



## SANDY SPRINGS

GEORGIA

June 4, 2019

Dear Mayor, City Council and Citizens of Sandy Springs,

The proposed Fiscal Year (FY) 2020 budget was prepared based on established priorities and defined rankings developed at the Annual Retreat and from budget workshops held with City Council in May 2019. This proposed budget is submitted to the Sandy Springs City Council in compliance with State Law (O.C.G.A. § 36-81-2 et seq.) that provides the budget requirements for Georgia local governments.

The FY 2020 Budget provides for the same millage rate of 4.731 mills as last year and maintains adequate reserves in the fund balance to ensure sound fiscal integrity of the City in addition to meeting the criteria of credit rating agencies. The FY 2020 Budget includes resources that will allow the City to provide a high level of public safety services to the citizens of Sandy Springs. This proposed budget also provides capital funding to address a significant backlog of existing infrastructure deficiencies.

During budget workshops, Council received briefings about economic conditions and short-term economic outlook, budget planning assumptions, public safety needs, operating department requests for resources and capital programs. This FY 2020 Budget includes continued funding of \$50,000 for Art Sandy Springs, \$4,000,000 funding towards replacement of Fire Station 2, \$2,500,000 funding for a Cultural Center, \$1,500,000 for North End Revitalization, over \$2,000,000 for park projects including trail construction, \$10,700,000 for transportation infrastructure, and \$1,750,000 for stormwater infrastructure.

The proposed budget was developed following the Mayor and City Council's established priorities including: Commitment to Outstanding Customer Service, Public Safety Services, Transportation Improvements, Economic Development, Downtown Development, Community Appearance, Sustainable Growth, Water Reliability, Natural Resource Protection, North End Redevelopment and Recreation and Cultural Enhancement.

The FY 2020 General Fund Budget provides the following contributions to the Capital Fund according to the priorities outlined by the Mayor and City Council:



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1	Art Sandy Springs	50,000
2	Capital Contingency	(50,000)
3	Fire Station	4,000,000
4	Cultural Center	2,500,000
5	Hammond Park Improvements	250,000
6	Morgan Falls Overlook	250,000
7	Morgan Falls Athletic Fields	600,000
8	Ridgeview Park	125,000
9	Ison Springs Elementary IGA	250,000
10	City Trail Construction	750,000
11	North End Revitalization	1,500,000
12	Peachtree @ Telford Improvement Project	1,750,000
13	Signal Pre-Emption Emergency Response	700,000
14	SR 140 Holcomb @ Spalding ROW	450,000
15	Mt. Vernon @ Dupree Signal Upgrade	350,000
16	Transportation Master Plan	350,000
17	Pavement Management Program	3,800,000
18	City Beautification Program	350,000
19	Intersection & Operational Imp	500,000
20	Guardrail Replacement Program	350,000
21	Traffic Management Program	600,000
	<b>TOTAL</b>	<b>\$19,425,000</b>

The budget process included an assessment to determine the quality of services delivered and projected operational needs. The City Manager and Finance Director met with departments to assess projected goals and to discuss resources needed to meet these goals. Guidance and direction were also obtained through City Council workshops and City Council meetings.

Public hearings are scheduled to gain citizen input and enable all members of the City Council to better understand the needs of the entire community prior to budget adoption. The budget can be revised during the public hearings by the City Council. The Final budget is scheduled to be adopted by the City Council on June 18, 2019.

The proposed budgets for all operating, capital and special revenue funds total \$489,879,027. The City's General Fund provides for general government operations of the City and maintains adequate working capital necessary for the City's financial health and stability. This fund accounts for most of



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Sandy Springs' operations and has a budget of \$116,258,600. The remaining funds include: Performing Arts Center, Confiscated Assets, E-911, Tree Fund, Community Development Block Grant, Hotel/Motel, Rental Motor Vehicle Excise Tax, TSPLOST Projects, Capital Projects, Impact Fees, Public Facilities Authority, Stormwater Maintenance and Development Authority Funds. The Capital Project Fund, Public Facilities Authority Construction Fund, and the Stormwater Maintenance Fund (all capital construction funds) adopt project budgets where the adopted appropriations do not lapse at the end of a fiscal year, they remain in effect until project completion or re-appropriation by City Council.

The FY 2020 General Fund Budget provides for \$48,042,000 for personnel and related benefits; \$33,794,500 for operations and equipment; \$21,175,000 for capital improvement programs; and \$12,697,600 towards funding the other special funds. All eligible City employees may receive a 3% salary increase and are eligible for an additional bonus based on job performance if they meet certain standards.

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 Finance Director and the City Manager.

The City's fund balance is maintained at or above \$20,500,000. The purpose of fund balance is to provide adequate cash flow, to cover the cost of expenditures caused by unforeseen emergencies, to cover shortfalls caused by revenue declines, and to eliminate any short-term borrowing for cash flow purposes.

The FY 2020 Budget was developed with the following objectives:

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

The focus on the FY 2020 Budget is to provide excellent services to our citizens and business customers and to continue to allocate significant resources dedicated to improving the City's quality of life.



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### **Performing Arts Center Fund**

This fund is used to account for activities, staffing and operations within the City Springs Performing Arts Center. These funds are currently used to operate the performing arts center and parking contracts. The amount estimated to be expensed for the FY 2020 budget is \$3,619,800.

### **Confiscated Assets Fund**

This fund is used to account for amounts seized by the police department from narcotics arrests in conjunction with other state and federal agencies. These funds are used by the police department to augment their general fund budget and can only be spent on law enforcement programs or activities. Generally, seizures can vary greatly from one year to the next and are not easily budgeted. However, using conservative figures for incoming funding plus the amounts that have remained unspent from previous years, the FY 2020 budget has been set at \$200,000.

### **E-911 Fund**

This fund accounts for the revenues received from the 911 surcharge on telephone bills. The City of Sandy Springs participates in a joint venture with the City of Johns Creek for E-911 operations. All taxes collected in this fund are dedicated to a separate operating authority - Chattahoochee River 911 Authority. The amount estimated to be collected for the FY 2020 budget is \$2,900,000.

### **Tree Fund**

This fund accounts for revenues received from development that reduces tree canopy below mandated minimums. All revenues collected in this fund are used to enhance tree canopy on Right of Way and in public parks. The amount estimated to be spent for the FY 2020 budget has been set for \$370,000.

### **Community Development Block Grant Fund (CDBG)**

The CDBG fund is used to account for funds received through an entitlement award as a result of federal congressional appropriations. The City's adopted plan directs that the awards be used for construction of infrastructure (primarily sidewalks) in the city. The City recently participated in the Section 108 Loan program in order to advance larger projects. We are currently accounting for the loan proceeds exceeding \$2.7 million as well as two awards: 2017 and 2018. The Total FY 2020 budget is \$734,301.

### **Hotel/Motel Fund**

The room taxes imposed upon hotels and motels located within the City are accounted for in this fund. A portion of these funds can be retained by the City and a portion is expended for a narrow range of projects and activities established by State Law (O.C.G.A. § 48-13-51). These funds are currently distributed as follows: the City General Fund - 28.56%, the Sandy Springs Hospitality Board - 32.14%



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and the City General Fund for benefit of the City Springs Performing Arts Center - 39.30%. The anticipated taxes budgeted for FY 2020 are \$5,250,000.

### **Rental Motor Vehicle Excise Tax Fund**

The excise taxes levied upon each rental charge collected by any rental motor vehicle concern located within the City are accounted for in this fund (O.C.G.A. § 48-13-93). These funds were previously reported within the General Fund. The anticipated taxes budgeted for FY 2020 are \$105,000.

### **TSPLOST Projects Fund**

This fund accounts for all capital projects under the Transportation Special Purpose Local Option Sales Tax approved by referendum in November 2016. Funds are derived from the collections to be received through 2022. The appropriations in this fund do not lapse at year-end, but rather, unspent amounts are carried forward to future periods until the individual projects are completed. The total added funding for this fund in the FY 2020 budget is \$58,443,695.

### **Capital Projects Fund**

This fund accounts for all facilities, parks, and infrastructure construction in the City. Funds are derived from contributions from the General Fund as well as other grants and funding sources. The appropriations in this fund do not lapse at year-end, but rather, unspent amounts are carried forward to future periods until the individual projects are completed. The total funding for this fund in the FY 2020 budget is \$19,425,000.

### **Impact Fee Fund**

Impact fees are amounts assessed on construction development projects to offset the anticipated cost of additional infrastructure needed as a result of the new development. These funds, although collected in this fund, are dedicated to capital projects, which are accounted for in the Capital Projects Fund. The amount expected to be collected in the FY 2020 budget is \$1,015,000.

### **Public Facilities Authority Fund**

This fund accounts for the City Springs project, which will include a new performing arts center (PAC), public meeting spaces, a studio theater, city office space and public parking facilities. Funds are derived from contributions from the General Fund, bond proceeds, the sale of City assets and other funding sources. The construction appropriations in this fund do not lapse at year-end, but rather, unspent amounts are carried forward to future periods until the project is complete by the end of FY 2020. The current construction budget is \$229,212,000. The operations appropriations for the PAC, which includes debt service related to the bond issuance for the Project, will continue once construction is complete. The total funding for debt service and operations in the FY 2020 budget is \$9,761,150.



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### **Stormwater Maintenance Fund**

This fund accounts for construction projects related to stormwater infrastructure improvements. Currently, the General Fund is the sole source of revenues for this fund. The FY 2020 budget for this fund is \$3,172,159.

### **Development Authority Fund**

This fund accounts for revenues and expenditures related to ongoing development projects within the City. The FY 2020 budget for this fund is \$653,750.

Sandy Springs FY 2020 Budget is the culmination of the City's Priority Driven Programming process that reflects Council's established priorities and significant citizen engagement and feedback throughout the previous fiscal year. This budget provides the needed resources to services and projects that meet the needs of citizens now and in the future.

Respectfully Submitted,

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John McDonough  
City Manager

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Karen Ellis  
Finance Director

STATE OF GEORGIA  
COUNTY OF FULTON

**ORDINANCE TO PROVIDE FOR THE ADOPTION OF A BUDGET, ITS EXECUTION  
AND EFFECT FOR THE FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE  
30, 2020**

**BE IT ORDAINED** by the Mayor and City Council of the City of Sandy Springs, Georgia:

**Section I.** There is hereby adopted for the fiscal year July 1, 2019 through June 30, 2020, a budget for the City of Sandy Springs, Georgia in the gross total amount of \$489,879,027, based on the budget estimates as prepared by the City Manager. 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.

**Section II. General Fund.** There is hereby established a General Fund for the City of Sandy Springs with an appropriation of \$116,258,600, for the general obligations and legal obligations in FY 2020.

General Fund revenues for the fiscal year are estimated as follows:

Taxes	\$	86,775,000
Licenses and Permits		2,495,000
Charges for Services		820,000
Fines & Forfeitures		2,500,000
Investment Income		1,000,000
Other Revenue		534,120
Transfer from Hotel Motel		4,267,650
<b>Total Estimated General Fund Revenues</b>	<b>\$</b>	<b>98,391,770</b>
Use of Prior Year Fund Balance		17,866,830
<b>Total Estimated General Fund Funding Sources</b>	<b>\$</b>	<b>116,258,600</b>

Should the total estimated revenues received exceed the amount estimated, the City Council shall allocate such excess to the General Fund subject to further action.

There is appropriated for the general operation and payment of certain legal obligations of the City of Sandy Springs for the fiscal year 2020 a total of \$116,258,600, or as much as may be deemed necessary, not to exceed this amount and such sums shall be disbursed from the following:

**ORDINANCE NO. 2020-06-XX-**

City Council	\$	226,400
City Manager		1,080,900
City Clerk		531,900
Finance		2,355,600
City Attorney		900,000
Information Services		2,836,000
Human Resources		670,300
Facilities		5,167,600
Communications		2,023,000
General Administration		3,023,500
Municipal Court		1,525,600
Police		23,848,100
Fire		15,575,200
Emergency Medical/Services		1,503,300
Public Works		12,398,800
Fleet Services		303,900
Recreation		4,039,200
Community Development		4,019,200
Economic Development		357,500
Other Financing Uses		33,872,600
<b>Total Estimated General Fund Expenditures</b>	<b>\$</b>	<b>116,258,600</b>

**Section III. Performing Arts Center Fund.** There is hereby established a Performing Arts Center Fund for the City of Sandy Springs with an appropriation of \$3,619,800.

Revenues for the Performing Arts Center Fund shall be from the following sources:

PAC Revenues	\$	918,800
Transfer from General Fund		2,701,000
<b>Total Performing Arts Center Fund Revenues</b>	<b>\$</b>	<b>3,619,800</b>

The following disbursements are authorized for the fiscal year 2020:

PAC Operations	\$	3,619,800
<b>Total Performing Arts Center Fund Expenditures</b>	<b>\$</b>	<b>3,619,800</b>

**Section IV. Confiscated Assets Fund.** There is hereby established a Confiscated Assets Fund for the City of Sandy Springs with an appropriation of \$200,000.

Revenues for the Confiscated Assets Fund shall be from the following sources:

**ORDINANCE NO. 2020-06-XX-**

Federal /State Seized Funds	\$ 200,000
<b>Total Confiscated Assets Fund Revenues</b>	<b>\$ 200,000</b>

The following disbursements are authorized for the fiscal year 2020:

Police Operations	\$ 200,000
<b>Total Confiscated Assets Fund Expenditures</b>	<b>\$ 200,000</b>

**Section V. Emergency 911 Fund.** There is hereby established an Emergency 911 Fund for the City of Sandy Springs with an appropriation of \$2,900,000.

Revenues for the Emergency 911 Fund shall be from the following sources:

Charges for Services	\$ 2,900,000
<b>Total Emergency 911 Fund Revenues</b>	<b>\$ 2,900,000</b>

The following disbursements are authorized for the fiscal year 2020:

Transfer to Chattahoochee River 911 Authority	\$ 2,900,000
<b>Total Emergency 911 Fund Expenditures</b>	<b>\$ 2,900,000</b>

**Section VI. Tree Fund.** There is hereby established the Tree Fund for the City of Sandy Springs with an appropriation of \$370,000.

Revenues for the Tree Fund shall be from the following sources:

Use of Prior Year Fund Balance	\$ 270,000
Development Impact Fees	100,000
<b>Total Tree Fund Revenues</b>	<b>\$ 370,000</b>

The following disbursements are authorized for the fiscal year 2020:

Tree Fund Projects	\$ 370,000
<b>Total Tree Fund Expenditures</b>	<b>\$ 370,000</b>

**Section VII. Community Development Block Grant Fund.** There is hereby established a Community Development Block Grant Fund for the City of Sandy Springs with an appropriation of \$734,301.

Revenues for the Community Development Block Grant Fund shall be from the following sources:

**ORDINANCE NO. 2020-06-XX-**

Use of Prior Year Fund Balance	\$	68,358
2017 CDBG Award		40,755
2018 CDBG Award		625,188
<b>Total Community Development Block Grant Revenues</b>	<b>\$</b>	<b>734,301</b>

The following disbursements are authorized for the fiscal year 2020:

2017 CDBG Award	\$	434,764
2018 CDBG Award		574,431
Principal & Interest Payment		68,358
<b>Total Community Development Block Grant Expenditures</b>	<b>\$</b>	<b>734,301</b>

**Section VIII. Hotel/Motel Tax Fund.** There is hereby established a Hotel/Motel Tax Fund for the City of Sandy Springs with an appropriation of \$5,250,000.

Revenues for the Hotel/Motel Tax Fund shall be from the following sources:

Taxes	\$	5,250,000
<b>Total Hotel/Motel Tax Fund Revenues</b>	<b>\$</b>	<b>5,250,000</b>

The following disbursements are authorized for the fiscal year 2020:

Transfer to General Fund for Public Facilities Authority	\$	2,063,250
Transfer to General Fund		1,499,400
Transfer to Sandy Springs Hospitality Board		1,687,350
<b>Total Hotel/Motel Tax Fund Expenditures</b>	<b>\$</b>	<b>5,250,000</b>

**Section IX. Rental Motor Vehicle Excise Tax Fund.** There is hereby established a Rental Motor Vehicle Excise Tax Fund for the City of Sandy Springs with an appropriation of \$105,000.

Revenues for the Rental Motor Vehicle Excise Tax Fund shall be from the following sources:

Taxes	\$	105,000
<b>Total Rental Motor Vehicle Excise Tax Fund Revenues</b>	<b>\$</b>	<b>105,000</b>

The following disbursements are authorized for the fiscal year 2020:

Transfer to General Fund	\$	105,000
<b>Total Rental Motor Vehicle Excise Tax Fund Expenditures</b>	<b>\$</b>	<b>105,000</b>

**ORDINANCE NO. 2020-06-XX-**

**Section X. TSPLOST Fund.** There is hereby established a Capital Projects Fund for the City of Sandy Springs in relation to the Transportation Special Purpose Local Option Sales Tax (TSPLOST) with an appropriation of \$58,443,695

Revenues for the TSPLOST Fund shall be from the following sources:

Taxes	\$ 58,443,695
<b>Total Estimated TSPLOST Fund Revenues</b>	<b>\$ 58,443,695</b>

The following disbursements are authorized for the fiscal year 2020:

TSPLOST Approved Capital Projects	\$ 44,358,086
Carryforward from Prior Year	14,085,609
<b>Total TSPLOST Fund Expenditures</b>	<b>\$ 58,443,695</b>

**Section XI. Capital Projects Fund.** There is hereby established a Capital Projects Fund for the City of Sandy Springs with an appropriation of \$58,183,572.

Revenues for the Capital Projects Fund shall be from the following sources:

Federal, State & Other Outside Funding	\$ 10,820,000
Transfer In from General Fund	19,425,000
<b>Total Estimated Capital Fund Revenues</b>	<b>\$ 30,245,000</b>
Use of Prior Year Fund Balance	27,938,572
<b>Total Estimated Capital Funding Sources</b>	<b>\$ 58,183,572</b>

The following disbursements are authorized for the fiscal year 2020:

Art Sandy Springs	\$ 131,865
Capital Contingency	4,971,872
Capital Purchase - Computer Eqpt	457,903
Heritage Blue Stone Facility	398,400
Fire Station	4,000,000
Trowbridge Facility	937,998
Backup 911 Center	500,000
Cultural Center	2,500,000
Land Acquisition	4,454,891

**ORDINANCE NO. 2020-06-XX-**

Transmission Relocation	2,730,000
Sandy Springs Circle Phase 2	4,990,015
SS Tennis Center	176,333
Hammond Park Improvements	371,048
Morgan Falls Overlook	291,530
Morgan Falls Athletic Fields	600,000
Allen Road Park	176,527
Ridgeview Park	125,000
Old Riverside Dr Park	248,561
Crooked Creek Park	214,517
City Green Amphitheatre	28,069
Ison Springs Elementary IGA	250,000
Path Foundation Trail Master Plan	2,800
City Trail Construction	750,000
Roswell Road SS Phase I	1,931,530
Chattahoochee Pedestrian Bridge	710,628
Glenridge @ Roswell Rd Intersection	121,772
Carpenter Drive Realignment	270,383
Hammond PD Glenridge ATMS	40,947
I-285/SR 400 Shared Use Trail	1,000,000
City Ctr Transportation Network	1,112,208
Bike/Ped/Trail Design & Implem	342,653
Hilderbrand Streetscape	70,300
City Springs Streetscape	1,669,877
North End Revitalization	1,750,000
Peachtree @ Telford Improvement Project	1,750,000
Signal Pre-Emption Emrergency Response	700,000
SR 140 Holcomb @ Spalding ROW	450,000
Mt. Vernon @ Dupree Signal Upgrade	350,000
Transportation Master Plan	350,000
Water Reliability Program	614,926
Pavement Management Program	8,970,524
City Beautification Program	402,572
Sidewalk Program	374,044
Intersection & Operational Imp	1,036,197
Guardrail Replacement Program	570,044
Underground Utility Program	1,000,000
Bridge & Dam Maintenance	2,263,972
Traffic Management Program	922,987
Traffic Calming	100,681
<b>Total Capital Project Fund Expenditures</b>	<b>\$ 58,183,572</b>

**ORDINANCE NO. 2020-06-XX-**

**Section XII. Impact Fee Fund.** There is hereby established an Impact Fee Fund for the City of Sandy Springs with an appropriation of \$1,015,000.

Revenues for the Impact Fee Fund shall be from the following sources:

Charges for Services	\$ 1,015,000
<b>Total Impact Fee Fund Revenues</b>	<b>\$ 1,015,000</b>

The following disbursements are authorized for the fiscal year 2020:

Transfers to Other Funds	\$ 1,015,000
<b>Total Impact Fee Fund Expenditures</b>	<b>\$ 1,015,000</b>

**Section XIII. Public Facilities Authority Fund.** There is hereby established a Public Facilities Authority Fund for the City of Sandy Springs with an appropriation of \$238,973,150.

Revenues for the Public Facilities Authority Fund shall be from the following sources:

Transfers in From General Fund	\$ 36,525,119
Transfer in From Capital Project Fund	21,298,031
Sale of Assets	9,000,000
Revenue Bond Proceeds	171,400,000
Interest Income	750,000
<b>Total Public Facilities Authority Fund Revenues</b>	<b>\$ 238,973,150</b>

The following disbursements are authorized for the fiscal year 2020:

Professional Services	\$ 19,173,125
Infrastructure	196,882,073
Infrastructure-Other	775,000
Infrastructure-Special	10,945,260
Contingencies	1,436,542
Debt Service	9,761,150
<b>Total Public Facilities Authority Fund Expenditures</b>	<b>\$ 238,973,150</b>

**Section XIV. Stormwater Management Fund.** There is hereby established a Stormwater Management Fund for the City of Sandy Springs with an appropriation of \$3,172,159.

Revenues for the Stormwater Management Fund shall be from the following sources:

Transfer in From General Fund	\$ 1,750,000
Use of Prior Year Fund Balance	1,422,159
<b>Total Stormwater Management Fund Revenues</b>	<b>\$ 3,172,159</b>

The following disbursements are authorized for the fiscal year 2020:

Infrastructure/Improvements	\$ 3,172,159
<b>Total Stormwater Management Fund Expenditures</b>	<b>\$ 3,172,159</b>

**Section XV. Development Authority Fund.** There is hereby established a Development Authority Fund for the City of Sandy Springs with an appropriation of \$653,750.

Revenues for the Development Authority Fund shall be from the following sources:

Contract Payments	\$ 600,000
Use of Prior Year Fund Balance	53,750
<b>Total Development Authority Fund Revenues</b>	<b>\$ 653,750</b>

The following disbursements are authorized for the fiscal year 2020:

Operations	\$ 53,750
Transfers to General Fund	600,000
<b>Total Development Authority Fund Expenditures</b>	<b>\$ 653,750</b>

**APPROVED AND ADOPTED** by the Mayor and City Council of the City of Sandy Springs, Georgia, in regular session this 18th day of June 2019.

APPROVED:

\_\_\_\_\_  
Russell K. Paul, Mayor

ATTEST:

\_\_\_\_\_  
Coty Thigpen, City Clerk