

City of Rome
FINANCE COMMITTEE MEETING
March 16, 2022

PRESENT:

Committee Chairman Mark Cochran
City Commissioner Bill Collins
City Commissioner Randy Quick
City Manager Sammy Rich
Assistant City Manager Meredith Ulmer
Finance Director Toni Rhinehart
Assistant Finance Director Kraig Ingalsbe
Recording Secretary Vicki Blair

Guest: Doug Walker, Public Relations

Committee Chairman Mark Cochran called the meeting to order and approved the minutes from the December 1st meeting by common consent.

Ms. Rhinehart began by stating that we are off to a good start and most of the revenues have seen an increase. Commissioner Collins asked about General Fund and how it operates. Ms. Rhinehart and City Manager Rich gave a brief description. Committee Chairman Cochran asked for an update on the telecommunications audit and Ms. Rhinehart stated that we are working closely with the contracted services and have the list of the properties that were not correct. There is proposed money due to the city for the three-year lookback. Discussion was also had about the Roman Holiday and the search for new boat captains and first mates to continue operations.

GENERAL FUND:

Ms. Rhinehart discussed the highlights in General Fund. The January Local Option Sales Tax collections were \$807,647 and were up from last year's amount of \$692,230. The February tax collections were \$624,863 and were up as well from last year's amount of \$577,040 for a combined total increase of over \$163,000. This continues to be a bright spot. Intangible Tax collections are up \$27,000 from 2021 and Real Estate Transfer tax is up from last year by over \$34,000. Overall business licenses are slightly above 2021. The Financial business license fees hit in March – mostly a timing difference. Facility rentals are up from 2021 and we are hopeful that things are headed back to normal.

Police fines were up slightly for the month, and ahead of 2021 by \$45,000. Redspeed revenues began in September 2021 and were \$27,950 for January collections in February. This money is earmarked for police expenses only and the intent for this year is an upgrade on the training facility on Reservoir Street.

One of the biggest impacts on the budget is the increase in personal services due to the recent pay adjustments. This will require a budget amendment mid-year. The impact city-wide for this adjustment is approximately \$2.3M total but this is not just in General Fund. Commissioner Quick pointed out that at this time last year we were down approximately 20 officers but currently we are only down approximately 12 which is good news. Ms. Rhinehart also stated that she is concerned how fuel costs will impact the budget and that will probably be another reason for a mid-year budget revision. Commissioner Collins asked for a 10-year

summary of the City Commissioners salaries and Ms. Rhinehart stated she would send that out as quickly as possible. Committee Chairman Cochran then began a discussion regarding what expenses are included in the personal services and Ms. Rhinehart stated that retirement, insurance, Social Security and Medicare is also included in this expense category. Due to issues in hiring and retention, it was necessary to incorporate the pay adjustments.

It was also noted that interest and costs are down slightly from 2021. Total operating revenues are up from 2021 mostly due to the timing of the Georgia Power franchise fee in 2021.

WATER & SEWER FUND:

Water usage revenues are up from last year and above year to date budget. Most departments are within budget or up slightly due to the recent pay adjustment. Commissioner Collins then asked when the budget will reflect the new increase in water rates, but Ms. Rhinehart stated that will come later, possibly mid-year with the budget revision. This will go through the Finance Committee first, then to the full City Commission. It was also mentioned that we paid off a large debt last year so there is a big difference in the comparison of 2022 to 2021. Committee Chairman Cochran asked how the Net Position is calculated and Ms. Rhinehart explained that the numbers reflected are as of November and have not been updated for year-end yet. She went on to say that there are other things included that are not cash and include all asset activity as well. She also mentioned that there is a page in the statement that shows cash for water. Ms. Rhinehart went on to say that it is important to plan for and to determine ways to put money aside for future debt. She stated that we need to find a way to change how this is reported so that the ratios for bond coverage will reflect more accurately. Mr. Ingalsbe then explained that he works directly with the water department and explained in more detail how the allocation is calculated.

BUILDING INSPECTION:

Building inspection is a bright spot for sure as it is above budget from last year. County and City permits have increased due to increase in construction county wide. Personal services and expenditures are slightly up from 2021.

TRANSIT FUND:

Ms. Rhinehart stated that we are still offering free ridership right now so there are no revenues in the Mainline. We do have some money coming from the Department of Human Services (Transit Alliance) and they have increased the amount they will be paying. Commissioner Collins asked if this was going to be sustainable and Ms. Rhinehart stated we are 100% funded through mid-year of this year. Commissioner Collins then asked about Paratransit and City Manager Rich stated individuals still pay for this. Committee Chairman Cochran mentioned that this has been discussed in Public Works and in the end, Transit receives much of this revenue from Transit Alliance. City Manager Rich stated we are talking with our delegation in Washington about expanding Microtransit so that instead of a mainline bus we would have smaller vehicles such as a van. We would also look at other options that other similar communities have switched to that could cover colleges, etc. as well as possibly offering Uber type options.

BID FUND:

Commissioner Collins began a discussion about opportunities to have more diversified cultural events such as Latino events and Soul Fest. City Manager Rich stated that we do the accounting for bid, but the bid group is its own entity, and the Bid Board directs the allocations

of their funds. While we do the accounting for them, they set what the programs will be; however, we could try to work with the Bid Board to possibly incorporate these types of events. Commissioner Quick asked what the financial contributions are from businesses, and it was stated that businesses pay a special assessment on their property taxes of 1.5 mils and a 50% surcharge on their business license not to exceed \$150. Commissioner Collins asked what the City could do to assist, and Ms. Rhinehart stated there is money available in general fund for these types of expenses as well. Commissioner Collins stated that we have a lot of corporate companies that have a big push going on for diversity, and we want to make sure we do our part towards that as well. City Manager Rich stated that because of COVID, the International Committee had been put on hold but may be back in operation now.

TOURISM FUND:

Tourism revenues are up for the year and their expenses are down. The History Museum renovation has gone well and looks very nice.

FIRE FUND:

The City and County contribution has increased from 2021 to 2022 and personal services are up. The impact to Fire with the pay adjustment was \$661,000 and that is a 50/50 split with Floyd County.

HOTEL MOTEL TAX FUND:

There is a distribution of these funds between the regular Hotel-Motel tax, Forum promotion and the Tennis Center operations. We have started with the transfer to Cliff Drysdale management to operate the Tennis Center, but we are still working through the transition. Commissioner Collins then began a discussion about the fees that hotels and motels charge and the need to investigate whether we are getting the correct amount from them. Committee Chairman Cochran also began a discussion about the Forum and the amount of money that we pay the county even though we are not able to use it but City Manager Rich and Mr. Walker both stated that may change soon.

INSURANCE FUND:

We have made the change to Cigna, but we are paying both Blue Cross and Cigna claims at this time due to some claims carrying over from 2020 and 2021 for Blue Cross. Claims are up but we are paying less in admin fees to Cigna for the next three years according to our current agreement with Cigna.

ENTITLEMENT FUND:

There is some sidewalk work being completed, and we are still seeing some small business relief grant payouts. Committee Chairman Cochran asked about the Neighborhood Park Improvements amount, and Ms. Rhinehart replied that this amount is earmarked for the splashpad.

DOWNTOWN DEVELOPMENT:

General Fund funds DDA but occasionally they get money from Hotel Motel Fund for an event or something specific that has an economic impact.

PARKING FUND:

Revenues for downtown parking are pretty much in line with last year; however, expenses are up due to service contracts. They have an annual payment that must be made for Electronic Data Collection, and this has already been paid for 2022.

SPLOST FUND:

The bridge has been ordered for the Mt. Berry Trail connectivity. Commissioner Collins asked for an update on Parks Hoke Park and Ms. Rhinehart and City Manager Rich stated they are really close to getting started. It was mentioned by City Manager Rich that it is over budget, but Ms. Rhinehart stated it will be multi-funded from the SPLOST fund and ARP fund. Commissioner Collins began discussion regarding the diversity of the tennis community, and Mr. Walker mentioned that he had hopes that when promotions are being done with Cliff Drysdale that hopefully they will debunk the idea that only a certain demographic group plays tennis. He went on to state that this is not the case. City Manager Rich stated we will now have access to the CD marketing to assist in sharing information with the public. Commissioner Collins also mentioned that it would be great to incorporate multi-cultural events on the Library Channel as well. Commissioner Quick spoke up and stated he had noticed on Channel 4 there are digital possibilities for their programming and asked Mr. Walker to comment on that. Mr. Walker stated that he was not fully aware but said their programming will be available on Roku and Fire premium private services to be available to a much wider audience outside of Rome. Commissioner Collins stated that this is important because we now have representatives that are getting negative feedback about our city, and he wants to change that image. Rich stated he thinks we are on a good path regarding outreach to the community through various social media platforms.

LANDFILL FUND:

Revenues continue to increase and are up from 2021. Expenses are also up slightly from 2021.

SOLID WASTE FUND:

Ms. Rhinehart stated that there is a fee for residents to have their trash and yard waste picked up but that does not cover the total expense. There is also a significant transfer from General Fund to help fund Solid Waste.

PLANNING COMMISSION FUND:

Revenues are up due to the increase in both City and County required contributions. GIS has had some reimbursements from Floyd County. Committee Chairman Cochran asked for an explanation on how Floyd County contributes towards this, and Ms. Rhinehart stated that they pay their part on everything with the exception of historic preservation which is paid from the city General Fund.

PUBLIC BUILDINGS FUND:

This fund contains the DFACS and the Department of Human Services building activities. Ms. Rhinehart gave some history on the fund and said there were major repairs and maintenance to this building during 2020 while the property was vacated due to COVID. It is believed that they should be back in the building in April of this year.

LANDBANK AUTHORITY:

We manage the Landbank through the City, but Landbank is basically its own entity. A Landbank manager has been hired and will be paid from Landbank with ARP appropriated funds.

ARP FUND:

The two projects being funded currently with ARP funds are the camera system downtown and multiple Parks and Recreation projects. Originally funds were requested from ARP for the splashpad at Parks Hoke Park, but later Entitlement funds were designated for this project. This will free up those ARP funds for other potential projects.

CAPITAL FUND:

In February, we received the LMIG contribution from the State and it increased slightly from 2021.

Ms. Rhinehart stated that next month we will have a full quarter to report. With no further discussion and no other items to review, the meeting was adjourned.

Respectfully Submitted

Vicki Blair