



3921 CHURCH STREET ♦ CLARKSTON, GEORGIA 30021
(404) 296-6489 ♦ WWW.CLARKSTONGA.GOV

Mayor Beverly H. Burks

Councilmembers:

Debra Johnson-Vice Mayor

Jamie Carroll

Sharifa Adde

Susan Hood

Yterenickia Bell

Mark Perkins

ChaQuias Miller-Thornton, City Manager

**SPECIAL CALLED CITY COUNCIL MEETING/
PUBLIC HEARING AGENDA**

**WEDNESDAY, JUNE 18, 2025 - 10:00 AM
IN-PERSON & ZOOM
CITY COUNCIL CHAMBERS
3921 CHURCH ST., CLARKSTON, GA 30021**

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

4. NEW BUSINESS

- A. Presentation and discussion of the Proposed 2025 Millage Rate.
- B. **PUBLIC HEARING** on the Proposed 2025 Millage Rate.

5. ADJOURNMENT

PUBLIC PARTICIPATION BY VIDEO CONFERENCE

The City of Clarkston, Georgia will conduct the Special Called City Council Meeting/ Public Hearing at 10:00a.m. on Wednesday, June 18, 2025. The public may participate in the meeting by using the following information below:

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_1eiwLnmhTVSzZtMD70XzSA

After registering, you will receive a confirmation email containing information about joining the webinar.

2025 Ad Valorem Tax Digest Budget and Millage Rate Analysis



CHAQUIAS MILLER-THORNTON, CITY MANAGER

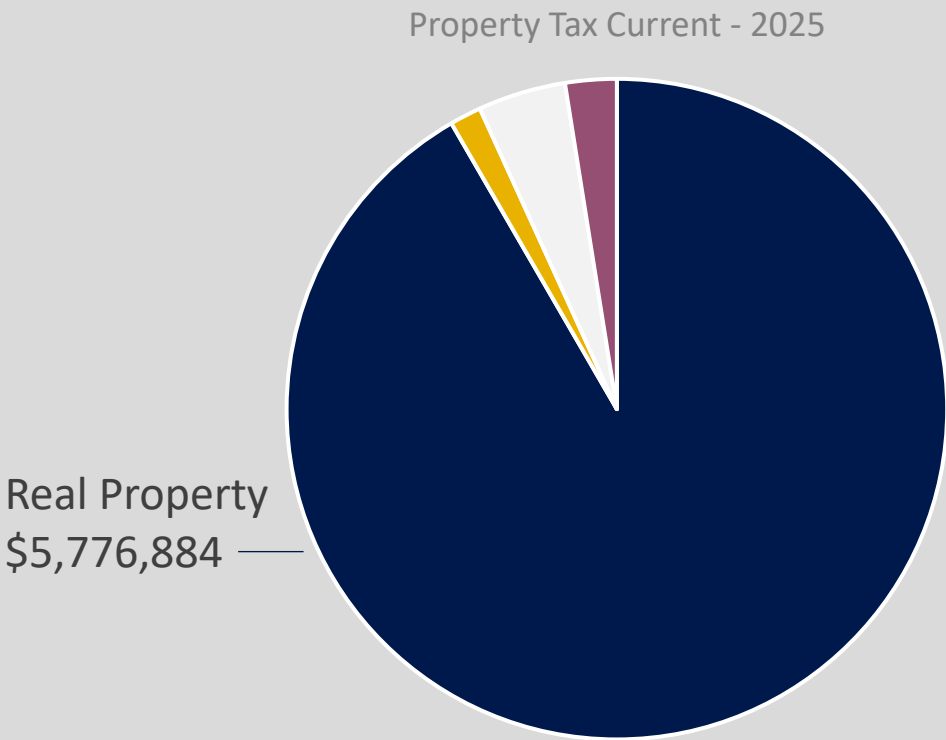
FY2025 Real and Personal Property Tax, Budget as Adopted



Reassessment Value of Existing Real Property

In December 2024, Council adopted the FY 2025 anticipating \$6,303,379 in real and personal property tax revenue (current year).

Real Property Tax	\$ 5,776,884
Public Utility	97,375
Motor Vehicle	270,400
Personal Property Tax	158,720
Total Budgeted Tax Revenue	\$ 6,303,379



Consolidation & Evaluation Report

PROPERTY AND EXEMPTION VALUES FOR ALL PROPERTY CLASSES



2025PRELIM 05/15/2025

CONSOLIDATION AND EVALUATION OF DIGEST 2025

COUNTY NAME: DeKalb				COUNTY NO: 44				Sheet # 40 - CITY OF CLARKSTON (34, 34A)				Total Parcel Count: 1,575			
RESIDENTIAL				FOREST LAND CONSERVATION USE				EXEMPT PROPERTY				SUMMARY			
Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	PROPERTY CLASS	COUNT	ACRES	ASSESSED VALUE
R1	1,191		100,481,099	J3	0	0.00	0	E0	0		0	Residential Real	1,317	330.29	129,285,084
R3	1,284	279.24	28,594,905	J4	0	0.00	0	E1	38		21,115,880	Residential Personal	0		0
R4	7	8.52	209,080	J5	0	0.00	0	E2	26		4,275,280	Residential Total	1,317	330.29	129,285,084
R5	0	0.00	0	J6	0	0.00	0	E3	7		1,175,040	Residential Trans.	0		0.00
R6	0		0	FLPA FAIR MARKET ASMT				E4	0		0	Historic	0		0.00
R9	26	42.53	0	Code	Count	Acres	40% Value	E5	0		0	Agricultural Real	0		0.00
RA	0		0	F3	0	0.00	0	E6	4		2,367,320	Agricultural Personal	0		0
RB	0		0	F4	0	0.00	0	E7	0		0	Agricultural Total	0		0.00
RF	0		0	F5	0	0.00	0	E8	0		0	Preferential	0		0.00
RI	0		0	F6	0	0.00	0	E9	1		6,895,880	Conservation Use	0		0.00
RZ	0		0	Total			0	TOTAL	76		35,829,400	Environmentally Sen	0		0.00
RESIDENTIALTRANSITIONAL				ENVIRONMENTALLY SENSITIVE				HOMESTEAD & PROPERTY EXEMPTIONS				Commercial Real	157	409.65	225,693,774
Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	Code	Count	M&O AMOUNT	BOND AMOUNT	Commercial Personal	264		9,897,641
T1	0		0	W3	0	0.00	0	S1	0	0	0	Commercial Total	421	409.65	235,591,415
T3	0	0.00	0	W4	0	0.00	0	S2	0	0	0	Industrial Real	25	81.29	34,875,694
T4	0	0.00	0	W5	0	0.00	0	S3	0	0	0	Industrial Personal	5		5,368,213
HISTORIC				COMMERCIAL				S4	0	0	0	Industrial Total	30	81.29	40,243,906
Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	S5	1	121,812	0	Forest Land Con Use	0		0.00
H1	0		0	C1	133		192,208,211	S6	0	0	0	Brownfield Property	0		0.00
H3	0	0.00	0	C3	137	88.02	9,801,899	S7	0	0	0	Qualified Timberland	0		0.00
AGRICULTURAL				C4	15	235.07	17,202,160	S8	0	0	0	Real Total	1,499	821.23	389,854,552
Code	Count	Acres	40% Value	C5	4	86.56	6,481,508	S9	0	0	0	Personal Total	269		15,265,853
A1	0		0	C9	1	0.00	0	S0	0	0	0	Digest Total	1,768	821.23	405,120,405
A3	0	0.00	0	CA	0		0	S1	0	0	0	Public Utility	9	0.00	6,028,866
A4	0	0.00	0	CB	0		0	S2	0	0	0	Motor Vehicle	345		464,550
A5	0	0.00	0	CF	152		2,904,502	S3	0	0	0	Mobile Home	0		0
A6	0		0	CI	109		6,484,528	S4	0	4,311,626	0	Timber - 100%	0	0.00	0
A9	0	0.00	0	CP	3		508,611	S5	0	0	0	Heavy Duty Equip.	0		0
AA	0		0	CZ	0		0	S6	0	0	0	Gross Digest Total	2,122	821.23	411,613,821
AB	0		0	INDUSTRIAL				S7	0	0	0	Exemptions-Bonds			123,376
AF	0		0	Code	Count	Acres	40% Value	S8	0	0	0	Net Bond Digest			411,490,445
AI	0		0	I1	21		27,921,432	S9	0	0	0	Gross Digest Total	2,122	821.23	411,613,821
AZ	0		0	I3	19	31.24	2,782,503	S0	0	0	0	Exemptions-M & O			7,235,986
PREFERENTIAL				I4	6	50.05	4,171,759	S1	0	0	0	Net M & O Digest			404,377,835
P3	0	0.00	0	I5	0	0.00	0	S2	0	0	0	DO NOT USE LT THRU L9 CODES ON STATE SHEET			
P4	0	0.00	0	I9	0	0.00	0	L1	0	0	0	TYPE	MILLAGE	ASSESSED	TAX
P5	0	0.00	0	IA	0		0	L2	124	2,440,000	0	M & O	0.013890	VALUE	5,616,806
P6	0	0.00	0	IB	0		0	L3	0	0	0	BOND		411,490,445	
CONSERVATION USE				IF	2		1,485,000	L4	0	0	0	I, Irvin J. Johnson, receiver of tax returns in and for said county, do hereby certify that the above and foregoing is a true and correct consolidation of all the tax returns received from the taxpayer (or assessed against defaulters) in said county of DeKalb for the year 2025, and duplicate digests have been made and delivered to the county governing authority and tax collector of said county as required by law.			
Code	Count	Acres	40% Value	II	1		80,197	L5	0	0	0				
V3	0	0.00	0	IP	2		3,803,015	L6	0	0	0				
V4	0	0.00	0	IZ	0		0	L7	0	0	0				
V5	0	0.00	0	PUBLIC UTILITY				L8	0	0	0				
V6	0		0	Code	Count	Acres	40% Value	L9	0	0	0				
BROWNFIELD PROPERTY				U1	0		0	L10	0	0	0				
B1	0		0	U2	9	0.00	6,028,866	L11	0	0	0				
B3	0	0.00	0	U3	0	0.00	0	L12	0	0	0				
B4	0	0.00	0	U4	0	0.00	0	L13	0	0	0				
B5	0	0.00	0	U5	0	0.00	0	L14	0	0	0				
B6	0	0.00	0	U9	0	0.00	0	L15	0	0	0				
Qualified Timberland				UA	0		0	L16	0	0	0				
Code	Count	Acres	40% Value	UB	0		0	TOTAL	199	7,235,986	123,376	Witness my hand and official signature, this 25th day of July 2025.			
Q4	0	0.00	0	UF	0		0	Tax Commissioner R.T.R.							
Q5	0	0.00	0	UZ	0		0								

Real Property
\$389,854,552

Personal Property
\$15,265,853

Public Utility
\$6,028,866

Motor Vehicle
\$464,550

Gross Digest
\$411,613,821

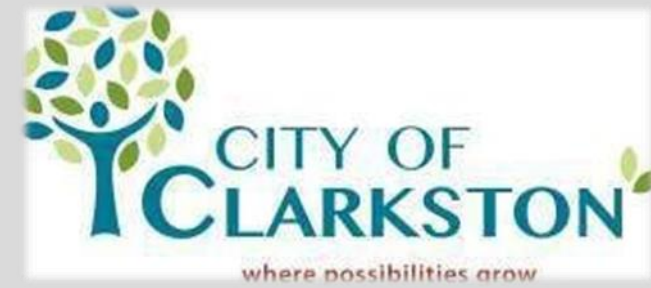
M&O Exemptions
\$7,235,986

Net Digest
\$404,337,835



Revaluation/New Valuation Report

Reassessment Value of Existing Real Property



DEKALB COUNTY TANGIBLE REAL AND PERSONAL PROPERTY VALUE CHANGES 2025 AS OF 04/28/2025

TAX DISTRICT	ROLL	2024 7/25/2024	2025 4/28/2025	CHANGE IN DIGEST	VARIANCE 4/28/2025	GROWTH 4/28/2025	REVALUATION 4/28/2025
UNINCORPORATED (04)	RE	\$22,455,812,220	\$23,311,830,425	\$856,018,205	3.81%	\$485,353,280	\$370,664,925
	PP	\$621,956,232	\$637,413,559	\$15,457,327	2.49%	\$0	\$0
	MH	\$894,518	\$1,373,846	\$479,328	53.59%	\$0	\$0
ATLANTA (61)	RE	\$3,731,909,128	\$3,962,078,552	\$230,169,424	6.17%	\$122,561,431	\$107,607,993
	PP	\$40,440,992	\$38,432,121	-\$2,008,871	-4.97%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
AVONDALE (14)	RE	\$404,089,810	\$433,141,951	\$29,052,141	7.19%	\$5,204,080	\$23,848,061
	PP	\$2,836,549	\$2,570,340	-\$266,209	-9.38%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
BROOKHAVEN (20)	RE	\$6,397,680,920	\$6,648,821,792	\$251,140,872	3.93%	\$79,530,040	\$171,610,832
	PP	\$122,621,790	\$112,501,761	-\$10,120,029	-8.25%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
CHAMBLEE (24)	RE	\$2,647,930,767	\$2,910,233,185	\$262,302,418	9.91%	\$48,071,880	\$214,230,538
	PP	\$394,310,754	\$424,552,062	\$30,241,308	7.67%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
CLARKSTON (34)	RE	\$377,656,644	\$391,870,312	\$14,213,668	3.76%	\$7,646,080	\$6,567,588
	PP	\$14,205,458	\$14,463,676	\$258,218	1.82%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
DECATUR (92)	RE	\$2,608,977,233	\$2,814,933,714	\$205,956,481	7.89%	\$49,510,915	\$156,445,566
	PP	\$21,399,960	\$19,770,383	-\$1,629,577	-7.61%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
DUNWOODY (50)	RE	\$5,579,024,498	\$5,913,618,734	\$334,594,236	6.00%	\$52,852,720	\$281,741,516
	PP	\$133,811,873	\$129,984,849	-\$3,827,024	-2.86%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0
DORAVILLE (44)	RE	\$1,224,524,870	\$1,364,323,660	\$139,798,790	11.42%	\$3,323,720	\$136,475,070
	PP	\$242,344,959	\$238,963,021	-\$3,381,938	-1.40%	\$0	\$0
	MH	\$0	\$0	\$0		\$0	\$0

Real Property Growth
Percentage 3.76%

Personal Property Growth
Percentage 1.82%

Rollback Rate

O.C.G.A. Section 48-5-32.1

- Compute rollback millage rate that will produce the same revenue that would have been produced on the current digest if last year's millage rate was unchanged and no reassessments occurred



PT-32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES - 2025				
COUNTY:	002-DEKALB	TAXING JURISDICTION:	CLARKSTON	
ENTER VALUES AND MILLAGE RATES FOR THE APPLICABLE TAX YEARS IN YELLOW HIGHLIGHTED BOXES BELOW				
DESCRIPTION	2024 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2025 DIGEST
REAL	377,656,644	6,567,588	5,630,320	389,854,552
PERSONAL	19,551,133		1,743,586	21,294,719
MOTOR VEHICLES	537,610		(73,060)	464,550
MOBILE HOMES	0		0	0
TIMBER -100%	0		0	0
HEAVY DUTY EQUIP	0		0	0
GROSS DIGEST	397,745,387	6,567,588	7,300,846	411,613,821
EXEMPTIONS	6,209,458		1,026,528	7,235,986
NET DIGEST	391,535,929	6,567,588	6,274,318	404,377,835
	(PYD)	(RVA)	(NAG)	(CYD)
2024 MILLAGE RATE:	13.890	2025 MILLAGE RATE:		13.664
CALCULATION OF ROLLBACK RATE				
DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA	
2024 Net Digest	PYD	391,535,929		
Net Value Added-Reassessment of Existing Real Property	RVA	6,567,588		
Other Net Changes to Taxable Digest	NAG	6,274,318		
2025 Net Digest	CYD	404,377,835	(PYD+RVA+NAG)	
2024 Millage Rate	PYM	13.890	PYM	
Millage Equivalent of Reassessed Value Added	ME	0.226	(RVA/CYD) * PYM	
Rollback Millage Rate for 2025	RR - ROLLBACK RATE	13.664	PYM - ME	
CALCULATION OF PERCENTAGE INCREASE IN PROPERTY TAXES				
If the 2025 Proposed Millage Rate for this Taxing Jurisdiction exceeds Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. § 48-5-32.1(c) (2)		Rollback Millage Rate	13.664	
		2025 Millage Rate	13.664	
		Percentage Tax Increase	0.00%	

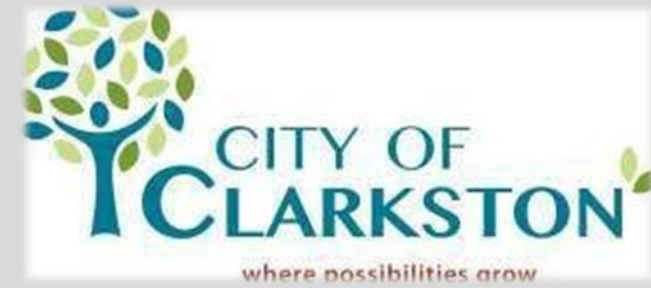
2024 Millage Rate
13.890

2025 Rollback Rate
13.664

The rate that results in the same amount of revenue as the previous year's digest ("as billed")

Digest VS Budget Comparison

“As Billed” and average “Collection” Rate



It is assumed that the City adopted its 2025 fiscal year budget with the anticipation of increased digest growth and with an expectancy of receiving \$6,303,379 in ad valorem tax revenue at a 100% collection rate.

Description	5/15/2025					
Taxable Real Property	389,854,552					
Exempt Veterans	0					
Exempt Widows of Veterans	0					
Exempt Seniors	0					
Appeals Differential Value	(22,611,564)					
Real Property Digest	367,242,988					
Taxable Public Utility	6,028,866					
Taxable Motor Vehicle	464,550					
Taxable Personal Property Value	15,265,853					
Estimated Adjustments	-					
Adjusted Value	15,265,853					
CURRENT RATE				ROLLBACK RATE		
	Taxable Digest	Rev As Billed 13.890	Revenue at Collection Rate	Rev As Billed 13.664 mils	Revenue at Collection Rate	Adopted Budget
Estimated Taxable RE Digest	367,242,988	5,101,005	4,182,824	5,018,008	4,114,767	5,776,884
Taxable Public Utility	6,028,866	83,741	83,741	82,378	82,378	97,375
Taxable Motor Vehicle	464,550	219,672	219,672	219,565	219,565	270,400
Taxable PP Value	15,265,853	212,043	209,456	208,593	206,048	158,720
Estimated Adjustments	(7,235,986)	(100,508)	(82,416)	(98,858)	(81,064)	
Adjusted Value - Gross Digest	381,766,271	5,515,953	4,613,277	5,429,686	4,541,694	6,303,379
RE Property Rev over/under Budget		(787,426)	(1,690,102)	(873,693)	(1,761,685)	

Appeals are considered in the comparison shown above (highlighted)

Digest VS Budget Comparison

"As Billed" and average "Collection" Rate



The following table shows the rates necessary to meet budget at both the "as billed" and "collection" rate of associated tax revenue.

		To meet budget at the "as billed" rate - 100 percent as billed		
		Rev As Billed 15.953	Revenue at Collection Rate	Adopted Budget
Estimated Taxable RE Digest	367,242,988	5,858,627	4,804,074	5,776,884
Taxable Public Utility	6,028,866	96,178	90,801	97,375
Taxable Motor Vehicle	464,550	220,630	220,630	270,400
Taxable PP Value	15,265,853	243,536	240,565	158,720
Estimated Adj. - Exemptions M&O	(7,235,986)	(115,436)	(94,657)	
Adjusted Value - Gross Digest	381,766,271	6,303,535	5,261,413	6,303,379
RE Property Rev over/under Budget		156	(1,041,966)	

		To meet budget at the "collection rate" 82 percent collected		
		Rev As Billed 19.298	Revenue at Collection Rate	Adopted Budget
Estimated Taxable RE Digest	367,242,988	7,087,055	5,811,385	5,776,884
Taxable Public Utility	6,028,866	116,345	93,496	97,375
Taxable Motor Vehicle	464,550	222,184	222,184	270,400
Taxable PP Value	15,265,853	294,600	291,006	158,720
Estimated Adj. - Exemptions M&O	(7,235,986)	(139,640)	(114,505)	
Adjusted Value - Gross Digest	381,766,271	7,580,544	6,303,566	6,303,379
RE Property Rev over/under Budget		1,277,165	187	

A 15.953 mil rate is necessary to meet budgeted revenue expectations anticipating the collection of 100% of taxes billed.

A 19.298 mil rate is necessary to meet budgeted revenue expectation anticipating the collection of 82% of taxes billed.

Digest VS Budget Comparison

“As Billed” and average “Collection” Rate



Mil Rate	Collections	Estimated Revenue	FY2025 Budget	Over/ Under
13.89	As Billed (100%)	\$ 5,515,953	\$ 6,303,379	\$ (787,426)
	Est. Collection (82%)	4,613,277	6,303,379	(1,690,102)
13.664	As Billed (100%)	\$ 5,429,686	\$ 6,303,379	\$ (873,693)
	Est. Collection (82%)	4,541,694	6,303,379	(1,761,685)

FY2025 Adopted Revenue Estimate is:
\$6,303,679

At a mil rate of 15.953
Expected revenue is estimated at:

At a mil rate of 19.298
Expected revenue is estimated at:

Mil Rate	Collections	Estimated Revenue	FY2025 Budget	Over/ Under
15.953	As Billed (100%)	\$ 6,303,535	\$ 6,303,379	\$ 156
	Est. Collection (82%)	5,261,413	6,303,379	(1,041,966)

As billed:
\$6,303,535
+\$156 over revenue as budgeted

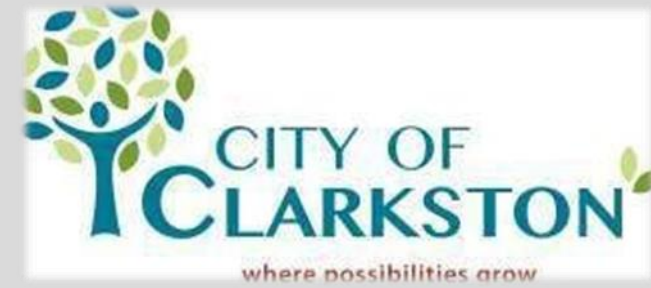
As billed:
\$7,580,544
+\$1,277,165 over revenue as budgeted

Mil Rate	Collections	Estimated Revenue	FY2025 Budget	Over/ Under
19.298	As Billed (100%)	\$ 7,580,544	\$ 6,303,379	\$ 1,277,165
	Est. Collection (82%)	6,303,566	6,303,379	187

Collection rate:
\$5,261,143
-\$1,041,966 less than revenue as budgeted

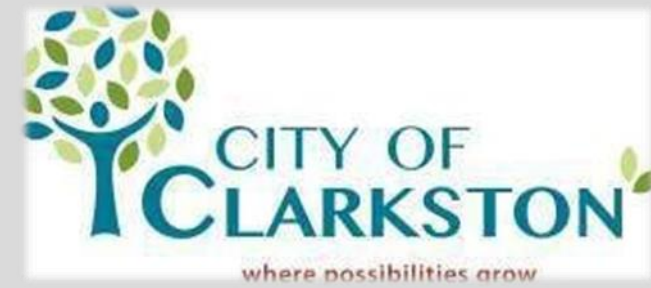
Collection rate:
\$6,303,566
+\$ 187 more than revenue as budgeted

Computation of Millage Rollback and Percentage Increase in Property Taxes - 2025



The tentatively adopted mil rate of 19.298 will result in a 41.23% property tax increase.

DESCRIPTION	2024 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2025 DIGEST
REAL	377,656,644	6,567,588	5,630,320	389,854,552
PERSONAL	19,551,133		1,743,586	21,294,719
MOTOR VEHICLES	537,610		(73,060)	464,550
MOBILE HOMES	0		0	0
TIMBER -100%	0		0	0
HEAVY DUTY EQUIP	0		0	0
GROSS DIGEST	397,745,387	6,567,588	7,300,846	411,613,821
EXEMPTIONS	6,209,458		1,026,528	7,235,986
NET DIGEST	391,535,929	6,567,588	6,274,318	404,377,835
	(PYD)	(RVA)	(NAG)	(CYD)
2024 MILLAGE RATE:	13.890	2025 MILLAGE RATE:		19.298
CALCULATION OF ROLLBACK RATE				
DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA	
2024 Net Digest	PYD	391,535,929		
Net Value Added-Reassessment of Existing Real Property	RVA	6,567,588		
Other Net Changes to Taxable Digest	NAG	6,274,318		
2025 Net Digest	CYD	404,377,835	(PYD+RVA+NAG)	
2024 Millage Rate	PYM	13.890	PYM	
Millage Equivalent of Reassessed Value Added	ME	0.226	(RVA/CYD) * PYM	
Rollback Millage Rate for 2025	RR - ROLLBACK RATE	13.664	PYM - ME	
CALCULATION OF PERCENTAGE INCREASE IN PROPERTY TAXES				
If the 2025 Proposed Millage Rate for this Taxing Jurisdiction exceeds Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. § 48-5-32.1(c) (2)			Rollback Millage Rate	13.664
			2025 Millage Rate	19.298
			Percentage Tax Increase	41.23%

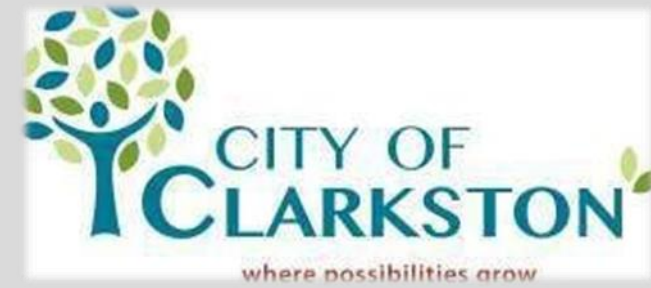


NOTICE OF PROPERTY TAX INCREASE

This tentative increase will result in a millage rate of **19.298** mills, an increase of **5.634** mills. Without this tentative tax increase, the millage rate will be no more than **13.664** mills. The proposed tax increase for a home with a fair market value of **\$275,000** is approximately **\$563.40** and the proposed tax increase for nonhomestead property with a fair market value of **\$925,000** is approximately **\$2,112.75**

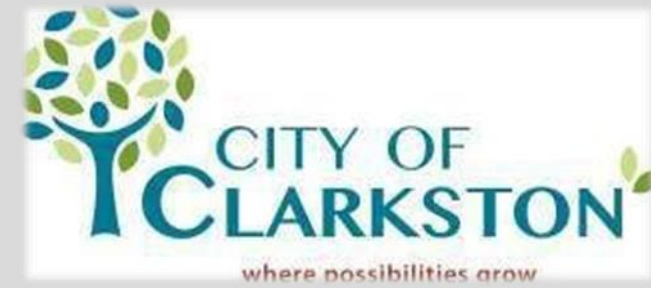
FIVE YEAR HISTORY OF LEVY provides:

- The immediately preceding 5 tax years assessed taxable value of all property, by class and in total and the net millage rate levied
- The current tax year, the assessed taxable value of all property, by class and in total and the proposed net millage rate
- For each year, the total taxes levied and the percentage increase and total dollar increase



CURRENT 2025 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY								
CITY AREA	CITY WIDE		2020	2021	2022	2023	2024	2025
	VALUE	Real & Personal	224,331,692	255,708,668	267,399,571	354,451,791	397,207,777	411,149,271
		Motor Vehicles	703,880	596,540	521,900	555,340	537,610	464,550
		Mobile Homes	0	0	0	0	0	0
		Timber - 100%	0	0	0	0	0	0
		Heavy Duty Equipment	0	0	0	0	0	0
		Gross Digest	225,035,572	256,305,208	267,921,471	355,007,131	397,745,387	411,613,821
		Less Exemptions	4,509,094	4,134,482	4,457,987	5,885,665	6,209,458	7,235,986
		NET DIGEST VALUE	220,526,478	252,170,726	263,463,484	349,121,466	391,535,929	404,377,835
	RATE	Gross Maintenance & Operation Millage	15.8900	14.8900	14.8900	13.8900	13.8900	19.2980
		Less Rollback (Local Option Sales Tax)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
		NET M&O MILLAGE RATE	15.8900	14.8900	14.8900	13.8900	13.8900	19.2980
	TAX	TOTAL M&O TAXES LEVIED	\$3,504,166	\$3,754,822	\$3,922,971	\$4,849,297	\$5,438,434	\$7,803,683
		Net Tax \$ Increase	\$183,069	\$250,656	\$168,149	\$926,326	\$589,137	\$2,365,249
		Net Tax % Increase	5.51%	7.15%	4.48%	23.61%	12.15%	43.49%

IN THE INTERIM OF FINAL RATE ADOPTION



In the period between publication of the tentatively adopted rate of 19.298 and final rate adoption on June 26th, 2025, the City Council has charged the Administration with further analysis of the digest, review of budget projections, and identification of potential budget amendments in hopes of narrowing the gap between the 13.664 rollback rate and the tentatively adopted rate of 19.298.

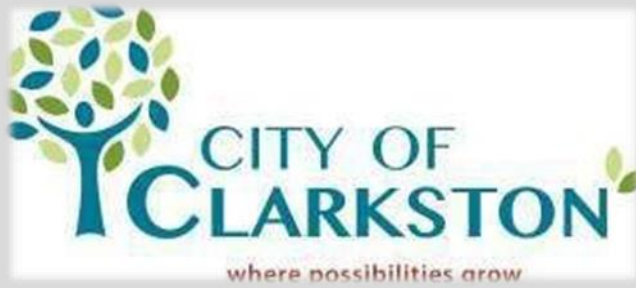
Current Assumption:

- 2025 budgeted revenue seems to have been overstated, and therefore funding was assumed for the substantial increase in budgeted expenditures.

Response

- The reduction in revenue expectancy places burden on the City to increase taxes, to significantly reduce expenditures and/or to burden its general fund balance.
- The goal is to strike a good balance between budget, taxation, and a healthy fund balance – without negative impact on service delivery. Tentatively adopting the higher millage rate allows opportunity for us to try to find that balance. It provides:
 - an opportunity for the finance director and I to thoroughly analyze the city's digest, budget, and financial condition before final adoption of the millage rate (which can be lower than the tentatively adopted rate)
 - an opportunity to assess the city's estimated fund balance absent of audited financials for 2024
 - the assurance of three public hearings to offer citizens and stakeholders maximum opportunity to provide comments to Council regarding any potential tax increase (as required). Hearing from the citizens of Clarkston will give my office a better idea of what is important to them as I consider recommendations to present to Council.

UPDATED MIL RATE SCENARIO- 06/15/2025



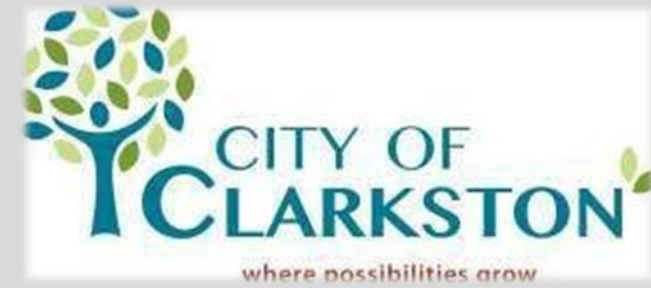
Following further financial analysis, the City Manager’s Office presents the following as an update to the mil rate scenario:

An estimate of reductions in payroll and related expenditures have been identified within the City’s general fund appropriations in the amount of approximately **\$549,953**. This estimation includes:

- Implementation of a hiring freeze on a number of vacant positions (approx. \$297,510). A delay of hire date for additional positions (approx. \$128,101) – total estimated reduction \$425,611. Estimated salary and wages reduction plus associated payroll taxes is approximately **\$458,170**.
- Implementation of previously budgeted cost of living increase of 3% set to take effect during the first full pay period following July 1, 2025 (approx. **\$67,773**).
- Reimbursement of General Fund salary expense due from the City’s American Rescue Plan Act funds (estimated at **\$159,556**).

PAYROLL EXPENSE					
	Jan-May	June-Dec	Est. Expense	Budgeted	(Over)/Under
Council	30,000	42,000	72,000	72,000	-
Mayor	6,250	8,750	15,000	15,000	-
Admin	240,889	573,599	814,488	1,076,542	262,054
Courts	90,017	102,593	192,610	188,848	(3,762)
Parks/Rec	32,232	86,745	118,977	153,950	34,973
Plan/Dev	108,131	227,854	335,985	363,320	27,335
Police	626,865	1,053,978	1,680,843	1,704,835	23,992
Public Works	180,624	301,225	481,849	562,868	81,019
	1,315,008	2,396,744	3,711,752	4,137,363	425,611
					6,171 Medicare
					26,388 SSI
					458,170 Est. Payroll Savings
		July -Dec	\$2,098,576	3.00%	\$62,957 COLA
					\$913 Medicare
					\$3,903 SSI
					\$67,773
					390,397 Est. Savings w/COLA
					159,556 ARPA Reimb
					549,953

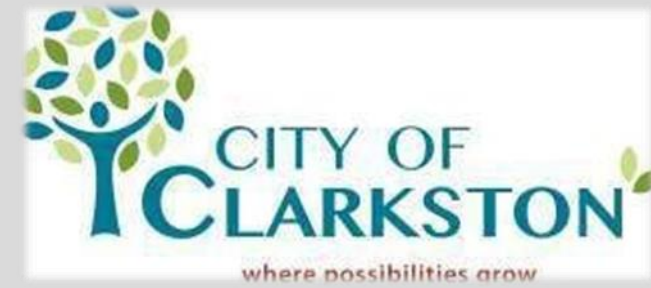
MIL RATE SCENARIO UPDATE...CONTINUED



Description	5/15/2025					
Taxable Real Property	389,854,552					
Exempt Veterans	0					
Exempt Widows of Veterans	0					
Exempt Seniors	0					
Appeals Differential Value	(22,611,564)					
Real Property Digest	367,242,988					
Taxable Public Utility	6,028,866					
Taxable Motor Vehicle	464,550					
Taxable Personal Property Value	15,265,853					
Estimated Adjustments	-					
Adjusted Value	15,265,853					
CURRENT RATE			ROLLBACK RATE			
	Taxable Digest	Rev As Billed 13.890	Revenue at Collection Rate	Rev As Billed 13.664 mils	Revenue at Collection Rate	Adopted Budget
Estimated Taxable RE Digest	367,242,988	5,101,005	4,182,824	5,018,008	4,114,767	5,776,884
Taxable Public Utility	6,028,866	83,741	83,741	82,378	82,378	97,375
Taxable Motor Vehicle	464,550	219,672	219,672	219,565	219,565	270,400
Taxable PP Value	15,265,853	212,043	209,456	208,593	206,048	158,720
Estimated Adjustments	(7,235,986)	(100,508)	(82,416)	(98,858)	(81,064)	(549,953)
Adjusted Value - Gross Digest	381,766,271	5,515,953	4,613,277	5,429,686	4,541,694	5,753,426
RE Property Rev over/under Budget		(237,473)	(1,140,149)	(323,740)	(1,211,732)	

During adoption of the 2025 budget, total tax revenue for ad valorem style taxes (current year) was budgeted at \$6,303,379. With an estimated reduction in budget of \$549,953, tax revenue as budgeted can be reduced to \$5,753,426. It has been established that the City's tax collection rate is 82%. Therefore, the collection of revenue **at the 82% collection rate** and as assessed at the current mil rate of 13.890 is \$4,613,277 (\$1,140,149 **less** than budgeted). Estimated collection of revenue **at the 82% collection rate** and as assessed at the roll back rate of 13.664 mils is \$4,541,694 (\$1,211,732 **less** than budgeted).

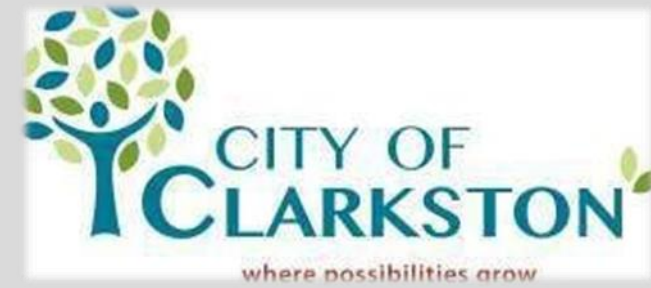
MIL RATE SCENARIO UPDATE...CONTINUED



As depicted, a **17.528** mil rate is required to meet budgeted revenue as estimated at the collection rate of 82%. Adoption of this rate will result in a **28.28%** property tax increase. This is a 1.77 reduction in mil rate from the tentatively adopted rate of 19.298 (41.23% increase). The 17.528 mil rate is 3.864 mils higher than the roll back rate of 13.664 mils. The proposed tax increase for a home with a fair market value of \$275,000 is approximately \$386.40 (down from the \$563.40 increase at the tentative rate of 19.298) and the proposed tax increase for a nonhomestead property with a fair market value of \$925,000 is approximately \$1,449.00 (down from the \$2,112.75 increase at the tentatively adopted rate of 19.298).

The following table provides for the mil rate required to meet budgeted revenue at the collection rate of 82% with a reduction in expenditures of \$549,953.

		Rev As Billed 17.528	Revenue at Collection Rate	Adopted Budget
Estimated Taxable RE Digest	367,242,988	6,437,035	5,278,369	5,776,884
Taxable Public Utility	6,028,866	105,674	93,496	97,375
Taxable Motor Vehicle	464,550	221,362	221,362	270,400
Taxable PP Value	15,265,853	267,580	264,315	158,720
Estimated Adj. - Exemptions M&O	(7,235,986)	(126,832)	(104,003)	(549,953)
Adjusted Value - Gross Digest	381,766,271	6,904,818	5,753,539	5,753,426
RE Property Rev over/under Budget		1,151,392	113	



Summary of Average Increase at tentative rate of 19.298 and at updated/reduced rate of 17.528

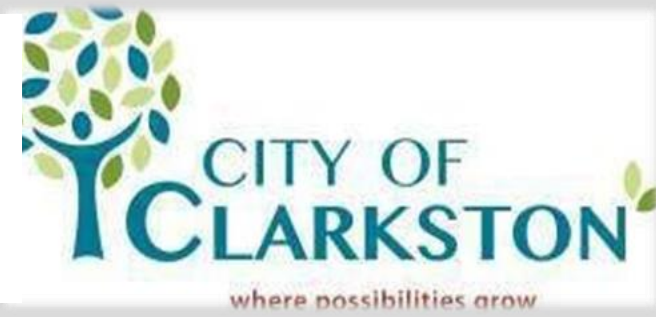
Millage Rate Update		
	<i>Tentative</i>	<i>Updated</i>
Mil Rate	19.298	17.528
% Increase	41.23%	28.28%
Approx. Tax Increase Homestead (annual)		
\$275,000 avg value	\$ 563.40	\$ 386.40
Approx. Tax Increase Nonhomestead (annual)		
\$925,000 avg value	\$ 2,112.75	\$ 1,449.00

The updated mil rate of **17.528** assumes no additional contribution of the City's general fund balance to balance the current year's budget (with proposed amendments).

The City's Administration continues to assess its budget, digest with associated loss values, and financial condition to determine the best mil rate scenario for recommendation of the millage rate to Mayor and Council ahead of the June 26th, 2025 meeting set to consider final rate adoption.

Any scenario that includes consideration of an allocation of fund balance to balance the tax burden will serve to reduce the millage rate necessary to meet budget expectations. The Administration would want to be confident in its estimated fund balance before potentially recommending a scenario that includes a fund balance appropriation.

*For example, it is estimated that a 15.953 mil rate - with the estimated reduction in expenditures of \$549,953, would require a general fund balance appropriation of \$492,013 to meet amended budget expectations at an 82% collection rate of taxes.



Public Hearings to receive public comment on the Notice of Tax Increase are scheduled as follows:

Wednesday, June 18, 2025- 10:00am

Wednesday, June 18, 2025 – 6:30pm

Thursday, June 26, 2025 – 6:00pm



QUESTIONS



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CITY OF
CLARKSTON

where possibilities grow