

Budget Public Hearing/Presentation
September 19, 2023

Members Present: Mayor Buddy Duke, members Terry McClain, Greg Paige, Walter Cowart, Celestine Hayes and Jody Greene.

Others Present: City Manager Mark Barber, City Clerk Rhonda Rowe, members of staff and the public.

Invocation was given by Councilman McClain.

Pledge of Allegiance

FY 2023-2024 Budget: Mayor Duke opened up the meeting for presentation of the proposed FY 2024 budget. He stated public comments would be accepted following the presentation.

City Manager Mark Barber provided a power point presentation detailing the components of the proposed FY 2024 budget. He noted that hi-lites of the budget include no property tax increase. He is recommending a 10% COLA adjustment for full times employees; since 2012, the average COLA has been 1.7%. He stated that was not adequate for the hard work and dedication of our employees. In 2021 there was a 5% increase; however, there was a 0% increase the year before and after. Compared to the CPI Index, we are far behind and that is not fair to employees. There is no increase for insurance premiums for employees; however, we do need to address those numbers. There are some things we can look at to decrease premium costs but not benefits. The budget includes the addition of 2 positions, a full- time finance director and an assistant animal control officer. He noted the increased cost of materials and supplies, stating that electrical transformers are now costing 3-1/2 times what they were three years ago. Sometimes the growth in a line item is negated by the cost of materials and labor. He noted that there are two enterprise funds that will need reserve funding. He added that the proposed budget is balanced as per state requirements. You are not required to have a budget for enterprise funds but we do one anyway. He noted there was a deficit in the electric fund and this is where we need to be concerned. There are reserves that can be used to balance this fund as well as the water fund.

He noted the council has been provided a 5 year capital plan but tonight he would only be discussing the capital projects for FY 2024. For Parks & Recreation, he explained the DNR grant that we have applied for and made it through to Round 2. The maximum we will get is \$178,000; however, with the budgeted match we will have a total available of \$288,000 if we get the grant. He noted that he hasn't budgeted that total since we have not been approved at this time. He noted that Councilwoman Hayes had presented him a list of items from a February 25th meeting and those items were submitted as part of \$500K originally requested in the DNR grant. Councilman Cowart asked if it were possible to use some of the money to work on the building. Mr. Barber stated he doesn't think they will tell us exactly what to spend it on. Councilman Cowart stated he would like to see money allocated either way for building renovations. It was discussed that the committee should be able to prioritize how the funds will be spent. Mr. Barber reviewed the capital items included in the budget. He noted that included is \$4M for a city hall; the amount included last year was \$5M; however, anything we do will fall into next year. Three vehicles are included for the police department and stated that we are trying to get back on a

rotation schedule and will be securing financing from the GMA lease pool. Turn-out gear is included for the fire department with SPLOST being the funding source. Councilwoman Hayes asked how many garbage trucks we have to which she was advised "5". We will sell the oldest vehicle. She then stated that she expected to see something in the budget with underground pipes since you can't drink the water in her area. Mr. Barber noted that included in our five year plan is something called "expansion to system"; that is putting in new lines and looping the system. Right now we're focused on the mandatory lead project being required to start this year. She asked how many lift stations we have and was advised "27". She wanted to visit those and was advised the superintendent would set that up. Other capital items were referenced in the list.

Concerning general fund revenues he noted that franchise taxes are down about 13% and he is concerned with this number. He also added for the council's understanding that he is comfortable with the 2022 budgeted numbers included but the 2022 actual numbers have not been audited; they came from a trial balance. They could be off after the auditor does adjustments. In the past, sanitation has been part of the general fund; however, it is an enterprise fund and fees are supposed to cover those costs for operating.

In the general fund, the library has requested an increase of \$15,000. The county has also been asked for an increased contribution that they are supposed to be approving. He noted the community engagement director position is now an expanded role to include social media and all grants, not just housing grants. He noted there are 23 positions budgeted in the police department; however, we do not have all of these filled. Councilwoman Hayes asked when we are starting the citizens police academy? Mr. Barber stated this has been talked about and Valdosta will help get us started but our program will be tailored for Adel. For the volunteer fire department, incentives have been put in for them to get more training. The code enforcement position is not filled yet but staff has been sending out letters and getting responses. The person hired for this position will not necessarily be a certified officer. In the past this office had worked more as reactionary; he wants it to be proactionary. We do have four candidates at the moment. For the electric department, part of the problem is with Plant Vogtle coming on-line and having to pay for those costs. We do have adequate reserves. He noted we might have had a problem prior to this year but because of Blockstream coming in you did not notice it.

He concluded by stating he feels the proposed budget is a good, sound financial plan. The department heads have spent a lot of time preparing their portion. There will be a special called meeting on Tuesday, September 26, 2023 to vote on adoption of the budget.

Public Comments:

Treva Gear – Stated the presentation was very clear and in the future it would be great if it could be accessible on-line. She asked about the following:

- (1) What about the funds that the City of Nashville received, did we get any of that?
- (2) Is the \$4M for a new city hall – she doesn't know who needs that with the condition of our city and doesn't know who will be there.
- (3) DOT Funds – Is there anything that would inhibit these since the audit was not completed? Mr. Barber stated he had mentioned that in his presentation.

- (4) Electric Department – The difference between 2022 & 2023, does that have to do with Blockstream? She was advised yes, probably. She asked if Blockstream has paid? Mr. Barber replied that their billing has been recognized in the gross billing. There is a difference between that and cash received.
- (5) She stated it would be interesting to see what has gone on with the cares funding and ARPA.

Altheia Paige – Questioned paving and stated that when part of a street is resurfaced, there is a whole lot more than just that portion of street. By the time you get back around, holes have been washed out. Mr. Barber stated that is part of the purpose of the five year plan.

Addie Mitchell – Ms. Mitchell questioned if the \$400 credit was for every resident, whether you have a balance or not? She was advised, yes. It was also noted that in the 1st billing cycle where credits were just applied, 76% of the customers in that cycle were current, but they still received the credit.

She also talked about Jim Battle Park stating they have a list of items that need to be done. The list will be more than there is money available so how will we determine priority? Mayor Duke stated that more than likely the committee will sit down and take the wish list from residents and make a priority list.

Pastor – A pastor of one of the local churches was present and stated that in 2022 you had an allocated amount and an actual amount. In 2024 the projected is the same amount that we know by actual was not enough. How will we handle that? Is there any way to supplement to get the balance needed. Mr. Barber explained that the 2022 and 2023 budgets were the same. He would rather budget based on actual and would have liked to have had the 2023 numbers. In the future, hopefully we will have the more recent numbers.

Treva Gear – Added that she appreciated the comments about Jim Battle and reminded the council that they need to be intentional and purposeful. We missed out on millions of dollars because people didn't fill out their census. They are willing to sit down and work on any process. They want to help and are willing to brainstorm with the council. Don't do it to us, but with us.

There were no further comments and the meeting was adjourned.

Rhonda P. Rowe, City Clerk

Luther L. Duke III, Mayor
