088	(4)
Amount attributable to newly taxable property and net/gross proceeds	54,948	(9)
Current property tax revenue authorized limitation	13,192,036	(10)