

Paris to hold public hearings on county property tax increase

By Shawn Jarrard North Georgia News editor@nganews.com Union County, Georgia

Union County Sole Commissioner Lamar Paris is planning to raise the county's portion of property tax bills by 19.98 percent this year. The millage rate will tentatively be going from a 2019 rate of 6.144 to a 2020 rate of 7.361 for a year over year increase of 1.217 mills. Compared to the rollback rate, the increase will be 1.226 mills. Paris will be hosting three public hearings for community input on the tax increase: two on Aug. 20 at 10 a.m. and 5 p.m., and a third on Aug. 27 at 6 p.m. Fortunately, county-levied taxes only make up a little more than a third of property tax bills, with the other roughly two-thirds coming from school taxes. The Union County School System has announced it plans to keep the same tax rate from 2019. This means the actual impact on property tax bills due to the county's millage rate increase will be about 7 percent, which should absorb some of the public shock of that initial 19.98-percent increase announcement, though Paris realizes raising taxes during a pandemic is tough on people regardless. "I can assure you it is one of the hardest decisions I have had to make since being in office," Paris said. "The employees of Union County, my fellow elected officials and I, we always do a great job of keeping our spending under control, but this year, because of many issues, we just could not maintain a balanced budget for next year with all the unknowns." Paris said that, while sales tax collections are doing well now, he remains concerned about COVID-19's continued effects on the country and economy, which he lamented doubly against the already uncertain backdrop of forecasting the future for budget-making purposes. Raising the tax rate will generate about \$1.7 million in additional revenues to make up for substantial budget shortfalls in Fiscal Year 2021 – shortfalls that would otherwise require at least 35 county employees to lose their jobs, in turn causing big disruptions to regular services for residents. Just like with any budget, Paris said, "you look at your finances the prior year and estimate what the cost will be the following year" in a process that takes place months before the next fiscal year actually begins. The many "unknowns" this year, as mentioned above, coupled with lost revenues and increased expenses, have left Paris and the county in the

unenviable position of having to use “most of our fund balance” of about \$1.8 million to make next year’s budget – unless he raises taxes, Paris said. “We just underestimated what all our expenses this year would be,” Paris said in introducing the need for the tax increase. “Our estimate of property tax amounts was more than actually collected. That had to do with the property assessments being lower than estimated. “Also, county salaries, especially for jail and deputy pay, had to be increased to keep up with the general market so that our employees would not go to adjacent counties to collect higher pay. ”Additionally, Paris said the cost of the upcoming gun range exceeds initial estimates, which will require Union County to chip in about \$500,000 to get matching funding from the Department of Natural Resources. “Then there’s increased operational costs and the loss of revenue for our Recreation Department because of COVID,” Paris said, noting that he’ll need to hire one – and possibly two – full-time staff and a couple of part-timers to operate the new Double Gym that’s nearing completion. Furthermore, Paris said that the state has had “about a 15-percent budget cut over the past two years, and we have no way to know exactly how this will impact us. We have to look at increased cost for the county,” Paris said, “as some of the cuts are to libraries, drug courts, district attorneys, public defenders, health departments, (Georgia Department of Transportation) and judges, all of which are state agencies in which we share some of the cost.” Continuing, Paris said employee health care costs continue to increase also, and that the county is responsible for a matching retirement cost increase for employees as well. “There’s been a lack of revenues from shutdowns during COVID, including courts, fines, fees, pool and ball team revenues,” Paris said. “We’ve had unforeseen costs of underground leaking fuel tanks installed over 20 years ago and replacements at the Road Department. “And we’re paying a firm to re-evaluate every parcel of property in Union County for the 2022 tax year. ”Moreover, Paris said county reserves had gotten low due to unexpected budget amendments in the last two years, so raising taxes would help “improve our Reserve Fund to maintain a good county credit rating in the case we should have some unforeseen emergency or natural disaster. And the list just goes on and on,” he said. The commissioner is looking to convince the public that, while unfortunate – especially during a pandemic – the increase is both necessary and several years in the making now. “I personally want to apologize to everyone for this increase,” Paris said. “For the past 20 years, we have all worked tirelessly to keep our property taxes as some of

the lowest in the state, and we have successfully done that. “At the same time, we have worked even harder at helping to make Union County one of the best counties to live in Georgia. By being in the lowest three or four tax rates out of 159 counties, we have remained proud. But sooner or later, we eventually have to make up some of the difference. “We tried to plan last year for the increased cost this year, but in order to keep down property taxes last year, we delayed until this year hoping 2020 would be better. Well, we now know that it has not gotten better, so that is why we had to make the decision to have this increase now. ”Potentially complicating the matter for people is a pair of property acquisitions Paris undertook recently – one for \$750,000 to buy the old Hill Property that once belonged to disgraced hospital CEO Mike Gowder, and another that’s still in the works to purchase the old Shoe Factory property for upwards of \$900,000 in SPLOST funds to house the future jail and Sheriff’s Office. Paris has stood by the previously budgeted deals while contending that not buying the properties now would make it harder and more expensive in the future when the need is more immediate. And besides, he said he’d still have to raise taxes in 2020 to maintain ongoing operations of the county. Again, the commissioner is optimistic people will understand his decision to raise property taxes, adding that he hopes residents “look back to 20 years of service to the county” when they consider what he’s doing to maintain local services at current levels. “Costs have continued to go up, and I’ve been so stubborn in trying to keep our millage rate one of the lowest in the state,” Paris said. “My staff over the last six years have been saying, ‘Hey, you need to go up, you need to go up (on property taxes)’. So, if I’ve got anything that I’ve done wrong, it’s not raising taxes sooner. As far as (potential allegations of) wasting any money or poor financial management, I disagree. We’ve successfully counted on increased revenue from growth to cover costs throughout the years, and right now, that’s not happening. Part of the reason it’s not happening is, we’ve let our property values get behind, and that’s happened gradually.” In terms of future next steps, Paris remains confident that property values will more accurately reflect the growth Union County has experienced in recent years after the ongoing property re-evaluations are completed. “Lowering our property taxes will always be our goal, and we hope that by having a property tax re-evaluation that we may very well be able to lower the mill rate for 2022,” Paris said. “But there are no promises except that we will do the very best we can.”