



Item Number: {{item.number}}

# CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

**DATE:** April 30, 2024

**TO:** Mark Washington, City Manager

**COMMITTEE:** City Commission Meeting

**LIAISON:** N/A

**FROM:** Molly Clarin, Chief Financial Officer  
Fiscal Services

**SUBJECT:** **Resolution scheduling a Public Hearing for Tuesday, May 14, 2024  
on the Proposed Property Taxes and FY2025 City Budget**

The following resolution sets a date, time, and place for a public hearing on the proposed City FY2025 budget, and on the property tax millage rate proposed to be levied to support the proposed budget. The format of the public notice complies with the State requirements as set forth in Act 5 of 1982. In addition, it establishes the proposed property tax millage rate for 2024 (FY2025) as follows:

CITY OF GRAND RAPIDS PROPOSED 2024 (FY 2025) PROPERTY TAX MILLAGE RATE							
	2023 (FY 2024) TAX LEVY IN MILLS	2023 OPERATING LIMIT		2024 HEADLEE MILLAGE REDUCTION FACTOR		2024 AUTHORIZED TAX LEVY IN MILLS	2024 (FY 2025) PROPOSED TAX LEVY IN MILLS
*City Operating	5.6861	5.6861	x	0.9893	=	5.6252	5.6252
Library	0.3498	0.3498	X	0.9893	=	0.3460	0.3460
Refuse	1.8000	2.5496	X	0.9893	=	2.5223	1.8000
Promotional	0.0074	\$50,000.00		NA		0.0068	0.0068
Parks II	<u>1.1892</u>	1.1892	X	0.9893	=	<u>1.1764</u>	<u>1.1764</u>
	9.0325					9.6767	8.9544
* City Operating Allocation							
PURPOSE	2023 (FY 2024) ALLOCATION	2024 (FY 2025) ALLOCATION					
General Operating	2.5301	2.4896					
General Capital	1.2500	1.2500					
Library Operating	<u>1.9060</u>	<u>1.8856</u>					
	5.6861	5.6252					
<b>Truth in Taxation MCL 211.24e</b>							
<i>2024 Base Tax Rate = 2023 Levy X 2024 BTRF= 9.0325 X 0.9413 = 8.5023</i>							
<i>The proposed 2024 (FY 2025) millage rate does exceed the base tax rate and the City is required to hold a public hearing to receive public input on the proposed millage.</i>							

The average residential property in the City of Grand Rapids has a taxable value of approximately \$76,146. If the property tax millage rates shown above are approved, the property taxes for the average residential property for the City of Grand Rapids would be \$681.84. This compares to the prior year’s average residential taxable value of \$70,199 and average City taxes of \$634.07.

The public hearings on the budget for the General Operating, Special Revenue, Debt Service, Capital Construction, Enterprise, and Intragovernmental Service Funds and property tax will be scheduled for Tuesday, May 14, 2024, at 7:00 p.m. at City Hall Grand Rapids, 300 Monroe Avenue NW, Grand Rapids, MI 49503.

Staff will present a resolution authorizing the 2024 property tax millage rate(s) and a resolution adopting the FY2025 budget at the City Commission meeting on May 21, 2024.

WHEREAS:

1. Act 43 of the Public Acts of Michigan of 1963 (second Extra session) (being MCL 141.411 et. seq.) requires that every local unit provide for a public hearing to be held on its proposed budget, and that notice of said hearing be given at least six days prior to the hearing date by publication in a newspaper of general circulation within such unit; and,
2. Act 5 of the Public Acts of Michigan of 1982, as amended, (being MCL 211.24e) requires the governing body of a taxing unit hold a public hearing to receive testimony concerning an increase in the base operating millage rate for its ensuing fiscal year; and,
3. The proposed 2024 (FY2025) property tax millage rate does exceed the base tax rate and the City is required to hold a public hearing to receive public input on the proposed property tax millage rate; therefore,

RESOLVED:

1. That the FY2025 City operating tax levy be decreased by 0.0781 mills to a proposed total operating tax levy of 8.9544; and,
2. That public hearings on the proposed 2024 property tax millage rate and FY2025 budget for the General Operating, Special Revenue, Debt Service, Capital Construction, Enterprise, and Intragovernmental Service Funds will be scheduled for Tuesday, May 14, 2024, at 7:00 p.m. at Grand Rapids City Hall, 300 Monroe Avenue NW, Grand Rapids, MI 49503; and,
3. That the City Clerk is instructed to post at the principal office of the City of Grand Rapids, 300 Monroe Avenue NW, the attached notice of public hearings on establishing property taxes and on the proposed City budget; and,
4. That the City Clerk is instructed to publish the attached notice in the Grand Rapids Press on Sunday, May 5, 2024, in a section of the Grand Rapids Press other than the classified advertisement section or that section of the Grand Rapids Press reserved for legal notices; and,
5. That the City Clerk is instructed to send timely written notice of the time, date, and place of the public hearings herein established to all newspapers of general circulation within the City of Grand Rapids.

CORRECT IN FORM  
  
DEPARTMENT OF LAW