

To: Rochester City Council
From: John Anderson, Executive Director
Date: June 17, 2005
Re: Expiration of RARA millage

The Rochester Hills voters approved the operating millage for the Rochester Avon Recreation Authority in September of 1995 for a ten-year period.

That millage will provide funding through the end of FY2006.

The RARA Board requests that Rochester Hills City Council authorize a single ballot question for the ten-year renewal of the millage, which will collect 0.1586 for 2006, and an additional millage of 0.0372 for the same period, for a total RARA millage rate of 0.1958. This millage figure will continue to be one of Rochester Hills' least expensive millage figures.

The combined municipal contributions of Rochester Hills and the City of Rochester are currently less than one third of RARA's annual budget. User fees make up more than 2/3 of the remaining revenues. RARA has used program profits to stabilize rising overhead costs, but we do not believe that the program fees by themselves can continue to sustain this subsidization. The increase will raise \$126,000 in Rochester Hills, and will help keep program fees affordable.

John Anderson