



**FY2020 PROPOSED BUDGET
PUBLIC INFORMATION SESSION**

May 29, 2019



Purpose of the Meeting

- 1. In an informal setting to provide general information about the Proposed Budget for Fiscal Year 2020**

The City of Doraville Fiscal Year starts on July 1, 2019 and will end on June 30, 2020

- 2. To gain insight from attendees as to residents' interests**



Agenda

I. Overview of Proposed FY2020 Budget

II. Q and A

- Short Break

III. Resident Budget Simulation

IV. Group Report Out

Budget Process Overview

PURPOSES OF THE BUDGET

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

Which Fund Types Should be Budgeted?

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

WHAT IS A “BALANCED” BUDGET

Money Anticipated
Receiving

Equals

Money Anticipated
Spending

- ✓ Ongoing Expenditures funded with Ongoing Revenue
- ✓ One-time funds are used only for one time expenditures

Key Dates for Budget Review & Action

Date	Time	Activity
May 30	6:00 p.m.	City Council Proposed Budget Work Session Discussion
June 3	11:30 a.m.	Millage Public Hearing—I
June 3	6:00 p.m.	<ul style="list-style-type: none">▪ Millage Public Hearing – II▪ Proposed Budget Public Hearing I
June 17	6:00 p.m.	<ul style="list-style-type: none">▪ Millage Public Hearing –III▪ Proposed Budget Hearing II▪ City Council Adoption of Millage Rate and Budget

FY2020 Budget in Brief

BUDGET IN BRIEF

- **Composed of 13 funds, the FYE2020 budget totals \$19,007,753**
- **Of the approximately \$19 million budget, \$3,634,553 (19.1%) must be used for dedicated expenditures**
- **Used Guiding Principles to develop the Proposed Budget**

FYE2020 Proposed Budget All Funds

Fund	Amount
General	\$15,255,700
Confiscated Assets*	\$394,157
Emergency 911*	\$508,600
Tree Bank*	\$86,102
Multiple Grants*	\$183,000
Hotel/Motel Tax*	\$70,000
Motor Vehicle Rental Excise Tax*	\$40,000
Special Local Option Sales Tax (SPLOST)*	\$970,494
Homestead Option Sales Tax (HOST)*	\$-
Capital Projects-Local Resources	\$100,000
Stormwater*	\$773,200
Solid Waste*	\$609,000
Urban Redevelopment Agency	\$2,500
Downtown Development Authority	\$15,000
Total FYE2019 Proposed Budget	\$19,007,753

*Denotes revenue source that must be used for specific purpose

FY2020 Proposed Budget General Fund Revenue

General Fund Revenue Sources

General Fund revenue sources include:

Taxes – includes taxes on real and personal property, motor vehicles, public utilities, franchise taxes, alcohol beverage excise taxes, business and occupation taxes, and insurance premium taxes.

Licenses and permits – includes fees for alcoholic beverages, buildings and signs, and motor vehicle operators.

Intergovernmental – reimbursement from federal or state agencies.

General Fund Revenue Sources, cont'd

Charges for Services – includes accident reports, activity fees, and program fees.

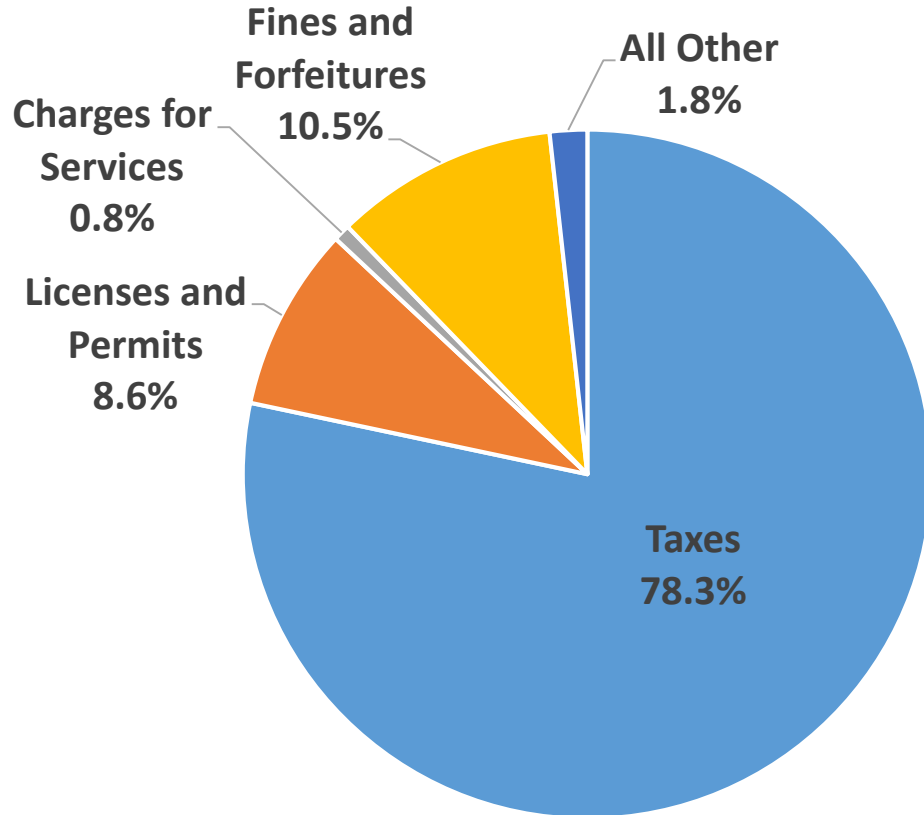
Fines and Forfeitures – funds received by fines applied when a person fails to comply with ordinances and laws.

Investment Income – interest accrued on City funds that are held in interest bearing accounts.

Contribution and Donations – outside funding sources including program partners and sponsors.

FYE2020 Proposed General Fund Revenues

General Fund Revenues by Category



Revenue Source	FY2020	FY2019
Taxes	\$11,948,600	\$11,261,000
Fines and Forfeitures	\$1,600,000	\$2,000,000
Licenses and Permits	\$1,319,100	\$1,246,000
Charges for Services	\$120,000	\$111,568
All Other	\$268,000	\$229,000
Total Revenues	\$15,255,700	\$14,847,568

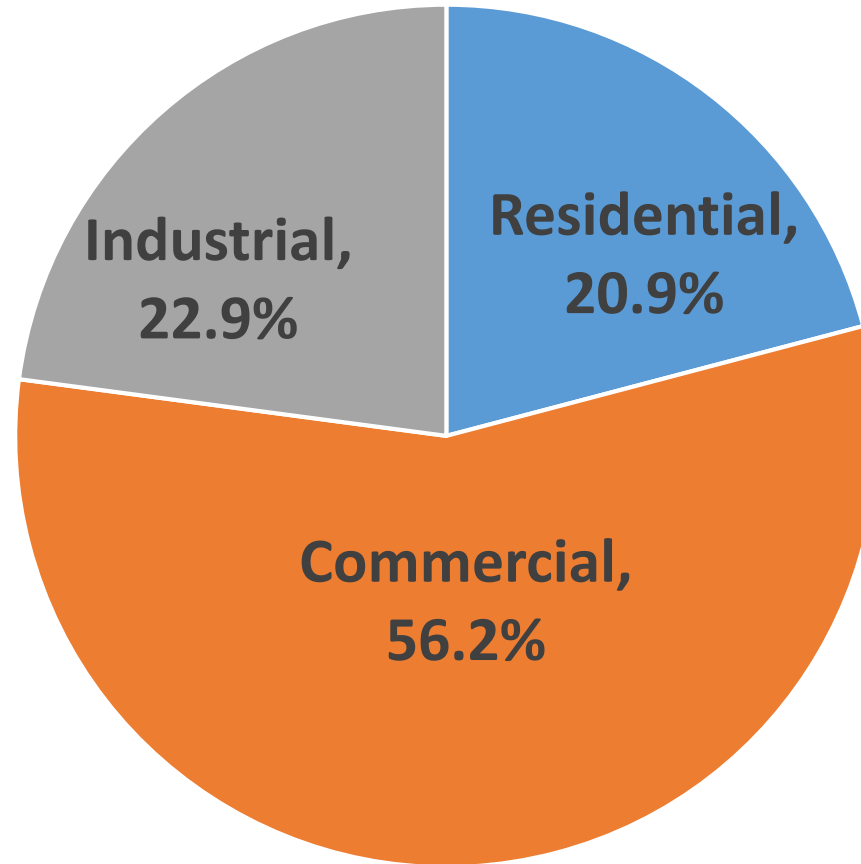
Real and Personal Property Taxes

■ Real and Personal Property Taxes

- Ad valorem taxes, meaning according to value, levied on an assessed valuation of land, buildings, permanent fixtures, and improvements.
- Annual valuations are performed by the DeKalb County Property Appraisal & Assessment Department.
- Municipalities are required to tax tangible real and personal property at 40 percent of the assessed value.

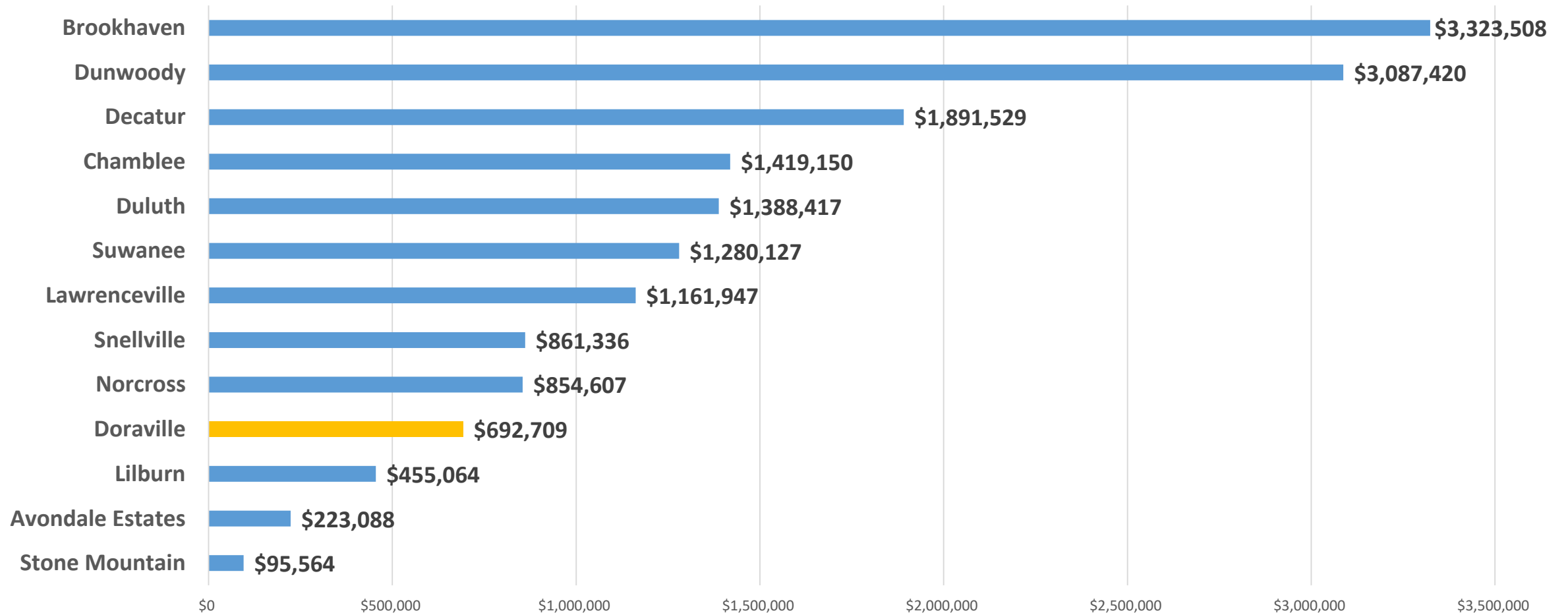
2018 City of Doraville Property Tax Digest

% of Total 2018 Tax Digest



Net Property Tax Digest Comparison

1 Mill Equivalent (based on 2018 Tax Digest)



PROPERTY TAX EXEMPTIONS

Doraville offers the following exemptions:

- ❖ **Basic Homestead Exemption** of \$25,000 (For the 2018 Tax Digest, 1,067 parcels received this exemption for a \$26,674,800 exemption amount).
- ❖ **Senior Residents** age 70 and older can receive 100 percent city tax exemption (For the 2018 Tax Digest, 281 parcels received this exemption for a \$17,115,680 exemption amount).

Property Tax Exemptions (cont.)

- Doraville offers the following exemptions:
 - ❖ **Freeport Exemption** – a 100% Level 1 Freeport Exemption is offered by Doraville and DeKalb County.
 - ✓ Exemption is applied to state and local inventory tax on raw materials and goods in process, finished goods held by the original manufacturer, and finished goods held by distributors, wholesalers, and manufacturers destined for out-of-state shipment.
 - ✓ For the 2018 Tax Digest, 83 parcels received this exemption for a \$30,679,887 exemption amount (based on current millage rate, equals approx. \$306,800 in revenue).

GENERAL FUND REVENUE

- Other Notable General Fund changes from FY2019 Budget to FY2020 Budget:
 - Franchise Tax revenue increase of \$514,600 due to historical trend
 - Municipal Fines and Forfeitures decrease of \$400,000 due to the continued trend of lower court cases year-over-year (decrease in police-issued citations; code enforcement citations show a slight increase)
 - Managing cash flow to allow for more investment income
 - Updates to the Fee schedule (and continued review of the fee schedule throughout FY2020)
 - Potential Grant opportunities

FY2020 Proposed Budget General Fund Expenditures

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.

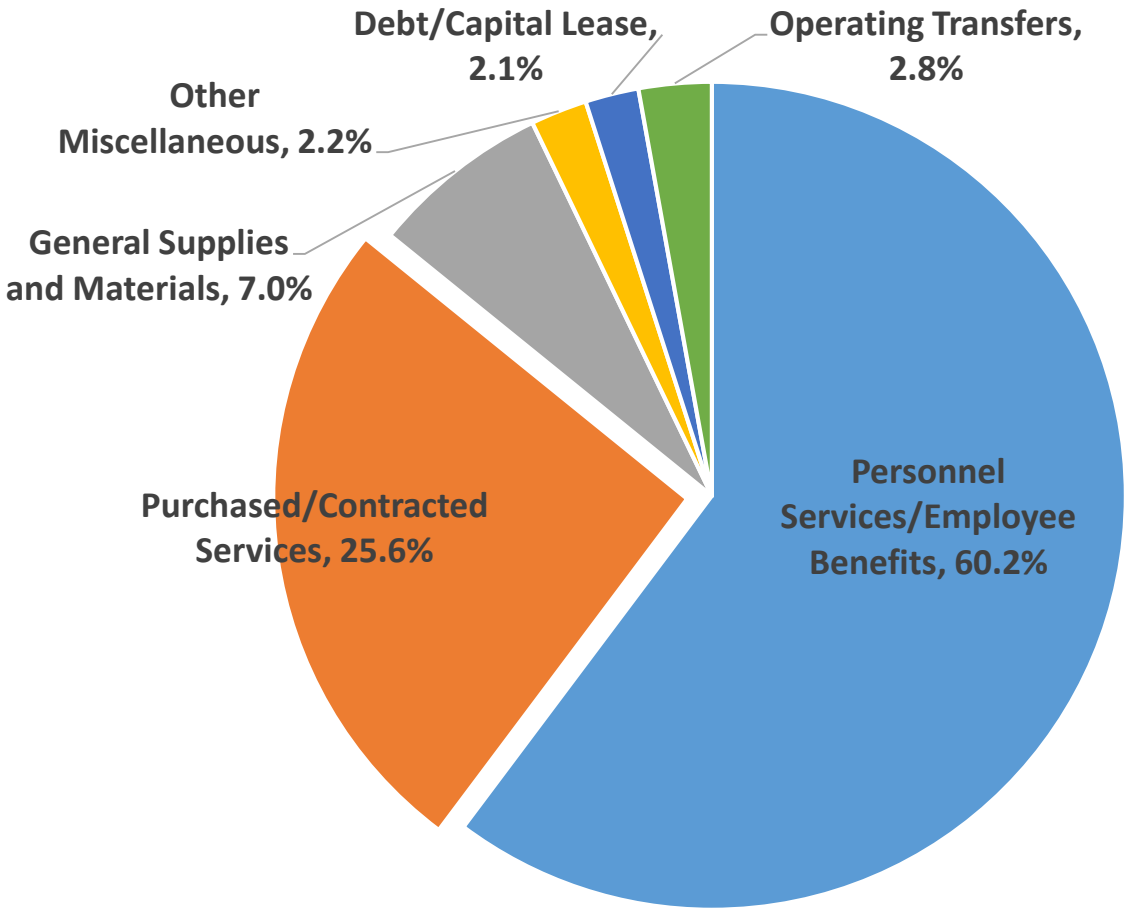
Supplies

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.

General Fund Operating Expenditures - Uses

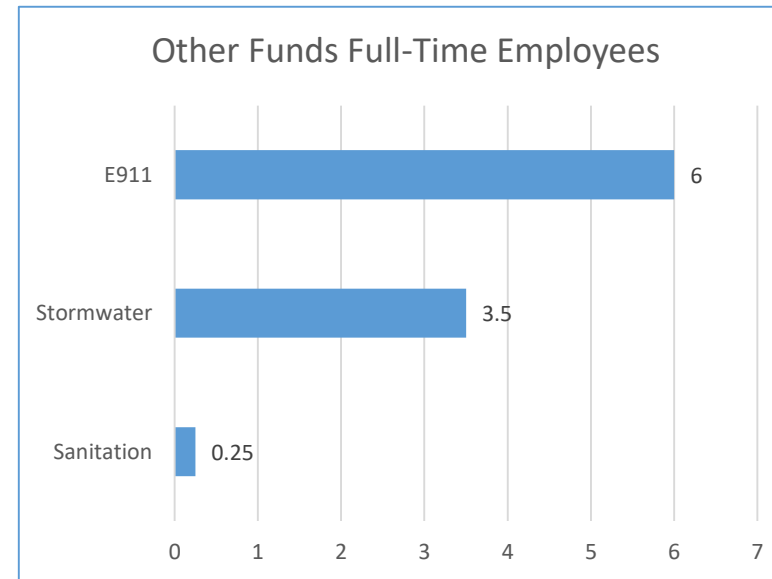
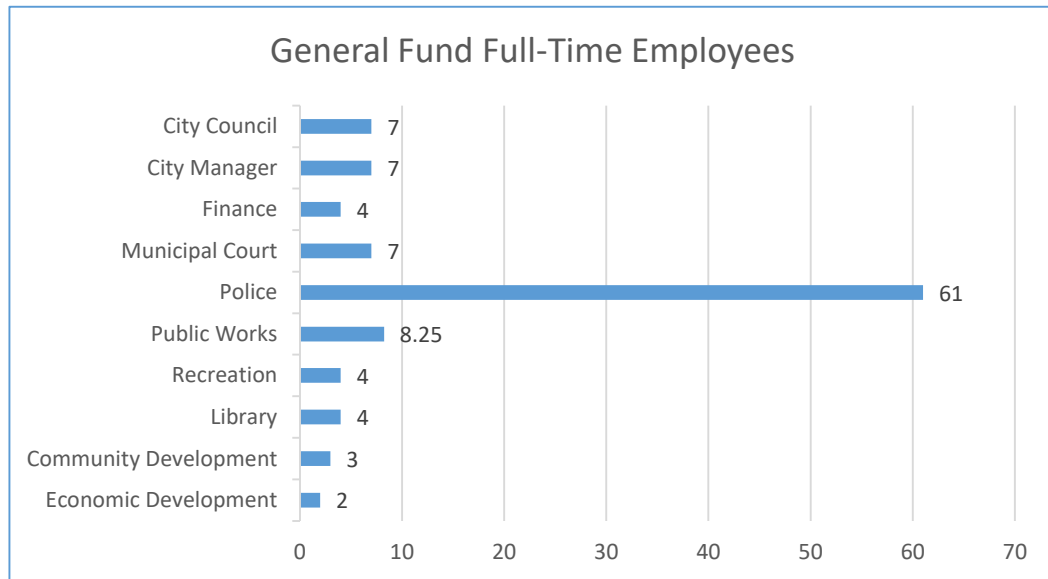


Expenditure Category	FY2020	FY2019
Personnel Services/Employee Benefits	\$9,190,500	\$8,831,100
Purchased/Contracted Services	\$3,904,220	\$3,918,530
General Supplies and Materials	\$1,071,850	\$1,085,300
Other Miscellaneous	\$336,680	\$398,500
Debt/Capital Lease	\$318,350	\$318,336
Operating Transfers	\$434,100	\$295,800
Total Expenditures	\$15,255,700	\$14,847,566

General Fund Operating Expenditures – Changes Year-to-Year

- Base budget remains at the same level; no significant changes to existing service levels
- Base expenditure increase includes salary and health care increases
- Notable General Fund Operating Expenditures Initiatives
 - Business License/Occupational Tax Review
 - Development of an IT Master Plan (for example, evaluation of equipment replacement and network needs)
 - Organizational realignments to gain efficiencies in Departments of Recreation & Parks, Economic Development, Community Development
 - Reprogrammed long-term vacancies
 - Economic Development Marketing

FY2020 Authorized Personnel



- **General Fund**

- 107.25 full-time and 27 part-time employees
- Personnel expenditures are about 61% of total operating budget
- Public Safety represents 60% of total personnel expenditures

- **Other Funds**

- 9.75 full-time and 1 part-time employees

FY2020 Proposed Budget - Other Funds

Other Funds

■ FY2020 Proposed Budget for Other Funds includes:

Hotel/Motel Fund – this is an excise tax levied against all taxable room rentals within a given month. They are collected by the lodge operator from customers and remitted to the City.

- Calculated as 5% of the Net Taxable Rent (Gross Room Rent less Exempt Rent)
- 40% of amount collected is sent to the DeKalb Convention and Visitors Bureau. Remaining 60% is transferred to the General Fund for Special Events and Marketing.
- 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)
 - 2020 - \$70,000 (budget)

Other Funds (cont.)

■ FY2020 Proposed Budget for Other Funds includes:

Motor Vehicle Rental Excise Tax Fund – excise tax assessed and levied upon each rental charge collected by any rental motor vehicle customer when a customer pays sales tax with respect to the rental charge. 100% of amount collected is transferred to the General Fund.

- Calculated as 3% of the Gross Receipts. For returns submitted on or before the deadline, a 3% collection fee is subtracted from the total tax due.
- 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)
 - 2020 - \$40,000 (budget)

Other Funds (cont.)

- **FY2020 Proposed Budget for Other Funds includes:**

E911 Fund – Fees charged to phone users, both cellular and landlines, that are used to maintain and provide emergency contact services to the citizens of Doraville.

- A monthly fee in the amount of \$1.50 is charged to each cellular and landline customer.

– E911 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

					2019	2020
	2015	2016	2017	2018	Budget	Budget
Charges for Services	\$181,432	\$189,059	\$193,948	\$194,630	\$210,000	\$210,000
Transfers In from General Fund	\$165,819	\$240,500	\$272,528	\$238,815	\$260,300	\$298,600
Total Revenue	\$347,251	\$429,559	\$466,476	\$433,445	\$470,300	\$508,600
Total Expenditures	\$355,410	\$452,649	\$392,209	\$437,940	\$494,300	\$508,600

FY2020 Proposed Budget - Enterprise Funds

FY2020 Proposed Budget - Enterprise Funds

An **Enterprise Fund** is a fund that provides goods or services to the public for a fee that makes the entity self-supporting.

The City of Doraville has 2 Enterprise Funds – Stormwater and Solid Waste

FY2020 Proposed Budget – Enterprise Funds (cont.)

FY2020 Proposed Enterprise Fund Budget includes:

Stormwater management includes, among other things, culverts, drains, detention and retention ponds, and other storm, rain, and water run-off.

- \$48 Billed annually on property tax statement
- No exemptions available
- Capital backlog

FY2020 Proposed Budget – Enterprise Funds (cont.)

Sanitation Fee – charges for refuse collection to residential customers.

- Exemption – an exemption was granted if the following conditions were met:
 - ✓ The owner-occupant of the residence had to be 65 years or older and;
 - ✓ Have occupied the residence for five or more years

Note that the City stopped this exemption program and no new exemptions were granted after August 1, 2010.

In 2018 did an audit and some individuals were removed

- Proposed rate increase from the current \$200 per resident amount annually to \$300 per resident annually (included on property tax bill). Deletes requirement to schedule reasonable volume bulk good pickup; will occur weekly.

FY2020 Proposed Budget – Capital Projects Funds

FY2020 Proposed Budget – Capital Funds

SPLOST Fund – includes new funding for: (note that FY2019 unspent budget will carryforward to FY2020)

Project	FY 2020 Amount
Oakcliff Phase 2	\$73,000
Citywide Traffic Calming	\$10,000
Citywide Sidewalk Repair and Replacement	\$203,050
Chestnut Road Improvement	\$50,000
Citywide Street Striping	\$136,666
Safety Improvements at intersection of Chestnut/Wheeler and Addison Streets	\$15,000
Citywide Pavement Management	\$200,000

Project	FY 2020 Amount
Relocate Generators	\$75,000
Public Safety Building Improvements	\$40,000
Replacement Police Vehicles	\$67,778
Municipal Courthouse Renovations	\$20,000
Library Improvements	\$45,000
Citywide Signage	\$5,000
Honeysuckle Park Improvements	\$20,000

FY2020 Proposed Budget – Capital Funds

General Capital Projects Fund – includes funding for:

Project	FY 2020 Amount
Tyler Content Manager Software	\$11,600
Office Relocations and Renovations	\$30,000
Telephone System Upgrade – Citywide	\$18,400
PD Vehicle Lifecycle Replacement Program	\$25,000
PW Vehicle Lifecycle Replacement Program	\$15,000