

The special called meeting of the City Council of the City of Newnan, Georgia was held on Tuesday, December 12, 2023 at 6:00PM in the Richard A. Bolin Council Chambers of City Hall with Mayor Keith Brady presiding.

CALL TO ORDER

Mayor Brady called the meeting to order and delivered the invocation.

PRESENT

Mayor Keith Brady: Council members present: Ray DuBose, Rhodes Shell, George Alexander, Cynthia Jenkins (arrived late), Dustin Koritko and Paul Guillaume. Also present: City Clerk, Megan Shea; Assistant City Manager, Hasco Craver and City Attorney, Brad Sears. Absent: City Manager, Cleatus Phillips

PUBLIC HEARING – FY2024 BUDGET

Mayor Brady opened the public hearing.

Assistant City Manager presented the proposed FY2024 Budget. The City did receive its 34th Distinguished Budget Award for the FY2023 budget. He thanked the City Manager and Ronda Helton, Program Manager, as well as the department Directors for their hard work on putting the budget together. He discussed budget challenges especially balancing the expected levels of service and costs to provide those services. Other challenges are salary increases, estimating the millage rate and impact of costs of goods and services.

He discussed the General Fund, which is the main operating fund and the budget trends. As required by State law, the budget is balanced and there is a \$3,643,400 increase from 2023. No reserves used to balance the budget. Budget trends were shown in regards to % changes over the years, salary increases and new employees. The millage rate history was shown with only 3 years when the rollback rate was not adopted. As we look to 2024 the rate stays the same.

Revenue estimates for 2024 are \$36,733,650 with Local Option Sales Tax (LOST) as the largest revenue category. Other revenue categories include property tax, insurance premiums, occupational fees, water & light, franchise fees, Ad Valorem tax, alcohol tax, fines and permits. In 2024, a \$1 million revenue change is forecasted with LOST and increases are forecasted in other major categories as well.

Trends and projections in Expenses were shown with wages and benefits being the largest expense categories. Looking at trends with expenses, all categories fairly flat and modest but show growth over time. Public Safety makes up 50% of the expenses or \$18,328,585.

Major operating expenses include contractual services as the largest category then repairs/maintenance, vehicles and gasoline which has leveled off.

Benefit changes over time shows increases in insurance, FICA and retirement. Workers Comp has stayed flat. There is a total of 305 full-time employees, 16 part-time and 7 elected officials. There are 5 new employees proposed for 2024 including Assistant City Manager, Probation Officer, Fire Inspector, Wadsworth Event Manager and PD Open Records Clerk from part-time to full-time. The minimum starting pay with the City is \$17.46. There is a cost of living increase proposed for all employees and additional increase based on longevity and merit. The average pay increase city-wide is 10.5%.

A three-year budget forecast shows modest increases but nothing major. An increase in ad valorem is forecasted, more than sales tax. The rollback millage rate will become more difficult to take each year. Council may want to consider a Homestead Exemption for potential tax relief for homeowners. There is no substantial wage change forecasted but there will continue to be increases in healthcare. There is a 7% annual increase to retirement contributions but moves are being made to stabilize that. There is consistent funding of capital projects in the general fund projected.

All funds combined show increases, particularly after the City got into the trash business. The 5-year history for SPLOST 2019 was shown and budgeting for that is primarily for streets. The Sanitation Fund shows a 5.6% increase after year 2 of it being fully in house. Total capital budget includes 4 funds and 9 projects funded through those. Some of the significant capital projects include the Fire Training Facility, parking lot improvements at Wadsworth, intersection improvements, paving various streets, replacement of various culverts and design of phase 1 for the Lower Fayetteville Road Improvement Project.

Councilwoman Jenkins asked if any funds have been allotted in the budget for the Farmer Street Cemetery improvements? Mr. Craver said no but once costs are back then it will come to Council again for funding. In the 2025 SPLOST referendum that was just passed, there are funds specifically for cemeteries.

No one spoke for or against. Mayor Brady closed the public hearing.

ADJOURNMENT

Motion by Councilman Alexander, seconded by Councilman Koritko to adjourn the meeting at 6:23PM.

MOTION CARRIED. (7-0)

Megan Shea, City Clerk

Keith Brady, Mayor