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**TO:** Honorable Mayor and City Council Members  
**FROM:** Bernadette Harvill, Deputy City Manager  
**DATE:** Submitted on July 29, 2025 for the August 4, 2025 9:00 AM Special Called Council Meeting, August 4, 2024 Regular Council Meeting, and August 11, 2025 Special Called Council Meeting

DocuSigned by:

*Bernadette Harvill*

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**AGENDA ITEM:** Consideration of an Ordinance of the Mayor and Council of the City of Milton, Georgia, to Establish the Ad Valorem Tax Rate of the City of Milton for Fiscal Year 2026; and for Other Purposes.

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### **Executive Summary:**

The City has advertised and enclosed an ordinance based on a Maintenance and Operating (M&O) millage rate of 4.193 mills, which supports a proposed balanced budget and represents a 4.47% decrease from the tax year 2024 millage rate of 4.389 mills. Staff will present Council with other millage rate options at the hearings, but consideration of a millage rate above the advertised 4.193 mills will require additional advertising and public hearings as outlined in State law.

Staff will be presenting millage rate options at three public hearing presentations along with a discussion of the draft FY 2026 budget at the August 11, 2025 Work Session. A final ordinance will be drafted based on the approved millage rate at the August 11, 2025 Special Called Council Meeting.

Staff has also calculated a bond millage rate of 0.310 mills for the General Obligation Bond, Series 2017 (i.e. greenspace bond) that was approved through referendum on the November 2016 ballot. This will cover the eighth year of debt service payments totaling \$1,713,875 and is separate from the M&O revenue projections enclosed.

The Fulton County consolidation and evaluation of digest for tax year 2025 reflects taxable assessments for real and personal property at \$4,373,132,607 net of exemptions.

The State of Georgia requires two calculations when comparing year over year tax collection rates. The calculation of percentage increase/decrease in property taxes involves the calculation of a rollback rate. The rollback rate takes reassessments of existing real property and other net changes to the digest, such as new construction, into consideration (please see advertisement #1 enclosed). According to this calculation, adopting a 4.193 M&O millage rate represents an increase of 6.88% from the updated 2024 digest figures provided by Fulton County. The main factor causing this increase is the reassessment of existing real property and the related impact of the floating exemption calculation related to these reassessments.

The second calculation (advertisement #2 enclosed) represents the five-year history of levy. This formula compares taxes levied year over year without consideration of the impacts related

directly to reassessments of existing real property. The result is a 8.8% increase year over year levy anticipation (based on a 100% collection rate) for the 2025 tax year when compared to the updated figures for 2024.

Motor vehicle assessed values in 2025 are \$6,432,140 and have decreased by 16% since 2024. This decline is a result of HB386, which is phasing out motor vehicle taxes (or the "birthday tax") and replacing it with the title ad valorem tax (TAVT). The TAVT is a one-time title fee that is paid on all vehicle sales. It is not a property tax and is, therefore, not included in the tax digest.

**Funding and Fiscal Impact:**

For the advertised and rollback millage rate options, the projected amount of property taxes to be levied for M&O purposes can be seen below in the 100% collection rate column and the year one forecasted collections based on historical trend can be seen in the 97% column for real property and the 65% column for personal property.

**Real Property - Projected Revenues by Millage Rate**

		Collection Rate	
		100%	97%
Millage Rate	4.193	18,033,020	17,492,029
	3.923	16,871,819	16,365,665

**Personal Property – Projected Revenues by Millage Rate**


		Collection Rate	
		100%	65%
Millage Rate	4.193	303,525	197,291
	3.923	283,980	184,587

Historically, Milton has experienced a collection rate of approximately 97% of the projected real property digest and 65% of the projected personal property digest in year one of collections.

**Required Advertising:** Advertisement #1 Milton Herald July 24, 2025 & July 31, 2025  
 Advertisement #2 Milton Herald July 31, 2025

**Alternatives:** Other Council directed action.

**Concurrent Review:** Steve Krokoff, City Manager

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# Advertisement #1

## CITY OF MILTON NOTICE OF PROPERTY TAX INCREASE DETAILED EXPLANATION

City staff will present 2025 millage rate options at three public hearings in August. The State-required notice below reflects a rate of 4.193 mills, which supports a *proposed* balanced budget and represents a 4.47% decrease from the 2024 rate of 4.389 mills.

The data below references a “tentatively adopted millage rate” for maintenance and operating purposes and a corresponding collection increase associated with reassessments of existing property (please note, the sample calculations exclude homestead exemption considerations).

Over the coming weeks, Council will review the proposed budget to determine a final millage rate and may adopt any rate up to 4.193 mills without requiring additional advertising or public hearings.

*A final decision will be made at the August 11, 2025,  
Special Called City Council Meeting.*

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## CITY OF MILTON NOTICE OF PROPERTY TAX INCREASE AS REQUIRED BY STATE LAW

The City of Milton has tentatively adopted a millage rate which will require an increase in property taxes by 6.88 percent.

All concerned citizens are invited to the public hearings on this tax increase to be held at the City of Milton Council Chambers, 2006 Heritage Walk, Milton, Georgia, 30004, on the following dates and times:

August 4, 2025 at 9:00 AM

August 4, 2025 at 6:00 PM

August 11, 2025 immediately following the work session at 6:00 PM

This tentative increase will result in a millage rate of 4.193 mills, an increase of 0.270 mills. Without this tentative tax increase, the millage rate will be no more than 3.923 mills. The proposed tax increase for a home with a fair market value of \$925,000 is approximately \$99.90 and the proposed tax increase for non-homestead property with a fair market value of \$900,000 is approximately \$97.20.

# Advertisement #2

## CITY OF MILTON NOTICE

The City of Milton does hereby announce that the millage rate will be set at a meeting to be held at City Hall Council Chambers, 2006 Heritage Walk, Milton, Georgia on August 11, 2025 at 6:00 PM 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.

City staff will present 2025 millage rate options at three public hearings in August. The State-required notice below reflects a rate of 4.193 mills, which supports a *proposed* balanced budget and represents a 4.47% decrease from the 2024 rate of 4.389 mills.

The data below represents projected property tax collections, not any individual homeowner's circumstance.

Over the coming weeks, Council will review the proposed budget to determine a final millage rate and

may adopt any rate up to 4.193 mills without requiring additional advertising or public hearings.

*A final decision will be made at the August 11, 2025, Special Called City Council Meeting.*

### Current 2025 Tax Digest and Five Year History of Levy

Incorporated City of Milton	2020	2021	2022	2023	2024	2025
Real & Personal	3,181,409,869	3,412,770,422	3,958,728,869	4,775,282,577	5,176,737,727	5,726,456,603
Motor Vehicle	14,490,680	10,894,780	9,346,640	8,740,350	7,647,490	6,432,140
Mobile Homes	0	0	27,600	0	0	0
Timber – 100%	0	0	0	0	0	0
Heavy Duty Equipment	225,848	0	499,030	100,240	0	0
Gross Digest	3,196,126,397	3,423,665,202	3,968,602,139	4,784,123,167	5,184,385,217	5,732,888,743
Less M&O Exemptions	464,008,631	522,098,486	750,437,726	1,195,142,931	1,339,559,929	1,353,323,996
Net M&O Digest	2,732,117,766	2,901,566,716	3,218,164,413	3,588,980,236	3,844,825,288	4,379,564,747
Gross M&O Millage Rate	8.343	7.727	7.531	7.902	7.427	7.231
Less Millage Rate Rollbacks (LOST)	3.612	2.996	3.062	3.513	3.038	3.038
Net M&O Millage Rate	4.731	4.731	4.469	4.389	4.389	4.193
Bond Millage Rate	0.538	0.487	0.452	0.364	0.356	0.310
Total City Millage Rate	5.269	5.218	4.921	4.753	4.745	4.503
M&O Taxes Levied	12,925,649	13,727,312	14,381,977	15,752,034	16,874,938	18,363,515
Bond Taxes Levied	1,655,748	1,601,485	1,745,250	1,679,176	1,775,417	1,709,254
Total City Taxes Levied	14,581,397	15,328,797	16,127,227	17,431,210	18,650,355	20,072,769
Net M&O Taxes \$ Increase	196,120	801,663	654,665	1,370,057	1,122,904	1,488,577
Net M&O Taxes % Increase	1.5%	6.2%	4.8%	9.5%	7.1%	8.8%

All calculations are based upon a 100% collection rate. Figures for 2019-2024 have been updated to reflect the most recent consolidation and evaluation of digest provided by Fulton County for each year, and 2025 figures are based on current estimates provided by Fulton County.

**AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF  
MILTON, GEORGIA, TO ESTABLISH THE AD VALOREM TAX RATE OF  
THE CITY OF MILTON FOR FISCAL YEAR 2026; AND FOR OTHER  
PURPOSES**

**WHEREAS,** the Charter of the City of Milton, Georgia authorizes the City to levy and provide for the assessment of ad valorem property taxes on all property subject to taxation; and

**WHEREAS,** the Charter of the City of Milton, Georgia provides that the valuation of all property subject to taxation by the City shall be determined according to the tax digest prepared by the Fulton County Board of Tax Assessors; and

**WHEREAS,** the Mayor and City Council, after hearing and after duly considering all such relevant evidence, testimony and public comments, has determined that it is in the best interests of, and necessary to meet the expenses and obligations of, the City of Milton, Georgia to set a levy in the amount of \$4.503 on each \$1,000.00 of taxable value for all property subject to ad valorem taxation by the City; now

**BE IT ORDAINED** by the Mayor and City Council of the City of Milton, Georgia as follows:

**SECTION I:** The ad valorem tax rate for the City of Milton, Georgia for the 2026 fiscal year, on property subject to ad valorem taxation by the City is hereby fixed at \$4.503 on forty percent (40%) of each \$1,000.00 of property subject to ad valorem tax by the City.

**SECTION II:** Said rate of \$4.503 on forty percent (40%) of each \$1,000.00 of taxable property is hereby levied as follows:

- (a) For General Government purposes \$4.193 on forty percent (40%) of each \$1,000.00 of taxable property.
- (b) For the purpose of retiring outstanding General Obligation bonds, \$0.310 on forty percent (40%) of each \$1,000.00 of taxable property.

**SECTION III:** All ordinances and parts of ordinances in conflict herewith are hereby repealed.

**ORDAINED** this the \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Peyton Jamison, Mayor

Attest:

\_\_\_\_\_  
Tammy Lowit, City Clerk

(SEAL)

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**Sec. 52-19. Levied.**

- (a) *Authority.*Section 1.12(40) of the city Charter authorizes the city to levy and provide the assessment and collection of ad valorem taxes on all property subject to taxation.
- (b) [*Rate.*] The ad valorem tax rate for the City of Milton, Georgia for the 202~~5~~<sup>6</sup> fiscal year, on property subject to ad valorem taxation by the city is hereby fixed at \$~~4.7454.503~~ on 40 percent of each \$1,000.00 of property subject to ad valorem tax by the city.

**Sec. 52-20. To be used for general governmental purposes.**

- (a) For general government purposes \$~~4.3894.193~~ on 40 percent of each \$1,000.00 of taxable property.
- (b) For the purpose of retiring outstanding General Obligation bonds, \$~~0.3560.310~~ on 40 percent of each \$1,000.00 of taxable property.