



City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
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[www.rochesterhills.org](http://www.rochesterhills.org)

Legislative File No: 2019-0313

**TO:** Mayor and City Council Members  
**FROM:** Joe Snyder, Chief Financial Officer, x2534  
**DATE:** July 29, 2019  
**SUBJECT:** Local Street Millage I, II, III Renewal / Ballot Question

**REQUEST:**

Rochester Hills City Council approval of the Local Street Millage Renewal ballot language to be placed on the November 5, 2019 General Election Ballot.

**REASON FOR PURCHASE:**

Currently the City of Rochester Hills has three (3) separate Local Street millages (Local Street I, II, and III).

The final time all three (3) millages can be levied will be as part of the City’s Winter 2019 Tax billing which will provide funding for FY 2020. The upcoming millage rates for all three (3) combined millages totals 1.0965 mill and is anticipated to generate \$3,870,700 in FY 2020.

	<b>Millage Amount</b>	<b>Funds Generated</b>	<b>First Levy</b>	<b>Number of Years</b>	<b>Final Levy</b>
Local Street I	0.3418	\$ 1,227,500	FY 2011	10	FY 2020
Local Street II	0.4683	\$ 1,614,660	FY 2014	7	FY 2020
Local Street III	0.2864	\$ 1,028,540	FY 2016	5	FY 2020
<b>TOTAL</b>	<b>1.0965</b>	<b>\$ 3,870,700</b>			

The thought and intent of the Public Safety & Infrastructure Committee (PS&I TRC) when presenting Local Street Millages II and III was to combine the three (3) separate Local Street millages upon their expiration into one (1) combined Local Street millage.

The Local Street millages are a vital component of the Local Street Fund’s annual revenue stream providing for nearly 40% of the Local Street Fund’s annual expenditures. The other significant sources for the Local Street Fund currently include Act 51 Gasoline taxes as well as contributions-in from the General Fund.

It should be noted that when each of the three (3) separate Local Street millages were approved by voters there was no impact on the bottom line City millage rate the year they began to be levied.

- Local Street I = Replaced an expiring Debt Service levy
- Local Street II = Reduction in both the Drain Debt and General Fund levies
- Local Street III = Replaced an expiring Green Space levy

This proposal for renewal was presented and discussed at the July 10, 2019 PS&I TRC meeting. The PS&I TRC unanimously approved recommending that the Rochester Hills City Council approve including the combined Local Street millage renewal Ballot proposal on the November 5, 2019 General Election Ballot.

This will replace the three (3) separate Local Street millages which are expiring in FY 2020, with one (1) new 10-year Local Street millage beginning in FY 2021.

Administration further requests City Council approval for an appropriation of up to \$20,000 for resident education materials related to the Local Street millage renewal, primarily to provide for the printing and postage of educational materials mailed to City residents.

**BUDGET:**

Funds are not specifically budgeted for Local Street millage renewal educational materials. It is anticipated that funding will be available within the General Fund to offset the proposed costs without requesting additional funding.

<b>Fund Name</b>	<b>Department Account No</b>	<b>Account No. Description</b>	<b>Budget Amount</b>	<b>Cost</b>	<b>Remaining Budget</b>
General Fund	102.740000	City Council – Operating Supplies	\$0	\$10,000	(\$10,000)
General Fund	102.900000	City Council – Printing & Publishing	\$0	\$10,000	(\$10,000)
		<b>TOTAL</b>	<b>\$0</b>	<b>\$20,000</b>	<b>(\$20,000)</b>

**RECOMMENDATION:**

Rochester Hills City Council approval of the Local Street Millage Renewal ballot language to be placed on the November 5, 2019 General Election Ballot.

<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney       Yes       N/A