

**MEMORANDUM**  
City of Stone Mountain  
875 Main Street  
Stone Mountain, GA 30083

DATE : November 17, 2016  
TO : Mayor and City Council  
FROM: ChaQuias Miller Thornton  
RE : Budget Proposal FY 2017\_Amendment 1

Attached is Amendment 1 to the Proposed Fiscal Year 2017 annual budget for the City of Stone Mountain. The fiscal year begins January 1, 2017 and ends December 31, 2017. The appropriations ordinance will be on the agenda at the work session scheduled on November 21, 2016. The attachment is styled Exhibit 1 – Amendment 1 and will be referenced as such in the ordinance.

The following details, as recommended, the proposed amendments to the original budget proposal presented to Council on November 1, 2016:

**ALL FUNDS SUMMARY OF REVENUES AND EXPENDITURES AS AMENDED**

DESCRIPTION	FUND	FY 2017 REVENUE ESTIMATE	FY 2017 EXPENDITURES ESTIMATE
General Fund	1	3,639,839	3,639,839
Hotel/Motel Tax Fund	2	43,261	43,261
Cemetery Fund	3	18,971	18,971
Solid Waste Enterprise Fund	5	532,259	532,259
Police Asset Forfeiture Fund	6	0	0
Capital Improvements Fund	7	535,969	535,969
Storm Water Management Fund	8	260,847	260,847
Downtown Development Authority Fund	20	115,975	115,975
<b>Totals</b>		5,147,121	5,147,121

\*As reflected on page one (1) of Exhibit 1 – Amendment 1.

Proposed amendment to General Fund revenues (Original Proposed \$3,703,718 to Amended Proposed \$3,639,839 for a decrease in expected revenue of \$63,879). (p. 1)

- 1) Fine and forfeiture revenue – further analysis of the revenue item with relation to actual revenue received 2016 year-to-date, expected revenue through year end, and associated fees, determined that net fine revenue was overstated in the amount of approximately \$125,666. Regulation of the reporting requirement for fines and forfeitures has made it necessary to report fine revenues and the associated fees (liabilities) to be reported in the same line item. The amount reported for expected revenue should be fine revenue minus associated fees or net revenue.

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- 2) Other Financing Sources – recommended net increase of \$61,787 from \$128,592 in the original budget proposal to \$190,379 in the amended budget proposal. (p.5)
  - a) Increase in General Fund Unrestricted Reserve from \$0 to \$95,184. This amount is \$135,139 less than the FY2016 appropriated amount of \$230,323.
  - b) Decrease in Capital Lease Proceeds of \$33,397 from \$128,592 for the initial purchase of three new police vehicles to \$95,195 for the purchase of two new police vehicles. This recommendation is based on the amount of cash flow determined to be available at the time of purchase. Possible options to make vehicle purchase, inclusive of a third vehicle, and through an alternative lease purchase option will be submitted to Council as the option becomes feasible.

Proposed amendment to General Fund expenditures:

- 1) Administration (Net decrease of \$7,987 from \$394,911 in original proposal to \$386,924 in amended proposal).
  - a) Decrease in proposed Purchased/Contract Services in the net amount of \$7,162. (p.13)
    - i.) Decrease in proposal for payroll upgrade for time and attendance module of \$2,000
    - ii.) Decrease in Technical Services with the deletion of proposed digital automation integration software of \$4,162.
    - iii.) Decrease in Technical Services for IT Support of \$1,000.
  - b) Decrease in proposed Capital Outlays
    - i.) Decrease in Computer line item for deletion of one computer in the amount of \$825. (p.14)
- 2) General Government –Significant transfers from the General Fund to other funds (Net increase of \$11,086 from \$572,033 in original proposal to \$596,038 in amended proposal).
  - a) A decrease of \$1,833 due to a decrease of \$0.30 per person in the per capita cost of DeKalb Municipal Association dues. (p.16)
  - b) An increase of \$12,919 to the original proposed appropriation of \$54,940 from the General Fund reserve as requested for the Capital Fund budget for the East Mountain Street Project. This is the balance of appropriated funds not expected to be expending in the current fiscal year. Total proposed \$67,859. (p.17)
- 3) Public Safety (Net decrease of \$45,906 in original proposed amount of \$1,456,095 to the amended proposal of \$1,410,189).
  - a) Decrease of \$8,258 for Personal Services/Benefits for a decrease in assignment of merit increases. (p.20)
  - b) Decrease of \$2,250 for Purchased/Contracted Services. (p.20)
    - i.) Decrease of \$2,000 for Vehicle Repairs and Maintenance based on expected purchase of new vehicles and analysis of vehicle maintenance line item expenditures.
    - ii.) Decrease of \$250 for Printing and Binding line item based on FY2016 expenditures.
  - c) Decrease of \$2,000 for Gasoline line item expenditure based on FY2016 expenditures.
  - d) Decrease of \$33,397 from \$128,592 for the initial purchase of three new police vehicles to \$95,195 for the purchase of two new police vehicles. (Relative to General Fund Revenue explanation 2b.)

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- 4) Public Works
  - a) Decrease of \$5,500 for the deletion of the Technical Services line item for proposed purchase of work service software. (p.23)
- 5) Decrease in \$5,000 for dedication of funds for the rebuild of McCurdy Park. Demolition of the park's playground equipment is being completed by the Public Works Department in FY2016. (p.24)
- 6) Debt Service – The proposed budget amendment decreases the debt service appropriation from \$237,888 to 227,308 for a total net decrease of \$10,275. The decrease accounts for a decrease in lease principal expense amount of \$9,778 and a decrease in lease interest amount of \$794 for the purchase of vehicles. (.25)