

BUDGET WORK SESSION
CITY COUNCIL OF THE CITY OF NASHVILLE
COUNTY OF BERRIEN
JULY 12, 2021
5:30 p.m.

WELCOME AND CALL TO ORDER: Mayor Pro-Tem John Clayton

ROLL CALL: Members of the City Council present included Mayor Pro-Tem John Clayton and Aldermen Scott Stalnaker, Billy Retterbush, Antonio Carter, Walt Steward, Eric Gaither

STAFF PRESENT: Peter Schultz, Jackie Jordan, Nancy Pesce, Police Chief Edwards, Mitchell Moore (via Facetime)

Budget Work Session for Fiscal Year 2022 (08/01/21-07/31/22):

Peter Schultz explained the purpose of the work session was to introduce Nick Valenti of Valenti, Rackley & Associates, whose accounting firm is providing financial/accounting services and assistance in budgetary preparations for the City, and to set a date for the budget workshop in order for the proper advertisements to be done.

Mr. Valenti explained he had assisted Mr. Schultz in processing data and setting up budget worksheets in preparation of the proposed budget and provided budget worksheets that were used. He explained the budget worksheets include numbers for revenues and expenditures from the prior year (fiscal year ending 07/31/2020) actual figures and current year/year to date (through 06/24/2021) actual figures, along with the FY 2021 budget figures, department requests and proposed FY 2022 figures.

Mr. Valenti began discussing the general fund stating the total revenues are projected to be \$4,359,761 which includes the American Rescue Plan Act (ARPA) funds of \$905,770. He said there are various ways these funds can be used but as recommended, it starts in a special revenue fund first and is then transferred to the general fund. He explained governmental accounting has slight differences as compared with other accounting such as with police vehicle purchases, the proceeds from the financing and the costs show in the general fund revenue and expenditures although the debt service of it is actually paid from the SPLOST-V fund. He said the general fund, which includes general administration, judicial, public safety, fire, animal control, code enforcement, street, sanitation, recreation, cemetery, housing, economic development and debt service, has a projected expenditure total \$3,871,615. This excess of revenue over expenditures gives a net total of \$488,146.

The water and sewer fund with a total projected revenue of \$1,601,645 and expenditure total of \$1,531,229 nets \$70,416. He explained the State mandates the City budget governmental funds, such as general fund and special revenue funds, but utilities funds {water and gas} are not mandated by the State. Utilities funds are accounted for like a

regular 'for-profit' business by capitalizing and depreciating assets over time to ensure the fees are covering the costs which is why capital outlay are set up, depreciated and charged off over their useful lives and this is why the GEFA debt of \$353,689 and the revenue bonds principal of \$81,850 are accounted for as they are under the water and sewer fund budget.

The gas fund is a utilities fund. It has a revenue total of \$1,475,420 and an expense total of \$1,318,325 which nets \$157,095. The capital outlay items under the gas fund are the gas line extension of \$51,000, new equipment of \$6,000, GMA debt of \$51,756 and extension to Alapaha of \$35,000.

The special revenues funds, which are governmental type funds as opposed to utilities funds, include the ARPA fund, SPLOST-V, TSPLOST and Hotel/Motel Tax. The ARPA fund total is \$905,770 and is shown as a credit in special revenues fund then transferred to the general fund as advised. The SPLOST-V funds can only be spent on capital outlay items according to the referendum, as voted upon, which include the following budgeted amounts: debt service on police vehicles, \$37,255; police equipment, \$25,000; fire department equipment, \$14,000; animal control equipment, \$5,000; roads, streets, bridges capital outlay, \$50,000; water/sewer system projects, \$50,000; gas fund projects, \$17,000; recreation/cemetery, \$8,000; economic development, \$5,000; and, general admin equipment, \$4,000, for a total of \$215,255 capital outlay to be paid out of SPLOST-V. The SPLOST-V projected revenue amount is \$250,000 which leaves a net of \$34,745 after the \$215,255 expenditures listed. The TSPLOST-V projected revenue total is \$120,000 and can only be spent on roads and streets. The Hotel/Motel tax amount is \$15,000 showing a budgeted amount of \$12,000 for tourism promotion leaving a net of \$3,000.

Additionally, there is another year of ARPA funds to be expected in the same amount of \$905,770.

There was a very brief discussion regarding the reserves and profits along with the date timeline for scheduling the budget workshop, public review and public hearing in order to get the proper advertisement published.

The budget workshop will take place on July 22, 2021 at 5:30 p.m. The public hearing will take place August 2, 2021 at 5:00 p.m. The budget adoption is scheduled to be on the Agenda of the regularly scheduled Council meeting on August 9, 2021.

ADJOURNMENT

The meeting adjourned at 6:05 p.m. to begin the regularly scheduled Council meeting.
July 12, 2021.

Mayor Pro-Tem John Clayton

Alderman Scott Stalnaker

Alderman Antonio Carter

Alderman Billy Retterbush

Alderman Walt Steward

Alderman Eric Gaither

ATTEST:

Jackie Jordan, City Clerk

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