

CITY OF CLARKSTON

ITEM NO: F1

CLARKSTON CITY COUNCIL MEETING

HEARING TYPE:
Council Meeting

BUSINESS AGENDA / MINUTES

ACTION TYPE:
Resolution

MEETING DATE: June 7, 2015

SUBJECT: Adopting the 2016 Millage Rate

DEPARTMENT: Administration

PUBLIC HEARING: YES NO

ATTACHEMENT: NO
Pages: 1

INFORMATION CONTACT: Ahmed Hassan,
Chair, Budget & Finance Committee
PHONE NUMBER: 404-296-6489

PURPOSE: To adopt the 2016 Millage Rate.

NEED/ IMPACT: The current projected Clarkston Net Tax Digest is \$145,261,659. The 2015 Net Tax Digest for Clarkston was \$109,022,024. This represents an increase of \$36,239,635 in our Net Tax Digest.

The calculated rollback millage rate for 2016 (rate for the city to receive the same tax amounts as last year) is **13.352 mils**. (Please keep in mind that the 2016 budget is greater than the 2015 budget). The rollback millage rate for 2016 is lower than the 2015 adopted millage rate of **17.110 mils** due to an increase in the digest. Much of the increase in the Net Tax Digest may be attributed to additional assets acquired through annexations as well as increased property assessments.

The Council must hold three public hearings if the advertised millage rate is higher than the millage rollback rate. The purpose of the meetings is to take public comment on the millage rate for consideration of the final adopted rate. There must be 5 days between the public hearings. Two meetings can be held on the same day with one starting prior to noon and one meeting must start between 6-7pm.

The mathematical millage rate required to balance the budget is **14.779 mils**.

The Budget & Finance Committee met on June 21, 2016 and voted to make the following recommendation to the City Council:

- Lower the millage rate from **17.110 to 15.110**
- Utilize **0.293 mils** to fund a 4% merit increase for employees effective in July 2016

RECOMMENDATIONS:

The Budget & Finance Committee recommends The City Council adopt a Millage Rate of **15.110 mils** for fiscal year 2016.