
R2024-18: RESOLUTION TO ESTABLISH THE AD VALORUM FOR 2024-25 IN A MANNER CONSISTENT WITH THE 2024 Horry COUNTY REASSESSMENT AND STATUTES GOVERNING THE IMPLEMENTATION OF THE REASSESSMENT.

Applicant/Purpose: staff / to establish the roll-back millage rate for 2024-25 as indicated in the Budget Ordinance, Ordinance 2024-30.

Brief:

- Every 5 years, Counties in SC must reassess all real property.
- State law:
 - Limits the increases over the then-current base rate that can be adopted annually for millage levied in support of City operations.
 - Provides that, in a reassessment implementation year, the “rollback rate” (rather than prior year’s actual rate), must be used as the base tax rate to which the limits are applied.
 - The reassessment and rollback law does not apply for debt service millage.
- Proposed resolution:
 - Adjusts the provisional rate adopted in the 2024-25 Budget Ordinance by substituting the rollback rate for the previous year’s actual rate.
 - The rollback rate is computed according to the revised total Assessed Values provided by the County Assessor.

Issues:

- The rollback millage for 2024 is 77.4 mills, a decrease of 5.5 mills or 6.2%, compared w/the raw operating tax rate for 2023-24 of 82.9 mills.
- Total recommended tax rate for 2024-25 is 83.9 mills compared with the provisional rate of 88.9 mills adopted in the 2024-25 Budget Ordinance.
- The total rate includes the rollback rate of 77.4 mills for operations and maintains the 6-mill levy for debt service.

Public Notification: Normal meeting notification.

Alternatives: None considered. Horry County does not propose to delay the implementation of the reassessment, & cities are not able to postpone on their own.

Financial Impact: If the changes to the tax rate are adopted as proposed, the General Fund revenue estimates will increase by approximately \$2 million. \$1 million of the increase is attributable to the Tourism Development Fee (TDF) tax credit. If the tax credit exceeds TDF revenue available, the General Fund will not recognize the full increase associated with the credit. Likewise, collection rates normally decline in a reassessment year due to appeals, which means that the General Fund may not recognize the full impact of the additional property tax revenue assessed.

Manager’s Recommendation:

- I recommend approval.

Attachment(s): Proposed resolution.

RESOLUTION R2024-18

CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA

A RESOLUTION TO ESTABLISH THE AD
VALORUM TAX RATE FOR 2024-25 IN A
MANNER CONSISTENT WITH THE 2024 HORRY
COUNTY REASSESSMENT AND STATUTES
GOVERNING THE IMPLEMENTATION OF THE
REASSESSMENT.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MYRTLE BEACH, SOUTH
CAROLINA, AS FOLLOWS:

WHEREAS, Section 5-13-30(3) of the Code of Laws of South Carolina (the "SC Code")
requires that a municipal council shall act by ordinance to adopt budgets and to levy taxes; and

WHEREAS, on May 28, 2024, the City Council of the City of Myrtle Beach (the "Council") adopted
Ordinance No. 2024-30 establishing a budget for the fiscal year beginning July 1, 2024 and ending
on June 30, 2025 (the "2024-25 Budget Ordinance") based upon an amount of property tax
revenue, absent new growth, that equals the revenue generated in the previous year; and

WHEREAS, Section 6-1-30 of the SC Code establishes limits for the determination and
levy of the millage rates for local government operations both during and outside of years when
a reassessment is implemented, and

WHEREAS, Horry County and all local governments located therein will implement a
reassessment in Tax Year 2024 and Fiscal Year 2024-25; and

WHEREAS, the South Carolina Budget & Control Board has notified the City that the limit on its
millage rate increase for operations for the 2024 tax year under SC Code Sec. 6-1-320 is 7.43%;
and

WHEREAS, the total allowable increase in millage for operations for the 2025 tax year is
23.23%, taking the aforementioned 7.43% for 2024 together with the cumulative rate of 15.80%
for operating millage increases that were allowed but not imposed for the previous three tax years,
in accordance with SC Code Sec. 6-1-320(A)(2); and

WHEREAS, the total tax rate of 83.4 mills comprises the rollback rate of 77.4 mills as
determined by the prescribed method and a 6-mill rate for debt service;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Myrtle Beach, in
Council duly assembled and by the authority of the same that Sec. 1 of Ordinance No. 2024-30,
the 2024-25 Budget Ordinance, hereby sets the 2024-25 Ad Valorum tax rate, as follows:

"Sec. 1. Levy of taxes.

For the support of general governmental functions of the City, an *ad
valorem* tax to apply for the period July 1, 2024 through June 30, 2025,
both inclusive, for the sums and in the manner set forth as follows, is and
shall be levied, collected, and paid into the treasury of the City of Myrtle
Beach, South Carolina, for the use and service thereof.

Tax Levy and Distribution
(in mills)

<u>Purpose of Levy</u>	<u>2024-25 Rates</u>
Operations	77.4
Debt Service	<u>6.0</u>
Total Tax Levy (in mills)	83.4

Such tax is hereby levied upon the value of all real and personal property within the corporate limits of the City, except such as is exempt from taxation under the Constitution and Laws of the State of South Carolina, as such property is assessed for taxation for County and State purposes."

SIGNED, SEALED, AND SEALED THIS 23rd day of July 2024.

SIGNED:

BRENDA BETHUNE, MAYOR

ATTEST:

JENNIFER ADKINS, CITY CLERK