

PRESS RELEASE ANNOUNCING A PROPOSED PROPERTY TAX INCREASE

The McIntosh County Board of Education today announces its intention to increase the property taxes it will levy this year by **16.10%** over the rollback millage rate. Although this appears as a tax increase, the millage rate **will remain at 16.972**.

Each year, the board of tax assessors is required to review the assessed value for property tax purposes of taxable property in the county. When the trend of prices on properties that have recently sold in the county indicate there has been an increase in the fair market value of any specific property, the board of tax assessors is required by law to re-determine the value of such property and adjust the assessment. This is called a reassessment.

When the total digest of taxable property is prepared, Georgia law requires that a rollback millage rate must be computed that will produce the same total revenue on the current year's digest that last year's millage rate would have produced had no reassessments occurred.

The budget adopted by the McIntosh County Board of Education requires a millage rate higher than the rollback millage rate; therefore, before the district may set the final millage rate higher than the rollback rate, Georgia law requires three public hearings to be held to allow the public an opportunity to express their opinions on the increase.

Many factors influenced the Board's decision to keep the millage rate the same and not roll it back. First, this year's budget is nearly one million dollars higher based on mandated salary changes and comparable increases for other employees; mandated increases in contributions to employee retirement accounts; increases in costs across the board due to extremely high inflation; and commitment to essential facility improvements. Second, we appear to be entering a period of economic uncertainty that represents a recession. When the economy contracts under a recession, people prioritize expenses and overall spending will slow down. This has a direct impact on three areas in our district (collection rate, ESPLOST revenue, and workforce). Our budget is based on a projection of a 93% collection rate of taxes owed. With the slowing of the economy, we anticipate a decrease in that number, which means less money to operate the school system. As people slow their spending, the school system may not earn as much as needed in ESPLOST revenue to pay the energy lease payments (over \$1.2 million that will be due in 2024 alone, and increasing each year thereafter for 13 consecutive years). Therefore, we must position the district financially to ensure that we are able make those payments when they become due. We are at the bare minimum for a workforce needed to properly educate our students. We must maintain standards for the long run as the country works its way out of the recession. This means we must plan accordingly to make sure personnel cuts are not necessary.

All concerned citizens are invited to a public hearing on this tax increase to be held at the McIntosh County Board of Education Central Office Building, 1100B CA DeVillars Road, Darien, Georgia on August 11, 2022 at 12:00 noon and 6:00 PM and on August 18, 2022 at 9:00 AM.