

City of Doraville Expenditure Overview May 6, 2019

What is a Budget?

- Planning document for the allocation of resources to achieve goals, i.e. should align resources with priorities
- Facilitates the task of delivering reliable service
- Becomes a tool for reporting governmental activities
- Measures the government's performance

Role of Elected Officials

- Set budget principles as guidelines for staff as they consider requests and budget modifications
- Establish clear and broad goals for the community
 - Should include improvements or accomplishments the mayor and council would like to see achieved over a five-to-ten year planning horizon.

Role of Elected Officials (cont.)

- Establish Policy with concentration on long-term financial solvency
 - Improves awareness of financial condition
 - Improves government's financial stability
 - Contributes to continuity
 - Improves credibility
 - Improves public confidence
 - Helps to prepare for a financial emergency

Which Fund Types Should be Budgeted?

- Required – General Fund
- Required – each Special Revenue Fund
- Required – each Debt Service Fund
- Required – each Capital Projects Fund
- Optional – all other Funds like an Enterprise Fund

What does it mean when the budget is balanced?

- A budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.
- Basically, when the money you anticipate receiving equals the money you anticipate spending.
- Important to have a structurally balanced budget, i.e. ongoing expenditures are funded by ongoing revenue; one-time funds are used only for one-time expenditures.

Budget Law

- Legal level of budgetary control is at the Department level
- Increases in departmental level appropriations require approval of governing authority
 - Amended by ordinance or resolution
- Transfers within departments require approval of the Finance Director or delegate (someone responsible for the budget)
- No limit on amendments

Summary Guiding Principles in Budget Development

- Adopt a balanced budget
 - Revenues = Expenditures
- Level of budget adoption and control (Department)
- Budget stabilization resources for working capital
 - Three months reserves
- Appropriation lapses at year end for operating (Capital budgets carryover)
 - Outstanding operating encumbrances must be re-established with the new budget.

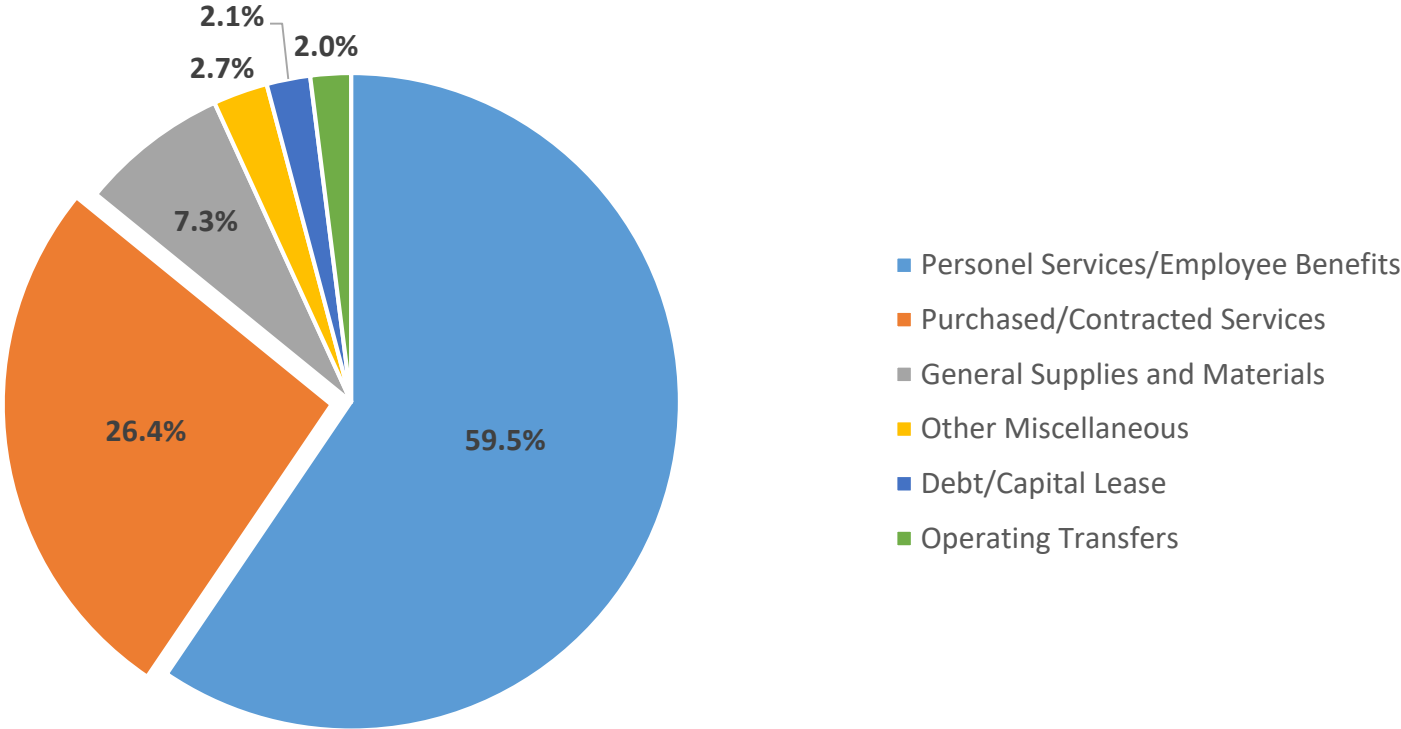
Expenditure Overview General Fund

General Fund Expenditure Categories

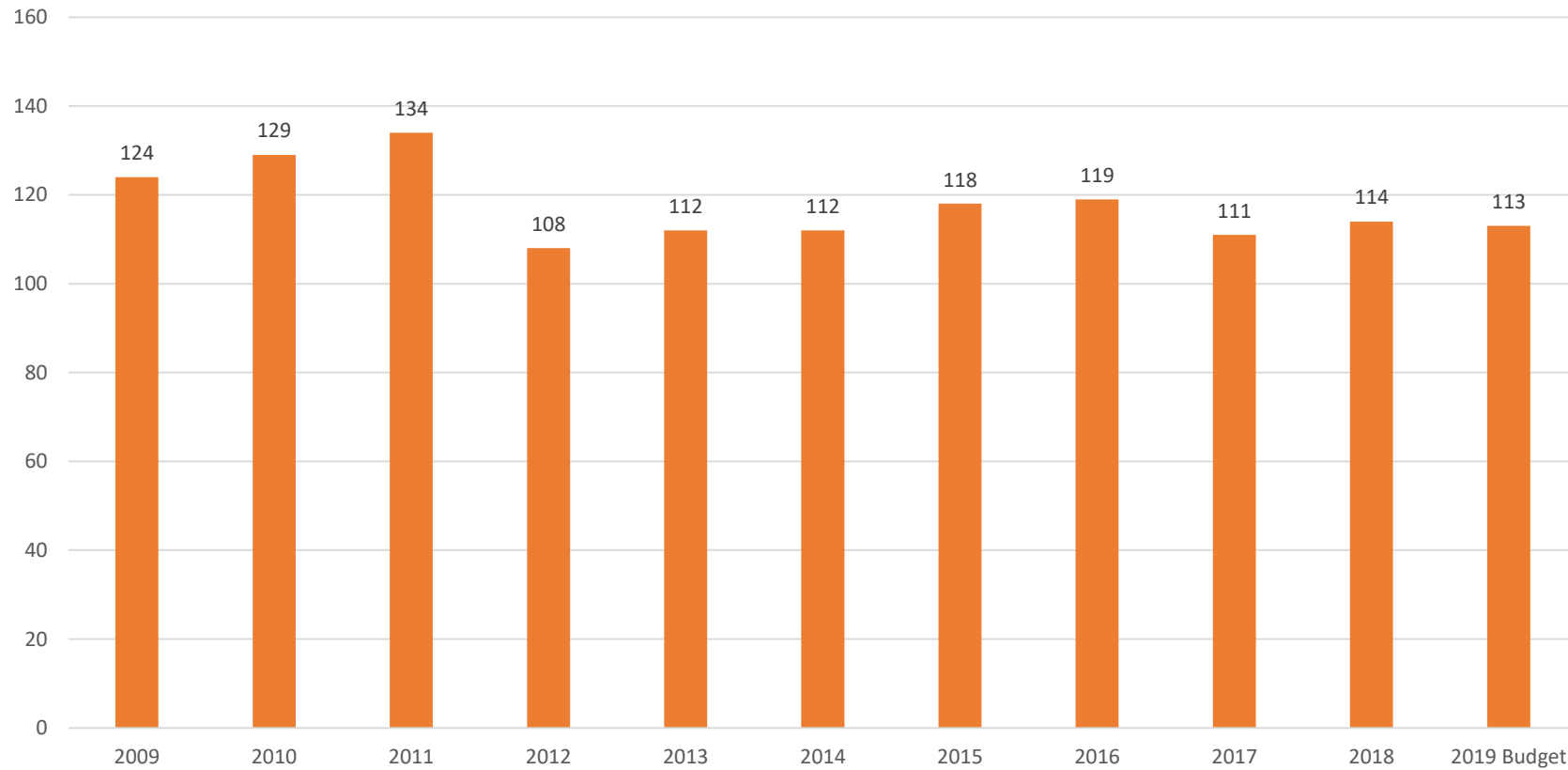
- Expenditure categories are:
 - Personnel Services and Employee Benefits
 - Includes salaries and wages, overtime, medical benefits, paid time off (PTO), retirement (deferred benefit (pension) and/or deferred contribution (401a and 457)), workers compensation, and wellness
 - Purchased/Contracted Services
 - Includes professional services, repairs and maintenance, contract labor, travel and training, dues and fees, etc.
 - Supplies
 - Includes general supplies and materials, utility bills, small equipment, etc.
 - Capital Outlays
 - Capital assets with an initial, individual cost of more than \$3,500 and an estimated useful life in excess of one year.

Total General Fund Operating Expenditures - Uses

FY 2019 Adopted Budget



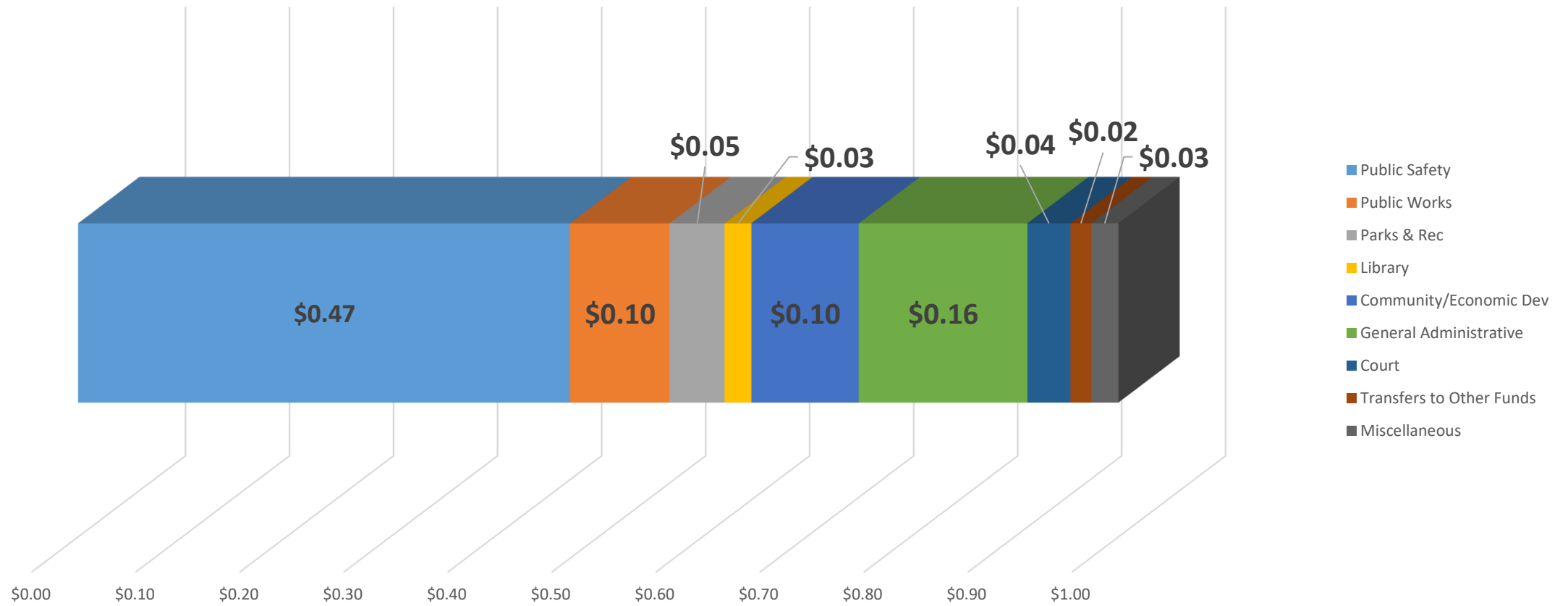
Headcount (FTE's) - History



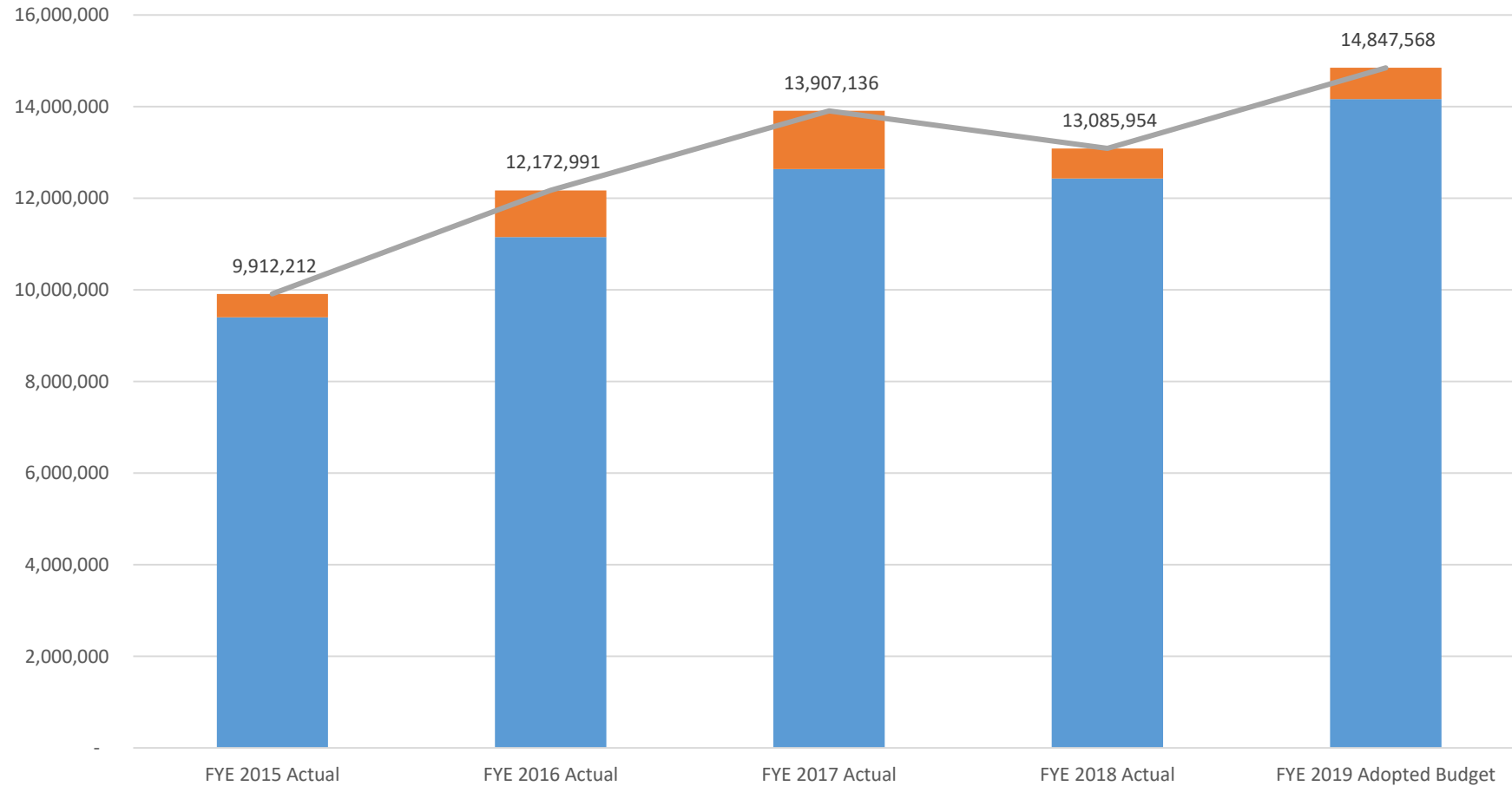
Note: 2019 Budget includes 113 Full Time and 30 Part Time positions

Where \$1 of General Fund Revenue Goes

FY 2019 Adopted Budget



Total General Fund Expenditures - History



Preparation for FY2020 Budget

- Discussion by the Council on specific goals within the six Council priorities that would be helpful in the final shaping of the FY2020 budget.
- Six priorities are:
 - Economic Development
 - Transportation/Transit
 - Infrastructure
 - Well-Managed Government
 - Neighborhood Preservation
 - Housing

Expenditure Overview Other Funds

Other Funds

- Expenditures for Other Funds includes:
 - Hotel/Motel Fund – 40% of amount collected is allocated to the DeKalb Convention and Visitors Bureau. Remaining 60% is transferred to the General Fund.
 - Funds are used on programs and initiatives that promote tourism, conventions, and trade shows, including special events and promotions. Proceeds can also be used to fund tourism product development, which is typically capital projects designed to enhance tourist attractions.
 - Revenue by Year:
 - 2015 - \$78,491
 - 2016 - \$74,604
 - 2017 - \$71,240
 - 2018 - \$65,023
 - 2019 - \$70,000 (budget)

Other Funds

- Expenditures for Other Funds includes:
 - Motor Vehicle Rental Excise Tax Fund – 100% of amount collected is transferred to the General Fund.
 - Funds are used for promoting industry, trade, commerce, and tourism; capital outlay projects for the construction and equipping of convention, trade, sports, and recreation facilities or public safety facilities; and maintenance and operation expenses or security and public safety expenses associated with those capital outlay projects.
 - Revenue by Year:
 - 2015 - \$53,393
 - 2016 - \$37,444
 - 2017 - \$36,238
 - 2018 - \$42,759
 - 2019 - \$40,000 (budget)

Other Funds (cont.)

- Expenditures for Other Funds includes:
 - E911 Fund – collections can be used to
 - cover salaries, including benefits, of employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system
 - lease, purchase, or maintenance of computer hardware and software used at a public safety answering point, including computer-assisted dispatch systems
 - Other general supplies and materials

Other Funds (cont.)

- Expenditures for Other Funds includes:
 - E911 Fund History

	2015	2016	2017	2018	2019 Budget
Revenue:					
Charges for Services	\$181,432	\$189,059	\$193,948	\$194,630	\$210,000
Transfers In from General Fund	\$165,819	\$240,500	\$272,528	\$238,815	\$260,300
Total Revenue	\$347,251	\$429,559	\$466,476	\$433,445	\$470,300
Expenditures:					
Personnel Services/Employee Benefits	\$346,090	\$400,440	\$348,484	\$390,543	\$446,300
Purchased/Contracted Services	\$9,320	\$52,209	\$43,725	\$47,397	\$48,000
General Supplies & Materials	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$355,410	\$452,649	\$392,209	\$437,940	\$494,300
Net Change in Fund Balance	(\$8,159)	(\$23,090)	\$74,267	(\$4,495)	(\$24,000)