City of Flowery Branch
Special Called City Council Meeting
Thursday, June 25, 2020, 6:00 pm
City of Flowery Branch City Hall
5410 Pine Street, Flowery Branch GA, 30542

CALL TO ORDER:

Mayor Mike Miller called the special called meeting to order at 6:03 pm.

Present: Mayor James Miller and Council Members Joe Anglin, Ed Asbridge, Leslie Jarchow, and Chris Mundy.
Absent: Council Member Amy Farah

Also present were Bill Andrew, City Manager, Vickie Short, City Clerk, Ron Bennett, City Attorney, and Alisha Gamble, Finance Director.

PLEDGE OF ALLEGIANCE:

Mayor Miller led the Pledge of Allegiance.

PUBLIC HEARING:

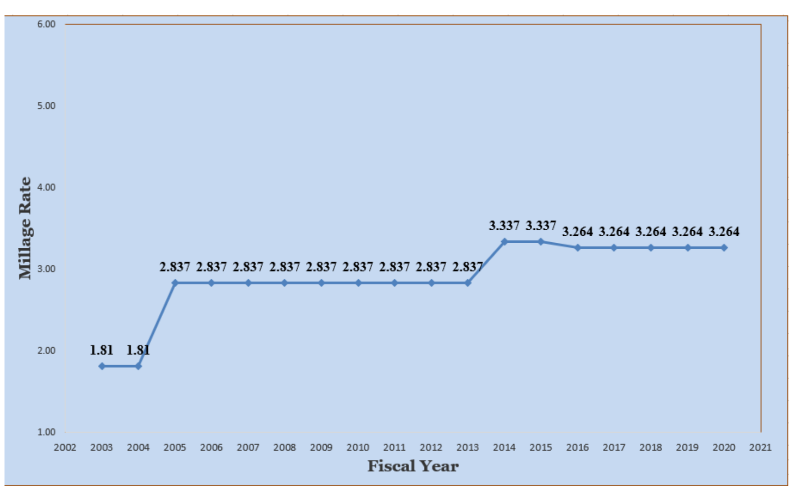
Ordinance 596 – To adopt an ad valorem tax rate for Tax Year 2020/Fiscal Year 2021

Resolution 20-018 - To Adopt the Fiscal Year 2021 Annual Budget

Ms. Gamble reviewed both items together and summarized the following:

The chart below shows the millage history for the City from 2003-2020. Over the past 17 years, there were three periods of millage fluctuations:

- 2004 to 2005: increase from 1.81 to 2.837 for a total increase of 1.027 mills.
- 2013 to 2014: increase from 2.837 to 3.337 for a total increase of 0.50 mills.
- 2015 to 2016: decrease from 3.337 to 3.264 for a total decrease of 0.073 mills

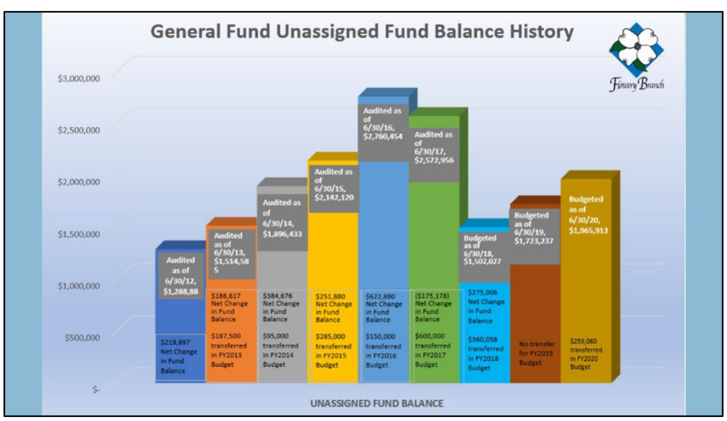


- From fiscal year 2016-2020 the City's millage rate has been 3.264 mills. Staff is recommending 3.264 mills for fiscal year 2020.
- According to the Hall County Tax Assessors Office, the average fair market value of a home in our area is $250,000 which assessed at 40% of market value calculates to $326.40 per taxpayer. This is an increase of $8.60 per taxpayer. 3.264 mills will generate $1,421,465 in tax revenue for the City to provide services for citizens of Flowery Branch.
- Keeping the millage rate at 3.264 mills, New or Improved Properties estimate to increase revenue by $90,267 and Reassessment of Existing Real Property estimate to increase revenue by $42,211.
- Due to the COVID-19 pandemic, we have made certain precautions related to anticipated decreases in revenue for the FY2021.
- Major general fund revenues have been reduced between 10-25% such as LOST, Excise Tax, Alcohol Licenses, Court Fines, etc.)
- To help with these revenue cuts, we have use of fund balance reserves in this budget of 10.6%. ($556,257).

General Fund Expenditures

- All Departments: New positions eliminated – hold current staffing
- Reduce operational costs

- Overall General Fund Budget = -2.17%



- The above chart shows the unassigned fund balance history for the general fund. The Government Finance Officers Association recommends no less than 2 months reserves of expenses but our Council voted to take a more conservative approach and maintain 4.5 months reserves each year. This budget does present coverage of the 4.5 months of reserves for expenditures.

- With our budget cuts and use of fund balance in the fiscal year 2021 budget, at this time we are able to still maintain 4.5 months reserves.

- We will continue to monitor the effects of COVID-19 on our budget throughout the year.

<u>Water and Wastewater Fund Revenues and Expenses</u>

- Water and Sewer Revenue and Expenses show a minimal change of .93% by following the same budget guidelines as the general fund – reduction in revenues and expenditure cuts.
- Use of unrestricted fund balance is 0.05% (%115,814)
- Council voted to maintain 6 months of expenditure reserves each year. This budget does present coverage of the 6 months of reserves for expenditures.
- With our budget cuts and use of fund balance in the fiscal year 2021 budget, at this time we are able to still maintain 6 months reserves.
- We will continue to monitor the effects of COVID-19 on our budget throughout the year.

<u>Tax Allocation District (TAD) and Hotel/Motel Tax</u>

- The Tax Allocation District Budget increases is due to the bond financing in March of 2020 for the downtown redevelopment project.

- The Hotel Motel Fund budget is reduced by 18%.

<u>SPLOST</u>

Fiscal year 2021 will be the first year of SPLOST 8. The categories for the six-year program include:

- Roads, streets, bridges and sidewalks for $3,168,230
- Public Works vehicles, facilities and equipment for $383,384
- Parks facilities, land and equipment for $415,000
- Public safety vehicles and equipment for $276,000

<u>Local Resources Fund</u>

- Various miles of road paving is planned for FY2021 along with the Main Street Roofing Project, Caboose and Depot Building Repairs, and annual debt payments for Lights Ferry Roundabout and City Hall.

Water Sewer Capital Projects Fund

- For the Water Sewer Capital Projects Fund, the 2021 projects and future projects focus on the plant expansion and water line improvements projects. Projects noted on this schedule may change slightly as the planning phase continues with City management and consultants.

The City-wide budget change for the recommended fiscal year 2021 year is 28.30%.

Staff recommends approval of Resolution 20-018, to adopt the fiscal year 2021 budget.

PUBLIC COMMENTS: There were no public comments.

UNFINISHED BUSINESS-VOTING SESSION:

Ordinance 596 – To adopt an ad valorem tax rate for Tax Year 2020/Fiscal Year 2021

Mr. Bennett read the caption to Ordinance 596.

There was a motion made to approve the second reading of Ordinance 596 setting the millage rate at 3.264 mills.

MOTION: Leslie Jarchow
SECOND: Ed Asbridge
AYES: Leslie Jarchow, Ed Asbridge, Chris Mundy and Joe Anglin
Motion Carried

NEW BUSINESS-VOTING SESSION:

Resolution 20-018 - To Adopt the Fiscal Year 2021 Annual Budget

Mr. Bennett read the caption to approve the second reading of Resolution 20-018.

MOTION: Joe Anglin
SECOND: Leslie Jarchow
AYES: Leslie Jarchow, Ed Asbridge, Chris Mundy and Joe Anglin
Motion Carried

ADJOURNMENT:

There was a motion made to adjourn at 6:25 pm.

MOTION: Ed Asbridge
SECOND: Chris Mundy
AYES: Leslie Jarchow, Ed Asbridge, Chris Mundy and Joe Anglin
Motion Carried

Mayor – Mike Miller	Date	City Clerk – Vickie Short