



Mayor Beverly H. Burks

Councilmembers:

Debra Johnson-Vice Mayor

Yterenickia Bell

Jamie Carroll

Susan Hood

Mark Perkins

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

Tammi Saddler Jones, Interim City Manager

SPECIAL CALLED CITY COUNCIL MEETING AGENDA

Thursday, June 27, 2024 - 6:30 PM
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 of Proposed 2024 Millage Rate.
 - B. **PUBLIC HEARING** on Proposed 2024 Millage Rate.
 - C. Approve an ordinance to adopt the 2024 Millage Rate.
5. **ADJOURNMENT**

PUBLIC PARTICIPATION BY VIDEO CONFERENCE

The City of Clarkston, Georgia will conduct the City Council Meeting at 6:30p.m. on Thursday, June 27, 2024. The public may participate in the meeting by using the following information below:

https://us02web.zoom.us/webinar/register/WN_3q0capM8QAYsScaFaOOQ-QQ

Meeting ID: 863 9318 7564

Passcode: 070818

or dial by your location

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

CITY OF CLARKSTON

SPECIAL CALLED
CITY COUNCIL MEETING

ITEM NO: 4

HEARING TYPE:
Public Hearing

BUSINESS AGENDA / MINUTES

ACTION TYPE:
Adoption

MEETING DATE: JUNE 27, 2024

SUBJECT: Adopt the Fiscal Year 2024 Proposed Advertised Millage Rate

DEPARTMENT: Administration

PUBLIC HEARING: ☒ YES ☐ NO

ATTACHMENT: ☒ YES ☐ NO
Pages: 1

INFORMATION CONTACT: Tammi Saddler
Jones
NUMBER: 404-296-6489

PURPOSE:

To Set the 2024 Advertised Millage (Tax) Rate.

NEED/ IMPACT:

The City of Clarkston received its first Valuation Report from DeKalb County in preparation for the Fiscal Year (FY) 2024 millage (tax) adoption process on May 24, 2024. The City of Clarkston received an analysis of the 2024 Net Tax Digest, the calculated millage rollback rate, and the recommended advertising millage rate. City Staff also completed the attached analysis of the 2024 preliminary digest and the budget impacts.

DeKalb County has requested that our final adopted millage rate be concluded before July 1, 2024. The City of Clarkston set a proposed advertised millage rate of 13.89 mils. This is the millage rate that will be advertised for public information. The proposed millage is not necessarily the same rate the Council will eventually adopt. The final adopted millage rate may be the same as the proposed (advertised) rate or lower than the proposed rate. The final millage rate adopted by the City Council may not be greater than the proposed (advertised) millage rate.

The Council must hold three public hearings if the proposed millage rate is greater than the millage rollback rate of 12.454 mil. The purpose of this meeting is to take public comments on the millage rate for consideration of the final adopted rate. There must be 7 days between the public hearings. Two meetings can be held on the same day with one starting prior to noon, scheduled for June 20, 2024, beginning at 10:00 am, and a second meeting that will begin at 6:30 pm, also on June 20, 2024. The Final public hearing and adoption of the 2024 millage rate is scheduled for 6:30 pm on Thursday, June 27, 2024.

The following represents the Clarkston millage rate history back to Fiscal Year (FY) 2014:

<u>FY</u>	<u>MILLAGE</u>
2014	21.11
2015	17.11
2016	15.89
2017	15.89

2018	15.89
2019	15.89
2020	15.89
2021	14.89
2022	14.89
2023	13.89

At the December 19, 2023 Special Called City Council Meeting, the Clarkston City Council adopted the FY 2024 General Fund budget (Total: \$9,224,065 Property Tax: \$5,768,174), that included the same proposed millage rate of 13.89.

Value of 1 mill:	2024 - \$ <u>391,768</u>	2023 - \$ <u>349,121</u>
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Tax Digest increases:	2023 to 2024: <u>12.22%</u>	2022 to 2023: <u>32.51%</u>
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RECOMMENDATION:

Staff recommends keeping the millage rate at 13.89 mils.

CITY OF CLARKSTON PUBLIC HEARINGS TO ADOPT THE FY 2024 TAX MILLAGE RATE

Presented by:

**Tammi Saddler Jones
Interim City Manager**

&

**Dan Defnall
Finance Director**



Meeting Dates:

- June 20, 2024 @ 10:00 am
First Public Hearing (Woman's Club)
- June 20, 2024 @ 6:30 pm
Second Hearing (Woman's Club)
- June 27, 2024 @ 6:30 pm
Third and Final Millage Public Hearing
(Council Chambers)



WHAT IS THE MILLAGE RATE & HOMESTEAD EXEMPTION?

Millage Rate: The tax rate that is applied to the assessed value of taxable property to calculate the amount of property tax to be paid. The millage rate is usually stated as “dollars per thousand.”

Homestead Exemption: A legal provision that helps reduce the amount of property taxes owed on owner-occupied homes. Exemptions are established by state law and voted upon by citizens in a given city, county or school district.

Basic Homestead Exemption is one of the local exemptions currently offered for our City of Clarkston residents.



CITY OF CLARKSTON BASIC HOMESTEAD EXEMPTION

To qualify, you must:

- Own, occupy, and claim the property as your legal residence on January 1 of the year in which you first qualify for the exemption.
- The person applying for the homestead exemption must be listed on the deed.
- You must continue to own and live in the home as your primary residence as long as you claim the exemption.

HOW TO APPLY FOR THE EXEMPTION

If you do not already have a basic homestead exemption, you must have applied to benefit. The deadline was April 1, 2024.

All homestead exemption filings are applied for directly with the DeKalb County Board of Assessors' Office by mail, in-person or on-line. For filings, please call 404-298-4000 (DeKalb Property Tax Info).

4380 Memorial Drive
Suite 100
Decatur, GA 30032
Mon-Fri 8AM - 5PM

On-line:

<https://dekalbtax.org>
<https://dekalbtax.org/file-homestead-exemption>



THINGS YOU NEED TO KNOW

While all homeowners in the City of Clarkston may qualify for a basic homestead exemption, different exemptions may also apply to property taxes for DeKalb County and DeKalb County School District. There are many different exemptions available for seniors and people with full medical disabilities.

- Disability exemptions are also available for veterans and their surviving spouses.
- Exemptions are also available for surviving spouses of peace officers and firefighters killed in the line of duty.
- Many special exemptions have requirements for age and/or income.

Please contact DeKalb
County Tax Commissioner's
Office for further details.
(404-298-4000)



HOW DOES HOMESTEAD EXEMPTIONS REDUCE PROPERTY TAXES?

- Each property is appraised at Fair Market Value
 - The property is then taxed at 40% of the Fair Market Value = Assessed Value
- The homestead exemption amount is then deducted from the Assessed Value = Taxable Value
- Tax amounts are calculated using the city, school & county millage rate X the Taxable Value

ROLLBACK RATE

► 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 value of the property that was on the last year's tax digest.

- Rollback rate: 12.454
- Recommended Millage Rate: 13.89

- Rollback value:

Tax Revenue @ 12.454 (rollback) =	\$4,879,076
Tax Revenue @ 13.89 =	\$5,441,654
Revenue Difference	\$ 562,578

TAX RATE COMPARISON

CURRENT MILLAGE RATE

- Total Millage - FY 2023
13.89

RECOMMENDED MILLAGE RATE

- Total Millage - FY 2024
13.89

ESTIMATED CITY OF CLARKSTON PROPERTY TAXES

Property Taxes

Fair Market Value	100,000
X 40%	0.40
Assessed Value	40,000
Assessed Value	40,000
Taxable Value	40,000
Taxable Value	40,000
X Millage Rate	0.01389

COC Property Taxes

\$555.60



RECOMMENDATION BY CITY LEADERSHIP

City Leadership is not recommending a Millage Rate Increase in the City of Clarkston.

The Tax Rate will be the same for 2024 as it was in 2023.

The millage rate is established by the levying authority each year.



REASON FOR RECOMMENDATION

- Developing an operating and capital budget for a municipality is a very complex and layered task.
- We analyze personnel and other expenditure requests submitted from departments.
- Our projected revenues must balance with our projected expenditures.
- It is a balancing act between the desired service levels and the cost of those service levels.
- With the revenue projections and expenditures for the FY 2024 budget, we recommend maintaining the current millage rate.

IMPACT OF TAX ADJUSTMENTS AFTER DIGEST WAS FINALIZED IN 2023

The City of Clarkston does not receive the entire amount of property taxes collected.

Based on prior tax year, the City received only 81% of the total projected property taxes.

2023	Tax Assessments Projected	\$4,849,297
2023	Tax Assessments Actual	\$4,640,174
2023	Tax Adjustments	\$ 743,967
2023	Actual Tax Revenue	\$3,896,207

CURRENT 2024 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY

NOTICE

The City of Clarkston does hereby announce that the millage rate will be set at a meeting to be held at the
City Hall Council Chambers, 3921 Church St., Clarkston, GA 30021 and by teleconference / videoconference:
https://us02web.zoom.us/join/wn_3q0capM8QAYsScaFaOQ-QQ; Meeting ID: 863 9318 7564; Passcode: 070818 or dial by your location +1
 312 626 6799 US (Chicago); +1 646 558 8656 US (New York); +1 301 715 8592 US (Washington DC) on June 27, 2024 at 6:30pm and pursuant to the
 requirements of O.C.G.A. § 48-5-32 does hereby publish the
 following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.

CURRENT 2024 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY

CITY Area	CITY WIDE		2019	2020	2021	2022	2023	2024
	V A L U E	Real & Personal	212,534,901	224,331,692	255,708,668	267,399,571	354,451,791	397,076,980
		Motor Vehicles	791,010	703,880	596,540	521,900	555,340	537,610
		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	213,325,911	225,035,572	256,305,208	267,921,471	355,007,131	397,614,590
		Less Exemptions	4,320,465	4,509,094	4,134,482	4,457,987	5,885,665	5,846,818
		NET DIGEST VALUE	209,005,446	220,526,478	252,170,726	263,463,484	349,121,466	391,767,772
	R A T E	Gross Maintenance & Operation Millage	15.8900	15.8900	14.8900	14.8900	13.8900	13.8900
		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	15.8900	14.8900	14.8900	13.8900	13.8900
TAX	TOTAL M&O TAXES LEVIED		\$3,321,097	\$3,504,166	\$3,754,822	\$3,922,971	\$4,849,297	\$5,441,654
	Net Tax \$ Increase		\$1,151,706	\$183,069	\$250,656	\$168,149	\$926,326	\$592,357
	Net Tax % Increase		53.09%	5.51%	7.15%	4.48%	23.61%	12.22%

<http://www.etax.dor.ga.gov/ptd/download/index.aspx>



QUESTIONS



Property Tax Digest 5/23/2023 PRELIM DIGEST REPORT	FINAL 07/27/2023	PRELIM 05/23/2024	Change		Revenue Categories				
AT BUDGET BREAKEVEN ROLLBACK RATE 12.208	2023	2024	% 2024	% of Tax	311190 - Other	311110 -	311390 -	311310 -	
	40% Value	40% Value	vs. 2022	Digest	Real Property Tax	Public Utility Prop Tax	Personal Property Tax	Motor Vehicle Tax	Total Revenue
RESIDENTIAL									
R1-Improvements	90,835,414	95,289,443	4.90%		\$ 1,323,570				\$ 1,323,570
R3-Lots	28,112,066	28,329,397	0.77%		\$ 393,495				\$ 393,495
R4-Small Tracts	214,400	209,080	-2.48%		\$ 2,904				\$ 2,904
R5-Large Tracts	-	-							\$ -
RB-Boats	-	-							\$ -
Residential	119,161,880	123,827,920	3.92%	31.1%	\$ 1,719,970	\$ -	\$ -	\$ -	\$ 1,719,970
COMMERCIAL									
C1-Improvements	149,197,491	183,069,886	22.70%		\$ 2,542,841				\$ 2,542,841
C3-Lots	8,927,898	9,787,037	9.62%		\$ 135,942				\$ 135,942
C4-Small Tracts	16,524,445	18,081,801	9.42%		\$ 251,156				\$ 251,156
C5-Large Tracts	6,345,193	6,481,508	2.15%		\$ 90,028				\$ 90,028
CF-Furn/Fixt/Eqpt	2,082,181	2,428,340	16.62%			\$ 33,730			\$ 33,730
CI-Inventory	3,419,396	6,107,706	78.62%			\$ 84,836			\$ 84,836
CP-Freeport Inventory	125,708	154,376				\$ 2,144			\$ 2,144
Commercial	186,622,312	226,110,654	21.16%	56.9%	\$ 3,019,967	\$ -	\$ 120,710	\$ -	\$ 3,140,677
INDUSTRIAL									
I1-Improvements	28,860,725	29,545,714	2.37%		\$ 410,390				\$ 410,390
I3-Lots	3,202,284	3,050,339	-4.74%		\$ 42,369				\$ 42,369
I4-Small Tracts	4,331,529	4,171,759	-3.69%		\$ 57,946				\$ 57,946
IF-Furn/Fixt/Eqpt	1,960,542	1,861,084	-5.07%			\$ 25,850			\$ 25,850
II-Inventory	73,524	92,224	25.43%			\$ 1,281			\$ 1,281
IP-Freeport Inventory	3,432,711	3,071,611	-10.52%			\$ 42,665			\$ 42,665
Industrial	41,861,315	41,792,731	-0.16%	10.5%	\$ 510,705	\$ -	\$ 69,796	\$ -	\$ 580,501
UTILITY	6,806,284	5,345,675	-21.46%	1.3%		\$ 74,251			\$ 74,251
MOTOR VEHICLE	555,340	537,610	-3.19%	0.1%				\$ 7,467	\$ 7,467
Gross Digest	355,007,131	397,614,590	12.00%	100.0%	\$ 5,250,642	\$ 74,251	\$ 190,506	\$ 7,467	\$ 5,522,867
Exemptions:									
M1-City Homestead	5,885,665	5,846,818			\$ (81,212)				\$ (81,212)
Total Exemptions	5,885,665	5,846,818			\$ 5,169,429	\$ 74,251	\$ 190,506	\$ 7,467	\$ 5,441,654
Net Digest	349,121,466	391,767,772			\$ 5,511,538	\$ 94,539	\$ 154,097	\$ 8,000	\$ 5,768,174
Net Adjusted Digest	349,121,466	391,767,772	12.22%		\$ 3,754,198	\$ 68,804	\$ 102,942	\$ 12,551	\$ 3,938,495
APPEALS	-	-			\$ (342,109)	\$ (20,288)	\$ 36,409	\$ (533)	\$ (326,520)
Net Adjusted Digest at Billing	349,121,466	391,767,772							
ESTIMATED PROPERTY TAX REVENUES									
Millage Rate	13.890	13.890							
13.89 mills for 2023	\$ 4,849,297	\$ 5,441,654							
\$\$\$ revenue per mil	\$ 349,121	\$ 391,768							
Final Budgeted Revenue	\$ 4,083,616	\$ 5,768,174							
Final Actual Revenue	3,938,495								
Projected Budget Shortfall	\$ (145,121)	\$ (326,520)							
Final Millage Rate	13.890	\$ 13.890							
Difference between 2023 Digest and Final 2023 Revenue	\$ 910,802.16								
2023 RE Tax Adjustments	\$ (703,222)								
2023 PP Tax Adjustments	\$ (3,062)								
2023 PY RE Tax Adjustments	\$ (37,840)								
	\$ 166,678								

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH REAL PROPERTY AD VALOREM TAX ASSESSMENTS FOR TAX YEAR 2024 TO ESTABLISH THE TAX LEVY RATE FOR TAX YEAR 2024; TO ESTABLISH REDUCTIONS AND EXEMPTIONS ON SUCH TAXES LEVIED FOR TAX YEAR 2024; AND FOR OTHER PURPOSES.

BE IT ORDAINED by the Mayor and Council of the City of Clarkston, Georgia, and it is hereby ordained by authority thereof, as follows:

SECTION ONE

All real property located within the corporate limits of the City of Clarkston, subject to taxation for state and county purposes shall be subject to real property ad valorem tax levied by the City of Clarkston, as hereinafter provided.

SECTION TWO

All such real properties subject to taxation by the City of Clarkston shall be assessed for such taxation purposes for tax year 2024 at Forty Percent (40%) of the fair market value at which such real property is assessed by the governing authorities of DeKalb County, Georgia; for real property ad valorem taxation purposes for tax year 2024, without application of homestead exemption.

SECTION THREE

The real property tax millage rate for tax year 2024 shall be _____ mills or \$____ per one thousand dollars (\$1000) of assessed valuation; provided, however, that after the tax has been computed at said rate, the tax otherwise levied on each tax bill of resident homeowner taxpayers who are 65 years of age and older on or before January 1, 2024, shall be reduced by twenty thousand dollars (\$20,000) of the total of said levy.

SECTION FOUR

The computation set forth in Section Three of this Ordinance shall be shown on the 2024 real property ad valorem tax bills to include: Market Value; Assessment; Less \$20,000 reduction of assessment if taxpayer was 65 years of age or older on or before January 1, 2024, and also a resident homeowner on said date; and 2024 Real Property Taxes Due.

SECTION FIVE

All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed; all existing ordinances or parts of ordinances not inconsistent with this Ordinance shall remain in full force and effect.

SECTION SIX

This Ordinance shall take effect and be in force from and after its passage according to law.

ALL SO ORDAINED, this 27th day of June, 2024, by the Mayor and Council of the City of Clarkston.

Approved:

BEVERLY H. BURKS, Mayor

Attest:

Tomika R. Mitchell, City Clerk