



City of Cochran

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City of Cochran Budget summary for Draft FY 2021-22 City Budget

The summary is followed by a list of several budget highlights.

The City Council will hold a Public Hearing on Tuesday, June 1, 2021 at 6:30 p.m. in the City Auditorium at the Municipal Bldg. located at 102 N. Second Street.

| | FY 2020/21 Budget | Proposed FY 2021/22 Budget |
|-----------------------------------|--------------------------|---------------------------------------|
| General Fund ----- | \$3,764,050 | \$4,032,370 |
| • Mayor/Council ----- | \$ 50,200 | \$ 55,600 |
| • Clerk/Admin.----- | \$ 874,340 | \$ 979,700 |
| • Elections----- | \$ 1,200 | \$ 3,000 |
| • Downtown Development Director-- | \$ 54,670 | \$ 54,670 |
| • Municipal Court----- | \$ 87,140 | \$ 70,040 |
| • Police Department--- | \$ 991,000 | \$1,014,500 |
| • Animal Control----- | \$ 81,570 | \$ 79,450 |
| • Code Enforcement----- | \$ 105,720 | \$ 115,660 |
| • Fire Department----- | \$ 588,760 | \$ 641,100 |
| • Public Works/Streets- | \$ 727,900 | \$ 785,300 |
| • Airport----- | \$ 27,200 | \$ 33,500 |
| • Outside Agencies----- | \$ 174,350 | \$ 199,850 |
| General Fund Total-- | \$3,764,050 | \$4,032,370 |

| | <u>FY 2020/21 Budget</u> | <u>Proposed FY 2021/22 Budget</u> |
|--------------------------------|--------------------------|---------------------------------------|
| General Fund | \$3,764,050 | \$4,032,370 |
| Water and Sewer Fund | \$1,941,040 | \$2,029,100 |
| Gas Fund | \$2,308,900 | \$2,699,600 |
| <u>Solid Waste Fund</u> | <u>\$ 780,000</u> | <u>\$ 818,400</u> |
| | \$8,793,990 | \$9,579,470 |

The following are budget highlights from the adopted budget:

1. Millage rate remains at **10.383** mills.
2. A mill of property tax in Cochran is expected to generate approx. **\$96,022**.
3. The budget will absorb increases of six (6%) percent for group insurance premiums and 3% for pension premiums. As a result, full-time employees will not have their health premiums increased. The City's pension program will continue to be defined-benefit with no required contributions by employees.
4. The budget has a **2.0%** cost-of-living increase to take effect on July 1. Merit pay and Christmas bonuses are budgeted. Employee incentives, such as Employee of the month, are budgeted. Training is budgeted for Council Members and staff.
5. The proposed DDA budget is the same as the previous year, at **\$54,670**.
6. The budget includes a replacement vehicle for Administration/City Manager. The 2007 Chevrolet Impala could be retired for use as a courtesy car by the Airport Authority.
7. The Police Department budget includes the financing of a Police Car replacement. One car will be replaced through General Fund financing (four-year GMA lease), and another car will be replaced using Police SPLOST funds.
8. The budget shows Employee Incentive at each department as **\$600** for the year.
9. There have been budget adjustments to anticipate anticipated increases in fuel prices.

10. The budget includes a full-time Administrative Assistant position for City Manager.
11. Utility rate adjustments would take effect on Thursday, October 1. In this proposal, Water/Sewer rates will increase 5% on October 1 to cover the City's debt service obligations and increased costs of operation. Gas base charges per customer will increase by 3% from \$10.50 to \$10.80 per month, and gas volume charges will be adjusted from \$3.95 per MCF gas unit to \$4.07 per MCF. Solid Waste charges need to go up by 2% because Advanced Disposal is increasing the City's costs by 2%, per contract, on July 1. The City will notify customers in advance of the rate adjustments.
12. The "Group Insurance" line items are budgeted for our insurance premium of approx. **\$258,700** for FY 2021-22. GIRMA property, liability & automobile insurance is **\$102,000** and Worker's Comp. premium of **\$60,000** will be paid pro rata by affected departments.
13. A total of **\$135,000** in federal Covid Relief funds are proposed for the General Fund to cover essential services overtime and part-time expenses. A total of **\$20,100** in Covid Relief funds are proposed for budgeting as revenues in the Water and Sewer fund. The **\$155,100** Covid Relief revenues included in the budget is 9.9% of the **\$1.57** million that the City is due to receive in Covid Relief funds in the coming year.
14. Chamber and IDA have proposed increases totaling **\$25,500**, from **\$51,700** for this year to **\$77,200** for next year. Of the **\$25,500** additional City money, the Chamber will receive an additional **\$7,500**, and the IDA will receive an additional **\$18,000**. No changes in Library (**\$42,650**), or Chamber/IDA (**\$51,700**) in contributions from FY 2019-20. The Airport budget for the coming year is **\$33,500**. This amount varies each year depending on anticipated grant matching obligations. The City has agreed to look at funding approx. **\$9,500** for airport hangar roof replacement.
15. The budget includes a full-time cemetery records clerk position in the Public Works Department.
16. The City is budgeting a contingency for each fund.

The budget period for FY 2021-22 is July 1, 2021-to-June 30, 2022.