

From the Mayor...

December 5, 2019

Two recent events will significantly benefit the taxpayers of our city and have a very positive impact for years to come. The first involves a significant reduction in the city's portion of the local property tax rate, while the second involves the awarding of a very large grant to fully fund a much-sought-after local project.

Just last week we received our final budget order from the Department of Local Government Finance (DLGF). The budget order is the official document that finalizes our city tax rate for 2020. Our city tax rate is generated as a result of the city budgeting process. The city rate is then added to the individual rates from the county, township, solid waste district, library, and Warsaw School taxing units. The sum of those is the total property tax-rate for our city taxpayers.

In 2019, the total property tax rate for Warsaw city residents was \$2.57. The city portion of that rate was \$1.28, which was just about half of the total rate.

For 2020, the city rate has been finalized at \$1.18. That is almost a ten-cent reduction from last years city rate. It has not been that low since 2013!

We don't have a total tax rate set for 2020 yet, because the other local tax rates have not been finalized. If all of the aforementioned taxing units are able to hold their rates, the ten cent reduction in the 2020 city tax rate will result in a \$100 tax savings for a home assessed at \$100,000, a \$200 savings for a home assessed at \$200,000, and so on.

This tax savings and reduction in the rate is directly attributable to growth in the city. More residential, commercial, and industrial growth and investment has broadened the tax base. Broadening the tax base means that the property tax revenue necessary to run the city is now being generated by a larger amount of assessed value, which lessens the rate.

Growing the tax base is an intentional strategy. The purpose is to broaden commerce, create workforce opportunity, and stimulate investment and growth. The last eight years we have expanded the tax base by twenty five percent (just under two hundred million dollars). We have also grown our population by an estimated ten percent.

All of our budget and revenue forms are accessible on the DLGF website <https://gateway.ifionline.org> by clicking the taxpayer portal tab on the homepage.

The second bit of great news came late last month. The city was notified that it was the recipient of a \$6.3 million grant from the Federal Aviation Administration to fund Phase I of the runway extension project. The lowering of the high-voltage power lines to the east of the east/west runway will improve safety and provide more flexibility for both incoming and outgoing flights on that runway.

More importantly, it will pave the way for Phase II of the project, which will allow for the physical expansion of the runway. The longer runway will improve the safety of incoming and outgoing air traffic, especially in poor weather. It will also allow greater flexibility for aircraft with larger fuel capacities and global destinations.

An old adage pertains. *If you are not moving forward, you are moving backwards!*

I wish you all blessed holidays and safe travels!