

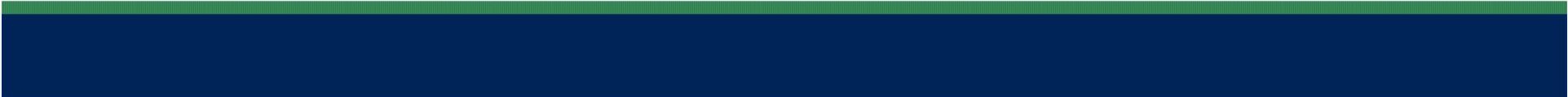


CITY OF YELM

Property Tax Levy

October 25, 2022

Stephanie Dice, Finance Director

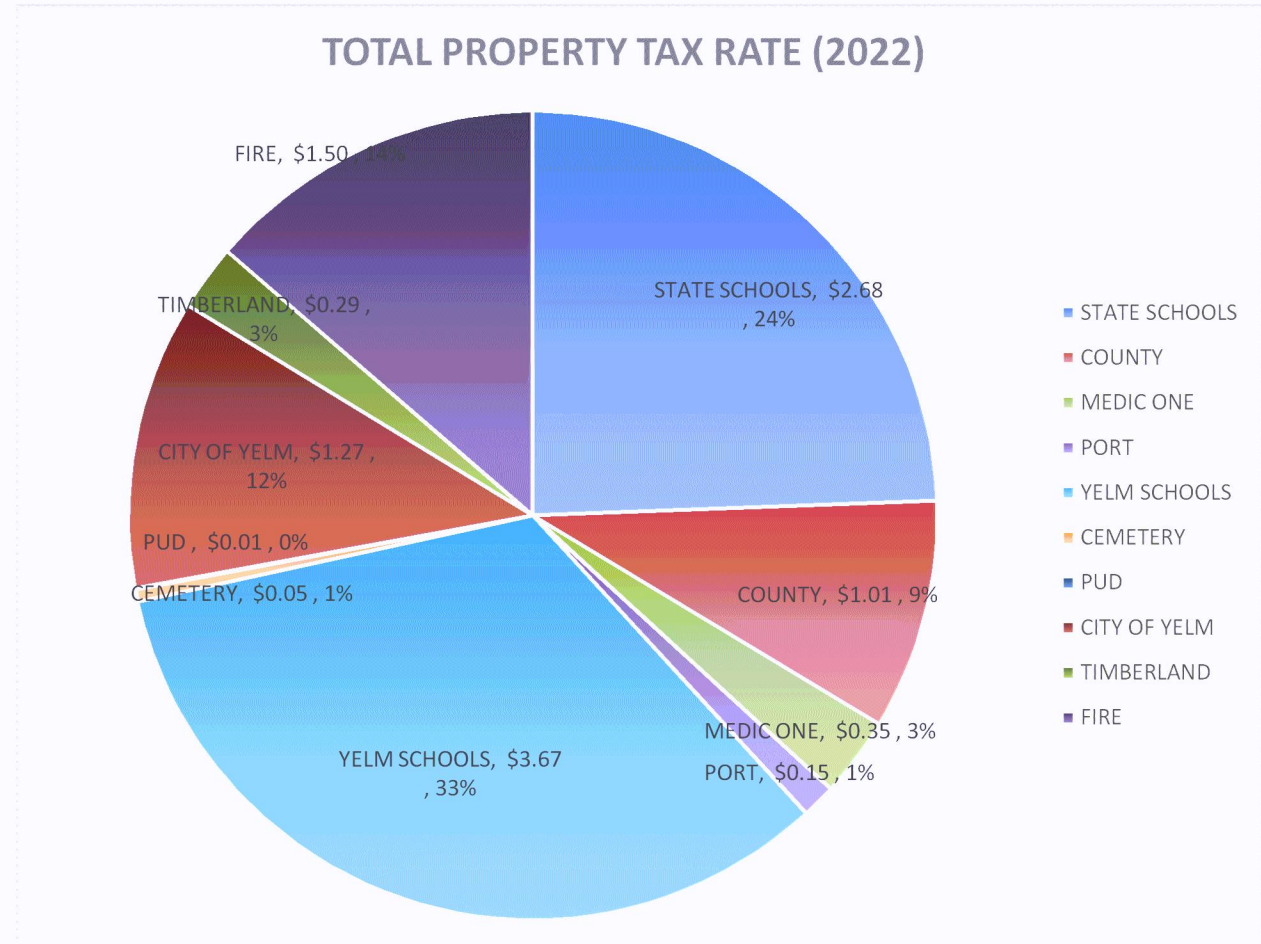




Property Tax Rates

CITY OF YELM

STATE SCHOOLS	\$	2.68	
COUNTY	\$	1.01	
MEDIC ONE	\$	0.35	
PORT	\$	0.15	
YELM SCHOOLS	\$	3.67	
CEMETERY	\$	0.05	
PUD	\$	0.01	
CITY OF YELM	\$	1.27	} \$3.06
TIMBERLAND	\$	0.29	
FIRE	\$	1.50	
	\$	10.98	

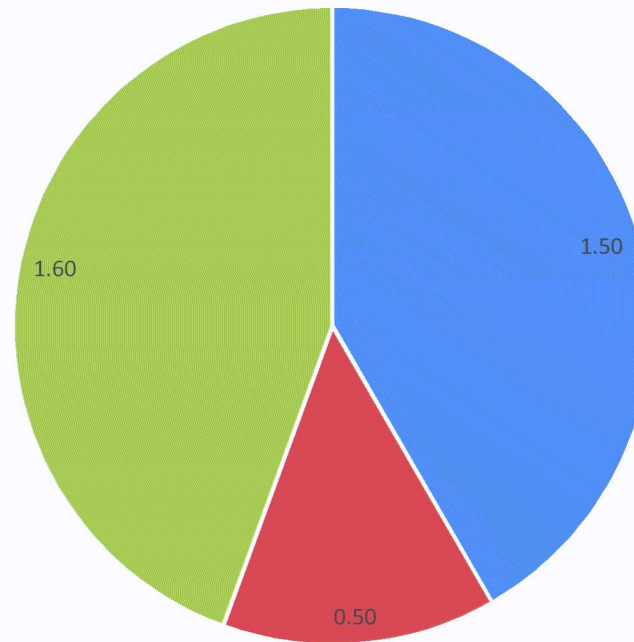




Statutory Maximum

CITY OF YELM

Maximum total of \$3.60

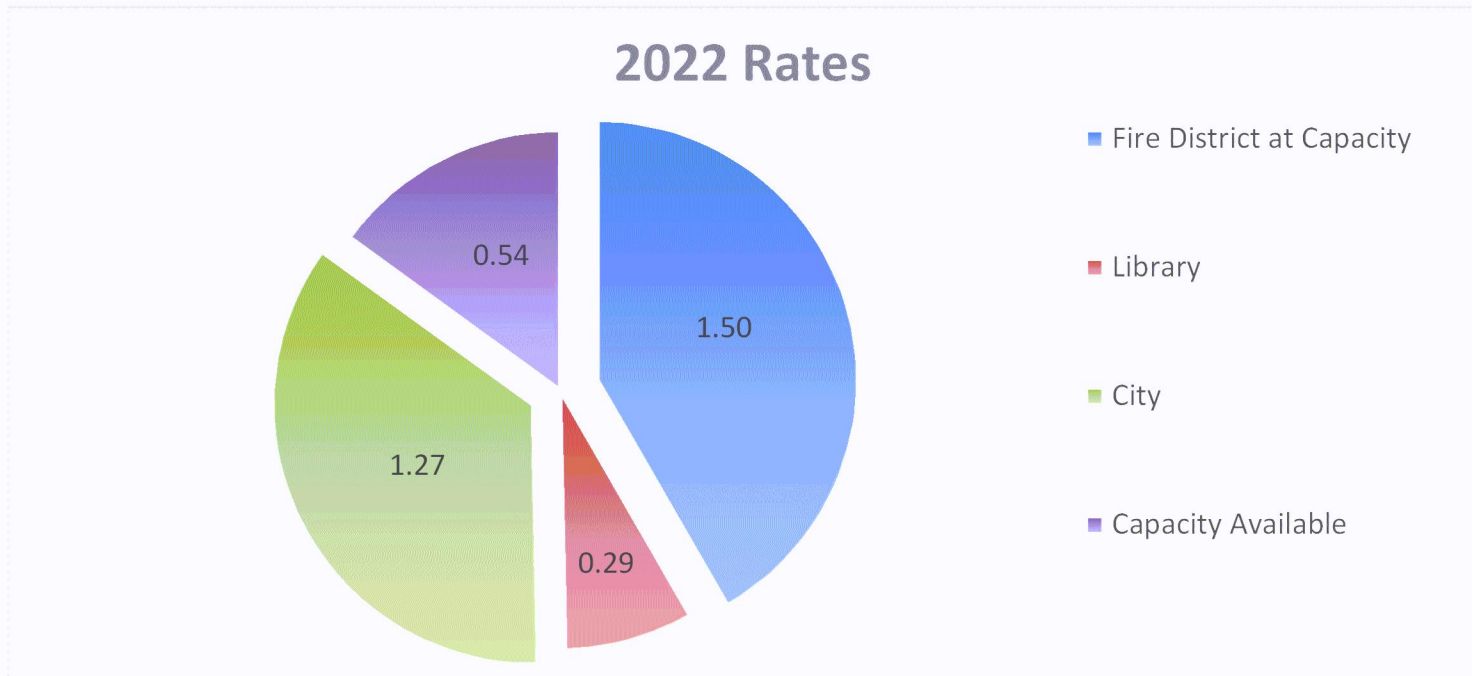


■ Fire District ■ Library ■ City



2022 Levy Rates

CITY OF YELM



Maximum		City		Library		Fire		Available Capacity
\$3.60	Less	\$1.27	Less	\$0.29	Less	\$1.50	Equals	\$.54

Only the City or Library can use the available capacity, no other jurisdictions. If Yelm or the Library want to take more than 1% they have to go to the voters!



MRSC Guidance

CITY OF YELM

RCW 84.55.010 The limit factor is 1%, so each taxing district (cities, counties, towns, library districts, fire districts, etc.) is limited to 1%. The only other items that are statutorily allowed to increase a taxing district's levy is:

- New construction
- Property improvements
- Increases in the assessed value of state-assessed property
- Increases in assessed value of wind, solar, biomass, and geothermal facilities which generate electricity and are not included in the preceding areas listed

Nowhere is the statute does it state that a taxing district may add-in additional taxes forgone by other taxing districts. Eric Lowell, MRSC



How is the 1% Calculated? CITY OF YELM

2022 Levy Facts

2022 Levy in \$	\$1,559,023
2022 AV	\$1,225,883,801
2022 Rate	\$1.2718

To Calculate a 1% Increase, you use the Prior Year Levy Amount, Not the Prior Year Levy *RATE*

2022 Tax Levy in Dollars \$ 1,559,024 \times 1% = \$ 15,590

If you Increased the LEVY RATE by 1%, you'd get a higher number

2022 Tax Levy Rate \$ 1.27180 \times 1% = \$ 0.01272 \times \$ 1,596,237,125 = \$ 20,300,943.76 \div \$ 1,000 = \$ 20,301
(2023 Est AV)



2023 Proposed Levy \$

CITY OF YELM

2023 Assessed Value	\$ 1,596,237,125
2022 Levy Basis for Calculation	\$ 1,559,024
1% Increase	\$ -
Regular Levy	\$ 1,559,024
New Construction Assessed Value	\$ 45,208,100
Times 2022 levy rate (per thousand)	\$ 1.2718
New Construction Levy	\$ 57,493
Regular Levy	\$ 1,559,024
New Construction Levy	\$ 57,493
Relevy prior year refunds	\$ 44
2023 Proposed Property Tax Levy	\$ 1,616,561



2023 Proposed Levy Rate

CITY OF YELM

Levy \$Amount		Assessed Value		Per 1,000		Rate
\$ 1,616,561.16	Divided By	1,596,237,125.00	Times	\$1,000.00	Equals	\$ 1.0127

Why is the 2023 Proposed Levy Rate Less than the 2022 Levy Rate of 1.2718?

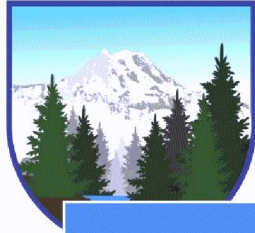
\$1,559,023.61	Divided By	1,225,883,801.00	Times	\$1,000.00	Equals	\$ 1.2718
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As Assessed Value Increases, Levy Rates will Decrease

A homeowner with a \$400,000 house would pay;
 $\$400,000 \times 1.1027 = \$405,080$ divided by 1,000 = \$405.08/year in 2023

If the City took the 1% increase, the homeowner's tax would be:
New Levy Rate: $(\$1,616,561.16 + \$15,590) / 1,596,237,125$ times 1,000 = \$1.0225

$\$400,000 \times 1.0225 = \$409,000$ divided by 1,000 = \$409.00/year in 2023 or
an additional \$3.92/year.



Impacts of Assessed Value Changes CITY OF YELM

IF AV GOES DOWN, RATE GOES UP UNTIL IT REACHES 1.60:

Year	Levy Amount	AV/1000	Rate	
2023	1,616,561.00	1,596,237.00	1.0127	
2024	1,616,561.00	1,200,000.00	1.3471	

IF CITY IS MAXED OUT AT 1.60 AND AV GOES DOWN, LEVY DOLLARS COLLECTED GOES DOWN:

	Levy Amount	AV/1000	Rate	
2023	2,553,979.20	1,596,237.00	1.6000	
2024	1,920,000.00	1,200,000.00	1.6000	

HOMEOWNER AV GOES DOWN, TAX WILL GO DOWN EVEN IF RATE HAS GONE UP

	Home Value	Rate	Tax	
2023	400,000.00	1.0127	405.09	
2024	250,000.00	1.3471	336.78	