

City Council Agenda Memo

From: Erick Rangel, Chief Financial Officer

Council Meeting: August 24, 2021 / September 14, 2021

Subject: Ordinance certifying the 2022 City of Brookings Property Tax Levy to the Brookings County Finance Officer

Person(s) Responsible: Erick Rangel, Chief Financial Officer

Summary:

This ordinance certifies the 2022 Property Tax Levy request of \$3,659,001 to the Brookings County Finance Officer per SDCL 9-21-20.

Background:

SDCL 9-21-20 requires municipalities certify tax levies included in the annual appropriation ordinance to the County Finance Officer, and SDCL 10-13-35.4 limits the maximum revenue amount payable to the amount certified the previous year, plus a percentage increase based on new construction growth and the Consumer Price Index.

Item Details:

The 2022 Property Tax Levy was calculated as follows:

Previous year certified amount:	\$3,506,073
Growth Factor (3.1618%):	110,855
Consumer Price Index Factor (1.2%):	<u>42,073</u>
Total Tax Levy:	<u>\$3,659,001</u>

Legal Consideration:

This ordinance serves to comply with state statutes regarding property tax limits and certification requirements.

Strategic Plan Consideration:

This ordinance meets the strategic plan initiative of fiscal responsibility by ensuring the City is in compliance with state statutes and is realizing the maximum amount of property tax revenue based on the formula to meet General Fund obligations.

Financial Consideration:

The City will increase property tax revenues by the growth and Consumer Price Index factors to support General Fund objectives.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a study session
5. Do nothing

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Ordinance