

# FY2014 BUDGET PRESENTATION

May 21, 2013



# John McDonough City Manager



# FY14 Budget Calendar

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March – April                      Departmental Budget Hearings/Finance Review Phase

April – May                              Senior Management/Mayor Review Phase

April 30                                      Budget Workshop #1

May 7    Budget Workshop #2

May 21                                      City Council Budget Presentation (Proposed Budget)

June 4                                      1<sup>st</sup> Public Hearing on FY14 Budget and Discussion

June 18                                      Final Public Hearing and Adoption by City Council

# Budget Principles

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- Conservatively determine revenue and expenses.
  - Solid estimating effectively neutralizes pressures to inflate revenue estimates to cope with budgeting pressures.
- Do not use one-time revenue sources for ongoing expenses.
  - When a non-recurring source of revenue is used to fund an ongoing expense, an "automatic unfunded increase" is built into the budget for the following year.

# Adopted Priorities



# FY14 General Fund Budget

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Revenues	\$87,853,342
Expenditures	\$87,853,342
Total	\$ 0

*Total Budget for all funds = \$189,384,334*

# FY14 Budget Highlights - Operating

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- Decline in revenues (property tax and franchise fees) - **-\$2,446,103 (-3.10%)**
- Fixed Cost of General Government Services Contracts - \$13,166,230.34 (5.67%)
- Renewal of subcontractor agreements - \$5,570,000 (4.29%)
- Continued funding for Police Fleet Replacement Program - \$808,800
- Vehicle Acquisition Costs - \$145,000 (4 Fire)
- Funding for Elections - \$375,000
- Continued funding for Community Events/Non-profits - \$280,000
- Financing for Fire Department Fleet Replacement - \$775,000
- E-911 Center operation - \$900,000
- Continued EMS subsidy for enhanced service - \$450,000
- Buy down and Debt Service for Storage Facility - \$309,710

# FY14 Budget Highlights - Capital

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- Continued funding for City Center Phase I Priority Projects - \$13,500,000
- Continued funding for Stormwater Infrastructure Improvements - \$1,600,000
- Funding for Public Safety Radio System - \$1,250,000
- Purchase of Fire Station #4 from City of Atlanta - \$1,250,000
- Continued funding for Chattahoochee Pedestrian Bridge Project - \$400,000
- Renovations for Storage Facility Lease/Purchase - \$300,000
- Transfer of funds from Morgan Falls River Park - **(\$255,823)**
- Continue Citywide Gateway Beautification - \$250,000
- Continued funding to complete HAWK Program - \$230,000
- Additional funding for Riverside Drive slope repair - \$200,000
- Continued funding for CIP-T/P/F programs - **\$5,054,882**



# City Center Phase I Funding Plan

## FY14 Recommended Allocation

Project	Allocated Funding	Additional Funding Needed	Proposed FY14
Land Acquisition	\$15,555,672	\$10,000,000	\$3,500,000
City Center Parking Study	75,000	0	0
Professional Services	212,593	3,787,407	500,000
Mt. Vernon Highway and Blue Stone Road Extension	3,825,000	5,770,000	3,825,000
Civic Center Infrastructure and Green	0	11,292,500	3,172,009
Utilities Program Management Design	600,000	0	0
Utilities Relocation (next 5 years)	1,000,000	4,530,000	0
Marsh Creek Headwaters BMP	1,381,709	1,602,991	1,602,991
Structured Parking	0	12,500,000	0
Civic Center Facility	0	TBD	0
T-0014/0015 Sandy Springs Circle Phase I	0	1,400,000	1,400,000
T-0014/0015 Sandy Springs Circle Phase II	2,989,498	3,198,502	0
Heritage Playground	0	4,400,000	0
<b>TOTAL</b>	<b>\$25,639,472</b>	<b>\$58,481,400</b>	<b>\$13,500,000</b>

# Fund Balance Reserve

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- Adopted as part of the approved Budgetary Policy
- Fund Balance is the cash reserve and working capital to cover the following:
  - Expenditures caused by unforeseen emergencies
  - Shortfalls caused by revenue decline
  - Eliminate short-term borrowing for cash flow purposes
  - Reserve policy calls for no less than three (3) months of operating and debt expenditures (25%)

# Projected Undesignated Fund Balance

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June 30, 2012 General Fund Balance	\$ 33,109,813
Add: FY13 Projected Revenues	83,033,223
Less: FY13 Projected Expenditures	88,876,813
<b>Subtotal</b>	<b>27,266,222</b>
Less: Fund Balance Reserve	(20,000,000)
<b>YEAR END ESTIMATED UNDESIGNATED GENERAL FUND BALANCE</b>	<b>\$ 7,266,222</b>

# Revenue FY2013 vs. FY2014

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	<b>2013 Projected</b>	<b>2014 Budget</b>	<b>Variance</b>
<b>Property Taxes</b>	28,697,589	28,250,000	(447,589)
<b>Sales Tax</b>	23,736,636	23,470,000	(266,636)
<b>Business &amp; Occupational Tax</b>	8,500,000	8,250,000	(250,000)
<b>Franchise Fees</b>	9,147,092	9,075,000	(72,092)
<b>Insurance Premium Taxes</b>	4,675,766	4,300,000	(375,766)
<b>Other Revenues</b>	8,276,138	7,242,120	(1,034,018)
<b>Total Revenues</b>	<b>\$83,033,223</b>	<b>\$80,587,120</b>	<b>(\$2,446,103)</b>

# SERVICE ENHANCEMENTS



# FY14 Enhancements



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- Vehicle replacement for 18 vehicles
  - Includes Laptop refresh
  - LP Gas Conversion Cost

# FY14 Enhancements



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- Auto Extrication Tools (Jaws of Life) Replacement
  - Current tools older, worn, non-compliant
- Replacement of 4 Staff Vehicles
  - High mileage, six plus years of use
- Upgrading Firefighter Gear
  - Continued annual replacement program
- Fire Station 4 renovations
  - Planned upgrades pending procurement
- New Fire Apparatus
  - Replacing our current fleet

# Information Services

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- Technology upgrades:
  - Capital computer and infrastructure update and replacements (140 new computers)
- .5 FTE Security Engineer
- GIS Software Update



# Call Center

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- Amount is for six months
- Issue Task Order-based RFP to compete service

# Community Development

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- Customer Service Enhancements
  - Building Inspector (.21 FTE to .8 FTE)
  - Land Development Inspector (.8 FTE to 1 FTE)
  - Landscape Architect (.6 FTE to 1 FTE)
  - Planning Technician Position (0 to 1.0 FTE)
- PermitGo! Software Upgrade
- Electronic Plan Submission

# Public Works and Facilities

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- Add 0.5 FTE Engineering Support
- HVAC and Building Maintenance Repairs
- Storage Facility

# Expenditures FY2013 vs. FY2014

	2013 Projected	2013 Budget	2014 Budget*	Variance
City Council	158,982	158,691	188,061	18.51%
City Manager	711,799	808,307	772,151	-4.47%
City Clerk	130,711	181,859	569,016	212.89%
Finance	2,095,985	2,198,684	2,232,615	1.54%
City Attorney	1,308,000	1,308,000	808,000	-38.23%
Information Services	1,556,581	1,691,215	2,088,479	23.49%
Human Resources	225,799	358,987	295,407	-17.71%
Facilities Management	1,271,649	1,332,682	1,591,410	19.41%
Communications	1,387,879	1,600,436	1,537,556	-3.93%
General Administration	4,218,381	4,678,526	2,492,668	-46.72%
Municipal Court	1,630,655	1,665,585	1,668,649	0.18%
Police	17,102,079	19,084,302	18,654,539	-2.25%
Fire	10,153,792	10,918,295	11,726,355	7.40%
Emergency Management	1,319,059	1,553,700	1,752,339	12.78%
Public Works	9,958,490	10,084,605	10,717,049	6.27%
Recreation and Parks	2,596,340	2,999,742	3,230,521	7.69%
Community Development	3,575,643	3,632,688	3,424,034	-5.74%
Economic Development	-	-	265,935	100.00%
Transfers to Other Funds	29,474,991	29,366,822	23,838,559	-18.82%
<b>Total General Fund:</b>	<b>\$88,876,813</b>	<b>\$93,623,126</b>	<b>\$87,853,342</b>	<b>-6.16%</b>

\*Projections only.

# Task Order Analysis

Firm/Work Package	NTE Escalator	Actual Escalator	FY13 Amount	FY14 Amount	Difference
Finance/ST Services	2.50%	2.50%	\$1,633,011.00	\$1,673,836.00	2.50%
Information Services/ InterDev	5.25%	3.50%	1,176,537.49	1,315,828.80	11.84%
Communications/ Collaborative	2.20%	2.20%	502,200.00	513,249.00	2.20%
Municipal Court/Jacobs	3.00%	1.00%	1,082,368.00	1,093,219.00	1.0%
Call Center/CH2MHill	n/a	3.50%	792,036.00	819,756.26*	3.50%
Public Works/URS	4.00%	3.50%	3,318,265.00	3,514,549.00	5.52%
Recreation/Jacobs	3.00%	1.00%	1,023,571.00	1,033,822.00	1.00%
Community Development/ Collaborative	2.20%	2.20%	2,931,420.60	3,201,969.00	9.23%
	<b>Total</b>	<b>3.14%</b>	<b>\$12,459,409.09</b>	<b>\$13,166,230.34</b>	<b>5.67%</b>

\*12 month projection; issuing 6 month Task Order for \$409,879

# General Fund Expenditures – Contingency Detail

<b>Description</b>	<b>2014 Budget</b>
Fire Department	200,000
Police Department	200,000
Recreation	50,000
City Manager Contingency	150,000
General Contingency	300,000
<b>Grand Total</b>	<b>\$900,000</b>

# FY14 Capital Priority Projects

Pavement Management/Resurfacing	\$3,000,000
Traffic Management Center	350,000
Abernathy Greenway Park	750,000
Intersection Improvement Program	300,000
Abernathy/Johnson Ferry Roadway Improvements	500,000
Bridge and Dam Improvement Program (Ped Bridge on Dunwoody Club)	154,882
<b>Total</b>	<b>\$5,054,882</b>

# FY14 Other Funds

	<b>FY12 Actual Revenues</b>	<b>FY13 Projected Revenues</b>	<b>FY14 Budgeted Revenues</b>
<b>Anne Frank Fund</b>	73,573	55,852	75,000
<b>Innovations Fund</b>	166,451	225,000	----
<b>Confiscated Assets Fund</b>	147,822	575,400	200,000
<b>Emergency 911 Fund</b>	2,518,968	2,583,466	2,552,210
<b>Multiple Grant Fund</b>	4,231,508	3,901,473	970,205
<b>Community Development Block Grant</b>	689,291	1,153,908	1,013,962
<b>Donations Fund</b>	64,273	3,040	50,000
<b>Hotel/Motel Fund</b>	3,695,600	3,772,729	3,588,935
<b>Capital Projects Fund</b>	13,224,195	28,490,403	22,179,059
<b>Impact Fee Fund</b>	1,223,998	307,050	250,000
<b>Stormwater Management Fund</b>	2,500,000	2,500,000	1,600,000



# DISCUSSION

