

2014 PROPOSED BUDGET RECOMMENDATIONS

The Big Picture



**Total proposed FY 2014 Expenditure Budget all funds is
\$ 4,307,230**

- ❑ General Fund
- ❑ Capital Projects
- ❑ Grants
- ❑ Storm Water (Enterprise Fund)
- ❑ Sanitation (Enterprise Fund)
- ❑ Seizure Fund

**The total proposed FY 2014 Revenue Budget for all funds is
\$4,307,230**

“Balanced Budget”

The Big Picture

- New budget categories
 - ▣ General Fund Operating - \$3,319,110
 - ▣ Capital Projects - \$162,500
 - ▣ Matching Grants Fund - \$38,000
- Segregation of these expenditure types will allow for a more transparent budgeting process

**The combined General Fund budget for FY 2014 is
\$3,519,610.**

Administration

- Group health insurance
 - ▣ 209,850 in 2013 to \$225,000 in 2014
 - ▣ 6.4 % of total General Fund expenditures
- Retirement
 - ▣ Improvements in benefit formula needed
 - ▣ \$115,000 in FY 2013 to \$166,332 in FY 2014
 - ▣ 4.7% of total General Fund expenditures

Administration

- FY 2014 budget includes funding for video/audio
 - City Council meetings
 - Planning & Zoning Board meetings
 - Public Information meetings
 - Available on the City's website
 - Archival hosting required - \$216 monthly
 - Small capital outlay for cameras
 - Option to view the meeting in its entirety, or click onto a specific agenda item which will link to that particular time stamped portion of the meeting

Administration

- 3 Newly elected officials
- All newly elected officials are required to attend mandatory training
- Additional training is offered leading to various levels of Municipal Elected Official certifications
- Council Travel/Training has been increased from \$5,000 in FY 2013 to \$8,000 in FY 2014

Administration

- Excellent audit reports over the previous 2 years
 - ▣ Clean management report
 - ▣ No significant findings
- Inefficient & outdated financial software system
 - ▣ Purchase new financial software system
 - ▣ Simplify and streamline our current processes
 - ▣ Reduce its expenditures for software maintenance by 80% in FY 2014

Police

- FY 2014 reclassify existing Criminal Investigator positions to create a supervisory position of Sergeant in CID
 - ▣ Reduce the work load of the operations Captain
 - ▣ Create a supervisor in the CID division equal to those in the patrol division
 - ▣ Provide supervisory representation in the CID chain of command
 - ▣ Cost less than \$2,000 annually

Police

- Focused community outreach strategy
 - ▣ Park and Walk Program
 - ▣ Business Check to include visits during hours of operation in addition to traditional security checks after hours
 - ▣ Bicycle Patrols
 - ▣ Partner with community stakeholders
 - ▣ Using Social Media
 - ▣ Public Information and Education
 - ▣ Child Safety Seat Training Programs
 - ▣ Traffic Safety Checkpoints
 - ▣ Bicycle Safety Programs
 - ▣ Home and Community Safety classes
 - ▣ Child Fingerprint ID Kits

Municipal Court



Extensive analysis of our Municipal Court function

- This analysis will focus on five (5) primary metrics:
 - ▣ Access and Fairness – ratings of court users on the court’s accessibility and its treatment of customers in terms of fairness, equality and respect
 - ▣ Time to Disposition – the percentage of cases disposed or otherwise resolved within established time frames
 - ▣ Age of Active Pending Caseload – the age of active cases pending before the court, measured as the number of days from filing until the time of measurement
 - ▣ Clearance Rates – the number of outgoing cases as a percentage of the number of incoming cases
 - ▣ Collection of Monetary Penalties – payments collected and distributed within established timelines, expressed as a percentage of total monetary penalties ordered in specific cases

Public Works

- Reclassify one (1) CDL Driver position to Crew Leader
 - ▣ Greater flexibility in deploying two distinct work units to various jobs
 - ▣ Supervisory coverage during vacations or approved absences of the lone Crew Leader
 - ▣ Cost less than \$1,500 annually

Public Works

- Contract to provide mowing and maintenance of the CSX right-of-way will continue in FY 2014 budget
 - ▣ \$28,000 budgeted
- Maintenance and repair of City vehicles
 - ▣ Vehicle Maintenance Division of DeKalb County
- Pool management and operations
 - ▣ \$40,000 budgeted in FY 2014
- New equipment purchases kept to a minimum
 - ▣ \$10,000 budgeted to purchase small off road utility vehicle to replace the current vehicle that is inoperable

Planning & Development

- Availability of accurate and up to date mapping information is a critical tool in support of redevelopment activities
- Accurate mapping of infrastructure assets is also essential to an effective and comprehensive storm water management program.
- Our current capacity to create and update maps and to make those maps available for internal staff and external citizen use is extremely limited

Planning & Development

- Online mapping product called CommunityView
 - ▣ Provide a common integration platform for data collection and storage
 - ▣ Allow staff to harmonize the workflow of respective departments and disseminate information for the benefit of the public at large via a web based platform
 - ▣ Will address the needs of various City departments
 - General Administrative Services
 - Public Works
 - Planning and Development
 - Storm Water Management
 - Code Enforcement
 - Engineering

- Valuable tool used by the general public and potential developers

Planning & Development



- The first year cost for CommunityView will be \$10,375
- Cost will reduce to \$7,125 for subsequent years of the subscription
- Covered out of our Storm Water Utility fund

Quality of Life

- Effective and professional code enforcement is an important function of any municipal government
- Given the unique demographics of our residential and business community, the need for continual education, assistance and enforcement is even more pronounced
- The Urban Land Institute Technical Assistance Panel observed that
 - ▣ *“in order to more effectively promote business development in the Clarkston Downtown Business District, enforcement of all building maintenance codes will need to improve”*

Quality of Life

- The Multi-family Interior Code Compliance ordinance passed in 2012 will become effective on January 1, 2014
- Education and enforcement activities associated with this new ordinance will increase work load for the Quality of Life Officer
- FY 2014 budget does not contain a recommendation for increased staffing in the Quality of Life division
- Will monitor additional work load and may request a mid-year budget amendment to fund additional staffing if warranted

Capital Projects

- City Hall Annex project, which began in FY 2012, was successfully completed in FY 2013
- Funding for the construction of this project was obtained through a GMA Lease Purchase agreement
- Agreement - \$700,000 loan amortized over 15 years
 - ▣ 3.22% interest rate
 - ▣ \$59,000 has been included in the FY 2014 budget

Capital Projects

- Dedicated space for various Public Works functions does not exist
- Equipment, vehicles and supplies are scattered between various locations
- Equipment is stored off site on non-city property and occupies valuable space in Milam Park and the City Hall parking lot
- Improved Public Works capabilities & comprehensive Storm Water maintenance and repair and Drainage Improvement programs
- Public Works yard, where supplies such as sand, stone and fill dirt may be stored, is vital

Capital Projects

- City Council approved construction of a Public Works facility in 2013
- Construction of the facility will be complete by January of 2014
- Funding for construction of this facility was obtained through a 5 year \$325,000 GMA Lease Purchase agreement
- 1.96% interest rate
- \$72,000 and has been included in the FY 2014 budget

Capital Projects

- In 2005, the City of Clarkston awarded a \$4 million Federal Highway Administration Earmark for construction of a Streetscape & Pedestrian Enhancement project
- Grant in severe danger of being defunded due to inactivity
- **City able to halt defunding process!**
- City staff obtained required training and certifications to “self-manage” this project versus compensating GDOT for management services (cost savings)

Capital Projects

- FHWA grant funds requires a local 20% match for project construction costs
 - ▣ Plus engineering, design, environmental assessment and right-of-way acquisition costs
- Clarkston received a GTIB (Georgia Transportation Infrastructure Bank) loan of \$2 million dollars administered through the State Road and Toll-way Authority
 - ▣ Loan amortized over 15 years
 - ▣ 2.4% interest rate
 - ▣ Repayment of loan will commence at end of the project (2018)
 - ▣ Quarterly payments of \$39,725 will commence at that time

Capital Projects

- August 6, 2013, City Council approves multiyear Sidewalk Improvement Plan
- Projects to be completed in phases over 3 years
- Phase I (design plan development and construction)
 - \$155,000 total
 - \$40,000 in FY 2013
 - \$115,000 remaining construction costs
 - \$105,000 in grants (LMIG)
 - \$10,000 in FY 2014

Capital Projects

- Phase I (continued)
 - ▣ East Ponce de Leon Ave from Montreal Rd to West Smith St
 - ▣ North Indian Creek Various improvements
- \$152,500 in the FY 2014 General Fund budget
 - ▣ **\$162,500 - total FY 2014 General Fund for Capital Projects**

Enterprise Funds

- Storm Water Utility Fund
 - Significant projects completed in 2013
 - Ongoing storm water management program
 - Rate unchanged
 - \$126,000 annually
- Sanitation Fund
 - Rate unchanged - \$185.40
 - \$150,020 annually

Grant Funds

- The City of Clarkston applied for and received three (3) grant awards that will be received in FY 2014
 - \$105,000 - Local Maintenance & Improvement (LMIG)
 - \$72,000 - ARC “Last Mile Connectivity” grant fund
 - Bicycle Safety, Education and Training Program
 - 20% local match of \$18,000
 - Funded from the FY 2014 Matching Grant Fund
 - \$2,000 – GMA to develop and promote a Wellness program for City employees

Grant Funds

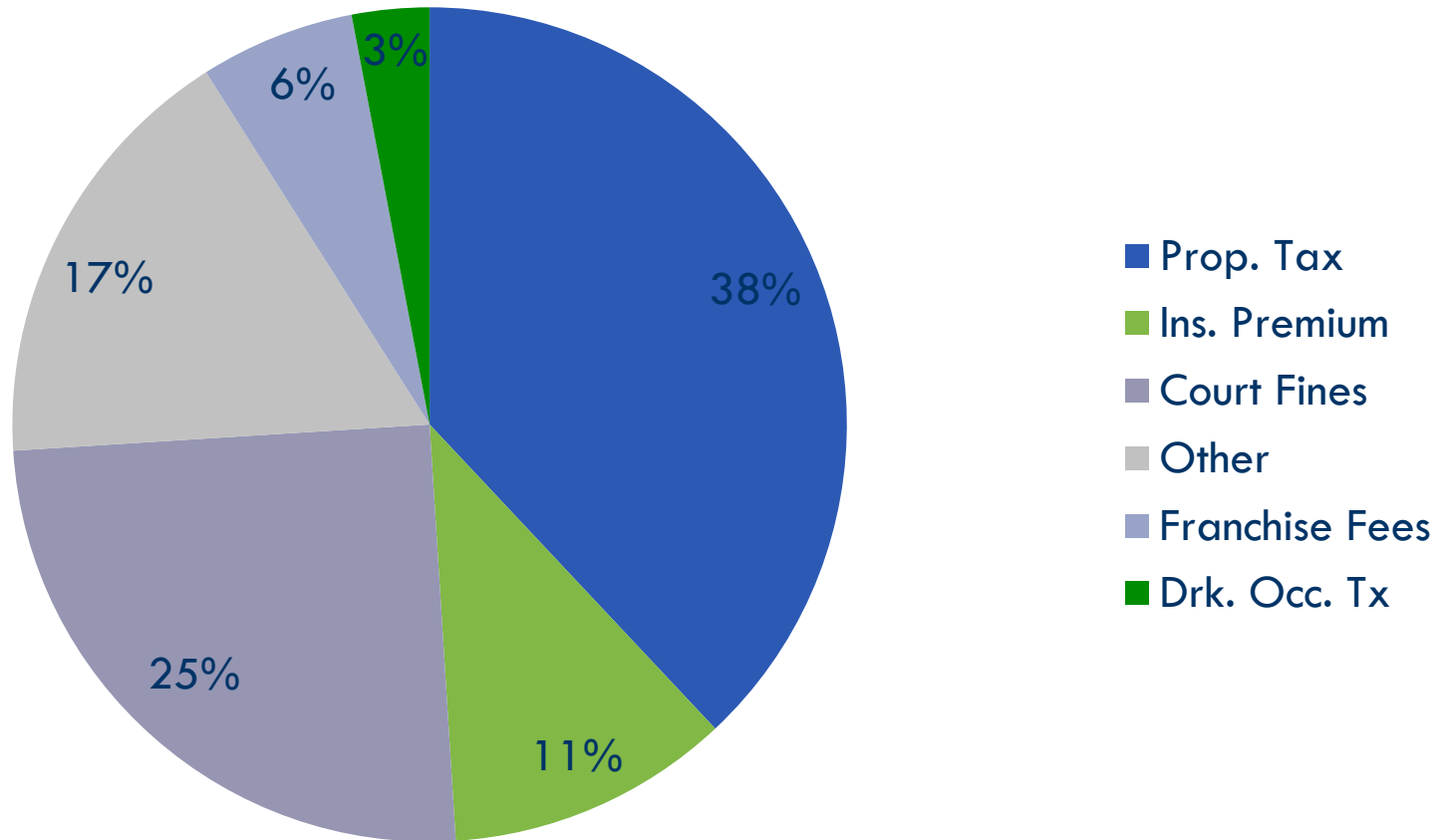
- The City of Clarkston Livable Centers Initiative plan (2004)
 - ▣ The Department of Community Affairs requires plan updates every five (5) years
- DCA provides for a more comprehensive plan update after ten (10) years and provides grant funding on a competitive basis
 - ▣ Clarkston will pursue funding from the ARC
 - ▣ \$120,000 cost estimate
 - ▣ 20% cash match in FY 2014
 - ▣ \$100K (ARC) \$20K (Local)

Revenues

\$3,481,610 - FY 2014 General Fund revenue estimate

- ▣ \$160,330 increase from FY 2013
- ▣ 4.8% increase
- ▣ Revenue Enhancement Efforts
 - ▣ Franchise fee audits
 - ▣ Jurisdictional coding audit (cable)
 - ▣ Billboard fees audit
 - ▣ Probation fees
 - ▣ Diversify & expand tax base
 - ▣ Promote Economic Development

Revenues



Revenue

Revenue Enhancements

- Business/Occupational Taxes, Alcohol Beverage Excise Taxes, Local Option Mix Drink Taxes represent less than 3% (2.86%) of the total FY 2014 revenue budget
- Unusually low percentage
- City has not required strict adherence to city ordinances that govern reporting and remittance of these funds
- Recommend privatizing the Administration of the business license, occupation tax and drink tax function
 - ▣ Provide a more convenient, customer oriented online process for license renewal and payment transactions

Potential Millage Rate Impact



- Since 2008/2009 property values have declined
- Gross Digest has declined more than 33% since 2010
- Millage rates have increased during that time period
- **17.95** – current millage rate set in **2012**
- **19.445** – 2013 “roll back” millage rate
- Council voted to hold the 2013 millage rate at the 2012 level of 17.95
- **\$294,000** transferred from Fund Balance to balance budget without a tax increase in 2012

Potential Millage Rate Impact



- 2014 Net Digest figures in May of 2014
- Assuming that Net Digest is constant and we fund:
 - General Fund Operating budget
 - Sidewalk improvements
 - Provide local match for grant funds
 - Eliminate the \$294,000 Fund Balance transfer
- Millage rate increase likely required

2013 Millage Adoption DeKalb Cities



□ Avondale Estates	10.957
□ Chamblee	6.4
□ Decatur	12.62 (50%)
□ Doraville	9.00
□ Lithonia	17.869
□ Pine Lake	29.824
□ Stone Mountain	28.00
□ Clarkston	17.95

Estimated 2014 General Fund Budget
Potential Millage Impact

2013 General Fund Operating:	3,321,280.00	2014 General Fund Operating:	3,319,110.00
2013 Millage Rate:	17.95 mils	Potential Millage Rate:	16.71 mils
 2013 Rollback Rate:	 19.445 mils	<input type="checkbox"/> Capital Projects: (Sidewalk Phase I)	2.58 mils
		<input type="checkbox"/> Grants Local Match: (LCI & Bike Safety)	.60 mils
		<input type="checkbox"/> Eliminate Fund Balance Transfer: (294,000)	4.66 mils
		Total Potential Millage Rate:	24.55 mils

Potential Property Tax Impact				
House Values	<u>2013 Taxes</u>	<u>2014 Taxes</u>	<u>Diff. Yearly</u>	<u>Diff. Monthly</u>
\$50,000	\$359	\$491	\$132	\$11
\$75,000	\$538	\$736	\$198	\$16.50
\$100,000	\$718	\$982	\$264	\$22

Please note that the calculation above is an estimate only and assumes that the Net Digest for 2014 is the same as 2013, **\$63,043,863. Actual 2014 digest could be higher or lower.*

Questions?