




MEMORANDUM

To: Mayor and Aldermen

From: Rob Hernandez, City Manager 

Date: June 29, 2017

Subject: Final Adoption of the 2017 Millage Rate

When City Council adopts the Annual Budget in December, that Budget includes a "tentative" millage rate which must then be formally adopted by Council following the mid-year release of the Annual Tax Digest by the Chatham County Board of Assessors. The Board of Assessors recently released the 2017 Tax Digest, which indicates a 5.52% overall increase in property assessments throughout the City of Savannah.

State Law requires taxing entities that experience an increase in its tax digest to calculate a "rollback rate," which is a millage rate that will generate the same amount of revenue as the previous year's millage rate, minus new construction or annexation. The millage rate adopted in the 2017 Budget is 12.480 mills, the same rate it has been since 2013. Due to the higher Tax Digest, the City's rollback rate for 2017 is 12.022 mills.

It is recommended that City Council finalize the millage rate at 12.480 mills, as provided in the 2017 Budget. Although the proposed millage rate is above the rollback rate, the rate remains the lowest millage rate since 1987, and a 29% reduction from two decades ago. Due to the proposed millage rate being above the rollback rate, the City of Savannah is required by State Law to hold three public hearings.

Each hearing will take place at City Hall in Council Chambers. The requested schedule for the public hearings is as follows:

Public Hearing #1	July 20, 2017	9:45 AM
Public Hearing #2	July 20, 2017	6:00 PM
Public Hearing #3	August 3, 2017	2:00 PM

Based on the schedule above, the first advertisement will run in the newspaper on July 12th as governed by State Law. The final millage rate adoption will be scheduled for August 3 with property tax bills being mailed mid-September.

Enclosure:
2017 Tax Digest and Five Year History

cc: Dyanne Reese, Clerk of Council
 Brooks Stillwell, City Attorney
 Sharonte Turner, Mayor's Office
 LaTeia Lott, Clerk of Council Office
 Tiwanna Crawford, Clerk of Council Office

CURRENT 2017 TAX DIGEST AND FIVE-YEAR HISTORY OF LEVY

	2012	2013	2014	2015	2016	2017
Real Property	3,867,374,491	3,908,105,942	4,063,388,898	4,421,640,659	4,500,034,778	4,798,893,243
Personal Property	552,433,418	573,982,105	609,165,364	669,572,255	677,162,768	741,107,390
Motor Vehicles	244,083,670	257,525,070	220,493,140	134,987,120	97,091,970	70,942,790
Mobile Homes	2,028,200	1,982,600	1,873,440	1,825,044	1,757,284	1,814,996
Public Utilities	98,416,080	96,077,630	96,078,819	104,024,562	110,085,930	129,494,983
Timber - 100%	751,182	185,627	195,010	-	44,254	-
Heavy Duty Equipment	11,081	101,681	15,819	77,283	20,696	138,793
Gross Digest	4,765,098,122	4,837,960,655	4,991,210,490	5,332,126,923	5,386,197,680	5,742,392,195
Less: Exemptions	229,470,686	234,786,067	239,737,671	234,112,379	264,742,373	337,884,676
Net Digest	4,535,627,436	4,603,174,588	4,751,472,819	5,098,014,544	5,121,455,307	5,404,507,519
FLPA Reimbursement Value	-	-	-	2,001,080	2,019,658	2,016,008
Adjusted Net Digest	4,535,627,436	4,603,174,588	4,751,472,819	5,100,015,624	5,123,474,965	5,406,523,527
Gross Millage Rate	21.50	21.74	20.33	20.31	19.90	19.86
Less: Sales Tax Rollback	-9.00	-9.26	-7.85	-7.83	-7.42	-7.38
Net Millage Rate	12.50	12.48	12.48	12.48	12.48	12.48
Net Taxes Levied	56,695,343	57,447,619	59,298,380	63,648,195	63,940,967	67,473,414
Net Taxes \$ Change	(53,757)	752,276	1,850,761	4,349,815	292,772	3,532,447
Net Taxes % Change	-0.09%	1.33%	3.22%	7.34%	.46%	5.52%