

CITY OF PINE LAKE
AGENDA
June 22, 2021
7:00 PM
VIA ZOOM

Call to Order

PUBLIC HEARING

The City Council of the City of Pine Lake, GA has tentatively adopted a millage rate of 19.909 mills for maintenance and operations and debt service which will require an increase in property taxes of 13.29% for fiscal year 2021. This millage rate generates revenue necessary to fund the City of Pine Lake's general operations, capital improvements and debt service budget for fiscal 2021. This is the same millage rate adopted for the previous fiscal year 2020.

Adjournment

Residents can access this meeting by calling:

Conference line 1 929-205-6099

Meeting ID 967 0462 7805



Memo

From: Peggy Merriss, Acting City Administrator *Peggy Merriss*
Date: May 6, 2021
Re: Tentative Millage Rate and Process For Establishing Final Millage Rate

Recommendation

The purpose of this memorandum is to recommend adoption of Resolution R-07-2021 tentatively establishing the 2021 millage rate as 19.909 mills, the same rate approved for 2020. The 2021 millage rate needs to be tentatively adopted to begin the process that will lead to final adoption at the June 29, 2021, Council Meeting. Between the tentative adoption and final adoption, the millage rate can be reduced but it cannot be raised without starting the process over again.

Description of the Process

On May 24, 2021, the DeKalb County Tax Commissioner's Office provided the 2021 real estate and personal digest to the cities in DeKalb County. Pine Lake's 2021 real estate digest increased by \$4,076,634 from \$27,862,038 to \$31,938,672, a 14.63% increase. The increase consisted of \$3,732,714 in value from reassessments and \$343,920 in growth, which equates to 93.7% of the increase due to reassessments and 8.4% of the increase due to growth.

During the 1999 General Assembly Session, SB 177 commonly known as the "Taxpayer Bill of Rights" (TBoR) was adopted and became effective in January, 2000. The TBoR requires the calculation of a "rollback" millage rate (aka the tax rate) that is determined by taking the reassessment value and dividing it the net total digest, then multiplying it by the prior year millage rate.

For Pine Lake: $(\$3,732,714 / \$31,824,753) * 19.909 = 2.335$
(Value of reassessments/2021 net digest) * (2020 millage rate) = rollback

If the local government does not roll back the millage rate from the existing rate to the calculated rollback rate, then a series of notices, advertisements, public hearings and a press release must be undertaken.

In addition, the City must publish a notice that shows in a spreadsheet, the 2021 tax digest values and the same values for the past 5 years. This is generally referred to as the 5-year history notice. The purpose of this notice is to show the tax levy over a five-year period and

show the increase in tax revenue and the percentage increase compared year to year. At the current millage rate of 19.909, the estimated levy would be \$633,599 which would produce approximately \$80,342 in revenue compared to 2020, a 14.52% increase.

Before final adoption of the 2021 millage rate and depending on the Council's action, the City has to publish a "Notice of Property Tax Increase" to provide information on three public hearings providing information on the tentative millage rate, advertising the increase in taxes if a new millage rate, at or below the calculated rollback rate, is not adopted and indicate the estimated annual tax dollar increase based on the fair market value of an average homestead property¹ and on the estimated annual tax dollar increase based on the fair market value of a nonhomestead property².

Three public hearings are required. Those meetings will be held on Tuesday, June 22, 2021, at 7:00pm and on Tuesday, June 29, 2021, at 10:00am and 7:00pm. The meetings will be held virtually using the Zoom platform.

Budgetary Impact

In 2019 and in 2020, the millage rate was reduced to the extent that it met the calculated roll-back millage rate. In 2019 the millage was reduced from 22.200 to 21.530 and in 2021 the millage rate was reduced from 21.530 to 19.909. This means that revenue from property taxes has been flat for the past two budget cycles.

In 2020, the COVID-19 pandemic had many implications for the budget on revenues and expenditures. It is anticipated that due to CARES Act funding of \$85,519 and expenditure management, the City will be able to balance its revenues and expenditures.

For 2021, the budget anticipates using approximately \$125,800 from fund balance reserves. The City does qualify for an estimated distribution of \$140,000 in 2021³ from the American Rescue Plan Act, the ability to use that funding to make up for revenue deficits is based on a formula that will be calculated after the 2020 audit is completed. However, the Council has already approved opening of the beach and lake for an 8-week period that was not funded in the 2021 budget and playgrounds were also opened in March that has resulted in unanticipated costs. There have also been increases in the City's liability and property insurance beyond what was estimated for the 2021 budget and the City has an unbudgeted liability for unemployment reimbursement for payments made to furloughed staff in 2020.

If the millage rate remains at 19.909 mills, it is estimated that there will be approximately \$80,000 in additional property tax revenue in 2021. There are many unmet needs with the City of Pine Lake for maintenance of facilities such as the tennis court and the gazebo, there are stormwater infrastructure needs that exceed what is available in the stormwater utility fund, there are needed technology upgrades and equipment that needs to be replaced. In addition, there are needs for staff training and development and upgrades to salary rates to meet living wage standards and to meet market standards. There are also community improvements such as signage, environmental projects and support for the arts and environmental enhancement projects that are either minimally funded or not funded at all.

¹ The 2021 fair market homestead value based on the digest is \$200,000.

² The 2021 fair market nonhomestead value based on the digest is \$150,000.

³ The total distribution to the City of Pine Lake is estimated to be \$281,571 to be paid in two installments of \$140,786 in 2021 and \$140,786 in 2022.

PT-32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES - 2021

COUNTY: 002-DEKALB TAXING JURISDICTION: Pine Lake

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

DESCRIPTION	2020 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2021 DIGEST
REAL	27,862,038	3,732,714	343,920	31,938,672
PERSONAL	771,214		6,349	777,563
MOTOR VEHICLES	139,790		(19,610)	120,180
MOBILE HOMES	0		0	0
TIMBER -100%	0		0	0
HEAVY DUTY EQUIP	0		0	0
GROSS DIGEST	28,773,042	3,732,714	330,659	32,836,415
EXEMPTIONS	989,061		22,601	1,011,662
NET DIGEST	27,783,981	3,732,714	308,058	31,824,753
	(PYD)	(RVA)	(NAG)	(CYD)
2020 MILLAGE RATE:	19.909		2021 MILLAGE RATE:	19.909

CALCULATION OF ROLLBACK RATE

DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA
2020 Net Digest	PYD	27,783,981	
Net Value Added-Reassessment of Existing Real Property	RVA	3,732,714	
Other Net Changes to Taxable Digest	NAG	308,058	
2021 Net Digest	CYD	31,824,753	(PYD+RVA+NAG)
2020 Millage Rate	PYM	19.909	PYM
Millage Equivalent of Reassessed Value Added	ME	2.335	(RVA/CYD) * PYM
Rollback Millage Rate for 2021	RR - ROLLBACK RATE	17.574	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	17.574
2021 Millage Rate	19.909
Percentage Tax Increase	13.29%

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 2021 and that the final millage rate set by the authority of this taxing jurisdiction for tax year 2021 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 2021 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 2021 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 OF PROPERTY TAX INCREASE

The City Council of the City of Pine Lake, GA has tentatively adopted a millage rate of 19.909 mills for maintenance and operations and debt service which will require an increase in property taxes of 13.29% for fiscal year 2021. This millage rate generates revenue necessary to fund the City of Pine Lake's general operations, capital improvements and debt service budget for fiscal 2021. This is the same millage rate adopted for the previous fiscal year 2020.

All concerned citizens are invited to the public hearing on this tax increase to be held virtually on Tuesday, June 22, 2021, at 7:00 p.m. The link to participate in the hearing is: <https://zoom.us/96704627805> or dial (929) 205 6099 (Meeting ID: 967 0462 7805).

This notice will be posted on the front page of the City's website at www.pinelakega.net.

Times of additional public hearings on this tax increase are June 29, 2021, at 10:00am and 7:00 p.m. This tentative increase will result in a millage rate of 19.909 mills, an increase of 2.335 mills over the rollback millage rate. Without this tentative tax increase, the millage rate will be no more than 17.574 mills. The proposed tax increase for a home with a fair market value of \$200,000 is approximately \$175.13 and the proposed tax increase for a nonhomestead property with a fair market value of \$150,000 is approximately \$116.75.

NOTICE

The City of Pine Lake does hereby announce that the 2021 millage rate will be set at the virtual meeting scheduled for 7:00 PM on Tuesday, June 29, 2021. This meeting may be accessed at <https://zoom.us/j/96704627805> or call in at 1-929-205-6099 Meeting ID: 967 0462 7805. Pursuant to the requirements of OCGA Sec. 48.5.32, the City hereby publishes the following presentation of the current tax digest and levy along with the history of the tax digest for the past five years.

CURRENT 2021 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

CITY OF PINE LAKE	2016	2017	2018	2019	2020	2021
Real & Personal	21,363,181	22,335,135	25,488,198	26,467,014	28,633,252	32,716,235
Motor Vehicles	533,790	457,630	264,140	187,340	139,790	120,180
Mobile Homes						
Timber - 100%						
Heavy Duty Equipment						
Gross Digest	21,896,971	22,792,765	25,752,338	26,654,354	28,773,042	32,836,415
Less M&O Exemptions	980,240	1,005,946	1,030,951	957,341	989,061	1,011,662
Net M & O Digest	20,916,731	21,786,819	24,721,387	25,697,013	27,783,981	31,824,753
State Forest Land Assistance Grant Value						
Adjusted Net M&O Digest	20,916,731	21,786,819	24,721,387	25,697,013	27,783,981	31,824,753
Gross M&O Millage	20.381	22.220	22.200	21.530	19.909	19.909
Less Rollback (LOST)						
Net M&O Millage	20.381	22.220	22.200	21.530	19.909	19.909
Total County Taxes Levied	\$426,304	\$484,103	\$548,815	\$553,257	\$553,151	\$633,599
Net Taxes \$ Increase	\$2,181	\$57,799	\$64,712	\$4,442	\$4,336	\$80,342
Net Taxes % Increase	0.51%	13.56%	13.37%	0.81%	0.79%	14.52%

DEKALB COUNTY TANGIBLE REAL AND PERSONAL PROPERTY VALUE CHANGES 2021
AS OF 05/25/2021

TAX DISTRICT	ROLL	2020	2021	CHANGE IN	VARIANCE	GROWTH	REVALUATION
		7/28/2020	5/25/2021	DIGEST	5/25/2021	5/25/2021	5/25/2021
UNINCORPORATED (04)	RE	\$13,599,433,193	\$15,036,703,359	\$1,437,270,166	10.57%	\$204,854,536	\$1,232,415,630
	PP	\$579,824,439	\$569,811,969	-\$10,012,470	-1.73%	\$0	-\$10,012,470
	MH	\$505,683	\$465,215	-\$40,468	-8.00%	\$0	-\$40,468
ATLANTA (61)	RE	\$2,524,117,499	\$2,733,212,830	\$209,095,331	8.28%	\$58,981,278	\$150,114,053
	PP	\$41,658,041	\$42,089,870	\$431,829	1.04%	\$0	\$431,829
	MH	\$0	\$0	\$0		\$0	\$0
AVONDALE (14)	RE	\$274,815,734	\$312,213,871	\$37,398,137	13.61%	\$31,103,183	\$6,294,954
	PP	\$2,197,178	\$2,054,176	-\$143,002	-6.51%	\$0	-\$143,002
	MH	\$0	\$0	\$0		\$0	\$0
BROOKHAVEN (20)	RE	\$4,605,872,052	\$4,818,565,053	\$212,693,001	4.62%	\$86,360,373	\$126,332,628
	PP	\$142,796,261	\$131,768,710	-\$11,027,551	-7.72%	\$0	-\$11,027,551
	MH	\$0	\$0	\$0		\$0	\$0
CHAMBLEE (24)	RE	\$1,744,888,565	\$1,902,631,901	\$157,743,336	9.04%	\$42,603,054	\$115,140,282
	PP	\$225,375,816	\$234,088,531	\$8,712,715	3.87%	\$0	\$8,712,715
	MH	\$0	\$0	\$0		\$0	\$0
CLARKSTON (34)	RE	\$206,233,472	\$237,399,634	\$31,166,162	15.11%	\$10,017,158	\$21,149,004
	PP	\$12,025,215	\$11,743,500	-\$281,715	-2.34%	\$0	-\$281,715
	MH	\$0	\$0	\$0		\$0	\$0
DECATUR (92)	RE	\$1,845,585,680	\$1,948,045,040	\$102,459,360	5.55%	\$39,442,997	\$63,016,363
	PP	\$19,748,586	\$18,742,372	-\$1,006,214	-5.10%	\$0	-\$1,006,214
	MH	\$0	\$0	\$0		\$0	\$0
DUNWOODY (50)	RE	\$3,902,969,042	\$4,389,597,010	\$486,627,968	12.47%	\$15,890,160	\$470,737,808
	PP	\$151,276,562	\$137,726,757	-\$13,549,805	-8.96%	\$0	-\$13,549,805
	MH	\$0	\$0	\$0		\$0	\$0
DORAVILLE (44)	RE	\$673,164,366	\$771,062,461	\$97,898,095	14.54%	\$8,374,287	\$89,523,808
	PP	\$169,016,811	\$173,269,056	\$4,252,245	2.52%	\$0	\$4,252,245
	MH	\$0	\$0	\$0		\$0	\$0
LITHONIA (54)	RE	\$39,097,717	\$43,974,691	\$4,876,974	12.47%	\$187,854	\$4,689,120
	PP	\$1,277,458	\$1,375,512	\$98,054	7.68%	\$0	\$98,054
	MH	\$75,224	\$67,734	-\$7,490	-9.96%	\$0	-\$7,490
PINE LAKE (74)	RE	\$27,862,038	\$31,938,672	\$4,076,634	14.63%	\$343,920	\$3,732,714
	PP	\$365,176	\$377,675	\$12,499	3.42%	\$0	\$12,499
	MH	\$0	\$0	\$0		\$0	\$0
STONE MTN (84)	RE	\$113,539,442	\$130,288,472	\$16,749,030	14.75%	\$1,467,051	\$15,281,979
	PP	\$4,419,875	\$4,727,198	\$307,323	6.95%	\$0	\$307,323
	MH	\$704	\$633	-\$71	-10.09%	\$0	-\$71
TUCKER (90)	RE	\$1,995,983,043	\$2,231,707,409	\$235,724,366	11.81%	\$44,982,500	\$190,741,866
	PP	\$309,215,697	\$300,397,738	-\$8,817,959	-2.85%		