

RESOLUTION NO. 9663
RESOLUTION TO FIX ANNUAL TAX LEVY

A RESOLUTION PROVIDING FOR THE ANNUAL TAX
LEVY IN MILLS FOR THE FISCAL YEAR BEGINNING
JULY 1, 2007 AND ENDING JUNE 30, 2008

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, 2007.
- 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 \$73,776,332 which equates to \$73,776 per mill; when the incremental value of the tax increment finance district is removed the value is \$69,486 per mill. This includes \$2,387,436, or \$2,387 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 138.87 mills.
- An additional 12.61 "Permissive Medical Levy" is allowed under 15-10-420(5)(b) for increased health insurance premiums not included in the Appendix A calculation.
- An additional 2.70 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 2.70 mills for soccer park debt service payments is needed for Fiscal Year 2008.
- Lastly, an additional 4.03 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 4.03 mills for swimming pool debt service payments is needed for Fiscal Year 2008.

Section 2. - Tax Levy Amounts

A 158.21 mill levy will generate:

- a. \$ 9,317,832 from the \$67,098 certified value per mill for Previously Taxable Property;
- b. \$ 331,540 from the \$2,387 certified value per mill for Newly Taxable Property;
- c. \$ 876,016 from the \$69,486 certified value per mill for increased Health Insurance premiums "Permissive Medical Levy", and,
- d. \$ 187,612 from the \$69,486 certified value per mill for soccer park debt service

e. payments.
\$ 280,029 from the \$69,486 certified value per mill for swimming pool debt service payments.

f. \$10,993,029 in total City tax for 2007 from the \$69,486 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 \$9,649,372 tax levy, requiring a 138.87 mill levy, is necessary to balance the General Fund Budget.
- b. The City Commission has determined a \$876,016 “Permissive Medical Levy”, requiring a 12.61 mill levy, is necessary for increased health premium costs to balance the General Fund Budget.
- c. The City Commission has determined a \$187,612 tax levy, requiring a 2.70 mill levy, is necessary for the soccer park debt service payment.
- d. The City Commission has determined a \$280,029 tax levy, requiring a 4.03 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, 2007 through June 30, 2008 at 158.21 mills.

PASSED by the Commission of the City of Great Falls, Montana, on this _____ day of _____, 2007.

Dona Stebbins, Mayor

ATTEST:

Lisa Kunz, City Clerk

(SEAL OF CITY)

Approved as to form: City Attorney

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

I, Lisa Kunz, City Clerk of the City of Great Falls, Montana, do hereby certify that the foregoing Resolution No. 9663 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 ___ day of ___, 2007, and approved by the Mayor of said City on the __ day of _____, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said City this ___ day of _____, 2007.

Lisa Kunz, 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 2007 Tax Levy Resolution No. 9663

<u>Prior Property Taxes Assessed</u>	Applied Rate	Calculations	
Property Tax Assessed in Prior Year			
a Prior Year's Recalculated Levy in Mills	(+)	126.86	Mills
b Prior Year's Total Taxable Valuation per Mill	X	70,990	
Total Property Tax for Prior Year	= (+)		9,005,545
November, 2000 Voter Approved Library Mill Levy		2.00	Mills
Subtotal			141,980
			\$ 9,147,525
Inflation Adjustment			
a. Total Property Tax for Prior Year (above)		9,147,525	
b. 50% of Prior 3 Years Average Rate of Inflation		1.535%	
Total Statutorily Allowed Inflation Adjustment			140,415
Personal Property Tax Reimbursement			
a Add: amount received in FY 2006 / 2007	(+)		
HB 20 Reimbursement (100-0000-335-4042)		34,011	
SB 417 Reimbursement (1000-0000-335-4043)		25,774	
Subtotal HB20 + SB417		59,785	
b Less: Amount anticipated in current year			
HB 20 Reimbursement (100-0000-335-4042)	50.00%	17,005	
SB 417 Reimbursement (1000-0000-335-4043)	50.00%	12,887	
Subtotal HB20 + SB417 Received Last Year		(29,892)	
Net Loss in Personal Property Tax Reimbursement	= (+)		29,892
Adjusted Property Tax Revenue Assessed in Prior Year	=		9,317,832
Current Year Levy Computation			
Adjusted Property Tax Revenue Assessed			9,317,832
Taxable Values per Mill			
Total Certified Taxable Value	(+)	73,776	<div style="border: 1px solid black; padding: 5px; background-color: yellow;"> Divided by: } ⤵ </div>
Incremental value of tax increment financing district	(-)	(4,291)	
Taxable Value of Newly Taxable Property	(-)	(2,387)	
Taxable Value of net and gross proceeds (County Only)	(-)	-	
Net / Adjusted Taxable Value per Mill	= (+)	<i>per Mill =</i>	67,098
The "Floating Mill" / Authorized Mill Levy under HB124	<i>Calculated</i>	Mills =	138.87
Current Property Tax Limitation			
Total Certified Taxable Value	(+)	<i>per Mill =</i> 69,486	
The "Floating Mill" / Authorized Mill	X	<i>Mills =</i> 138.87	
Total Current Property Tax Revenue	=		9,649,371