

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

DATE : October 29, 2016
TO : Mayor and City Council
FROM : ChaQuias Miller Thornton
RE : Budget Proposal FY 2017

Attached is the proposed fiscal year 2017 annual budget for the City of Stone Mountain with supporting details. 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 and will be referenced as such in the ordinance.

The city has eight separate fund accounts:

- General Fund 01
- Hotel/Motel Tax Fund 02 (Visitors Center)
- Cemetery Fund 03
- Solid Waste Management Fund 05
- Police Asset Forfeiture Fund 06
- Capital Projects Fund 07
- Storm Water Enterprise Fund 08
- Downtown Development Authority Fund 20

ALL FUNDS SUMMARY OF REVENUES AND EXPENDITURES

DESCRIPTION	FUND	FY 2017 REVENUE ESTIMATE	FY 2017 EXPENDITURES ESTIMATE
General Fund	1	3,703,718	3,703,718
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	634,286	634,286
Storm Water Management Fund	8	260,847	260,847
Downtown Development Authority Fund	20	115,975	115,975
Totals		5,309,317	5,309,317

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The General Fund accounts for the following operations:

- Elected Officials
- Administration
- Public Buildings
- General Government
- Municipal Court
- Public Safety (Polices Services)
- Public Works
- Parks
- Debt Service

General Fund revenues are summarized beginning on page 2 of the Exhibit 1. The following notes were made in the estimates of revenues:

- 1) Ad valorem taxes
 - a) Real estate ad valorem taxes
 - i) Assumes 2.0% increase in digest
 - ii) A decrease in taxable value due to appeals is estimated at 0.73% of the digest
 - b) Assumes an ad valorem tax rate of 22.27 mils
 - c) Utility ad valorem taxes - Assumes no change in digest or any new appeals
 - d) Motor vehicle ad valorem taxes - revenue will continue to decline due to the switch to a value added tax and sales tax.
- 2) Other taxes
 - a) Motor vehicle sales tax revenue is expected to increase as motor vehicle ad valorem taxes decline. Motor vehicle sales tax revenue has been received at 120.13% of the expected revenue estimate for the current fiscal year.
 - b) For all other taxes the estimate is based upon actual revenues in FY2016
- 3) Licenses and Permits - Revenue from Building Inspection Fees is expected to exceed the previous year's budget estimate. Increase in fee revenue could occur if construction begins at Hearthstone in 2017.
- 4) Fine and forfeiture revenue – is conservatively estimated in relation to projected year end for 2017

General Fund expenditures are summarized on page 1 of Exhibit 1. The following notes were made in the estimates of expenditures:

- 1) General
 - a) The administration recommends no overall CPI increase in payroll for 2016.

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- b) Landmark Insurance after examination of medical benefit plans, found a plan offered by Humana, the carrier of the City's most current benefits plan, that is comparable to the plan presently offered to eligible City employees. Premiums will increase by 7.74% with an opportunity for additional discounts based upon participation in a wellness program. The plan offers zero annual and drug deductible.
 - c) The renewal premium for property, liability and workers compensation insurance was received as of October 31, 2016 and the renewal will offer a 3.86% decrease in annual premium.
- 2) Governing Authority
- a) The administration recommends funding for education and training for elected officials in for the 2018 GMA Mayor's Day. Early registration ends November 22, 2017.
 - b) The administration also recommends funding for two council persons to attend the GMA Annual Convention – with council persons to be on a rotating schedule each year.
- 3) Administration
- a) The administration recommends merit increase for the position of Code Compliance Officer, contractual increase for the position of City Manager, and increase for the position of City Clerk. Contract for the position of City Manager will be formally presented during the work session to be held on November 21, 2016.
 - b) The administration requests to funding of the Workforce Now Time and Attendance Module as an upgrade to the City's current ADP Payroll Support System.
 - c) The administration recommends the funding of IT assessment and support and funding for digital and scanning technology support.
 - d) The administration recommends the equipment lease/rental and maintenance agreement purchase of a new color copier. Significant decrease in the in the service and copy pricing will help to offset the lease/rental cost.
 - e) The administration recommends the funding of education and training for the Assistant City Clerk, City Clerk and City Manager at the 2018 GMA Mayor's Day.
 - f) The administration requests funding to replace two desk top computers for the administration office and a surface computer for the City Manager.
- 4) Buidings
- a) The administration recommends the funding of the lease agreement amount of \$16,500 for lease of the Historic Rock Gym
- 5) General Government –Significant transfers from the General Fund to other funds
- a) An appropriation of \$54,940 from the General Fund reserve is 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.
 - b) The Downtown Development Authority has requested a decrease from \$95,772 to \$93,575.
 - c) The administration recommends an appropriation of \$114,015 for the Storm Water Fund in 2017 with \$82,562 being funded by the dedication of 1 mil of tax revenue. The appropriation is expected to fund two outstanding storm water projects.
 - d) No appropriation of funds from the General Fund reserve is estimated to be required to balance the FY2017 Budget.

- 6) Municipal Court – The 2016 budget is estimated to increase by 3.13%.
 - a) The administration recommends merit increase for Court Personnel.
 - b) A substantial increase has been experienced in the Technical Services line item due to increased costs associated with an increased number of cases and for GCIC real time capability implementation.
- 7) Public Safety
 - a) Group health insurance assumes full participation from active employees. In 2016 there were two non-participating officers, and one non-participating police department administrative staff employee.
 - b) The administration recommends the hire of one full-time officer. This addition will fully staff the department within the current structure of 8 hour shifts. The administration recommends merit increase for eligible personnel achieving 3.00 or better, or above average on annual performance evaluations
 - c) The administration recommends the purchase of three additional police vehicles to be financed on four-year lease terms through GMA. Purchase price of \$128,593 includes all equipment.
 - d) The administration recommends the purchase of new body cameras and Taser equipment.
- 8) Public Works
 - a) Merit pay increase is recommended for the position of foreman, supervisor, and public works director.
 - b) The administration recommends the purchase of work item, work flow maintenance software and services that will enhance work item responsiveness, improve transparency, enhance reporting capabilities, and allow for tracking of work item material, labor, and time costs.
 - c) The LMIG road repairs are estimated at \$83,243.
 - d) The administration requests the purchase of a bush hog and turn mower for the department.
- 9) Debt Service – The proposed budget increases the debt service from \$223,596 to 237,880. The new leases for three police vehicle will increase the debt service by \$22,910 in 2017. Computer and Sound Equipment leases are to terminate in February and April 2017 respectively.

November 1, 2016 – Additional Notes within the proposed budget presented 11/01/2016

- 10) General Government
 - a) The Visitor Center Fund is requesting an increase in General Fund appropriations from \$13,259 in 2016 to 16,261 in 2017. This is increase accounts for the increase of payroll hours for the Visitor Center personnel. Both positions are part-time.
- 11) Public Works
 - a) The administration requests to move of one part-time Laborer I position to full-time. This move will cause increase in the payroll expenditures for regular employees and decrease in the payroll expenditures for part-time employees in Public Works, Park & Rec, Sanitation and Cemetery because percentage of cost is spread over these departments or funds.
- 12) Parks & Recreation
 - b) The administration requests an increase in the Park Repair line item of \$10,198 from \$10,198 in 2016 to \$20,396 in 2017. The appropriation will fund more extensive maintenance and improvement of the City's parks.
 - c) The administration requests that \$10,000 be appropriated to assist in funding the rebuild of McCurdy Park.