FY2009 Budget Workshop #1
Unfinished Business
Workshop #1 – Unfinished Discussion Items

1. Sidewalk Program Update
2. Stormwater Program Update
Sidewalk Program Around Schools - $4.23M

- Lake Forrest Elementary $950,000
- Woodland Charter Elementary $75,000
- Spalding Drive Charter Elementary $2,500,000
- Riverwood High School $150,000
- Ridgeview Middle School $445,000
Sidewalk Program Collector Streets - $65.0M

- Arterial and Collector Roads in City Limits – 100 miles
- Cost estimate per mile is $1.3M
- Arterial and Collector Roads sidewalks – $65.0M

- Sidewalk Gap Closure Program - TBD
Stormwater Maintenance Program

- **Adopted in CIP Program ($250,000 in ’08)**
  - Complete maintenance projects per Stormwater Policy
  - Develop long-term plan for funding source

- **Projects in Progress**
  - 5975 Riverwood Drive (under construction)
  - 5335 Northside Drive (awarded)
  - 230 Glenlake (under design)

- **’09 Goals ($2.1M) Revised**
  - Maintenance program in accordance with current stormwater program (current requests estimated > $5,000,000) $500K
  - Implement programs per regulatory requirements $1.6M
Stormwater Regulatory Requirements $1.6M

- Survey/Map (Accelerated Program) $881K
  - Maintenance Assessment
  - Structural Assessment
  - GBA Maintenance Program
  - Implement programs per regulatory requirements
- Public Information $32K
- Watershed Improvement Plans $164K
- Flood Plain Mapping $114K
- Water Quality Monitoring $153K
- All Other $211K
FY2009 Budget Workshop #2
FY2009 Budget Calendar

- March – April: Departmental Budget Hearings/Finance Review Phase
- April – May: Senior Management/Mayor Review Phase
- May 27: City Council Budget Presentation (Proposed Budget)
- June 3: First Public Hearing/Budget Workshop
- June 10: Second Public Hearing/Budget Workshop
- June 17: Final Public Hearing & Adoption, City Council
Budget Workshop Goals

- To receive feedback and direction from City Council as we develop the FY2009 Budget
- Review and validate FY2009 planning assumptions
- Understand public safety, public works, community development and parks priorities as part of an overall Citywide service delivery and capital program
Review of Council’s Adopted Priorities

- Public Safety
- Transportation
- Planning and Zoning
- Parks
Budget Principles

- **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.

- **Balance current year revenue with current year expenses.**
  - Using fund balance to finance a program creates a "built in increase" in the future. It is not unlike the idea of using one-time funding for ongoing expenses.
Budget Principles

- Compliance with adopted Budgetary Policies
- Economic impact on revenues of a mild recession (Sales Tax, Business License, Building Permits)
- Sandy Springs legislated restrictions:
  - 4.731 Legislative Millage Rate cap
  - 3% Residential growth cap
## Anticipated Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Taxes</td>
<td>$27,317,000</td>
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<tr>
<td>Local Option Sales Tax</td>
<td>22,073,000</td>
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<tr>
<td>Business License</td>
<td>11,600,000</td>
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<tr>
<td>Franchise Fees</td>
<td>8,202,000</td>
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<tr>
<td>Insurance Premium Tax</td>
<td>4,783,000</td>
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<tr>
<td>All Other Revenue</td>
<td>14,547,000</td>
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</tbody>
</table>

**TOTAL REVENUES** $88,522,000
Operating Assumptions

- Emergency services start-up $3.0M
- NPDES/MS4 permit compliance $1.6M
- CH2M HILL contractual adjustment $1.0M
- Operational baseline adjustments $775K
- Salary adjustment for employees $550K
- Public Safety facility improvements $300K
- Water infrastructure evaluation $250K
Capital Assumptions

- Paving Program $6.5M
- Facility Program $2.75M
- Abernathy Greenway $1.08M
- Park Facility Program $500K
- Stormwater Repairs $500K
- CIP-T Program $253K (correction - $231K)
- Bridge Program $250K
## FY2009 Anticipated Expenditures

### Anticipated Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Departments</td>
<td>$65,499,283</td>
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<tr>
<td>Capital Projects</td>
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<tr>
<td>Contingency</td>
<td>$1,550,000</td>
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<td>Budget Stabilization Reserve</td>
<td>$2,500,000</td>
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<td><strong>TOTAL EXPENDITURES</strong></td>
<td><strong>$83,610,283</strong></td>
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</table>

- Note: Final Expenditures will balance with Anticipated Revenue once direction has been received in capital allocation.
## Estimated Capital Needs

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Sidewalk Program</td>
<td>$69,400,000</td>
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<tr>
<td>Paving Program</td>
<td>$40,000,000</td>
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<tr>
<td>City Hall</td>
<td>$33,400,000</td>
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<tr>
<td>New Police &amp; Court House</td>
<td>$31,080,000</td>
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<tr>
<td>Hammond Park</td>
<td>$20,000,000</td>
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<tr>
<td>Stormwater Projects</td>
<td>$15,000,000</td>
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<tr>
<td>Abernathy Park (Formal)</td>
<td>$13,200,000</td>
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<tr>
<td>CIP Concept Projects</td>
<td>$7,500,000</td>
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<tr>
<td>Fire Station (Std)</td>
<td>$5,600,000</td>
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<tr>
<td>Morgan Falls Park</td>
<td>$5,000,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$240,180,000</strong></td>
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</table>
Fund Balance Reserve

- Adopted as part of the approved Budgetary Policy
- Fund Balance is the cash reserves 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 two (2) months of operating and debt expenditures (16%)
**Fund Balance Analysis**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>$9,100,000</td>
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<tr>
<td>Projected Revenue Surplus</td>
<td>$10,000,000</td>
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<tr>
<td>Projected Expenditure Savings</td>
<td>$4,500,000</td>
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<tr>
<td>Designated Fund Balance (16%)</td>
<td>-$14,200,000</td>
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<tr>
<td><strong>Undesignated Fund Balance</strong></td>
<td><strong>$9,400,000</strong></td>
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</table>
Undesignated Fund Balance Options

1. Increase Fund Balance Reserve beyond 16% minimum to obtain higher credit rating (Aaa)
   25% - $22.1M; 30% - $26.6M

2. Allocate undesignated funds to expedite an existing capital project or partially funded project

3. Allocate undesignated funds to a capital reserve for future projects (greenspace, parks, facilities, roads)

4. Combination of the above
### Review of Council’s Adopted Priorities

#### Citywide Capital Projects (Consolidated Rankings)

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<th>PRIORITY</th>
<th>Rank</th>
<th>Budget</th>
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<td>9</td>
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<td>1</td>
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<tr>
<td>2</td>
<td></td>
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<td>3</td>
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<td>$410,000</td>
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<td>9</td>
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<td>10</td>
<td></td>
<td>$500,000</td>
</tr>
<tr>
<td>11</td>
<td></td>
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</tr>
</tbody>
</table>

#### 1. Rank Categories

- **Priority 1:** CIP Concept Projects
  - Dunwoody Club at Spalding Drive (T-0016)
  - Riverside Drive Sidewalks (Old Riverside to Heards Ferry) (T-0017)
  - Windsor Parkway Sidewalks (Roswell Road to High Point: T-0020)
  - Hammond Widening (T-0024)
  - Dunwoody Place Improvements (T-0025)
  - Peachtree Dunwoody Road Improvements (T-0026)

- **Priority 2:** Intersection Improvement Enhancement Program

- **Priority 3:** Park Prioritization
  - Abernathy Greenway
  - Hammond Park Master Plan
  - Johnson Ferry/Riverside Park
  - Morgan Falls Athletic Fields
  - Morgan Falls River Park
  - Ridgview Park
  - Sandy Springs Tennis Center

- **Priority 4:** Public Safety and General Government Facilities
  - City Hall
  - Court
  - Emergency Services (E911)
  - Fire
  - Land for City Hall
  - Police

- **Priority 5:** Sidewalk Program
- **Priority 6:** Stormwater Improvement Projects
- **Priority 7:** Stormwater Utility Development
- **Priority 8:** Traffic Signals, Signs & Markings Program