



City Manager's FY2020 Budget Presentation

CITY OF HOGANSVILLE | MAY 20, 2019

Budget Timelines



Week of April 29th

- Review 5-year histories for all revenues, expenditures and expenses
- Review all proposed increases/decreases to cost of services or revenue streams
- Review capital requests and funding needs
- Budget Meetings with Departments

Week of April 30th

- Meetings with Departments

Week of May 6th

- Review, revise and finalize proposed budget including job descriptions, pay scale and organizational chart

Budget Timelines



Week of May 13th

- Print, bind and prepare all final budget documents
- Compile 2018 LOST Distribution data
- Obtain Consolidation and Evaluation of Digest data from Troup County
- Compile 5-Year History for Publication
- Generate draft PT32.1 (Computation of Millage Rate Rollback and Percentage Increase in Property Taxes)
- Generate draft PT38 (City and Independent School Millage Rate Certification)

Monday, May 20th

- Present the proposed budget to the City Council, including draft Budget Resolution and required Public Organ advertisements for placeholder Millage Rate; Schedule Budget Work Sessions, Public Hearings

Friday, June 28th

- Deadline for adoption of 2018-2019 Budget to take effect July 1st

2019 Gross Tax Digest

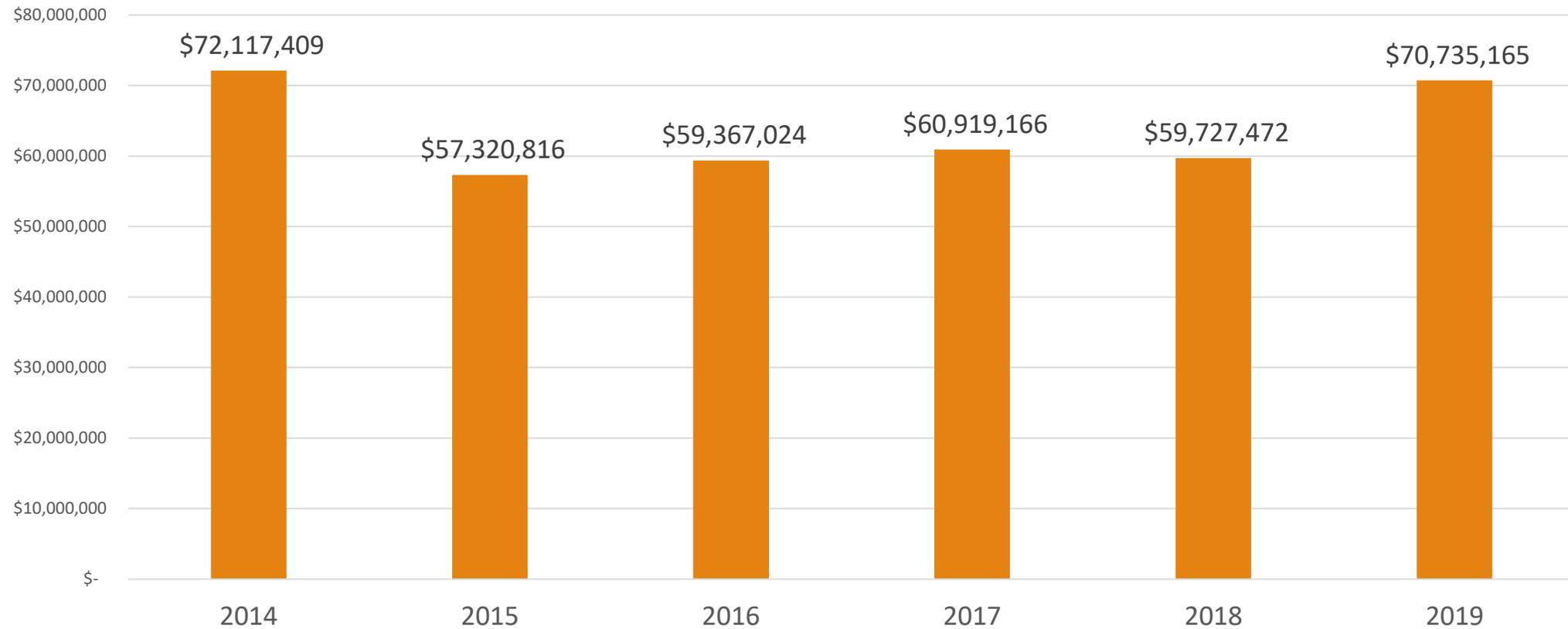


2018	2019 preliminary	Difference	Percent Change
\$59,727,472	\$70,735,165	\$11,007,693	18.4%

Troup County Tax Assessor

- Parcels in Hogansville w/ Inflationary Growth: 1,414
- Inflationary Growth (100%): \$9,539,245
- Inflationary Growth (40%): \$3,815,690
- Estimated Tax Increment (7.950 Millage Rate): \$104,182
- Hogansville's Millage Rate hasn't changed since 2004 when it was lowered from 9.95 mils
- A mill in property tax terms is equal to \$1.00 of tax for each \$1,000 of assessment

Historical Gross Tax Digests



General Fund Revenues



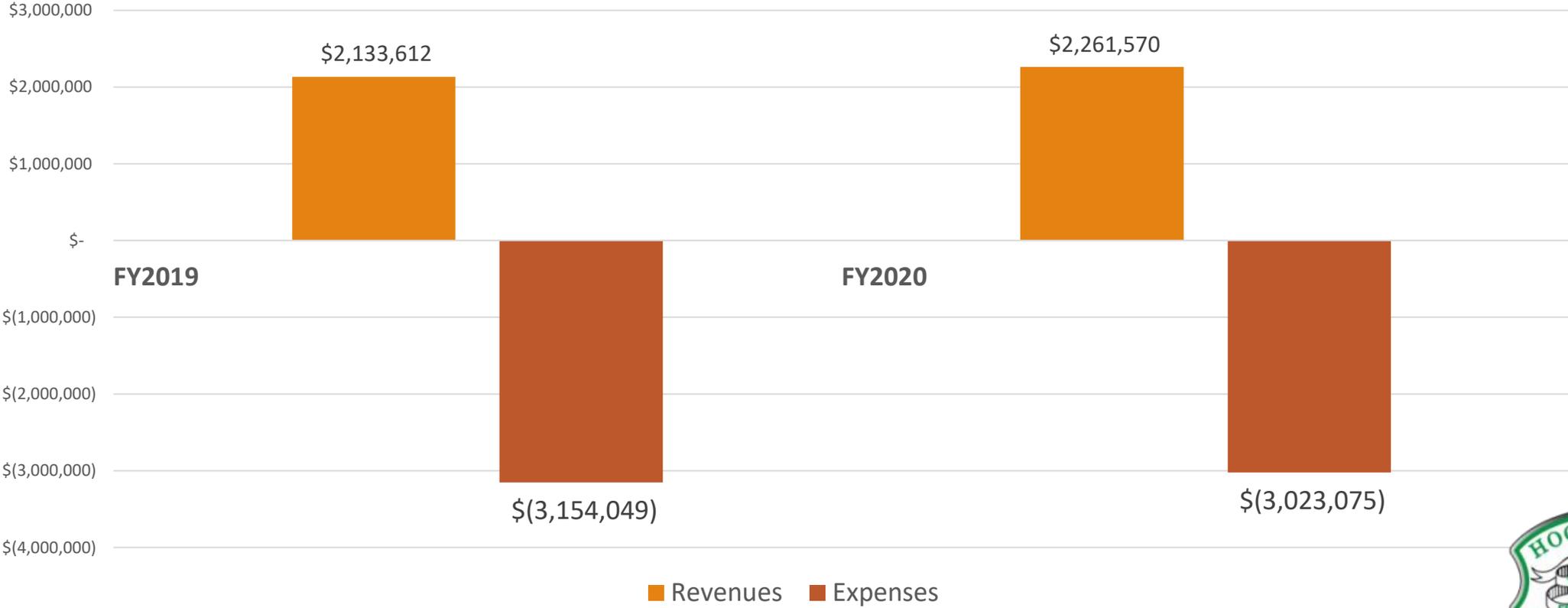
General Fund	FY2019	FY2020	Difference	Pct Chg
Taxes	\$ 1,503,384	\$ 1,623,428	\$ 120,044	8.0%
Licenses and Permits	\$ 142,270	\$ 149,448	\$ 7,178	5.0%
Intergovernmental	\$ 32,882	\$ 33,026	\$ 144	0.4%
Fines and Forfeitures	\$ 423,229	\$ 424,120	\$ 891	0.2%
Contributions and Donations	\$ 333	\$ 333	\$ -	0.0%
Miscellaneous	\$ 31,512	\$ 31,214	\$ (298)	-0.9%
Total Revenues	\$ 2,133,610	\$ 2,261,569	\$ 127,959	6.0%

General Fund Expenses



General Fund	FY2019	FY2020	Difference	Pct Change
Governing Body/Administration	\$ 926,939	\$ 746,682	\$ (180,257)	-19.4%
Judicial/Public Safety	\$ 1,589,994	\$ 1,572,582	\$ (17,412)	-1.1%
Public Works	\$ 343,494	\$ 442,241	\$ 98,747	28.7%
Intergovernmental	\$ 293,622	\$ 261,571	\$ (32,051)	-10.9%
Total Expenditures	\$ 3,154,049	\$ 3,023,076	\$ (130,973)	-4.2%

General Fund Revenues vs. Expenses



Making Ends Meet



Hogansville is a Full Service City

- Electric, Natural Gas, Water, Sewer, Sanitation, Cemetery
- These are called “Enterprise Funds” and are supposed to operate much like a business
- Potential Transfers: \$590,295 in FY2019 versus \$501,506 in FY2020

Enterprise Fund	FY 2019	FY 2020
Electric	\$ 610,795	\$ 300,000
Gas	\$ 271,154	\$ 348,144
Water	\$ (511,989)	\$ (100,000)
Sewer	\$ 365,159	\$ 76,449
Sanitation	\$ (148,704)	\$ (123,087)
Cemetery	\$ 3,880	\$ -

DEBT 101

January 1994: Series 1993 Bond (\$5,980,000)

- Refunding of existing bond, covering all Enterprise Funds
- Sprayfield/Land Application System
- City is paying interest only; MEAG is currently paying our principal
- Payments end in October 2023



DEBT 101

October 2004: Gas System Revenue Bonds (\$1,845,000)

- Elimination of all steel distribution and service lines
- Payments end in October 2024



DEBT 101

June 2006: GEFA Loan No. 1 (\$256,730)

- Improvements to Water and Waste Water systems
- Payments end in May 2021



DEBT 101

April 2012: GEFA Loan No. 2 (\$348,475)

- Cost overruns from steel gas pipeline elimination project
- Payments end in April 2032



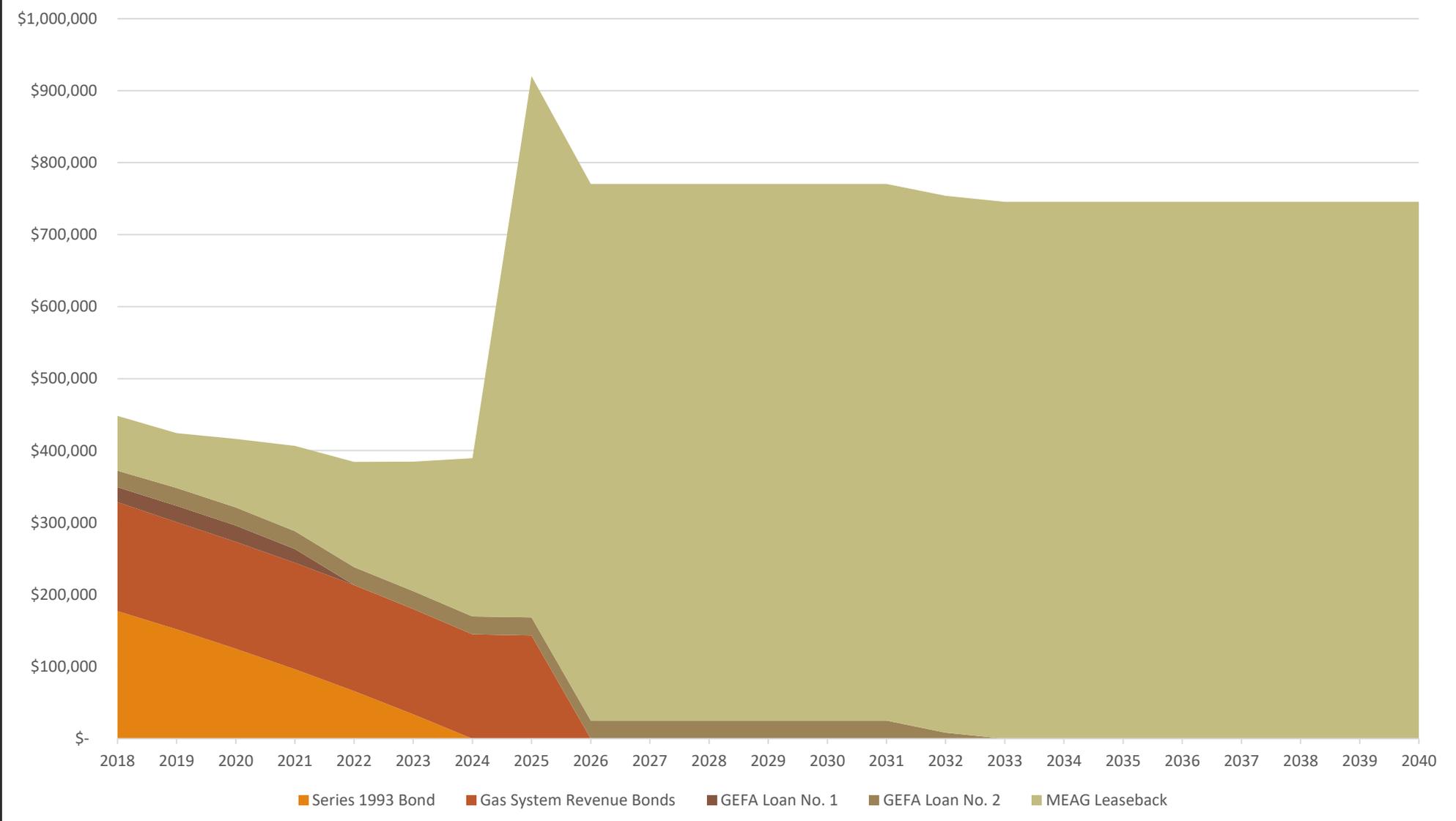
DEBT 101

October 2012: MEAG Leaseback (\$5,980,000)

- Reimburse MEAG for making Hogansville's Principal payments on the Series 1993 Bonds
- MEAG has been paying the Principal for the Series 1993 Bond
- City began MEAG loan re-payment in October 2012
- Escalation begins in October 2024 when City begins paying escalated Principal & Interest
- Payments end in October 2040



Debt 101 - Loan Repayments



DEBT 101

New Debt: USDA Waste Water Treatment Plant Upgrade/Expansion (\$8,688,195)

- Less \$2,500,000 – USDA Grant
- Less \$1,600,000 – Meriwether County contribution for 25% ownership
- City Portion – \$4,588,195



Budget Highlights

Proposed FY2020 Budget of \$11,865,363

- \$500,000 in matching CDBG funds for West End water infrastructure improvements
- \$172,432 for paving Pine Street
- \$707,420 toward Electric Utility expansion, upgrades and maintenance
- \$240,000 for mandated debt service toward Wastewater Treatment Plant expansion
- \$75,000 toward Wastewater trunk line infrastructure improvements
- \$50,000 for grass cutting at cemetery and Lake Jimmy Jackson
- \$25,000 for professional services for Service Delivery Strategy compliance review
- Two new employees for expanded Wastewater Treatment Plant



Next Steps



- Budget Review Work Sessions, Public Hearings
- Budget Adoption
- Millage Rate Public Hearings, Adoption

Questions?

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