



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**

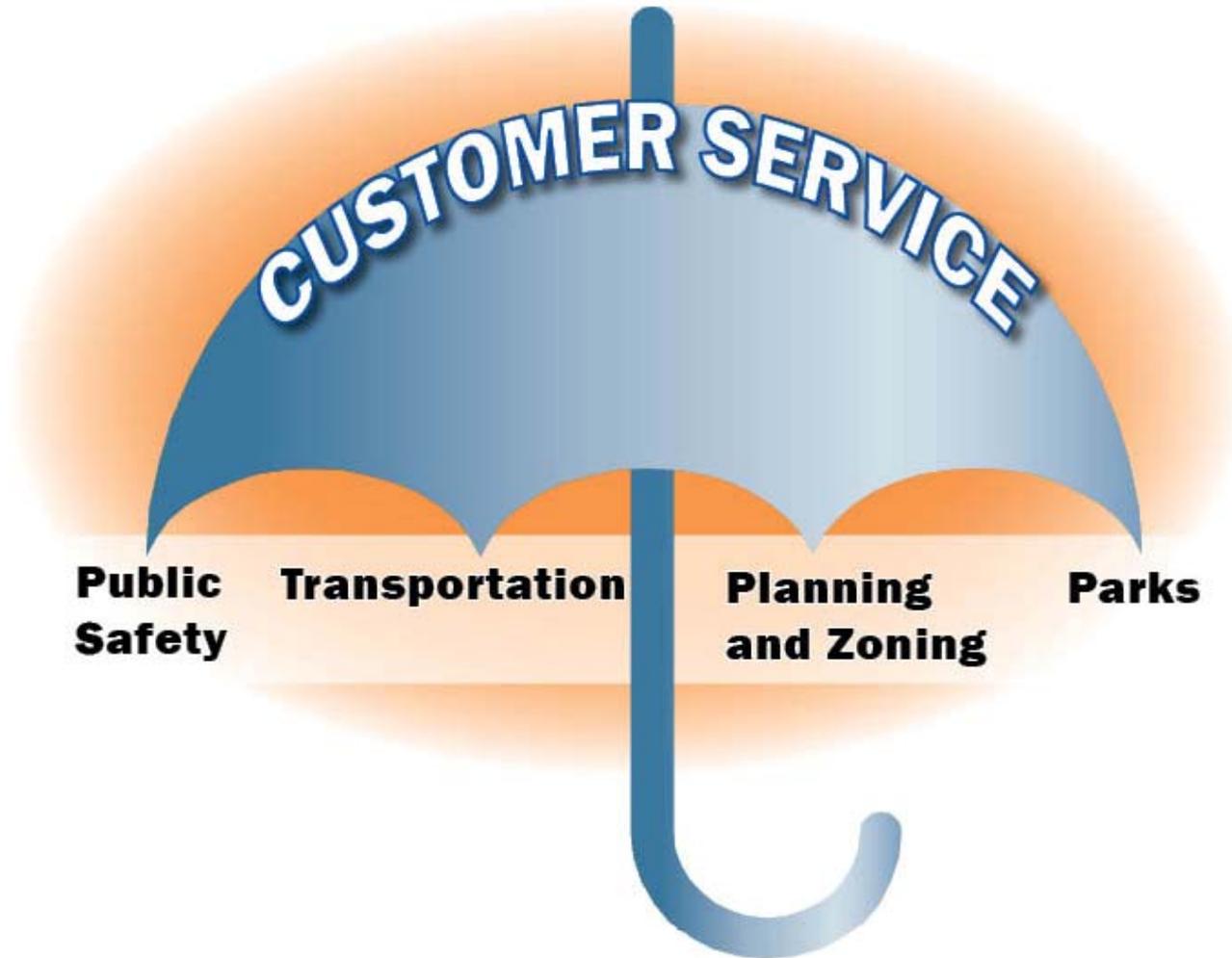


Budget Workshop Goals

- **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



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



FY2009 Anticipated Revenues

Anticipated Revenues

| Description | Amount |
|------------------------|---------------|
| Real Estate Taxes | \$27,317,000 |
| Local Option Sales Tax | 22,073,000 |
| Business License | 11,600,000 |
| Franchise Fees | 8,202,000 |
| Insurance Premium Tax | 4,783,000 |
| All Other Revenue | 14,547,000 |

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

| Description | Amount |
|------------------------------|---------------------|
| Departments | \$65,499,283 |
| Capital Projects | \$14,061,000 |
| Contingency | \$1,550,000 |
| Budget Stabilization Reserve | \$2,500,000 |
| TOTAL EXPENDITURES | \$83,610,283 |

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



Estimated Capital Needs

| | |
|----------------------------|---------------|
| ➤ Sidewalk Program | \$69,400,000 |
| ➤ Paving Program | \$40,000,000 |
| ➤ City Hall | \$33,400,000 |
| ➤ New Police & Court House | \$31,080,000 |
| ➤ Hammond Park | \$20,000,000 |
| ➤ Stormwater Projects | \$15,000,000 |
| ➤ Abernathy Park (Formal) | \$13,200,000 |
| ➤ CIP Concept Projects | \$7,500,000 |
| ➤ Fire Station (Std) | \$5,600,000 |
| ➤ Morgan Falls Park | \$5,000,000 |
| ➤ Total | \$240,180,000 |



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%)



FY2009 Anticipated Undesignated Fund Balance

Fund Balance Analysis

| Description | Amount |
|-------------------------------|---------------|
| Beginning Fund Balance | \$9,100,000 |
| Projected Revenue Surplus | \$10,000,000 |
| Projected Expenditure Savings | \$4,500,000 |
| Designated Fund Balance (16%) | -\$14,200,000 |

| | |
|----------------------------------|--------------------|
| Undesignated Fund Balance | \$9,400,000 |
|----------------------------------|--------------------|



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)

| 1. RANK CATEGORIES | | | |
|--------------------|--|------------|-------------|
| (Rank 1-9) | 2. Rank Projects Within Each Category | | |
| PRIORITY | | Rank | Budget |
| 9 | Bridge Maintenance Program | | \$250,000 |
| 1 | CIP Concept Projects | (Rank 1-6) | |
| | Dunwoody Club at Spalding Drive (T-0016) | 1 | \$500,000 |
| | Riverside Drive Sidewalks (Old Riverside to Heards Ferry) (T-0017) | 5 | |
| | Windsor Parkway Sidewalks (Roswell Road to High Point: T-0020) | 2 | \$1,750,000 |
| | Hammond Widening (T-0024) | 3 | \$410,000 |
| | Dunwoody Place Improvements (T-0025) | 6 | |
| | Peachtree Dunwoody Road Improvements (T-0026) | 4 | \$2,500,000 |
| 2 | Intersection Improvement Enhancement Program | | \$1,000,000 |
| 3 | Park Prioritization | (Rank 1-7) | |
| | Abernathy Greenway | 2 | \$1,080,000 |
| | Hammond Park Master Plan | 1 | \$250,000 |
| | Johnson Ferry/Riverside Park | 7 | |
| | Morgan Falls Athletic Fields | 4 | \$3,000,000 |
| | Morgan Falls River Park | 3 | \$1,700,000 |
| | Ridgeview Park | 6 | |
| | Sandy Springs Tennis Center | 5 | |
| 4 | Public Safety and General Government Facilities | (Rank 1-6) | |
| | City Hall | 4 | |
| | Court | 3 | |
| | Emergency Services (E911) | 2 | |
| | Fire | 5 | |
| | Land for City Hall | 6 | |
| | Police | 1 | \$2,750,000 |
| 5 | Sidewalk Program | | \$500,000 |
| 6 | Stormwater Improvement Projects | | \$500,000 |
| 7 | Stormwater Utility Development | | |
| 8 | Traffic Signals, Signs & Markings Program | | |

