

## A recent history of the tax rate

The “**compensating rate**” refers to the calculation done to determine what property rate would result in the same amount of revenue received in the prior year. The “**allowable rate**” is figured to determine what rate would produce a four percent increase in revenue above what the compensating rate would produce. For the year 2008, 0.1470 was adopted and this was the “allowable rate” (a/k/a the Compensating rate + 4% increase in revenue.) As shown in the table to the right, the allowable rate was **not** a tax rate 4% higher than in the previous year. In fact the “allowable rate” adopted in 2008 was only an increase of 2.79%, the rate adopted in 2007 was only an increase of 1.41%, and in 2006 the allowable rate was an increase of less than 1/2 of a percent higher than in 2005. The rate does fluctuate but overall has declined significantly over the last 25 years. Property in the City is reassessed every third year. Generally speaking, our rate goes down when property is reassessed and then the rate goes up for a few years until the next reassessment. Over the last ten years the “allowable rate” (often referred to as the “compensating rate + 4%” (of revenue)) was adopted seven times and a lesser amount was adopted three times. (In 2003 the allowable rate was .1383 and .1330 was adopted. In 2001 the allowable rate was .1528 and .1466 was adopted. In 1997 the allowable rate was .1510 and .1499 was adopted.)

2008	0.1470
2007	0.1430
2006	0.1410
2005	0.1404
2004	0.1362
2003	0.1330
2002	0.1362
2001	0.1466
2000	0.1476
1999	0.1435
1998	0.1494
1997	0.1499
1996	0.1510
1995	0.1487
1994	0.1622
1993	0.1560
1992	0.1508
1991	0.1728
1990	0.1726
1989	0.1700
1988	0.1850
1987	0.1850
1986	0.1845
1985	0.1845
1984	0.1840
1983	0.2550

Rates for 2008 were: .1470 per \$100 real property tax,  
.02 Park, .06 Road, and waste \$189.60

**The allowable rate adopted for 2008 was .1470.**

- On a \$ 200,000 home:

The 2007 tax amount was	\$ 286.00
With the .1470 rate in 2008 the tax amount was	\$ 294.00
an increase of	\$ 8.00

- On a \$100,000 home:

The 2007 tax amount was	\$ 143.00
With the .1470 rate in 2008 the tax amount was	\$ 147.00
an increase of	\$ 4.00

For those with a Homestead Exemption (\$31,400 for 2008):

- A bill for a \$200,000 home with a HEX was \$247.84 or \$6.74 higher than in 2007
- For a \$100,000 home with a HEX the bill was \$100.84 or \$2.74 higher than in 2007.