



FY 2026 Proposed Budget

April 14, 2025



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GEORGIA



Agenda

- Overview
 - Revenue
 - Expense
 - Personnel
 - Proposed Salary Adjustments
 - New Positions
 - Changes at the Fund Level
 - Capital Projects Plan
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FY 2026 Budget Calendar

- Developed revenue projections in late December & early January
 - Departments submitted operating, personnel and capital requests in January and February
 - Finance Citizen's Committee meetings and input during the month of March
 - City Manager review of the requests in March
 - Budget submitted to Council in April
 - Council input and public hearings in April and May
 - Adoption of Budget in June and millage in July
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FY 2026 Revenue Projections

- HB 581 Changes
 - The City has chosen not to opt out of the Value Offset Homestead
 - Homesteaded properties will be **capped at the inflationary rate** published by the Department of Revenue Commissioner
 - Estimated Homestead Property Tax Reduction based on the value offset homestead: \$68,000
 - Based on aggregate homesteaded property increases from preliminary information
 - The City must Certify an estimated Rollback Millage Rate by April 15, 2025
 - The estimated Rollback Millage Rate is estimated to be 2.759
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FY 2026 Revenue Projections

- Budget assumes Millage Rate remains at 3.26
 - Millage Rate the same as FY 2025
 - Based on the Preliminary Digest figures the digest will grow by 398,861,120
 - 38,367,240 of this amount is associated with Homesteaded Properties
 - 16,095,320 of this amount is in the TAD
 - General Fund Revenue Budget increase of \$884,106
 - The City will be required to hold 3 millage public hearings and advertise a Tax Increase if we do not use the rollback rate
 - Tax Bills will be required to have the following language:
 - The adopted millage rate exceeds the estimated roll-back rate as stated in the annual notice of assessment that you previously received for this taxable year, which will result in an increase in the amount of property tax that you will owe.



FY 2026 Revenue Projections

- Occupation Tax
 - \$1,400,000
 - Increase of \$700,000 for the second year of new Occupation Tax Ordinance
 - Insurance Premium Tax
 - \$3,000,000
 - Increase of \$500,000
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FY 2026 Revenue Projections con't

- Fines & Forfeitures Court
 - \$1,851,000
 - Decrease of \$185,000
 - School Zone Speed Cameras not in General Fund, but only for Public Safety
 - \$2,000,00
 - Decrease of \$227,000
 - Licenses and Permits - Alcohol Licenses, Building Permits, Zoning Fees
 - \$744,600
 - Decrease of \$27,050
 - Miscellaneous Revenue - Interest Revenue
 - \$600,000
 - Increase of \$155,000
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FY 2026 Revenue Projections con't

- Operating Transfers—in
 - \$17,850,149
 - Increase of \$2,284,535
 - Charges for Service Indirect or Overhead
 - \$10,999,693
 - Increase of \$1,868,118
 - Rental Income
 - \$378,700
 - Decrease of \$1,401,800 primarily resulting from changes to the Aurora Rental Contract and reclassification of lease income from DDA
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FY 2026 Revenue Projections con't

- Other Revenue - DDA Rental/Lease Property, Sale of Assets
 - \$741,460
 - Increase of \$701,460 due to reclassification of DDA rental/lease income



FY 2026 Revenue Projections con't

- Electric Rates
 - The Budget reflects the changes in Electric Rates
 - The Council approved the three-year Electric Rate program in March 2025
 - Gas Rates
 - The Budget Reflects the increase in Gas rates based on the proposed three-year rate plan
 - Council will have a public hearing on April 23, 2025, to consider the new rates
 - Sanitation Rates
 - The Budget reflects the changes in Sanitation Rates
 - The Council approved the three-year Sanitation Rate program in March 2025
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FY 2026 Expense Highlights

- 14 New Full-Time Positions
 - 2 New Part-Time Positions
 - Salary Increases: \$1,742,448
 - Salary and Benefits (SS, Medicare, Retirement, On-Call): \$2,184,553
 - Includes adjustments for Pay in Class Study and an average 4.8% performance increase
 - Additional projected costs for Health Benefits for Active and Retired Employees of \$216,900 or 1.9% increase
 - \$27,630 for Tuition Reimbursement
 - \$25,000 for City Housing program
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FY 2026 Salary Adjustments

- Proposed FY 2026 Salary Adjustments
 - \$2,184,552
 - \$1,742,448 Salaries
 - \$174,244 Retirement
 - \$142,860 Social Security / Medicare
 - \$80,000 Overtime
 - \$20,000 Part-Time
 - \$25,000 On-Call
 - Compensation study to be implemented on July 1, 2025
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FY 2026 Personnel – New Positions

Department	Count	Month	Position Title
Communications	1	July	Webmaster
Communications	1	July	Communications Coordinator
Community and Economic Development	1	July	LAC Complex General Manager
Community and Economic Development	1	July	LAC Rental Coordinator
Community and Economic Development	1	July	LAC Event Coordinator
Community and Economic Development	1	July	LAC Technical Manager
Community and Economic Development	1	July	LAC Admin Coordinator
Electric	1	July	Electric Design Engineer
Finance	1	July	Grants Administrator
Natural Gas	1	July	Crew Lead Specialist
Natural Gas	1	July	General Technician
Natural Gas	1	July	Field Tech
Police	1	July	Real Time Crime Center Manager
Police	2	July	Part-Time Officers
Stormwater	1	July	Compliance Inspector
TOTAL Cost of Positions	16		\$1,661,350 (including capital)



FY 2026 Personnel – New Positions

- \$1,571,349 in salary, benefits, supplies, and operating costs
 - \$90,000 in capital costs
 - Total of 16 Positions
 - 6 Associated with operating the LAC
 - 5 funded in Special Events Enterprise Fund
 - 1 funded in the General Fund and housed in Communications
 - 1 Associated with Stormwater
 - Funded in the Stormwater Fund
 - 3 positions funded in the General Fund
 - 1 positions funded in the Electric Fund
 - 3 Positions funded in the Gas Fund
 - 2 Part-Time Positions
 - Funded in the General Fund
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FY 2026 Overview – Operating

Fund	Revenue	Expenses	Variance
100	\$52,618,252.00	\$52,618,252.00	\$0.00
210	\$61,000.00	\$61,000.00	\$0.00
211	\$16,000.00	\$16,000.00	\$0.00
215	\$1,359,085.00	\$1,359,085.00	\$0.00
230	\$0.00	\$0.00	\$0.00
270	\$1,200,000.00	\$1,200,000.00	\$0.00
275	\$350,000.00	\$350,000.00	\$0.00
280	\$150,000.00	\$150,000.00	\$0.00
285	\$2,000,000.00	\$2,000,000.00	\$0.00
510	\$47,886,642.00	\$47,886,642.00	\$0.00
515	\$64,230,392.00	\$64,230,392.00	\$0.00
540	\$3,344,627.00	\$3,344,627.00	\$0.00
555	\$3,402,490.00	\$3,402,490.00	\$0.00
560	\$2,527,500.00	\$6,195,888.00	\$3,668,388.00
610	\$8,821,900.00	\$8,821,900.00	\$0.00
615	\$700,000.00	\$700,000.00	\$0.00
620	\$2,366,940.00	\$2,366,940.00	\$0.00
625	\$2,556,740.00	\$2,556,740.00	\$0.00



FY 2026 Overview – Capital

Fund	Revenue	Expenses	Variance
326	\$6,899,485.00	\$6,899,485.00	\$0.00
355	\$9,039,730.00	\$9,039,730.00	\$0.00
511	\$4,975,000.00	\$4,975,000.00	\$0.00
516	\$4,775,000.00	\$4,775,000.00	\$0.00
541	\$171,000.00	\$171,000.00	\$0.00
561	\$4,620,000.00	\$4,620,000.00	\$0.00
Grand Total	\$30,480,215.00	\$30,480,215.00	\$0.00



FY 2026 General Fund

Category	Budget Amount
Taxes	\$15,484,500
Licenses & Permits	\$744,600
Intergov Revenues	\$1,197,650
Charges for Services	\$13,614,193
Fines & forfeitures	\$1,856,000
Investment Income	\$600,000
Miscellaneous	\$529,700
Other Financing	\$18,591,609
Total	\$52,618,252

Category	Budget Amount
Interfund Charges	\$10,377,285
Personal Services	\$23,082,826
Contracted Services	\$11,381,547
Supplies	\$2,247,149
Other costs	\$4,471,000
Debt Services	\$499,660
Other Financing Uses	\$558,785
Total	\$52,618,252



FY 2026 Electric Fund

- \$48,516,501 Proposed Budget
 - 1 new position
 - Fund Transfers-Out
 - \$9,119,332 General Fund Operating
 - \$4,975,000 Electric Fund Capital
 - Indirect Costs
 - \$2,971,687
 - Purchase of Electricity for Resale
 - \$24,604,586
 - Sponsorship of the LAC/Special Events
 - \$1,263,745
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FY 2026 Gas Fund

- \$64,860,250 Proposed Budget
 - Fund Transfers-Out
 - \$7,803,317 General Fund Operating
 - \$7,899,730 General Fund Capital
 - \$4,775,000 Gas Fund Capital
 - Indirect Costs
 - \$6,277,235
 - Purchase of Gas for Resale
 - \$23,300,000
 - Sponsorship of the LAC/Special Events
 - \$1,263,745
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FY 2026 Solid Waste & Recycling

- \$3,344,627 Budget
 - Solid Waste Disposal \$980,000
 - Indirect Cost \$563,000



FY 2026 Capital Projects Plan

Department	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
SPLOST	\$6,899,485	\$7,248,558	\$7,427,458	\$5,844,891	\$0	\$0
Engineering	\$3,950,000	\$1,100,000	\$1,600,000	\$500,000	\$500,000	\$500,000
IT	\$1,020,000	\$1,040,200	\$348,200	\$348,200	\$348,200	\$167,550
Police	\$651,769	\$575,393	\$575,393	\$132,325	\$132,325	\$132,325
Streets	\$1,400,000	\$1,830,000	\$2,076,000	\$2,160,000	\$2,286,000	\$2,448,000
Economic Development	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Damage Prevention	\$14,730	\$7,370	\$14,730	\$7,370	\$14,730	\$7,370
Fleet	\$2,215,000	\$1,880,000	\$1,972,500	\$2,072,500	\$2,132,250	\$2,270,510
Sanitation	\$171,000	\$334,500	\$80,000	\$114,000	\$80,000	\$80,000
Electric	\$4,975,000	\$6,960,000	\$6,900,000	\$9,075,000	\$8,475,000	\$8,375,000
Gas	\$4,775,000	\$4,899,580	\$5,638,660	\$5,020,780	\$4,463,070	\$6,748,070
Stormwater	\$4,520,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
Gov Bldg	\$500,000	\$532,000	\$355,000	\$527,000	\$475,000	\$837,000
	\$31,141,984	\$27,757,601	\$28,337,941	\$27,152,066	\$20,256,575	\$22,915,825



FY 2026 Capital Projects con't

- \$31,141,984 Proposed Budget
 - \$1,000,000 Street Resurfacing
 - \$50,000 Arts' Commission
 - \$2,145,000 Vehicle Replacement
 - \$600,000 GIS Stormwater Data Collection & Utility Network Conversion
 - \$1,000,000 McArthur/Crogan Trail Plaza
 - \$651,769 Speed Zone Camera Funds
 - Police Radios, SRT Uniforms and Equipment, Axon body & Vehicle Cameras
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Long Range Outlook

- Annually, during the Budget Process the City looks at long range impacts of decisions made in the current budget
 - Assumptions are made about future years based on historical trends
 - Helps us to understand the financial implications
 - Evaluate impacts on Financial Policies
 - Evaluate service level changes
 - Evaluate revenue enhancements
 - Provides Financial guidance for policy decisions
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Long Range Outlook con't Revenue

- Changes in Taxes
 - 5% annual growth Historical Growth in Digest
 - 1% annual growth in Franchise Taxes and Insurance Premium Tax
 - Occupation Tax based on Gross Receipt model
 - Fines and Forfeitures
 - Based on FY 2023 activity annual revenue is expected to be \$1,500,000 stable
 - 2023 SPLOST
 - Projected based on Intergovernmental Agreement
 - Enterprise Funds
 - Gas adding 750 customers a year
 - Electric Fund based on MEAG growth estimates 0.33% annually
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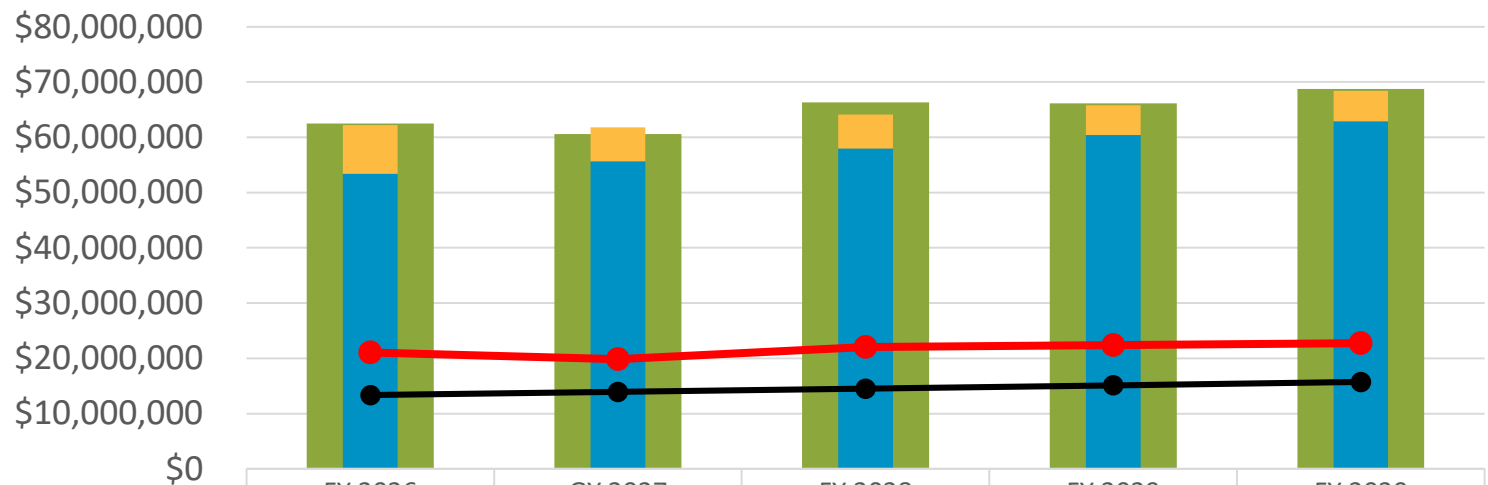
Long Range Outlook con't Expenses

- Salary Changes
 - Annual Increase of 3%
 - 7 additional positions a year
 - Health Care Costs
 - Based on 5% Annual Increase
 - Other Operating
 - Historical Inflation at 2%
 - Debt Service
 - LBA – Series 2019: \$1,700,000
 - DDA – Series 2020: \$1,440,000
 - Electric/Gas Bonds – Series 2023 \$1,136,000
 - 5year FY 2026 CIP based on FY 2026 requested
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Long Range Outlook con't

General Fund

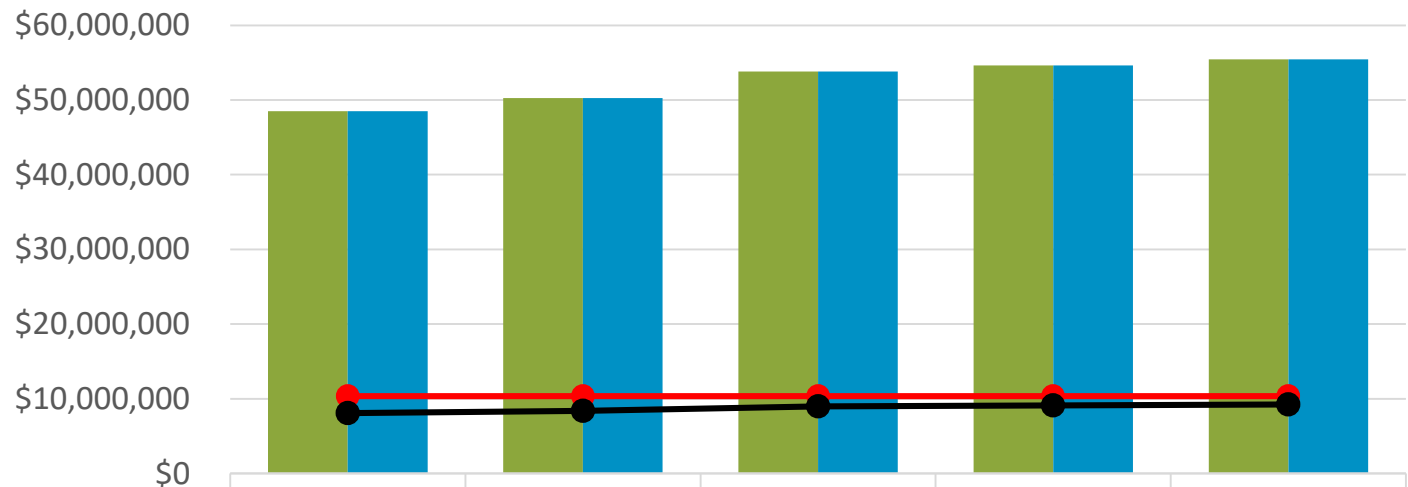


General Fund Revenue	FY 2026	GY 2027	FY 2028	FY 2029	FY 2030
GF Capital					
General Fund Expense					
General Fund Fund Balance					
General Fund Fund Balance Policy					



Long Range Outlook con't

Electric Fund

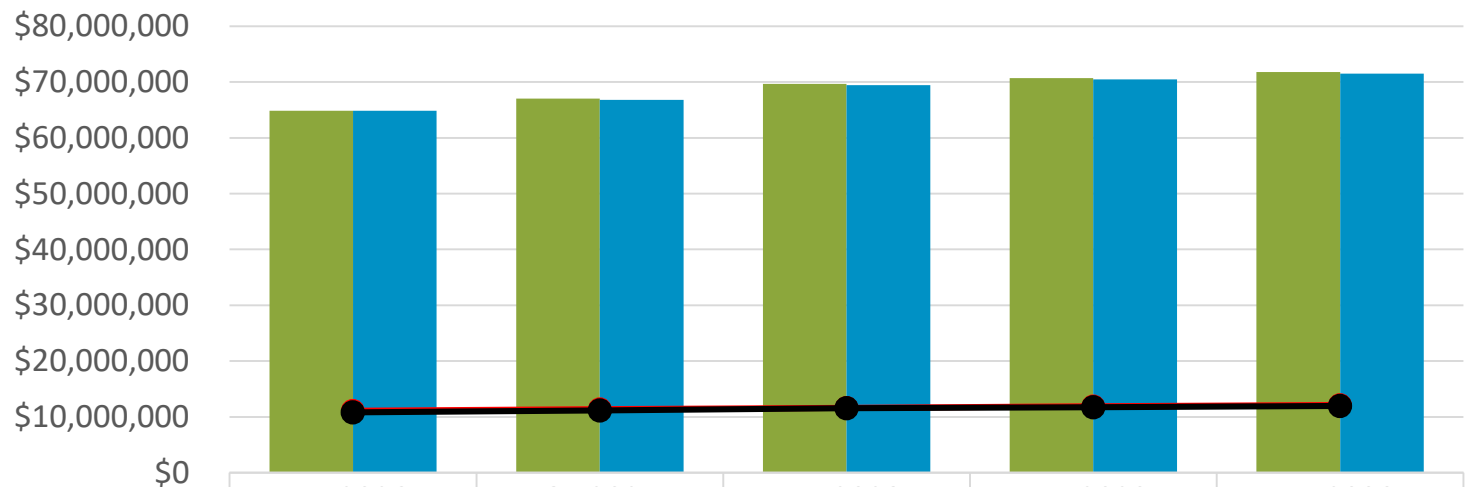


Electric Fund Revenue	FY 2026	GY 2027	FY 2028	FY 2029	FY 2030
Electric Fund Expense	\$48,516,501	\$50,253,000	\$53,831,000	\$54,637,685	\$55,456,470
Electric Fund Fund Balance	\$48,516,501	\$50,253,000	\$53,831,000	\$54,637,685	\$55,456,470
Electric Fund Fund Balance Policy	\$10,348,537	\$10,348,537	\$10,348,537	\$10,348,537	\$10,348,537
	\$8,087,701	\$8,377,175	\$8,973,628	\$9,108,102	\$9,244,594



Long Range Outlook con't

Natural Gas Fund



Gas Fund Revenue	\$64,860,250	\$67,051,274	\$69,693,975	\$70,728,442	\$71,778,318
Gas Fund Expense	\$64,860,250	\$66,801,274	\$69,443,975	\$70,478,442	\$71,528,318
Gas Fund Fund Balance	\$11,115,029	\$11,365,029	\$11,615,029	\$11,865,029	\$12,115,029
Gas Fund Fund Balance Policy	\$10,812,204	\$11,135,772	\$11,576,311	\$11,748,756	\$11,923,771



Long Range Outlook – Wrap Up

- Based on the assumptions and the adjustments to revenues over the past two years, the Electric Fund, General Fund, and Natural Gas Fund are self-sustaining for the next five years.
 - This has not occurred since we have been presenting the five year Proforma with the proposed budget – nine years



Upcoming Dates

APRIL 2025

- Wednesday, 23: 1st Council Budget work day 5pm

MAY 2025

- Wednesday, 14: 2nd Council Budget work day 3pm
- Wednesday, 28: 1st Public Budget Hearing 7pm

JUNE 2025

- Wednesday, 11: **If necessary** 3rd Council Budget work day 3pm
- Wednesday, 11: 2nd Public Budget Hearing 5pm
- Wednesday, 25: Adopt Budget at Council Meeting 7pm



Workday Topics

- April 23, 2025
 - Pay in class compensation study
 - New Positions
 - LAC Operations
 - May 14, 2025
 - Summary of Citizen Financial Committee
 - Capital Projects
 - Capital Projects not-funded
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Questions

