



City of Smithville, Missouri
Board of Aldermen – Special Meeting Agenda
August 31, 2020

7:00 pm– City Hall Council Chambers **Via Videoconference**

NOTICE: *Due to the Health Officer's orders for safety, public meetings and public comment during public meetings will require modification. The City of Smithville is committed to transparent public meetings and will continue this commitment during the COVID-19 crisis. Anyone who wishes to view the meeting may do so in real time as it will be streamed live on the city's FaceBook page through FaceBook Live.

For Public Comment, please email your request to the City Clerk at ldrummond@smithvillemo.org prior to the meeting to be invited via Zoom.

1. Call to Order
2. Pledge of Allegiance
3. Public Hearing
 - o Property Tax Levy

ORDINANCES & RESOLUTIONS

4. **Bill No. 2870-20, 2020 Tax Rate – Emergency Ordinance Sponsored by Mayor Boley - 1st and 2nd Reading**

An Ordinance setting the property tax levy on all taxable property within the City of Smithville, Missouri for 2020. 1st and 2nd reading by title only.

OTHER MATTERS BEFORE THE BOARD

5. **Public Comment**
Pursuant to the public comment policy, **an email request must be submitted to the City Clerk at ldrummond@smithvillemo.org prior to the meeting.** When recognized, please state your name, address and topic before speaking. Each speaker is limited to three (3) minutes.
6. **New Business From The Floor**
Pursuant to the order of business policy, members of the Board of Aldermen may request a new business item appear on a future meeting agenda.
7. **Adjourn**

Agenda Item # 3 – Public Hearing



City of Smithville

Meeting Date: August 31, 2020

Department: Finance

Agenda Item: Public Hearing to Set the Property Tax Levy

Summary:

A public hearing is required before the property tax levy for 2020 can be set.

Purpose:

To allow for public comment on setting the property tax levy as required by Section 67.110, RSMo.

Final assessed valuations were received by the City from Platte County on August 6, 2019 and Clay County on August 11, 2019.

The City's assessed valuation rose 1.0254%. Assessed valuations totals are provided to the State Auditor's Office, which prepares the tax rate computations for the City's 2020 tax rate ceiling. The computations determined a general tax rate ceiling of 0.4484 and a debt service tax rate ceiling of 0.2304.

Staff recommends adopting the maximum general tax rate of 0.4484, but to take a voluntary reduction in the debt service tax rate and set it at 0.0000. The Debt Service Fund is funded through the capital improvement sales tax, and therefore no property tax revenue is necessary.

A notice stating the hour, date, and place of a Property Tax Levy Hearing is required to be posted in a newspaper of general circulation within the political subdivision, which it was on August 20, 2020.

Impact:

Comprehensive Plan:

Economic Development Plan:

Parks Master Plan:

Strategic Plan:

Strategic Goal 1: Continued citizen engagement in local government.

Capital Improvement Plan:	Setting the levy as close to the voter approved amount is necessary to fund the Capital Improvement Plan.
Budget:	The proposed levy will be reflected in the proposed budget.
Legislative History: The property tax levy is set on an annual basis.	
Suggested Action: Allow for public comment.	
Attachments: <input type="checkbox"/> Plans <input type="checkbox"/> Contract <input type="checkbox"/> Staff Report <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Minutes <input checked="" type="checkbox"/> Other: Pro Forma, Notice of Property Tax Levy Hearing	



PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED

8/17/2020

Summary Page

(2020)

For Political Subdivisions Other Than School Districts Levying a Single Rate on All Property

City of Smithville

09-024-0022

General Revenue

Name of Political Subdivision

Political Subdivision Code

Purpose of Levy

The final version of this form MUST be sent to the county clerk.

The information to complete the Summary Page is available from prior year forms, computed on the attached forms, or computed on this page. Information on this page takes into consideration any voluntary reduction(s) taken in previous even numbered year(s). If in an even numbered year, the political subdivision wishes to no longer use the lowered tax rate ceiling to calculate its tax rate, it can hold a public hearing and pass a resolution, a policy statement, or an ordinance justifying its action prior to setting and certifying its tax rate. The information in the Informational Data, at the end of these forms, provides the rate that would be allowed had there been no previous voluntary reduction(s) taken in an even numbered year(s).

For Political
Subdivision Use
in Calculating
its Tax Rate

A. Prior year tax rate ceiling as defined in Chapter 137, RSMo, revised if the prior year data changed or a voluntary reduction was taken in a non-reassessment year (Prior year Summary Page, Line F minus Line H in odd numbered year or prior year Summary Page, Line F in even numbered year)	0.4484
B. Current year rate computed pursuant to Article X, Section 22, of the Missouri Constitution and Section 137.073, RSMo, if no voter approved increase (Form A, Line 18)	0.4484
C. Amount of rate increase authorized by voters for current year if same purpose, adjusted to provide the revenue available if applied to the prior year assessed value and increased by the percentage of CPI (Form B, Line 15)	
D. Rate to compare to maximum authorized levy to determine tax rate ceiling (Line B if no election, otherwise Line C)	0.4484
E. Maximum authorized levy the most recent voter approved rate	1.0000
F. Current year tax rate ceiling maximum legal rate to comply with Missouri laws Political subdivisions tax rate (Lower of Line D or E)	0.4484
G1. Less required sales tax reduction taken from tax rate ceiling (Line F), if applicable	0.0000
G2. Less 20% required reduction 1st class charter county political subdivision NOT submitting an estimated non-binding tax rate to the county(ies) taken from tax rate ceiling (Line F)	0.0000
H. Less voluntary reduction by political subdivision taken from the tax rate ceiling (Line F) WARNING: A voluntary reduction taken in an even numbered year will lower the tax rate ceiling for the following year.	0.0000
I. Plus allowable recoupment rate added to tax rate ceiling (Line F) If applicable, attach Form G or H.	0.0000
J. Tax rate to be levied (Line F - Line G1 - Line G2 - Line H + Line I)	0.4484
AA. Rate to be levied for debt service , if applicable (Form C, Line 10)	0.0000
BB. Additional special purpose rate authorized by voters after the prior year tax rates were set, adjusted to provide the revenue available if applied to the prior year assessed value and increased by the percentage of CPI (Form B, Line 15 if a different purpose)	0.0000

Certification

I, the undersigned, MAYOR (Office) of CITY OF SMITHVILLE (Political Subdivision) levying a rate in CLAY & PLATE (County(ies)) do hereby certify that the data set forth above and on the accompanying forms is true and accurate to the best of my knowledge and belief.

Please complete Line G through BB, sign this form, and return to the county clerk(s) for final certification.

8/31/2020		DAMIAN BOLEY	(816) 532-3897
(Date)	(Signature)	(Print Name)	(Telephone)

Proposed rate to be entered on tax books by county clerk

based on certification from the political subdivision: Lines

J 0.4484 AA 0.0000 BB 0.0000

Section 137.073.7 RSMo, states that no tax rate shall be extended on the tax rolls by the county clerk unless the political subdivision has complied with the foregoing provisions of this section.

(Date)	(County Clerk's Signature)	(County)	(Telephone)

**PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED**

8/17/2020

Form A

(2020)

For Political Subdivisions Other Than School Districts Levying a Single Rate on All Property

City of Smithville

09-024-0022

General Revenue

Name of Political Subdivision

Political Subdivision Code

Purpose of Levy

The final version of this form MUST be sent to the county clerk.

Computation of reassessment growth and rate for compliance with Article X, Section 22, and Section 137.073, RSMo.

1. (2020) Current year assessed valuation

Include the current state and locally assessed valuation obtained from the county clerk, county assessor, or comparable office finalized by the local board of equalization.

(a)	158,744,987	+	(b)	31,308,674	=	190,053,661
	(Real Estate)			(Personal Property)		(Total)

2. Assessed valuation of new construction & improvements

2(a) - Obtained from the county clerk or county assessor

2(b) - increase in personal property, use the formula listed under Line 2(b)

(a)	2,933,710	+	(b)	2,585,924	=	5,519,634
	(Real Estate)			Line 1(b) - 3(b) - 5(b) + 6(b) + 7(b)		(Total)
				If Line 2b is negative, enter zero		

3. Assessed value of newly added territory

obtained from the county clerk or county assessor

(a)	0	+	(b)	0	=	0
	(Real Estate)			(Personal Property)		(Total)

4. Adjusted current year assessed valuation

(Line 1 total - Line 2 total - Line 3 total)

184,534,027

5. (2019) Prior year assessed valuation

Include prior year state and locally assessed valuation obtained from the county clerk, county assessor, or comparable office finalized by the local board of equalization.

NOTE: If this is different than the amount on the prior year Form A, Line 1, then revise the prior year tax rate form to recalculate the prior year tax rate ceiling. Enter the revised prior year tax rate ceiling on this year's Summary Page, Line A.

(a)	153,938,340	+	(b)	28,722,750	=	182,661,090
	(Real Estate)			(Personal Property)		(Total)

6. Assessed value of newly separated territory

obtained from the county clerk or county assessor

(a)	0	+	(b)	0	=	0
	(Real Estate)			(Personal Property)		(Total)

7. Assessed value of property locally assessed in prior year, but state assessed in current year

obtained from the county clerk or county assessor

(a)	0	+	(b)	0	=	0
	(Real Estate)			(Personal Property)		(Total)

8. Adjusted prior year assessed valuation

(Line 5 total - Line 6 total - Line 7 total)

182,661,090

**PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED****8/17/2020****Form A****(2020)****For Political Subdivisions Other Than School Districts Levying a Single Rate on All Property**

City of Smithville

09-024-0022

General Revenue

Name of Political Subdivision

Political Subdivision Code

Purpose of Levy

The final version of this form MUST be sent to the county clerk.

Computation of reassessment growth and rate for compliance with Article X, Section 22, and Section 137.073, RSMo.

Information on this page takes into consideration any voluntary reduction(s) taken in previous even numbered year(s). If in an even numbered year, the political subdivision wishes to no longer use the lowered tax rate ceiling to calculate its tax rate, it can hold a public hearing and pass a resolution, a policy statement, or an ordinance justifying its action prior to setting and certifying its tax rate. The information in the Informational Data, at the end of these forms, provides the rate that would be allowed had there been no previous voluntary reduction(s) taken in an even numbered year(s).

For Political
Subdivision Use in
Calculating its Tax
Rate

9. **Percentage increase in adjusted valuation** of existing property in the current year over the prior year's assessed valuation

(Line 4 - Line 8 / Line 8 x 100)

1.0254%

10. **Increase in Consumer Price Index (CPI)**

certified by the State Tax Commission

2.3000%

11. **Adjusted prior year assessed valuation**

(Line 8)

182,661,090

12. **(2019) Tax rate ceiling from prior year**

(Summary Page, Line A)

0.4484

13. **Maximum prior year adjusted revenue**

from property that existed in both years (Line 11 x Line 12 / 100)

819,052

14. **Permitted reassessment revenue growth**

The percentage entered on Line 14 should be the lower of the actual growth (Line 9), the CPI (Line 10) or 5%. A negative figure on Line 9 is treated as a 0 for Line 14 purposes. Do not enter less than 0 or more than 5%.

1.0254%

15. **Additional revenue permitted**

(Line 13 x Line 14)

8,399

16. **Total revenue permitted in current year ***

from property that existed in both years (Line 13 + Line 15)

827,451

17. **Adjusted current year assessed valuation** (Line 4)

184,534,027

18. **Maximum tax rate permitted by Article X, Section 22, and Section 137.073, RSMo**

(Line 16 / Line 17 x 100)

Round a fraction to the nearest one/one hundredth of a cent.

Enter this rate on the Summary Page, Line B

0.4484

* To compute the total property tax revenues billed for the current year (including revenues from all new construction and improvements and annexed property), multiply Line 1 by the rate on Line 18 and divide by 100. The property tax revenues billed would be used in estimating budgeted revenues.



PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED

8/17/2020

Form C

(2020)

For Political Subdivisions Other Than School Districts Levying a Single Rate on All Property

City of Smithville

09-024-0022

Debt Service

Name of Political Subdivision

Political Subdivision Code

Purpose of Levy

The final version of this form MUST be sent to the county clerk.

Debt Service Calculation for General Obligation Bonds Paid for with Property Taxes

The tax rate for debt service will be considered valid if, after making the payment(s) for which the tax was levied, the bonds remain outstanding, and the debt fund reserves do not exceed the following year's payments.

Since the property taxes are levied and collected on a calendar year basis (January - December), it is recommended that this levy be computed using calendar year data.

1. **Total current year assessed valuation** obtained from the county clerk or county assessor (Form A, Line 1 total) 190,053,661
2. **Amount required to pay debt service requirements during the next calendar year**
(i.e. Assuming the current year is year 1, use January - December year 2 payments to complete the year 1 Form C) Include the principal and interest payments due on outstanding general obligation bond issues plus anticipated fees of any transfer agent or paying agent due during the next calendar year. 329,855
3. **Estimated costs of collection and anticipated delinquencies (i.e. collector fees & commissions & assessment fund withholdings)**
Experience in prior years is the best guide for estimating uncollectible taxes.
It is usually 2% to 10% of Line 2 above. 0
4. **Reasonable reserve up to one year's payment**
(i.e. Assuming the current year is year 1, use January - December year 3 payments to complete the year 1 Form C) It is important that the debt service fund have sufficient reserves to prevent any default on the bonds.
Include payments for the year following the next calendar year, accounted for on Line 2. 339,213
5. **Total required for debt service**(Line 2 + Line 3 + Line 4) 669,068
6. **Anticipated balance at end of current calendar year**
Show the anticipated bank or fund balance at December 31st of this year (this will equal the current balance minus the amount of any principal or interest due before December 31st plus any estimated investment earning due before December 31st). Do not add the anticipated collections of this tax into this amount. 231,263
7. **Property tax revenue required for debt service** (Line 5 - Line 6)
Line 6 is subtracted from Line 5 because the debt service fund is only allowed to have the payments required for the next calendar year (Line 2) and the reasonable reserve of the following year's payment (Line 4). Any current balance in the fund is already available to meet these requirements so it is deducted from the total revenues required for debt service purposes. 437,805
8. **Computation of debt service tax rate** (Line 7 / Line 1 x 100)
Round a fraction to the nearest one/one hundredth of a cent. 0.2304
9. **Less voluntary reduction by political subdivision** 0.2304
10. **Actual rate to be levied for debt service purposes *** (Line 8 - Line 9)
Enter this rate on Line AA of the Summary Page. 0.0000

* The tax rate levied may be lower than the rate computed as long as adequate funds are available to service the debt requirements.



PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED

8/17/2020

Informational Data

(2020)

For Political Subdivisions Other Than School Districts Levying a Single Rate on All Property

City of Smithville

09-024-0022

General Revenue

Name of Political Subdivision

Political Subdivision Code

Purpose of Levy

This page shows the information that would have been on the line items for the Summary Page, Form A, and/or Form B had no voluntary reduction(s) been taken in prior even numbered year(s). The information on this page should not be used in the current year unless the taxing authority wishes to reverse any voluntary reduction(s) taken in prior even numbered year(s) and follows the following steps in an even numbered year.

Step 1 The governing body should hold a public hearing and adopt a resolution, a policy statement, or an ordinance justifying its action prior to setting and certifying its tax rate.

Step 2 Submit a copy of the resolution, policy statement, or ordinance to the State Auditor's Office for review.

Based on Prior
Year Tax Rate
Ceiling as if No
Voluntary
Reductions
were Taken

Informational Summary Page

A. Prior year tax rate ceiling (Prior year Informational Summary Page, Line F)	0.4484
B. Current year rate computed (Informational Form A, Line 18 below)	0.4484
C. Amount of increase authorized by voters for current year (Informational Form B, Line 15 below)	
D. Rate to compare to maximum authorized levy (Line B if no election, otherwise Line C)	0.4484
E. Maximum authorized levy most recent voter approved rate	1.0000
F. Tax rate ceiling if no voluntary reductions were taken in a prior even numbered year (Lower of Line D or E)	0.4484

Informational Form A

9. Percentage increase in adjusted valuation (Form A, Line 4 - Line 8 / Line 8 x 100)	1.0254%
10. Increase in Consumer Price Index (CPI) certified by the State Tax Commission	2.3000%
11. Adjusted prior year assessed valuation (Form A, Line 8)	182,661,090
12. (2019) Tax rate ceiling from prior year (Informational Summary Page, Line A from above)	0.4484
13. Maximum prior year adjusted revenue from property that existed in both years (Line 11 x Line 12 / 100)	819,052
14. Permitted reassessment revenue growth The percentage entered on Line 14 should be the lower of the actual growth (Line 9), the CPI (Line 10), or 5%. A negative figure on Line 9 is treated as a 0 for Line 14 purposes. Do not enter less than 0, nor more than 5%.	1.0254%
15. Additional reassessment revenue permitted (Line 13 x Line 14)	8,399
16. Total revenue permitted in current year from property that existed in both years (Line 13 + Line 15)	827,451
17. Adjusted current year assessed valuation (Form A, Line 4)	184,534,027
18. Maximum tax rate permitted by Article X, Section 22, and Section 137.073, RSMo, if no voluntary reduction was taken (Line 16 / Line 17 x 100)	0.4484

Informational Form B

6. Prior year tax rate ceiling to apply voter approved increase to (Informational Summary Page, Line A if increase to an existing rate, otherwise 0)	
7. Voter approved increased tax rate to adjust (If an "increase of/by" ballot, Form B, Line 5a + Line 6, if an "increase to" ballot, Form B, Line 5b)	
8. Adjusted prior year assessed valuation (Form A, Line 8)	
9. Maximum prior year adjusted revenue from property that existed in both years (Line 7 x Line 8 / 100)	
10. Consumer Price Index (CPI) certified by the State Tax Commission	
11. Permitted revenue growth for CPI (Line 9 x Line 10)	
12. Total revenue allowed from the additional voter approved increase from property that existed in both years (Line 9 + Line 11)	
13. Adjusted current year assessed valuation (Form A, Line 4)	
14. Adjusted voter approved increased tax rate (Line 12 / Line 13 x 100)	
15. Amount of rate increase authorized by voters for the current year (If Line 7 > Line 14, then Line 7, otherwise, Line 14)	

(Form Revised 12-2017)

Informational Data

NOTICE OF PROPERTY TAX LEVY HEARING

A hearing will be held at 7:00 p.m., Monday, August 31, 2020, at Smithville City Hall, 107 West Main Street, at which citizens may be heard on the property tax rates proposed to be set by the City of Smithville, Missouri, a political subdivision.

Assessed Valuation	Current Tax Year 2020	Previous Tax Year 2019
Real Estate	158,744,987	153,938,340
Personal Property	31,308,674	28,722,750
Total	\$ 190,053,661	\$ 182,661,090

Fund	Property Tax Revenues Billed	Proposed 2020 Tax Levy*	2019 Tax Levy*
General Fund	\$ 852,200	0.4484	0.4484
Debt Service^	\$0	0.0000	0.0000

* Per \$100 Assessed Valuation

^ Calculated Debt Service tax levy is 0.2304; City takes voluntary reduction to 0.0000.

The above tax rate calculations are subject to change based on final aggregate assessed valuation data submitted by the Board of Equalization from Clay and Platte Counties.

Agenda Item # 4 – 2020 Tax Rate



City of Smithville

Meeting Date: August 31, 2020

Department: Finance

Agenda Item: Bill No. 2870-20, Setting the Property Tax Levy

Summary:

Voting to approve this ordinance will set the annual property tax levy by September 1, as required by Section 67.110, RSMo.

Purpose:

The proposed ordinance sets the general tax levy at 0.4484. This amount is the general property tax rate ceiling set by Smithville voters, adjusted for compliance with the Missouri Constitution. The proposed ordinance also sets the debt service tax levy at 0.0000. The debt service property tax rate ceiling 0.2304, however, the City takes a voluntary reduction since the Debt Service Fund is funded through the capital improvement sales tax.

The City must certify these levies to the Clay and Platte County Clerks' Offices by September 1, 2020.

Impact:

Comprehensive Plan:

Economic Development Plan:

Parks Master Plan:

Strategic Plan:

Strategic Goal 2: Continue the Capital Improvement Planning Process.

Capital Improvement Plan:

Setting the levy as close to the voter approved amount is necessary to fund the FY21 Budget.

Budget:

The proposed levy will be reflected in the proposed budget.

Legislative History:

The property tax levy is set on an annual basis.

Suggested Action:

A motion to approve Bill No. 2870-20, for the first reading, by title only.

A motion to approve Bill No. 2870-20, for the second reading, by title only.

Attachments:

☐ Plans

☐ Contract

☐ Staff Report

☒ Ordinance

☐ Resolution

☐ Minutes

☒ Other: Pro-Forma (see above)

BILL NO. 2870-20

ORDINANCE NO. _____-__

AN ORDINANCE FIXING THE ANNUAL RATE OF LEVY ON ALL TAXABLE PROPERTY WITHIN THE CITY OF SMITHVILLE, MISSOURI, FOR THE YEAR 2020 PURSUANT TO 67.110 RSMo.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF SMITHVILLE, MISSOURI, AS FOLLOWS:

Section 1. The City of Smithville will require the following rates to be levied and collected on all taxable property with the City of Smithville, Missouri for the year, 2019:

General Revenue Tax Levy	0.4484	\$852,200
Debt Service Tax Levy	0.0000	\$0

Section 2. This tax shall be levied and collected in the manner and form required by law.

Section 3. This Ordinance shall be in full force and effect from and after its passage.

Passed by the Board of Aldermen of Smithville, Missouri and approved by the Mayor of Smithville, Missouri this 31st day of August 2020.

Damien Boley, Mayor

ATTEST:

Linda Drummond, City Clerk

First Reading: 08/31/2020

Second Reading: 08/31/2020