**Section 9.16 - Tax Levy; Limitations:**
The Council shall raise annually by a general tax upon the real and personal property liable to taxation within the City such sums of money not to exceed in amount one percent of the assessed valuation of all such taxable property, as it shall deem necessary to defray all expenses and expenditures set forth in the budget and to pay all the liabilities of the City.

Ballot question info as currently proposed

Shall Section 9.16.5 regarding Millage Rate Levy Limitation be added to the Troy City Charter as follows:
"Section 9.16.5. The Council shall not increase the millage rate imposed pursuant to Section 9.16 of this charter above a current rate actually imposed, levied, and collected unless the increased rate shall first be approved by a majority of the City electors voting on the question."? Yes ___ or No ___?

**YES** A YES vote means that the 2009 City of Troy maximum allowable Operating and Capital Millage Rate will be reduced from the Headlee limited 8.5076 mills to a rate that shall not be higher than 8.1000 mills. Based on a letter from the Attorney General's office, the 2010 and beyond millage rates are unknown at this time.

**NO** A NO vote means that the City Council may by Charter authorization levy up to a Headlee reduced maximum of 8.5076 mills. (Currently the City Council has approved a levy of 8.1000 mills.)

My suggestion.

**YES** A YES vote means that the City Council cannot increase the millage rate above a current imposed rate without first obtaining voter approval. The Attorney General's office has raised the question that the proposed charter amendment does not specify what the current rate is or how it is to be determined, now or in the future. Currently the City Council has approved a levy of 8.1000 mills and would require voter approval to raise the rate above 8.1000 mills up to the Charter authorized and Headlee reduced levy of 8.5076 mills.

**NO** A NO vote means that the City Council may by Charter authorization levy up to a Headlee reduced maximum of 8.5076 mills "**without**" voter approval. Currently the City Council has approved a levy of 8.1000 mills and currently could increase the millage rate by 0.4076 mills without voter approval.

If the city millage rate levy was at the maximum rate authorized, what effect would this have on the city's AAA rating? How does this impact differ from the impact from the charter amendment proposal?

In brochure the third question can be removed since it is answered in the Yes and No info above. How can the millage rate be increased in future years?

What drives the budget process in Troy, is it the revenue available or the revenue needed and why?