

INTRODUCED BY ALDERMAN DODGE

BILL NO. 23-2511

ORDINANCE NO. 23-2395

AN ORDINANCE ESTABLISHING AND LEVYING THE RATE OF TAXATION UPON ALL REAL AND PERSONAL PROPERTY IN THE CITY OF MANCHESTER FOR CALENDAR YEAR 2023.

WHEREAS, by Ordinance No. 22-2375 the Board of Aldermen of the City of Manchester adopted the budget for fiscal year 2023; and,

WHEREAS, it is necessary for the City of Manchester to establish and levy a tax upon all real and personal property in the City to produce the level of revenue projected in the fiscal year 2023 budget; and,

WHEREAS, the fiscal year 2023 budget assumed the continued imposition of a property tax levy for general municipal purposes: and,

WHEREAS, in 2018, the City issued \$9.0 million in general obligation bonds and in 2020 the City issued another \$7.0 million in general obligation bonds as approved by the voters for the purposes of constructing, reconstructing, extending, repairing and improving the City of Manchester's streets and sidewalks, including acquiring any land or right-of-way; and,

WHEREAS, the payment of principal and interest for the outstanding Series 2018 and Series 2020 General Obligation Bonds requires the levying of a property tax for the debt service for said bonds; and,

WHEREAS, a public hearing was held on September 5, 2023, to present the proposed tax rates and allow for public comment on the proposed 2023 property tax levies for General Operating Fund and Debt Service Fund; and

WHEREAS, the tax rates referenced herein have been calculated and reviewed in accordance with Chapter 137 of the Revised Statutes of Missouri.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF MANCHESTER, STATE OF MISSOURI, AS FOLLOWS:

Section One: A tax rate of Three and One-tenth Cents (\$0.031) per One Hundred Dollars (\$100) of assessed valuation upon all residential property in the City of Manchester is hereby established and levied for calendar year 2023 for general municipal purposes.

Section Two: A tax rate of Three and One-tenth Cents (\$0.031) per One Hundred Dollars (\$100) of assessed valuation upon all commercial property in the City of Manchester is hereby established and levied for calendar year 2023 for general municipal purposes.

Section Three: A tax rate of Five Cents (\$0.050) per One Hundred Dollars (\$100) of assessed valuation shall be established and levied upon all personal property in the City of Manchester for calendar year 2023 for general municipal purposes.

Section Four: There is no tax rate levied on agricultural property, as there is no agricultural property in the City at this time.

INTRODUCED BY ALDERMAN DODGE

BILL NO. 23-2511

ORDINANCE NO. 23-2395

Section Five: A tax rate of Twenty-eight Cents (\$0.28) per One Hundred Dollars (\$100) of assessed valuation upon all residential, commercial, and personal property in the City of Manchester is hereby established and levied for calendar year 2023 for the payment of principal and interest of the outstanding Series 2018 and Series 2020 General Obligation Bonds.

Section Six: Penalties for the failure to pay taxes based upon the aforesaid levy shall be the maximum allowed by law.

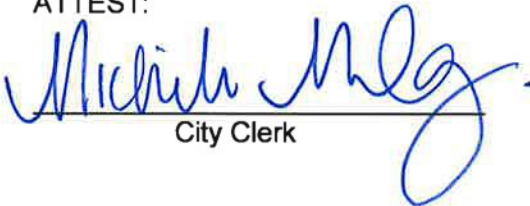
Section Seven: This Ordinance, having been read in full or by title two times prior to passage, shall be in full force and effect from and after its passage and approval as provided by law.

PASSED AND APPROVED THIS 18TH DAY OF SEPTEMBER 2023.

CITY OF MANCHESTER, MISSOURI

By: 
Mayor

ATTEST:


City Clerk



To: Mayor Clement and Board of Aldermen
 From: Shawn Sieve, Director of Finance
 CC: Justin Klocke, City Administrator
 Date: August 29, 2023
 Re: 2023 Property Tax Rates

Included on the September 5, 2023, Board of Aldermen Agenda is a Public Hearing and first reading of an ordinance approving the 2023 property tax rates for residential, commercial, and personal property.

Summary -

- Total assessed value increased by 12.56% to 528,302,050.
- 2023 total tax rate for residential and commercial decreased by \$0.003 to \$0.311.
- Personal property tax rate remained the same at \$0.330.
- These tax rates include the voter approved \$0.280 debt service levy related to the 2018 and 2020 General Obligation Bonds issued for Proposition S-Concrete Streets.

Below is a chart of the 2023 assessments compared to 2022 and the percentage change from 2023 to 2022 as well as tax dollars generated for each category for General Operating and Debt.

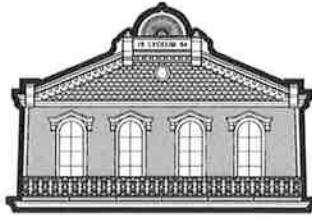
Certified Taxable Assessed Valuation	2023	2022	Percentage Change 2022 to 2023	
Residential Real Estate	400,097,150	342,151,380	16.94%	
Commercial Real Estate	63,220,693	62,211,536	1.62%	
Personal Property	64,984,207	64,984,207	0.00%	
Totals	528,302,050	469,347,123	12.56%	
New Construction and Improvements included in Assessed Values	\$ 7,039,070			
	2023 General Operating Fund Tax Rate	2023 General Operating Fund Tax Dollars	2023 Debt Tax Rate	Debt Service Fund Tax Revenue
Residential Real Estate	0.031	\$125,349	0.28	\$1,132,184
Commercial Real Estate	0.031	\$21,495	0.28	\$177,018
Personal Property	0.050	\$33,884	0.28	\$189,753
Totals		\$180,728		\$1,498,955

Properties are assessed by St. Louis County Assessor's Office and the tax rates are based on the certified assessed valuations as of July 1, 2023.

Billing and collection of property is performed by St. Louis County Collector of Revenue. The 2023 property taxes are collected near the end of the calendar year and the tax rates are based on the assessments for residential, commercial, and personal property plus new construction and an inflation factor (6.5%) to calculate new property tax dollars that can be captured in 2023. The Missouri State Auditor's Office has a calculator that the City uses to calculate the dollars and rates.

The \$0.280 debt service rate is the maximum rate that was approved by a vote of the residents and used to pay off the 2018 and 2020 General Obligation Bond Debt used for PROP S concrete streets.

Included on the **Tuesday**, September 5, 2023, Board of Alderman agenda is first reading of an ordinance to levy the property rates as proposed. Second reading will occur at the regular Board of Aldermen meeting on Monday September 18, 2023. The 2023 property tax rates are required to be certified and filed with St. Louis County by the end of September 2023.



THE CITY OF
MANCHESTER
 MISSOURI

To: Mayor Clement and Board of Aldermen
 From: Shawn Sieve, Director of Finance
 CC: Justin Klocke, City Administrator
 Date: September 5, 2023
 Re: Maximum allowed tax rates

Board of Aldermen members will typically inquire about the maximum property tax rate allowed under State of Missouri law. In the past, the Board decided to impose a lower property tax rate on behalf of the City. Attached is a report from the State Auditor's Office describing the process to increase the City's property taxes to the maximum rate. This change is only allowed in even numbered tax years. The next available timeframe adjust property tax rates would be for the 2024 property tax rates.

The chart below shows the 2023 property tax rates compared to the maximum tax rate ceiling. The far-right column shows the difference between 2023 proposed tax rates and the maximum rate allowable by the State of Missouri. An additional \$1,209,242 would be collected if the tax rates were increased to the maximum rate allowable.

	<u>Assessed</u> <u>Valuation 2023</u>	<u>2023 -</u> <u>General</u> <u>Operating</u> <u>Fund Tax</u> <u>Rate</u>	<u>2023 - General</u> <u>Fund Operating</u> <u>Tax Dollars</u>	<u>2023 - Max</u> <u>General</u> <u>Operating</u> <u>Fund Tax Rate</u>	<u>2023 - Max</u> <u>General Fund</u> <u>Operating Tax</u> <u>Dollars</u>	<u>Dollar Difference</u> <u>from 2023 Rate to</u> <u>the Max Allowed</u> <u>Rate</u>	<u>Percentage</u> <u>Difference in</u> <u>Dollars from</u> <u>Current Rate</u> <u>to Max Rate</u>
Residential Real Estate	\$ 400,097,150	0.00031	\$ 124,030	0.00230	\$ 920,223	\$ 796,193	541.94%
Commercial Real Estate	\$ 63,220,693	0.00031	\$ 19,598	0.00340	\$ 214,950	\$ 195,352	896.77%
Personal Property	\$ 64,984,207	0.00050	\$ 32,492	0.00385	\$ 250,189	\$ 217,697	570.00%
Totals	<u>\$ 528,302,050</u>		<u>\$ 176,121</u>		<u>\$ 1,385,363</u>	<u>\$ 1,209,242</u>	



PRO FORMA - STATE AUDITOR'S REVIEW OF DATA SUBMITTED

8/2/2023

Informational Summary Page

(2023)

For Political Subdivisions Other Than School Districts With a Separate Rate on Each Subclass of Property

City of Manchester

09-096-0049

General Revenue

Name of Political Subdivision

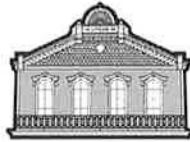
Political Subdivision Code

Purpose of Levy

This page shows the information that would have been on the line items for the Summary Page 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.

Table with 6 columns: Residential, Agriculture, Commercial, Personal Property, Prior Method Single Rate. Rows include: A. Prior year tax rate ceiling, B. Current year rate computed, C. Amount of rate increase authorized by voters for current year, D. Rate to compare to maximum authorized levy to determine tax rate ceiling, E. Maximum authorized levy, F. Current year tax rate ceiling.



THE CITY OF
MANCHESTER
 MISSOURI

PUBLIC HEARING NOTICE

The Board of Aldermen of the City of Manchester will hold a public hearing at 7:00 pm on Tuesday, September 5, 2023, via Zoom and in person at Manchester Justice Center, 200 Highlands Blvd., at which time citizens may comment on the proposed 2022 Property Tax Levy for the City's General Operating Fund and Debt Service Fund.

Certified Taxable Assessed Valuation	2023	2022	Percentage Change 2022 to 2023	
Residential Real Estate	400,097,150	342,151,380	16.94%	
Commercial Real Estate	63,220,693	62,211,536	1.62%	
Personal Property	64,984,207	64,984,207	0.00%	
Totals	528,302,050	469,347,123	12.56%	
New Construction and Improvements included in Assessed Values	\$ 7,039,070			
	2023 General Operating Fund Tax Rate	2023 General Operating Fund Tax Dollars	2023 Debt Tax Rate	Debt Service Fund Tax Revenue
Residential Real Estate	0.031	\$125,349	0.28	\$1,132,184
Commercial Real Estate	0.031	\$21,495	0.28	\$177,018
Personal Property	0.050	\$33,884	0.28	\$189,753
Totals		\$180,728		\$1,498,955

Contact Shawn Sieve, Director of Finance, City of Manchester with questions. (636) 207-2822