



CITY OF PENDERGRASS GEORGIA
PROPOSED 2022 FISCAL YEAR BUDGET





June 25, 2021

Citizens of Pendergrass,

It is my pleasure to submit to you the Fiscal Year 2022 Proposed Operating Budget for the City of Pendergrass. The forecasted revenues for FY 2022 equal our anticipated expenditures of \$1,008,650.00. The FY 2022 budget strategically builds upon our FY 2021 objectives.

The City of Pendergrass's largest reoccurring source of revenues are property taxes and franchise fees. Property taxes are made up of real and personal property and motor vehicle taxes. In FY 2022, we anticipate that property taxes will generate 28.17% (or \$256,000.00) of the budget to operate the City. This tax category is made up of real and personal taxes (homes and land) and motor vehicle taxes. This growth is a result of reassessments of existing real property and new development. In FY 2022, we anticipate that 24.3% (\$221,000.00) of City income will be derived from franchise fees, which consists of electric, gas, cable, telephone and cell/fiber/telecommunications. Franchise fees are charges to utility companies for the privilege of operating within municipal boundaries. In FY 2022, we anticipate that 11.5% (\$105,000.00) of City revenue will be generated via the county wide local option sales. These taxes are levied on the sale of goods and services within Jackson County. These taxes are collected in addition to the statewide sales tax collected by the Georgia Department of Revenue. Local option sales taxes are divided among the County and Cities based on negotiations between the Cities and County, and are generally distributed along population numbers.

In FY 2022, Personal Services and Employee Salaries and Benefits will account for approximately 52.2% of normal City expenditures. We were able to provide employee benefits (insurance) for the first time in 2021, and I intend on focusing on investing in our human capital in order to retain the very best public servants in Georgia.

Years of planning and community input helped shape the City's vision to achieve a balanced mix of residential and commercial developments. The City began back in 2016 to promote and attract businesses to its commercial overlay district along the U.S. 129 By-Pass. This transportation node will experience significant transformation in FY 2022 and beyond and will become an ever-increasing source of revenue for the City.

We take great pride in the City's approach to development. Instead of a passive hope that we might attract the right mix of commercial growth, we actively seek businesses that are a good-fit for our community; ones that will enhance the character of Pendergrass. We apply marketing strategies with our commercial real estate partners focusing on specific

industry segments that will help Pendergrass attract the right mix of development that will result in long-term sustainability for our community.

City Staff will continue to search for opportunities to increase our active Park capacity and will be seeking strategic acquisition opportunities that will allow the City to efficiently grow our Park capacity and aid in developing and promoting community events and building community spirit. Promoting a high quality of life is critical to achieving Pendergrass's vision. The City recognized the acquisition of two new greenspaces, totaling approximately 2 acres, in 2021. We will continue to look for any such acquisitions available to the City.

The City's overall financial condition is good. The City had a \$1.2 million dollar judgment entered against it that it began to pay in 2021. To ensure efficiency of City services to our citizens, we will, as we always have, adhere to a strict conservative budget, with a pay-as-you-go approach to purchases. My goal is to report to you within the next year that we have made a significant impact on the amount due on this judgment. I am determined to run a tight budgetary ship, while ensuring the City is well policed, maintained and operated. Risks always exist regarding future City revenue collections. COVID had a chilling effect on the budgets in finances of many cities across this country. Macro-economic factors such as the costs of health insurance, food and basic necessities will influence personal purchasing habits, thus affecting sales tax collections. Possible upcoming LOST and SPLOST negotiations could also have an impact on City revenues. Over the years, the City Council has made strategic decisions that have properly positioned the City to withstand financial stress. We limit the use of long-term debt and have been successful in promoting developing along our 129 By-Pass, thus increasing our potential tax base. We will not increase our millage rate. We will increase the value of your properties and provide you with a beautiful City to live, work and play in. We do not waste money on unnecessary employees. Many of our employees "wear many hats" and perform multiple functions for this City. We will maintain tight fiscal policies and be outstanding stewards of taxpayer dollars.

The development of this FY 2022 Budget is a significant undertaking by our department heads and staff. I sincerely appreciate the efforts, contributions and sacrifices made by our City employees to ensure the best possible financial outcome for the City of Pendergrass.

It is my sincere desire that we improve the trust given to the leaders of this City by our Citizens. To all, it is our pledge that, with your support, we will maintain sound financial policy and keep the City of Pendergrass the best place to live, work and play.

It is my great privilege to serve as your Mayor.
As always, my door is open to all.

Melvin "Monk" Tolbert

2022 City Council Priorities

Public Safety

Economic Development

Community Appearance

Quality Growth

Downtown Development

Cultural Enhancement

Debt Reduction

2022 Budget Goals

- 1. City Budget reflects culture and values of the community**
- 2. Reflect Council's priorities**
- 3. Focus on economic challenges**
- 4. Protect our investment in human capital**
- 5. Invest in technology to enhance services**
- 6. Priority based Budgeting**

2022

BUDGET OVERVIEW

REVENUE for the city consists of Property Taxes, County Sales Tax, Franchise fees, Excise fees and Other Revenues such as Licenses and Fees, Charges for Service, and Fines.

TOTAL TAXES AND FRANCHISE FEES (\$561,000.00)

- **Property Taxes** – Property Taxes are proposed to generate about \$235,000.00. The Jackson County Tax Commissioner sets the 2022 County tax digest.
- **County Sales Tax** – County wide sales tax income is projected to be \$105,000.00. This is based on level income from this source versus last year over the course of the year. (L.O.S.T.)
- **Alcoholic Beverage Fees** – These fees are projected to be \$54,000.00.
- **Franchise /Utilities/Enterprise Fees** – are projected to generate \$110,000.00
 - Electric \$90,000.00
 - Gas \$12,202.00
 - Cable \$8,000.00
- **Insurance Premium Fees** - are projected to be \$36,000.00 in 2022.
- **Motor Vehicle TAVT Taxes** – projected to be about \$21,000.00 in 2022.

LICENSE AND PERMITS (\$255,000.00)

- **Planning and Building fees** – Planning and Building Inspection fees for 2022 are projected to be about \$250,000.00
- **Signs Permits, Site Approvals, Plan Site Zoning costs** – are projected to generate about \$5000.00 in income for 2022.

MUNICIPAL COURT FINES (\$170,000.00)

- **Fines and Forfeitures from Police Services** – are expected to generate about \$170,000.00 in 2022.

CHARGES FOR SERVICES (\$6,000.00)

- **General Government** fees (fees for services – copying, faxes, and permits) are expected to generate \$6,000.

MISCELLANEOUS (\$16,650.00)

- **Sanitation fees** – projected to be about \$5,650.00.
- **Probation fees** – projected to be about \$1,000.00.
- **Municipal License fees** – projected to be about \$10,000.00.

TOTAL INCOME PROJECTED IN 2022 = \$1,008,650.00

Note – Licenses and permits are slowing due to the cost of housing construction. We have observed that the pace of new home construction has slowed beginning in 2021 which may reduce this volatile income category.

City of Pendergrass
EXPENSES

2022 COST CENTERS PROPOSED BUDGET

EXPENDITURES

Professional services city attorney	\$ 3,600
Auditor's fees (annual State audit)	\$ 8,500
City Administrator's Office (salary, office supplies)	\$ 55,000
City Hall (salaries, supplies, stamps)	\$ 45,800
Finance Accounting Department -Salaries	\$ 28,600
Insurance – auto, property, liability ins.	\$ 22,000
Library (salaries, supplies)	\$ 0
Mayor and Council	\$ 0
Municipal Court (salaries – judge, interpreter, pub. defend)	\$ 2,700
Public Works Salaries	\$ 85,000
Public Works Supplies	\$ 30,000
Public Works Repairs (eqt, etc.)	\$ 18,000
Planning and Zoning (salaries, supplies)	\$ 0
Public Safety Salaries	\$ 200,200
Public Safety Supplies, equipment and repairs (not veh)	\$ 25,000
Vehicle Repairs and maintenance – all departments	\$ 20,000
Solid Waste (scale fees)	\$ 600
Electric Power – Ga Power – Includes street lights	\$ 30,055
Water and Sewage Authority	\$ 2,000
Scana Energy (gas)	\$ 1,800
Comcast – internet	\$ 6,000
Workers Comp – all employees	\$ 23,000
Employee Benefits – Insurance – Health Dental Vision	\$ 49,000
Utilities (phone, fax, internet, electric)	\$ 11,964
Depot Rental to CSX RR company	\$ 1,800
Real Estate mortgage (city hall/library)	\$ 36,000
Training classes – Judge, Clerks, Police	\$ 5,000
Training supplies/expenses (food, supplies)	\$ 500
Building Inspector Fees (contract per inspection)	\$ 40,000
Fuel – All departments	\$ 40,000
GSCCCA Fines and fees Division	\$ 9,000
Victim Assistance Program	\$ 2,100
Peace Officers Annuity & Benefit Fund	\$ 4,200
Peace Officers Annuity \$ Benefit Fund GA	\$ 600
Peach State Fire (fire extinguishers – vehicle and bldg.)	\$ 1,000
Rentals – (heavy equipment, etc.)	\$ 3,000
Animal Control	\$ 1,500
Jackson County Board of Commissioners – fees	\$ 4,000
Alarm (police Dept)	\$ 2,000

Advertising – Main Street News	\$ 1,300
Exterminator	\$ 800
Technology – repairs, maintenance, computers	\$ 3,500
Trugreen	\$ 1,800
Legal Judgment Payments	\$182,000.00

TOTAL EXPENSES PROJECTED	\$1,008,650.00
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CAPITAL PROJECTS (unfunded projects)	\$ 00.000
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Projected Total Cost to Operate City - FY 2022	\$1,008,650.00
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Key takeaways for the 2022 Operating Budget:

- The 3.0 millage rate for operations is unchanged and remains one of the lowest in Jackson County. It has not increased since its inception.
- The budget is balanced with revenues equaling expenditures.
- The 2022 Operating Budget does not include salary adjustments for City staff due to the uncertain economy because of COVID and economic factors that would affect our economy. Once the fiscal 2021 year concludes and we have additional insight as to economic performance in 2021, salary adjustments for staff may be reassessed.

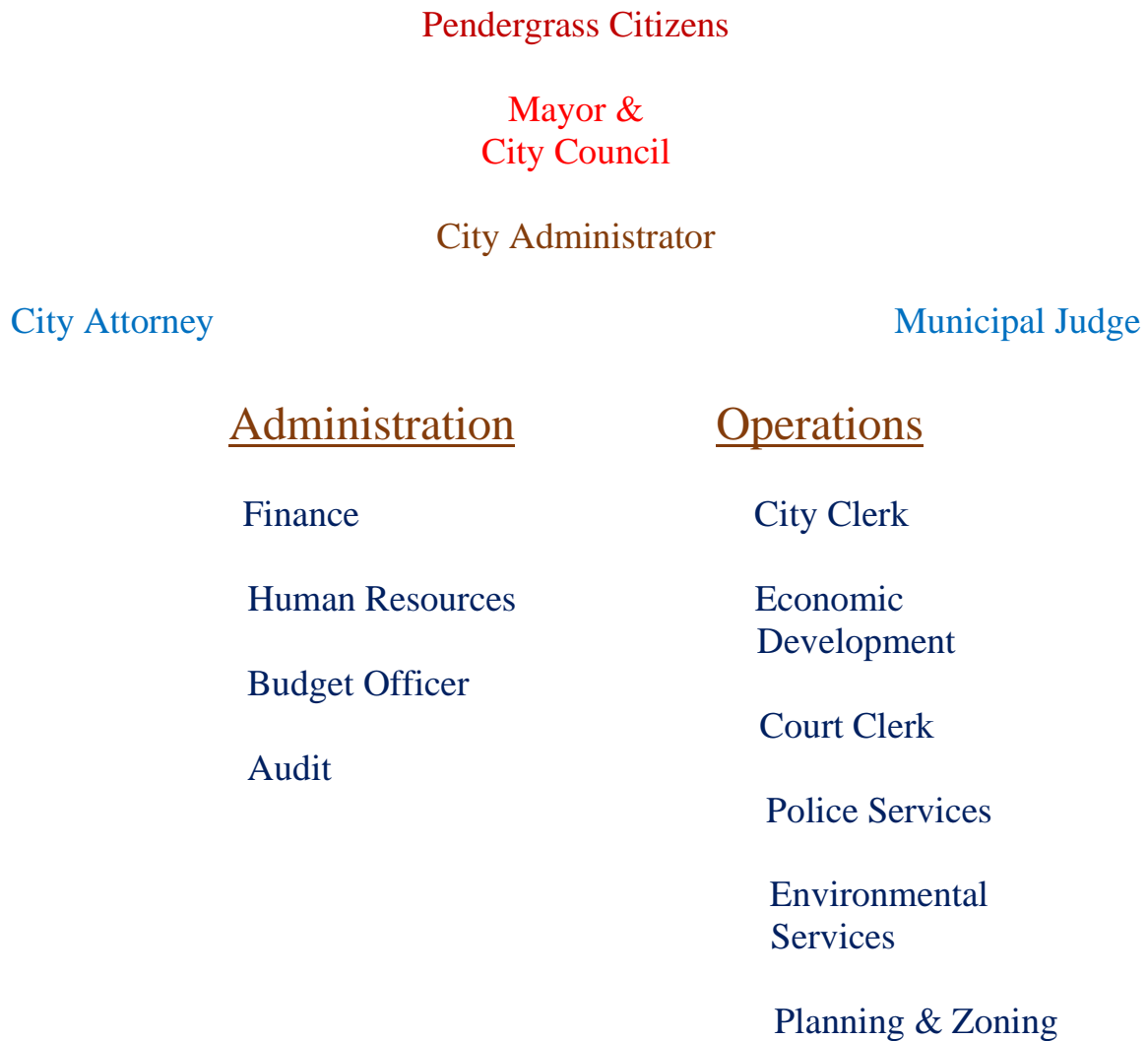
Vision Statement



*Pendergrass is a progressive
city where we strive to:*

- Promote a high quality of life*
- Create a strong sense of community and place*
- Respect our heritage while guiding our future*
- Be the best place to call home*

Organizational Chart



In Pendergrass's form of government, the Mayor is the Chief executive officer of the City government and the presiding officer at City Council meetings, and is responsible for the efficient and orderly administration of the City's affairs. The City Council serves as the legislative branch of municipal government. Pendergrass's elected officials and employees are responsible for ensuring that the community's vision for this city is fulfilled and developing policies and procedures necessary for that community vision.