



Petersburg Borough
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Finance Department Petersburg Borough Mill Rate

The adopted operating mill levy for FY21 is 7.8 which is a decrease of 1.53 mill from FY20. The debt mill levy is 3.7 for FY21, which is an increase of 0.73 from FY20. This brings the total FY21 mill levy to 11.5 which is a decrease of 0.80 from FY20.

The Petersburg Borough has two overlapping taxing areas (Areawide, Service Area 1) plus a separate debt service mill levy. Property can be subject to taxation in one or both of these levies plus the debt service mill levy.

Understanding the mill rate:

One mill is equal to one tenth of one percent. In terms of dollars, one mill equals \$1 of taxes per thousand dollars in taxable property value. The current mill rate is 11.5. That means that for every \$1,000 in taxable property value, there is a tax of \$11.50.

In 1991, the City of Petersburg voters approved a 10-mill operational property tax levy restriction on taxable property. This means that the Borough Assembly cannot raise the mill rate above 10 mills (\$10 for every \$1,000 in taxable property value) to support general government operations. This restriction does not apply to tax levies for the debt service on general obligation bond. Debt service is the amount required to cover the repayment of interest and principal on voter-approved bonds and is in addition to the operational mill levy.

Applying the mill rate:

This example assumes combined \$300,000 in taxable property, in both Service Area 1 and Areawide.

$$\begin{aligned} \$300,000 \text{ (property value)} &= 300 \text{ (number of thousands)} \times \$1,000 \\ 300 \text{ (number of thousands)} \times 11.5 \text{ (total mill rate)} &= \$3,450 \text{ (annual property tax)} \end{aligned}$$

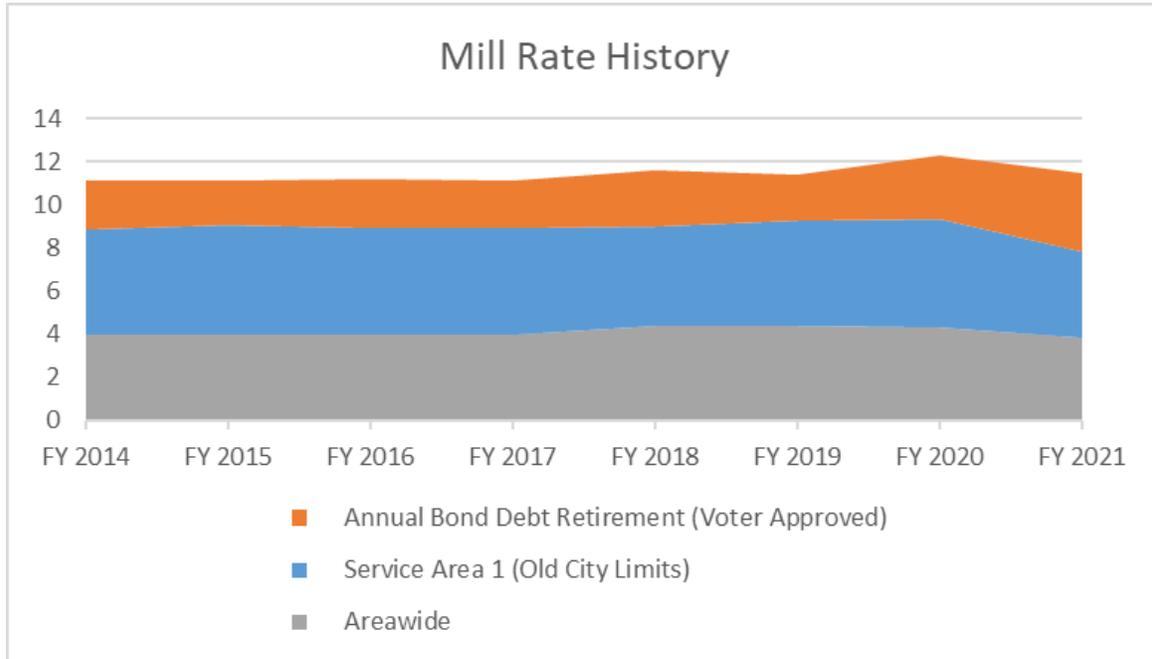
Of that \$3,450 in property tax:

\$2,340 per year, or \$195.00 per month helps support all aspects of local government including schools, Police, fire protection, roads and sidewalks, libraries, parks, recreational opportunities, etc.

\$1,110 per year, or \$92.50 per month, pays for the voter approved bonds.



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Mill Levy	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Areawide	4	4	4	4	4.4	4.35	4.33	3.8
Service Area 1 (Old City Limits)	4.84	5.08	4.91	4.9	4.6	4.9	5	4
Annual Bond Debt Retirement (Voter Approved)	2.3	2.06	2.27	2.2	2.6	2.13	2.97	3.7
Total Mill Rate	11.14	11.14	11.18	11.1	11.6	11.38	12.3	11.5