

MINUTES
PUBLIC HEARING
IN-PERSON & ZOOM
THURSDAY, SEPTEMBER 24, 2020

Members Present:

Mayor Steve Lawrence
Jim Foust
Kirk Raffield
Jim Looney
Dr. Sonny Proctor
Anne Sneve-zoom

Staff:

Brandon Douglas
Beverly Ragland
Lindsey Williams
Tara Benson
Greg Lovell
Steve Roper
Rachael Childers-zoom
Jasper City Hall Lobby-zoom

Guests in Attendance:

Jasper City Hall (lobby)
Roseanne Hamrick-zoom
Greene Suttles-zoom
Michael Magill-zoom
Shouse-zoom
4043915445-David Shouse-zoom
Carrie Roland-zoom
Susan Horton-zoom

Members Absent:

Legal Counsel:

R. David Syfan

Press:

Mari Livsey - KnowPickens
Angela Reinhardt-Pickens Progress

Mayor Steve Lawrence asked Councilmember Kirk Raffield if he recognized a quorum. See a quorum, Mayor Lawrence opened the public hearing at 6:00 PM. He requested City Manager Brandon Douglas to provide the invocation. He requested Councilmember Dr. Sonny Proctor to lead the Pledge of Allegiance.

Mayor Lawrence advised that an agenda is in front of them and he entertained a motion to adopt the agenda. Councilmember Raffield made a motion to adopt the agenda with Councilmember Proctor providing a second. Motion to approve carried unanimously.

Mayor Lawrence recognized City Manager Douglas and asked him to bring forth information. City Manager Douglas identified the public hearing as being the second of three public hearings as required through the Official Code of Georgia regarding millage rate. These public hearings are required when the rollback rate is not recommended to be used when taxes are calculated from the tax digest. At the September 14, 2020 regular council meeting, council did approve the recommendation to advertise a millage rate of 6.780 mills. This indicates an increase in property taxes collected so it was advertised as a property tax increase as required. The rollback rate is 4.345 mills and the current city millage rate is 4.655. Staff is working to determine a millage rate that will support and sustain the general fund budget.

In 2019, revenues received by the general fund in a non-pandemic year were \$4,443,306. The 2020 amended budget has estimated revenues at \$4,448,689. The projected 2021 budget has revenues at \$4,561,172. This is approximately \$112,000 more or a 2.5% increase from the amended 2020. General Fund expenditures provide funding for basic services of government; fire, police, building inspections and administration. It does not provide funding for enterprise funds. The 2020 amended budget is \$4,932,325 versus the estimated 2021 expenditures of \$5,106,492. That is a 3.5% increase. Staff is continuing to work to cut 2021 expenditures down more over the next couple of weeks.

He explained how staff got to the point of recommending a millage rate of 6.78. Looking at actual final revenues and expenditures in the periods ended 2015, 2016, 2017, 2018 and 2019, the trend of increase in expenses is 27%. The increase in revenue over that period has been 12.5%. The amended 2020 and projected 2021 continues to show that gap between revenue and expenditures. It is prudent for this new administration to take into account the opportunity to adjust one component of our revenue and adjust that accordingly.

An illustration was provided to show the historical millage rates from 1990 through 2019. It showed the millage rate begin to go down in 1992. Between the years 2000 and 2001 was the only time in that span of time the millage rate had been increased. It has been 20 years since that only millage rate increase. Millage rates in other local taxing jurisdictions were provided for reference and it was noted the difference in those steadily increasing millage rates versus the City's. The trend for Jasper has been a millage rate reduction to the rollback rate or staying at a steady rate. The gap has widened to the point where corrective action needs to be taken.

Most people are concerned with how this tax increase impacts them as a city resident paying city taxes. This does not apply to taxes or properties in unincorporated Pickens County or the school board taxes. It's just the City of Jasper tax. A chart was provided to show the impact of the millage increase from the current 4.655 to 6.78 in an annual amount and a monthly amount. The range of property values provided with the proposed increase is from \$50,000 of value as provided by the Pickens County Tax Assessor's office to \$500,000 in \$10,000 increments. As an example, a house value of \$140,000 would pay an annual tax of about \$260 with the current millage rate. At the proposed 6.78 millage rate, your property taxes would go up \$9.92 a month. When a notice of the tax increase is given, people want to know why and then they want to know the implications to them as a taxpayer. The valuation of your property is not determined by the house down the street that sold for \$250,000, it is determined by the Tax Assessor's Office who determines the values of property countywide in Pickens County. A house valued at \$250,000 would have a monthly increase of roughly \$17.00 per month. The highest valuation given was \$500,000 with an estimated increase of \$35 per month increase or \$425 per year increase.

The idea of advertising the tax rate of 6.78 mills is to bridge the gap between the deficit in the general fund, to make the fund as self-sustaining as possible and to mitigate the need of augmenting the general fund with the use of enterprise funds. An illustration was provided that explained general fund expenditures. A total of 57% would be used for public safety. The proportion of Fire and Police have been consistent over the periods of 2015 through 2020. The same level of service has been provided over those years. The largest portion of both departments is salary and benefits at 85 and 84 percent respectively. The proposed 2021 budget does not provide the ability to give raises or increase pay.

An illustration was provided to show the projected general fund revenue for 2021. Property taxes provide 29% of the total general fund revenue with roughly 70% coming from other sources of revenue. The millage rate is one source that can be adjusted to control the level of funding versus the other sources that are directly affected during times of uncertainty.

City Manager Douglas acknowledged the conclusion of his discussion points and asked Finance for any further comment. Finance Director Beverly Ragland stressed to the public that were watching that the city tax did not include the county tax or the school board tax. The value of properties could be found by searching the Pickens County Tax Assessor's website with their address. You can take the value found and compare it with the provided estimate to determine how the tax increase could impact you.

Mayor Lawrence opened up the discussion to anyone in the council chambers that would like to comment. The first comment came from Susan Horton whose family moved to Jasper around 10 years ago. They also moved their business here. They have two properties impacted by the increase. She feels as though she is representing the business community as well as the residential community with her comments. She understands there has not been a rate increase in some time, however the increase to her hits twice. It doesn't sound like much when you look at the cost per month but when you have to write a check at the end of the year it's a lot. She's very happy to be in Jasper and asks that council takes that into consideration. She was thanked by Mayor Lawrence for her input. There were no other persons in council chambers or the lobby for public comment. The zoom meeting was unmuted for an opportunity for participants to comment. David Shouse wished to comment through zoom. He stated he is the owner of multiple commercial properties in Jasper that are leased. He is hearing feedback from those tenants regarding the tax increase because their lease requires them to pay the taxes. The businesses have a valuation much higher than the examples given so the impact is higher than those shown. Many of the businesses are already struggling with the effects of the pandemic. He asked about the property that is owned by the City and the possibility of selling those properties to offset the need for additional revenue. Mayor Lawrence thanked him for his comments. There were no further requests for public comment.

With respect to no further public comment Mayor Lawrence asked for a motion to adjourn the public hearing. Councilmember Proctor provided the motion and Councilmember Jim Foust provided the second. The motion passed unanimously.

The public hearing was adjourned.



Steve Lawrence
Mayor



Beverly Ragland
Finance Director/City Clerk

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