

## **EXPLANATION OF TABOR NOTICE**

The Bulloch County Board of Commissioners today announces its intention to increase the 2023 property taxes it will levy this year by 28.04 percent over the rollback millage rate.

After preparing the annual digest, if the County estimates it will collect more in property taxes than the year before because of increased assessment values, the Board of Commissioners may roll back, increase or leave the millage rate unchanged.

The Taxpayer Bill of Rights (TABOR) law, adopted by the Georgia General Assembly in 1999, distinguishes inflationary from real assessment growth while preparing the tax digest. The TABOR law intended to prevent "backdoor" tax increases resulting from inflated assessment growth in the tax digest versus gains resulting from physical development generated from the addition of new or improved properties. The circumstances that have caused this particular notice are not the kind of "backdoor" or indirect tax increase that the TABOR law initially contemplated. To the contrary, the Board of Commissioners is transparently notifying its citizens of a legitimate tax increase proposal.

According to state law, for Bulloch County to legally claim it isn't raising taxes for 2023, it would have to reduce the current millage rate of 11.350 mills to a rollback rate of 10.036 mills. Bulloch County proposes to increase the current general millage rate from 11.350 mills to 12.850 mills. State law requires the tax increase notice to state that the 12.850 millage rate would cost an additional \$251.01 for taxpayers whose home was worth \$225,000 in 2023, depending on their use of a homestead exemption. It is more accurate to state that the millage rollback would save homeowners these amounts rather than if the current millage rate stayed the same.

A 12.85 millage rate is needed to meet specific goals for maintaining service levels in light of rising costs for goods and services. The Fiscal Year 2024 budget proposal substantially provides additional and urgently needed public safety personnel and resources for law enforcement and the County jail, and emergency medical services throughout the County to meet the needs of a growing population. Bulloch County's population growth will continue. Therefore, the need to address service demands at an appropriate level, now and in the future, will be an ongoing challenge. All costs have risen disproportionately to the amount of property tax and other revenues generated.

The County could compromise its current long-term financial position and service demands with the loss of revenue generated by a millage rollback. The County's finances and service demands differ from private business. In addition to providing a good product and service, private enterprise relies on profit and loss and returns on investment, including shareholder dividends. The County must by law operate on a balanced budget. The proposed rate of taxation will protect and enhance the health, safety, and welfare of the entire community, as expressed by its citizens, along with mandated requirements dictated by higher levels of government. If the County resorts to using cash reserves to

fund operations we risk lower credit ratings, negative or declining cash flows, and insufficient emergency funds in the event of natural or man-made disasters.

As they always have, the Board of Commissioners must meet the ongoing challenges of balancing competing and increasing demands for service into cost outputs and correctly measuring and generating the inputs needed from taxes and other revenues.

As such, the County will welcome the opportunity to discuss this issue through the advertised hearings and other available means. All concerned citizens are invited to the public hearings on this tax increase to be held at the Bulloch County North Main Annex, 115 North Main Street, Statesboro, on August 7, 2023, at 6:30 PM, August 14, 2023, at 6:30 PM, and August 21, 2023 at 6:30 PM.