KNOWING YOUR CITY'S FISCAL HEALTH

CITY OF HAMPTON

JANUARY 2020

THE BASICS - DEFINITIONS

- Debt Capacity – the amount of general obligation principal debt/rebate agreements/sales tax/TIF Revenue a City can borrow against.
- Assessed Value – the 100% actual value of all of the property in your City. (Set by County Assessor)
  - Hampton = $177,913,669
- Taxable Value – the value, after rollbacks are applied, that Cities can levy property taxes against. (Set by County Auditor)
  - Hampton = $106,942,978
- General Obligations Debt (GO) – An obligation of debt that is backed by the full faith and credit of the City. (Property Tax)
- Revenue Debt (Rev) – An Obligation of debt that is only subject to the revenues and expenses of a City's enterprise fund (i.e. water, sewer)
- Capital Improvement Plan (CIP) – A plan prepared by the City that outlines upcoming needs; projects or purchases; and identifies possible ways to fund those projects/purchases.
- Fund Balance – the remaining funds at the end of the fiscal year once all expenses are paid.
  - Restricted
  - Un-restricted

ASSESSED VALUE VS. TAXABLE VALUE

- Assessed Valuation is 100% of all values located within the City limits. This is "actual" or full value.
- Taxable Valuation is the remaining valuation after all Rollbacks by classification are applied. A City levies property taxes on a Taxable Valuation.
- Rollbacks for FY 2021
  - Commercial & Industrial 90%
  - Residential 55.0743%
  - Multi-Residential 71.25%
  - Agricultural 81.4832%

TYPES OF DEBT AND PURPOSES

General Obligation Debt:

- Secured by full faith and credit of City.
- Used for streets, sidewalks, parks, municipal buildings, swimming pools, police/fire facilities.
- Debt can be paid by many sources including utility revenues, LOST, RUT, TIF or property taxes (debt service levy)

Revenue Debt:

- Only payable by the revenues available.
- Water, Sewer, LOST, TIF
- Cannot be paid with property taxes.
- Typically requires a debt service reserve fund and coverage factor (safety nets to ensure repayment)

DEBT CAPACITY:

- Debt capacity is the legal limit allowable for outstanding general obligation indebtedness.
- Unable to issue more in general obligation debt than your debt capacity allows.
- The ***Constitution of State of Iowa*** limits the G.O. debt cities can issue to 5% of Total Assessed Value within corporate limits.

- Calculation:

  100% Actual Value

  X 5%

  = Debt Capacity

DEBT CAPACITY CALCULATION

City of Hampton Computation of Legal Debt Limit as of July 1, 2019

100% Actual Value for Debt Limit Calculation		$177,913,669
Times 5% of Actual Value for Debt Limit Calculation		x .05
Legal Debt Limit for Fiscal Year 2019-2020		$ 8,895,683
Outstanding Bonds/Notes Applicable to Debt Limit:		
General Obligation Capital Loan Notes, Series 2017	$1,140,000	
General Obligation Refunding Capital Loan Notes, Series 2019 (fire truck)	$ 380,000	
Total Bonds/Notes	$1,520,000	
Add Annual Appropriations of TIF Rebates (last one)	+ $14,323	
	($1,534,323)	
Total Debt Applicable to Debt Limit		($1,534,323)
Remaining Legal Debt Capacity		$7,361,360
Less "Self-Imposed Limit" 25% ($8,895,683 x .25)		($2,223,920)
Remaining Legal Debt Capacity		**$5,137,440**

NOTE: $5,676,000 Rev Debt for WWTP is not included in this calculation

REMAINING DEBT CAPACITY

- Total Debt Capacity Minus….
  - General obligation principal indebtedness outstanding
  - Rebate amount or annual appropriation amount outstanding
  - Self imposed limitation of 25%

DEBT MANAGEMENT

- **Limit debt to 75%** of your total debt capacity available. This self- imposed limit assures you will always have 25% debt availability for emergency use.
- **Issue revenue obligations for revenue-based purposes;** Water & Sewer, preserving debt capacity for non-revenue generating purposes. However, the water and sewer rates must be sufficient to cover operations AND debt payments. Although our water rates cover operations, they are not currently sufficient to cover capital debt payments. Our sewer rates are sufficient.
- **Keep debt obligation repayments as short as possible**, which allows your debt capacity to re-grow more quickly.
- Utilize **cash on hand** when feasible to avoid incurring debt for equipment, vehicles and small projects.
- Structure debt obligations with the ability to **pay off early if possible**. IE. LOST Aquatic Center Bond.

DEBT MANAGEMENT CONT.

Sources of Repayment

- Consider sources of repayment when planning projects/purchases.
  - Water, Sewer, Local Option Sales Tax, Stormwater, Road Use, TIF or another source
- Every dollar from "other sources" that you can use on a debt obligation payment is less you must levy against the taxes of your citizens.

Debt Service Levy

- All general obligation debt can be levied in the debt service fund without restriction to levy dollars/$1,000.

CURRENT DEBT SERVICE LEVY

Rules	Amt Nec	Other Employee Benefits		31	181,804		176,038		1.70001
		Total Employee Benefit Levies	*(29,30,31)*	32	324,650		314,354	65	3.03573
		Sub Total Special Revenue Levies	**(28+32)**	33	324,650		314,354		
		Valuation							
386	As Req	*With Gas & Elec*	*Without Gas & Elec*						
	SSMID 1	(A)	(B)	34			0	66	0
	SSMID 2	(A)	(B)	35			0	67	0
	SSMID 3	(A)	(B)	36			0	68	0
	SSMID 4	(A)	(B)	37			0	69	0
	SSMID 5	(A)	(B)	555			0	565	0
	SSMID 6	(A)	(B)	556			0	566	0
	SSMID 7	(A)	(B)	1177			0	###	0
	SSMID 8	(A)	(B)	1185			0	###	0
		Total Special Revenue Levies		39	324,650		314,354		
384.4	Amt Nec	**Debt Service Levy**	**76.10(6)**	40	0	40	0	70	0
384.7	0.67500	**Capital Projects**	**(Capital Improv. Reserve)**	41		41	0	71	0
		Total Property Taxes	**(27+39+40+41)**	42	1,463,116	42	1,416,852	72	13.64095

COUNTY AUDITOR - I certify the budget is in compliance with ALL the following:

Budgets that **DO NOT** meet **ALL** the criteria below are not statutorily compliant & must be returned to the city for correction.

_______ 1) The prescribed Notice of Public Hearing Budget Estimate (Form 631.1) was lawfully published, or posted if applicable, filed proof was evidenced.

_______ 2) Budget hearing notices were published or posted not less than 10 days, nor more than 20 days, prior to the budget hearing.

_______ 3) Adopted property taxes do not exceed published or posted amounts.

_______ 4) Adopted expenditures do not exceed published or posted amounts in each of the nine program areas, or in total.

_______ 5) Number of the resolution adopting the budget has been included at the top of this form.

_______ 6) The budget file uploaded to the SUBMIT Area matched the paper copy certified by the city to this office.

_______ 7) The long term debt schedule (Form 703) shows sufficient payment amounts to pay the G.O. debt certified by the city to this office.

(County Auditor)

FUND BALANCES

- Expenses or liabilities are subtracted from revenues or assets. Positive fund balances occur when there are more revenues than expenditures.
- Use June 30 reports as a good indicator of fund balance when identifying remaining balances. This balance is calculated after all revenues have come in and expenses have been paid out.
- Allows Cities to monitor inflows and outflows
- Recommendation of 25 – 40% of annual budget expenditures in unrestricted funds. (GF is currently 49%. Water and Sewer Fund Bal are even healthier.)
- Assigned or Restricted fund balances indicate that the City plans to use those funds or will be required to use those funds in the future and should not be considered eligible for use anywhere else.
- Cities should work towards positive fund balances and be able to explain negative fund balances as possibly a one-time expense with revenues coming in to offset.

FUND BALANCE

EXAMPLE FUNDS

- General Fund
- Debt Service Fund
- TIF Fund
- Proprietary (Water/Sewer/Stormwater)
- Capital Projects Fund
- Special Revenue

GENERAL FUND GUIDELINES

- Best Practices by GFOA

https://www.gfoa.org/best-practices

- Formalize a policy for unrestricted general fund balance that should be maintained.
- Recommendation of 25-40% of annual budget expenditures in unrestricted funds

WORKING CAPITAL TARGETS FOR PROPRIETARY FUNDS (WATER/SEWER)

- GFOA Best Practices recommends no less than 90 days of working capital (3 months) revenues as a baseline for a proprietary fund.
  - Water has 1 year.
  - Sewer has 2 years.
- You should consider strength of collections practices and historical consumption of inventories or prepaids when setting this amount.
- Consider designated or restricted fund balances outside (over and above) working capital for upcoming capital projects.

FY19 TREASURERS REPORT SHOWS ENDING FUND BALANCES

Thu Nov 21, 2019 10:05 AM

TREASURER'S REPORT
CALENDAR 6/2019, FISCAL 12/2019

ACCOUNT	TITLE	LAST MONTH END BALANCE	RECEIVED	DISBURSED	CHANGE IN LIABILITY	ENDING BALANCE
001	GENERAL	822,535.78	56,110.95	174,660.25	.00	703,986.48
002	GENERAL - LOST/POOL	240,513.22	17,143.76	25,446.18	.00	232,210.80
003	FIRE TRUCK RESERVE	.00	.00	.00	.00	.00
004	LIBRARY	62,253.02	47,603.04	22,500.45	.00	87,355.61
005	ELECTRIC/GAS FRANCHISE	353,675.76	.00	.00	.00	353,675.76
013	EMERGENCY FUND	.00	.00	.00	.00	.00
110	ROAD USE TAX	754,618.94	46,790.45	19,823.60	.00	781,585.79
112	EMPLOYEE BENEFITS	123,214.67	5,179.02	13,109.20	.00	115,284.49
114	MAKE A SPLASH CAMPAIGN	.00	.00	.00	.00	.00
115	FORFEITURE	4,340.19	.18	.00	.00	4,340.37
116	BAND SHELL FUND	34,296.72	5.28	11,890.26	.00	22,411.74
119	EMERGENCY TAX FUND	.00	.00	.00	.00	.00
121	LOCAL OPTION SALES TAX	954.88	34,251.09	34,251.09	.00	954.88
124	HOTEL/MOTEL TAX FUND	.00	.00	.00	.00	.00
125	T I F	132,991.23	3,096.45	.00	.00	136,087.68
160	ECONOMIC DEVELOPMENT	.16-	.00	.16-	.00	.00
161	POLICE RESERVE	16,178.31	1,712.55	.00	.00	17,890.86
162	FIRE RESERVE	49,678.63	16,850.22	.00	.00	66,528.85
163	POOL & PARKS RESERVE	64,713.27	6,850.22	.00	.00	71,563.49
164	55% LOST RESERVE	177,961.54	18,838.10	.00	.00	196,799.64
167	CEMETERY TRUST	45,218.11	.00	.00	.00	45,218.11
200	GENERAL OBLIGATION	111,227.95	.00	.00	.00	111,227.95
220	SPECIAL ASSESSMENTS	16,082.00-	16,082.00	.00	.00	.00
301	CAPITAL PROJECT - FAA G	.43	.43-	.00	.00	.00
302	CAPITAL PROJECT - STREE	35.00	.00	.00	.00	35.00
303	CAPITAL PROJECT - HWY 6	.00	.00	.00	.00	.00
304	CAPITAL PROJECT - MAKE	.00	.00	.00	.00	.00
305	CAPITAL PROJ -REC COMPL	.00	.00	.00	.00	.00
306	CAP PROJ/WWTP	.00	.00	.00	.00	.00
307	CAPITAL PROJECT - HARRI	.44	.00	.00	.00	.44
308	CAPITAL PROJECT - LIBRA	10,344.32	.00	.00	.00	10,344.32
500	CEMETERY PERPETUAL CARE	179,606.85	70.00	.00	.00	179,676.85
501	LIBRARY TRUST	.00	.00	.00	.00	.00
600	WATER OPERATING	720,251.67	48,939.79	32,188.83	.00	737,002.63
601	SINKING FUND - WATER	.18	.18-	.00	.00	.00
602	WATER IMPROVEMENT	.00	.00	.00	.00	.00
603	WATER RESERVE	38,478.83	.00	.00	.00	38,478.83
604	WATER CONSTRUCTION	.00	.00	.00	.00	.00
605	METER DEPOSITS	40,791.58	.00	592.49	.00	40,199.09
610	SEWER	1,692,137.18	81,883.13	25,961.05	.00	1,748,059.26
611	SINKING FUND - SEWER	.00	.00	.00	.00	.00
612	CAPITAL PROJECT - WWTP	.00	.00	.00	.00	.00
670	SOLID WASTE	87,981.14	3,728.72	1,319.07	.00	90,390.79
	Report Total	5,747,917.68	405,134.34	361,742.31	.00	5,791,309.71

CAPITAL IMPROVEMENT PLAN (CIP)

- CIP is a process the city uses to outline "wants and needs" for the City of a 3-5 year look forward.
- The CIP should include all projects, small or large across all departments.
- Possible funding of each project should be identified, and not all of it is going to be borrowed funds.
- We utilize "pay as you go" to avoid debt for equipment purchases.
- CIP's should be implemented and re-visited on an annual basis, to identify changes needed.
- Don't be afraid to move things up from later years or take things off the CIP, times change what is important to Cities.
- This process will allow the City to do more accurate budget forecasting from year to year.

ECONOMIC DEVELOPMENT - PROPERTY TAX LEVY IS ONE COMPONENT
(OF 939 CITY'S IN IOWA, 633 HAVE LOWER LEVY THAN HAMPTON, 306 HAVE HIGHER)

3			TAXABLE VALUE		GENERAL				------------OTHER LEVIES------------				TOTAL
4		2010	JANUARY 1, 2018		$8.10 LEVY		OUTSIDE	AGLAND	EMERG	DEBT	EMPLOY	CAPITAL	REGULAR
5		CENSUS	REGULAR W G&E	AGLAND	FY 18/19	FY 19/20	8.10000	LEVY	LEVY	SERVICE	BENEFIT	IMPROVE	W/O AG
296	MONTICELLO	3,796	140,757,476	1,775,283	8.10000	8.10000	0.00000	3.00375	0.00000	2.60266	3.16631	0.00000	13.86897
297	GRAFTON	252	5,835,839	196,830	8.10000	8.10000	2.22761	3.00375	0.00000	3.53677	0.00000	0.00000	13.86438
298	DOW CITY	510	9,117,788	82,677	8.10000	8.10000	4.47992	3.00375	0.27000	0.00000	1.01297	0.00000	13.86289
299	HASTINGS	152	3,327,104	194,249	8.10000	8.10000	3.34044	3.00375	0.00000	1.60801	0.81152	0.00000	13.85997
300	STORM LAKE	10,600	311,792,458	707,896	8.10000	8.10000	0.37440	3.00375	0.27000	1.43543	3.66502	0.00000	13.84485
301	GENEVA	165	2,381,641	256,301	8.10000	8.10000	5.68642	3.00375	0.00000	0.00000	0.00000	0.00000	13.78642
302	LUCAS	216	3,141,867	134,678	8.10000	8.10000	3.50110	3.00375	0.00000	1.67671	0.47742	0.00000	13.75523
303	BONDURANT	5,493	227,044,793	3,521,386	8.10000	8.10000	0.41311	3.00375	0.00000	2.92567	2.29671	0.00000	13.73549
304	FAYETTE	1,338	26,328,019	127,443	8.10000	8.10000	0.83880	3.00375	0.00000	0.00000	4.79524	0.00000	13.73404
305	MASON CITY	28,079	1,185,083,551	7,565,545	8.10000	8.10000	0.36783	3.00375	0.00000	2.26363	2.98997	0.00000	13.72143
306	NORWAY	545	17,100,002	124,280	8.10000	8.10000	1.05263	3.00375	0.27000	1.26082	3.03509	0.00000	13.71854
307	HENDERSON	185	3,218,105	9,132	8.10000	8.10000	3.24242	3.00375	0.27000	0.00000	2.08042	0.00000	13.69284
308	SUMNER	2,028	62,893,161	731,635	8.10000	8.10000	1.54230	3.00375	0.27000	0.69940	3.06870	0.00000	13.68040
309	MAQUOKETA	6,141	191,531,834	1,310,448	8.10000	8.10000	0.69643	3.00375	0.00000	0.63594	4.23598	0.00000	13.66835
310	MARCUS	1,117	41,021,780	653,336	8.10000	8.10000	0.71913	3.00375	0.27000	2.47405	2.09644	0.00000	13.65962
311	DAVIS CITY	204	2,766,700	112,927	8.10000	8.10000	2.83135	3.00375	0.25482	0.00000	2.45491	0.00000	13.64108
312	HAMPTON	4,461	106,942,978	1,435,645	8.10000	8.10000	2.50522	3.00375	0.00000	0.00000	3.03573	0.00000	13.64095
313	ALTA VISTA	266	4,072,772	365,365	8.10000	8.10000	4.41959	3.00375	0.00000	0.00000	1.10490	0.00000	13.62449
314	HOPKINTON	628	14,229,513	36,092	8.10000	8.10000	1.37039	3.00375	0.27000	2.72483	1.12189	0.00000	13.58711
315	DIKE	1,209	53,998,163	139,444	8.10000	8.10000	0.83873	3.00375	0.27000	2.52289	1.85271	0.00000	13.58433
316	LAKE MILLS	2,100	46,045,807	83,545	8.10000	8.10000	1.02724	3.00375	0.27000	0.13528	4.01774	0.00000	13.55026
317	MODALE	283	7,742,468	624,456	8.10000	8.10000	1.98638	3.00375	0.27000	1.38276	1.80821	0.00000	13.54735
318	CORALVILLE	18,907	1,431,825,552	1,255,307	8.10000	8.10000	0.86980	3.00375	0.00000	2.12020	2.43770	0.00000	13.52770
319	ROCKFORD	860	20,233,281	143,760	8.10000	8.10000	1.62843	0.00000	0.27000	1.75444	1.75286	0.00000	13.50573
320	PARKERSBURG	1,870	66,077,295	151,619	8.10000	8.10000	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0.00000	13.49488
321	ROCK VALLEY	3,354	125,621,431	1,027,679	8.10000	8.10000	[illegible]	[illegible]	[illegible]	2.87927	1.72219	0.00000	13.48084
322	LENOX	1,407	41,977,545	466,563	8.10000	8.10000	1.45794	3.00375	0.27000	1.57428	2.05498	0.00000	13.45720
323	MCCALLSBURG	333	1,933,524	139,488	8.10000	8.10000	0.00000	0.00000	0.00000	5.35518	0.00000	0.00000	13.45518
324	IDA GROVE	2,142	76,339,124	417,592	8.10000	8.10000	[illegible]	[illegible]	[illegible]	[illegible]	1.93198	0.00000	13.42649
325	LAMONT	461	7,301,379	68,285	8.10000	8.10000	2.35102	3.00375	0.00000	0.00000	2.97396	0.00000	13.42498
326	STEAMBOAT ROCK	310	5,629,199	82,560	8.10000	8.10000	3.55644	3.00375	0.27000	0.00000	0.81717	0.67500	13.41861
327	MACEDONIA	246	5,953,054	157,620	8.10000	8.10000	1.51183	3.00375	0.27000	0.00000	3.52760	0.00000	13.40943

LEVY COMPARISON USING TAXABLE VALUATION

AVERAGE OF THE 29 CITIES = $13.36

8	ANAMOSA	5,533	131,485,901	126,208		8.10000		8.10000	1.85848	3.00375	0.27000	0.55228	3.79102	0.00000	14.57178
9	FOREST CITY	4,151	130,965,075	360,484		8.10000		8.10000	0.80098	3.00375	0.26999	4.99071	3.47421	0.00000	17.63589
10	CLARINDA	5,572	129,773,441	1,022,105		8.10000		8.10000	1.85368	3.00375	0.27000	2.46038	4.31594	0.00000	17.00000
11	SHENANDOAH	5,150	129,226,957	591,721		8.10000		8.10000	1.48344	3.00375	0.27000	4.80172	5.26206	0.00000	19.91722
12	ROCK VALLEY	3,354	125,621,431	1,027,679		8.10000		8.10000	0.50938	3.00375	0.27000	2.87927	1.72219	0.00000	13.48084
13	EVANSDALE	4,751	124,869,790	158,467		6.48697		7.69323	0.00000	2.90912	0.00000	0.00000	1.61303	0.00000	9.30626
14	CARTER LAKE	3,785	123,701,195	0		8.10000		8.10000	0.46863	0.00000	0.00000	1.46323	2.00200	0.00000	12.03386
15	CRESCO	3,868	121,282,847	505,310		8.10000		8.10000	1.34787	3.00375	0.27000	2.69556	3.82123	0.00000	16.23466
16	WAUKON	3,897	121,107,658	514,509		8.10000		8.10000	1.31866	0.00000	0.27000	1.88577	2.95239	0.00000	14.52682
17	WILLIAMSBURG	3,068	119,877,201	746,708		8.10000		8.10000	0.00000	3.00375	0.00000	2.27603	0.00000	0.67500	11.05103
18	SOLON	2,037	117,607,866	78,166		8.10000		8.10000	0.66150	3.00375	0.00000	0.00000	1.39192	0.67500	10.82842
19	TIPTON	3,221	116,424,856	420,427		8.10000		8.10000	0.78405	3.00171	0.27000	1.45131	3.56824	0.00000	14.17360
20	SHELDON	5,188	116,276,198	354,749		8.10000		8.10000	0.40500	3.00375	0.14019	0.45815	6.20830	0.00000	15.31164
21	GARNER	3,129	115,853,678	256,672		8.10000		8.10000	0.20267	3.00375	0.00000	2.17289	2.76211	0.00000	13.23767
22	RIVERSIDE	993	108,486,992	226,269		8.10000		8.10000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	8.10000
23	HAMPTON	4,461	106,942,978	1,435,645		8.10000		8.10000	2.50522	3.00375	0.00000	0.00000	3.03573	0.00000	13.64095
24	KALONA	2,363	106,426,820	782,261		8.10000		8.10000	0.27000	3.00375	0.00000	1.95356	0.40017	0.00000	10.72373
25	FAIRFAX	2,123	101,725,891	1,557,492		8.10000		8.10000	0.00000	3.00375	0.00000	0.00000	0.00000	0.00000	8.10000
26	WILTON	2,802	100,385,187	244,864		8.10000		8.10000	0.78251	3.00375	0.00000	3.47159	1.85287	0.00000	14.20697
27	JESUP	2,520	99,955,266	377,488		8.10000		8.10000	0.61315	3.00375	0.27000	3.28035	2.16163	0.00000	14.42513
28	WALCOTT	1,629	98,928,326	1,721,951		8.10000		8.10000	0.00000	3.00375	0.00000	0.00000	1.98265	0.00000	10.08265
29	BELLEVUE	2,191	98,334,500	122,760		8.10000		8.10000	0.00000	0.00000	0.00000	0.97612	2.91444	0.00000	11.99056
30	CHARITON	4,321	97,785,850	217,309		8.10000		8.10000	1.68736	3.00375	0.27000	4.48959	4.19283	0.00000	18.73978
31	OSAGE	3,619	[illegible]	[illegible]		[illegible]		8.10000	0.81184	3.00375	0.27000	0.00000	3.89324	0.00000	13.07508
32	CASCADE	2,159	[illegible]	[illegible]		8.10000		8.09999	0.00000	3.00375	0.00000	0.67429	0.22642	0.00000	9.00070
33	HUDSON	2,282	[illegible]	[illegible]		[illegible]		8.10000	0.00000	3.00375	0.27000	0.88763	2.14256	0.00000	11.40019
34	ALBIA	3,766	91,624,606	183,103		8.10000		8.10000	0.75307	3.00375	0.27000	5.71431	5.23648	0.00000	20.07386
35	CENTER POINT	2,421	91,585,940	786,479		8.10000		8.10000	0.17867	3.00375	0.27000	2.93301	1.53735	0.00000	13.01903
36	LISBON	2,152	89,049,506	693,223		8.10000		8.10000	0.00000	3.00375	0.27000	1.23135	2.22765	0.00000	11.82900

PROPERTY TAXES- WHO RECEIVES WHAT??

Who receives property tax revenues?

Schools, cities, and counties receive the largest property tax amounts, though other entities such as hospitals, assessors, ag extension districts, community college districts, and townships receive some funds.

Chart B shows the state average percentage of property tax revenue that flows to each type of local jurisdiction. As noted, cities receive approximately 29% of local property tax revenues.

Share of Property Tax Revenues by Tax Authority FY2020

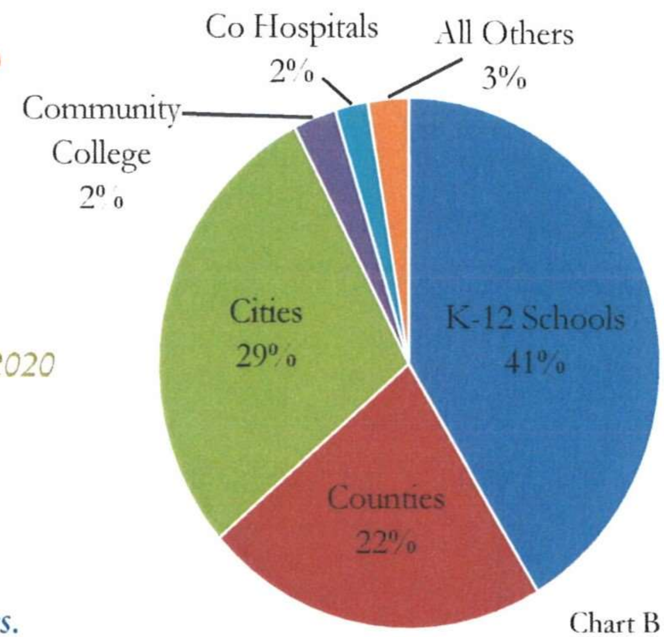

Chart B

Below, on the left, is an example of how homeowner tax bills are calculated.
On the right, the city levy is isolated to show the portion of revenues the city receives.

PROPERTY TAX COMPARISON ON $100K HOME

HAMPTON

100,000 Assessed Value (AV)
x 0.5691 Rollback
56,910 = Taxable Value (TV)

divided by 1000
56.91

x 13.64 City Levy
$776.00 city tax/ year

56.91 Per Thousand
x 36.86 Consol. Levy
$2097.00 total property tax /yr

CLEAR LAKE

100,000 Assessed Value (AV)
x 0.5691Rollback
56,910 = Taxable Value (TV)

divided by 1000
56.91

x 9.70 City Levy
$552.00 city tax/ year

56.91 Per Thousand
x 28.05 Consol. Levy
$1596.00 total property tax /yr

- The Clear Lake comparison shows the importance of tax base /valuation growth and it’s economic development impact.
- The more business and home valuation to tax, the less tax burden on all property owners.
- Growth benefits the community.
- How do we grow?
  - By creating an environment that invites new businesses to locate here and encourages local businesses to expand. Offer incentives for residential development.

SENATE FILE 634

- SF 634 passed in 2019 legislative session
- Modifies approvals for City budgets – effective this year for FY 2021 budgeting
- New certification date: March 31, 2020 (Tuesday)
- Two public hearings are necessary for the City to adopt and certify the budget