



CITY *of* POOLER
— GEORGIA —

2025 Budget Workshop

DECEMBER 2, 2024

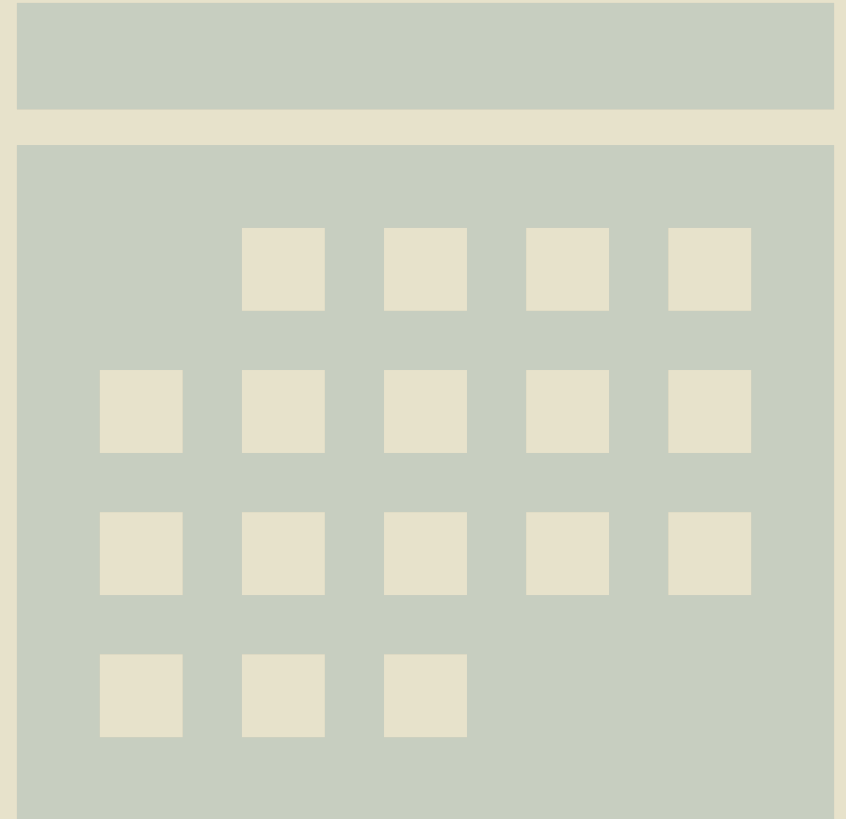


O.C.G.A. § 36-81-3



(a) The governing authority shall establish by ordinance, local law, or appropriate resolution a **fiscal year** for the operations of the local government.

The City's fiscal year is January 1 to December 31, which is the calendar year.



(b)(1) Each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund in use by the local government.

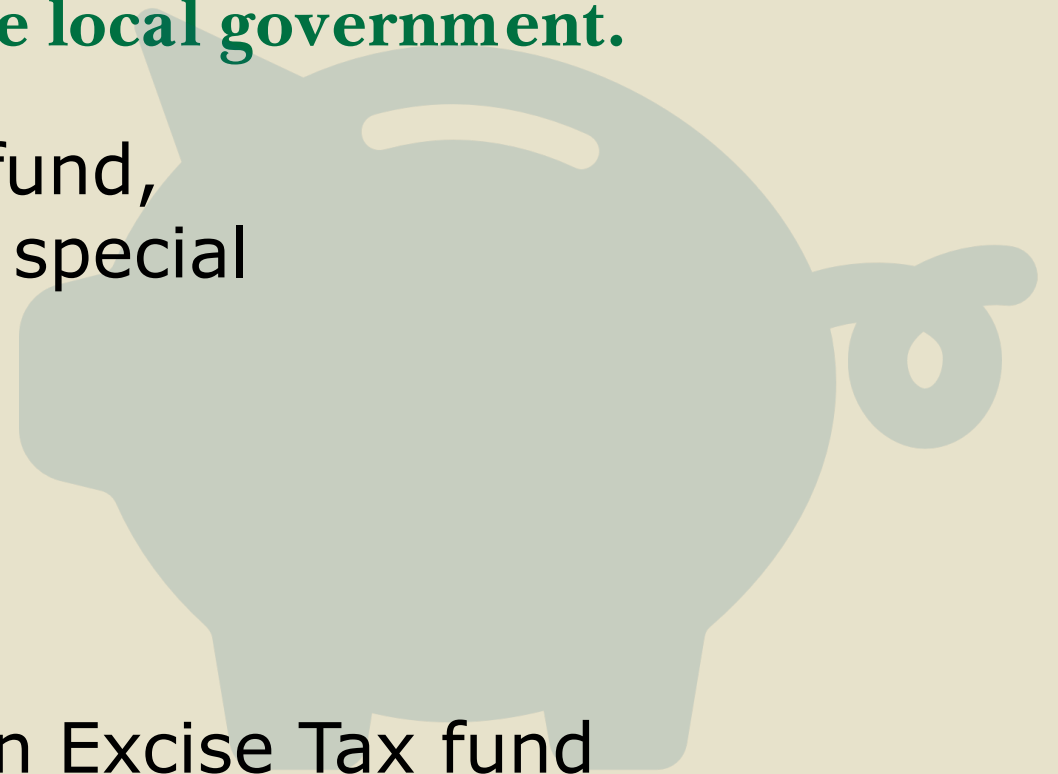
In addition to the general fund, the City uses the following special revenue funds:

Fund 201 – Tree fund

Fund 210 – Forfeiture fund

Fund 275 – Accommodation Excise Tax fund
(aka, the Hotel / Motel Tax fund)

The city does not use a debt service fund.





(b)(2) Each unit of local government shall adopt and operate under a project-length balanced budget for each **capital projects fund** in use by the government. The project-length balanced budget shall be adopted by ordinance or resolution in the year that the project initially begins and shall be administered in accordance with this article. The project-length balanced budget shall appropriate total expenditures for the duration of the capital project.

The Special Purpose Sales Tax (SPLOST) fund is the City's only capital projects fund.

(b)(3) A budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

Estimated revenues + appropriated fund balance = appropriations (budgeted expenditures)



	2024 Budget	Proposed 2025 Budget	\$ Increase (Decrease)	
Revenues	\$35,905,000	\$37,738,660	\$1,833,660	5.11%
Appropriation of fund balance *	3,137,305	6,244,887	3,107,582	
Total revenues and fund balance	\$39,042,305	\$43,983,547	\$4,941,242	12.66%
Expenditures	\$39,042,305	\$43,983,547	\$4,941,242	12.66%

**Use of fund balance for debt service, purchase of fire engine, road projects, and property purchases approved in prior fiscal years.*



(b)(4) Nothing contained in this Code section shall preclude a local government from adopting a budget for any funds used by the local government other than those specifically identified in paragraphs (1) and (2) of this subsection, including enterprise funds, internal service funds, and fiduciary funds.

The City adopts a budget for the Water and Sewer fund, an Enterprise Fund.

(c) For each fiscal year beginning on or after January 1, 1982, each unit of local government shall adopt and utilize a budget ordinance or resolution as provided in this article.

(d) Nothing contained in this Code section shall preclude a local government from **amending its budget** so as to adapt to changing governmental needs during the budget period. Amendments shall be made as follows, unless otherwise provided by charter or local law:

- (1) **Any increase in appropriation at the legal level of control** of the local government, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, **shall require the approval of the governing authority**. Such amendment shall be adopted by ordinance or resolution;
- (2) Transfers of appropriations within any fund below the local government's legal level of control shall require only the approval of the budget officer; and
- (3) The governing authority of a local government **may amend the legal level of control to establish a more detailed level of budgetary control** at any time during the budget period. Said amendment shall be adopted by ordinance or resolution.



BUDGET PRESSURES

Inflation

Consumer Price Index (CPI) for the Southeast Region

- The CPI for the Southeast region increased by about 3.2% year-over-year in October 2024. This reflects trends in housing, food, and transportation costs.⁽¹⁾
- State-level inflation in Georgia showed prices rising approximately 3.4% compared to a year ago, driven by food and energy costs.⁽²⁾

Management's response: The City's cost of living adjustment (COLA) remained at 2.25% for 2025. In addition, employees are eligible to earn a merit increase of up to 3.20% of the COLA adjusted pay rate. The maximum standard rate increase is 5.52%.

⁽¹⁾ U.S. Bureau of Labor Statistics

⁽²⁾ Joint Economic Committee

Employee Benefits

Group Insurance Premiums and Retirement Contributions

- Group insurance premiums increased by 9.38% resulting in an annual increase of approximately \$234,500. Final expected annual cost of \$2,732,637. The City was initially presented with a 26.79% increase in premiums.
- Employer provided life and disability coverage renewed with no current year changes in rates or plans.⁽¹⁾
- The recommended contribution for the city's retirement plan increased \$188,514 from \$2,154,134 to \$2,342,648. The new contribution represents 18.29% of the expected payroll of covered employees, versus 17.27% at the previous valuation.⁽²⁾

Management's response: The City pays 100% of the employee only premium and 85% of dependent premiums of the 1500 plan. The City pays 94% of the employee only premium and 80% of dependent premiums of the 500 plan.

⁽¹⁾ Up for renewal in 2026

⁽²⁾ City of Pooler Retirement Plan Actuarial Valuation and Review as of July 1, 2024

Department Budget Requests

Department Needs vs. Department Wants

- Total general fund 2025 department expenditure requests were \$50,504,688 exceeding the 2024 department budgets of \$39,042,305 by \$11,462,380 or 29.36%.
- Total general fund revenues are anticipated to increase approximately \$1,833,600 or 5.11%.

Management's response: Department expenditure requests were reduced by \$6,521,231 resulting in excess expenditures of \$6,244,887. On December 31, 2024, fund equity will include \$1,777,000 for the 2025 purchase of a new fire engine, \$1,285,000 for the principal portion of debt service on the municipal complex, and \$1,600,000 to purchase land. Therefore, management planned to use \$4,662,000 of fund equity to finance expenditures in 2025. The remaining amount of fund equity needed to balance the 2025 budget is \$1,582,887. This amount is equivalent to approximately 0.55 mills.

New Position Requests

New Positions Approved

- Department heads requested 11.5 new positions totaling approximately \$820,000 in personal and employee benefit expenditures.
- The following new positions have been tentatively approved for fiscal year 2025:
 - Communications Coordinator
 - Police Resource Officer
 - Fleet Maintenance
 - Code Enforcement Officer
 - Procurement Manager
 - Administrative Coordinator
 - Park Attendant, part-time

Management's response: Deferred six requested positions eliminating approximately \$500,000 in additional personal and employee benefit costs in the 2025 budget.

Capital Expenditures

General Capital Projects

- Municipal Complex Third Floor Buildout
- Pooler Parkway and Pine Barren intersection improvements (engineering and design)
- Pooler Parkway at Benton Boulevard and Mill Creek Circle (engineering and design)
- Whatley Road paving
- Various road resurfacing and local maintenance improvement projects (LMIG)
- Kelly Street drainage improvements (engineering)
- S.H Morgan drainage improvements (engineering)

Management's response: The above projects expenditures are funded by general revenues and have an estimated cost of \$1,947,655 for fiscal year 2025.

Capital Expenditures *(continued)*

2020-2026 Special Purpose Local Option Sales Tax (SPLOST 7) Capital Projects

- Quacco Road widening project (SPLOST funding \$21million, grant funding \$2 million)
- Pine Barren Road project (SPLOST funding \$3 million, grant funding \$2 million)
- Benton Boulevard project (SPLOST funding \$3 million, grant funding \$2 million)
- Pipemakers Canal project (SPLOST funding \$2 million)
- Recreation project – basketball courts (SPLOST funding \$100,000)

Management's response: The above projects expenditures will be funded by combination of SPLOST revenue and grant revenue and have an estimated cost of \$35,100,000 with estimated funding to be \$29,100,000 and \$6,000,000, respectively.

Capital Expenditures *(continued)*

Vehicle and Equipment Purchases

- (10) Police vehicles
- Aerial Ladder truck and equipment
- Trailer Mounted Jetter (drainage equipment)
- Vertex 60" mower
- Exmark mower

Management's response: The above expenditures will be funded by general revenues and have an estimated cost of \$2,835,500.

General Fund Inflows

Inflows:	<u>2024 Budget</u>	<u>Proposed 2025 Budget</u>	<u>Inc (Dec)</u>	
Taxes	\$ 27,963,000	\$ 28,963,000	\$ 1,000,000	
Licenses and permits	1,225,000	1,329,000	104,000	
Intergovernmental	425,000	485,000	60,000	
Charges for services	3,714,000	4,039,000	325,000	
Fines and forfeitures	815,000	800,000	(15,000)	
Interest	300,000	400,000	100,000	
Contributions	15,000	25,000	10,000	
Miscellaneous	73,000	72,660	(340)	
Other financing sources	1,375,000	1,625,000	250,000	
	<u>35,905,000</u>	<u>37,738,660</u>	<u>1,833,660</u>	5.11%

General Fund Outflows

Outflows:	2024 Budget	Proposed 2025 Budget	Inc (Dec)	
100-1000 General Government	4,971,235	7,587,690	2,616,455	
100-2650 Municipal Court	500,335	481,480	(18,855)	
100-3000 Public Safety	17,105,645	19,895,120	2,789,475	
100-4000 Public Works	10,311,130	9,801,190	(509,940)	
100-5520 Senior Citizens Center	220,095	222,995	2,900	
100-6000 Recreation and Parks	2,384,555	2,330,797	(53,758)	
100-7000 Housing and Development	1,438,730	1,635,590	196,860	
100-8000 Debt Service	2,110,580	2,028,685	(81,895)	
	39,042,305	43,983,547	4,941,242	12.66%
Change in fund balance	\$ (3,137,305)	\$ (6,244,887)	\$ (3,107,582)	

Appropriation of Fund Balance

Appropriation of fund balance:	2024 Budget	Proposed 2025 Budget	Inc (Dec)	
Fire engine	\$ -	\$ (1,777,000)	(1,777,000)	
Debt service	(1,255,000)	(1,285,000)	(30,000)	
Legislative travel	(20,000)	-	20,000	
Mowing services	(262,305)	-	262,305	
LMIG road improvements	(1,600,000)	-	1,600,000	
Property purchase	-	(1,600,000)	(1,600,000)	
Use of fund balance to balance budget	-	(1,582,887)	(1,582,887)	
	<u>\$ (3,137,305)</u>	<u>\$ (6,244,887)</u>	<u>\$ (3,107,582)</u>	99.05%