

**Budget Presentation to the Sandy Springs City Council was held Tuesday, May 25, 2010, at 5:00 p.m.**

City Manager John McDonough gave the following presentation.

**FY2011 Budget Calendar**

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|-----------|--------|---|
| • May 25  | 5:00pm | City Council Budget Presentation (Proposed Budget)          |
| • June 1  | 6:00pm | 1 <sup>st</sup> Public Budget Hearing                       |
| • June 15 | 6:00pm | Final Public Hearing & Adoption                             |
| • TBD     |        | 1 <sup>st</sup> Public Hearing on Millage Rate              |
| • TBD     |        | 2 <sup>nd</sup> Public Hearing on Millage Rate              |
| • TBD     |        | 3 <sup>rd</sup> Public Hearing on Millage Rate and Adoption |

**Review of Council's Adopted Priorities**

- Customer Service
  - Public Safety
  - Transportation
  - Recreation
  - Code Enforcement

**Budget Goals for FY2011**

- Continue to enhance Public Safety capabilities
- Ensure financial stability
- Address capital deficiencies that exist city wide by investing fund balance into transportation, parks and facilities capital improvement program
- Continue to leverage the flexibility of the public private partnership model by scaling resources to meet projected demand for services

**Budget Highlights for FY2011**

- Enhancement of public safety services
- Budget includes \$11.96M for the Capital Improvement Program
- City facilities land acquisition \$3.5M
- Capital contingency \$2.5M
- E-911 Center operation \$915k
- Police Fleet Replacement Program \$880k
- Citywide Software Acquisition \$600k
- Continued EMS subsidy for enhanced service \$450k
- Information/IT Services \$250k
- Community Appearance Program \$225k
- Park Facility Maintenance Program \$200k

**Update 2010 Gross Digest Status**

- The Value in Disputes must be below 3% in order to finalize the 2010 Digest,
  - The Tax Assessor expects this to be accomplished within the next two weeks
- Once completed, they will submit the 2010 Digest to the Department of Revenue to receive the required Letter of Authorization to proceed to lift the TCO;
  - Once lifted, they will compile and release the estimated 2010 Digest calculation
- Special meeting for Millage Rate Adoption

**In the News**

- **Fulton County to begin mailing Assessment Notices**  
 “Ninety percent of the notices will show a reduction in value. Because of new state regulations we have to include foreclosures and bank sales, and that, along with the downturn in the economy, is a major factor in the decreasing property values.”  
*Fulton County Chief Appraiser Burt Manning on Fulton County Web site*
  
- **Homeowners File Lawsuit To Halt Fulton Property Tax Bills**  
 ATLANTA -- A group of taxpayers filed a lawsuit this afternoon accusing Fulton County of overbilling thousands of homeowners. The suit asks a judge to keep the county from sending out its tax bills until the correct property values are determined.  
*WSB-TV, May 13, 2010*

**FY2011 General Fund Budget Summary**

Revenue	\$77,926,141
Expenditures	83,068,402
Use of Fund Balance	\$ 5,142,261

**Anticipated Amount for FY11 Capital**

June 30, 2009 Fund Balance	\$24,946,264
Add: Projected FY10 Revenue	87,022,468
Less: Projected FY10 Expenditures	(86,801,738)
Less: Target Fund Balance (25%)	<u>(20,000,000)</u>
<b>UNDESIGNATED FUND BALANCE</b>	<b>5,166,994</b>
Add: General Fund 2011 Contribution	11,992,739
Add: Capital Reserve	<u>1,681,474</u>
<b>TOTAL AMOUNT AVAILABLE FOR CAPITAL</b>	<b>18,841,207</b>
Less: Land Acquisition	(3,500,000)
Less: Capital Contingency	<u>(2,500,000)</u>
<b>TOTAL AVAILABLE FOR ALLOCATION</b>	<b>\$12,841,207</b>

**FY2011 Allocations to Capital Projects**

Capital Project Budget	\$17,960,000
General Fund Transfer	(16,700,000)
Use of Capital Reserve	<u>(1,260,000)</u>
Total	\$ 0

**General Fund Revenues (Excluding Fund Balance)**

Revenue Description	2011 Budget	Percent
Real/Personal Property Tax	\$27,186,474	34.9%
Local Option Sales Tax	19,250,000	24.7%
Business & Occupational Tax	8,000,000	10.3%
Franchise Fees	8,279,253	10.6%
Insurance Premium Tax	4,318,642	5.5%
All Other <sup>1</sup>	10,891,772	14.0%
<b>Grand Total</b>	<b>\$77,926,141</b>	<b>100%</b>

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<sup>1</sup>All Other is comprised primarily of Municipal Court, \$4,500,000; Alcoholic Beverage license and Excise tax \$1,544,965; Motor Vehicle Tax \$1,144,028; Hotel/Motel Tax \$940,152; and Recreation Fees \$504,405.

**Revenue FY2010 vs. FY2011**

	<b>2010 Projected Actual</b>	<b>2011 Budget</b>	<b>Variance</b>
Property Taxes	\$30,893,720	27,186,474	(3,707,246)
Local Option Sales Tax	20,276,882	19,250,000	(1,026,882)
Business & Occupational Tax	10,147,915	8,000,000	(2,147,915)
Franchise Fees	8,440,214	8,279,253	(160,961)
Insurance Premium Taxes	4,756,465	4,318,642	(437,823)
Other Revenues	12,507,270	10,891,772	(1,615,499)
<b>Total Revenues</b>	<b>\$87,022,468</b>	<b>\$77,926,141</b>	<b>(\$9,096,327)</b>

**General Fund Expenditures by Category**

<b>Expenditure Description</b>	<b>2011 Budget</b>	<b>Percent</b>
Public Safety	\$28,319,010	34.1%
Government Services Contracts	24,850,000	29.9%
Capital Improvement Program	16,700,000	20.1%
All Other Departments <sup>1</sup>	9,059,392	10.9%
Public Works	2,715,000	3.3%
Recreation and Parks	1,425,000	1.7%
<b>Grand Total</b>	<b>\$83,068,402</b>	<b>100%</b>

<sup>1</sup>All Other Departments includes City Council, City Manager, Finance, Legal, Municipal Court, General Administration and Contingencies.

**Expenditures FY2010 vs. FY2011**

	<b>2010 Projected Actual</b>	<b>2011 Budget</b>	<b>%Change</b>
City Council	153,948	153,289	-0.43%
City Manager	713,988	696,511	-2.45%
Contingency	1,735,000	1,700,000	-2.02%
General Operations	1,878,475	2,449,116	30.38%
Finance	376,069	1,211,937	222.26%
Legal	708,000	808,000	14.12%
Facilities & Buildings	1,520,400	1,550,200	1.96%
City Clerk	606,386	145,484	-76.01%
Municipal Court	420,500	709,315	68.68%
Police	16,851,352	16,364,423	-2.89%
Fire	9,726,641	9,909,027	1.88%
Emergency Services	1,491,000	1,628,600	9.23%
Public Works	2,234,365	2,715,000	21.51%
Recreation	997,500	1,325,000	32.83%
Community Development	52,500	52,500	0.00%
Anne Frank Park	160,000	100,000	-37.50%
Capital Contribution	23,681,842	16,700,000	-29.48%
Government Services Contracts	26,442,660	24,850,000	-6.02%

Total General Fund:	89,750,626	83,068,402	-7.45%
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**General Fund Expenditures Contingency Detail**

Description	2011 Budget
Salary Adjustment	\$400,000
Business Audit Settlement	300,000
Fire Department	300,000
Police Department	300,000
Matching Grants	250,000
City Manager Contingency	150,000
<b>Grand Total</b>	<b>\$1,700,000</b>

**Public Safety Enhancements**

- Update Public Safety Radio Infrastructure
- Community Policing Program to include an Explorer Program and Citizens on Patrol
- Implement first round of the vehicle replacement program by replacing 34 police vehicles
- Fire Hydrant Inspection Program to cover the inventory and inspection of the City's 3,000 fire hydrants
- Lucas Chest Compression Systems for each rescue unit and quints to improve victims chance of survival in cardiac arrest
- Replacement of personal protective equipment of 35 sets of fire fighter turn out gear

**FY2011 Capital Priority Projects**

Property Acquisition	\$3,500,000	18.6%
Capital Contingency	2,500,000	13.9%
Pavement Management/Resurfacing	2,500,000	13.9%
Sidewalks Program	1,850,000	10.3%
Stormwater Maintenance	1,800,000	10.0%
Morgan Falls Road	1,500,000	8.4%
Heritage Bluestone	1,500,000	8.4%
Abernathy Park Project	500,000	2.8%
Intersection Improvement Program	500,000	2.8%
Bridge Program	500,000	2.8%
Gymnastics Facility	500,000	2.8%
Chattahoochee River Bridge/Roswell Road	360,000	2.0%
Traffic Management System	250,000	1.4%
Lost Corners Preserve	200,000	1.2%
<b>Total</b>	<b>\$17,960,000</b>	<b>100.0%</b>

**FY2011 Other Funds**

	<b>FY09 Actual Revenues</b>	<b>FY10 Projected Revenues</b>	<b>FY11 Budgeted Revenues</b>
Confiscated Assets Fund	314,679	156,500	450,000
Emergency 911 Fund	0	2,250,000	2,843,861
Federal Grant Fund	2,770,853	700,000	1,668,027
Community Development Block Grant	0	584,487	1,227,615
Donations Fund	17,397	28,000	87,794

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Hotel/ Motel Fund	3,692,621	3,365,000	3,291,848
Capital Projects Fund <sup>1</sup>	30,238,187	25,000,000	65,298,921
Impact Fee Fund	85,003	26,000	144,976
Stormwater Management Fund	1,800,000	1,787,000	2,775,872

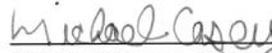
<sup>1</sup>Capital Projects Fund includes all unspent capital contributions from all sources since fund inception.

Date Approved: August 3, 2010



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Eva Galambos, Mayor



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Michael Casey, City Clerk