

CITY OF NEWNAN, GEORGIA
SPECIAL CALLED MEETING
2024

DECEMBER 10,

The special called work session of the City Council of the City of Newnan, Georgia was held on Tuesday, December 10, 2024 at 6:00PM in the Richard A. Bolin Council Chambers of City Hall with Mayor Keith Brady presiding.

Present

Mayor Keith Brady: Council members present: Ray DuBose, Rhodes Shell, Cynthia Jenkins, Jim Thomasson, Dustin Koritko, Paul Guillaume. Also present: City Manager, Cleatus Phillips; Assistant City Manager, Hasco Craver; Assistant City Manager, Meg Kelsey; City Clerk, Megan Shea and City Attorney, Brad Sears.

Call to Order

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

A. Public Hearing – FY2025 Budget

Mayor Brady opened the public hearing.

Meg Kelsey, Assistant City Manager, started by congratulating the city on receiving its 35th Distinguished Budget Award for 2024. She explained there was one change to the budget since the books went out and that was an added position in Municipal Court, which is due to some recent legislative changes. She then gave a breakdown of the budget, looking at different funds, expenses and challenges.

Ms. Kelsey explained that when looking at all funds combined, there was an increase of 9.7% from 2024 and the majority of that is from SPLOST. SPLOST 2019 is ending at the end of 2024 and there are still funds there to be expended.

One of the budget challenges is property taxes and the recent HB581 that was passed, that freezes property taxes. Council will need to make decisions on how to address that. Other budget challenges include a decrease in LOST distribution, declining sales receipts, costs of goods and services and budgeting for benefits.

The General Fund is the major fund, and it has seen increases of 39% from 2020 to 2025. Next year is budgeted for only a 3% increase. The budget is balanced, and no reserves were used to balance it. The trends show conservative budgeting. Top revenue sources are sales taxes, LOST and property taxes. There is flat growth with sales tax and 0.37% growth with property tax. Declines in LOST were mostly seen in the summer months and the hope is to hit 0.81% by the end of the year.

House Bill 581 was approved by voters in November 2024 and will cap property assessments on the previous year. Council will have to decide how to address the short fall. Two options are either to vote out of the cap, which would require a resolution, and three public hearings or establish an additional 1% Sales Tax, which would require a local referendum.

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Looking at trends of expenses, there were a few years that exceeded budget. In 2022 this was due to the tornado and Caldwell Tanks demo, in 2023 there were parking improvements and purchase of the Sanitation building and then in 2024 there was additional street paving and salary adjustments. Most expenses go to public safety. The biggest expense is wages and benefits. There are 305 full-time employees, 13 part-time and 7 elected officials. The salary increase is proposed at 3% for all employees and changing the pay scales by 2%.

Major operating expenses include contractual services, repairs and maintenance, professional services and vehicle maintenance. There are slight increases in gasoline and liability insurance and there was a decrease made in the transfer to the sanitation fund.

One of the other biggest funds is Sanitation and there is a 3% increase in that. The garbage fees go to AmWaste and the City retains the admin fee and yard debris/bulk fees. There is also the commercial downtown service that is a small portion of the revenue. The expenses are mostly personnel.

Other major funds include SPLOST 2019, which will be primarily street improvements. SPLOST 2025 collections will begin January 1st and receipts are estimated at \$9.2 million. Projects with SPLOST 2025 include several park projects, cemetery master plan, street improvements and network upgrades. ARPA funds were \$15.5 million and 83% has been expensed, mostly on drainage projects and housing.

There are some grant funds budgeted, NSP1 and NSP3, which assist in purchasing abandoned and foreclosed properties. These are mostly pass through funds that go to the Housing Authority and Habitat for Humanity. Then there is \$4.6 mill grant from Economic Development Initiative for housing.

Other minor funds include the Impact Fee Fund, Hotel/Motel Tax Fund and Street Improvement Fund from LMIG and Rental Motor Vehicle Excise Tax Fund.

Significant capital projects include the roundabout at Newnan Crossing Blvd/Stillwood, paving of various streets, replacement of various culverts, Lower Fayetteville Rd. Project and then several parks' projects including additional pickleball courts, Bi-Centennial Park, LINC extensions, parking at Lynch Park and stage improvements at Greenville St. Park.

No one spoke. Mayor Brady closed the public hearing.

ADJOURNMENT

Motion by Councilman Shell, seconded by Councilman Thomasson to adjourn the meeting at 6:26PM.

MOTION CARRIED. (7-0)

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Megan Shea, City Clerk

Keith Brady, Mayor