

Public Hearing to Adopt the 2011 Millage Rate

City of Clarkston

June 23, 2011

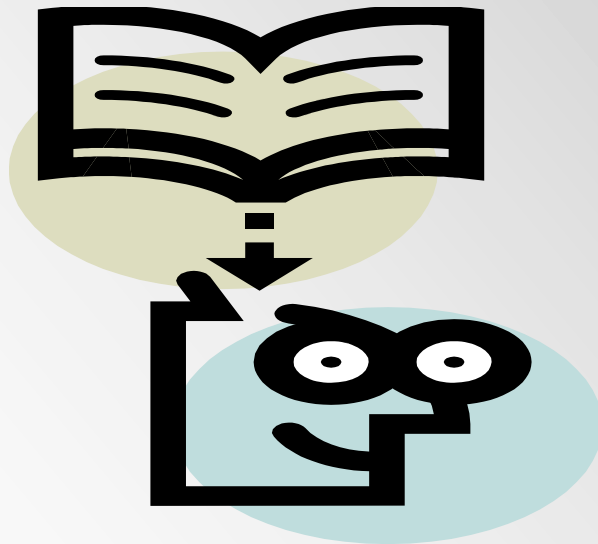
Public Hearing to Adopt 2011 Millage Rate

AGENDA

- Millage rate presentation and discussion - 2011 budget
- Public comments
- Adopt resolution setting the total millage -
Last meeting – June 30, 2011



First, a few definitions





What is the Process?

- The Council must hold three public hearings if the proposed millage rate is higher than the previous year's millage rate
 - June 23rd at 7pm
 - June 30th at 10:30am
 - June 30th at 7pm
- The purpose of the meetings is to take public comment on the millage rate for consideration in setting the final adopted rate
- After the conclusion of the final Public Hearing , the Council will vote to adopt the final millage rate for 2011



Appraised Value

The total estimated value of your property (land and building), as determined by the DeKalb County Tax Assessor's Office



Assessed Value

- Typically 40% of the Appraised total value
- You may have exemptions that will lower this amount even more, e.g.... Homestead and Over age 65



Tax Digest

- The value of all the property in an area
- Like your individual property, this figure is generally given at 40% of the total appraised value



What is a “mill”?

A property tax levy of \$1.00 per \$1,000 of taxable property value

So, if the rate is *10 mills*, then you would owe 10 dollars for every \$1,000 of the *assessed* value for your house.



Rollback Rate

The rollback rate is the millage rate that would raise the same amount of revenue as last year if applied to the current tax digest.

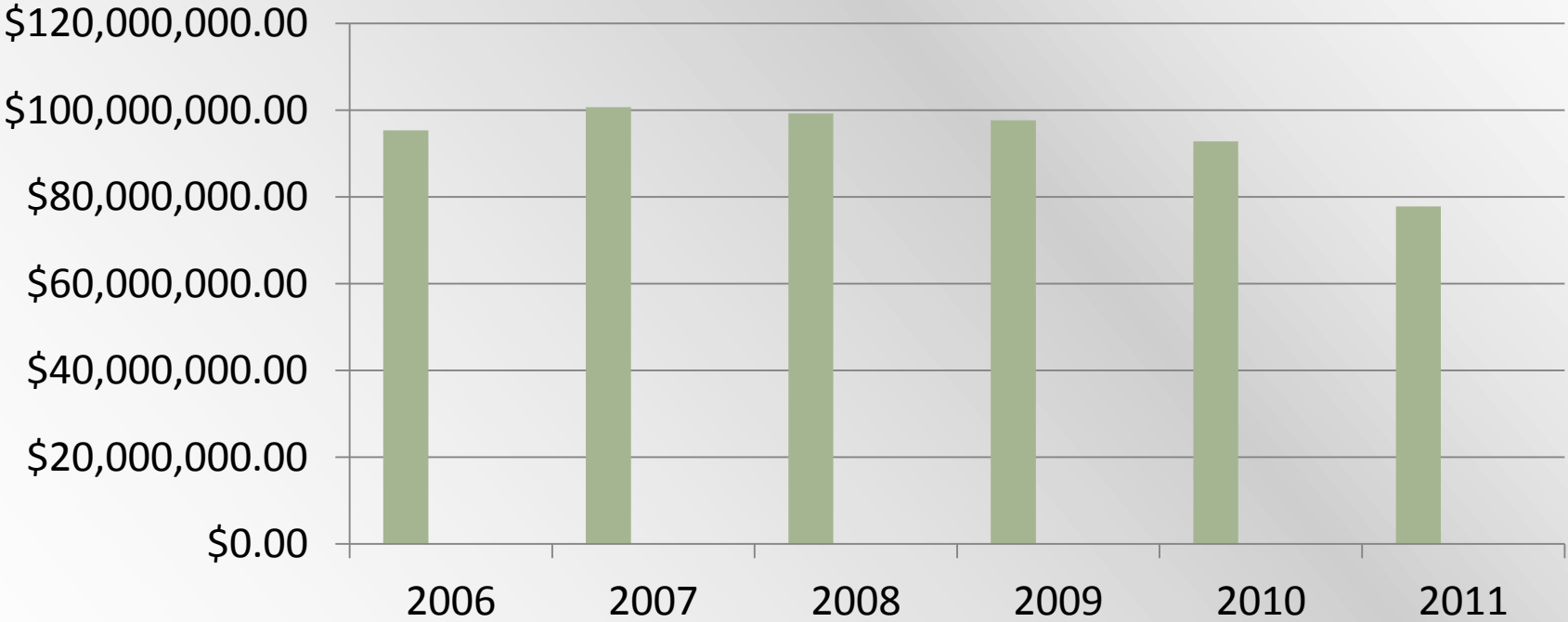
Now for the numbers...



Gross Digest History

2006	\$95,343,119
2007	\$100,673,813
2008	\$99,248,731
2009	\$97,624,713
2010	\$92,764,259
<i>2011</i>	<i>\$77,799,972</i>

City of Clarkston Property Values Down 17.33%



Tax Millage History

<u>Fiscal Year</u>	<u>Millage Rate</u>
2000	5.600
2001	5.156
2002	4.918
2003	4.798
2004	4.614
2005	11
2006	11
2007	11
2008	11
2009	11
2010	11.313

2011 Potential Millage Rate Comparison

	<u>11.313</u>	<u>13.684</u>	<u>14.000</u>
Gross Digest	77,799,972	77,799,972	77,799,972
Less Exemptions	1,595,543	1,595,543	1,595,543
Net Digest	76,204,429	76,204,429	76,204,429
<i>Total Tax Levy</i>	<i>\$862,101</i>	<i>\$1,042,781</i>	<i>\$1,066,862</i>

2011 Anticipated Property Tax ***\$1,014,000***
2011 Budget General Fund Budget ***\$2,808,943***

Other Considerations...





2010 Property Tax Collections

2010 Property Tax Revenue Budgeted Amount

\$1,025,000.00

2010 Property Tax Revenue Collected

\$925,977,16

2011 Expenditures and Revenues

- **General Fund Operating Expenditures**

- Currently on track YTD
- Bridge funding for grant related projects
- Need to watch - Vehicle Maintenance/Repairs & Gas/Oil/Diesel, City Attorney, Other Services accounts
- Miscellaneous expenses associated with Milam Pool Project

- **Revenues**

- Some funds are underperforming
- Building permits & inspections
- Municipal court fines ?



Budgetary Reserve

Goal: *Keep an amount equal to 5-6 months of Operating in reserve*

Goal amount - \$1,171,167 to \$1,405,400

Current amount – (available \$680,323)+(pool \$500,000)
= \$1,180,323

So.....

What does this mean for the taxpayer?



How are my taxes computed?

Appraised Value	75,000	75,000
Assessed Value	30,000	30,000
Taxable Value	30,000	30,000
Divided by 1,000	30	30
X Millage Rate	11.313	14.000
City Property Taxes	\$339	\$420
Difference		(\$81)

How are my taxes computed?

Appraised Value	100,000	100,000
Assessed Value	40,000	40,000
Taxable Value	40,000	40,000
Divided by 1,000	40	40
X Millage Rate	11.313	14.000
City Property Taxes	\$453	\$560
Difference		(\$107)

How are my taxes computed?

Appraised Value	150,00	150,000
Assessed Value	60,000	60,000
Taxable Value	60,000	60,000
Divided by 1,000	60	60
X Millage Rate	11.313	14.000
City Property Taxes	\$679	\$840
Difference		(\$161)

How will my taxes change from last year?

	2010	2011 17.33% reduction in value
Appraised Value	100,000	82,670
Assessed Value	40,000	33,068
<i>Taxable Value</i>	40,000	33,068
Divided by 1,000	40	33.068
X Millage Rate	11.313	14.000
<i>Property Taxes</i>	\$453	\$463
Difference		(\$10)

How will my taxes change from last year?

	2010	2011 17.33% reduction in value
Appraised Value	100,000	82,670
Assessed Value	40,000	33,068
(Age 65 Exemption)	- 20,000	-20,000
<i>Taxable Value</i>	20,000	13,068
Taxable Value	20,000	13,068
Divided by 1,000	20	13.068
X Millage Rate	11.313	14.000
<i>Property Taxes</i>	\$226	\$183
Difference		(-\$43)

Staff Recommendation

	<u>11.313</u>	<u>13.684</u>	<u>14.000</u>
Gross Digest	77,799,972	77,799,972	77,799,972
Less Exemptions	1,595,543	1,595,543	1,595,543
Net Digest	76,204,429	76,204,429	76,204,429
<i>Total Tax Levy</i>	<i>\$862,101</i>	<i>\$1,042,781</i>	<i>\$1,066,862</i>

2011 Anticipated Property Tax ***\$1,014,000***
2011 Budget General Fund Budget ***\$2,808,943***

Cities in DeKalb Proposed Millage 2011

	<u>Proposed (advertised)</u>	<u>Prior Year Rate</u>
Avondale Estates	13.375	11.00
Chamblee	7.87	no change
Doraville	9.00	8.00
Lithonia	16.682	13.178
Pine Lake	20.604	17.10
Stone Mountain	14.350	10.00
Clarkston	14.00	11.313

Public Discussion

