

CITY OF NEWNAN, GEORGIA
SPECIAL CALLED MEETING
2024

AUGUST 19,

The special called meeting of the City Council of the City of Newnan, Georgia was held on Monday, August 19, 2024 at 11:30AM in the Richard A. Bolin Council Chambers of City Hall with Mayor Keith Brady presiding.

Present

Mayor Keith Brady: Council members present: Rhodes Shell, Ray DuBose, Cynthia Jenkins, Dustin Koritko, Paul Guillaume. Absent – Jim Thomasson. Also present: City Manager, Cleatus Phillips; Assistant City Manager, Hasco Craver; Assistant City Manager, Meg Kelsey and City Clerk, Megan Shea and City Attorney, Brad Sears

Call to Order

Mayor Brady called the meeting to order and delivered the invocation.

A. Public Hearing (2nd of 3 to be held) – 2024 Millage Rate

Mayor Brady stated that this meeting is the second of three public hearings to be held regarding setting the 2024 millage rate. No time limit was set and everyone wishing to speak would be given 2 minutes to speak unless a question was asked then the clock will be stopped. He stated that this was not a school board or county meeting or a meeting to discuss property assessments, that this was only to discuss the City of Newnan's tax rate. Mayor Brady opened the public hearing.

Mr. Phillips said the presentation put together was available on the City's website and had been updated slightly from the first public hearing. He explained that the Taxpayer Bill of Rights, in place for 24 years, states that any local governing authority that wants to adopt a tax rate higher than the 'rollback rate' must advertise with 3 public hearings held and a press release. In this case the rollback rate is 2.59 and the City advertised 3.12 mils. The rollback rate in Georgia is based on the cumulative amount of reassessed value in the City. The more the reassessed value, the higher the rollback. Every mil is equal to \$1 per \$100,000 of assessed home value and you are taxed on 40% of that home value.

Mr. Phillips explained why the proposed tax increase. This included the need for a balanced budget, a long history of taking the rollback rate, the loss of a large commercial taxpayer, investment in recruiting and retaining employees, dependence on local option sales tax, inflationary expenses and meeting and providing high levels of service.

To balance the budget, Mr. Phillips showed calculations with the rollback rate of 2.595 and the proposed rate of 3.12. With the rollback rate and a 2024 tax budget of \$7.4 million, that would leave the budget short by about \$1.2 million in that line item. The proposed 3.12 rate only puts that item positive by \$8,500. Overall, with the general fund, the rollback rate would create a deficit of about \$898,000 for the 2025 budget.

Council has rolled the millage rate back 11 of the past 13 years. If Council had kept the 4.39 rate from 2012 that have produced \$4.3 million in 2023 collections, showing the cumulative effect of the rollback. Mr. Phillips then showed the impact of the tax increase to property owners in the City

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based on a range of property values from \$250,000 to \$650,000. On a home valued at \$350,000 the annual difference would be \$73.50, which is about \$21 per \$100,000 of assessed value.

Public Comment:

1. Gary Martin, 39 Jackson St.

He thanked Mr. Phillips for his presentation and said with a business background he understands what is behind the increase. Where can the City tighten its belt? What is being cut specifically to offset this, as he himself is looking at a \$1,000 increase on his taxes.

Mr. Phillips showed the breakdown of where the taxes go. He said that this tax rate is for 2024 and the City is already 7.5 months into the budget. Staff has been asked to look at cost control and Assistant City Manager, Meg Kelsey has been going through the budget line by line to see what else can be cut. Council will be having a local retreat in the fall, and they will be looking at 2025 and cost cutting. Staffing represents 78% of the budget so to make any other cuts at this point it would have to involve the staff in some way. Council has taken some actions already as they froze new entries into the pension plan earlier this year.

2. Don Greene, 3301 Commonwealth Circle

He asked what does Mr. Phillips mean when he says they are cutting training budgets?

Mr. Phillips explained that it varies by department. Police and Fire have required trainings every year, Engineering may have so many hours of continuing education required for certifications and there are training opportunities for Council as well. It can be negative to not keep up on new things, but you can save by bringing some of the training in house.

3. Luke Ayers, 31 Savannah St.

He said he owns several properties in the Chalk Level neighborhood. He is for a tax increase if it is necessary. He asked for those whose homes are paid off, it is taxed off 40% of the value and is it 12% that goes to the City?

Mr. Phillips stated it is 12.8%

Councilman Shell asked if the homestead exemption comes off the 40%. Mr. Phillips said yes. Mayor Pro Tem Guillaume asked about the loss of the large commercial taxpayer being a one-time event and how does that affect the years to come? Mr. Phillips explained that the cancer hospitals assessed value was about \$100 million and that only comes off one time. Moving forward the City can plan for that loss.

4. Rebecca McCullum, 10 Planation Dr.

She asked about other sources of revenue? She asked about enforcing the speed limits although that may not be a popular idea. Mr. Phillips said they will have Council look at fee

schedules during the retreat. Police fines are 2% of the general fund revenue. Ms. McCullum also suggested annual passes to certain things.

Mayor Brady closed the public hearing. He thanked everyone who came out to listen and speak.

ADJOURNMENT

Motion by Councilman DuBose, seconded by Mayor Pro Tem Guillaume to adjourn the meeting at 12:02PM.

MOTION CARRIED. (6-0)

Megan Shea, City Clerk

Keith Brady, Mayor