

City of Rome
FINANCE COMMITTEE MEETING
June 30, 2022

PRESENT:

City Commissioner Bill Collins
City Commissioner Randy Quick
City Manager Sammy Rich
Finance Director Toni Rhinehart
Assistant Finance Director Kraig Ingalsbe

Guests: Kelley Parker, Administrative Assistant to City Manager
Doug Walker, Public Relations

Absent: Committee Chairman Mark Cochran
Assistant City Manager Meredith Ulmer
Recording Secretary Vicki Blair

Commissioner Collins called the meeting to order and approved the minutes from the June 8th meeting by common consent.

Ms. Rhinehart started the meeting by beginning discussion concerning the 2022 Tax Digest. She began by going over the 2022 Millage handouts that were distributed to all in attendance. The Tax Assessors office distributed the preliminary tax information earlier and just recently the advertising numbers were distributed. She went on to explain the calculation used to get an estimated tax revenue expectation. She discussed exemptions and the changes from 2021 to 2022. There were several large entities that saw very large increases in their free port exemptions for 2022. Danny Womack provided a detail for these exemptions for 2021 and 2022. Joe Smith helped to explain the freeport exemptions by explaining that this is due to inventory and was voted on many years ago on a referendum. Sammy explained that this is an economic development incentive tool to be competitive with other locations for industry. There was an approximate 3% growth in the digest from 2021 to 2022. This is significant considering we lost our top taxpayer in 2022. We were hoping for net zero and actually had growth. This is of course before appeals are settled. The Rome Board of Education tax digest was the next item of discussion. They saw growth of over 5% for 2022. The School System and the City have different exemptions so you will see a difference between the two. Discussion concerning the roll back rate was had. The roll back rate is the rate, using the current digest numbers, that would be necessary to get the exact same amount of taxes as 2021. Staff recommends that we roll back slightly on City M&O. The city does not control the assessment of properties. We only control the millage. We do not feel we can afford to roll back completely with the cost of providing services increasing. With the increase in valuation, even with a decrease in the millage, a property owner may be paying more. We are required to advertise a property tax increase unless we go to the roll back rate. The commission voiced agreement to a slight decrease to help property owners. With the requirement to hold 3 public hearings they are tentatively scheduled to be Monday, July 11th City Commission meeting, Thursday, July 14th special called day-time City Commission meeting and the final meeting to be at the Monday, July 25th City Commission meeting.

Some discussion was had concerning the most recent approval of the continuation of the ESPLOST and the need for a bond issue for construction of a new Rome Middle School.

Ms. Rhinehart continued by briefly going over some of the highlights from the May 2022 Financial Statements.

GENERAL FUND:

Title Tax revenue continues to be strong down only slightly from 2021. Motor vehicle taxes continue a slow decline but have stayed relatively flat. Local Option Sales Tax is up for the month, above last year by over \$300,000. This revenue is above 2022 budget by about \$250,000. Franchise fees are up slightly from 2021 but slightly below budget. Rental revenues are up and more in line with normal revenues prior to covid. Police fines are \$20,000 above YTD budget but down slightly from 2021. The Redspeed revenue continues to be consistent each month. We expected it to slow down but it has not at this point. Interest and costs are down slightly from 2021. Interest on investments is rising with the increase in interest rates. Expenditures are in line or slightly above 2021 due to payroll and operating expense increases especially in fuel. This is very evident in some of the larger departments. We do plan to have a budget revision within the next few months. Departments are working on that now. Police is over last year but under budget. They do continue to be short staffed but have made some progress with that issue.

WATER FUND.

Usage revenues for water and sewer are above last year and ahead of budget YTD. Other operating revenues are slightly ahead of 2021 and slightly above budget. Expenses are up slightly from 2021 but in line with expectations. The bond coverage is very strong with the roll of the Water & Sewer Bond issue paid off 12/31/21.

BUILDING INSPECTION:

Revenues were up for the month, above 2021 and over budget by about \$225,000. Building and construction is strong in both the city and county. Expenses are above 2021 but below budget YTD.

TRANSIT FUND:

Transit continues to be funded at 100% in some areas and they are working on operating and capital reimbursements at this time. Main line expenses are right in line with last year. Paratransit is up from 2021 but within budget. Free ridership through the end of 2022 has increased passengers. They continue to work on expanding the normal route.

TOURISM:

Gift shop sales are up slightly from 2021. The History Center rentals are very strong. It is a very popular rental location.

Ms. Rhinehart closed and asked that if anyone has any questions, please let finance know and they will be happy to answer. A motion was made by Commissioner Collins with a second by Commissioner Quick recommending a slight roll back for the tax digest for advertising purposes pending discussion with Committee Chairman Cochran. With no further discussion and no other items to review, the meeting was adjourned.

Respectfully Submitted

Toni Rhinehart