# Public Hearing to Adopt the 2014 Millage Rate



City of Clarkston July 1, 2014

#### Public Hearing to Adopt 2014 Millage Rate

#### **AGENDA**

- Millage rate presentation and discussion
- Public Hearing
- Adopt resolution setting the total millage –
   Regular Meeting July 1, 2014

#### What is the Process?

- The Council must hold three public hearings due to the proposed millage rate increasing.
  - June 24<sup>th</sup> Work Session
  - July 1<sup>st</sup> Special Called Meeting
  - July 1st Regular Meeting
- 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 2014

# First, a few definitions



#### 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...



 Property taxes are calculated based on the difference between planned expenditures and forecasted revenues from all other sources

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Tax Rate = Amount Required
Net Tax Digest
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Estimated Expenditures Estimated Revenues (not including prop. Taxes) Amount Needed to Balance **Gross Digest** Exemptions **Net Digest** (amount after exemptions)

\$3,519,610 \$2,164,610

\$1,317,000 \$70,619,546 \$1,802,546 \$68,935,931

Tax Rate =

Amount Required Net Tax Digest

Tax Rate =

\$1,317,000 \$68,935,931

Tax Rate =

0.0191046 (19.10)

Tax Rate =

Amount Required Net Tax Digest

Tax Rate =

\$1,382,850 (95%) \$65,492,234 (5%)

Tax Rate =

0.0211147 (21.11)

#### 2014 Estimated Tax Revenue

#### 21.11 Millage Rate

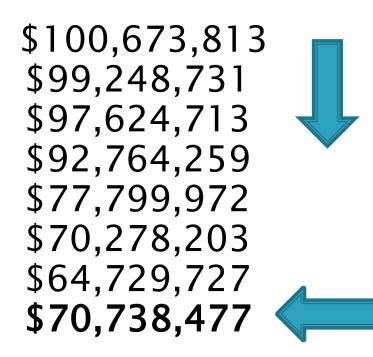
Gross Digest	\$70,738,477
Less Exemptions	\$1,802,546
Net Digest	<i>\$68,935,931</i>

2013 Budget General Fund Budget \$3,519,610

<sup>\*</sup>Amount adjusted for collection rate & appeals

## **Gross Digest History**

2007
2008
2009
2010
2011
2012
2013
2014
2011



#### City of Clarkston Net Digest Reductions

▶ 16.13% decrease in 2011



- 9.7% decrease in 2012
- > 7.9% decrease in 2013
- 9.38% increase in 2014



- Trending in the right direction!
- > 24.30% decrease since 2010

# Tax Millage History

<u>Fiscal Year</u>	<u>Millage Rate</u>
2004	4.614
2005	11
2006	11
2007	11
2008	11
2009	11
2010	11.313
2011	14.00
2012	17.95
2013	17.95
2014	21.11

# Proposed Millage Rates of DeKalb Cities

- Avondale Estates
- Brookhaven
- Chamblee
- Decatur
- Doraville
- Dunwoody
- Lithonia
- Pine Lake
- Stone Mountain
- Clarkston (proposed)

- 11.2 (\$6.86mil)
  - 2.85 (\$329.7mil)
  - 6.4 (\$220.8mil)
- 13 (50%) (\$152.9mil)
  - 9 (\$16.4mil)
- 2.74 (\$215mil)
- 19.869 (\$2.1 mil)
- 29.824 (\$1.3mil)
- 22 (\$8.6mil)
- 21.11 (\$5.9mil)

# **So....**

# What does this mean for the taxpayer?



#### How are my taxes computed?

Appraised Value 50,000

Assessed Value 20,000

Taxable Value 20,000

Divided by 1,000 20

X Millage Rate 21.11

**City Property Taxes** \$422.20 (\$359)

\$63.20 yr./\$5.27 per month

#### How are my taxes computed?

Appraised Value	75,000
Assessed Value	30,000
Taxable Value	30,000

Divided by 1,000 30

X Millage Rate 21.11

City Property Taxes \$633.30 (\$538.50)

\$94.80 yr./\$7.90 per month

#### How are my taxes computed?

Appraised Value 100,000

Assessed Value 40,000

Taxable Value 40,000

Divided by 1,000 40

X Millage Rate 21.11

**City Property Taxes** \$844.40 (\$718)

\$126.40 yr./\$10.53 per month

# **Public Hearing**



