Monroe County Board of Commissioners

Minutes of February 13, 2025

Public Hearing-Called Meeting

10:00 A.M.

Present:

Alan Gibbs, Chairman

John Ambrose, Vice-Chairman

Lamarcus Davis, District 1

Eddie Rowland, District 2

Al Turner, District 4

Staff:

Jim Hedges, County Manager

Ben Vaughn, County Attorney

Janet Abbott, County Clerk

Richard Dumas, Public Information Officer

Welcome

Chairman Gibbs welcomed everyone in attendance.

Prayer

Chairman Gibbs gave the invocation.

Pledge

Chairman Gibbs led the Pledge.

Roll Call

County Clerk Janet Abbott called roll.

Call to Order

Chairman Gibbs called the meeting to order at 10:00 A.M.

New Business

Approve Agenda

Chairman Gibbs presented the agenda for approval

Commissioner Davis motioned to approve the agenda.

Commissioner Ambrose seconded the motion, and the motion passed 5-0.

HB 581 Public Hearing

Commissioner Davis motioned to enter a public hearing to opt out of HB 581 at 10:00 a.m.

Commissioner Ambrose seconded the motion, and the motion carried 5-0.

County Manager Jim Hedges gave an overview of recent proposed changes to HB 581 recently submitted.

HB 92 recommends extending the deadline to opt out to May 1, 2025, but recently changed to March 31, 2029.

County Manager Jim Hedges stated this is the third public hearings and the HB 581 Timeline is as follows:

- November 5, 2024: Statewide question on Constitutional Amendment.
- January 1, 2025: HB 581 takes effect, if approved.
- March 1, 2025: Deadline for local governments to opt out of homestead exemption. Additionally, there is another house bill (HB 92) that will extend the deadline until May 1st due to so many municipalities having questions.

The Statewide question is as follows:

"*Shall the Constitution of Georgia be amended so as to authorize the General Assembly to provide by general law for a state-wide homestead exemption that serves to limit increase in assessed value of homesteads, but which any county, consolidated government municipality, or school system may opt out of upon completion of certain procedures?"* Mr. Hedges stated this question was silent about adding a 1 cent additional sales tax.

County Manager Jim Hedges stated HB 581 passed with 62.9% of the voters in favor and 37.1% opposed. HB 581 became effective January 1, 2025, and all county, municipalities, and school board systems are automatically "opted-in". Each governmental agency has until March 1, 2025, to "opt-out"! HB 581 allows the Board of Assessors to appeal the sales ratio study directly instead of requiring local government to appeal on their behalf. Every parcel in the county must be appraised at least every three years.

HB 581 implements a statewide floating homestead exemption for all local governments. A floating homestead is a special type of homestead exemption designed to offset or reduce increases in taxable value to the property.

The effect of HB 581 homestead exemption is that the taxable value of a home may only increase at a rate of inflation each year, essentially controlling this will control how much the value of a home increases annually. Non-homesteaded property will continue to be valued at fair market value.

Any governing authority may elect to opt out of the floating homestead exemption created by HB 581 provided they follow the procedures.

A FLOST (Floating Local Option Sales Tax) is created by HB 581 which requires approval of a referendum of voters. The funds must be used exclusively for property tax relief.

Commissioner Rowland thinks people have the opinion the Board wants to opt out but if we didn't do anything then we would automatically be in and we wanted to have further discussion.

The following people spoke during the public hearing:

Paul Pruden, resident of 911 Lassiter Road, asked if opting out would be a permanent decision.

Commissioner Rowland replied stating there is a path to opt in later, but it would require 2/3 approval of the Georgia General Assembly to hold another local referendum.

Mr. Pruden asked how much the county would collect on a FLOST.

County Manager Jim Hedges stated the county would collect an estimated $6 million per year which could only be used to lower property taxes.

Carol Edge, a resident of 1544 Stokes Store Road, asked what the cap for the maximum inflation rate would be.

Chairman Gibbs replied 3 percent.

Commissioner Rowland replied stating it would be tied to the Consumer Price Index.

Mrs. Edge asked how the Tax Assessors Office goes about assessing properties.

Chief Appraiser Bobby Gerhardt replied valuations are set using sales ratios of a 40 percent assessment value, using the cost approach as well as market adjustments by neighborhood.

John Branan, resident of Hwy 74 stated he appreciates the overhead projection, it helped him understand the school board not being able to share in the FLOST. Mr. Branan stated he just wanted to make sure the county has maximum flexibility whether they opt in or out.

Candy Mountain resident of 582 Bar None Road asked how assessment values are impacted by pine beetles that damage forestry land and cause timber to be cut. Commissioner Rowland directed Ms. Mountain to speak to the Monroe County Tax Assessors' office regarding the matter.

Kristen Styers, resident of 521 River Overlook, addressed the board stating her property taxes had increased quite a bit over the last year. Mrs. Styers asked the board if they were looking to primarily opt out because they don't know enough about the bill and that was the reason for the public hearings.

Chairman Gibbs stated he had not made up his mind on how he would vote but had the county not held the hearings they would have no say on whether to opt in or out.

Mrs. Styers stated regardless of what decision the board made, she hoped they would consider some type of tax relief for seniors.

Jim Peters, resident of Blue Ridge School Road, asked if the school board could participate in the FLOST.

Commissioner Davis replied that schools are not eligible to benefit from the FLOST.

Will Davis resident of Shi Road and Editor of the Monroe County Reporter asked if the FLOST is automatically enacted if the board opted into the HB 581.

Commissioner Rowland replied no, the City of Forsyth would have to agree with the County to have a referendum for the FLOST and both entities would enter into an agreement on how to split the proceeds and then have a referendum for the citizens to vote on.

Mr. Davis asked if Mr. Gerhardt had determined what the loss would be to the county.

Chief Appraiser Bobby Gerhardt replied it's hard to determine because you don't know what the inflation rate will be.

Commissioner Rowland stated if Monroe County had not initially declared its intention to opt out of HB 581, then the three public hearings would not have been held to listen to their constituents about the matter. Commissioner Rowland stated he thinks state officials who supported HB 581, think the passage of a FLOST is a foregone conclusion as a replacement for property taxes. Commissioner Rowland stated he doesn't think the City of Forsyth would support a FLOST because of the city's already low millage rate and the potential harm to small business owners in the city.

Commissioner Ambrose stated he is in favor of waiting and opting in later if everything was worked out.

Commissioner Ambrose stated he still wants to freeze property taxes on long-term residents who are 65 or older unless major renovations are made on their home.

Commissioner Davis stated the county should be in good shape financially in the future due to anticipated new industry coming in over the next few years. Commissioner Davis stated he is in favor of property tax relief for the citizens.

Commissioner Davis motioned to close the public hearing at 11:10 a.m.

Commissioner Ambrose seconded the motion, and the motion carried 5-0.

Adjourn

Commissioner Davis motioned to adjourn at 11:10 a.m.

Commissioner Rowland seconded the motion, and the motion was carried 5-0.

Respectively Submitted by:

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Janet Abbott, County Clerk