

2019 Millage Rate Discussion



August 13, 2019

Georgia Law Requires Certain Disclosures Prior to the Establishment of the Annual Millage Rate for Ad Valorem Tax Purposes

- **First** - Publish the assessed taxable value of all property, the proposed mill rate, the assessed taxable values and millage rates for the preceding five calendar years. It must also indicate the percentage increase/decrease and total dollar increase/decrease. This is commonly referred to as the Current Digest and 5 Year History of Levy.

- this ad must appear in newspaper at least 1 week prior to adoption of mill rate.

Georgia Law Requires Certain Disclosures Prior to the Establishment of the Annual Millage Rate for Ad Valorem Tax Purposes

- **Second** – the recommending authority must compute a “rollback” millage rate, which is the previous year’s millage rate minus the millage equivalent of the value added by reassessments of existing real property.
 - **If** the proposed rate is higher than the rollback rate, certain advertisements, press releases and public hearings must be held prior to the adoption of the final millage rate.

NOTICE

The Augusta-Richmond County Board of Commissioners does hereby announce that the millage rate will be set at a meeting to be held at the Lee Beard Commission Chambers, Municipal Building 535 Telfair Street, Augusta, Georgia on (Date of Meeting) at (Time of Meeting) 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 2019 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY

		COUNTY WIDE	2014	2015	2016	2017	2018	2019
		C o u n t y w i d e	V A L U E	Real & Personal	5,012,723,815	5,099,371,838	5,528,927,360	5,283,632,314
Motor Vehicles	311,397,550			221,670,460	165,290,850	121,655,610	90,345,690	73,295,970
Mobile Homes	17,837,393			16,849,509	16,044,366	15,538,379	14,687,244	13,757,083
Timber - 100%	644,553			1,267,000	995,100	750,451	647,015	701,488
Heavy Duty Equipment	32,147			42,756	198,500	71,738	156,345	136,987
Gross Digest	5,342,635,458			5,339,201,563	5,711,456,176	5,421,648,492	5,492,374,565	5,593,677,905
Less Exemptions	627,710,156			633,436,210	925,907,644	705,826,990	724,371,162	700,276,059
NET DIGEST VALUE	4,714,925,302			4,705,765,353	4,785,548,532	4,715,821,502	4,768,003,403	4,893,401,846
A r e a	R A T E	Gross Maintenance & Operation Millage	16.0530	16.3730	15.7640	16.0030	16.0550	16.3320
		Less Rollback (Local Option Sales Tax)	6.2650	6.5810	5.9700	6.2170	6.2990	6.6540
		NET M&O MILLAGE RATE	9.7880	9.7920	9.7940	9.7860	9.7560	9.6780
T A X		TOTAL M&O TAXES LEVIED	\$46,149,689	\$46,078,854	\$46,869,662	\$46,149,029	\$46,516,641	\$47,358,343
		Net Tax \$ Increase	\$8,466,739	(\$70,835)	\$790,808	(\$720,633)	\$367,612	\$841,702
		Net Tax % Increase	22.46%	-0.15%	1.72%	-1.54%	0.80%	1.81%

Cautions about 5 year history ad information

- Required by state – no deviation allowed
- Assumes 100% collection rate
- Amount for motor vehicle not correct (MV mill rate is always one year behind)
- Does not reflect early payment discount (approximately \$400,000)

Excerpt From Ga DOR Digest Compliance Guide

(4) Advertisement of rollback rate, press release and public hearing. The procedures for the advertising of the rollback rate, issuing the required press release and holding public hearings shall be as provided in this paragraph.

(a) Procedure when rollback rate not exceeded. Whenever a recommending or levying authority proposes to adopt a millage rate that *does not* exceed the rollback rate calculated as defined in subparagraph (i) of paragraph (2) of this Rule, such authority shall adopt the millage rate at an advertised public meeting and at a time and place which is convenient to the taxpayers of the taxing jurisdiction, in accordance with O.C.G.A. § 48-5-32.

Timeline if Rollback Rate is Proposed:

August 13, 2019 Commission sets 2019 Proposed Mill Rates and announces date that final rates will be approved

August 15, 2019 Required 5 year history and Current Year Digest appear in newspaper and posted to web site

August 27, 2019 Commission adopts 2019 mill rates for each taxing district

Excerpt From Ga DOR Digest Compliance Guide

(b) Procedure when rollback rate is exceeded. Whenever a recommending or levying authority proposes to establish a general maintenance and operation millage rate that would require increases beyond the rollback rate calculated in subparagraph (i) of paragraph (2) of this Rule, such authority shall advise its intent to do so and *conduct at least three public hearings* in accordance with O.C.G.A. § 48-5-32.

Additional Requirements:

Press Release

Notice of Intent to Increase Property Taxes

Timeline if Rate is Proposed which exceeds Rollback Rate:

August 13, 2019

Commission sets 2019 Proposed Mill Rates and announces date that final rates will be approved

August 15, 2019

Required 5 year history and Current Year Digest appear in newspaper and posted to web site. Issue press release with required language announcing tax increase. Advertise time and date of first two public hearings.

August 22, 2019

Hold first two public hearings, advertise 3rd meeting

August 29, 2019

Hold third public hearing. Hold meeting to adopt mill rates

Augusta – Richmond County Georgia

Schedule of Proposed 2019 Millage Rates

08/13/2019

<u>MILLAGE RATE BY FUND</u>	Approved Rate 2017	Approved Rate 2018	Calculated Rollback Rate 2019	Difference 2018 to 2019
COUNTY-WIDE GENERAL	16.003	16.055	16.332	0.277
SALES TAX CREDIT	6.217	6.299	6.654	0.355
COUNTY GENERAL FUND-NET M&O	9.786	9.756	9.678	-0.078
URBAN SERVICES GENERAL	10.868	10.989	11.185	0.196
SALES TAX CREDIT - URBAN	5.643	5.758	6.023	0.265
URBAN SERVICES DIST.-NET M&O	5.225	5.231	5.162	-0.069
CAPITAL OUTLAY FUND	0.780	0.778	0.772	-0.006
FIRE PROTECTION	2.136	2.127	2.112	-0.015
BLYTHE-FIRE DISTRICT M&O	3.308	3.299	3.300	0.001
COUNTY BONDS	0.000	0.000	0.000	0.000
URBAN SERVICES BONDS	0.000	0.000	0.000	0.000
URBAN SERVICE BID DISTRICT 5	0.000	0.000	0.000	0.000
URBAN SERVICE BID DISTRICT 6	0.000	0.000	0.000	0.000

Augusta - Richmond County, Georgia 2019 Tax Cap Calculations

worksheet ONLY*****

2019 TAX CAP CALCULATIONS

	General Fund	Urban Services Fund	Fire Protection Fund
1979 Millage Rate	16.520	25.960	2.900
1979 Millage Rate @ 7% Growth	17.676	27.777	3.103
Prior Year Digest (000,000's)	\$ 4,768	\$ 872	\$ 3,776
Current Year Digest (000,000's)	\$ 4,893	\$ 904	\$ 3,865
Gross Tax Cap Calculated	17.225	26.794	3.032
Net Millage Rate	9.678	5.162	2.127
Capital Outlay	0.772	0.000	0.000
Sales Tax Credit	6.654	6.023	0.000
Gross Millage Rate	17.104	11.185	2.127
Gross Tax Cap Calculated	17.225	26.794	3.032
Millage Rate Less Than Tax Cap	0.120	15.609	0.905
\$ Amount Less Than Tax Cap (000's)	\$ 589	\$ 14,110	\$ 3,496
% of Tax Cap	99.3%	41.7%	70.2%

NOTES:

Tax Cap Formula = (1979 Mill rate * 1.07) * (Prior Year Digest / Current Year Digest)
 Sales Tax Credit is Prior Year Sales Tax Collections / Current Year Digest
 Sales tax amount used in formula is taken from reconciliation sheet GL to State Report

ALL rates are currently filled in as rollback rates

Net mill rate for General Fund is Rollback rate which is .078 lower than 2018 rate
 Net mill rate for Urban is Rollback rate which is .069 lower than 2018 rate
 Net mill rate for Fire is Rollback rate which is .015 lower than 2018 rate
 Mill rate for Capital Outlay is Rollback rate which is .006 lower than 2018 rate

Prior year digest taken from current year rollback sheets and may not match those from previous year tax cap calculation due to adjustments

Action Requested Today

- Motion to approve proposed mill rates for each taxing district, advertise the required 5 year history of the digest and to schedule the date of August 27, 2019 for the meeting to adopt the rates proposed.

Subsequent Events

After adoption of rates

Tax Commissioner and Tax Assessor meet with Department of Revenue to submit digest for approval.

September 15 or before

Tax Commissioner mails bills