



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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Legislative File No: 2019-0348

TO: Mayor and City Council Members
FROM: Joe Snyder, Chief Financial Officer, Ext 2534
DATE: September 14, 2020
SUBJECT: Adoption of 2020 Millage Rates

REQUEST:

In accordance with the City Charter Section 3.1 Budget Procedure and General Finance, Section 3.6 Adoption of a Budget, Section 4.1 Power to Tax and Special Revenue, and Section 4.2 Charter Tax Rate & Special Voted Millage(s) Limitation we are requesting that City Council approve the Proposed 2020 Millage Rates (to be levied in December 2020), which will provide the tax revenues needed to support the Proposed FY 2021 Budget.

BACKGROUND:

The Proposed 2020 Millage Rates listed below will generate the tax revenues needed to support the Proposed FY 2021 Budget.

City Council has scheduled Public Hearings for September 14, 2020 to allow for public comment on the 2021 Proposed Budget and Millage Rates required supporting the Proposed FY 2021 Budget.

Following the 2021 Proposed Budget Public Hearing and 2021 Proposed Millage Rate Public Hearing, we are proposing City Council adopt and authorize the Proposed 2020 Millage Rates (to be levied in December 2020), which will provide the tax revenues needed to support the Proposed FY 2021 Budget as listed below:

| PROPOSED MILLAGE RATES | |
|-----------------------------|----------------|
| Operating Millages: | 2020 |
| General Fund (Charter) | 2.6909 |
| Local Street (Voted) | 1.0868 |
| Fire Fund (Charter) | 2.7000 |
| Special Police I (Voted) | 1.1552 |
| Special Police II (Voted) | 1.1891 |
| Pathway (Voted) | 0.1773 |
| RARA Operating (Voted) | 0.1861 |
| OPC Operating (Voted) | 0.3200 |
| OPC Transportation (Voted) | 0.0954 |
| Library Operating (Charter) | 0.7478 |
| Operating - Subtotal | 10.3486 |
| Debt Millages: | |
| Chapter 20 Drain Debt | 0.0364 |
| OPC Building (Voted) | 0.1660 |
| Debt - Subtotal | 0.2024 |
| TOTAL MILLAGES | 10.5510 |

Pursuant to the requirements of the State Tax Commission, municipalities must file State form L-4029, tax rate request, with the Oakland County Department of Equalization by October 1, 2020. The City is also required to file form LT-1, Annual Report of Taxes, with Oakland County on or before October 1, 2020. In addition, the City is required, by Charter, to conduct a Public Hearing and adopt the City's Budget prior to November 1, 2020.

RECOMMENDATION:

We recommend that City Council approve the Proposed 2020 Millage Rates (to be levied in December 2020), which will provide the tax revenues needed to support the Proposed FY 2021 Budget.

| APPROVALS: | SIGNATURE | DATE |
|---------------------|-----------|------|
| Department Review | | |
| Department Director | | |
| Mayor | | |
| Deputy Clerk | | |

Contract Reviewed by City Attorney Yes N/A