

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: B 232-14

Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: August 4, 2014

Re: Fixing the 2014 Property Tax Rate

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance

Supporting documentation includes: State Auditor's Letter of Certification dated August 29, 2013

Executive Summary

A resolution setting a public hearing and an ordinance setting the 2014 property tax rate for the City of Columbia at \$0.41 (per \$100 assessed valuation).

Discussion

The City of Columbia levies property taxes to support operations of basic services in the General Fund. The 2013 property tax supports the City's FY 2014 budget. These property taxes comprise approximately 9% of the total General Fund Revenue. The FY 2015 budget submitted to Council does not include a property tax rate increase. The 2014 property tax rate remains at the low rate of \$0.41 (per \$100 assessed valuation). This rate is slightly below the maximum rate of the \$0.4163 certified by the State Auditor's Office for 2013. The City has not yet received the certification for 2014.

Fiscal Impact

Short-Term Impact: The City collected approximately \$7 million in property tax in FY 2014 allowing the City to provide critical services to its citizens.

Long-Term Impact: N/A

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Community Facilities and Services, Governance and Decision Making

Strategic Plan Impact: Financial Health

Comprehensive Plan Impact: Not Applicable

Suggested Council Action

Passage of the resolution and the ordinance.

Legislative History

Section 137.073(6) RSMo requires the State Auditor to certify to the tax rate ceiling and debt service

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levy, if applicable, to the taxing authority. Council shall set the rate of taxation for the City of Columbia, MO within the limits prescribed by state law, per Section 152 of the City Charter.

John Blattel smc
Department Approved

Mike Matts
City Manager Approved

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 232-14

AN ORDINANCE

fixing the rate of taxation on all taxable property in the City of Columbia, Missouri, for the year 2014; directing the City Clerk to give notice of the property tax rate; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. For the purpose of maintaining a General Revenue Fund, there is hereby levied a tax for the year 2014 at the rate of forty-one (41) cents on the one hundred dollars (\$100.00) assessed valuation on all taxable property in the City of Columbia, Missouri. If the Missouri State Auditor determines that the City's tax rate ceiling is lower than forty-one (41) cents, then the tax rate for the year 2014 shall be at the tax rate ceiling determined by the Missouri State Auditor.

SECTION 2. The City Clerk is hereby authorized and directed to file a certified copy of this ordinance with the Clerk of Boone County, Missouri.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2014.

ATTEST:

City Clerk

Mayor and Presiding Officer

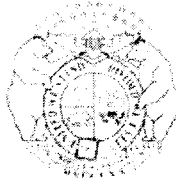
APPROVED AS TO FORM:

City Counselor



SUPPORTING DOCUMENTS INCLUDED WITH THIS AGENDA ITEM ARE AS FOLLOWS:

State Auditor's Letter of Certification
Dated August 29, 2013



OFFICE OF MISSOURI STATE AUDITOR

CERTIFICATION LETTER

August 29, 2013

County Clerk
Boone County
801 East Walnut Street, Room 236
Columbia, MO 65201-0000

RE: 09-010-0003 City of Columbia

Dear County Clerk:

We have received information to substantiate compliance with Missouri law for the 2013 property tax rates for the above-captioned taxing authority. Section 137.073.6, RSMo, requires the State Auditor to examine such information and return to the county clerk our findings regarding the property tax rate ceilings and the debt service levy, if applicable. The State Auditor's Office has relied on information presented and representations made by the taxing authority for our review of the tax rate ceiling(s) and actual property tax rate(s) levied. Our findings are based upon existing constitutional provisions, statutes, rulings, and court decisions.

We understand that the taxing authority's property tax rate ceiling(s) and actual property tax rate(s) levied for 2013 to be as follows:

Purpose	Tax Rate Ceiling or Maximum Allowable Debt Service	Sales Tax Reduction	Voluntary Reduction	Recoupment Rate	CERTIFIED RATE	Taxing Authority's Proposed Rate	Complies with MO Laws Yes/No
General Revenue	0.4108	0.0000	0.0008	0.0000	0.4100	0.4100	Yes

Based on the information submitted by the taxing authority we find the CERTIFIED RATE(S) for the taxing authority as listed above, complies or does not comply with the provisions Section 137.073, RSMo, as indicated above. Any taxing authority levying a rate(s) higher than the certified rate(s) is/are not in compliance with Missouri laws. All tax levies not in compliance will receive a Notification of Non-Compliance Letter sent certified mail, will be referred to the Missouri Attorney General's Office pursuant to Section 137.073.6(2), RSMo, and will also be noted in our Review of 2013 Property Tax Rates report. A copy of this letter must be sent by your office to the above captioned political subdivision to comply with Section 137.073.5, RSMo.

CC: City of Columbia