STATE OF GEORGIA
COUNTY OF HENRY

The Henry County Board of Commissioners held a Special Called Meeting ***in-person*** on Tuesday, July 30, 2024, at 1:00 p.m., at the Henry County Administration Building (Community Room), 140 Henry Parkway, McDonough GA. Henry TV also streamed this live online at its website, as well as Charter/Spectrum Channel 180 and Facebook Live. The *Henry Daily Herald* was notified of this meeting. Those present were:

Carlotta Harrell, Chair
Johnny Wilson, District I Commissioner
Neat Robinson, District II Commissioner
Dee Anglyn III, District III Commissioner
Michael Price, District IV Commissioner
Kevin J. Lewis, District V Commissioner

Also attending: Cheri Hobson-Matthews, County Manager; Michael Harris, Tax Commissioner; Serena Nowell, County Attorney; and Stephanie Braun, County Clerk.

HENRY COUNTY CODE OF CONDUCT

(Sec. 2-2-128: Conduct during public meetings)

PLEDGE OF ALLEGIANCE

The Pledge was recited.

CALL TO ORDER

Carlotta Harrell, Chair, called the Special Called Meeting of the Henry County Board of Commissioners for Tuesday, July 30, 2024, at 1:00 p.m. to order.

MILLAGE RATE

(Public Hearing & Adoption) Regarding 2024-2025 Millage Rate (Presenters: David Smith, Financial Services Director/Cluster Lead; and Michael Harris, Tax Commissioner)

David Smith, Financial Services, explained the adopted FY2025 general budget. The general fund and service districts budget is approximately $259,700,000, an 8.7 percent increase over the prior year, which amounts to a $20.7 million increase. He stated that the budget's primary purpose is to fund board priorities, mainly focusing on employees and to provide additional funding for future capital needs. This includes, but is not limited to, building a new E-911 facility and a fire training facility. The budget also aims to ensure sustainability and support a long-term plan.

Mr. Smith stated that a 3-mill increase is being requested for our service districts. The 3-mill increase for the service districts includes 1 mill for fire (fire training facility, equipment, personnel), 1 mill for police (primarily for personnel), and 1 mill for future capital needs (judicial complex, jail pod, and a central energy plant). Mr. Smith also mentioned that the additional 3-mill increase will generate a projected surplus of $16.9 million. The increase will fund fire, police, parks, and future capital projects. He noted that the current millage rate has remained unchanged since 2016. Mr. Smith played a brief video showing what you receive for taxes paid.

Michael Harris, Tax Commissioner, explained that a millage rate is simply the tax rate used to calculate local property taxes. It is the rate homeowners must pay for every $1,000 of a property's assessed value, which includes both the structure and the land on which it sits. He explained that property values are broken into two categories. The first is fair market value, determined by the Tax Assessor's Office. The Tax Assessor's Office mails notices in April/May, and the taxpayer has 45 days to appeal the value to the Board of Assessors. The second category is assessed value, which is calculated by multiplying the fair market value by 40 percent.

Mr. Harris stated that this year's property tax calculation will include a significant change with a new millage rate of 15.733. He explained that the equation remains the same: assessed value minus any exemptions times the millage rate equals the tax amount due. Mr. Harris also noted that properties with existing homestead exemptions would be taxed at the same value as last year due to the frozen exemption, providing an example. The frozen exemption does not apply to school taxes or improvements made to the house or additional land acquired.

Mr. Harris stated that considering the proposed 3-mill increase by the BOC and the reduction in the school bond of 1.68, the overall millage rate will be 39.733. For a home valued at $350,000 with a basic homestead exemption of $15,000, it would result in an annual difference of about $171.00, or approximately $14.00 per month.

Mr. Harris mentioned that the frozen exemption was enacted by local legislation in 2004. It applies only to the primary residence and up to five contiguous acres of land. The base year value is the fair market value of the home from the year prior to filing for the homestead exemption. If you apply for the frozen exemption today for the 2025 exemption, the base year would be 2024. The exemption is automatically renewed each year as long as the resident continues to occupy the home as their primary residence. Homeowners pay taxes based on the base year value for the county and water portions of the tax bill, even if the property value increases beyond the base year. If the property value decreases below the base year value, homeowners pay based on the lower valuation.

Ms. Harris added that at the age of 62, an additional $20,000 is deducted from the assessed amount for School Taxes. At age 65, the deduction increases to $80,000. At age 68, an additional $120,000 is deducted from the assessed amount, and at age 70, homeowners no longer pay any school taxes at all.

A slide was presented illustrating the allocation of our tax dollars. It showed that 50 percent of the proposed tax breakdown is allocated to the school system, with an additional 5 percent going toward the school bond. The Water Authority accounts for 5 percent, and the remaining 40 percent is allocated to the county government.

Mr. Harris stated that they aim to have the tax bills mailed out by September 1st, with a due date of November 16th. All relevant information will be available on the Tax Commissioner's website.

Mr. Harris also mentioned that the countywide millage rate has decreased from 8.055 to 7.042. While there has been an increase in the millage rates for special service districts, such as fire, police, and recreation, there has been a decrease in the unincorporated areas, resulting in a total county millage of 15.733. All cities have adopted their respective millage rates for the year.

Mr. Harris noted that the general fund millage rate was reduced from 8.055 to 7.042, representing a full rollback. According to the law, only one meeting is required for a full rollback, and any additional meetings are at the discretion of the Board of Commissioners. He mentioned that his office has received calls questioning why there is only one meeting. He clarified that this is in compliance with state requirements and does not take into account the special service districts.

Chair Harrell called for a public hearing, stating that everyone will have three minutes to speak.

Todd Wentz, Associate Pastor of Pinecrest Baptist Church of McDonough and a resident of Henry County for 24 years. He spoke in opposition of the millage rate increase.

(Name inaudible) has been living in Henry County since 2004, and is concerned about the millage rate increase and stated that the burden on the homeowners is overbearing.

Pamela Duchesne lives in Hampton and inquired if the digest increased, and asked if the county was receiving extra taxes from that increase. She stated that the millage would not need to be increased if the county was receiving those funds. She spoke about the increase and how citizens in her area are complaining about inflation and are in dire need of some sort of relief. She added that one of the mils was for police and stated that they do not receive police services and asked if the county was collecting for that and if it was being passed along to the cities that are not receiving police services?

Chair Harrell mentioned that if the cities have their own police departments, then the county's increase in the mils does not impact public safety if you live within the city limits of any of our four cities, and citizens would pay those fees to the cities. The cities set their own millage rates.

David Smith, Cluster Lead, explained the creation of the service districts, which are funded by local sales tax. He noted that in areas where cities did not provide certain services, the county could not charge for those services within city limits. Therefore, charges were applied only when the county provided the services. This led to the establishment of special service districts for fire, police, recreation, and unincorporated areas. He also provided some examples of how the County has tried to save money for services in order to "tighten our belt" as much as possible.

Chair Harrell asked all public safety members to stand and emphasized the importance of offering public safety services to ensure the county remains safe. She expressed gratitude for their efforts.

Commissioner Price addressed public comments, acknowledging a resident's concern about increasing costs. He affirmed that the rise in expenses is a reality, affecting both individuals and the county. He clarified that the services provided are intended for both new and current residents and noted that costs have increased significantly for everyone.

Commissioner Lewis highlighted the dramatic rise in costs for both individuals and the county. He pointed out that expenses for providing services, such as road maintenance and emergency response, have risen considerably. He assured the public that efforts are being made to reduce costs where possible to prioritize essential services.

Commissioner Anglyn requested **David Smith** to state the County budget, which Mr. Smith confirmed is $259.7 million. Commissioner Anglyn then inquired about the school district's anticipated budget for the upcoming year, which Mr. Smith noted is close to half a billion dollars. **Commissioner Anglyn** emphasized the importance of public understanding that while the County budget is $259.7 million, the school budget is $500 million. He stressed that property taxes are essential investments in the county. He acknowledged the challenges posed by the frozen home exemption and encouraged citizens to apply if they qualify. **Commissioner Anglyn** remarked on the difficulty of managing a budget amid increasing expenditures and assured the public that there is no waste in the current budget. He commended the current board for their efforts to address past issues and thanked the public for their patience.

Commissioner Robinson noted that Henry County is experiencing significant growth and will continue to do so. She emphasized that maintaining a high quality of life as the county grows requires ensuring that public safety services are adequately supported. She highlighted the need for the county and the four cities to collaborate to achieve the desired outcomes. Commissioner Robinson requested an explanation of the growth digest.

David Smith explained that the residential digest growth is the primary basis for the county's budget. The county budget was based on an estimated 4 percent residential digest growth, but the actual growth was approximately 6.5 percent. In contrast, although industrial growth was substantial in 2022 at 14.7 percent, it slowed to 3.64 percent in 2023. Smith noted that industrial growth is crucial for funding the budget, especially given the frozen exemption on residential digest growth.

Vice Chair Wilson noted that the county will continue to grow, and with it, the revenue will also increase. He inquired about the current millage rates for the special service districts for police and fire. David Smith responded that the current rates are 1.791 mills for fire and 2.156 mills for police. **Vice Chair Wilson** also asked about the revenue generated by fire and police services. **Mr. Smith** did not have the exact figures but indicated that the fire budget is approximately $40 million, and the police budget is around $35 million. He explained that property taxes are used to balance these budgets.

Vice Chair Wilson asked if the budget shortfall for special service districts is covered by the general fund. **Mr. Smith** confirmed that this is correct. Wilson then inquired if each service district has its own account. Mr. Smith confirmed that each service district is set up in separate funds but does not have its own bank account.

Vice Chair Wilson also asked how many citizens are exempt from school taxes. Mr. Harris responded that 11,816 residents are currently exempt, though this number could change due to ongoing appeals. He estimated that around 12,000 parcels receive the Board of Education exemption.

Vice Chair Wilson concluded that he supports a 1.5-mill increase for police and fire services to accommodate growth, considering the needs of the 12,000 exempt residents.

Commissioner Lewis made a motion to approve the three-millage rate with the special service district as outlined in the resolution; **Commissioner Anglyn** seconded the motion. The motion carried 5-1-0 with **Vice Chair Wilson v**oting in opposition. **Resolution 24-191**

SPLOST

County Manager Cheri Hobson-Matthews opened the discussion by outlining three resolutions: one approving the Project List(s), one approving an Intergovernmental Agreement with the cities for the distribution of SPLOST VI proceeds, and one calling for a SPLOST VI referendum.

Roque Romero, Cluster Lead, then presented a PowerPoint outlining information regarding SPLOST VI projects. He noted that the SPLOST VI committee had conducted a series of meetings throughout the county to gather public input and detail the proposed project list. He explained that they are seeking approval for a six-year agreement, as opposed to the current five-year program. The six-year program will require a new intergovernmental agreement with the cities. The projected total revenue for the six-year period is $470,000,000. Of this amount, 68 percent, or $319,600,000, is allocated to the county, and 32 percent, or approximately $150,400,000, is allocated to the cities.

Capital Projects Director Lynn Planchon presented the capital project list compiled by the SPLOST VI committee. The list included projects across several categories: public safety, senior services, parks and recreation, public works, asset and information technology, and county facilities.

Roque Romero highlighted some minor changes to the project list by district:

- **District 1**: Added a resurfacing project for East Main Street/Old Highway 3.
- **District 2**: Added resurfacing projects for East Atlanta Road, Hudson Bridge Road, and Flippen Road.
- **District 3**: No changes.
- **District 4**: Added resurfacing projects for Eagles Landing Parkway, Hudson Bridge Road, Flippen Road, and East Lake Parkway.
- **District 5**: Added intersection improvements for Mount Carmel and Mount Olive at Chambers Road and resurfacing on Flippen Road.

Vice Chair Wilson inquired why there were no specific parks and recreation projects listed for individual districts and asked which parks would benefit from the allocated funds.

County Manager Cheri Hobson-Matthews explained that the funds for Parks and Recreation are allocated broadly to allow flexibility for Parks and Recreation leadership to improve various parks throughout the county. She mentioned that the Comprehensive Master Plan, once completed, will include specific recommendations for park needs. She also stated that she will amend the language to include "new parks" in the Comprehensive Parks and Master Plan recommendations.

Commissioner Robinson said the County and the City of Stockbridge, which fall under her district, have had ongoing communications and are in agreement with the project list.

Commissioner Anglyn thanked everyone who put effort into the process.

Commissioner Lewis echoed those sentiments by thanking everyone involved and said he is excited for all the projects listed.

Commissioner Robinson made a motion to approve the resolution approving the project list; **Commissioner Lewis** seconded. The motion carried 6-0-0 **Resolution 24-192.**

County Manager Hobson-Matthews explained that now that the Board has approved the SPLOST project list, the next step is for the Board to approve and transmit the Intergovernmental Agreement (IGA) to the cities. This agreement will govern the use and distribution of proceeds from the 2025 Special Purpose Local Option Sales Tax (SPLOST) for capital projects. She noted that the IGA is a lengthy document with extensive legal language and emphasized the importance of understanding its provisions and the Board's responsibilities. She mentioned that collections will begin in April 2025 and continue through March 2031, marking a six-year program. Option One, which is being presented for the Board's consideration, includes a distribution of 68% for unincorporated Henry County and 32% for the four municipalities. This distribution, based on the 2020 census, will result in total collections of $470 million. Option One does not include Level Two projects or provisions for bonding City projects, although it does allow the County to bond up to $100 million for county projects.

Chair Harrell asked if any Board members had questions. All members responded with no.

Commissioner Lewis made a motion to approve the resolution to approve an Intergovernmental Agreement with the Cities for distribution of SPLOST VI proceeds; **Commissioner Robinson** seconded. The motion carried 6-0-0. **Resolution #24-193.**

County Manager Hobson-Matthews stated that the final action required by the Board is to pass a Resolution Calling for an Election to Reimpose the County Special Purpose Local Option Sales Tax (SPLOST). The resolution details the reimposition of SPLOST, outlining both the county's and municipalities' projects, including specific projects and their associated costs. Additionally, the resolution includes provisions for general obligation debt, should the county choose to utilize debt financing as an option.

Commissioner Lewis made a motion to approve a resolution calling for a SPLOST VI referendum; **Commissioner Anglyn** seconded. The motion carried 6-0-0. **Resolution #24-194**

There being no further business to come before the Henry County Board of Commissioners at this time, **Chair Harrell** adjourned the meeting. ***Meeting adjourned at 2:32 p.m.***

Carlotta Harrell, Chair

Stephanie Braun, County Clerk