SANDY SPRINGS
GEORGIA

June 2, 2026

Dear Mayor Paul and Members of City Council,

It is our privilege to present the Fiscal Year 2027 Proposed Budget for the City of Sandy Springs, Georgia (City). This budget represents our continuing commitment to fiscal stewardship, operational excellence, and the delivery of high-quality services to the residents and businesses of one of Georgia's most dynamic communities.

The FY2027 Proposed Budget is submitted in compliance with State Law (O.C.G.A. § 36-81-2 et seq.) and reflects the priorities discussed by City Council during the February 2026 annual retreat and adopted later that month: Customer Service, Citizen Engagement, and Innovation; Public Safety; Transportation Accessibility and Community Appearance; Recreational and Cultural Enrichment; Sustainable Growth and Environmental Stewardship; Economic Development with a focus on Redevelopment; and Water Reliability. It also introduces a landmark organizational investment, the creation of the Office of Innovation and Delivery, that positions Sandy Springs as a national leader in data-driven, tech-enabled local government.

Financial Overview

The FY2027 Proposed Budget maintains the City's millage rate at 4.731 mills, unchanged since the City's founding, reflecting our long-standing commitment to holding the line on the property tax burden borne by Sandy Springs residents and businesses. Total budgeted appropriations across all operating, capital, and special revenue funds are proposed at approximately $1.089 billion, consistent with the City's scale as a full-service municipality serving nearly 110,000 residents and a daytime population of 250,000.

The General Fund, which finances the core operations of City government, is proposed at $170,393,242, an increase of 7% from the FY2026 Revised Budget. Total General Fund revenues are projected at $140,468,600, an increase of $9,276,071 (7%) over the revised FY2026 budget. The proposed spending plan reflects a structural use of fund balance for one-time expenditures, consistent with multi-year budget planning and the City's strong reserve position.

The budget preserves the City's fund balance policy of maintaining reserves at or above 25% of budgeted revenues. This reserve provides the financial resilience to respond to emergencies, revenue volatility, and unforeseen obligations without disrupting core service delivery.

The General Fund budget allocates resources across four primary categories:

- Personnel and Benefits: $79,151,400 (46.45%): reflecting competitive compensation to attract and retain exceptional public servants, including eligibility for a 3% cost of living adjustment for all qualifying employees

- Operations and Equipment: $46,007,244 (27%): funding the tools, technology, and contracts necessary to deliver services at the level Sandy Springs demands
- Capital Improvement Transfers: $22,304,900 (63.23%): sustaining infrastructure investment in transportation, parks, public safety facilities, and community assets
- Debt Service and Other Financing Uses: $45,234,598 (26.55%): honoring the City's financial obligations, including Public Facilities Authority debt service supporting major capital projects

Revenue Environment

Sandy Springs benefits from a diversified and resilient revenue base. Property tax revenues are projected at $49,500,000 in FY2027, reflecting a 4% increase over the FY2026 revised budget driven by continued growth in assessed values citywide. The Local Option Sales Tax (LOST), our second-largest revenue source, is projected at $36,000,000, a 14% increase from the prior revised budget, reflecting improved economic activity and projected Fulton County distribution trends.

Insurance Premium Tax revenues are projected at $11,500,000, up 15% from the prior year, while the Electric Franchise Fee is projected to grow 7% to $8,000,000. Business and Occupational Tax receipts are projected at $10,500,000, a modest 5% increase, reflecting the health and diversity of Sandy Springs' commercial base.

Interest earnings are projected at $6,750,000, a modest decrease from FY2026 reflecting anticipated movement in the interest rate environment. Charges for Services are projected at $791,200, a 58% increase from the FY2026 revised budget, driven primarily by the addition of a Parking Contract revenue line of $250,000 and continued growth in recreation fee revenues.

Office of Innovation and Delivery: A Strategic Investment

The most significant organizational investment in the FY2027 Budget is the establishment of the Office of Innovation and Delivery (OID), funded at $883,200 with a team of three dedicated full-time professionals. This new office, reporting directly to the City Manager, reflects Sandy Springs' commitment to transforming how city government operates in the era of artificial intelligence, machine learning, and data analytics.

The OID will accelerate the City's deployment of AI tools across service delivery, permitting, public safety, and community engagement. Guided by the City's Citywide CRM Upgrade ($1,000,000 in the Capital Projects Fund) and aligned with best practices from Government Finance Officers Association's (GFOA) framework for technology-enabled budgeting, the OID will coordinate with Finance and Communications as part of the City's initiative to pursue the GFOA Distinguished Budget Presentation Award, elevating Sandy Springs to national recognition for budget transparency and public communication.

The OID budget includes $150,000 for Professional Services and $49,900 for Technical Services to fund partnerships with leading academic and civic technology organizations, ensuring Sandy Springs remains at the forefront of innovation in local government.

Public Safety: Our Foundational Commitment

Police Department

Public safety remains the City's highest budgetary priority. The Police Department is proposed at $34,628,700, an increase of $1,524,800 (5%) from the FY2026 revised budget. This investment sustains a sworn and civilian workforce of 193 total personnel, 179 full-time and 14 part-time, providing the law enforcement presence that Sandy Springs residents and businesses expect. Upon expiration of the Community Violence Reduction Grant in October 2027, the City will assume funding for three currently grant-funded positions, increasing the number of City-funded full-time positions to 182.

Key investments in the FY2027 Police budget include:

- Overtime funding increased $200,000 to $1,200,000 (+20%) to ensure adequate coverage across all patrol shifts and special events
- Jail Services increased to $850,000 (+21%) to address the need to transition to a new jail services provider as the previous provider ceased to provide the service
- Inmate Medical Services funded at $150,000, a new dedicated line item reflecting responsible cost management
- Technical Services at $2,281,700, sustaining the City's investment in the Sandy Springs Intelligence Operations Center (SSIOC), body-worn cameras, and predictive analytics platforms
- Police Equipment at $387,200 to replace aging tactical and patrol equipment
- Capital Projects: Driving Simulator ($100,000 from the General Fund and $100,000 in partnership with the Sandy Springs Police Foundation), Inveris 300 Upgrades ($84,800), and Firearms and Sight System Upgrades ($175,000) through the Capital Projects Fund

Fire Department

The Fire Department budget is proposed at $22,409,400, an increase of $1,314,064 (6%) from the FY2026 revised budget. This investment supports 126 total personnel, 125 full-time and one part-time, to support fire suppression, prevention, and fire marshal services throughout the City. One additional full-time position is supported by the City's Opioid Fund, enhancing the City's capacity to address opioid-related incidents.

Highlights of the FY2027 Fire budget include:

- Regular Salaries at $10,976,700 (+2%) reflecting the Council's commitment to competitive firefighter compensation
- Overtime funded at $875,000 (+33%) to further support the shift schedule change approved in FY26 that transitioned the department to a 48/96 schedule
- Bonuses increased to $475,000 (+36%), recognizing the extraordinary service of Sandy Springs' firefighters and emergency medical personnel
- EMS Medical Supplies at $216,000 (+22%), reflecting rising costs of medical supplies needed to support the City's Advanced Life Support operations.
- Education and Training at $162,800 (+37%), sustaining professional certification and leadership development
- Capital Lease Principal at $1,470,100 supporting Fire Apparatus Replacement
- Public Facilities Authority projects including Fire Station #3 Additions ($3,000,000), Fire Station #4/3-Story Building ($30,550,000), and Fire Station #1 ($17,200,000) funded through PFA

The FY2027 Budget also supports the Opioid Fund, with $265,300 appropriated for a dedicated full-time position and contractual services to expand the City's opioid response and prevention programming, one of the most pressing public health challenges facing communities across Georgia.

Infrastructure, Transportation, and Capital Investment

Sandy Springs continues to make substantial investments in the transportation network, parks, and public facilities that define quality of life in our community. The Capital Projects Fund (Fund 351) is proposed at $116,978,259, with a Five-Year Capital Improvement Program (CIP) totaling $388,560,808.

Public Works

The Public Works Department budget is proposed at $17,320,800, an increase of $483,700 (3%) from the FY2026 revised budget, supporting a team of 50 total employees. Key operational highlights include:

- Streetlight Maintenance increased to $275,000 (+120%) reflecting the ongoing transition to City-owned LED streetlights
- Traffic Pole Maintenance at $150,000 (+50%) supporting the City's expanded traffic management network
- Contractual Services at $6,189,000, sustaining the City's public-private partnership model for roadway maintenance, stormwater management, and landscape services
- Machinery and Equipment at $70,000 (+180%) to replace aging departmental equipment

The FY2027 Capital Programs include major investments in the Pavement Management Program ($3,000,000 General Fund and $2,160,000 Local Maintenance and Improvement Grant (LMIG)), Traffic Management Program ($1,142,500), Bridge and Dam Maintenance ($300,000), Guardrail Replacement ($250,000), and the Traffic Management Center (TMC) Fiber Program ($798,000). Notable new transportation projects include:

- Roswell Road Safety Project (Cliftwood Drive to Hammond Drive): $500,000 in FY2027, $14,801,600 over five years
- Lake Forrest Drive – Allen Road Intersection Improvement: $1,000,000
- Sandy Springs Circle Multi-Use Path: $500,000 in FY2027
- Glenridge Drive Sidepath Gap Fill: $300,000 (including PCID match)
- Nesbit Ferry Road and Spalding Drive Intersection: $500,000 in FY2027, $2,500,000 total

Transportation Special Purpose Local Option Sales Tax (TSPLOST) Programs

The TSPLOST 2016 Fund (Fund 335) reaches its final phases, with remaining project budget of $7,074,181 directed primarily toward the Peachtree Dunwoody Road Bike and Pedestrian Trail ($6,100,000 total authorized). The TSPLOST 2021 Fund (Fund 336) is in full delivery mode, with $136,653,700 in authorized projects including the transformative Hammond Drive Widening ($35,000,000), SR 400 Multi-Use Trail Segments 1 and 3 ($21,987,787), and the Roswell Road North Boulevard Intersection Improvement ($9,760,000).

Stormwater Fund

The Stormwater Fund (Fund 561) is proposed at $5,706,313, including a $4,650,000 transfer from the General Fund and $1,056,313 from fund balance. This investment reflects the City's commitment to resilient infrastructure and environmental stewardship, with $3,550,000 directed to Stormwater Improvements and $650,000 to Stormwater Collection and Drainage operations. The Five-Year CIP allocates $26,385,000 to Stormwater Capital Improvements, a reflection of the scale of drainage infrastructure needs across the City.

Community Development, Recreation, and Quality of Life

Community Development

The Community Development Department is proposed at $7,328,154, an increase of $425,654 (6%), sustaining a team of 47 professionals dedicated to guiding Sandy Springs' land use, permitting, zoning, code enforcement, and planning functions. The FY2027 Budget adds $150,000 for Professional Services to support a Facade Improvement Program ($500,000 in the CIP), a new initiative designed to catalyze private investment in Sandy Springs' commercial corridors and strengthen the City's economic vitality.

Recreation and Parks

The Recreation and Parks Department is proposed at $5,155,100, an increase of $77,625 (2%), supporting 62 total personnel, 12.5 full-time, 0.5 Tree Fund, and 49 part-time, serving the community across parks, athletic programs, the Abernathy Arts Center, the Morgan Falls Athletic Complex, and the City's growing trail network.

Capital investments in parks and recreation for FY2027 include:

- Trail Segment 2C Construction: $2,000,000 (part of $6,000,000 total project)
- Morgan Falls Athletic Complex Improvements: $2,000,000
- Abernathy Arts Center Playground Replacement: $300,000
- Heritage Playground: $500,000
- Racquet Center Renovation: $331,386 in continuing project balance
- Tree Fund programs: $605,000 (Maintenance, Capital, Tree Fund Atlanta, Invasives, Education, Surveys)

The Five-Year CIP includes the transformative Racquet Center Revitalization ($25,000,000 debt-funded, FY2029-FY2030) and Hammond Park Revitalization ($80,000,000 debt-funded, FY2029), generational investments that will define Sandy Springs' recreational future.

Performing Arts Center

City Springs continues to fulfill its vision as the civic and cultural heart of Sandy Springs. The Performing Arts Center Fund (Fund 555) is proposed at $9,225,900 an increase of 3%, with revenues projected at $9,117,950. The Conference Center projects 56% revenue growth to $2,337,500, driven by increased bookings and strategic marketing. The FY2027 Budget provides $500,000 in General Fund support and $1,965,000 from Hotel/Motel Tax revenues to sustain programming, operations, and signature events.

Human Capital: Our Most Valuable Resource

The City of Sandy Springs employs 664 total personnel in FY2027, 540.5 full-time (including three Community Violence Reduction Grant-funded positions that will transition to City employees after October 2027), 110 part-time, 12 TSPLOST, one Opioid Fund, and 0.5 Tree Fund employees. This measured growth reflects targeted additions in Communications (+1), Facilities (+1), Fire (+2 full-time net), and the new Office of Innovation and Delivery (+3).

The Human Resources Department is proposed at $1,131,100, a 12% increase, reflecting expanded investments in Professional Services ($236,200, +125%) and Technical Services ($39,800, +138%) to support employee recruitment, wellness, and organizational development. All eligible employees may receive a 3% cost of living adjustment salary increase, and all employees are eligible for performance bonuses based on established criteria.

The City also maintains its commitment to employee development through the Tuition Reimbursement Program ($50,000) and robust training and education funding across all departments. Sandy Springs' ability to attract and retain talented professionals is fundamental to its continued success as an employer of choice in the Atlanta region.

Communications and Resident Engagement

The Communications Department is proposed at $3,050,000, an increase of $312,283 (11%), reflecting significant investment in the infrastructure and talent needed to keep residents, businesses, and visitors informed and engaged. Key investments include Website Enhancements at $351,900 (+61%), reflecting a major redesign initiative; Call Center Services at $702,400 (+5%); and the addition of a ninth full-time Communications professional to expand our social media communications and citizen engagement efforts.

Economic Development

The Economic Development Department is proposed at $467,800, a modest increase of $1,984, with a team of one full-time professional supported by $186,000 in Professional Services for contracted staff and $50,000 in Advertising to promote Sandy Springs as a premier business destination. The FY2027 Capital budget introduces the Facade Improvement Program ($500,000), a new contract for services-based tool to support commercial property reinvestment in targeted corridors.

The Development Authority Fund (Fund 840) is projected at $233,780, reflecting the scheduled decline of abatement receipts as those agreements mature, a positive indicator of the long-term financial health of the City's economic development portfolio.

Special and Capital Funds

The FY2027 Proposed Budget encompasses the following special, capital, and enterprise funds in addition to the General Fund:

- Confiscated Assets Fund (Fund 210): $95,000 in projected revenues; $95,000 in expenditures for law enforcement programs
- Opioid Fund (Fund 213): $50,000 in settlement revenues; $265,300 in expenditures including new dedicated personnel
- E911 Fund (Fund 215): $3,500,000 in revenues fully passed through to ChatComm
- Tree Fund (Fund 220): $671,050 in revenues; $747,100 in expenditures including $605,000 for capital tree canopy work
- Impact Fee Fund (Fund 225): $140,000 in projected revenues; $140,000 transferred to Capital Projects
- Multiple Grant Fund (Fund 240): $239,572 in revenues supporting the Community Violence Reduction Grant program
- CDBG Fund (Fund 245): $771,187 in Federal Grant revenues supporting neighborhood infrastructure improvements
- Hotel/Motel Tax Fund (Fund 275): $5,000,000 projected; distributed among General Fund, Hospitality Board, and Performing Arts Center
- TSPLOST 2016 Projects Fund (Fund 335): $102,171,851 total authorized; $7,074,181 in remaining project activity
- TSPLOST 2021 Projects Fund (Fund 336): $136,653,700 total authorized; major projects in active delivery
- Capital Projects Fund (Fund 351): $65,669,791 in revenues; $116,978,259 in expenditures
- Fleet Fund (Fund 352): $5,394,833 in revenues, $9,880,209 supporting vehicle and apparatus replacement
- Public Facilities Authority Fund (Fund 360): $675,045,084 total authorized; $15,564,878 in FY2027 debt service activity
- Performing Arts Center Fund (Fund 555): $9,117,950 in revenues; $9,225,900 in expenditures
- Stormwater Fund (Fund 561): $5,706,313 in total revenues supporting capital and operational drainage work
- Development Authority Fund (Fund 840): $233,780 in revenues; $238,280 in expenditures

Budget Process and Fiscal Policies

The FY2027 Budget was developed through a rigorous, multi-month process anchored in the City's commitment to transparency and accountability. The process began with City Council's adoption of strategic priorities in February 2026. Departmental budget hearings and Finance reviews were conducted in March and April, followed by three public Budget Workshops before the full City Council in May 2026. These workshops are open to the public and provide opportunities for community input prior to formal adoption. In addition, two public hearings are scheduled as follows:

- First Public Hearing: June 2, 2026
- Second Public Hearing and Budget Adoption: June 16, 2026

The budget is governed by the following core fiscal policies:

- Fund Balance Policy: The City maintains a minimum fund balance of 25% of budgeted revenues. Current projections reflect compliance with this standard in the amount of $35,117,151
- Millage Rate: The property tax rate remains at 4.731 mills, consistent with the City Charter
- Capital Project Budgets: Appropriations in the Capital Projects Fund, Fleet Fund, Public Facilities Authority Fund, and Stormwater Fund do not lapse at fiscal year-end; they remain in effect until project completion or Council re-appropriation

- Budget Amendments: City Council approval is required for all increases in total fund appropriations. The City Manager may approve reallocations within funds, not to exceed total appropriations by fund
- Debt Management: All debt issuances are subject to Council approval and assessed against the City's long-term debt capacity

The City's goal is to adopt an operating budget where current revenues equal anticipated expenditures. All departments supported by the resources of the City must function within the limits of the financial resources identified or available specifically to them. Budgets cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years.

The budget is a dynamic rather than static plan, which allows for adjustments and amendments as circumstances change. The City Council must approve all increases in total fund appropriations. Amounts in this budget may be reallocated within funds by approval of the City Manager as long as the total budgeted amounts do not exceed these appropriations by fund. Department Heads submit budget amendment requests transferring appropriations from one line item to another within the specific department appropriation with approval by the Chief Financial Officer and the City Manager.

Looking Forward

Sandy Springs enters FY2027 in a position of organizational strength. Twenty-one years after incorporation and guided by the same spirit of innovation that led Sandy Springs voters to create this community, we are investing in the future with discipline, creativity, innovation, and purpose.

The creation of the Office of Innovation and Delivery signals our intent to lead, not follow, in the adoption of technology and data that will define local government in the decade ahead. The continued build-out of our fire station network, our trail system, our parks, and our transportation infrastructure reflects a commitment to the long-term quality of life that residents, businesses, and visitors expect from Sandy Springs.

At the same time, we remain clear-eyed about the fiscal environment. The structural gap between revenues and expenditures, partially offset by fund balance and reserve management, demands continued attention to efficiency, strategic realignment of existing resources, and prudent stewardship of the public trust. The City's strong reserve position, diversified revenue base, and disciplined expenditure management provide the foundation for sustained fiscal health.

We are grateful to Mayor Paul, the City Council, the City's dedicated department directors and staff, and the residents and businesses of Sandy Springs for the trust and partnership that make this work possible.

Respectfully submitted,

Eden E. Freeman
City Manager

Toni Carlisle
Chief Financial Officer