

# 2017 Millage Rate Hearing



## Agenda

1. Millage Rate Timeline
2. Millage Rate Process
3. 2017 Millage Rate
4. Public Comment

## *Appendix*





# Millage Rate Timeline

## Millage Rate Timeline

### Millage to Remain 18.879 in FY2018

- June 13<sup>th</sup> – Present Five-Year History (FY2018 Budget)\*
- June 22<sup>nd</sup> – Advertise Five-Year History\* (6/22 – 7/5) (3%)
- June 22<sup>nd</sup> – Issue Press Release\*
- June 29<sup>th</sup> – Advertise 1<sup>st</sup> Public Hearing\* (6/29 – 7/5)
- July 6<sup>th</sup> – Advertise 2<sup>nd</sup> Public Hearing\* (7/6 – 7/12)
- July 11<sup>th</sup> – **Hold 1<sup>st</sup> Public Hearing** (5:30pm)
- July 13<sup>th</sup> – Advertise 3<sup>rd</sup> Public Hearing\* (7/13 – 7/19)
- July 18<sup>th</sup> – **Hold 2<sup>nd</sup> Public Hearing** (Called Meeting 6:00pm)
- July 25<sup>th</sup> – **Hold 3<sup>rd</sup> Public Hearing** (8:00am)
- July 25<sup>th</sup> – BOE Establishes Millage Rate
- Early-August – Final Certification to Tax Commissioner
- Mid-August – Collection Order by DOR

\* On Website



# Millage Rate Process

“Each year, the Board of Tax Assessors is required to review the assessed value for property tax purposes of taxable property in the county. When the trend of prices on properties that have recently sold in the county indicate there has been an increase in the fair market value of any specific property, **the Board of Tax Assessors is required by Georgia law to re-determine the value of such property and increase the assessment.** This is called a reassessment.

When the total digest of taxable property is prepared, Georgia Law requires that a rollback millage rate must be computed that **will produce the same total revenue on the current year’s new digest that last year’s millage rate would have produced had no reassessments occurred.**”

For 2017, the rollback millage rate is 17.316, which is 9.1% less than the current 18.879 millage rate.

*June 22, 2017 Press Release*

## Rollback of Millage Rate: When Digest Value Increased by Reassessments

“Legislation that became effective on January 1, 2000, established the ‘Taxpayer Bill of Rights’ in which **one of the main thrusts was the prevention of indirect property tax increases resulting from increases to existing property values in a county due to inflation.** The Department of Revenue, State of Georgia, adopted Revenue Rule 560-11-2-.58 entitled Rollback of Millage Rate When Digest Value Increased by Reassessments on October 25, 2000. This rule became effective on November 14, 2000. **This rule established the procedures for the computation of a rollback millage rate by levying and recommending authorities as a result of increases in the value of existing real property value due to inflation and the requirements of advertising notices of public hearings, press releases and the authority’s intent to increase property taxes when the proposed millage rate exceeds the computed rollback rate.**”

*Georgia Department of Revenue: Local Government Services Division*  
<https://etax.dor.ga.gov/ptd/cas/rollback/index.aspx>

	2016		2017 (Increase)		2017 (Decrease)					
			Same Rate	Rollback	Same Rate	Rollback				
FMV	\$	92,135	\$	100,000	\$	100,000	\$	84,270	\$	84,270
FMV Change			\$	7,865	\$	7,865	\$	(7,865)	\$	(7,865)
<b>40% FMV</b>	<b>\$</b>	<b>36,854</b>	<b>\$</b>	<b>40,000</b>	<b>\$</b>	<b>40,000</b>	<b>\$</b>	<b>33,708</b>	<b>\$</b>	<b>33,708</b>
Less; Exemption	\$	(2,000)	\$	(2,000)	\$	(2,000)	\$	(2,000)	\$	(2,000)
Net Value	\$	34,854	\$	38,000	\$	38,000	\$	31,708	\$	31,708
<b>Millage Rate</b>		<b>18.879</b>		<b>18.879</b>		<b>17.316</b>		<b>18.879</b>		<b>20.750</b>
Annual Property Tax	\$	658	\$	717	\$	658	\$	599	\$	658
<b>Annual Change</b>			<b>\$</b>	<b>59</b>	<b>\$</b>	<b>(0)</b>	<b>\$</b>	<b>(59)</b>	<b>\$</b>	<b>(0)</b>
<b>Monthly Change</b>			<b>\$</b>	<b>5</b>	<b>\$</b>	<b>(0)</b>	<b>\$</b>	<b>(5)</b>	<b>\$</b>	<b>(0)</b>

- 9% *increase* in FMV equals a rollback rate of 17.316, anything higher would be considered a tax increase or "not revenue neutral".
- 9% *decrease* in FMV equals a rollback rate of 20.750, anything higher would be considered a tax increase or "not revenue neutral".

What rate mitigates the reassessment? = Rollback Rate



# 2017 Millage Rate



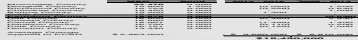
## NOTICE

### Paulding County Board of Education CURRENT 2017 TAX DIGEST AND FIVE YEAR HISTORY OF LEVY

The Paulding County Board of Education does hereby announce that the millage rate will be established at a meeting to be held at the Paulding County Board of Education Board Room on July 25, 2016 at 8:30 AM EST and pursuant to the requirements of O.C.G.A 48.5.32, do 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.

County School	2012	2013	2014	2015	2016	2017
Real & Personal Ad Valorem	\$ 2,695,266,915	\$ 2,719,187,258	\$ 3,144,502,642	\$ 3,566,536,251	\$ 3,843,751,629	\$ 4,267,812,331
Motor Vehicle Ad Valorem	313,028,750	331,484,580	270,511,790	197,077,380	147,754,190	109,114,430
Mobile Home Ad Valorem	2,671,200	2,389,120	2,278,520	1,951,153	1,862,849	1,781,714
Timber Ad Valorem (100%)	1,101,951	829,232	962,133	292,950	324,868	1,068,015
Heavy Duty Equipment	22,540	25,564	57,125	58,443	153,533	942,267
<b>Gross Digest</b>	<b>3,012,091,356</b>	<b>3,053,915,754</b>	<b>3,418,312,210</b>	<b>3,765,916,177</b>	<b>3,993,847,069</b>	<b>4,380,718,757</b>
Less M&O Exemptions	(399,486,827)	(413,986,896)	(452,043,930)	(511,439,573)	(563,602,175)	(625,511,093)
<b>Net Digest</b>	<b>2,612,604,529</b>	<b>2,639,928,858</b>	<b>2,966,268,280</b>	<b>3,254,476,604</b>	<b>3,430,244,894</b>	<b>3,755,207,664</b>
Forest Land Assistance Grant Value	3,239,925	2,786,437	1,830,913	1,182,089	4,196,833	4,247,286
<b>Adjusted Net M&amp;O Digest</b>	<b>2,615,844,454</b>	<b>2,642,715,295</b>	<b>2,968,099,193</b>	<b>3,255,658,693</b>	<b>3,434,441,727</b>	<b>3,759,454,950</b>
Gross M&O Millage Rate	18.909%	18.879%	18.879%	18.879%	18.879%	18.879%
Less Millage Rate Rollbacks						
<b>Net M&amp;O Millage Rate</b>	<b>18.909%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>
<b>Net Taxes Levied</b>	<b>\$ 49,463,003</b>	<b>\$ 49,891,822</b>	<b>\$ 56,034,745</b>	<b>\$ 61,463,580</b>	<b>\$ 64,838,825</b>	<b>\$ 70,974,750</b>
Net Taxes \$ Increase	\$ (4,703,888)	\$ 428,819	\$ 6,142,923	\$ 5,428,836	\$ 3,375,245	\$ 6,135,925
Net Taxes % Increase	-8.7%	0.9%	12.3%	9.7%	5.5%	9.5%

Note: M&O is Maintenance and Operations



	2016		M&O Change Since	
	M&O	Bond	2013 - 2016	2008 - 2013
Muscogee County	23.370	0.000	-	-
Douglas County	19.800	1.250	(0.050)	1.500
Richmond County	19.754	0.000	(0.228)	0.640
Cherokee County	19.450	0.000	-	1.000
Bartow County	19.200	0.000	1.300	-
Cobb County	18.900	0.000	-	-
<b>Paulding County</b>	<b>18.879</b>	<b>0.000</b>	<b>-</b>	<b>(0.030)</b>
Hall County	18.800	0.000	(0.450)	2.830
Coweta County	18.590	0.000	-	-
Carroll County	18.001	0.000	(1.499)	1.400
Haralson County	16.720	0.000	(0.110)	0.500
Polk County	16.151	0.000	(0.129)	1.000
Houston County	13.340	0.000	-	-

Average Change  
Applied to PCSD \$ 2,863,000

\$ 9,680,000 \$ 8,810,000  
**\$18,490,000**

**1 Mill is Worth \$3.8 million in  
Taxes Levied in Paulding County**

*Georgia Department of Revenue: Local Government Services Division*  
<https://apps.dor.ga.gov/digestconsolidation/default.aspx>

	FY2009 (2008 tax)	FY2010 (2009 tax)	FY2011 (2010 tax)	FY2012 (2011 tax)	FY2013 (2012 tax)	FY2014 (2013 tax)	FY2015 (2014 tax)	FY2016 (2015 tax)	FY2017* (2016 tax)	FY2018** (2017 tax)
Net M&O Digest	\$ 4,098,651,787	\$ 3,795,162,112	\$ 3,143,533,623	\$ 2,864,608,958	\$ 2,615,844,454	\$ 2,642,715,295	\$ 2,968,099,193	\$ 3,255,658,693	\$ 3,434,441,727	\$ 3,759,454,950
Millage Rate	18.9090	18.9090	18.9090	18.9090	18.9090	18.8790	18.8790	18.8790	18.8790	18.8790
Taxes Levied	\$ 77,501,407	\$ 71,762,720	\$ 59,441,077	\$ 54,166,891	\$ 49,463,003	\$ 49,891,822	\$ 56,034,745	\$ 61,463,580	\$ 64,838,825	\$ 70,974,750
<b>Property Tax Revenue (GL)</b>	<b>\$ 73,538,614</b>	<b>\$ 69,541,893</b>	<b>\$ 59,669,180</b>	<b>\$ 54,929,630</b>	<b>\$ 49,374,032</b>	<b>\$ 47,761,880</b>	<b>\$ 53,602,159</b>	<b>\$ 58,479,124</b>	<b>\$ 62,103,671</b>	<b>\$ 67,817,000</b>
% Revenue to Levied ****	95%	97%	100%	101%	100%	96%	96%	95%	96%	96%
FTE Count (mid-term)***	28,057	28,592	28,606	28,309	28,532	28,646	28,649	28,759	29,154	29,481
Property Tax Revenue per FTE	\$ 2,621	\$ 2,432	\$ 2,086	\$ 1,940	\$ 1,730	\$ 1,667	\$ 1,871	\$ 2,033	\$ 2,130	\$ 2,300
Inflation Adjusted	\$ 2,621	\$ 2,350	\$ 2,051	\$ 1,878	\$ 1,701	\$ 1,643	\$ 1,865	\$ 2,026	\$ 2,088	\$ 2,255
CE Employees	2,290	2,236	2,009	1,979	1,953	1,954	1,995	2,120	2,151	2,172
FTE per CE	12.3	12.8	14.2	14.3	14.6	14.7	14.4	13.6	13.6	13.6

- Average % Revenue-to-Levied Taxes is 97.1%
- FY2009 Highest Property Tax Revenue (\$73.5 million)
- FY2014 Lowest Property Tax Revenue (\$47.8 million)
- FY2018 Property Tax Revenue Budget (\$67.8 million)
- \$321 per FTE Lower than FY2009, or \$9.5 million
- \$367 per FTE Lower (inflation adjusted) than FY2009, or \$10.8 million
- Increased FTE per Certified Staff by 20% FY2009 to FY2014 (12.3 to 14.7)
- Decreased FTE per Certified Staff from 14.7 to 13.6 (FY2014 to FY2018)
- FY2018 11% Higher FTE per Certified Staff (Compared to FY2009)

\* FY2017 Actual Results (Projected)

\*\* FY2018 per Original Budget

\*\*\* Mid-term count is a three-count average used by the DOE for funding (2018 is estimated)

\*\*\*\* Revenue is net 2.5% Administrative Fee, Yearend Accruals, Delinquencies

Highest Revenue
Lowest Revenue
FY2018 (B)

# 10-Year Property Tax Trend

	<u>FY2009</u>		<u>FY2014</u>		<u>FY2016</u>
Property Tax (per FTE)	\$ 2,621	Property Tax (per FTE)	\$ 1,667	Property Tax (per FTE)	\$ 2,033
Other Local Revenue	156	Other Local Revenue	208	Other Local Revenue	339
<b>Total Local Revenue</b>	<b>\$ 2,777</b>	<b>Total Local Revenue</b>	<b>\$ 1,875</b>	<b>Total Local Revenue</b>	<b>\$ 2,372</b>
<b>Cobb County</b>	\$ 4,560	Cobb County	\$ 3,797	Cobb County	\$ 4,012
State Average	3,894	Muscogee County	3,557	State Average	3,771
Coweta County	3,420	State Average	3,533	Coweta County	3,702
Muscogee County	3,300	Coweta County	3,347	Muscogee County	3,573
Hall County	3,081	Haralson County	3,013	Bartow County	3,306
Comparable Average	2,849	Richmond County	3,012	Douglas County	3,115
Bartow County	2,846	Houston County	2,996	Richmond County	3,090
<b>Paulding County</b>	<b>2,777</b>	Comparable Average	2,951	Comparable Average	3,083
Houston County	2,763	Hall County	2,927	Hall County	3,035
Douglas County	2,728	Douglas County	2,886	Haralson County	2,929
Richmond County	2,662	Bartow County	2,814	Houston County	2,923
Carroll County	2,562	Carroll County	2,465	Carroll County	2,537
Haralson County	2,533	Polk County	2,103	<b>Paulding County</b>	<b>2,372</b>
Polk County	\$ 1,971	<b>Paulding County</b>	<b>\$ 1,875</b>	Polk County	\$ 2,159

Georgia Department of Education: Financial Review  
[https://app3.doe.k12.ga.us/ows-bin/owa/fin\\_pack\\_revenue.entry\\_form](https://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form)

### CHANGES IN REVENUE AND MAJOR EXPENDITURES



Millions, Excludes Grants and Transfers from Other Funds

- The Net M&O Digest is projected to increase \$325 million or 9.5% to \$3.8 billion for 2017.
- Maintain the current M&O millage rate (maintenance and operations) at 18.879 for 2017 (FY2018). The millage rate has not materially changed since 2007 (2007-2012 was 18.909 and 2013-2016 was 18.879).
- Changes in assessed property values will increase 2017 property taxes by 9.1%, on average.
- Other changes to the digest will increase 2017 property taxes by 0.4%, resulting in a **net increase of 9.5%**, on average (as reflected on the Current and Five-year History Advertisement).
- M&O millage rate of 18.879 was included in the Tentative and Original FY2018 Budgets – but may be amended pending a final millage rate adoption by the Board of Education on July 25, 2017.
- Maintain the current Bond millage rate at 0.000 for 2017. Bond principal and interest for FY2018 will total \$8.2 million and will be paid through E-SPLOST (Education Special Purpose Local Option Sales Tax).



# Public Comment



Thank You



## What is the Financial Efficiency Star Rating?

OCGA § 20-14-33 requires that the Governor's Office of Student Achievement, in coordination with the Georgia Department of Education, create a financial efficiency rating. The Financial Efficiency Star Rating measures an individual school district's per-pupil spending in relation to the academic achievements of its students.

## How is the rating calculated?

The Financial Efficiency Star Rating utilizes a three-year average of per-pupil expenditures and College and Career Ready Performance Index (CCRPI) scores to determine a district's rating.

★★★★★	CCRPI Average					
	Less than 50	51-59.9	60-69.9	70-79.9	80-89.9	90 and Above
80-100 (High Spending)	0.5	1	1.5	2	2.5	3
60-79	1	1.5	2	2.5	3	3.5
40-59	1.5	2	2.5	3	3.5	4
20-39	2	2.5	3	3.5	4	4.5
0-19 (Low Spending)	2.5	3	3.5	4	4.5	5

**FY2015: 4 Stars (180 Districts: 9 better or 5%, 150 worse or 83% and 21 same or 12%)**

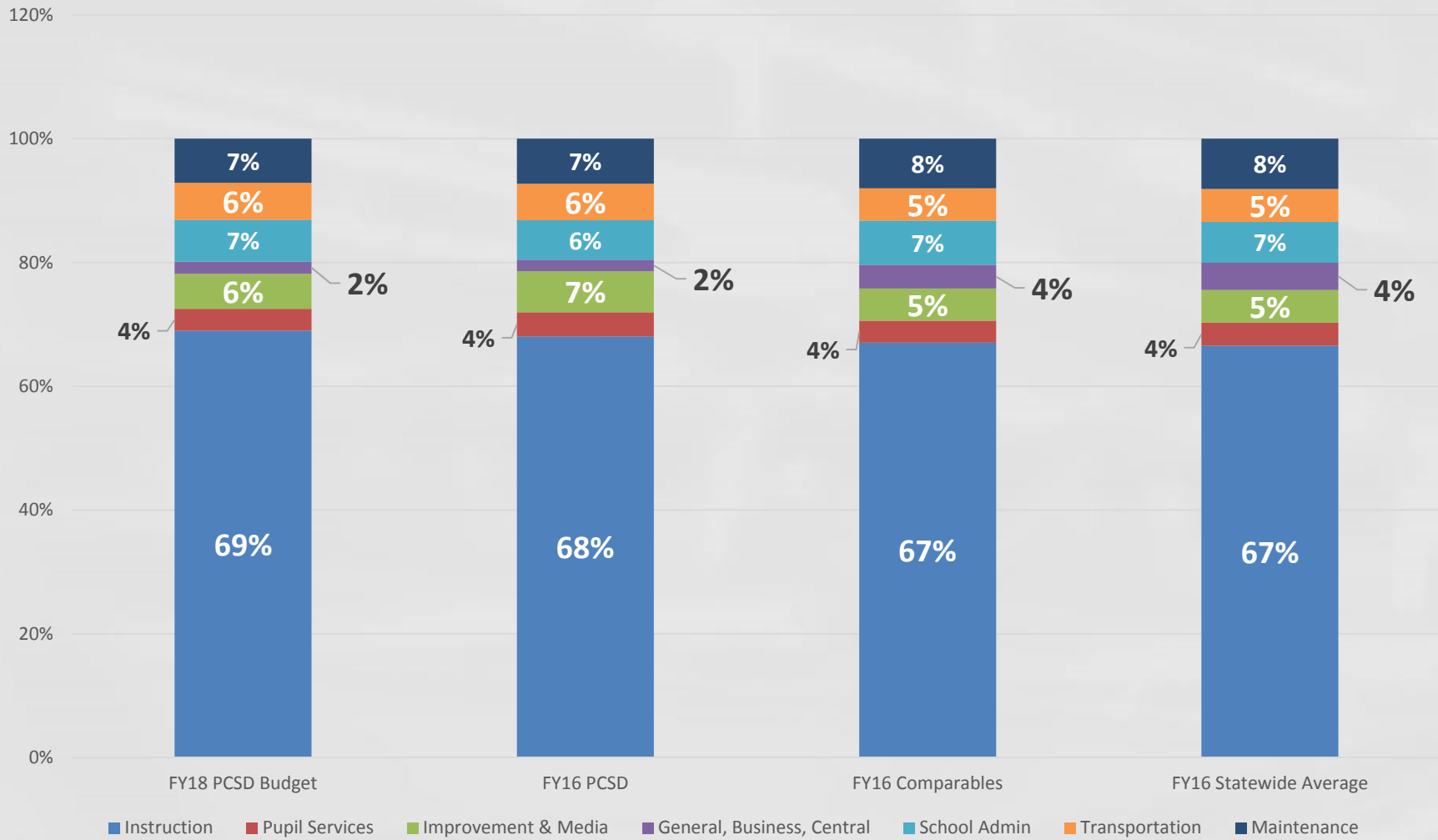
**FY2016: 4 Stars (180 Districts: 10 better or 6%, 147 worse or 82% and 23 same or 13%)**

	<u>FY2009</u>		<u>FY2014</u>		<u>FY2016</u>
Property Tax Revenue per FTE	\$ 3,420	Property Tax Revenue per FTE	\$ 3,533	Property Tax Revenue per FTE	\$ 3,702
Other Revenue	\$ 4,427	Other Revenue	\$ 4,205	Other Revenue	\$ 4,905
<b>Total Revenue</b>	<b>\$ 7,847</b>	<b>Total Revenue</b>	<b>\$ 7,738</b>	<b>Total Revenue</b>	<b>\$ 8,607</b>
Muscogee County	\$ 9,614	Haralson County	\$ 9,547	Haralson County	\$ 10,091
State Average	\$ 8,914	Muscogee County	\$ 9,183	State Average	\$ 9,279
Haralson County	\$ 8,880	Douglas County	\$ 9,075	Muscogee County	\$ 9,200
Richmond County	\$ 8,732	Richmond County	\$ 8,601	Douglas County	\$ 9,091
Houston County	\$ 8,718	State Average	\$ 8,575	Houston County	\$ 8,983
Douglas County	\$ 8,714	Houston County	\$ 8,521	Bartow County	\$ 8,942
Comparable Average	\$ 8,672	Comparable Average	\$ 8,431	Comparable Average	\$ 8,847
Cobb County	\$ 8,601	Bartow County	\$ 8,155	Cobb County	\$ 8,715
Carroll County	\$ 8,459	Cobb County	\$ 8,025	Coweta County	\$ 8,683
Bartow County	\$ 8,336	Carroll County	\$ 7,910	Carroll County	\$ 8,632
Hall County	\$ 8,133	Polk County	\$ 7,780	<b>Paulding County</b>	<b>\$ 8,607</b>
Polk County	\$ 8,131	Coweta County	\$ 7,746	Richmond County	\$ 8,605
Coweta County	\$ 7,943	<b>Paulding County</b>	<b>\$ 7,738</b>	Hall County	\$ 8,476
<b>Paulding County</b>	<b>\$ 7,847</b>	Hall County	\$ 7,573	Polk County	\$ 8,402

Georgia Department of Education: Financial Review  
[https://app3.doe.k12.ga.us/ows-bin/owa/fin\\_pack\\_revenue.entry\\_form](https://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form)

## Total Revenue Trend

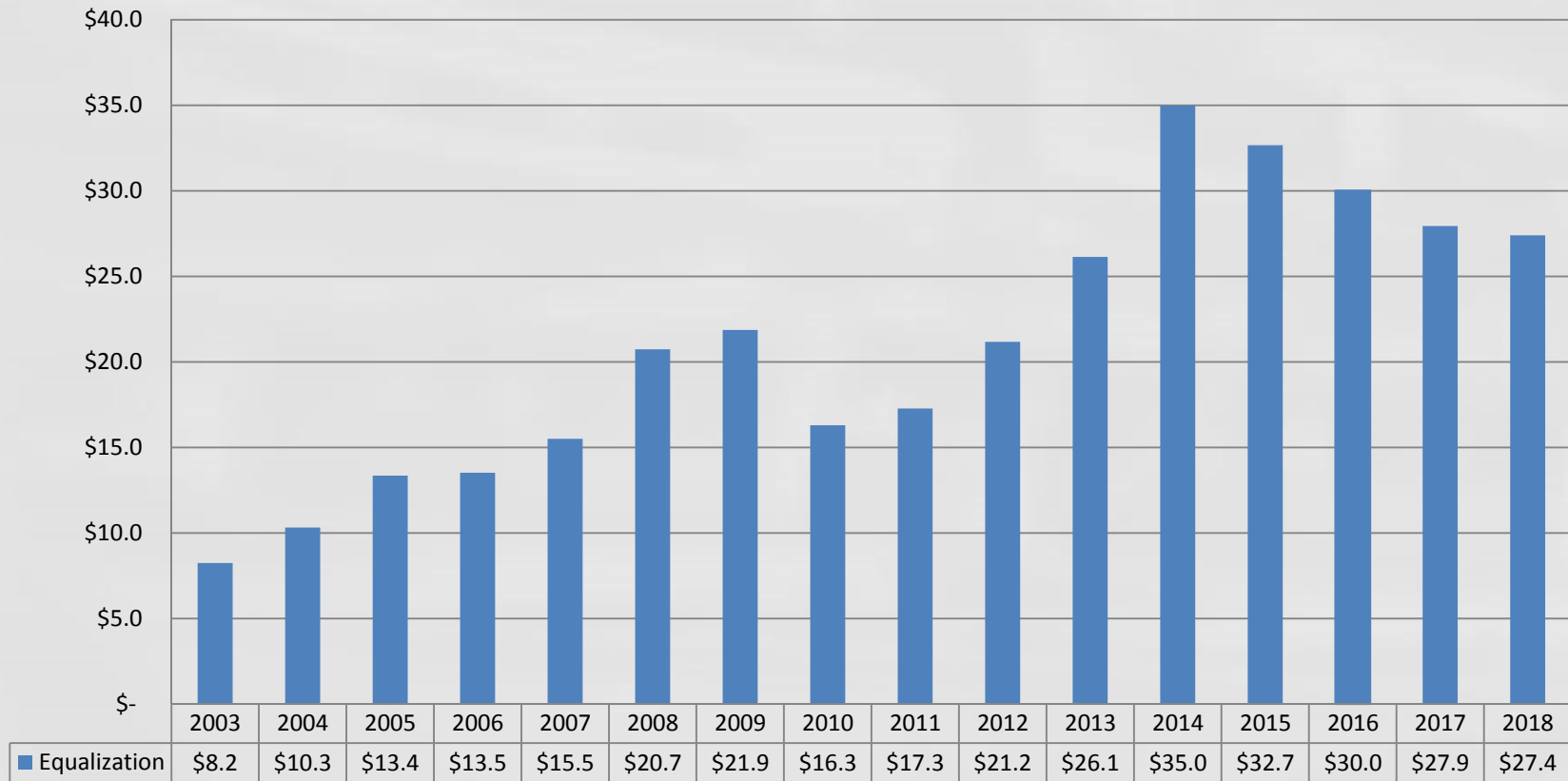
### Comparison of Expenditure Allocation



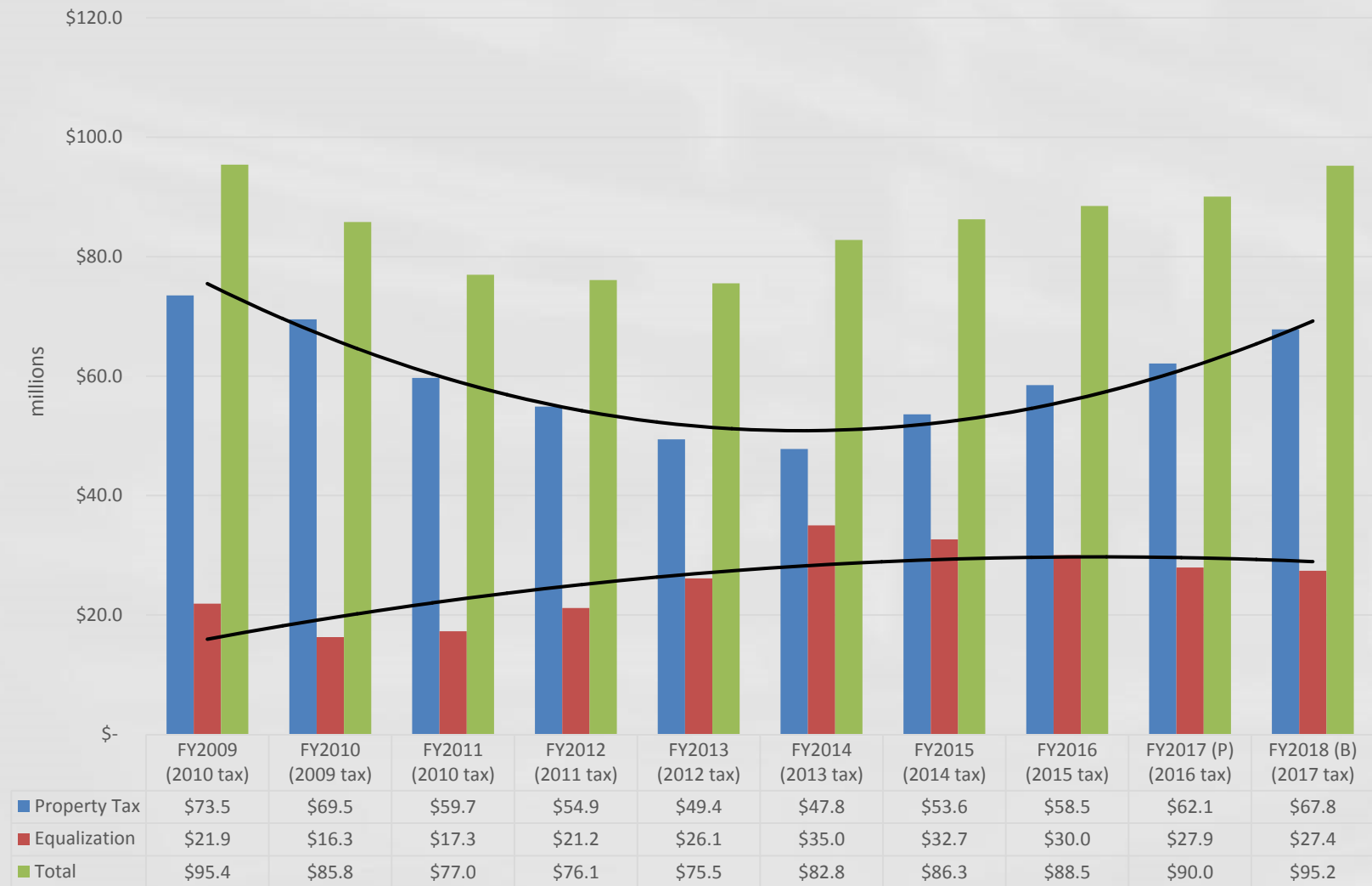
Note: DOE has divided Improvement of Instruction into two functions for FY2018 (2210 & 2213)

# Expenditure Comparison

## Historical Equalization Grant (millions)

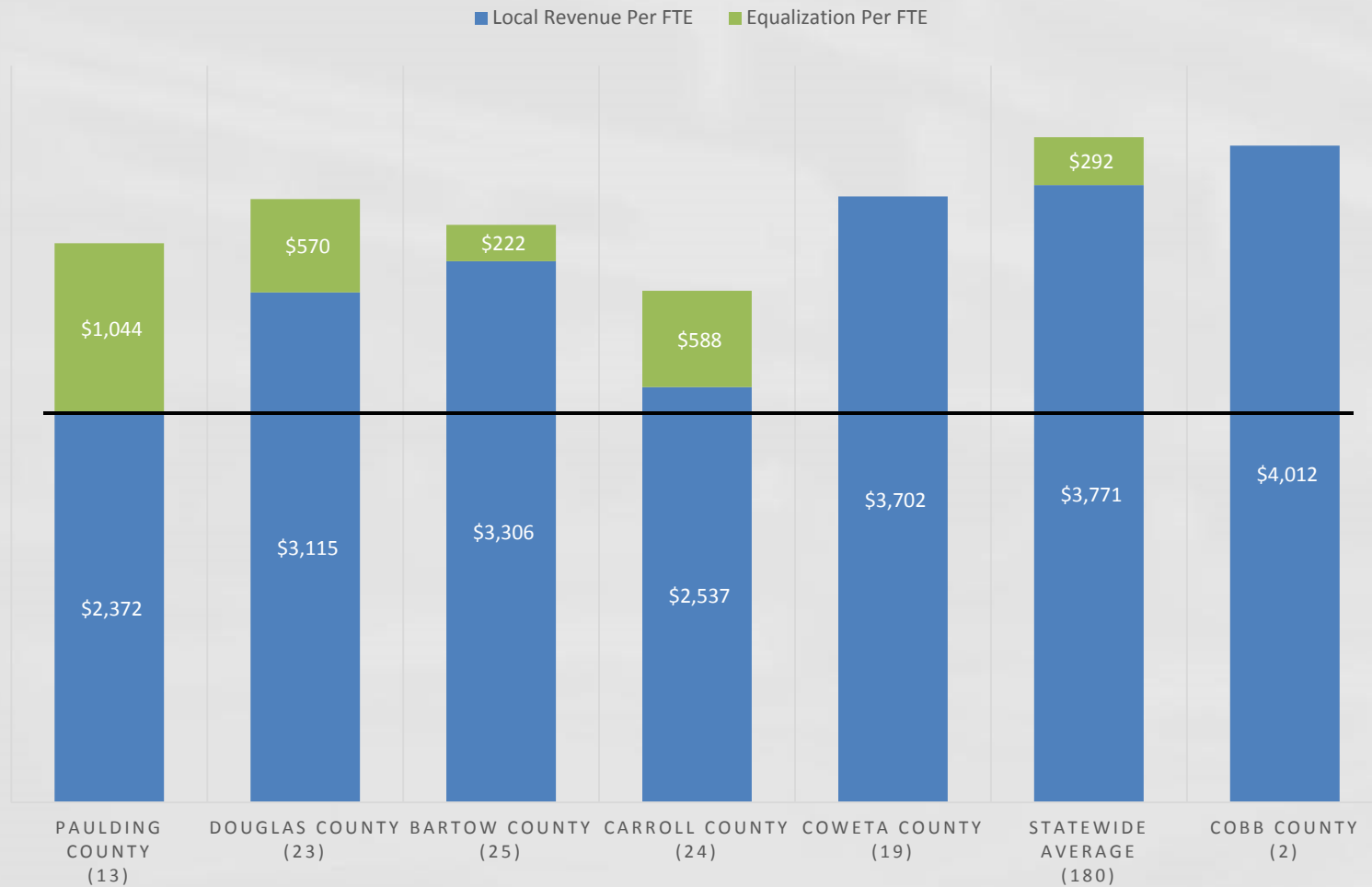


## Historical Property Tax Collections and Equalization



# Property Tax Trend

## FY2016 LOCAL REVENUE AND EQUALIZATION



# Local Revenue and Equalization