City Council of Peachtree City
Special Called Meeting Minutes
Thursday, August 18, 2022
9:00 a.m.

The Mayor and Council of Peachtree City met for a special called meeting on Thursday, August 18, 2022, the second of three required public hearings on the 2022 millage rates. Mayor Kim Learnard called the meeting to order at 9:05 a.m. Council members attending: Gretchen Caola, Frank Destadio, and Mike King. Phil Prebor was absent. Learnard explained that, while the presentation slides were visible to Livestream viewers, lightning had struck camera equipment, so Council was not visible. Audio was unaffected.

Financial Services Director Paul Salvatore showed the City's millage rates over the past 10 years, pointing out there had been a gradual reduction from 7.178 in 2012 to the current 6.043 mills, which was what was proposed for fiscal year (FY) 2023. That decrease of 1.135 mills equaled about $3.7 million in today's dollars. Millage was broken into two parts: Maintenance and Operations (M & O), which was 6.043 mills, and bond, which was 0, since all bond debt had been paid off.

Anyone whose house had increased in assessed value over the past year would see a tax increase. The total digest increased by 17.59%, he stated, and 12.6% of that was due to reassessments of existing property. The balance came from new growth in the digest, mainly on the west side.

Salvatore had created a chart to illustrate the financial impact on citizens. It displayed various home values, from $100,000 to $500,000, along with what the City tax bill would be with the 6.043 millage rate. He broke it down into monthly increments to show the impact on escrow payments. The chart also showed what the tax bill would be if there was a full rollback. A full rollback would cost the City about $2 million, Salvatore pointed out, so Staff did not recommend it because of increased costs due to supply chain shortages, labor shortages, and inflation.

Salvatore said that completed his presentation; now they could entertain comments from the public, followed by Council discussion.

The Mayor opened the public hearing.

Charles Whitlock said he had lived in Peachtree City for 27 years and wondered if the senior homestead tax exemption would be raised, noting that many seniors would find it difficult to pay these higher taxes. It might force them to move from the City.

He commended the Public Works and Public Safety departments for their work.

Eric Irvin also expressed concern that seniors might be pushed out of their homes due to higher property taxes, combined with inflation. He said he did not want to see Peachtree City become a community that only the very wealthy could afford. He mentioned the SPLOST as another tax, as well. He wanted accountability into how these funds were being spent, noting that a lot of money was wasted on speed humps. He said he could support increases if he was assured the money would go to things like Public Safety. Irvin also said he wanted to thank Prebor for explaining some things about the budget to him.

There were no further comments, and Learnard closed the public hearing.

Caola said she appreciated the detail Salvatore had provided in his budget discussion, breaking down pay raises and such. It was all public information. She asked the average assessed value of a home in Peachtree City, and Salvatore said it was about $450,000.

How was the rollback calculated? Destadio asked Salvatore, who replied that a rollback took back the impact that reassessment had on the tax bill. This year, they would need a millage rate of 5.366 mills for a full rollback. One mill was about $3.2 million, and he used that figure to come up with the $2 million he said the City would lose in a rollback.

Destadio stated he was pleased with the budget they had adopted, noting there had been raises for Public Safety employees. They were looking at cost of living raises for all City employees. He mentioned that Social Security payments were set to increase, with next year's increase being the largest in 40 years, which would help residents on a fixed income. He said they were certainly not trying to push people out of the City.

King recalled that eight years ago they were looking at debt that was 25 to 40% of the city's annual revenues. Now it was only 8%, and they took out that loan because the interest rate was less than what they would get from keeping the money and investing it. Being able to pay as you go and not have to accrue debt was a big advantage. He said he could not say enough about the benefits of SPLOST to pay for roads and paths.

King noted that the tax increase amounted to just $135 annually on a $500,000 house, which he thought was not bad in a time of greater than 8% inflation. King said he would be glad to talk with any citizen who had concerns about the budget or anything else.

Destadio noted the lighting strike of the day before, saying that security cameras were struck, then lighting went down the coaxial cables and into the building, destroying what he called the "brains of the operation." Each cost more than $6,000 three years ago. They were using the two they had and would have to buy two more. This did not account for the cameras. Happenings like this were why they needed the reserve funds that some people had questioned.

There being no further business, Destadio moved to adjourn the meeting at 9:25 a.m. King seconded. Motion carried unanimously.

Martha Barksdale, Recording Secretary

Kim Learnard, Mayor