Coweta County Board of Commissioners

Public Hearing/Regular Session

22 E Broad Street
Newnan, GA 30263
www.coweta.ga.us

Shannon Zerangue
770.254.2601

Tuesday, August 16, 2022	7:30 AM	Commission Chambers

~ Minutes ~

COWETA COUNTY BOARD OF COMMISSIONERS

Call to Order

Attendee Name	Title	Status	Arrived
Bob Blackburn	District 3 - Chairman	Present	
John Reidelbach	District 4 - Vice Chairman	Present	
Paul Poole	District 1	Absent	
Tim Lassetter	District 2	Present	
Al Smith	District 5	Present	
Michael Fouts	County Administrator	Present	
Eddie Whitlock	Associate Administrator	Present	
Kelly Mickle	Assistant Administrator	Present	
Nathan Lee	Assistant County Attorney	Absent	
Fran Collins	Deputy County Clerk	Present	

The Honorable Board of Commissioners of Coweta County, Georgia met in Public Hearing/Regular Meeting Session on Tuesday, August 16, 2022 at 7:30 a.m.

Meeting Called to Order

Chairman Blackburn called the meeting to order at 7:30 a.m.

Pledge of Allegiance

Chairman Blackburn led the Pledge of Allegiance.

Invocation

Invocation was given by Commissioner Smith.

Notification of Location of Rules

Chairman Blackburn explained that the rules governing the meeting could be found on the County's website as well as on the table located in the lobby outside the meeting room.

PUBLIC HEARING (The Chairman will Call for Any Comments Regarding the Following Items After Each Item is Presented)

1. 13129 Second Public Hearing Regarding the Proposed 2022 Millage Rate

Chairman Blackburn explained that this is the second of three (3) Public Hearings regarding the proposed 2022 millage rates.

Administrator Fouts explained that state law requires that the property tax rate or millage rate be set annually by the local taxing jurisdiction, which is the Board of Commissioners in Coweta County. When the total digest of taxable property is prepared, Georgia law requires taxing authorities to compute a rollback millage rate for maintenance and operations that will produce the same total revenue based on the current year's digest that last year's millage rate would have produced had no reassessments occurred. He further explained that the County's fiscal year runs from October 1st through September 30th of each year. Governmental accounting includes multiple operating funds including the General Fund (which is the main operating fund for the County), Fire fund, Health Insurance fund, and others. He explained that the Board of Education and other municipalities have independent authority over their budgetary decisions and millage rate levies. This body is considering the general Maintenance and Operations (M&O), Fire District, and the Fire Bond levies.

Mr. Fouts reviewed the millage rate and budget timeline, explained the calculations of a mill of tax, provided an example of tax liability for a single-family home valued at $250,000, and presented a historical overview of the County's millage rates, property taxes, and tax revenue for unincorporated and incorporated Coweta County. He explained that for 2022, the calculated rollback millage rate is 5.28 mills for incorporated and 5.118 mills for unincorporated. Both districts are proposed at 5.28 mills which will generate approximately $41.8 million. The projected change in net taxes is 9%, most of which is from new growth in the county. The difference between the rollback rate of 5.118 mills and the proposed rate of 5.28 mills is approximately 3%.

Administrator Fouts reviewed the steps necessary to calculate the general M&O millage rate, FY2023 goals and expectations for maintaining levels of service, programs, and operations, fund necessary performance/merit increases and necessary personnel requests, fund necessary capital expenditures and debt service from fiscal year revenue and maintaining a reasonable fund balance reserve. He explained that the Government Finance Officers Association (GFOA) recommends a fund balance anywhere from 15% to 50% dependent upon services provided. On September 30, 2021 the fund balance was approximately $36 million, and the fund balance based on the current trend is projected to be $38 million for the end of this fiscal year.

Mr. Fouts presented the steps necessary to develop the proposed fiscal year budget based on the goals and expectations. He explained that the approved FY2022 budget was approximately $91.5 million and that as proposed, the budget for FY2023 is approximately $99.6 million, an increase of $8.2 million or 9%. The key drivers for the increase are a $4.5 million market adjustment for employees, $2.3 million for the jail debt service payment, $700,000 in additional capital expenditures, and an additional $450,000 towards employee health insurance. He stated that the next step is to develop the non-property tax revenue projections to support the proposed budget. The projections for FY2023 total approximately $58 million in non-property tax revenue, which requires approximately $41.8 million in property taxes.

In response to questions from the Board, Mr. Fouts updated the Board regarding ongoing Local Option Sales Tax (LOST) negotiations with local municipalities to establish a new LOST distribution formula and stated that a 2.5 mill levy would be needed to make up for LOST revenues if an agreement is not reached.

Administrator Fouts pointed out that assessment notices are sent with exact language and an estimate of taxes to be included using the millage rate from the previous year as required by State law. He stated that the majority of property owners think the assessment notice is a tax bill which creates great confusion each year.

In closing, Mr. Fouts reminded the Board that the third of three Public Hearings regarding the 2022 millage rates is scheduled for Tuesday, August 23, 2022 at 6:00 p.m. Following the close of the August 23rd Public Hearing, the Board will vote to adopt the 2022 millage rates. Once the millage rate has been adopted, staff will present a draft budget at the Public Hearing on September 8, 2022 at 6:00 p.m., followed by a request to approve the budget on September 20, 2022.

During his presentation, Administrator Fouts fielded questions from the Board regarding the projected fund balance percentage, additional capital expenditure requests, the difference between property value and taxation, process for property value appeals, calculation of the digest and rollback rate, components of the County's revenue stream, TAVT tax, and proposed millage rates.

In response to questions from Commissioner Smith, Administrator Fouts stated that he believed that a 3% increase is reasonable considering inflation, a market adjustment for employees, the cost of employee benefits, and general increases in materials and fuel costs.

Chairman Blackburn called for any comments in support of the proposed 2022 millage rates. There were none.

Chairman Blackburn called for any comments in opposition to the proposed millage rates.

The following citizens spoke in opposition to the proposed 2022 millage rates citing tax increases in retirement, financial impact on citizens with fixed incomes, inflated property values, loss of being a tax friendly county, increased property assessment values, and their desire to rollback the millage rates.

- Mr. Stewart Layton, Mapledale Trail, Sharpsburg
- Mr. Jeff Binion, Smokey Road, Newnan

Commissioner Reidelbach pointed out that assessment notices are not tax bills and that citizens can appeal their assessments within 45-days of receipt. He also mentioned that based on his research, Coweta County ranks 17^{th} in the state in population but in the bottom 20% in unincorporated millage rates.

Commissioner Lassetter pointed out that assessment notices listed last year's millage rates totaling 9.186 mills as required by State law. This year the proposed rates total 8.634 mills. While property values have risen in the market, they may trend downward in the next 6-8 months.

Administrator Fouts explained that the school taxes make up approximately 65% of the tax bill and it is difficult to compare Coweta County with other counties because of the level of service each county provides can be different.

The Board voted to close the Public Hearing regarding the proposed 2022 millage rates.

Chairman Blackburn explained that the final millage rate Public Hearing will be held on Tuesday, August 23, 2022 at 6:00 p.m.

RESULT:	**PUBLIC HEARING CLOSED [UNANIMOUS]**
MOVER:	John Reidelbach, District 4 - Vice Chairman
SECONDER:	Al Smith, District 5
AYES:	Bob Blackburn, John Reidelbach, Tim Lassetter, Al Smith
ABSENT:	Paul Poole

REGULAR SESSION

ADJOURNMENT

Motion To: **Adjourn**

The Board voted to adjourn the meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Al Smith, District 5
SECONDER:	John Reidelbach, District 4 - Vice Chairman
AYES:	Bob Blackburn, John Reidelbach, Tim Lassetter, Al Smith
ABSENT:	Paul Poole