

RESOLUTION NO. 10196
RESOLUTION TO FIX ANNUAL TAX LEVY
A RESOLUTION PROVIDING FOR THE ANNUAL TAX
LEVY IN MILLS FOR THE FISCAL YEAR BEGINNING
JULY 1, 2017 AND ENDING JUNE 30, 2018

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 after the first Tuesday in September or within 30 calendar days after receiving certified taxable values. Certified taxable values were received August 4, 2017.

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 \$95,822,493 which equates to \$95,822 per mill; when the incremental value of the tax increment finance district is removed the value is \$94,164 per mill. This includes \$437,295 or \$2,644 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 165.41 mills.
- An additional 27.63 “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 1.74 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 1.74 mills for soccer park debt service payments is needed for Fiscal Year 2018.

Section 2. - Tax Levy Amounts

A 194.78 mill levy will generate:

- a. \$ 15,138,429 from the \$91,520 certified value per mill for Previously Taxable Property;
- b. \$ 437,295 from the \$2,644 certified value per mill for Newly Taxable Property;
- c. \$ 2,601,751 from the \$94,164 certified value per mill for increased Health Insurance premiums “Permissive Medical Levy”;
- d. \$ 163,845 from the \$94,164 certified value per mill for soccer park debt service payments, and,
- e. \$18,341,320 in total City tax for 2017 Tax Year from the \$94,164 total certified value per mill.

This does not reflect delinquent collections or tax increments withheld.

Section 3. - Tax Levy Required and Set

- a. 165.41 mill levy- The City Commission has determined a \$15,575,724 tax levy, requiring a 165.41 mill levy, is necessary to balance the General Fund Budget.
- b. 27.63 mill levy- The City Commission has determined a \$2,601,751 “Permissive Medical Levy”, requiring a 27.63 mill levy, is necessary for increased health premium costs to balance the General Fund Budget.
- c. 1.74 mill levy- The City Commission has determined a \$163,845 tax levy, requiring a 1.74 mill levy, is necessary for the soccer park debt service payment.
- d. Total 194.78 - The City Commission of the City of Great Falls, Montana hereby fixes the tax levy for the fiscal year July 1, 2017 through June 30, 2018 at 194.78 mills.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana,
August 15, 2017.

Bob Kelly, Mayor

ATTEST:

Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

Determination of Tax Revenue and Mill Levy Limitations

Section 15-10-420, MCA
AGGREGATE OF ALL FUNDS
FYE JUNE 30, 2018

Resolution 10196, Appendix A. City of Great Falls

	Enter amounts in yellow cells	Auto-Calculation (If completing manually enter amounts as instructed)
Enter Ad valorem tax revenue ACTUALLY assessed in the prior year NEW- PLEASE READ INSTRUCTIONS BEFORE ENTERING.	\$ 15,049,678	\$ 15,049,678
Add: Current year inflation adjustment @ 0.59%		\$ 88,793
Subtract: Ad valorem tax revenue ACTUALLY assessed in the prior year for Class 1 and 2 property, (net and gross proceeds) - (enter as negative) NEW- PLEASE READ INSTRUCTIONS BEFORE ENTERING.		\$ -
Adjusted ad valorem tax revenue		\$ 15,138,471
<u>ENTERING TAXABLE VALUES</u>		
Enter "Total Taxable Value" - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 2	\$ 95,822,493	\$ 95,822,493
Subtract: "Total Incremental Value" of all tax increment financing districts (TIF Districts) - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 6 (enter as negative)	\$ (1,658,151)	\$ (1,658,151)
Taxable value per mill (after adjustment for removal of TIF per mill incremental district value)		\$ 94,164.342
Subtract: "Total Value of Newly Taxable Property" - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 3 (enter as negative)	\$ (2,643,701)	\$ (2,643,701)
Subtract: "Taxable Value of Net and Gross Proceeds, (Class 1 & 2 properties)" - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 5 (enter as negative)	\$ -	\$ -
Adjusted Taxable value per mill		\$ 91,520.641
CURRENT YEAR calculated mill levy		165.41
CURRENT YEAR calculated ad valorem tax revenue		\$ 15,575,724
<u>CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT</u>		
Enter total number of carry forward mills from prior year FOR FY18 BUDGETS, PLEASE ENTER ONLY THE # OF MILLS LEFT BEHIND FROM FY17. NEW- PLEASE READ THE INSTRUCTIONS BEFORE ENTERING.		0.00
Total current year authorized mill levy, including Prior Years' carry forward mills		165.41
Total current year authorized ad valorem tax revenue assessment		\$ 15,575,724
<u>CURRENT YEAR ACTUALLY LEVIED/ASSESSED</u>		
Enter number of mills actually levied in current year (Number should equal total <u>non-voted</u> mills, which includes the number of carry forward mills, actually imposed per the final approved current year budget document. <u>Do Not</u> include voted or permissive mills imposed in the current year.)	165.41	165.41
Total ad valorem tax revenue actually assessed in current year		\$ 15,575,724
<u>RECAPITULATION OF ACTUAL:</u>		
Ad valorem tax revenue actually assessed		\$ 15,138,429
Ad valorem tax revenue actually assessed for newly taxable property		\$ 437,295
Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)		\$ -
Total ad valorem tax revenue actually assessed in current year		\$ 15,575,724
Total carry forward mills that may be levied in a subsequent year (Number should be equal to or greater than zero. A (negative) number indicates an over levy.)		0.00