

RESOLUTION NO. 9399

RESOLUTION TO FIX ANNUAL TAX LEVY

A RESOLUTION PROVIDING FOR THE ANNUAL TAX LEVY IN MILLS FOR THE FISCAL YEAR BEGINNING JULY 1, 2004 AND ENDING JUNE 30, 2005

WHEREAS:

- A. 7-1-114, MCA states "A local government with self-governing powers is subject to ... (g) Any law regulating the budget, finance, or borrowing procedures and powers of local governments.
- B. 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."
- C. 7-6-4036, MCA, required the City Commission to fix the tax levy for each taxing jurisdiction by the later of the second Monday in August or within 45 calendar days after receiving certified taxable values. Certified taxable values were received August 2, 2004.
- D. 7-6-4034, MCA, requires the City Commission to set a tax rate, per fund, no higher than is required to meet budget balancing needs.
- E. MCA 15-10-420 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 ...
 - (5) Subject to subsection (8), subsection (1)(a) does not apply to
 - (b) the portion of a governmental entity's property tax levy for premium contributions for group benefits excluded under 2-9-212 or 2-18-703.
 - (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.
- F. MCA 15-10-201 requires the City Commission to fix its tax levy in mills and tenths and hundredths of mills.

- G. The Department of Revenue's certified taxable value for the City of Great Falls is \$66,377,650 which equates to \$66,378 per mill. This includes \$2,030,124, or \$2,030 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 122.72 mills.
- An additional 4.92 "Permissive Medical Levy" is allowed under 15-10-420(5)(b) for increased health insurance premiums not included in the Appendix A calculation.
- Lastly, an additional 4 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 4 mills for soccer park debt service payments is need for Fiscal Year 2005.

Section 2. - Tax Levy Amounts

A 131.64 mill levy will generate:

- a. \$ 7,896,787 from the \$64,348 certified value per mill for Previously Taxable Property;
- b. \$ 249,121 from the \$2,030 certified value per mill for Newly Taxable Property;
- c. \$ 326,579 from the \$66,378 certified value per mill for increase Health Insurance premiums "Permissive Medical Levy, and,
- d. \$ 265,512 from the \$66,378 certified value per mill for soccer park debt service payments.
- d. \$ 8,737,999 in total City tax for 2004 from the \$66,378 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 \$ 8,472,487 tax levy, requiring a 127.64 mill levy, is necessary to balance the General Fund Budget.

- b. The City Commission has determined a \$265,512 tax levy, requiring a 4 mill levy, is necessary for the soccer park debt service payment.
- c. The City Commission of the City of Great Falls, Montana hereby fixes the tax levy for the fiscal year July 1, 2004 through June 30, 2005 at 131.64 mills.

PASSED by the Commission of the City of Great Falls, Montana, on this 17th day of August, 2004.

Randall H. Gray, Mayor

ATTEST:

Carolyn Horst, Deputy City Clerk

(SEAL OF CITY)

Approved as to form: City Attorney

State of Montana)
County of Cascade : ss
City of Great Falls)

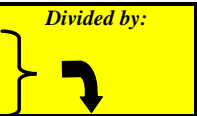
I, Carolyn Horst, Deputy City Clerk of the City of Great Falls, Montana, do hereby certify that the foregoing Resolution No. 9399 was placed on its final passage and passed by the Commission of the City of Great Falls, Montana, at a meeting thereof held on the 17th day of August, 2004, and approved by the Mayor of said City on the 17th day of August, 2004.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said City this 17th day of August, 2004.

(SEAL OF CITY)

Carolyn Horst, Deputy City Clerk

City of Great Falls
Determination of Tax Revenue and Mill Levy Limitations under Section 15-10-420, MCA
Appendix A of the 2004 Tax Levy Resolution No. 9399

	Applied Rate			Calculations
<u>Prior Property Taxes Assessed</u>				
Property Tax Assessed in Prior Year				
a		Prior Year's Recalculated Levy in Mills	117.33	Mills
b		Prior Year's Total Taxable Valuation per Mill	65,329	
	(=)	Total Property Tax for Prior Year		7,665,052
		November, 2000 Voter Approved Library Mill Levy	2.00	Mills 130,658
Subtotal				\$ 7,795,710
Inflation Adjustment				
a.		Total Property Tax for Prior Year (above)	7,795,710	
b.		50% of Prior 3 Years Average Rate of Inflation	0.968%	
Total Statutorily Allowed Inflation Adjustment				75,618
Personal Property Tax Reimbursement				
a		Add: amount received in FY 2003 / 2004		(+)
		HB 20 Reimbursement (100-0000-335-4042)	76,988	
		SB 417 Reimbursement (1000-0000-335-4043)	49,612	
		Subtotal HB20 + SB417	126,600	
b		Less: Amount anticipated in current year		
		HB 20 Reimbursement (100-0000-335-4042)	80.00%	61,590
		SB 417 Reimbursement (1000-0000-335-4043)	80.00%	39,690
		Subtotal HB20 + SB417 Received Last Year		(101,280)
Net Loss in Personal Property Tax Reimbursement				25,320
Adjusted Property Tax Revenue Assessed in Prior Year				7,896,648
<u>Current Year Levy Computation</u>				
Adjusted Property Tax Revenue Assessed				7,896,648
Taxable Values per Mill				
		Total Certified Taxable Value	66,378	<i>Divided by:</i> 
		Taxable Value of Newly Taxable Property	(2,030)	
		Taxable Value of net and gross proceeds (County Only)	-	
	(=)	Net / Adjusted Taxable Value per Mill		<i>per Mill =</i> 64,348
The "Floating Mill" / Authorized Mill Levy under HB124				122.72
Current Property Tax Limitation				
		Total Certified Taxable Value	66,378	<i>per Mill =</i>
		The "Floating Mill" / Authorized Mill	122.72	<i>Mills =</i>
Total Current Property Tax Revenue				8,145,908