

City of Rome
FINANCE COMMITTEE MEETING
April 21, 2021

PRESENT:

Committee Chairman, Sundai Stevenson (Zoom)
City Commissioner Randy Quick
City Commissioner Mark Cochran
Finance Director Toni Rhinehart
Assistant Finance Director Kraig Ingalsbe
City Manager Sammy Rich
Guest: Brook Moore

Committee Chair, Sundai Stevenson called the meeting to order and approved the minutes from the March 17th meeting by common consent.

Ms. Rhinehart welcomed everyone to the meeting and began the review of the March 2021 Financial Statements.

GENERAL FUND:

Ms. Rhinehart discussed the highlights in General Fund. Title Tax Fees are up over last year by about \$65,000. The new distribution allocation began late in 2020 with the City of Rome getting a higher percentage of collections. Intangible taxes are up from last year and Motor Vehicle tax continues to stay flat. Local Option Sales Tax remains a highlight so far this year with collections being over 2020 by over \$289,000 year to date. Real estate transfer tax is down from last year and overall business licenses are slightly above 2020. Facility rentals are up over last year and we are hopeful that things continue in that direction. On a positive note and not something we have been able to say in a number of years; Police fines were slightly ahead of last year for the month and above 2020 year to date. The 2020 GA Power Franchise fee for 2020 is in and under 2019 by over \$225,000. Total operating revenues are in line with 2020. Transfer in revenues are up due to the increase required for GMEBS contribution paid out of General fund for all funds as required by GASB. The required contribution went from 14% of payroll to 15.5% for 2021.

Public Safety expenses are down from 2020. This is mostly due to comparing three payrolls in January 2020 to two payrolls in 2021. The Public Works division expenses are also significantly down from 2020 by over \$330,000.

WATER & SEWER FUND:

Water usage revenues are in line with last year and slightly under budget. Other operating revenues are down from 2020 but connection fees are up over last year. Interest income continues to decrease and is expected to remain low for the remainder of the year. Total operating revenues are below last year. Total expenses and transfers out are slightly above 2020. Although most all departments in water are within budgeted expenses YTD.

BUILDING INSPECTION:

Building Inspection Revenues are down slightly but above YTD budget. Expenses are up slightly from 2020. With a full staff operating expense are up slightly.

TRANSIT FUND:

BID FUND:

TOURISM FUND:

Tourism is having a good year so far. Revenues are above 2020 but slightly below budget. Expenses are Gift Shop sales and rental revenues for the History Center are tracking slightly above 2020 levels. Total Revenues are up YTD by about \$23,000. Expenses are down from 2020 by about \$11,000. They are off to a really good start for 2021. The improvements at the History Center look great and they are doing a great job marketing the center and the space.

FIRE FUND:

Revenues are up in anticipation of the pay adjustments made for Public Safety in late 2020. Expenses are down slightly due to the additional payroll in 2020 compared with 2021. The transfer to General Fund is up as the result of the GMEBS retirement contribution required. This hits them especially hard with the number of employees that they have.

HOTEL MOTEL TAX FUND:

Hotel Motel tax revenues are in line with 2020. Expenses are up slightly from 2020. We assume that revenues will be up going forward in comparison to 2020.

INSURANCE FUND:

Revenues are in line with 2020. Expenses are above budget but down from 2020 YTD. Claims were significantly up in 2020 and remain steady for 2021.

WORKER'S COMP FUND:

Claims have been down for the last few years. Insurance premiums have gone down as a result of lower claims. Claims were up slightly from last year but remain relatively steady from previous years. We have paid ½ of 2021 premiums.

TAX ALLOCATION DISTRICT FUND:

ENTITLEMENT FUND:

PARKING FUND:

Parking revenues are up for the first quarter compared with 2020. This is positive and we are hopeful that this is a sign of more people being downtown. Revenues have covered expenses at this point in the year. The implementation of the new parking software and equipment has caused an increase in operational expenses for both DT Parking and Forum Parking.

FORUM PARKING FUND:

Forum parking revenues are behind 2020. Expenses are up from 2020 and over budget YTD. This has been affected by the lack of events being held at the Forum. A question was raised about the continuation of Court system using the Forum parking. Sammy will check on the current situation. All agreed that if they are using, there should be revenue collected for this. County Manager Jamie McCord also agreed that they should be paying if still using.

SPLOST FUND:

Ms. Rhinehart gave an update on SPLOST projects. We are still in the planning stages for most projects budgeted for 2021. The 5th Avenue Art District project and the East Central Elementary Access road are both still in the planning stages. Commissioner Quick inquired about the completion date for the Access Road. We are hopeful that it will be complete by late fall 2021. The Parks & Recreation headquarters roof has been replaced and the project is complete. Some paving and sidewalk work has been complete and the Fire Training tower is underway.

LANDFILL FUND:

Fee revenues continue to track about the same as 2020. Expenses are also in line with 2020. There was discussion concerning the problems with the line and traffic issues. Everyone feels that the fee structure changes are a great idea and should help with the congestion. The fees were rounded to the closest dollar to minimize the need for change. They are implementing a card reader system to hopefully expedite the process as well.

SOLID WASTE FUND:

Revenues are up due to the increase in General fund contributions. Expenses are down from 2020 due to some costly repair and maintenance expenses in 2020. There were some personnel changes in late 2020 that have reduced expense for 2021. There was also a pay adjustment in this department and the impact from that change will be seen as time goes along.

PLANNING:

Planning revenues are up slightly from 2020 and expenses are slightly down due mostly from the 3rd payroll in January 2020. They do have the ULDC expenses coming. Both city and county commissions have approved this contract.

TENNIS FUND:

The Hotel/Motel revenue is current and mirrors exactly the revenues from 2020. Ms. Rhinehart explained that they are mostly funded by Hotel Motel revenue and receive 25% of total collections each month as legally adopted. This hit them really hard in 2020 with Covid. Revenues and expenses are reflective of activity at both facilities. Expenses are down YTD and close to 2021 budget. Lisa Smith has done a great job with restructuring and reducing expenses while keeping everything going. Hopefully with time this year will be better with more tournaments and programs.

CAPITAL:

LMIG Grant revenue has not been recorded in 2021 but had been in 2020. Expenses are below budget YTD. We have several large purchases currently going through procurement. We are also working on the new website design with CivicPlus. This expense was not budgeted and is being paid out of Capital contingency.

OTHER:

Ms. Rhinehart had several other items for discussion:

- DCA has asked that the Revolving Loan Funds be returned. These loans have become less attractive over the past several years and no new loans have been granted. These have very stringent requirements and an entity can borrow much easier from a lending institution at a very reduced cost. Other governments are also getting out of this loan fund for the same reasons. We will return the money (estimated \$430,000) and as loans payments are collected we will be forwarding those funds as well.
- There will be a required 2020 Budget revision either at the next regularly scheduled Finance committee meeting or a special called meeting. The 2020 audit is still underway at this time.
- In response to Commissioner Cochran's question last month concerning Franchise fee audits, Ms. Rhinehart reached out to GMA. They have a Telecommunication and Right of Way management program that they offer. The annual cost is \$10,000 per year. All agreed that this would be a great idea and we plan to move forward.
- The City of Rome received notice last week that we have been awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for year ended December 31, 2019. We are very proud of this award and something that the city strives for every year.

City Manager Rich also wanted to discuss the Redmond Trail project. Floyd County has bid the project out and it came in at \$838,153.01. There was a grant for \$400,000 and the awarding agency agree to up the amount by another \$270,522.41. This would leave the local share \$167,630.60. Floyd County wants us to participate and our part would end up being up to \$83,315.30. Tread might fund up to \$25,000. Mr. Rich plans to bring this up under his time at the next City Commission meeting, Monday, April 26th. This extension would lead into the Redmond trails through Summerville Park, Redmond and ultimately the Spires. This would also give us full connectivity to downtown.

Commissioner Cochran had a question about County M & O taxes paid by City residents. He asked what are City residents getting from Floyd County for their taxes paid. City Manager Rich explained that subject to our 30+ intergovernmental agreements between the City and County. House bill 489 was set up to help solve the parity issues between Cities and Counties. The County takes care of the Library Animal Control, Recreation, E911, the Court system and Jail. We have agreements for all of these things. They agree to pave up to 12 miles per year for the City. We do our best to utilize that paving each year. We look at each agreement as they expire and come up for renewal. Commissioner Cochran feels that City residents bare more of the burden than County residents. He feels that is double taxation. We try hard to eliminate duplication and try to make it fair and equitable.

Chairman Stevenson asked a question about the status of NW Regional property. She has received questions about the property. She asked what we are thinking about purchasing the property. City Manager Rich explained that his interpretation and assumption is that currently we as a city do not have enough interest in purchasing the property and partnering with HOPE village. The Rome-Floyd development authority has been searching and looking at the property. They are in the process of doing a phase two environmental study. If directed differently by the City Commission we will look into other options.

Commissioner Stevenson asked about the most recent CARES award. It is \$10.9 million. We are awaiting guidance on the allowable expenditures for those funds. among the commissioners at this time.

With no further discussed, Commissioner Stevenson adjourned the meeting. The next scheduled meeting is planned for Wednesday, May 19th, 2021 at 10:30 am.

Respectfully Submitted,

Toni Rhinehart