



**CITY COUNCIL MEETING  
APRIL 27, 2020 - 7:00 PM  
109 SOUTH KING STREET  
DEPOT COMMUNITY ROOM**

**MINUTES**

**PRESENT:** James F. Palmer, Mayor  
George R. Crowley, Mayor Pro Tem  
Al Edwards, Councilman  
Jacqueline Palazzolo, Councilwoman

**ALSO:** Paul Worley, City Administrator; Larry Vickery, Utilities Administrator; Sharon Nelson, City Clerk; George Govignon, City Attorney; Tony Pyle, Police Chief.

**1. Council Meeting Called to Order**

**Welcome**

Mayor Palmer called the meeting to order and welcomed everyone in attendance.

**Invocation**

Mayor Pro Tem Crowley gave the invocation.

**2. Pledge of Allegiance**

Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.

**3. Amendment or Approval of Proposed Agenda**

Mayor Pro Tem Crowley made a motion to approve the April 27, 2020 agenda as presented. Councilman Edwards gave a second with all voting aye. Motion approved.

**4. Amendment or Approval of Minutes**

Councilman Edwards made a motion to approve the minutes of the City Council meeting of April 13, 2020. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

**5. Mayor's Comments**

Mayor Palmer notified those in attendance that the first public hearing of the Fiscal Year July 1, 2020 through June 30, 2021 Annual Operating Budget and Capital Plan will be held on May 11<sup>th</sup>, at 7:00 p.m. Public attendance will be limited in accordance with the actions and directives of the President, Governor, and the CDC to maintain social distancing and slow the

spread of COVID-19. A copy of the proposed budget can be viewed by the public at [www.cityofcalhoun-ga.com](http://www.cityofcalhoun-ga.com).

6. **Council Comments**

None

7. **Public Hearing and Comments**

None

8. **New Business**

- A. Mayor Palmer read a recommendation from Calhoun Utilities to award the contract for the Georgia Cumberland Academy Sanitary Forcemain project to UWS, Inc., the low bidder, in the amount of \$731,350. Mayor Palmer stating there were eight bids ranging from the awarded amount of \$731,350 up to \$1,168,225. Councilwoman Palazzolo made a motion to approve the recommendation and award the bid to UWS, Inc. Mayor Pro Tem Crowley gave a second with all voting aye. Motion approved. Mayor Palmer notified those present that the project is being funded in total by Georgia Cumberland Academy.

9. **Other Written Items Not on the Agenda**

10. **Work Reports**

- A. Paul Worley, City Administrator gave the general government cash report for March 2020 noting that the general fund was at \$3.7 million, compared to 3.8 million last month. Restricted Cash was \$203K compared to \$151K last month. He also noted that the recreation hotel motel account was down to \$36K for March due to the construction of the new dog park. The 2018 SPLOST has \$2.6 million in uncommitted funds and \$1.9 million in funds committed to the Peters Street project. The revolving loan fund has a March balance of \$507K. General government is in good standing, however we will continue to watch closely as LOST revenues may decrease next month. Councilman Edwards made a motion to approve the general government cash report as presented. Mayor Pro Tem Crowley gave a second with all voting aye. Motion approved.
- B. Larry Vickery, Utilities Administrator gave the utilities cash report for March 2020 noting that total operating revenues were \$4.7 million and total savings and reserves were \$7.8 million. The grand total for March was \$12.5 million. Utility funds are in good standing. Councilwoman Palazzolo made a motion to approve the utility cash report as presented. Mayor Pro Tem Crowley gave a second with all voting aye. Motion approved.
- C. George Govignon, City Attorney had nothing to report.

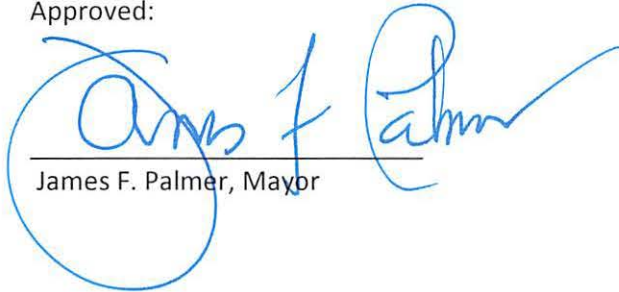
11. **Motion to move to Executive Session, if needed**

12. **Motion to return to General Session**

13. **Motion to Adjourn**

There being no other business to come before the Council Mayor Pro Tem Crowley made a motion to adjourn. Councilwoman Palazzolo gave a second with all voting aye. The motion was approved and the meeting was adjourned at 7:09 p.m.

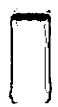
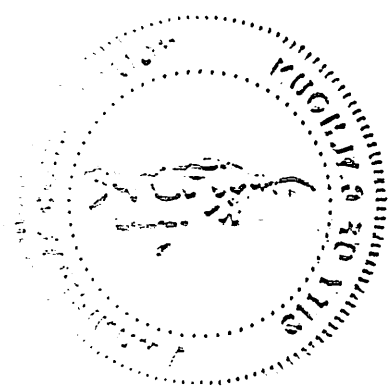
Approved:

  
James F. Palmer, Mayor

Submitted:

  
Sharon Nelson, City Clerk







	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
<b>General Fund Revenues</b>	<b>(15,060,099)</b>	<b>(15,130,266)</b>	<b>(70,167)</b>		<b>-0.5%</b>	Incr. in Property Taxes & related accounts - \$325k, Franchise Taxes - \$4k, Insurance Premium Tax - \$57k, Excise Taxes - \$30k, Licenses & Permits - \$74k, Charges for Services - \$13k, Investment income - \$4k, . Decr. In LOST - \$150k, Intergovernmental Revenues - \$41k, Fines/Police related revenues - \$10k, H/M revenue - \$25k, Rents/Royalties - \$32k, Misc. - \$5k, Transfers - \$5k, R&R for police cars - \$308k.
Mayor and Council	433,201	361,440	71,761	1,188	19.9%	Incr. in Travel & Educ. - \$4k, Contingency - \$66k.
Elections	300	4,350	(4,050)	-	-93.1%	Decr. In Consulting - \$4k.
City Administrator	1,635,090	1,825,962	(190,872)	(11,361)	-10.5%	Incr. in Transfers to Recreation - \$12k, DDA - \$10k, Misc. - \$9k. Decr. in Wages/Benefits - \$105k, Legal - \$2k, Invest. Fees - \$2k, ISF fees - \$19k, IDA - \$24k, Transf. to Golf-\$34k, Transf. to Restr. Excise - \$25k.
Tax Administrator	84,331	83,908	423	1,246	0.5%	
General Teller	65,262	63,675	1,587	1,246	2.5%	
Human Resources	165,360	164,990	370	1,312	0.2%	
Facilities Management	4,300	4,300	-	-	0.0%	
General Admin	<b>2,387,844</b>	<b>2,508,625</b>	<b>(120,781)</b>	<b>(6,369)</b>	<b>-4.8%</b>	
Municipal Court	341,615	332,011	9,604	3,745	2.9%	Incr. in R&M - \$3k, Data Service - \$2k.
Custody of Prisoners	18,500	23,000	(4,500)	-	-19.6%	
Court Services	<b>360,115</b>	<b>355,011</b>	<b>5,104</b>	<b>3,745</b>	<b>1.4%</b>	
Welfare Related	63,215	62,504	711	1,246	1.1%	
Auditorium	106	107	(1)	-	-0.9%	
Depot	24,317	23,805	512	-	2.2%	
Community Center	7,812	8,718	(906)	-	-10.4%	
Library	155,302	149,043	6,259	-	4.2%	Incr. in Allotment - \$4k, R&M - 3k.
Community Services	<b>250,752</b>	<b>244,177</b>	<b>6,575</b>	<b>1,246</b>	<b>2.7%</b>	
Regulatory Inspections and Enforcement	441,709	496,416	(54,707)	4,368	-11.0%	Incr. in Retirement Contrib. - \$3k, Electric - \$2k, ISF fees - 3k. Decr. in Legal - \$15k, Capital Outlay (2 trucks) - \$52k.
Downtown Development	109,004	104,186	4,818	1,246	4.6%	Incr. in R&M - \$2k, Supplies - \$1k.



	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
Airport	268,321	263,300	5,021	-	1.9%	Incr. in Wages/Benefits - \$14k. Decr. in Infrastructure - \$9k.
Community Development	<b>819,034</b>	<b>863,902</b>	<b>(44,868)</b>	<b>5,614</b>	-5.2%	
Police Administration	417,818	410,841	6,977	6,240	1.7%	
Detectives	563,827	574,879	(11,052)	(4,452)	-1.9%	Incr. in R&M - \$3k. Decr. in Overtime - \$2k, Worker's Comp - \$2k, Supplies - \$5k.
Patrol	3,116,484	3,117,006	(522)	64,965	0.0%	Incr. in Wages/Benefits - \$160k, Worker's Comp - \$63k, Insurance - \$3k, Data Svc. - \$5k, Cell Phone - \$2k, Travel - \$5k, Educ./Training - \$17k, Supplies - \$3k, Prot./Safety Supplies - \$12k, Gas - \$3k. Decr. in Consulting - \$5k, R&M - \$10k, Computer Equipment - \$4k, Public Liab. - \$13k, Vehicles - \$308k.
Special Operations	417,460	439,720	(22,260)	3,738	-5.1%	Decr. in Wages/Benefits - \$25k, PEPI - \$5k.
Police Department	<b>4,515,589</b>	<b>4,542,446</b>	<b>(26,857)</b>	<b>70,491</b>	-0.6%	
Fire Administration	265,705	255,029	10,676	2,510	4.2%	Incr. in ISF fees - \$8k.
Firefighting	3,021,490	3,024,279	(2,789)	16,016	-0.1%	Incr. in Insurance-\$3k, Travel - \$1k, Educ./Training - \$1k, Licenses - \$6k, Computer Equipment - \$1k. Decr. in Wages - \$6k, R&M - \$9k, Protective Safety Supplies - \$4k, Sm. Equip. - \$13k, Contract Labor - \$2k.
Fire Inspection	170,794	165,487	5,307	2,492	3.2%	Incr. in Wages/Benefits - \$2k, Cell - \$1k.
Fire Training Center	103,384	100,237	3,147	1,246	3.1%	Incr. in Supplies - \$1k.
Fire Stations and Buildings	94,002	43,705	50,297	-	115.1%	Incr. in Contingency - \$63k. Decr. In R&M Bldgs. - \$13k.
Fire Debt Service	-	81,196	(81,196)	-	-	Fire truck paid for in prior year - no debt.
Fire Department	<b>3,655,375</b>	<b>3,669,933</b>	<b>(14,558)</b>	<b>22,264</b>	-0.4%	
Animal Control Admin.	74,486	70,997	3,489	1,246	4.9%	Incr. in Overtime - \$2k.
Animal Control	91,510	95,845	(4,335)	1,246	-4.5%	Decr. in Dues/Fees - \$5k
Highways & Streets Admin.	133,283	127,878	5,405	1,272	4.2%	Incr. in Wages/Benefits - \$3k, Sm. Equip. Computer - \$2k.

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
Highways & Streets	1,021,724	1,031,379	(9,655)	15,052	-0.9%	Incr. in Insurance - \$2k, Stone/Gravel - \$2k, PVC Pipe - \$2k, ISF Fees - \$6k. Decr. in Wages/Benefits - \$8k, Worker's Comp. - 11k, net R&M - \$3k, Consulting - \$10k, Supplies - \$2k, Diesel - \$2k.
Street Cleaning	86,298	93,710	(7,412)	1,246	-7.9%	Decr. in R&M-Veh. - \$6k.
Street Lighting	246,965	222,420	24,545	-	11.0%	Incr. in Electric - \$20k, Lights/Accessories - \$5k.
Traffic Engineering	469,588	610,862	(141,274)	-	-23.1%	Incr. in Asphalt for Paving - \$33k. Decr. in R&M - \$175k.
Maintenance and Parks	524,193	482,711	41,482	22,910	8.6%	Incr. in Wages/Benefits - \$17k, Water/Sewer - \$2k. Decr. in R&M - \$2k.
Cemetery	232,204	205,470	26,734	15,608	13.0%	Incr. in Wages/Benefits - \$12k,
Parks Beautification	4,900	4,900	-	-	0.0%	
Public Works	<b>2,885,151</b>	<b>2,946,172</b>	<b>(61,021)</b>	<b>58,580</b>	-2.1%	
<b>Total</b>	<b>14,873,860</b>	<b>15,130,266</b>	<b>(256,406)</b>	<b>155,571</b>	-1.7%	
<b>Net</b>	<b>(186,239)</b>	<b>-</b>	<b>186,239</b>			
<b>Recreation Fund Revenues</b>	<b>(1,305,439)</b>	<b>(1,305,032)</b>	<b>(407)</b>		0.0%	Incr. in County Local - \$12k, Concessions - \$6k. Decr. in H/M Restricted - \$8k, Tournament Fees - \$5k, Misc. - \$2k, Transfer in from General Fund - \$2k.
Recreation Administration	198,512	203,074	(4,562)	1,256	-2.2%	Incr. in Wages/Benefit - \$2k, Decr. In Transfer to Fund Balance of Restricted H/M funds - \$8k.
Participant Recreation	1,106,927	1,101,958	4,969	(6,886)	0.5%	Incr. in Wages/Benefits - \$10k, Telephone - \$3k, Legal - \$2k, Concessions - \$6k, General Admin. fees - \$1k. Decr. In Elec. - \$5k, Pool R&M - \$2k, Contract Labor - \$3k.
<b>Total Expenditures</b>	<b>1,305,439</b>	<b>1,305,032</b>	<b>407</b>	<b>(5,630)</b>	0.0%	
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>			

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
<b><u>Golf Fund Revenues</u></b>	<b>(909,295)</b>	<b>(903,831)</b>	<b>(5,464)</b>		0.6%	Incr. in Green Fees - \$25k, Annual Pass - \$6k, Cart Fees - \$7k, Grounds Mtnc. - \$2k. Decr. In Gas - \$4k, Transfer in from GF - \$34k.
Golf Maintenance	490,212	499,881	(9,669)	6,230	-1.9%	Incr. in Wages/Benefits - \$9k, Diesel - \$1k. Decr. In Electric - \$2k, Gas - \$2k. Prior Yr. - purch. Capital outlay - \$23k.
Golf Maintenance - Admin.	102,419	97,397	5,022	1,257	5.2%	Incr. In Wages/Benefits - \$4k.
Golf Pro Shop	232,876	224,487	8,389	1,246	3.7%	Incr. in Wages/Benefits - \$4k, Electric - \$5k.
Golf Pro Shop Admin.	83,788	82,066	1,722	1,252	2.1%	
<b>Total Expenses</b>	<b>909,295</b>	<b>903,831</b>	<b>5,464</b>		0.6%	
<b>Net</b>	-	-	-			
<b><u>Solid Waste Revenues</u></b>	<b>(858,811)</b>	<b>(1,232,838)</b>	<b>374,027</b>		-30.3%	Incr. in Residential - \$15k, Extra Cans - \$14k. Decr. In Transf. in from SPL - \$400k. P/Y incl. purch. of fixed assets.
Solid Waste - Collection	602,466	582,464	20,002		3.4%	Incr. in Residential Disposal - \$10k, ISF fees - \$15k. Decr. In Contrib. to fund Recycling - \$5k.
Solid Waste - Recycle	123,854	119,046	4,808		4.0%	Incr. in Commercial Pick up - \$18k, Salaries/Benefits - \$2k, Other - \$2. Decr. in Rental of Equip. - \$18k.
Solid Waste - Landfill	30,612	30,500	112		0.4%	
Yard Trimmings Collection	101,879	500,828	(398,949)		-79.7%	Budgeted purchase of leaf vac & brush truck last year - \$400k.
<b>Total Expenditures</b>	<b>858,811</b>	<b>1,232,838</b>	<b>(374,027)</b>		-30.3%	
<b>Net</b>	-	-	-			
<b><u>Hotel/Motel Revenues</u></b>	<b>(676,500)</b>	<b>(853,500)</b>	<b>177,000</b>		-20.7%	Projected decrease due to coronavirus & economy
Econ. Dev. - Hotel/Motel	248,625	315,000	(66,375)		-21.1%	
Tourism - Restricted	427,875	538,500	(110,625)		-20.5%	
<b>Total Expenditures</b>	<b>676,500</b>	<b>853,500</b>	<b>(177,000)</b>		-20.7%	
<b>Net</b>	-	-	-			

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
<b><u>UDAG Revenues</u></b>	(49,200)	(51,750)	2,550		-4.9%	
Expenditures	49,200	51,750	(2,550)		-4.9%	
<b>Net</b>	-	-	-			
<b><u>School Debt Service Revenues</u></b>	(4,108,000)	(4,404,000)	296,000		-6.7%	Decr. due to concerns re: economy and lower interest rates.
Expenditures	4,108,000	4,404,000	(296,000)		-6.7%	
<b>Net</b>	-	-	-			
<b><u>Municipal Court Revenues</u></b>	(507,000)	(523,000)	16,000		-3.1%	Decr. due to drop in fine revenue.
Expenditures	507,000	523,000	(16,000)		-3.1%	
<b>Net</b>	-	-	-			
<b><u>11 SPLOST Revenues</u></b>	(733,176)	(1,540,000)	806,824		-52.4%	
Expenditures	733,176	1,540,000	(806,824)		-52.4%	
<b>Net</b>	-	-	-			

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
<b><u>Sewer Fund Revenues</u></b>	<b>(7,295,937)</b>	<b>(9,143,867)</b>	<b>(1,847,930)</b>		-20.2%	Incr. in Residential Sewer - \$188k, Taps - \$74k, Install. fees - \$1,000k, Transfer in Water - \$162k. Decr. In Industrial Sewer - \$375k, Transfer In 3% - \$2,867k, Other Sales - \$30k.
Sewer Treatment Plant	4,176,107	4,297,017	(120,910)	9,149	-2.8%	Incr. in Electricity - \$90k, ISF fees - \$31k. Decr. In R&M - \$137k, Rents/Royalties - \$12k, Principal & Interest - \$101k.
Sewer Treatment Plant Maintenance	194,759	273,831	(79,072)	(10,566)	-28.9%	Increase in Misc. Exp. - \$2k. Decr. in Wages/Benefits - \$42k, Contract Labor - \$5k, CO - Vehicles - \$24k.
Sewer Treatment Sludge Disposal	225,958	111,818	114,140	1,246	102.1%	Incr.in CO-Vehicles - \$115k, Misc. Exp. - \$4k. Decr. in Chem. Supplies - \$5k.
Sewer Construction - Maintenance	1,601,793	4,367,510	(2,765,717)	(2,516)	-63.3%	Incr. in M&E for Air Compressor - \$24k, Trench Box - \$27k, Trailer - \$12k, Truck - \$27k, S. Intercept. Flow Study - \$20k, Misc. Expenses- \$10k. Decr. in S. Swr. Extension - \$2,867k, Supplies & Materials - \$11k, CO Machinery - \$8k.
Sewer Construction - Lift Station	1,097,320	93,691	1,003,629	-	1071.2%	Incr. in R&M services - \$12k, R&M pumps supplies - \$21k, Electricity - \$5k, Infrastructure GCA Lift Station - \$1,000k. Decr. In CO Machinery \$34k.
<b>Total Sewer Expenses</b>	<b>7,295,937</b>	<b>9,143,867</b>	<b>(1,847,930)</b>			
<b><u>Water Fund Revenues</u></b>	<b>(15,164,723)</b>	<b>(16,004,245)</b>	<b>(839,522)</b>		-5.2%	Incr. in Grant Brit. Dr. Generator - \$503k, Residential Water - \$653k, Commercial Water - \$331k, Taps - \$69k, Fire Protection - \$12k, Investment Income - \$35k, Bad Debt fees - \$5k, Reimb. Damage Prop. - \$4. Decr. In Industrial Water - \$212k, Fire Hydrant Fees & Permits- \$26k, Fines - \$24k, Cut Off Chg. \$23k, Transfer in Splost - \$412k, Transfer in 14% Restricted - \$1,741k, Fire taps - \$6k, Transfer in Utilities - \$5k, Misc. Revenues - \$2k.

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
Brittany Drive Plt/Big Springs Intake/Well	3,889,408	3,234,355	655,053	5,302	20.3%	Incr. in R&M Equip. - \$10k, Franchise Fees - \$6k, Rents & Royalties - \$32k, Telephone & Data - \$9k, Chemicals - \$5k, Lab Supplies - \$4k, Small Equip. - \$3k, Turbidimeters, analyzer & meter - \$45k, Brittany Dr. Generator - \$591k, Truck - \$27k, ISF Fees - \$32k, Amort. - \$3k, . Decr. in Wages/Benefits - \$8k, R&M Bldg. - \$39k, Water/Swr. - \$16k, Electricity - \$27k, Site Improv. - \$16k, Amort.- \$3k, Principal & Interest - \$6k.
Water Plant - Mauldin Rd. & Intakes	5,900,586	5,952,696	(52,110)	6,653	-0.9%	Incr. in Wages/Benefits - \$13k, Franchise Fees - \$6k, Rent & Royalties - \$32k, Education Training - \$2k, Contract Labor - \$3k, Electricity - \$53k, Cyber Ins. - \$2k, CO Turbidity Meter - \$67k, ISF Interfund Allocation - \$32k, 14% Restricted Transfer - \$50k, Transfer to Sewer - \$162k. Decr. In Engineering - \$15k, Principal/Interest - \$36k, Transfer to Renewal/Replacement - \$429k.
Water Treatment Plant - Maintenance	265,070	273,831	(8,761)	3,738	-3.2%	Incr. in Wages/Benefits - \$15k. Decr. in - Contract Labor - \$5k, CO Vehicles - \$24k.
Water Plant - Distribution/Pump Station	309,727	1,513,922	(1,204,195)	-	-79.5%	Incr. in Electric \$11k. Decr. In Rental Equip. - \$2k, R&M - \$7k, Small Equip. \$5k, Completed Pittman Rd. tank - \$1,201k.
Water Construction - Maintenance	4,799,932	5,029,441	(229,509)	38,665	-4.6%	Incr. in Wages/Benefits - \$34k, Engineering - \$5k, R&M Equipment - \$7k, Educ./Training - \$1k, License - \$1k, Contract Labor - \$11k, Brass - \$10k, Ductile Iron - \$40k, Meter & Clamps - \$22k, Concrete - \$3k, Diesel - \$2k, Pipe - \$6k, Coosawattee Bridge waterline - \$311k, 2" Galv. Line Replacement - \$400k, F-650 Service Truck - \$91k, Extended cab truck - \$27k, General & ISF Fees - \$3k, Damage to Property - \$3k, Various Expenses \$6k. Decr. in Infrastructure from the prior year - \$1,252k.
<b>Total Water Expenses</b>	<b>15,164,723</b>	<b>16,004,245</b>	<b>(839,522)</b>			
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>			

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
<b><u>Electric Revenues</u></b>	<b>(33,883,122)</b>	<b>(35,150,065)</b>	<b>(1,266,943)</b>		<b>-3.6%</b>	Incr. in Investment Income - \$149k, Misc. Income - \$5k. Decr. In billed revenue - \$1,421k.
Electric - Distribution	33,794,074	35,059,577	(1,265,503)	9,323	-3.6%	Incr. in Wages/Benefits - \$51k, Consulting - \$30k, Technical - \$10k, Rep. & Mtnc. - \$9k, Contract Labor - \$23k, General & ISF Fees - \$14k, Safety - \$8k, Amortization - \$29k, Infrastructure - \$31k, Digger/derrick truck- \$275k, Transfer to R&R -\$959k, Misc. Exp. - \$12k. Decr. in Purchased Power - \$2.3M, Street lights - \$10k, Meters - \$20k, Equipment purch. in prior year - \$180k, Bad debt primarily related to Exit 312 - \$212k.
Electric - Generator	89,048	90,488	(1,440)	-	-1.6%	
<b>Total Electric Expenses</b>	<b>33,883,122</b>	<b>35,150,065</b>	<b>(1,266,943)</b>			
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>			
<b><u>Telecom Revenues</u></b>	<b>(1,185,316)</b>	<b>(1,135,380)</b>	<b>49,936</b>		<b>4.4%</b>	Incr. in Dark Fiber - \$4k, Data Fees - \$9k, Internet Svcs. - \$42k Incr. in Invst. Income - \$6k. Decr. In Ethernet - \$13k.
Telecommunications	1,185,316	1,135,380	49,936	18,110	4.4%	Incr. in Wages/Benefits - \$2k, Franch. Fees - \$2k, Internet Serv.- \$4k, R&M Vehicles - \$1k, CO-Backup server - \$50k, Pole Rent - \$1k, Amort. - \$1k, Princ. Pmt. Electric - \$35k. Decr. in Prof. Serv. - \$10k, R&M Equip. - \$7k, Ga Web- \$24k, Small equip- \$8k, Infrastructure -\$4k, Ren & Rep - \$13.
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>			

	FY 21 Proposed Budget	FY 20 Revised Budget	Incr. (Decr.) From P/Y Budget	Incr. in Health Insurance	% Change	Notes
<b>Utility Internal Service Fund Revenues</b>	<b>(3,542,714)</b>	<b>(3,424,088)</b>	<b>118,626</b>			
Utility Administration	446,702	452,118	(5,416)	1,246	-1.2%	Incr. in Data Chgs. - \$5k, Wages/Benefits - \$1k, Decr. in City Electric - \$5k, Comm. Security - \$2k, Small Equip. - \$4k.
Finance	709,576	718,289	(8,713)	9,997	-1.2%	Incr. in Wages/Benefits - \$4k, Printing - \$2k, Decr. in Munis IT - \$2k, Educ./Training - \$8k, Small Equip. - \$1k, CO-Computers - \$15k.
Tellers	194,206	237,312	(43,106)	(9,024)	-18.2%	Decr. In Wages/Benefits - \$30k, Small Equip - \$5k.
Purchasing	111,226	109,800	1,426	106	1.3%	Incr. in Travel - \$1k.
Engineering	557,134	554,538	2,596	4,995	0.5%	Incr. in Small Equip. \$3k, Educ./Training - \$1k, R&M Vehicles \$1k, ISF Fees - \$1k, Vehicles - \$27k. Decr. In Wages/Benefits - \$14k, GPS survey rover unit - \$21k.
Work Order Dispatch	108,832	106,215	2,617	2,492	2.5%	
GIS	214,338	209,669	4,669	2,492	2.2%	Incr. in Wages/Benefits - \$1k, R&M Veh. - \$1k. Decr. in Travel - \$1k.
Customer Service	371,934	204,058	167,876	57,884	82.3%	Incr. in Wages/Benefits - \$39k, Computers - \$68k
Meter Reading	403,108	420,763	(17,655)	(8,132)	-4.2%	Incr. in Meters - \$14k, Safety - \$2k, Gas - \$3k, Wages/Benefits - \$5k, Decr. In Vehicle - \$27k, R&M Vehicle- \$2k, Small Equip.- \$3k
Billing	425,658	411,326	14,332	4,150	3.5%	Incr. in Wages/Benefits - \$3k, R&M - \$5k, Small Equip - \$2k.
<b>Total Expenses</b>	<b>3,542,714</b>	<b>3,424,088</b>	<b>118,626</b>			
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>			

## Budget Work Session Executive Summary-4-27-2020

### Introduction

- We have put together a very conservative budget on both revenues and expenses for FY21. Due to the unprecedented times of a global pandemic, we will more than likely be adjusting the budget as more data comes in. For example, we will get March sales tax data at the beginning of May. This will be our first glimpse at the financial impact. I think the Finance Department and Department Heads have done a great job putting together a budget with minimal increases. The health insurance increase (9.5%) alone accounts for more than the overall general fund increase. We have an actual 1.4% decrease in expenses, but to make a more accurate comparison you need to take out the \$308,000 we used of fund balance to finish paying for the Police fleet in FY20. Taking this into consideration, we had a 0.7% increase or approximately \$100,000 total. The health insurance alone is in the ballpark of \$180,000 increase in expenses. Take this and other built in overhead, such as workers comp, retirement, property insurance increases, and utility payment increases, and I think it is obvious that our Department Heads have actually reduced overall spending in areas they can control and limit costs. Couple this with a growing community with a growing demand on public services, and we should all be proud of our current position.
- We originally had a 12.5% health insurance increase built into the budget (current market trend line) and we now know the renewal rate is 9.5%. (savings of \$98,000 compared to 12.5%) This is good news considering our loss ratio is worse than last year.
- There is one new employee in police patrol, but we are not filling the Assistant City Administrator position at this time. So net effect is no new employees. No capital equipment is budgeted for the general fund.
- Mayor and Council contingency: \$250,000. Fire Department contingency: \$80,000.
- There is currently no cost of living raises in the proposed budget. A 2% COLA for the General Fund would be \$151,846.

### Revenues

- We are currently budgeting property taxes based on the 2019 collections. We budgeted \$1.8 million last year and have \$2,080,000 budgeted for this year. This is a 15.6% increase. This assumption is based on our current millage rate of 2.6 and our current tax

digest of \$859 million. As you will recall, we had a surprisingly large increase in tax digest value of \$110 million in 2019. We have continued to see a nice increase in all areas including new residential, commercial, and industrial. We want to stay conservative, so we are not budgeting for a tax digest increase, but I am hopeful we will see one nonetheless.

- Franchise tax and local revenues- this is the 10% transfer from utilities to general government. Again, we want to be conservative. Due to COVID-19, we are having and will more than likely continue to have reduced electric load. This has a negative impact on the transfers. So we currently have \$3,042,132 budgeted for rents and royalties versus the original projection of \$3,130,478 which is a 3% decrease. Electric and sewer transfers are trending down, but water and telecomm are trending up. Some of the franchise fees portion of the transfers are budgeted down around 5%.
- LOST has been one of the most difficult to predict this year due to the sudden economic shutdown. Pre-pandemic, our LOST was bringing in around \$95,000 per 1%. This equals around \$3,250,000 in yearly collections. We have budgeted LOST for FY21 at \$2,750,000. This would be around \$80,000 per 1%. This \$500,000 reduction is approximately a 15% decrease, which is in line with what I am hearing from other cities as a target. We are hopeful the negative impact on our local economy won't be this bad, but we need to be prepared if it is. We will know more once we see March and April tax returns.
- Excise taxes- The energy excise tax was trending toward a nice increase, but is another revenue stream negatively impacted by the economic shutdown. We were looking at budgeting a little over \$200,000, but now have \$150,000 budgeted. However, several of our other excise tax line items help balance out this loss. Overall excise taxes are budgeted to increase from \$2,228,294 to approximately \$2,290,000.
- Even with a very conservative analysis, we are still confident that the license and permit revenue will have a healthy increase over last year's budgeted numbers. For example, general building permits are budgeted at \$135,000 versus last year's \$80,000.
- Hotel/Motel tax: we are budgeting for a 25% reduction as compared to collection rate so far this budget year. FY20 budget is \$853,500 and FY21 projection is \$676,500.

## **Operating Budgets**

### **Mayor and City Council**

- Much of this budget remains the same year to year except for the Mayor and Council contingency fund. We currently have \$250,000 budgeted. We had the largest contingency fund since I have been doing this last year (\$290,000). If you will remember just a few years ago (5 or 6) we were lucky to scrounge up \$50 - \$75,000 for contingency. This has allowed us to wait on some capital expenditures until we were confident the revenues would be there.

### **General Administration**

- This year we only have two employees, instead of three, in general administration. We plan to keep the Assistant City Administrator position vacant at this time. This provides a 37% reduction in salary/benefits expense in general administration. Many of the line items stayed in line with last year. We are budgeting a 7.5% reduction in golf course transfers from \$154,000 to \$145,000. Recreation transfers increased 2% from \$614,000 to \$626,000.
- Tax Administration, business licenses, Human Resources all remain relatively the same as last year.

### **Municipal Court**

- The budget is very similar to last year. Fortunately, we can now stay within budget due to the Walker case conclusion. We haven't stayed within budget since prior to Fiscal Year 2016 due to the Walker case.
- Some of the line items that increased are vehicle repairs, data fees from Telecomm, and health insurance.
- We were able to replace a 20 year old Crown Vic with one of the Police Patrol 2012 Chargers. However, the other two vehicles are 2006 models with high mileage that will need replacing in the near future, if possible.

### **Building Inspection**

- Budget is very similar to last year. We did trim some expense off of our cost estimated for dilapidated housing, which is based on actual expenses this year. We had \$110,000 budgeted for dilapidated housing and we think we will only need \$96,000 based on actual costs. We have demolished 12 homes and approximately 16 have been remodeled. We have replaced two trucks in FY20 and still have a 2006 truck that will need replacing in the next year or two.

### **Depot and Main Street**

- Budgets similar to last year. We plan to have the unrestricted DDA 0.5% allocated to the general fund. Then, we will budget a transfer of this revenue stream in the amount of \$10,000 to the DDA Hotel/Motel account. This account has a balance of approximately \$112,000. The \$10,000 should cover most expenses and we still have a large balance in their H/M checking account if we need more. With this method, we can look at increasing/decreasing funding on an annual basis based on need and revenue collection amounts. With H/M funds we have helped improve drainage on Park Avenue, sidewalks on Piedmont Street, improved handicapped parking, added a pedestrian crosswalk, and replaced lighting in the trees on Court Street. There have been several building renovations with façade grants in Downtown over the past year, with more currently underway.

### **Airport and Library**

- We have a budgeted 3% increase for the Library allotment. The Library had requested 6%. We also have about a 3% (\$5,000) increase for the Airport in wages, but reduced funding in airport operations per their request. They had requested an overall 6% increase (\$10,000). My thought process concerning outside agencies the City helps to fund, is we should hold them to the same standards as we hold our own City Departments. And cutting the requests to 3% is still more of an increase than what we are allowing our own departments this year.

## Police Department

- Main issue is still man power; Tony requested four officers last year. We added one last year and got the school to pay for one of two school resource officers. So net affect was only budgeting half of a new position last year. PD asked for one more patrol officer and this is in the draft budget. Jim Banks has been working full time due to an officer's workers comp absence. Jim would not need insurance, uniforms, and would be a seasoned officer. Adding the additional officer helped reduce budgeted Overtime for patrol.
- Additional increase in training. (\$9,000 up to \$25,000) Three officers taking college level courses. Tony will look at policies to implement to ensure employees continue working for the City for a certain amount of time. Otherwise, the employee will have to reimburse the City.
- Workers comp increase in patrol by approximately 100%. (\$62k up to \$124k)
- The police department is our largest department personnel wise, so higher costs in health insurance, workers comp, and city retirement have a larger budget impact as compared to other departments.
- Additional monies included to purchase small equipment, but this is through the Homeland security safety grant. (\$89,000)
- We have completed the purchase of a new police fleet, so we have been able to reduce repairs and maintenance costs. However, there will be some vehicle replacement needs in other areas of the Police Department in the near future. Older vehicles in Administration and CID
- Reminder: No longer paying additional \$124K for E-911 dispatcher due to SDS negotiations.
- New Police Station: Due to the state wide shelter in place, Gregg Sims and I discussed not being in a hurry to put it out to bid. Bid documents should be ready sometime in May. We are hopeful that some construction costs will come down due to the economic slowdown. This will more than likely push this project into the new budget year where it will be budgeted in the 2018 SPLOST. However, we will also need to utilize a loan from Electric and determine a payback schedule. The last construction cost estimate was \$4

million. We will also have additional cost with furniture and fixtures to outfit the building. We have \$1.8 million budgeted in 2018 SPLOST. However, I am hopeful we can come in under budget on other projects and put additional SPLOST funds toward paying for the station.

### **Fire Department**

- Firefighter wages decreased slightly but OT increased. We have had several firefighters retire that has helped to reduce salaries, but the trade-off is we have younger firefighters who need more training.
- Budget increase for software to launch Tablet Command along with replacement of aging computers and iPads: \$22,000. Tablet Command is software that allows officers in charge of a scene to manage via iPad versus paper. It syncs with E-911, tracks personnel, equipment, and time stamps events. All this data will help auto-generate incident reports and ensure more accurate accounting of the incident scenes.
- Adding two iPads to Fire Inspection to modernize our inspection process. We are one of the last departments still using paper inspection forms. Our inspectors will also be able to pull up code sections in the field.
- Building repairs to the burn building are budgeted. This will be the first needed repairs since the building was built in 2013. Building line items went from \$5,000 to \$14,000, which covers all fire stations/buildings.
- The top need is a new fire engine for \$450,000. Purchased a Pierce demo with FY20 overage. It should be ready for service in late May or early June.
- New F-250 for battalion chief vehicle to replace 2012 Expedition. Terry will take over the Expedition and his 2006 Crown Vic will be used for transport to and from training. Currently paying \$2,800 in mileage due to no reliable vehicle to take to Forsyth. Used FY20 Contingency.
- Replace failing asphalt area at Station #2 entrance for \$38,261. Will use FY20 Contingency.
- Five new AED devices were purchased with FY20 contingency totaling \$5,500. The manufacturer will stop supporting older models in February.

- Need new voice amps for firefighter facemasks. A total of 12 needed costing \$8,000. Will use FY20 Contingency. Other needs could be considered with FY21 contingency.
- SCBA Grant writers have submitted the grant to purchase all new SCBA's. Will find out results in late summer.
- There is an \$80,000 contingency in the proposed fire budget.
- Reminder: No longer paying additional \$62K for E-911 dispatcher due to SDS negotiations.

### **Public Works**

- Very similar budget compared to FY20.
- SPLOST has funded some large capital needs in FY20 such as brush truck, street sweeper, and leaf vac is on order.
- Peters Street phase 2 road construction will be underway soon. Bartow Paving bid of \$2,031,813 also includes resurfacing of Peters Street from Richardson Road to Curtis Parkway. Bartow Paving is working on a quote for all of Erwin Street. This could be accomplished by adding an addendum to the existing Bartow Paving contract.
- We have recently completed sidewalk improvements on E. Line Street, S. Wall Street, and curb replacement on Forest Heights Drive utilizing 2018 SPLOST funds.
- Street lighting increased by about \$25,000 due to more street lights being installed.
- Traffic engineering decreased by about \$140,000. This is mainly due to a GDOT safety striping grant what was budgeted in FY20. We received around \$95,000 from GDOT for thermoplastic striping on eleven city streets totaling approximately 13 miles.
- Animal Control budget is about the same as last year.
- Cemetery increased approximately \$26,000 and the majority of that increase is due to an additional employee taking City health insurance.
- Step increases in Parks Department for lowest paid employees.
- Solid Waste: We have added a \$2 per month increase on the extra can fee to generate an additional \$14,000. Our goal is to have a self-sustaining solid waste fund that does not need property taxes to supplement. Even with this increase we are short \$9,731. Charges from the utility internal service fund to cover billing and customer service increased by approximately \$15,000. The street sweeper annual lease charge of \$60,530 is budgeted in solid waste and accounts for the majority of the increase of \$772,000 up to \$858,000. The lease payment is coming from 2018 SPLOST.

## **Recreation**

- Revenue and operating expenses very similar to last year. We made a lot of progress in last year's budget planning toward staffing level and salary adjustments and therefore little change this year.
- Kim provided a list of projects/equipment to be purchased with H/M revenue. Disc golf is one new project, walking trail amenities, scoreboard replacements, and entrance sign at Recreation Drive that also could be used for the new Police Station.
- Transfers from the general fund increased 2% from \$614,000 to \$626,000.
- 2018 SPLOST will fund the new maintenance facility. Gregg Sims has designed this facility in conjunction with the Police Station. It should be ready to bid at the same time as the Police Station.

## **Fields Ferry**

- Budgeting \$909,295 in revenues or about a 3% increase as compared to last year. General Fund transfer decreased from \$176,624 to \$142,462. Increased play has helped to reduce general fund transfers the past couple of years. Just as a reminder of how far we have come in golf, we were in the red by around \$900,000 in FY16. Now we are around \$200,000 in the black.
- Update on Carts: Capital lease of 65 gas power Yamaha golf carts received in 2018. Principal on capital lease for carts in this budget is \$40,191. This is the third year of payments. (four year lease with option to purchase at the end) After the fourth lease payment, we will purchase the carts for \$900 each.
- Able to reduce landscaping services from \$5,600 to \$2,500. This is due to not contracting out aerifying services after purchasing Toro Procore in July 2019.
- Overall golf operational expenses remained relatively flat (\$903k versus \$909k).

## **Water and Sewer**

- There is a 3% water/sewer rate increase budgeted for operations. This will be third year in the current plan of five years.
- Budgeted restricted funds: the "3%" restricted funds remains budgeted the same as previous years at \$1,080,000 and the "14% outside" restricted funds have increased to a budgeted \$1,050,000. The 14% revenue stream has increased from a budgeted level of \$524,773 in FY18 to the current level of just over \$1 million. These restricted funds have

allowed us to fund major infrastructure repairs, upgrades, and expansions without issuing additional debt.

- Budgeted sewer usage revenue is down overall this year by 3.6%. Residential increased by 11%. Commercial is down 0.5% and industrial is down 17.5%.
- \$1,000,000 is budgeted for the Georgia Cumberland Academy lift station.
- Sewer plant expenses decreased overall by 2.8%. Sewer plant maintenance expenses decreased by 29%.
- Sewer needs a \$353,078 transfer in from water to balance.
- \$115,000 budgeted for a tandem dump truck for sewer sludge program. Kyle analyzed the cost of contracting versus owning, and if we buy, it will pay for itself in 2.5 years versus contracting out.
- Sewer construction- capital equipment includes a pickup truck, air compressor, trench box, and equipment trailer.
- Budgeted water usage revenue has increased overall this year by 6.2%. Residential increased by 9.7%. Commercial increased by 8.5% and industrial is down 12.4%.
- Britany Drive stand-by generator budgeted at approximately \$500,000. 85% grant match applied for. This is a critical safety project to ensure we can operate the plant during a major power outage. Additional capital: turbidity meters funded by 2011 SPLOST and a pickup truck for mowing crew.
- Mauldin Road water plant- similar budget compared to last year. Turbidity meters funded by 2011 SPLOST. \$285,211 budgeted for renewal/replacement.
- Water construction has two bridge projects/water line relocations budgeted for around \$500k, Ranger Bridge and Coosawatee Bridge. Also, \$400,000 for additional 2"galvanized line replacement. Will utilize C&S to get more done this budget year. There remains around 40 miles left to replace. These projects are funded by operations.
- Water construction capital: Crew service truck- \$74,000; Crew dump truck- \$79,000; equipment trailer- \$12,000; F-150 for meter maintenance. There is \$100,000 budgeted for contingency.

### **Electric**

- Budgeted core revenue decreasing by 5% at \$27,201,096. Total revenue budgeted decrease of 3.6% at \$33,883,122. This is down from our peak years of around 2014-2015 with revenues at the time around \$40 million.
- Infrastructure projects include continued street light conversions to LED, overhead to underground utility conversions, expansion into new subdivisions, etc. Total infrastructure budget \$170,000.
- Budgeting to replace a 2004 Digger/Derrick: \$275,000. The 2004 can be utilized by Water/Sewer Construction.

### **Telecommunications**

- Very similar budget to last year. 4.4% increase in total revenue and total budget is at \$1,185,316.
- 64% of overall revenues comes from the industrial, commercial, and few residential accounts. The balance of the revenue comes from internal City and City School operations.

### **Internal Service Fund**

- Very similar budget to last year in most areas.
- Capital investment budgeted in Customer Service for \$68,000 which will be half the cost of implementing three solutions from NorthStar. The balance will be budgeted in the next budget cycle. Solutions include: 1. Launching mCare which digitally streamlines operations between the field and customer service staff while improving customer service interactions with the public. 2. NorthStar CustomerConnect will allow utility customers to look up certain utility information, such as usage and they will not have to wait on a customer service rep to look it up for them. 3. Utilization review and training- NorthStar will make visits and observe our operations, and then make recommendations to improve. This process typically allows experts with NorthStar software to come in and train our employees to better utilize our operation systems and thereby improve efficiencies.
- Capital equipment: one new pickup truck in engineering.
- Total budget for ISF: \$3,542,714.