

Legislation Text

File #: TMP-0209, **Version:** 2

AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Issue/Request:

AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Key Issues:

Consideration of the tax levies for the General Fund; Parks and Recreation Fund; and, Debt Service Fund for the City of Lee's Summit, for the 2016 Calendar Year (Fiscal Year 2017).

The City experienced a slight net decrease in Assessed Valuation for property that was assessed in both 2015 and 2016 of approximately (\$2,657,893) (0.15%), with new growth in Assessed Valuation in 2016 of \$54,426,900 (3.0%), resulting in a net increase in assessed valuation of \$51,769,007. The decrease in previously Assessed Valuation from 2015 to 2016, will allow the tax levies to be increased to compensate for the decrease in assessed valuation of previously assessed property.

Proposed Committee Motion:

I move to recommend to the City Council approval of AN ORDINANCE SETTING THE TAX LEVY FOR THE YEAR 2016 FOR THE CITY OF LEE'S SUMMIT, CASS AND JACKSON COUNTIES, MISSOURI

Background:

Each year, the City Council must set the tax levies to be applied to property within the City limits for the General Fund, the Parks and Recreation Fund, and the Debt Service Fund. The Cass County Assessor and the Jackson County Assessor provide the assessed values for all property located within the City limits, and, state statutes require the City Council to set the tax levies by October 1 of each year. Once the tax levies are set, the levies are forwarded to the County Clerks of Cass and Jackson Counties, who certify the levies and forward them to the State Auditor's Office for final certification. Once the tax levy rates are certified by the State Auditor's Office, the tax levy rate is applied to the properties within the City limits, and the resulting tax amounts are forwarded by the respective County Clerk to the County's Collector's Office of Cass and Jackson County, respectively, for collection from the property owners.

Impact/Analysis:

The valuation provided by the Cass County and Jackson County Assessor's Offices reflect the most current assessed valuations available through August 15, 2016. The 2016 total Assessed Valuation is an increase of \$51,769,007 over the 2015 total Assessed Valuation. However, the 2016 Assessed Valuation of property also

assessed in 2015 is \$2,657,893 below the assessed valuation for 2015. Due to the decrease in previously assessed property, the City may, under State Statutes, increase the tax levies to compensate for the decrease in assessed valuations to maintain the same tax revenue from the previously assessed property.

The tax levy for the General Fund can be set at a maximum of \$0.9081 per \$100 of assessed valuation; the Parks and Recreation tax levy can be set at a maximum of \$0.1606 per \$100 of assessed valuation; and, the Debt Service Levy can be set at a maximum of \$0.5022 per \$100 of assessed valuation. The City has not typically increased the Debt Service Levy above \$0.4697 per \$100 of assessed valuation due to the "no tax increase" elections.

The combined maximum 2016 City Tax Levy would be \$1.5709 if all the tax levies were set at their maximum levels.

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

Presenter: Conrad Lamb

Recommendation: Staff recommends passage of an Ordinance setting the Tax Levy for the Year 2016 for the City of Lee's Summit, Cass and Jackson Counties, Missouri.

Committee Recommendation: [Enter Committee Recommendation text Here]