### RESOLUTION NO. 9496 RESOLUTION TO FIX ANNUAL TAX LEVY

# A RESOLUTION PROVIDING FOR THE ANNUAL TAX LEVY IN MILLS FOR THE FISCAL YEAR BEGINNING JULY 1, 2005 AND ENDING JUNE 30, 2006

#### 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 1, 2005.
- 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 o r 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

\$68,609,562 which equates to \$68,610 per mill. This includes \$2,828,030, or \$2,828 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 125.77 mills.
- An additional 8.63 "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 3.87 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 3.87 mills for soccer park debt service payments is need for Fiscal Year 2006.

### **Section 2. - Tax Levy Amounts**

A 138.27 mill levy will generate:

- a. \$8,273,402 from the \$65,782 certified value per mill for Previously Taxable Property;
- b. \$ 355,678 from the \$2,828 certified value per mill for Newly Taxable Property;
- c. \$ 592,104 from the \$68,610 certified value per mill for increase Health Insurance premiums "Permissive Medical Levy, and,
- d. \$9,486,705 in total City tax for 2005 from the \$68,610 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 \$ 8,629,080 tax levy, requiring a 125.77 mill levy, is necessary to balance the General Fund Budget.
- b. The City Commission has determined a \$ 592,105 "Permissive Medical Levy", requiring a 8.63 mill levy, is necessary for increased health premium costs to balance the General Fund Budget.

- c. The City Commission has determined a \$265,521 tax levy, requiring a 3.87 mill levy, is necessary for the soccer park debt service payment.
- d. The City Commission of the City of Great Falls, Montana herby fixes the tax levy for the fiscal year July 1, 2005 through June 30, 2006 at 138.27 mills.

PASSED by the Commission of the City of Great Falls, Montana, on this 16<sup>th</sup> day of August, 2005.

		Randall H. Gray, Mayor
ATTEST:		
Conclus Houst Domity City	y Clauls	
Carolyn Horst, Deputy City	y 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. 9496 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 16th day of August, 2005, and approved by the Mayor of said City on the 16th day of August, 2005.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said City this 16th day of August, 2005.

Carolyn Horst, Deputy City Clerk

(SEAL OF CITY)

# **City of Great Falls**

# Determination of Tax Revenue and Mill Levy Limitations under Section 15-10-420, MCA Appendix A of the 2005 Tax Levy Resolution No. 9496

	Applied					
	Rate	Calculations				
Prior Property Taxes Assessed						
Property Tax Assessed in Prior Year  a Prior Year's Recalculated Levy in Mills  b Prior Year's Total Taxable Valuation per Mill  Total Property Tax for Prior Year	(+) X =	_		122.72 66,378	Mills 8,145,908	
Subtotal					\$ 8,145,908	
Inflation Adjustment  a. Total Property Tax for Prior Year (above)  b. 50% of Prior 3 Years Average Rate of Inflation  Total Statutorily Allowed Inflation Adjustment			-	8,145,908 1.251%	101,905	
Personal Property Tax Reimbursement  a Add: amount received in FY 2004 / 2005  HB 20 Reimbursement (100-0000-335-4042)  SB 417 Reimbursement (1000-0000-335-4043)  Subtotal HB20 + SB417	(+)	_	61,590 39,690	101,280		
b Less: Amount anticipated in current year HB 20 Reimbursement (100-0000-335-4042) SB 417 Reimbursement (1000-0000-335-4043) Subtotal HB20 + SB417 Received Last Year Net Loss in Personal Property Tax Reimbursment	75.00% 75.00%	_ (+)	46,193 29,768	(75,960)	25,320	
Adjusted Property Tax Revenue Assessed in Prior Year		(=)			8,273,133	
Current Year Levy Computation						
Adjusted Property Tax Revenue Assessed					8,273,133	
Taxable Values per Mill Total Certified Taxable Value Taxable Value of Newly Taxable Property Taxable Value of net and gross proceeds (County Only) Net / Adjusted Taxable Value per Mill	(+) (-) (-)	) )	per Mill =	68,610 (2,828)	Divided by: 65,782	
The "Floating Mill" / Authorized Mill Levy under HB124	Calculated		Mills =		125.77	
Current Property Tax Limitation Total Certified Taxable Value The "Floating Mill" / Authorized Mill Total Current Property Tax Revenue	(+) X =	_	per Mill = Mills = _	68,610 125.77	8,629,080	