



2024 BUDGET Overview





2024 BUDGET

Budget Priorities/Goals

- Maintain the “roll back” property tax rate in light of the economic times our residents and businesses are experiencing. The recommended tax is 4.106 millage rate.
- Fund and address high priority capital improvements that include drainage improvements, road resurfacing, sidewalk improvements, numerous needed infrastructure improvements to the water and sewer system and construction of a new replacement downtown restroom facility.
- Bridge the revenue gap by utilizing fund balance from previous years to support nonrecurring infrastructure improvements.
- In response to high inflation rates for goods and services, limit increases in operating costs while maintaining current service levels and programs.
- Continue programs and events that expand the use of the City’s Farmers Market facility.
- Ensure the safety of those who live, work and visit the City.
- Work closely with Fannin County Government to serve the needs of our residents.
- Continue to utilize technology and update systems to improve productivity and lower costs of providing services.



2024 BUDGET

Summary of All Budgetary Funds

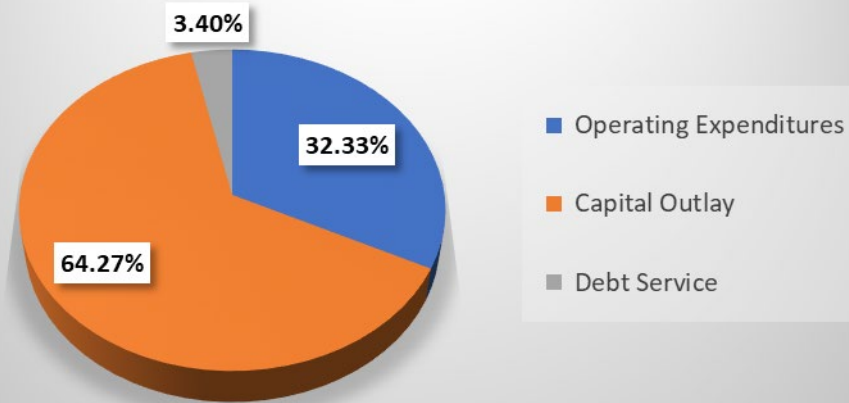
The total proposed budget for 2024, including all funds, capital outlay and debt service, is \$24,020,834. This is \$4,352,627 or 22.1% more as compared to the prior year. Capital expenditure/Infrastructure improvements accounted for \$4,159,491 04 or 96% of the increase. Operating expenditure totaled \$7,765,225 and increased by 3%. Debt Service expenditures total \$817,677 and decreased by 4.2% by some debt being paid off and the changes to the timing of debt payments for projects in the Water and Sewer Fund. Capital Outlay costs increased by 36.9% or \$4,159,491 by funding additional projects and addressing infrastructure needs.

| | 2023 | 2024 | Increase (Decrease) | % Change |
|--------------------|----------------------|----------------------|------------------------|--------------|
| Operating Expenses | \$ 7,536,201 | \$ 7,765,225 | \$ 229,024 | 3.0% |
| Debt Service | 853,565 | 817,677 | (35,888) | -4.2% |
| Capital Outlay | 11,278,441 | 15,437,932 | 4,159,491 | 36.9% |
| Total | \$ 19,668,207 | \$ 24,020,834 | \$ 4,352,627 | 22.1% |

Fund Summary By Percentage

| FUND | PROPOSED AMOUNT | % OF BUDGET |
|------------------------|----------------------|---------------|
| General | \$ 5,115,021 | 21.3% |
| Confiscated Assets | 1,500 | 0.0% |
| Special Revenue - ARPA | - | 0.0% |
| Hotel/Motel | 1,215,000 | 5.1% |
| SPLOST | 2,220,000 | 9.2% |
| Water and Sewer | 15,069,313 | 62.7% |
| Component Unit- DDA | 400,000 | 1.7% |
| Total | \$ 24,020,834 | 100.0% |

Expenditures





2024 BUDGET

Personal Services

Personal Services increased by \$220,355 or 6.0% compared to the prior year. A large portion of the increase was attributed to a 10% increase in health insurance premiums which resulted in an \$80,000 increase compared to the prior year. Without the health insurance cost increase, employee costs increased by 3.8%. The budget does not contain any new full-time employee positions. One part-time Accounts Payable Clerk position was added and the full-time Field Superintendent position was reclassified and reduced to part-time.

In order to assist our employees in dealing with high inflation costs and remain competitive in this employment environment, the budget includes a 3% cost of living adjustment and a performance/merit increase bonus from 0% to 3% depending on the employee's evaluation. The total number of full-time employees remains at 44. The total number of part-time employees increased from 8 to 9.

Capital Outlay

A total of \$15,437,932 has been budgeted for Capital Outlay projects. This is a 36.9% increase over the prior year. Below is a summary of the major projects:

Sewer Plant Rehabilitation \$4,900,000
Industrial Road Lift Station Upgrade \$3,300,000
Mountain Tops Water Main Replacement \$2,000,000
Drainage Improvements \$1,900,000
Downtown Replacement Restroom Facility Construction \$880,000
Road Resurfacing Sidewalk Improvements \$1,284,370
East First Street Sewer Main Repair \$250,000
Austin Street Water Main Replacement \$150,000
Raw Water Vault Replacement \$100,000
Downtown Park Gazebo Repairs \$50,000

Funds have also been set aside to address improvements at the Farmers Market.

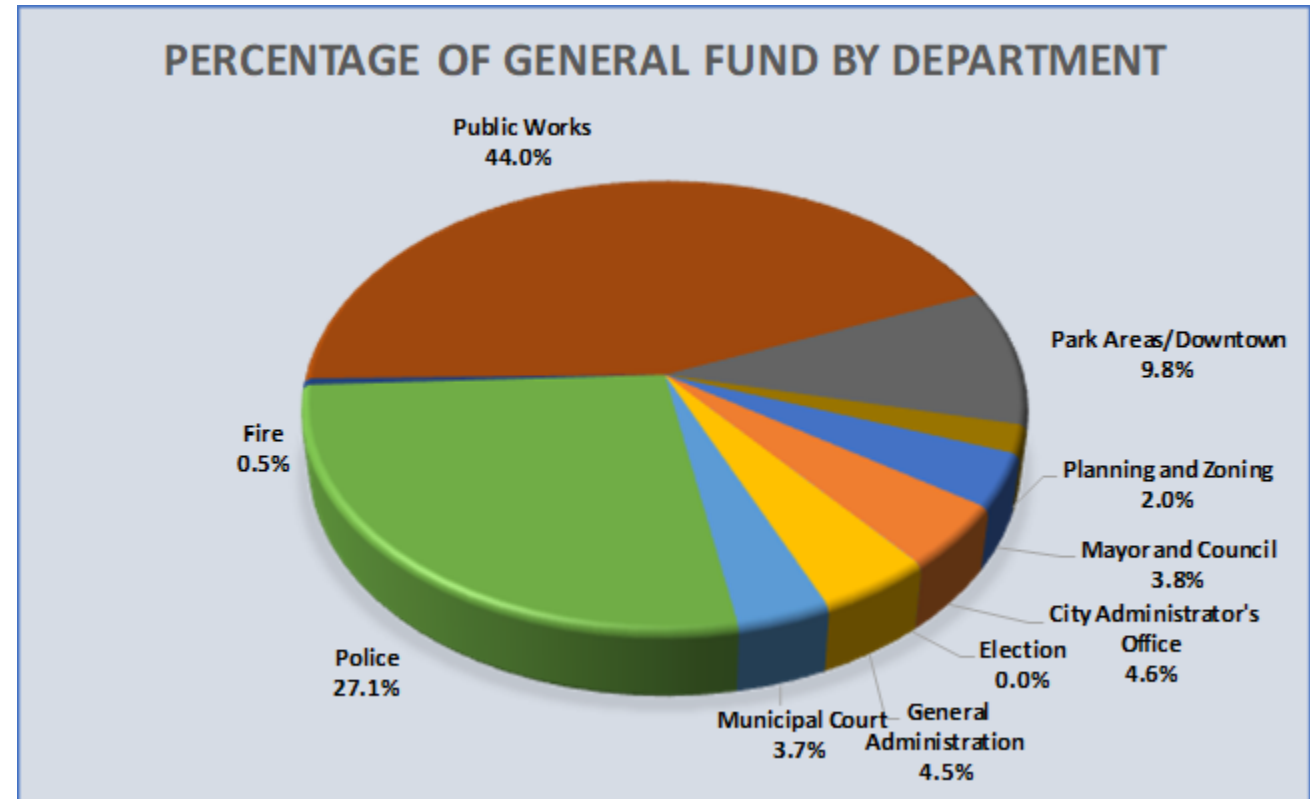


2024 BUDGET

General Fund

The General Fund is used to account for resources and expenditures that are available for the City's general operations of City government functions.

The revenues, available for allocation in the 2024 fiscal year General Fund Budget, are anticipated to be \$5,115,021. This is an increase of \$324,313 or 6.8% as compared to last year. The majority of the increase is attributed to revenues from sales tax, permits and parking fees.





2024 BUDGET

Confiscated Asset Fund

The Confiscated Assets Fund is a special revenue fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures from the sale of confiscated assets. This fund enhances special projects within the Police Department. This cost center is funded solely through property and asset forfeitures. The amount budget for 2024 is \$1,500 and remains the same as the prior year.

SPLOST Fund 2017

The Special Purpose Local Option Sales Tax (SPLOST) 2017 Fund is a capital project fund. The SPLOST 2017 accounts for construction of major capital projects financed by SPLOST proceeds. A 2017 intergovernmental agreement between Fannin County and the City of Blue Ridge, expired in October, stated the City may anticipate \$2.1 million in SPLOST 2017 proceeds over the life of the SPLOST for approved capital projects. It is projected that fund balance revenues for this fund in 2024 will be \$1,520,000. Major projects to be funded include \$1,100,000 for drainage improvements and \$420,000 for mountain tops watermain replacement.

SPLOST Fund 2023

The Special Purpose Local Option Sales Tax (SPLOST) 2023 Fund is a capital project fund. This is a voter approved renewal of the the SPLOST and accounts for construction of major capital projects financed by SPLOST proceeds. The 2023 intergovernmental agreement between Fannin County and the City of Blue Ridge, stated beginning in November 2023, the City may anticipate \$4.2 million in SPLOST 2023 proceeds over the life of the SPLOST for approved capital projects as follows:

- \$3,001,600 Maintenance repair and construction of roads, drainage and sidewalks
- \$1,002,400 Water & Sewer upgrades and capital outlay
- \$ 196,000 Recreational Facilities and improvements

It is projected that the revenues for this fund in 2024 will be \$700,000 to fund drainage projects.



2024 BUDGET

Hotel/Motel Tax Fund

This fund is a special revenue fund used to account for revenues and expenditures specifically associated with the Hotel Motel Tax allowed by State law. The Tax is an excise tax on rooms, lodgings, and accommodations to provide additional funding for the promotion of tourism, conventions, and trade shows in the city. Revenues are projected to be \$1,215,000 for 2024. The Hotel/Motel tax is estimated to generate \$735,000. The tax received is then distributed as follows:

Non-Restricted- Proceeds can be used for any legal purpose in the City (37.5%) and is transferred to the General Fund.

Restricted – Tourism, Conventions and Trade Shows – Destination Marketing Organization, Fannin County Chamber of Commerce (43.75%).

Restricted – Tourism Product Development (TPD) – Creation or expansion of physical attraction which are available and open to the public and which improve destination appeal to visitors and used by visitors (18.75%)

The funds retained by the City will be used to assist funding the Downtown Bathroom Facility construction and improvements to the Farmers Market.



2024 BUDGET

Water and Sewer Fund

The revenues and expenditures, available for allocation in the 2024 fiscal year Water and Sewer Fund Budget, are anticipated to be \$15,069,313. This is an increase of \$3,450,359 or 29.7% as compared to last year. The majority of the increase is the result of \$3,320,000 more in capital projects/infrastructure improvements when compared to the prior fiscal year. This includes rehabilitation of the Sewer Plant and lift stations, reducing infiltration into the sewer system, and replacing aging water mains and lines. In order to support increased operating costs and to address infrastructure improvements and debt service requirements, water or sewer rates are recommended to increase by 3.75%. Rates have not increased in four years.

Expenditures by Function

| | 2023 | | 2024 | | Increase (Decrease) |
|---------------------------|-----------|-------------------|-----------|-------------------|------------------------|
| Sewer Administration | \$ | 174,548 | \$ | 211,787 | \$ 37,239 |
| Sewer Maintenance | | 2,509,119 | | 4,068,363 | 1,559,245 |
| Sewer Treatment Plant | | 3,640,004 | | 5,584,985 | 1,944,981 |
| Subtotal Sewer | \$ | 6,323,671 | \$ | 9,865,135 | \$ 3,541,464 |
| Water Administration | | 918,384 | | 932,323 | 13,939 |
| Water Treatment | | 715,657 | | 743,667 | 28,010 |
| Water Distribution | | 3,661,243 | | 3,528,188 | (133,055) |
| Water Loss | | - | | - | - |
| Subtotal Water | | 5,295,284 | | 5,204,179 | (91,105) |
| Total Expenditures | | 11,618,955 | | 15,069,313 | 3,450,359 |

Expenditures by Category

| | 2023 | | 2024 | | Increase (Decrease) |
|---------------------------|-----------|-------------------|-----------|-------------------|------------------------|
| Operating Expenditures | \$ | 3,190,598 | \$ | 3,356,844 | \$ 166,247 |
| Capital Outlay | | 7,620,000 | | 10,940,000 | 3,320,000 |
| Debt Service | | 808,357 | | 772,469 | (35,888) |
| Total Expenditures | \$ | 11,618,955 | \$ | 15,069,313 | \$ 3,450,359 |



2024 BUDGET

Typical Increase in Monthly Water /Sewer Bill Typical Based on 3,000 gallons/month

| <u>In City</u> | | |
|----------------|-----------------|-----------------|
| <u>Current</u> | <u>Proposed</u> | <u>Increase</u> |
| Water \$35 | \$37.50 | \$2.50 |
| Sewer \$42 | \$45.00 | \$3.00 |

| <u>Outside City</u> | | |
|---------------------|-----------------|-----------------|
| <u>Current</u> | <u>Proposed</u> | <u>Increase</u> |
| Water \$48 | \$50.50 | \$2.50 |
| Sewer \$47 | \$52.50 | \$5.50 |



2024 BUDGET

Five Year Capital Improvement Program (CIP)

Budget document includes a five year projection of major capital improvement projects and related funding sources to be utilized as a planning guide for future budgets. It will be updated annually to respond to changing needs and priorities. Below is an overview of the estimated spending plan for 2024 – 2028.

Five Year Capital Improvement Program

| Project | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|---|----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Vehicles and Equipment | 250,000 | \$529,000 | 290,000 | 84,000 | - | 1,153,000 |
| Building Improvements | \$1,063,562 | 435,000 | 435,000 | 435,000 | 135,000 | 2,503,562 |
| Drainage Improvements | \$1,900,000 | - | - | - | - | 1,900,000 |
| Road Resurfacing | 1,284,370 | 1,000,000 | 1,000,000 | 1,000,000 | 900,000 | 5,184,370 |
| Sewer Plant Improvements | 4,900,000 | - | - | - | - | 4,900,000 |
| Lift Station and Sewer Line Improvement | 3,610,000 | 2,365,000 | 1,710,000 | 60,000 | 60,000 | 7,805,000 |
| Water Plant Improvements | 100,000 | 325,000 | 250,000 | 100,000 | 75,000 | 850,000 |
| Water Main and Line Improvements | 2,330,000 | 850,000 | 100,000 | 850,000 | 100,000 | 4,230,000 |
| TOTAL CAPITAL OUTLAY | \$ 15,437,932 | \$ 5,504,000 | \$ 3,785,000 | \$ 2,529,000 | \$ 1,270,000 | \$ 28,525,932 |



Blueprint for Infrastructure Improvements

| PROJECT NAME | 5-YEAR PROJECTION OF CAPITAL BUDGET | | | | | |
|---|-------------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 | Totals |
| GENERAL FUND | | | | | | |
| Police | | | | | | |
| 2 Police Vehicles | | \$84,000 | | \$84,000 | | \$ 168,000 |
| Public Works | | | | | | |
| Street Sweeper | | 65,000 | | | | 65,000 |
| Service Truck | 55,000 | | | | | 55,000 |
| Front End Loader | 195,000 | | | | | 195,000 |
| Dump Truck and Pickup | | 250,000 | | | | 250,000 |
| 2 Pickups | | | 100,000 | | | 100,000 |
| Road Resurfacing/Sidewalk Repairs | 584,370 | 500,000 | 500,000 | 500,000 | 500,000 | 2,584,370 |
| Downtown Storm Drainage Construction | 800,000 | | | | | 800,000 |
| Parks | | | | | | |
| Storage Shed for Parks Equipment | 10,000 | | | | | 10,000 |
| Farmers Market | | 200,000 | 200,000 | 200,000 | | 600,000 |
| Truck Replacement | | 50,000 | | | | 50,000 |
| Downtown Gazebo | 50,000 | | | | | 50,000 |
| Total General Fund | \$ 1,694,370 | \$ 1,149,000 | \$ 800,000 | \$ 784,000 | \$ 500,000 | \$ 4,927,370 |
| HOTEL/MOTEL FUND | | | | | | |
| Downtown Restroom Facility | \$880,000 | | | | | 880,000 |
| Farmers Market Improvements | 123,562 | 235,000 | 235,000 | 235,000 | | 828,562 |
| Downtown Park Expansion | | | | | 135,000 | 135,000 |
| Total Hotel/Motel Fund | \$ 1,003,562 | \$ 235,000 | \$ 235,000 | \$ 235,000 | \$ 135,000 | \$ 1,843,562 |
| SPLOST FUND | | | | | | |
| Downtown Storm Drainage Construction (2018) | \$1,100,000 | | | | | \$ 1,100,000 |
| Roads, Drainage and Sidewalks | 700,000 | 500,000 | 500,000 | 500,000 | 400,000 | 2,600,000 |
| Total SPLOST Fund | \$ 1,800,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 400,000 | \$ 3,700,000 |
| WATER & SEWER FUND | | | | | | |
| Water Treatment | | | | | | |
| Dam Stabilization | \$ - | \$ - | \$ 250,000 | \$ - | \$ - | \$ 250,000 |
| Raw Water Intake/Vault | 100,000 | 150,000 | - | - | - | 250,000 |
| High Service Pump | - | 175,000 | - | - | - | 175,000 |
| Chemical Feed Systems | - | - | - | 100,000 | - | 100,000 |
| Clearwell | - | - | - | - | 75,000 | 75,000 |
| Truck | - | - | 60,000 | - | - | 60,000 |
| Total Water Treatment | \$ 100,000 | \$ 325,000 | \$ 310,000 | \$ 100,000 | \$ 75,000 | \$ 910,000 |
| Water Distribution | | | | | | |
| College St Water Line | \$ - | \$ 100,000 | \$ - | \$ - | \$ - | \$ 100,000 |
| Truck | - | - | 65,000 | - | - | 65,000 |
| Water Line Repair/Replacement | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 500,000 |
| Doxol St Water Main | - | 75,000 | - | - | - | 75,000 |
| North River Road Water Main | - | - | - | 750,000 | - | 750,000 |
| Austin St Water Main | 150,000 | - | - | - | - | 150,000 |
| Mountain Hideaway Water Main | 50,000 | - | - | - | - | 50,000 |
| Mountain Tops Booster Pump Station | - | 225,000 | - | - | - | 225,000 |
| Eagles Nest Booster Pump Station | - | 350,000 | - | - | - | 350,000 |
| Zone Meters | 30,000 | - | - | - | - | 30,000 |
| Backhoe | - | 80,000 | - | - | - | 80,000 |
| Mountain Tops Water Main | 2,000,000 | - | - | - | - | 2,000,000 |
| Total Water Distribution | \$ 2,330,000 | \$ 930,000 | \$ 165,000 | \$ 850,000 | \$ 100,000 | \$ 4,375,000 |
| Wastewater Treatment Plant | | | | | | |
| Truck | \$ - | \$ - | \$ 65,000 | \$ - | \$ - | \$ 65,000 |
| Rehabilitation | 4,900,000 | - | - | - | - | 4,900,000 |
| Total Wastewater Treatment Plant | \$ 4,900,000 | \$ - | \$ 65,000 | \$ - | \$ - | \$ 4,965,000 |
| Wastewater Collection System | | | | | | |
| Fannin Inn Lift Station | \$ - | \$ - | \$ 150,000 | \$ - | \$ - | \$ 150,000 |
| Sewer Line Repair/Replacement | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 300,000 |
| East First/Old Hwy 76 Sewer Main | 250,000 | 250,000 | - | - | - | 500,000 |
| Camera | - | 55,000 | - | - | - | 55,000 |
| Main Lift Station | - | - | 1,500,000 | - | - | 1,500,000 |
| Doxol St Sewer Main | - | 100,000 | - | - | - | 100,000 |
| Hall St Sewer Line | - | 150,000 | - | - | - | 150,000 |
| Industrial Lift Stations | 3,300,000 | - | - | - | - | 3,300,000 |
| Aska Lift Stations | - | 1,750,000 | - | - | - | 1,750,000 |
| Total Wastewater Collection System | \$ 3,610,000 | \$ 2,365,000 | \$ 1,710,000 | \$ 60,000 | \$ 60,000 | \$ 7,805,000 |
| Total Water and Sewer System | \$ 10,940,000 | \$ 3,620,000 | \$ 2,250,000 | \$ 1,010,000 | \$ 235,000 | \$ 18,055,000 |
| Total | \$ 15,437,932 | \$ 5,504,000 | \$ 3,785,000 | \$ 2,529,000 | \$ 1,270,000 | \$ 28,525,932 |