



MEMORANDUM

To: Mayor and City Council
From: Linda Nabers, Finance Director
Date: June 15, 2020
Subject: **Public Hearings and Ordinance to establish the 2020 Ad Valorem Tax Rate**

ITEM DESCRIPTION

Public Hearings and Ordinance to establish the 2020 Ad Valorem Tax Rate.

BACKGROUND

The proposed millage rate is a levy of 2.74 mills or \$2.74 for every \$1,000 of the assessed value of property (about 40% of the fair market value.) This rate applies to both real property and personal property for businesses.

One public hearing, one advertisement in the Crier, a press release, and posting to our website are all required to adopt the proposed millage rate. Staff has addressed each of these required steps so the City will be in compliance with O.C.G.A. Section 48-1-9 Taxpayer's Bill of Rights.

Collection of the ad valorem taxes will contribute to General Fund revenues for the general operations of the City including police, public works, parks, community development, and administration; as well as capital projects.

This year's digest projects a 2% decrease in revenue over the prior year. Due to the assessment freeze on homestead property, most of the decrease is for commercial property. No one owning a home when Dunwoody incorporated is paying more for the same property as they did in 2009 with this credit. Also, no one who purchased since 2009 is paying more tax than when they acquired their homestead, except in cases where the property was improved. Differences from the budget in property tax revenues will be combined with other variances and subsequently allocated by Council through the normal budgetary process.

RECOMMENDED ACTIONS

Staff recommends adopting the ordinance to establish the 2020 Ad Valorem Tax Rate.

PT-32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES - 2020

COUNTY: DeKalb TAXING JURISDICTION: Dunwoody

ENTER VALUES AND MILLAGE RATES FOR THE APPLICABLE TAX YEARS IN YELLOW HIGHLIGHTED BOXES BELOW

DESCRIPTION	2019 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2020 DIGEST
REAL	3,734,680,129	(63,600,453)	237,701,126	3,908,780,802
PERSONAL	165,991,239		7,516,102	173,507,341
MOTOR VEHICLES	18,153,600		(4,643,250)	13,510,350
MOBILE HOMES	0		0	0
TIMBER -100%	0		0	0
HEAVY DUTY EQUIP	0		0	0
GROSS DIGEST	3,918,824,968	(63,600,453)	240,573,978	4,095,798,493
EXEMPTIONS	880,038,186		121,489,945	1,001,528,131
NET DIGEST	3,038,786,782	(63,600,453)	119,084,033	3,094,270,362
	(PYD)	(RVA)	(NAG)	(CYD)
2019 MILLAGE RATE:	2.740		2020 MILLAGE RATE:	2.740

CALCULATION OF ROLLBACK RATE

DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA
2019 Net Digest	PYD	3,038,786,782	
Net Value Added-Reassessment of Existing Real Property	RVA	(63,600,453)	
Other Net Changes to Taxable Digest	NAG	119,084,033	
2020 Net Digest	CYD	3,094,270,362	(PYD+RVA+NAG)
2019 Millage Rate	PYM	2.740	PYM
Millage Equivalent of Reassessed Value Added	ME	-0.056	(RVA/CYD) * PYM
Rollback Millage Rate for 2020	RR - ROLLBACK RATE	2.796	PYM - ME

CALCULATION OF PERCENTAGE INCREASE IN PROPERTY TAXES

If the 2020 Proposed Millage Rate for this Taxing Jurisdiction exceeds Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. § 48-5-32.1(c) (2)	Rollback Millage Rate	2.796
	2020 Millage Rate	2.740
	Percentage Tax Increase	-2.00%

CERTIFICATIONS

I hereby certify that the amount indicated above is an accurate accounting of the total net assessed value added by the reassessment of existing real property for the tax year for which this rollback millage rate is being computed.

Chairman, Board of Tax Assessors Date

I hereby certify that the values shown above are an accurate representation of the digest values and exemption amounts for the applicable tax years.

Tax Collector or Tax Commissioner Date

I hereby certify that the above is a true and correct computation of the rollback millage rate in accordance with O.C.G.A. § 48-5-32.1 for the taxing jurisdiction for tax year 2020 and that the final millage rate set by the authority of this taxing jurisdiction for tax year 2020 is _____

CHECK THE APPROPRIATE PARAGRAPH BELOW THAT APPLIES TO THIS TAXING JURISDICTION

If the final millage rate set by the authority of the taxing jurisdiction for tax year 2020 exceeds the rollback rate, I certify that the required advertisements, notices, and public hearings have been conducted in accordance with O.C.G.A. §§ 48-5-32 and 48-5-32.1 as evidenced by the attached copies of the published "five year history and current digest" advertisement and the "Notice of Intent to Increase Taxes" showing the times and places when and where the required public hearings were held, and a copy of the press release provided to the local media.

If the final millage rate set by the authority of the taxing jurisdiction for tax year 2020 does not exceed the rollback rate, I certify that the required "five year history and current digest" advertisement has been published in accordance with O.C.G.A. § 48-5-32 as evidenced by the attached copy of such advertised report.

Responsible Party Title Date

NOTICE

The City Council of The City of Dunwoody does hereby announce that the millage rate will be set at a meeting to be held at the Dunwoody City Hall on July 13, 2020 at 6:00 pm. and pursuant to the requirements of O.C.G.A. Section 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 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

COUNTY WIDE	2015	2016	2017	2018	2019	2020
Real & Personal	3,003,185,402	3,259,290,161	3,512,165,618	3,908,290,585	4,027,435,240	4,082,288,143
Motor Vehicles	69,585,460	50,026,160	42,877,420	24,293,260	18,153,600	13,510,350
Mobile Homes	0	0	0	0	0	0
Timber - 100%	0	0	0	0	0	0
Heavy Duty Equipment	0	0	0	7,438	0	0
Gross Digest	3,072,770,862	3,309,316,321	3,555,043,038	3,932,591,283	4,045,588,840	4,095,798,493
Less M& O Exemptions	732,697,792	742,551,090	794,802,211	845,171,410	882,030,465	1,001,528,131
Net M & O Digest	2,340,073,070	2,566,765,231	2,760,240,827	3,087,419,873	3,163,558,375	3,094,270,362
State Forest Land Assistance Grant Value	0	0	0	0	0	0
Adjusted Net M&O Digest	2,340,073,070	2,566,765,231	2,760,240,827	3,087,419,873	3,163,558,375	3,094,270,362
Gross M&O Millage	2.740	2.740	2.740	2.740	2.740	2.740
Less Rollback (LOST)	0.000	0.000	0.000	0.000	0.000	0.000
Net M&O Millage	2.740	2.740	2.740	2.740	2.740	2.740
Total County Taxes Levied	\$6,411,800	\$7,032,937	\$7,563,060	\$8,459,530	\$8,668,150	\$8,478,301
Net Taxes \$ Increase		\$621,137	\$530,123	\$896,471	\$208,619	-\$189,849
Net Taxes % Increase		9.69%	7.54%	11.85%	2.47%	-2.19%

This 5 Year History format should be used by the City when advertising the required information for M&O purposes. Formulas have been built into the format which will automatically calculate the totals and the dollar (\$) and percentage (%) increase upon input of the necessary digest information in the shaded fields.