

1
2
3
4
5
6
7
8
9

**CITY OF SUGAR CREEK
PUBLIC HEARING
103 S. STERLING
SUGAR CREEK, MISSOURI
MONDAY, AUGUST 8, 2016
7:00 P.M.**

Present:

5
6
7
8

Mayor Mallinson
Alderman Kenney
Alderman Sagehorn
Alderman Doyle
Mike Sanders, City Attorney

9
10

PUBLIC HEARING

11
12
13
14

Mayor Mallinson: We will open the Public Hearing for the Tax Levy Citizens may be heard on the 2016 property tax rates proposed to be set by the City of Sugar Creek and the Board of Alderman. Is there anybody here to speak on that? Yes, sir.

15
16
17
18
19
20
21
22
23
24
25

Chuck Mikulich: 1125 Burton, Sugar Creek, MO - I got a question concerning the prior to final certification dollar value for the real estate tax assessment. It is about \$600,000+ less than 2015. The county does not do another reassessment until 2017. Logic tells me that the assessed value for 2015 should be about the same in 2016. I went online and looked at various properties (commercials and residential) and compared the 2015/2016 assessed values. They are identical over about 25 properties in the City. Also I think that it would be better if we grow some real estate out by commercial, residential and

1 agricultural so we know where those funds are coming from. Is
2 the City owned properties in this assessed value? We don't know
3 because we don't know - well, I don't where the numbers came
4 from. So -

5 Linda Martinovich: Well, I mean the numbers are coming
6 from Jackson County.

7 Chuck Mikulich: Okay.

8 Linda Martinovich: They are provided to me and they are
9 broke down by real estate, personals, you know, the individual -

10 Chuck Mikulich: Well, personal I can understand.

11 Linda Martinovich: - agricultural. Every year, the
12 personal property will decline. They are declining much quicker

13 - Chuck Mikulich: I understand that.

14 Linda Martinovich: - than they used to. The real estate,
15 there is a \$1 million drop in that and I did talk to the county
16 about it and that will be put back on the rolls when they get in
17 a class certification number, but I will not have those numbers
18 until the beginning of September. That is how it is every year.
19 We have a small portion of Clay County and just not to have any
20 problem or question, I have to report to them by September 1,
21 the County Clerk. That is why I have to recalculate tax and
22 county every year. So, but that will get captured so the value
23 will be similar.
24
25

1 Chuck Mikulich: Do we approve this dollar amount based on
2 the estimate or do we wait until the county corrects it?

3 Ron Martinovich: Why don't you let the Finance Officer and
4 Mayor make a presentation and then that might answer some of the
5 questions.

6 Mayor Mallinson: That sounds reasonable. Is that all
7 right with you, Chuck?

8 Chuck Mikulich: That's fine.

9 Mayor Mallinson: Okay.

10 Linda Martinovich: Okay. I have, I have two reporting
11 ones. One to Clay County.

12 Alderman Sagehorn: One to Clay County, which we have to
13 get.

14 Linda Martinovich: That's right, and if there is any
15 question about my filing, I can lose 20% of the City's revenue.
16 So I don't know it's a really small portion in Clay County but I
17 just don't want to take any chances.

18 Alderman Sagehorn: 20% is 20%.

19 Linda Martinovich: So we have been using the certification
20 that comes out in July. Then the following tax year I have to
21 go onto the state's website and recalculate again for the
22 previous year and they look at those numbers and we move forward
23 then with the 16 values. Everything we are doing is approved by
24
25

1 the state auditor and the performance that, you know, we enter
2 the numbers on.

3 Mayor Mallinson: This is the same procedure you've done
4 every year for how many years we've all been -

5 Linda Martinovich: Yeah. I mean - maybe 5 or 6, maybe
6 longer than that, you know, where you - they all had the same
7 reporting deadline but now said they changed some things in
8 legislature and state which require different recording
9 deadlines based on that. So - and I don't have to report to
10 Jackson County until 10/01. So I don't have their final
11 certification until the first few days of September. Well, Clay
12 County is due by September 1. So I have to have an ordinance
13 passed.
14

15 Alderman Sagehorn: For Clay County?

16 Linda Martinovich: Um-hmm.

17 Alderman Sagehorn: Then will we have to have another one
18 passed for Jackson County?

19 Linda Martinovich: Well, we will just give them the same
20 one.
21

22 Alderman Sagehorn: Yes.

23 Linda Martinovich: Then next year we just look at final
24 certification for 16. It is recalculated at the point in time
25 we do the tax levy. It's on the state auditor's website. So -

1 anyways, so then I did go on the state auditor's website since
2 that notice was published and the levy is going to roll to \$1.00
3 for General Fund and Public Health Fund is .13 cents and so the
4 total value of the City right now is \$43,969,253 of which \$430
5 is Clay County. We have new construction of \$5,890. The total
6 revenue all those assessed values is 4439,693 and \$57,160 Public
7 Health Fund, and there is, like I said, there is something going
8 on with locally assessed property but Jackson County told me it
9 is switching between parcels. So it is still going to be the
10 same dollar amount; just didn't have it on at the time they gave
11 me the numbers in July. They are going to get it back when the
12 billing goes out it's going to be there.

13
14 ALDERMAN KENNEY: You lost me there.

15 LINDA MARTINOVICH: I'll send you this little note. Like
16 it went down without - say a million dollars roughly.

17 ALDERMAN KENNEY: Right.

18 LINDA MARTINOVICH: So I called him and he said, "Well,
19 they were having some recalculating going on, redistribution of
20 locally assessed money." So it was still going to end up being
21 the same dollar amount. It's just divided up differently
22 between two tax types. I can give you his email.
23
24
25

1 ALDERMAN DOYLE: And this amount like the dollar - like it
2 was .98 cents I guess before last rate because I know it has
3 gone up and down. Right? It kind of fluctuates and -

4 LINDA MARTINOVICH: Yeah.

5 ALDERMAN DOYLE: But there's a cap on it, right?

6 LINDA MARTINOVICH: Yeah. The state constitution caps me
7 at \$1.00 unless you go to the voters and have them, increase it
8 but it gets \$1.00. Even if it rolls over to the \$1.00 I'm still
9 the same. So - and it's a levy. You know, if the assessment
10 goes down the levy goes up.

11 ALDERMAN DOYLE: Right.

12 MAYOR MALLINSON: Okay. Mr. Mikulich, any other comments?

13 CHUCK MIKULICH: Is the City property included in that
14 assessed valuation?

15 LINDA MARTINOVICH: I don't think they are.

16 MAYOR MALLINSON: Yeah, I think we're exempt.

17 LINDA MARTINOVICH: Yeah, because we would be exempt.

18 CHUCK MIKULICH: But they do have, if you look at the
19 records, shows an assessed value and that's my question. Is the
20 city owned property in that assessed valuation?
21

22 MAYOR MALLINSON: Okay. Do you have the answer to that?
23 That's what you just said.
24

25 CHUCK MIKULICH: No, I don't.

1 MAYOR MALLINSON: Okay.

2 CHUCK MIKULICH: I do know that if you look at the tax
3 rolls, it shows no tax but it does show an assessed value.

4 MAYOR MALLINSON: I don't know the answer to that.
5 Actually, Mr. Sanders, since that used to be your profession,
6 would you mind?

7 MIKE SANDERS: The last thing I want to talk about is
8 county taxing. The way it typically works or the way the county
9 has done it is there was a plug figure, usually it was created
10 sometime around 1960 or '65 and so unless there is a reason to
11 revalue it, which there wouldn't be in this context, if there is
12 a figure which values the City of Sugar Creek in terms of
13 municipal properties, it would be a plug figure from the '40s,
14 '50s or '60s that was just carried forward. So it would be
15 minimal in value compared to what the real value is. So what you
16 are not going to find in there is a real valuation that someone
17 has sat down and looked at with regards to the City of Sugar
18 Creek properties. So odds are, there isn't one but if there is
19 it would be rather meaningless to you.
20

21 CHUCK MIKULICH: I don't know if I agree with that because
22 I've looked at some showing the assessed value like \$14,000. In
23 the '60s it wouldn't have been \$14,000.
24

25 MAYOR MALLINSON: Okay.

1 ALDERMAN KENNEY: We can get that answer. Linda can get
2 that answer for you.

3 LINDA MARINTOVICH: I can find out. I mean they send me a
4 list of what properties that is included in that. I can request
5 that information.

6 ALDERMAN KENNEY: Can you get that?

7 LINDA MARTINOVICH: Um-hmm.

8 ALDERMAN KENNEY: Okay.

9 CHCUK MIKULICH: Thank you.

10 MAYOR MALLINSON: All right. Any other citizens that would
11 like to speak on the tax levy? [No reply] Seeing none, then we
12 will close that tax levy hearing.
13
14
15
16
17
18
19
20
21
22
23
24
25