City Council Public Hearing
AUGUST 2, 2021

ALPHARETTA CITY HALL
COUNCIL CHAMBERS
2 PARK PLAZA
11:30 AM

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE TO THE FLAG

IV. PUBLIC HEARING

A. Public Hearing On The Fiscal Year 2022 Millage Rate Levy

V. PUBLIC COMMENT

VI. ADJOURNMENT

City Council Public Hearing
STAFF REPORT

Submitting Department: Finance
Submitted By:
Sponsored By:
Meeting Date: August 2, 2021

I. AGENDA ITEM TITLE: PUBLIC HEARING ON THE FISCAL YEAR 2022 MILLAGE RATE LEVY

II. RECOMMENDATION:

The purpose of this hearing is to obtain public comment on the Recommended Fiscal Year 2022 Millage Rate Levy.

III. BUDGET IMPLICATIONS:

BUDGETED ITEM: YES
FISCAL IMPACT: YES
INCLUDED IN CURRENT FY CPTL BUDGET: YES
INCLUDED IN CURRENT FY OPRT. BUDGET: YES
TOTAL PROJECT COST:
APPROPRIATIONS:

ACCOUNT TITLE/NUMBER	DOLLAR AMOUNT

EXTERNAL FUNDING SOURCES:

ACCOUNT TITLE/NUMBER	DOLLAR AMOUNT

IV. REPORT IN BRIEF:

The FY 2022 Budget was distributed electronically to the City Council on April 26, 2021 and made available on the City's website through the financial transparency portal (OpenGov) and as a downloadable pdf document.

The Finance Department presented an overview of the operating/capital budget at the May 3rd, May 17th, and May 24th City Council Meetings.

Public Hearings on the budget were held on June 7th and June 21st with final approval of the FY 2022 Budget occurring on June 21, 2021.

The FY 2022 Budget forecasted an overall reduction in property tax revenue driven through a revaluation of the commercial tax base due to the COVID-19 pandemic and its effect on operations. However, the 2021 tax digest (provided in early July) highlights tax base growth of 3% (reassessment of existing properties excluding new construction). Inherent in the overall 3% growth forecast is reassessment of the residential tax base approximating 6% (in-line with budget forecasts) with commercial assessments roughly flat with the prior year (pre COVID-19). It is a safe assumption that commercial appeals for the 2021 tax digest will outpace recent year trends.

The City's millage rate levy proposal for 2021 (FY 2022) is the same as the prior year at 5.75 mills.

The City's millage rate of 5.75 mills includes 4.935 mills for general government (i.e., operations and recurring capital investment) and 0.815 mills for debt service on voter approved bonds.

The proposed millage rate levy, after factoring-in the certified tax digest values and adjusting for heightened appeal activity and recent digest erosion trends, is estimated to generate additional property tax revenue of $1 to $1.5 million after appeal forecasts.

The FY 2022 millage rate, coupled with the city's substantial Homestead Exemptions, goes great lengths in keeping Alpharetta an affordable place to live and strategically positions us relative to neighboring areas. The city's multiple homestead exemptions are estimated to save our homeowners $5 million annually and include:

- Floating Homestead exemption that caps the taxable value growth of homesteaded properties to the lesser of 3% or CPI;
- Basic Homestead exemption of $45,000 off the assessed value of homesteaded properties which is among the highest in the State;
- Senior Basic Homestead exemption of $25,000 off the assessed value of homesteaded properties for residents age 65 and older;
- Senior full-value exemption available to residents age 70 and older who meet certain income requirements.

Today's meeting is the 2nd of 3 public hearings on the FY 2022 Millage Rate Levy with the schedule as follows:

- July 26, 2021 (6:30 pm)
- August 2, 2021 (11:30 am)
- August 2, 2021 (6:30 pm)

Adoption of the FY 2022 Millage Rate is done through ordinance with the schedule as follows:

- July 26, 2021 (6:30 pm) – 1st Reading
- August 2, 2021 (6:30 pm) – 2nd Reading

V. ALTERNATIVES:

VI. ATTACHMENTS: