

City of Olive Branch: 2018 Annexation

- The Board of Aldermen adopted an Annexation Ordinance on November 20, 2018.
- The proposed annexation consists of 2 areas:
 - Area 1 is an area south of the current City limits consisting of the Pleasant Hill, Bridgetown, Lewisburg, and Cedar View communities.
 - Area 2 is an area east of the current City limits consisting of the Center Hill community.
 - Combined the two areas consist of approximately 50 square miles, approximately 5000 homes, and approximately 14,000 residents.
- The proposed annexation is the City's first substantive annexation in over 2 decades. In 1996 the City of Olive Branch annexed an area that extended the City limits west to Malone Road.
- Since the 1996 annexation the City has invested millions of dollars in extending utilities to the proposed annexation areas. The City has studied the proposed annexation areas for the past 20 years as part of the City's future growth plan.
- The City provides fire protection services in much of the proposed annexation area. In some areas, the City is a secondary responder, but in the Pleasant Hill area in particular (former Summershill) the City is the primary responder. Some residents of the proposed annexation areas may see a reduction in homeowner's insurance premiums due to the City providing 24/7 full-time fire protection services.
- Annexation does not affect school district lines. School district lines are established by the Desoto County School Board. The Desoto County School Board has historically drawn school district lines without regard for municipal boundaries.
- Since 1996 the population of Desoto County has doubled. The growth in the eastern part of the County has been enabled by the City of Olive Branch extending utility and fire protection services. Further economic development is limited without additional municipal level services.
- The proposed annexation areas are in Olive Branch's path of growth, and the areas are growing because of their proximity to, and receipt of, City services.
- Upon an annexation becoming final, residents in annexed areas would see an increase in ad valorem tax on real property and automobile tags. The City of Olive Branch has the lowest tax rate of the 4 large Desoto County municipalities. Estimated City taxes for example homes are as follows:

<u>Appraised Total Value</u>	<u>Estimated City property tax</u>
\$160,000	\$616
\$240,000	\$924
\$320,000	\$1232

- A homeowner with a house valued by the Desoto County Tax Assessor at \$240,000 would pay approximately \$924 annually in City property taxes, which equates to approximately \$2.53 per day for full-time paid 24/7 fire protection (as opposed to volunteer fire protection) as well as a full range of other municipal level services including police, code enforcement, sanitation, parks, and public works.
- Annexation proceedings are governed by state law, and the City will file a petition in the Desoto County Chancery Court to start the process. Public notice of the initial court proceedings will be provided as required by law.