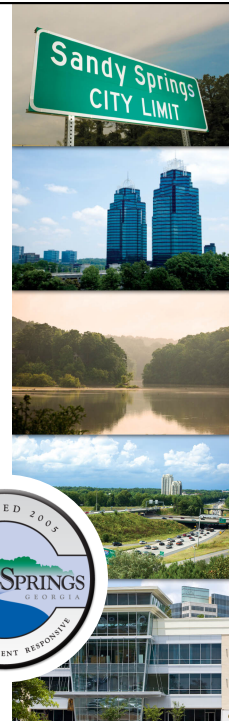
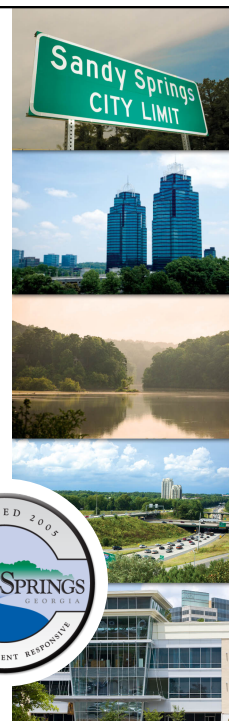


FY2014 BUDGET WORKSHOP #2

May 7, 2013



John McDonough City Manager



FY14 Budget Calendar

3

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 st Public Hearing on FY14 Budget and Discussion
June 18	Final Public Hearing and Adoption by City Council

Workshop Goals

4

- Receive feedback and direction from City Council as we develop the FY14 Budget
- Review and validate FY14 planning assumptions
- Understand public safety, public works, community development and parks priorities as part of an overall Citywide service delivery and capital program

Budget Principles

5

- 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

6



FY14 Budget Assumptions - Operating

7

- Decline in revenues (property tax and franchise fees) -
-\$2,946,103 (-3.55%)
- 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 Assumptions - Capital

8

- 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**
- 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 - **\$4,554,882**

City Center Phase I Funding Plan FY14 Recommended Allocation

9

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
TOTAL	\$25,639,472	\$58,481,400	\$13,500,000

Fund Balance Reserve

10

- 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

11

June 30, 2012 General Fund Balance	\$ 33,109,813
Add: FY13 Projected Revenues	83,033,223
Less: FY13 Projected Expenditures	88,876,813
Subtotal	27,266,222
Less: Fund Balance Reserve (31.24%)	(20,000,000)
YEAR END ESTIMATED UNDESIGNATED GENERAL FUND BALANCE	\$ 7,266,222

Revenue FY2013 vs. FY2014

12

	2013 Projected	2014 Budget	Variance
Property Taxes	28,697,589	28,250,000	(447,589)
Sales Tax	23,736,636	23,470,000	(266,636)
Business & Occupational Tax	8,500,000	7,750,000	(750,000)
Franchise Fees	9,147,092	9,075,000	(72,092)
Insurance Premium Taxes	4,675,766	4,300,000	(375,766)
Other Revenues	8,276,138	7,242,120	(1,034,018)
Total Revenues	\$83,033,223	\$80,087,120	(\$2,946,103)

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	23,338,559	-20.53%
Total General Fund:	\$88,876,813	\$93,623,126	\$87,353,342	-6.70%

*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%
Total		3.14%	\$12,459,409.09	\$13,166,230.34	5.67%

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

14

Review of Potential FY14 Citywide Capital Projects

Citywide Capital Projects (Consolidated Rankings)

1. Rank Categories		
2. Estimate Allocation within Each Category		
Priority		Proposed
	Abernathy Greenway Park	750,000
	Abernathy/Johnson Ferry Roadway Improvements	500,000
	Bridge and Dam Improvement Program (Ped Bridge on Dunwoody Club)	250,000
	Hammond Park Improvements	250,000
	Intersection Improvement Program	300,000
	Lost Corner Preserve	425,000
	Pavement Management/Resurfacing	3,000,000
	Roswell Road Streetscape - City Limit North to Long Island Design (T-0019)	150,000
	Sandy Springs Tennis Center Improvements - Phase I	500,000
	Sidewalk Program	500,000
	Traffic Management Center	350,000
TOTAL		\$6,975,000

15

Review of Potential FY14 Citywide Capital Projects

Citywide Capital Projects (Consolidated Rankings)

1. Rank Categories		
2. Estimate Allocation within Each Category		
PRIORITY		Est. Allocation
1	Pavement Management/Resurfacing	\$3,000,000
2	Traffic Management Center	\$350,000
2	Abernathy Greenway Park	\$750,000
4	Intersection Improvement Program	\$300,000
5	Abernathy / Johnson Ferry Roadway Improvements	\$500,000
6	Bridge and Dam Improvement Program (Ped Bridge on Dunwoody Club)	\$250,000
7	Sidewalk Program	\$500,000
8	Lost Corner Preserve	\$425,000
9	Roswell Road Streetscape - City Limit North to Long Island Design (T-0019)	\$150,000
9	Hammond Park Improvements	\$250,000
11	Sandy Springs Tennis Center Improvements - Phase I	\$500,000
	Total	\$6,975,000

16






Recommended FY14 Citywide Capital Projects


Citywide Capital Projects (Consolidated Rankings)

1. Rank Categories			
2. Estimate Allocation within Each Category			
PRIORITY		Est. Allocation	Amount
1	Pavement Management/Resurfacing	\$3,000,000	\$3,000,000
2	Traffic Management Center	\$350,000	\$350,000
2	Abernathy Greenway Park	\$750,000	\$750,000
4	Intersection Improvement Program	\$300,000	\$300,000
5	Abernathy / Johnson Ferry Roadway Improvements	\$500,000	\$154,882
6	Bridge and Dam Improvement Program (Ped Bridge on Dunwoody Club)	\$250,000	
7	Sidewalk Program	\$500,000	
8	Lost Corner Preserve	\$425,000	
9	Roswell Road Streetscape - City Limit North to Long Island Design (T-0019)	\$150,000	
9	Hammond Park Improvements	\$250,000	
11	Sandy Springs Tennis Center Improvements - Phase I	\$500,000	
	Total	\$6,975,000	

Amount Available \$4,554,882

DISCUSSION



Agenda for Workshop #3

19

- May 21, 2013 – 4 PM
 - Present recommended FY2014 Budget