



CITY OF YELM

CITY COUNCIL BUDGET PRESENTATION

NOVEMBER 10TH, 2020

PUBLIC HEARING FOR AD VALOREM






Purpose and Action

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Recommend adoption of

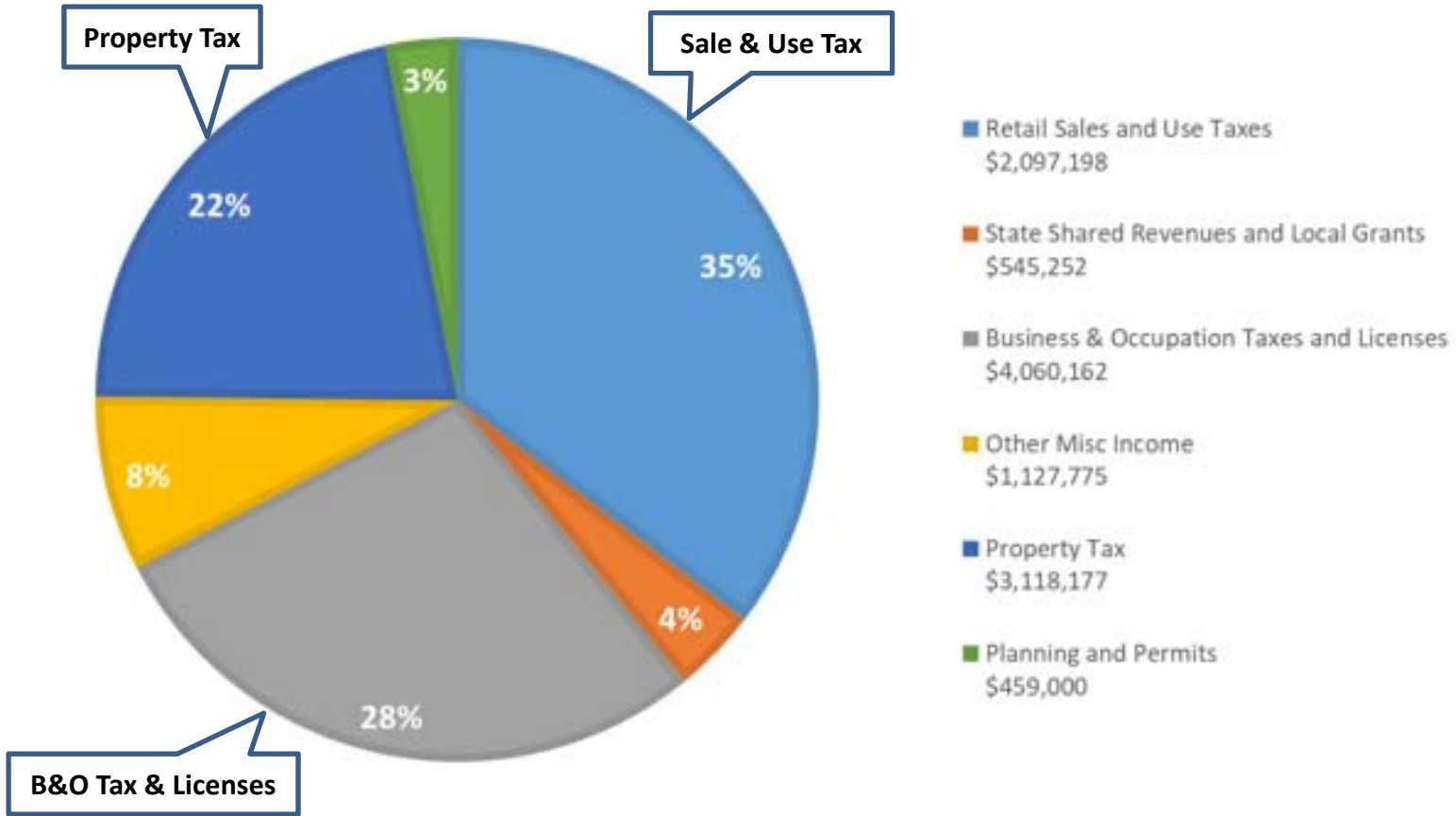
Ordinance No. 1069

Setting the amount for the regular levy of property tax necessary for essential expenditures in the General Fund for the fiscal year 2021





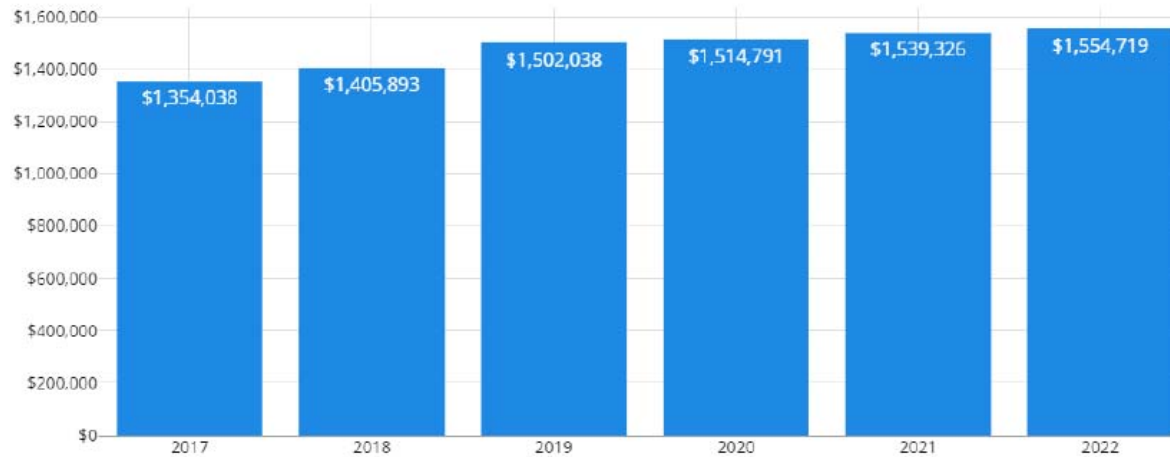
General Fund Revenue





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Property Tax



- 2021 budgeted at an increase of 1%
- Plus additional revenue from the recent annexation and estimated new construction
- 2022 is budgeted at 1% over 2021




Washington State Law requires:

- A public hearing that considers possible increases in property tax revenues
 - Council to adopt an ordinance fixing the amount of tax and authorizing the Thurston County Assessor's Office to levy ad valorem taxes on behalf of the City
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- Estimated rate was calculated based on the “Preliminary Values” worksheet prepared by Thurston County
- The “Final” worksheet is estimated to be available by late November
- Must be certified by the Thurston County Assessor’s Office prior to November 30th
- The final levy amount **may be lower, but not higher** than the preliminary amount


- Washington State Office of Financial Management's Official Population Estimate for the City of Yelm is 9,400 (April 1, 2020)
 - Cities with a population of less than 10,000 are allowed to increase their levy by 1% percent without a vote
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Calculation of Increase

\$1,517,975.67 (Last year's Highest Lawful Levy)
multiplied by 1%
equals
\$1,533,155.43 (Highest Lawful Regular Levy)

The amount of the 1% increase is \$15,179.76





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\$1,517,975.67 (Last year's Highest Lawful Levy)
+ \$15,179.76 (1% increase)
+ \$16,851.57 (Revenue from new construction)
+ \$1,075.57 (Revenue from annexation)
+ \$1,859.90 (Refund amount)

\$1,552,942.47 (This year's Highest Lawful Levy)

\$1.51436 per \$1,000 of assessed value





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- If the Ad Valorem is adopted
 - Yelm is estimated to receive \$15.14 every \$100 paid
 - Or about \$0.15 cents per dollar



(Graph shows a prior period data)



Next Steps





Tonight - November 10th

- Public Hearing on Ad Valorem
- Adopt Ordinance No. 1069

Before November 30th

- Submit to the Thurston County Assessor's Office

December 8th

- Council update on changes between the preliminary and final levy amounts



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Questions?

