



# Millage Increase

6/21 City Commission Special Meeting

# Agenda

Millage

Revenues

Expenditures

FAQ

Resident Impact

# Proposed Millage Increase

Current Operating Millage: 14.9225

Proposed Increase: 2.6379

New Operating Millage if Approved: 17.5604

# Revenue

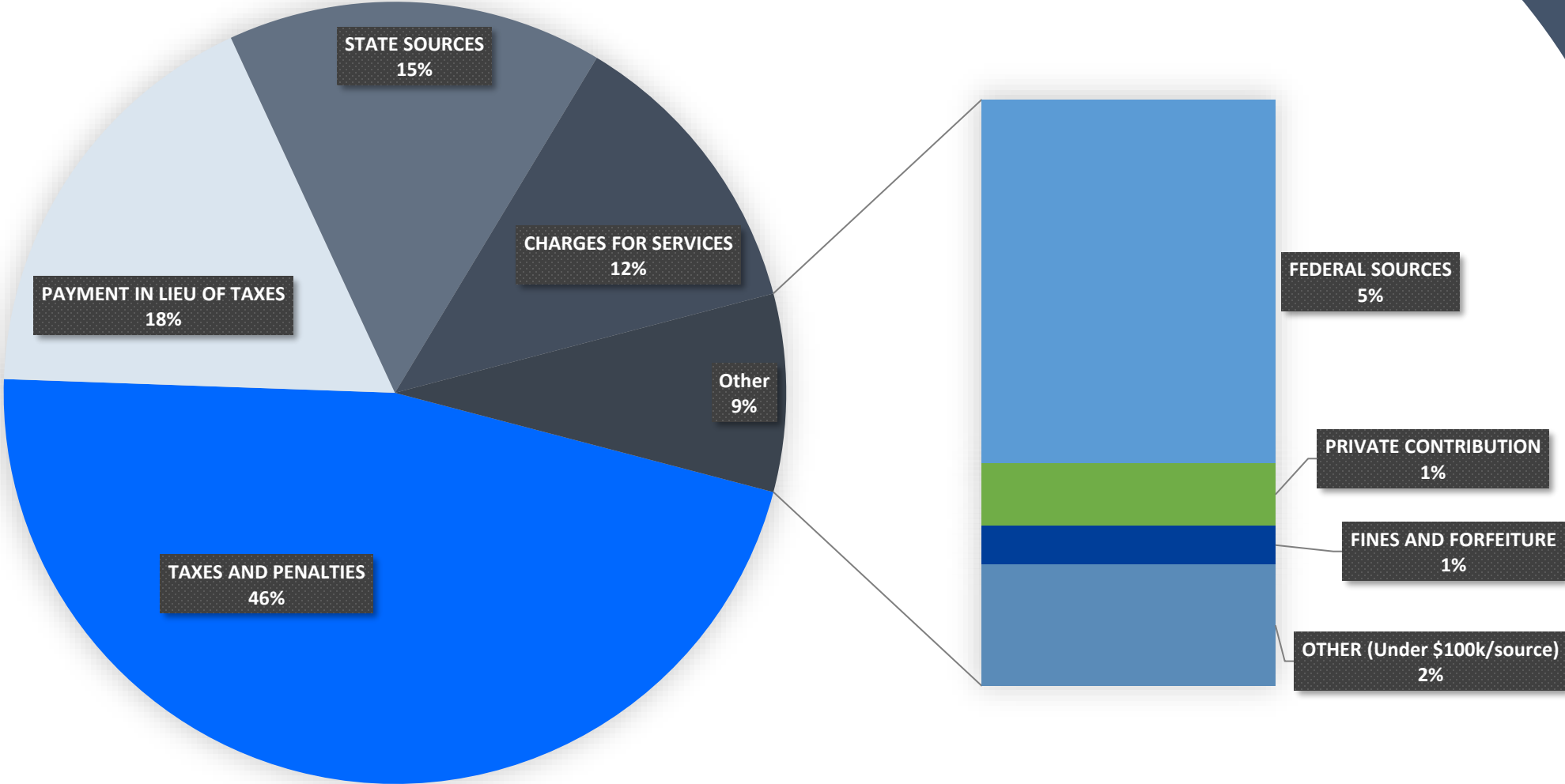
What are the revenue sources in the City?

Taxes

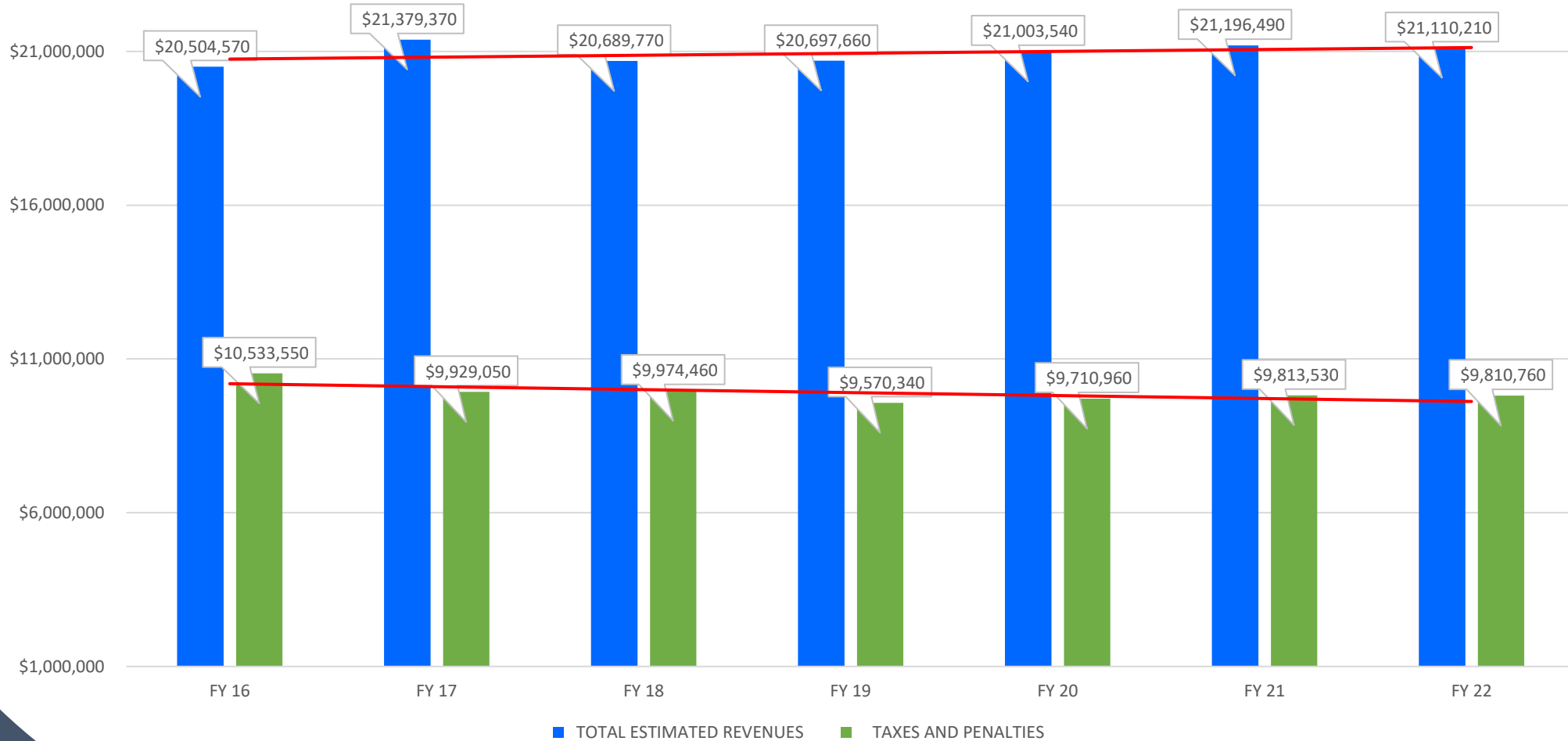
Payments in Lieu of Tax (PILT)

User Fees

# Revenue by Source (2022)

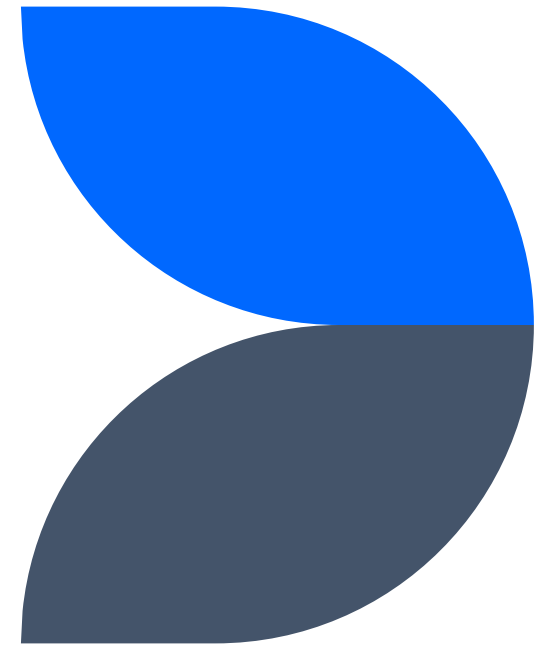


# 7 Year Revenue Trend

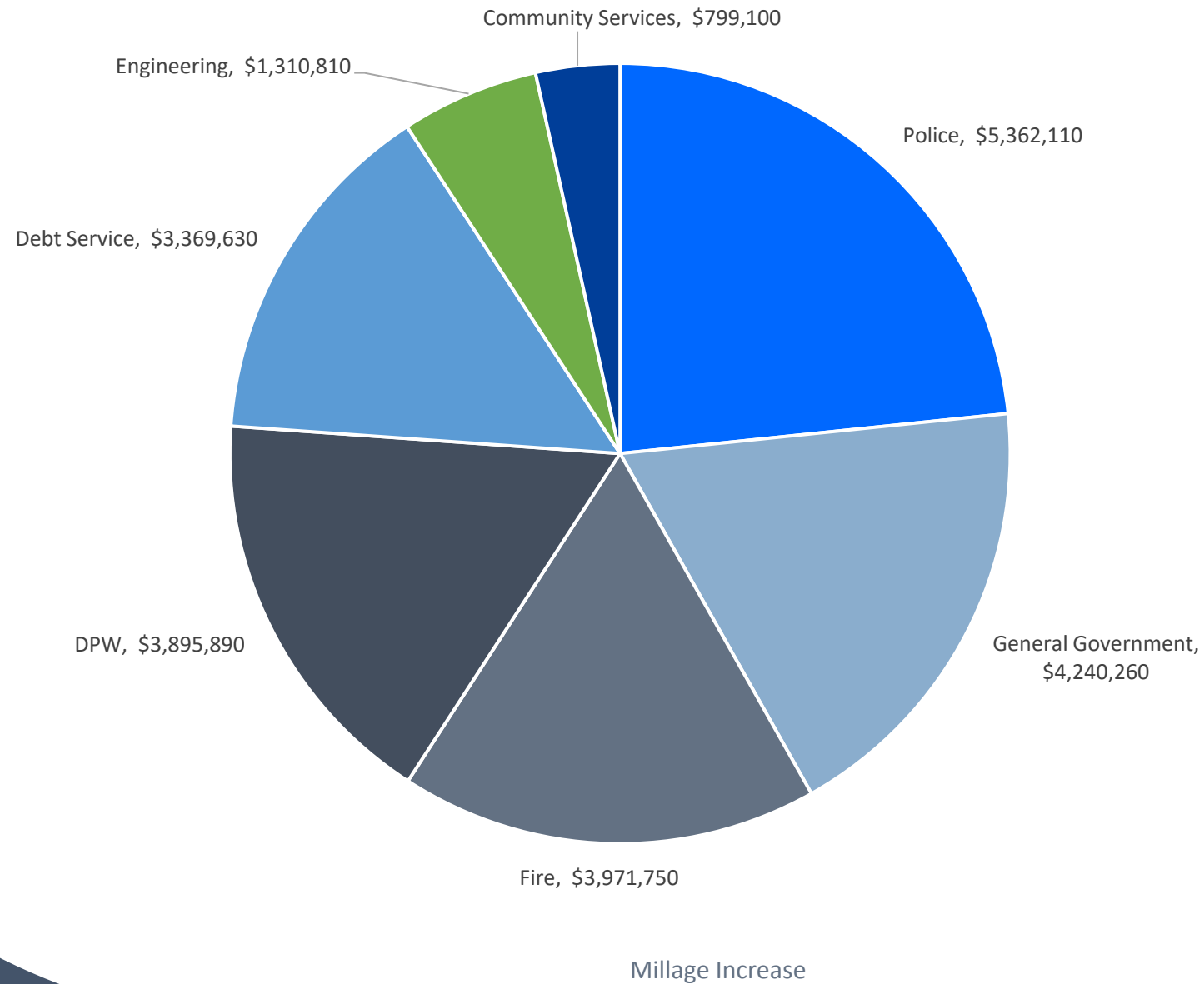


# Expenditures

Or “How City Money is Spent”



# FY 22 Expenditures (\$22,949,550)

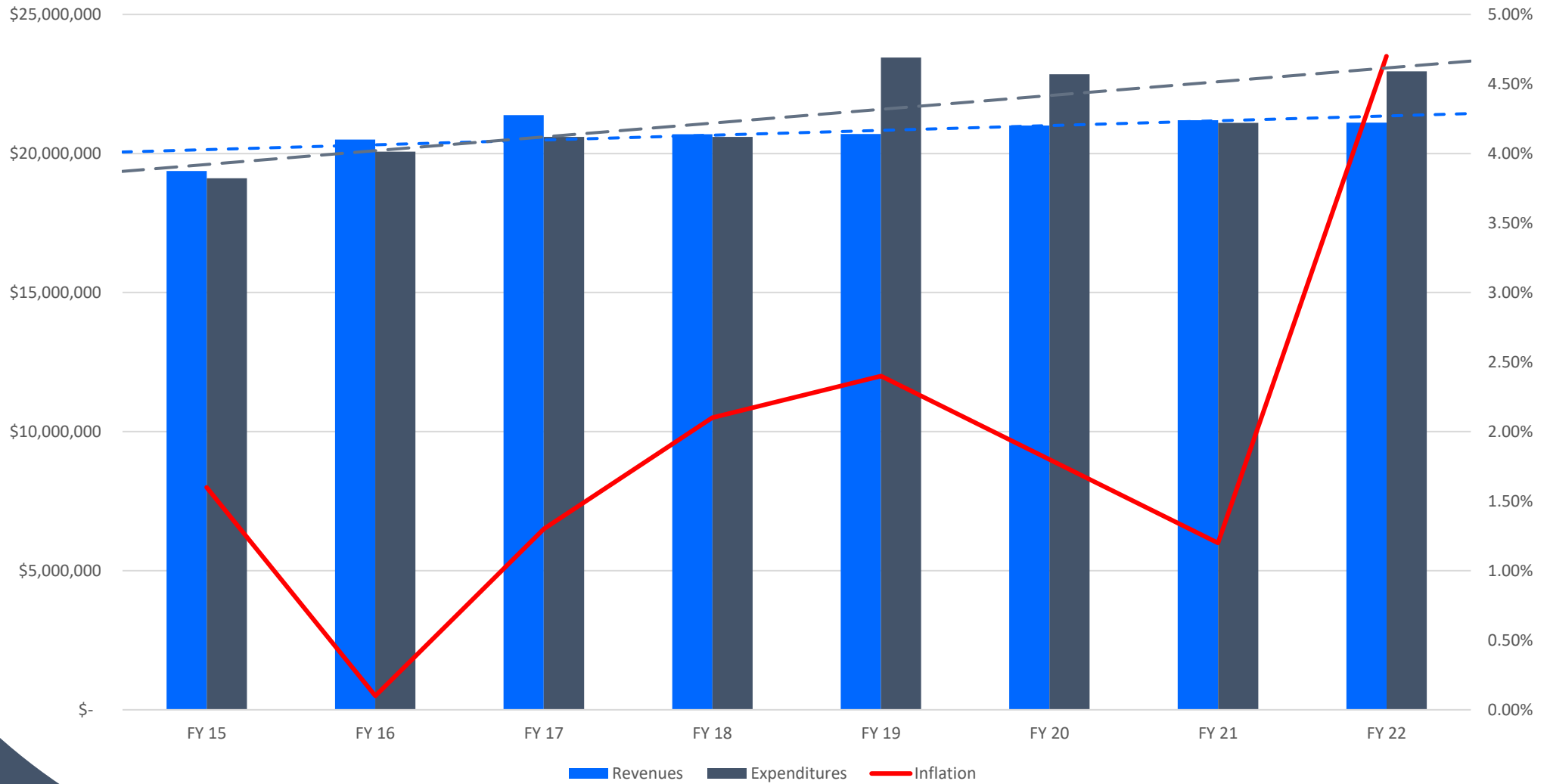






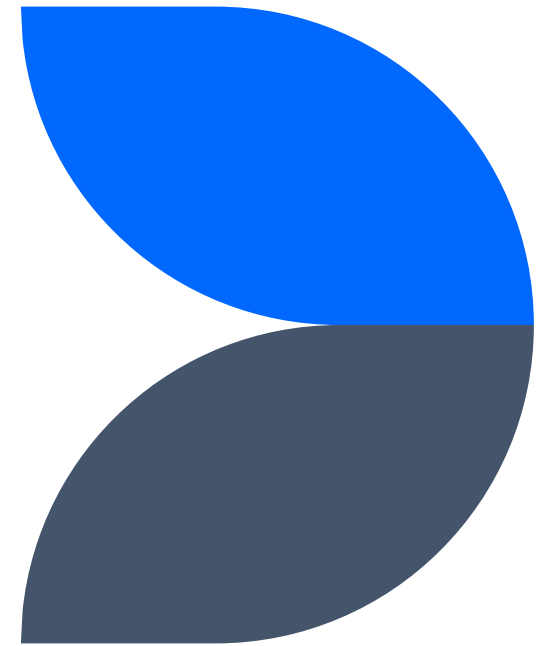
# City Services

# Expenditures vs Revenues



# Community Concerns

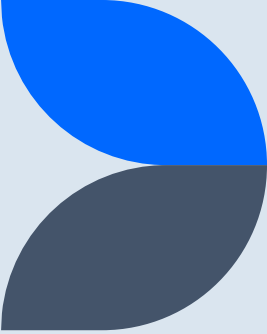
Tax Options, Brownfields, Marijuana,  
Tourism



# Michigan Tax Law

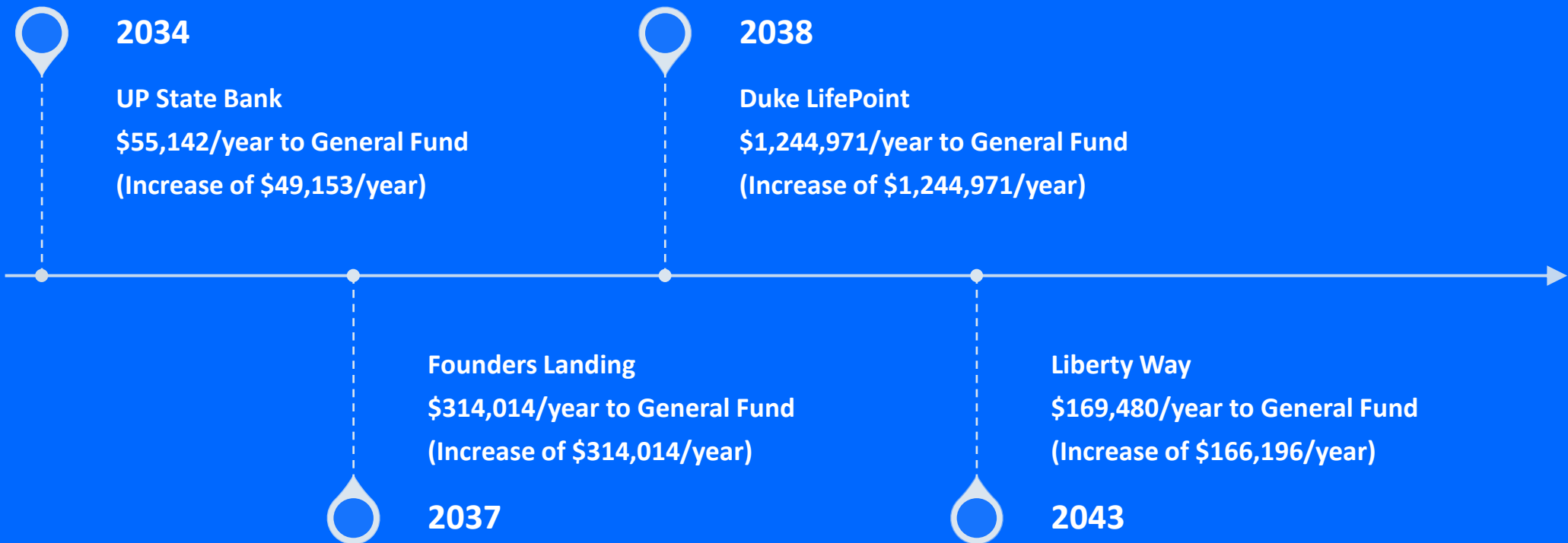
Local Tax Source	Michigan	Ohio	Indiana	Illinois	Wisconsin
Property	Yes	Yes	Yes	Yes	Yes
Income	Cities Only	Yes	Yes	No	No
Sales	No	Yes	No	Yes	Yes
Motor Fuel	No	No	No	Yes	No
Motor Vehicle License	No	Yes	Yes	Yes	Yes
Alcohol	No	Yes	No	Yes	No
Tobacco	No	Yes	No	Yes	No
Public Utility Sales	Detroit	Yes	Yes	Yes	No
Total	2	7	4	7	3

# Active Brownfields (Excluding DDA Capture)



Project	UP State Bank	Founders Landing	Duke LifePoint	Liberty Way
General Fund Contribution	\$5,989	None (Formerly Municipal Land)	None (Formerly Municipal Land)	\$3,284
Estimated General Fund After Completion	\$55,142	\$314,014	\$1,244,971	\$169,480
Estimated Year of Completion	2034	2037	2038	2043
Estimated Revolving Loan Contributions	\$265,194	\$243,601	\$9,000,000	\$1,625,000

# Brownfield Payoff Timeline



# Marijuana Excise Taxes

## 2021

Single operating license in City at the end of 2020.

City received \$28,000.

## 2022

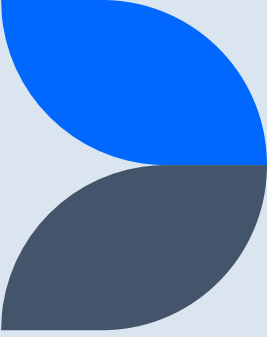
Four operating licenses in City at end of 2021.

City received a total of \$225,600 (\$56,400 per license).

## Important Facts

- Revenue from this source is dependent on the total excise taxes collected in the State.
- Changes each year and impossible to predict.
- Only mechanism for collecting marijuana taxes.
- Revenues are expected to level-off as more licenses are issued throughout state

# Tourism



Limited options available for revenue generation.

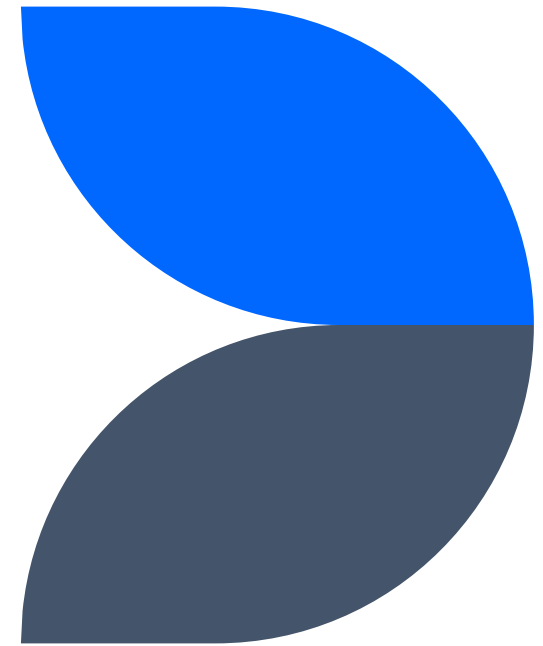
City can't add a tax onto hotels or short-term rentals.

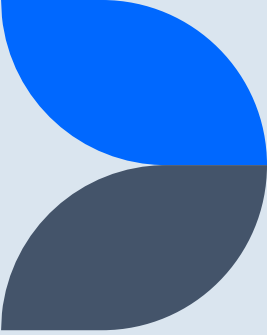
Inspection fees must be equivalent to cost-of-service.

Tourism is not a focus of City services beyond services also provided to residents.



# Resident Impact and Timeline



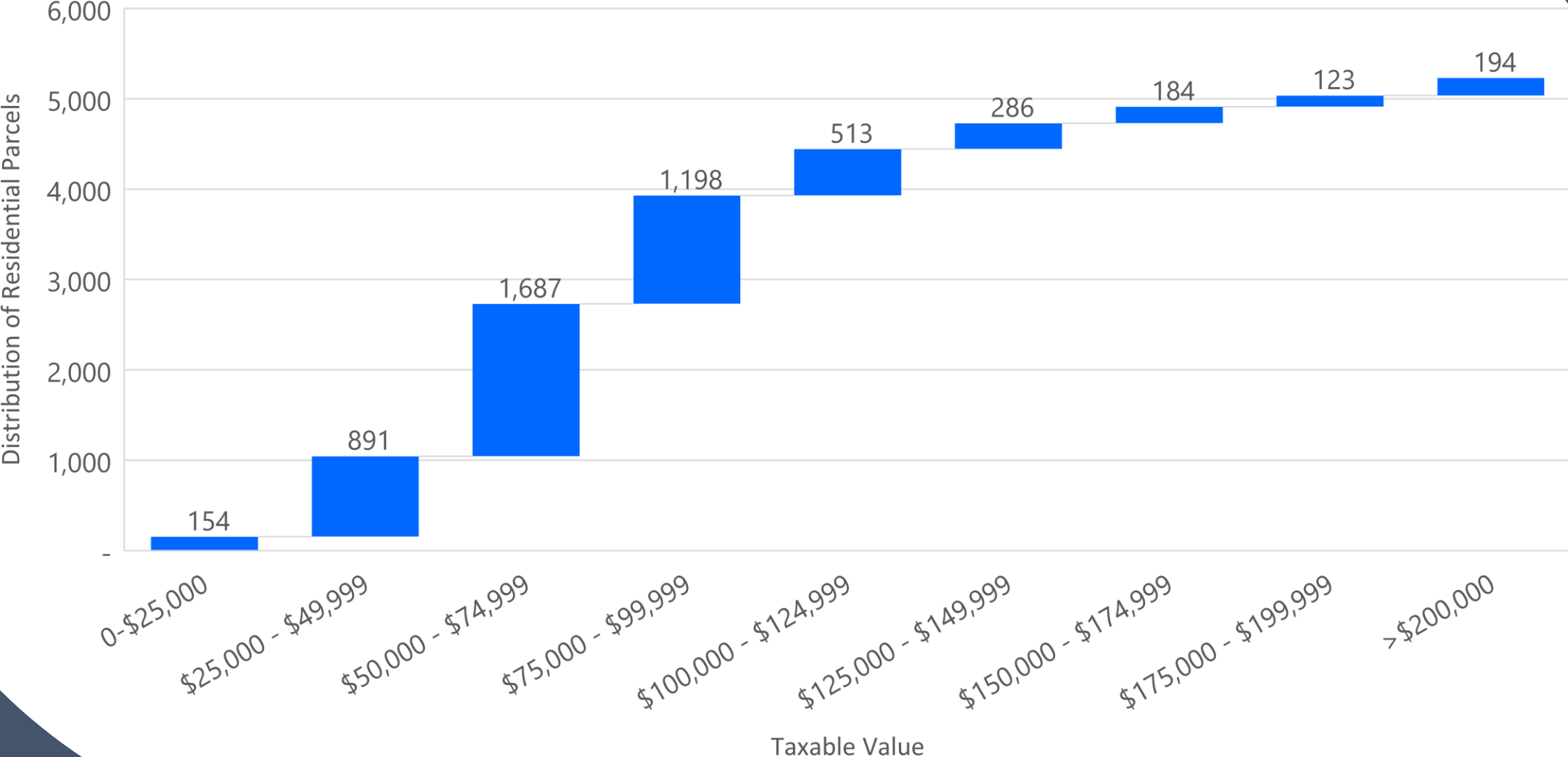


# Impact on Residents

Taxable Value	Yearly Increase	Monthly Impact
\$60,000.00	\$158.27	\$13.19
\$80,000.00	\$211.03	\$17.59
\$150,000.00	\$395.69	\$32.97
\$500,000.00	\$1,318.95	\$109.91

**MARQUETTEMI.GOV/MILLAGE**

# Residential Taxable Value Distribution



# Implementation Timeline

