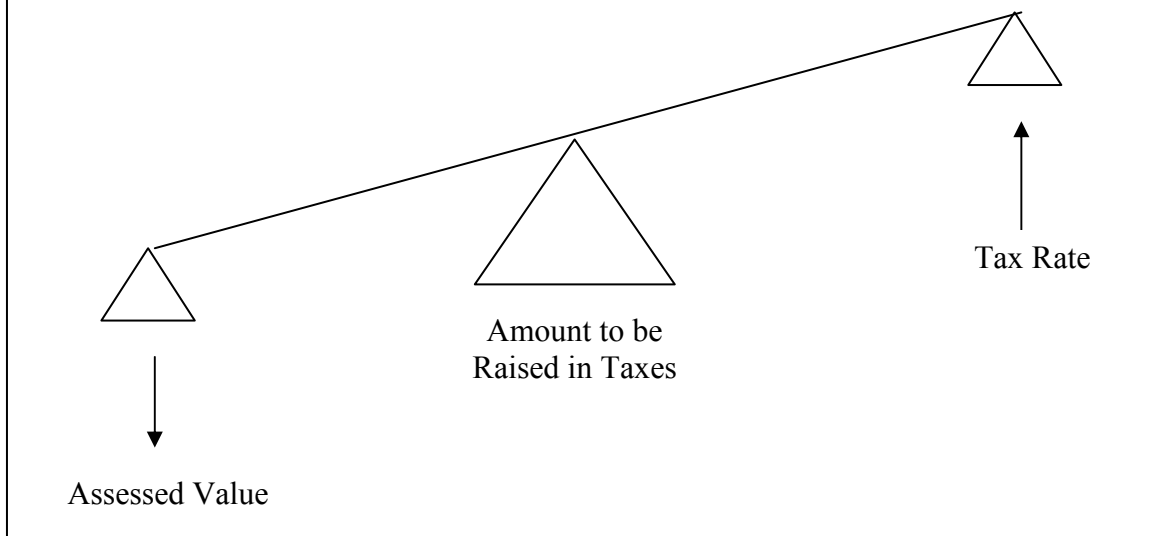


Note: As the assessed value decreases, the tax rate increases in order to raise the same overall appropriation.



The constant in this equation is the revenues to be collected.

When assessments decrease, the tax rate will increase.

If at some point, the assessments are increased, the tax rate would decrease, given the same appropriation.

Neither of these actions would cause a change in the amount of taxes collected.

Amount of taxes to be raised is controlled by the City Council.

Assessments are controlled by the Assessment Office.

The DRA calculates a tax rate based upon taxes levied and total assessments.

Examples of how Tax Rates are Calculated: (hypothetical examples)

Taxes to be raised: \$10,000,000
Total Assessments: \$100,000,000
Tax Rate \$10.00 per thousand (Taxes to be raised divided by Total Assessments)

Taxes to be raised: \$10,000,000
Total Assessments: \$200,000,000
Tax Rate \$5.00 per thousand (Taxes to be raised divided by Total Assessments)