



City of St. George

Dear Council Members:

I submit to you the first General Fund Budget for the City of St. George. This General Fund Budget reflects revenues and expenditures for the portion of the 2024 calendar year, beginning on April 26, 2024, the date the Louisiana Supreme Court reversed the lower courts' denial of incorporation and rendered judgment in favor of the proponents for incorporation and ending on December 31, 2024. I anticipate that this General Fund Budget will require amendments as more current data and cost estimates are provided by the City-Parish.

Revenue assumptions are based on revenue estimates provided by the City-Parish to the Legislative Fiscal Office for the St. George Transition District legislation. Tax revenue streams include the 2 cents sales and use taxes, insurance premiums, and occupational licensees. Fees include those collected for contractor licenses, building permits, and zoning and planning and planning.

Expenditures were estimated based on projections made using expenditures from the City of Central's audit adjusted for the population estimate for St. George.

Judicial costs include a contract for an administrative hearing officer and legal expenditures to present cases involving ordinance violations and the costs for enforcement of Administrative Orders. Executive costs include administrative staff support and city clerk services. Legislative costs include renting space in the St. George Fire Department's building for a City Hall including offices and meetings space, public notifications of meetings, and the demographer to determine city population and council districts.

Administrative costs include accounting and auditing services, and potential legal expenditures to defend the boundaries of the city of St. George. City services costs include maintenance of St. George assets, and intergovernmental agreements to continue services until the primary managing contractor is selected following a thorough vetting of contractor proposals.

General administrative expenditures include the St. George website, general liability insurance and operating costs. Inter-government expenditures include a fee of 1.0% for collection of sales tax. Also included are costs associated with the December 7, 2024 election and providing public information. Additionally, security and safety costs were included if necessary to

supplement the current services provided by the EBRSO and St. George Fire Department. Planning and Zoning Commission costs for start-up is a top priority for St. George.

Priorities during the 2024 calendar year include enacting ordinances necessary to transfer revenues from the City-Parish to St. George, conducting the election to transfer the 2% sales and use tax from the St. George Transition District to the City of St. George on December 7, 2024, establishing council districts for the 2025 municipal elections, appointment of and training for planning and zoning commission members and selecting a fiscal agent.

The proposed financial plan for the next several months includes working with Parish Officials to identify those services which can be provided most cost effectively by utilizing existing services and to seek proposals from third parties which can cost effectively provide other city services and providing a transition plan to seamlessly transition services to third party providers. Soon after adoption of the initial St. George budget, you will be requested to approve the advertisement of a request for proposals for city services with the goal of contracting out services near the beginning of the 2025 calendar year.

We are all aware of the significant needs for additional road and drainage maintenance. The objective of this initial budget is to reserve 25% of the revenues received in 2024 for necessary studies to be conducted in 2025 to develop master plans for maintenance and improvement of infrastructure and to begin addressing much needed capital improvements.

The goals of the proposed General Fund Budget is to continue to deliver basic city services as we develop a foundation for the continued growth of St. George and to position St. George to be able to provide additional services utilizing existing revenue sources.

Sincerely,

Dustin Yates, Mayor