

The special called meeting of the City Council of the City of Newnan, Georgia was held on Tuesday, December 13, 2022 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

PUBLIC HEARING – 2023 BUDGET

Mayor Brady opened the public hearing.

City Manager presented the proposed FY2023 Budget. He recognized staff and all their hard work. The City did receive it's 33rd Distinguished Budget Award for the FY2022 budget. He discussed budget challenges especially being heavy on human capital, with 78% of the budget for personnel. Other challenges are impacts of inflation and the uncertainty of the economy, fuel costs and benefits. In addition to the 2023 budget, there were also forecasts for 2024 and 2025.

He discussed the General Fund, which is the main operating fund and the budget trends. As required by State law, the budget is balanced at \$33,090,250 and no reserves were used to balance it. This budget is a 4.8% increase over 2022. Projections for 2024 and 2025 show increases of 6.2% and 5% respectively.

In 2022 there was a salary adjustment/ salary review and the average adjustment was 13%. The 2023 budget has an average adjustment of 3.5%. Last years budget added 6 employees and 2023 is asking for 7 additional employees and 6 each year going forward.

The mileage rate history shows a decrease over the years. For the next 3 years, this is estimated at flat, no roll back. The 2023 budget predicts holding the mileage rate.

The budget is again conservative, with the 2023 budget being 96% of the 2022 estimated budget. We are in a good position in case the economy or inflation continues. Top revenue categories are consistently LOST and Property Tax, which make up 53% of the general fund. 2025 will be the first year with the new LOST distribution. There will be a larger dependence on the mileage rate and property tax.

This year we are projected to end 2022 with just under \$31 million in expenses. Expenses are 78% salary and benefits. One half of the expenses go to supporting operations of public safety. Operating expenses are pretty consistent.

We have 300 full time employees. The 7 new employees in the 2023 budget are 2 for police department, 3 for fire department and 2 for beautification. Minimum starting pay grade 10 is at \$16.78/hr.

Looking at the next 3 years, very confident in 2023 and 2024 looks better than 2025. There are expected increases in 2024 with pension contributions. In 2025 there are some concerns with the mileage rate.

The City has 8 funds with a total budget of \$55.8 million, which is a 21% increase over last year. 2019 SPLOST is going to be heavily invested in 2023 with transportation infrastructure and the fire training facility. Impact Fees have increased and that is for the Lower Fayetteville Rd design and purchase of a fire truck. The Sanitation Fund has increased since we brought customer service and billing in house. Total Capital budget has increased to \$16.6 million and there are 14 projects funded with 4 funds. All but 2 of those projects are transportation projects.

Councilman Guillaume asked for clarification on insurance premium spikes. Mr. Phillips stated that it is related to a distribution formula based on the population of Newnan verse the population of the state of Georgia.

Councilman Koritko asked about retirement. Mr. Phillips is expecting an increase in 2024 due to salary adjustments and new employees. The Pension Committee is working on a 401a defined contribution option.

Mayor Brady closed the public hearing.

ADJOURNMENT

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

MOTION CARRIED. (6-0)

Megan Shea, City Clerk

Keith Brady, Mayor