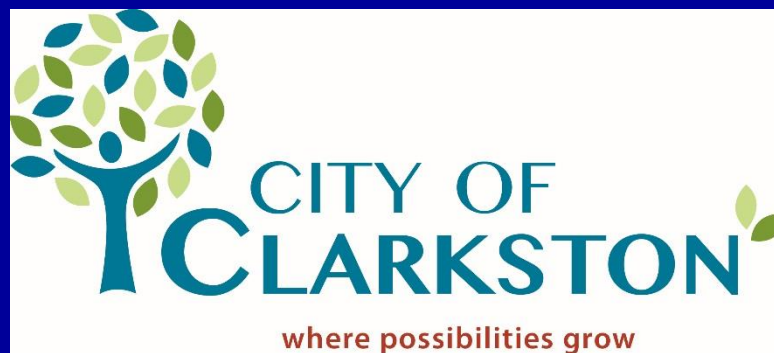


# PUBLIC HEARING TO ADOPT THE 2017 MILLAGE RATE



**City of Clarkston**  
**June 27, 2017**

## AGENDA

- Millage rate presentation and discussion
- Public Hearing
- Adopt resolution setting the final millage rate

Regular Meeting – July 6, 2017



# Process



- The Council must hold three public hearings
  - ▣ June 27<sup>th</sup> – 10:00 am Public Hearing
  - ▣ July 27<sup>th</sup> - 3:00 pm Public Hearing
  - ▣ July 5<sup>th</sup> – 7:00 pm 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 2017

# 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 “mil”?

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

So, if the rate is *10 mils*, 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...



# Calculating the Millage Rate

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

$$\text{Tax Rate} = \frac{\text{Amount Required}}{\text{Net Tax Digest}}$$

# Calculating the Millage Rate



Budgeted Expenditures	<b>\$8,377,606</b>
Estimated Revenues	<b>\$8,377,606</b>
Amount Needed to Balance	<b><u>\$2,559,002</u></b> ←
<b>(Real &amp; Personal Property, Motor Vehicles)</b>	
Gross Digest	<b>\$165,278,581</b>
Exemptions	<b>-\$2,067,595</b>
Net Digest	<b><u>\$163,210,986</u></b> ←
<b>(amount after exemptions)</b>	

# Calculating the Millage Rate



$$\text{Millage Rate} = \frac{\text{Amount Required}}{\text{Net Tax Digest}}$$

$$\text{Revenue/Digest} = \frac{\$2,559,002}{\$163,210,986}$$

$$\text{Millage Rate} = 0.015679 \text{ (15.68)}$$

# Calculating the Millage Rate



**Revenue/Digest =** **\$2,559,002**  
**\$163,210,986**

**Mathematical Millage Rate =** **0.015679 (15.68)**

**Recommended Millage Rate =** **(15.89)**

- **Reductions in collections**

# Calculating the Millage Rate



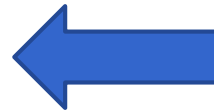
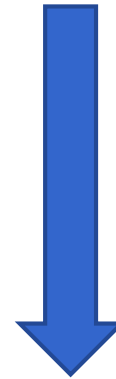
Current Millage Rate	15.89
Proposed Millage Rate	15.89
Difference	<hr/> 0 mils

1 Mil = 161,044.80

# 10 Year Gross Digest History



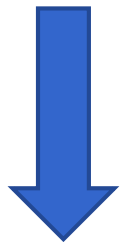
2007	\$100,673,813
2008	\$99,248,731
2009	\$97,624,713
2010	\$92,764,259
2011	\$77,799,972
2012	\$70,278,203
<b>2013</b>	<b>\$64,729,727</b>
2014	\$70,738,477
2015	\$108,965,588
2016	\$147,124,307
<b>2017</b>	<b>\$165,727,732</b>





## What's the Headline?

Clarkston lost 36% of its Gross Digest  
between 2007 and 2011



Clarkston Gross Digest has increased  
by 156% Between 2007 and 2017



# City of Clarkston Digest



➤ Increase due to Annexations & Increased residential/commercial values

□ Residential Values up **10.31%**

▣ 2016 = 39,937,914

▣ 2017 = 44,055,776

□ Commercial Values up **23.04%**

▣ 2016 = 80,020,774

▣ 2017 = 98,458,131

# Millage Rate History



<u>Fiscal Year</u>	<u>Millage Rate</u>
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
2015	17.11
2016	15.89
<b>2017</b>	<b>15.89 (Proposed)</b>

# Proposed Millage Rates of DeKalb Cities



□ Avondale Estates	9.957	(9.957)
□ Brookhaven	2.74	(2.74)
□ Chamblee	6.4	(6.4)
□ Decatur	10.68 <sub>(50%)</sub>	(10.88)
□ Doraville	8.371	(8.95)
□ Dunwoody	2.74	(2.74)
□ Lithonia	15.768	(14.074)
□ Pine Lake	20.381	(22.20)
□ Stone Mountain	22.27	(22.27)
□ <b>Clarkston (proposed)</b>	<b>15.89</b>	<b>(15.89)</b>

# Increase In Net Digest DeKalb Cities



□ Avondale Estates	\$11.22	Million
□ Brookhaven	\$249	Million
□ Chamblee	\$98.1	Million
□ Decatur	\$99.5	Million
□ Doraville	\$65	Million
□ Dunwoody	\$123.8	Million
□ Lithonia	\$2.7	Million
□ Pine Lake	\$870	Thousand
□ Stone Mountain	\$5.96	Million
□ <b>Clarkston</b>	<b>\$18.08</b>	<b>Million</b>

SO.....

What does this mean for  
the taxpayer?



# How are my taxes computed?



Appraised Value	75,000
Assessed Value	30,000
<b>Taxable Value</b>	<b>30,000</b>
Divided by 1,000	30
X Millage Rate	<b>15.89</b>
<b>City Property Tax</b>	<b>\$476.70</b>

# How are my taxes computed?



Appraised Value	100,000
Assessed Value	40,000
<b>Taxable Value</b>	<b>40,000</b>
Divided by 1,000	40
X Millage Rate	<b>15.89</b>
<b>City Property Taxes</b>	<b>\$635.56</b>



# How are my taxes computed?

Appraised Value	150,000
Assessed Value	60,000
<b>Taxable Value</b>	<b>60,000</b>
Divided by 1,000	60
X Millage Rate	<b>15.89</b>
<b>City Property Taxes</b>	<b>\$953.40</b>

# How are my taxes computed?



Appraised Value	200,000
Assessed Value	80,000
<b>Taxable Value</b>	<b>80,000</b>
Divided by 1,000	80
X Millage Rate	<b>15.89</b>
<b>City Property Taxes</b>	<b>\$1,271.20</b>

# PUBLIC HEARING

## QUESTIONS - COMMENTS

