

Canton, Georgia

*110 Academy Street
Canton, Georgia 30114*



Minutes - Final - Final

Thursday, June 17, 2021

3:00 PM

Budget Meeting

110 Academy Street

City Council

1. Call to Order

The meeting was called to order by Mayor Bill Grant.

Members Present:

Mayor Bill Grant

Mayor Pro Tempore JoEllen Wilson

Councilmember Shawn Tolan

Councilmember Brooke Schmidt

Councilmember Sandy McGrew

Councilmember Will Carlan

Councilmember Nick Estes

Mr. Billy Peppers, City Manager

Mr. Nathan Ingram, Assistant City Manager

Mr. Bobby Dyer, City Attorney

Mr. Ken Patton, Community Development Director

Ms. Melissa Forrester, Finance Director

Ms. Lauren Johnson, Communications & Marketing Specialist

Ms. Lou Stewart, Interim City Clerk

2. Budget Discussion

A. Discussion of Fiscal Year 2022 Proposed Budget - City Manager Billy Peppers - Attachment 2A

Attachments: [Budget v20210615](#)
[FY 22 Fee Schedule](#)

City Manager Billy Peppers discussed items in the Manager's Memorandum concerning the proposed budget and millage rate. The proposed budget includes the millage rate to remain the same as last year at 5.4 mills. The public hearings are to be held on Thursday, July 1, 2021 at 11:00 a.m. and 6:00 p.m. The third hearing is on July 15, 2021 at 6:00 p.m. Mr. Peppers further informed that Canton's millage rate of 5.4 mills includes the fire tax and is still below other surrounding cities. The proposed budget for 2022 is eighty-eight (88) million dollars which is twenty-one (21) million dollars more than the 2021 budget but, most of this increase is in the Water Fund. The budget includes ten (10) new full-time positions and a five (5) percent COLA (Cost of Living Adjustment) for all personnel. The Manager's Memorandum will be read in its entirety at the budget hearings in July.

Mr. Peppers informed Mayor and Council that they should have received an electronic presentation concerning the financing of Capital Projects. He gave an overview of these projects and how they align with Canton's tenets for guiding principles for the city's future. Mr. Peppers discussed the projects that were to be financed from the Total Special Funds Revenue. Mayor Pro Tempore Wilson asked if the ARPA (American Rescue Plan Act) funds were definite funding that the City could count on receiving. Mr. Peppers stated yes, the City will receive \$11.4 million dollars which will be made in two payments. These funds must be spent as government criteria has been agreed upon. The funds have been allocated and the city feels that they can meet the criteria. Councilmember Estes asked if it was still in discussion for 10% of all new development to be allocated to workforce housing when appropriate? City Attorney Bobby Dyer informed the Committee was still discussing this option and if the decision is to require developers to do this, there needs to be incentives. Cities that require this contribution from developers were asked for incentives such as density. Mayor Grant stated that we are making progress and have a two-year window to get these policies in place, inform our citizens and be able to afford to do this.

Mr. Peppers informed that in Celebrating the Diversity of Our Community programs, one of the qualified census tracts that is eligible for CBDG (Community Development Block Grant) funds are the areas of Sunnyside and Exit 16. He gave an overview of Advancing Regional Economic Success programs and Mayor Pro Tempore Wilson asked about the partnership with the Chamber. Mr. Peppers stated that when a new business opens the City will pay for the first year of their Chamber membership. If the new business is a minority and has problems connecting with needed resources, Chamber President Pam Carnes will reach out to help. A program to do all of this is still being worked on.

Mr. Peppers discussed Enhancing Historic Downton Canton programs to include the improvement of infrastructure along with the Archer Street Parking Deck and Canton Theatre upgrades. He also informed that under Sustaining Our Natural Environment, most of the projects are general fund based. He further informed that the City received nine (9) responses on the RFQ (Request for Quote) for the Automated Meter Reading.

Mr. Peppers gave an overview of Connecting Citizens to Parks and Recreation which included improvements at Heritage Park, Harmon Park, Boling Park, and Etowah River Trail. He also discussed Improving Infrastructure for Future Demands. This included expansion of the water pollution control plant expansion, purchasing additional water capacity, city transportation plan and paving of City streets.

Mr. Peppers discussed Leading with Excellence programs such as internships, meeting and community outreach, training and leadership, retirement system realignment and merit contingency for talent retention. Councilmember McGrew asked Mr. Peppers if he had contacted Chattahoochee Tech concerning interns. Mr. Peppers informed that he had contacted them along with other various colleges. He concluded that staff will be planning out the City Roadmap over the next four (4) years.

Assistant City Manager Nathan Ingram gave an overview of the operational budget. He informed Mayor and Council of the proposed rate increases in fees. The budget includes an increase in business license application fees from \$25 dollars to \$30 dollars. Councilmember Estes asked if some of the ARPA funds could be used to offset these increases. Mr. Ingram said that this could be discussed but noted that this increase is comparable to surrounding cities and would be an approximate \$4,000 dollar increase in revenue. Mr. Ingram also informed that a proposed increase in sanitation fees were included. He stated this is a sensitive issue at this time; however, the City financials is at a deficit in Sanitation. The proposed increase would be from \$16.50 to \$18.50 with the senior rates increasing from \$13.25 to \$15.00 dollars. The budget also includes equipment purchases which must be removed without these rate increases. Mr. Ingram stated if changes are to be made, staff will need those prior to the public hearings in July. Mayor Grant informed this can be discussed at the Sanitation Committee meeting on June 29th. Councilmember Estes stated that he would prefer to not have an increase and use additional funds from ARPA. Mr. Peppers informed it would take one fourth (1/4) of a million dollars to offset the credit. After further discussion, Mr. Ingram stated that staff will review all funds and look at using additional funding in areas to balance. Staff will bring these budget amendments back before Mayor and Council.

Mr. Ingram asked if there were any questions on the proposed General Fund Budget. He informed it consisted of approximately three (3) to four (4) months of fund balance. With the ARPA funds, there are no fund transfers from the General Fund. The City has until December 2024 to allocate all ARPA funding. The Hotel/Motel Tax revenue is projecting higher due to a new hotel coming online. He gave an overview of the interagency expenditures. Mayor Pro Tempore Wilson asked about the funding for the Historical Society. Mr. Peppers informed there are five (5) cities that are being sponsors to work on a design for a visitor center. These requests were received after the budget was prepared but, would be ARPA eligible. This is a one-time capital request. Mr. Ingram informed that no funds will be disbursed until an MOU is agreed upon.

Mr. Ingram noted the summary of SPLOST funds, which was audited in September 2020 and there has been no decrease in sales tax. In the Road and Sidewalk Fund there are no revenues or expenditures however, there is a fund balance therefore the fund must be kept open. Councilmember Tolan asked if the budget had funds for playground equipment at Boling Park. Mr. Peppers informed the equipment was actually on school property and there is not enough

history on who placed the equipment there. Also, there are no funds in capital projects for replacement or any new changes. He suggested discussing the property next to Boling Park and decide on a use.

Mr. Ingram informed that the significant projects in the budget are in the Water Fund. This fund also includes purchasing additional capacity from the Water Authority. Mr. Peppers stated that buying excess water in order to not build another plant will save money. Mr. Ingram informed the budget included funds for bridge cleanup from debris that is coming from upstream. Mr. Peppers stated the City does not have equipment to handle this type of cleanup.

Mr. Ingram stated that the number of tickets has increased therefore, Municipal Court revenue projections are more. He further stated these revenues are divided up between other agencies with a set percentage of fees which are not set by the City.

Mayor Grant stated that he appreciates a budget that is projecting out for two (2) to three (3) years and the investments the City is making. It is helpful to look beyond. Mr. Peppers requested if there is specific items or facts that Mayor and Council would like to see covered, just let staff know for future meetings. Mr. Ingram informed that the advertisement for the proposed millage rate will be in the paper next week.

3. Adjourn

A motion to adjourn the meeting was made by Councilmember McGrew, seconded by Councilmember Estes and approved unanimously.

Bill Grant, Mayor

Attest:

Annie Fortner, City Clerk

Dates Minutes Approved by Council