

**Amie Sakmar**

Financial Services Director

City of Suwanee, Georgia



# Agenda



- I. History of Suwanee
- II. Team Suwanee
- III. Budget History
- IV. GFOA Distinguished Budget Program
- V. 14 Mandatory Requirements
- VI. Lessons Learned
- VII. Questions



“Suwanee....

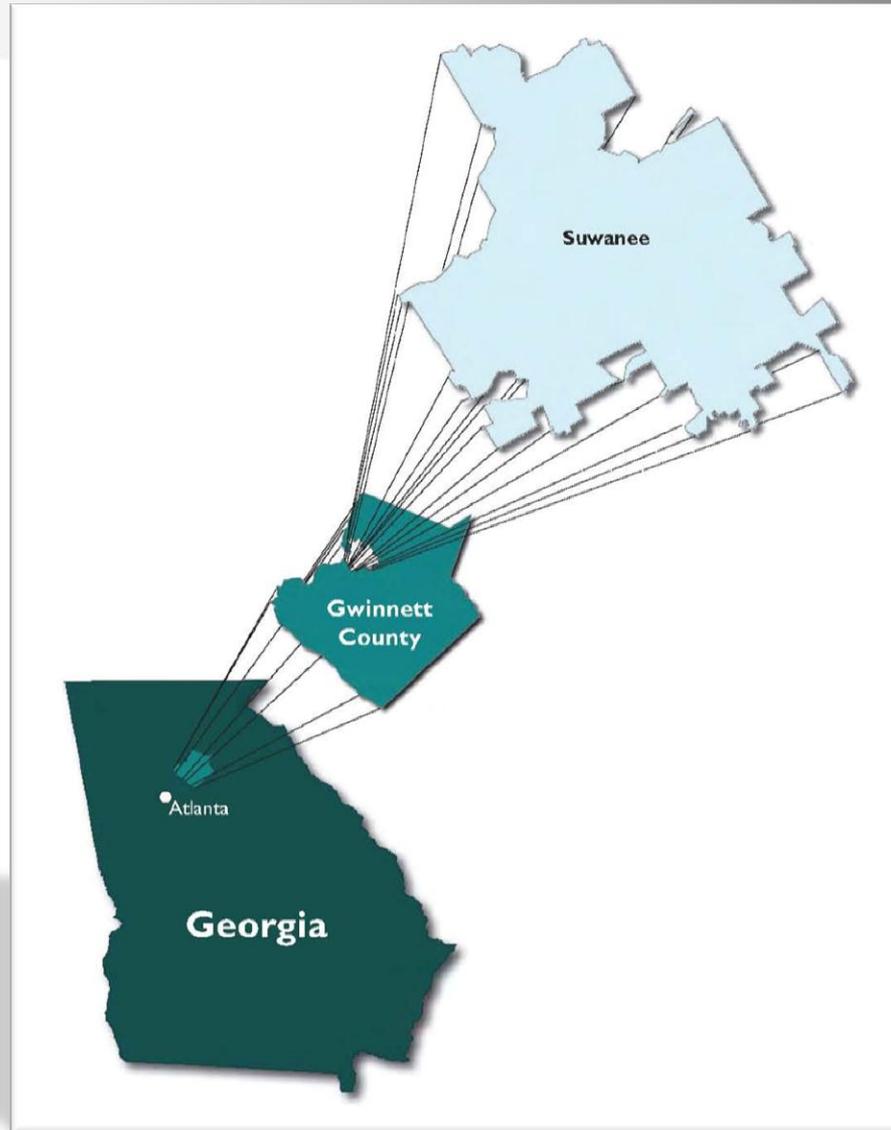
Get the name *right!*”



## BACKGROUND

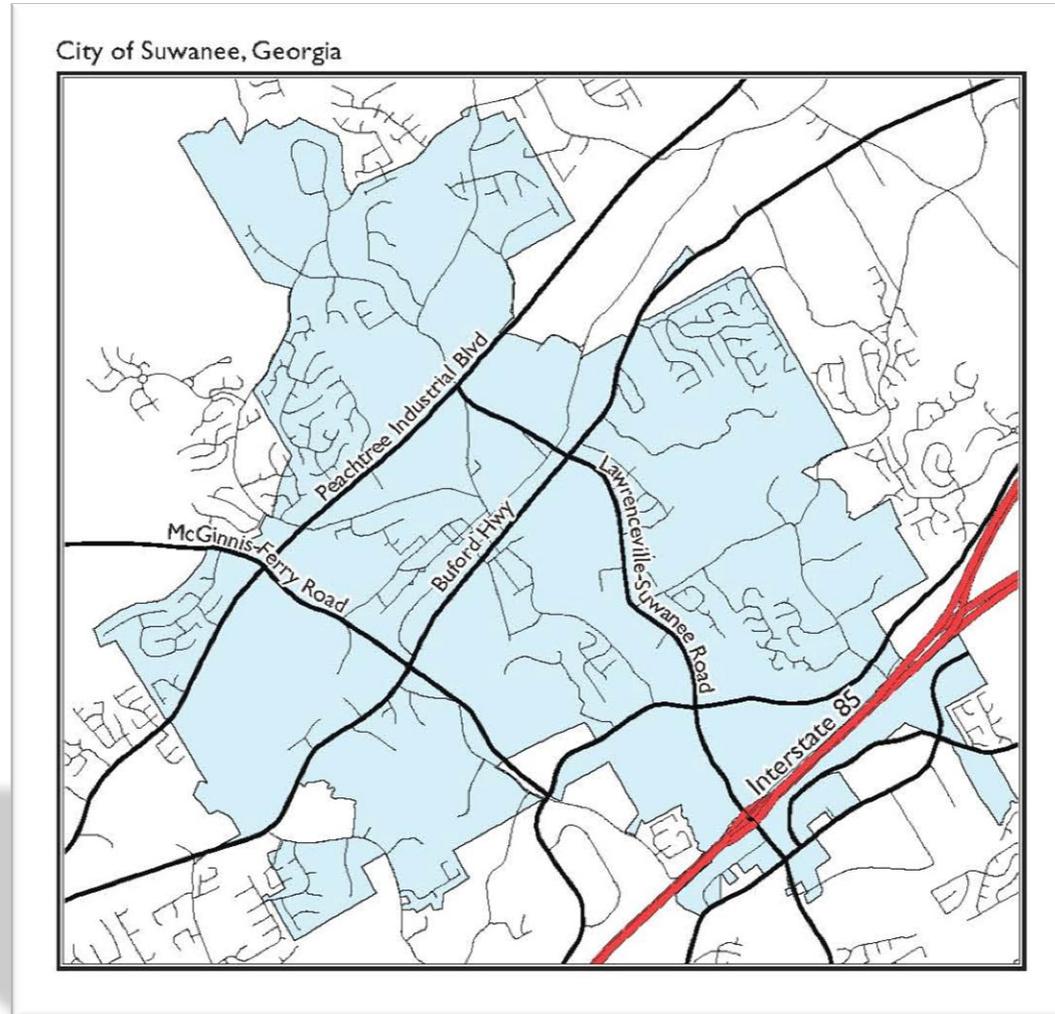
Suwanee was originally chartered on February 25, 1949.

- **Location:** Suwanee is located in the north central portion of Georgia, approximately 30 miles northeast of Atlanta.
- **Area:** Suwanee is 10.4 square miles





# Suwanee has five main transportation roadways





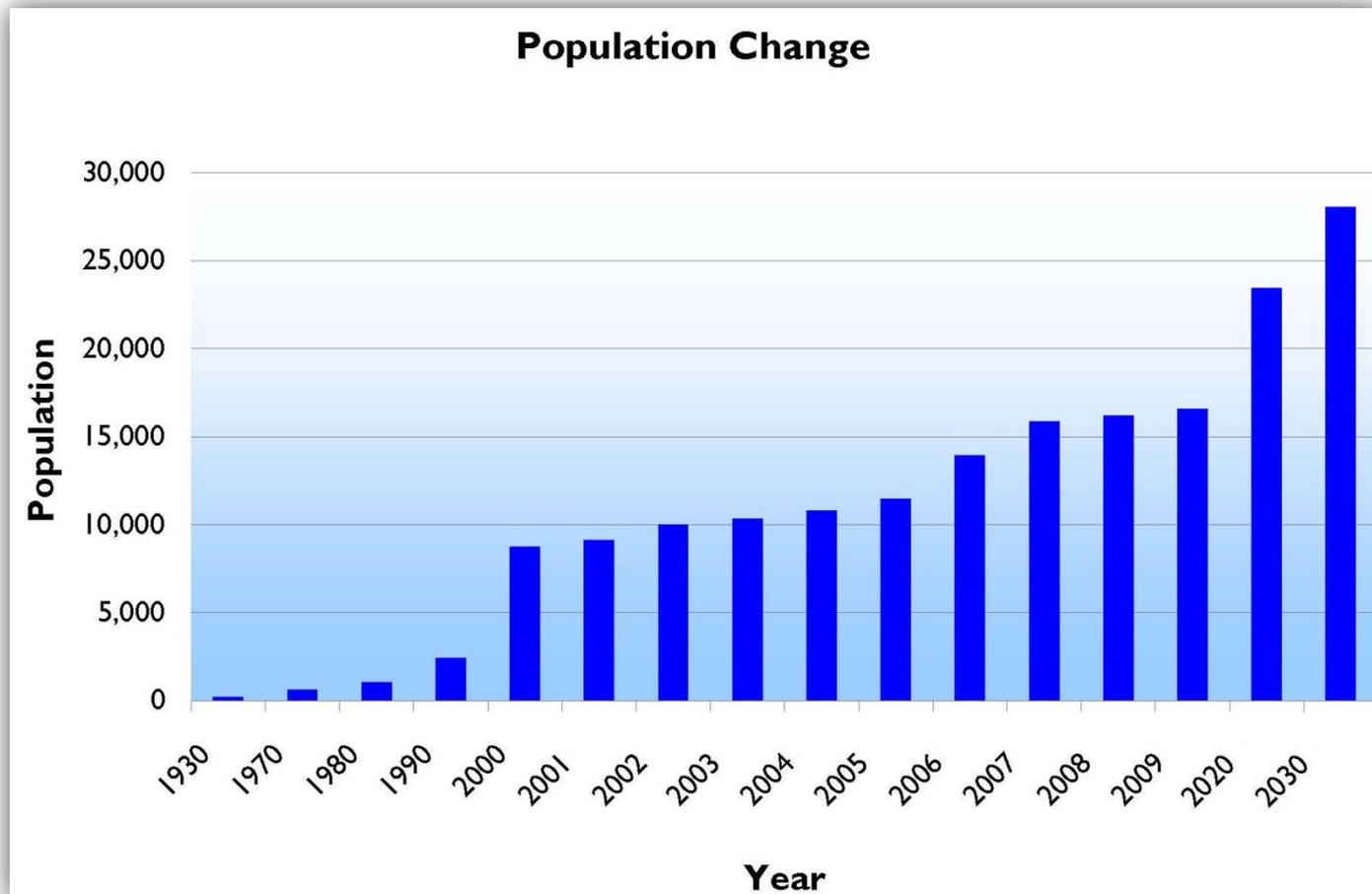
# Population



- Suwanee was the 5<sup>th</sup> fastest-growing city in Georgia and the fastest growing small city in metro Atlanta during the 1990s. Suwanee's population grew 262% from 1990 – 2000. Suwanee's current population is around 16,500.



# Population

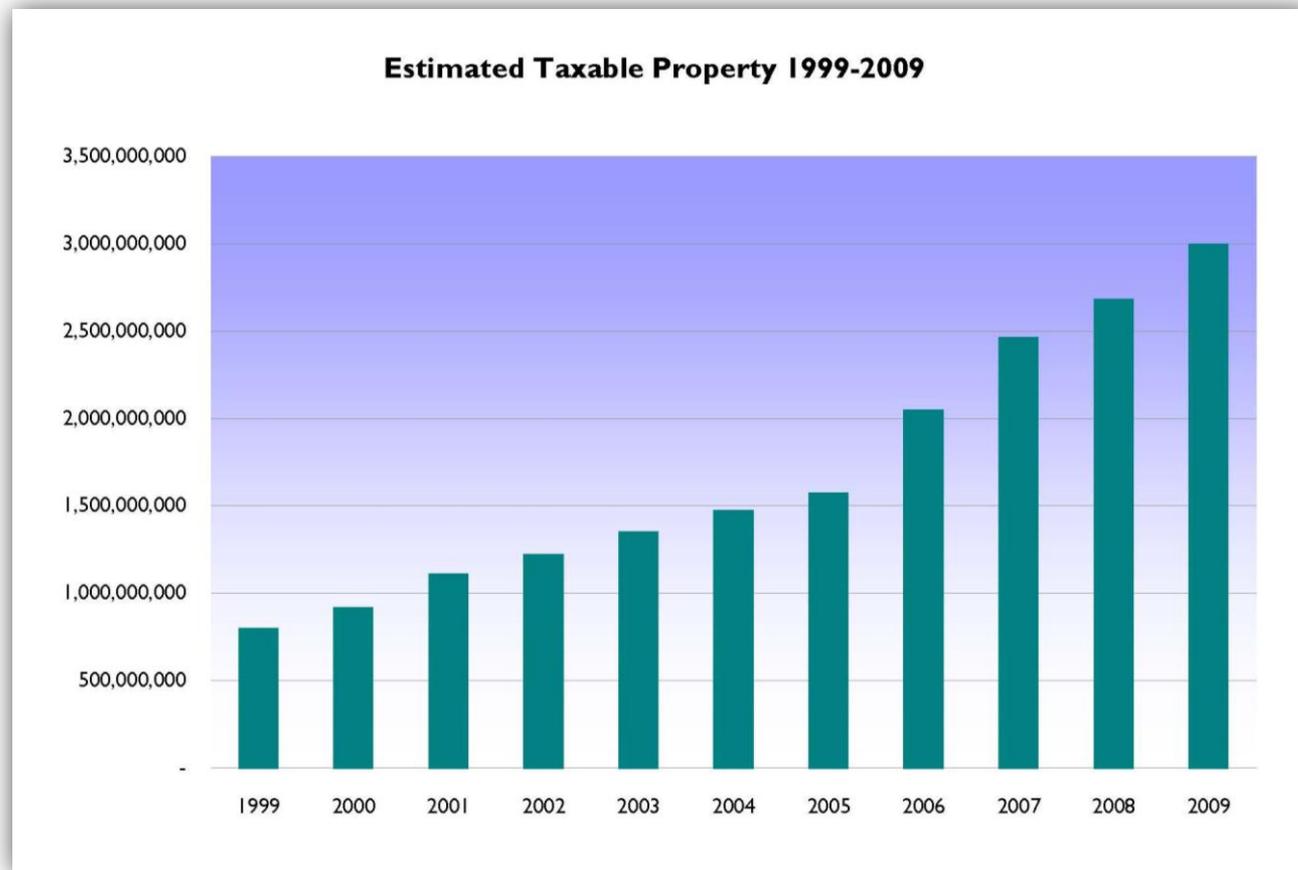




# Population



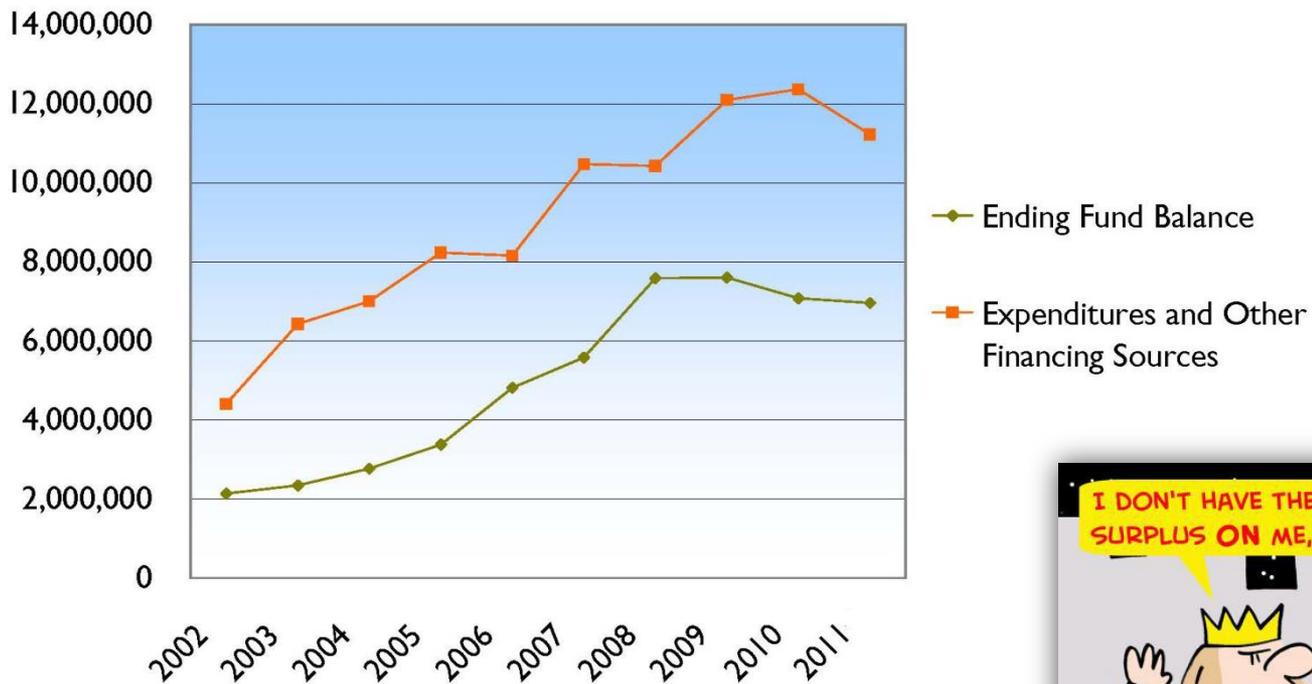
With this growth our taxable property values grew...





# Population

...and our fund balance grew accordingly.





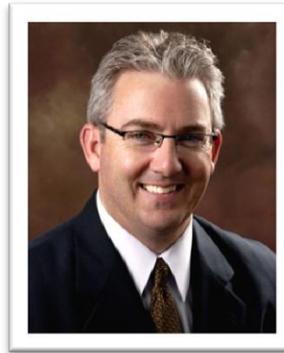
# Team Suwanee



The governing authority consists of a five-member City Council and Mayor. The Mayor and all Councilmembers are elected at large, serving staggered four-year terms.



# City Council



**Dave Williams**  
Mayor



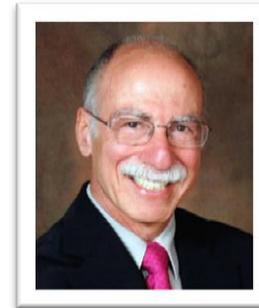
**Jace Brooks**  
Councilmember



**Jimmy Burnette**  
Councilmember



**Dan Foster**  
Councilmember



**Dick Goodman**  
Councilmember



**Kevin McOmber**  
Councilmember



# Management Team



The management team consists of a City Manager and six department heads.



**Marty Allen**  
City Manager



**Elvira Rogers**  
Administrative  
Services Director



**Denise Brinson**  
Economic &  
Community  
Development Director



**Amie Sakmar**  
Financial Services  
Director



**Josh Campbell**  
Planning  
Director



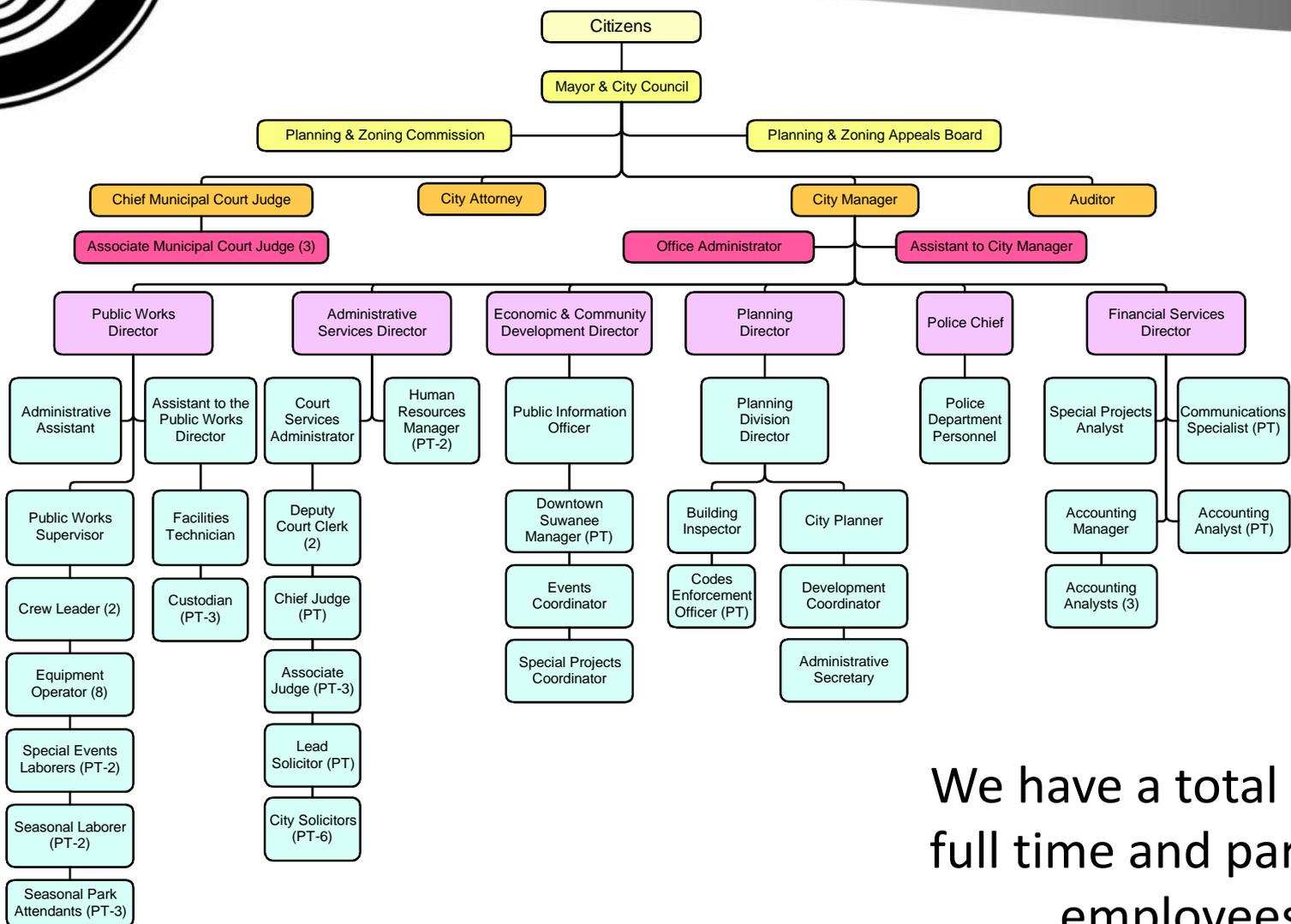
**Mike Jones**  
Chief of Police



**James Miller**  
Public Works  
Director



# Team Suwanee



We have a total of 109 full time and part time employees



# Suwanee's Management Team



With all the growth, Suwanee's management team works very closely together. We have grown up together with seven out of the nine team members working together for the last twelve years.

Like a family we tend to support and pick on each other





# The Watch



James being an engineer, used to wear a Casio calculator watch.





# Budget History



When I started working at Suwanee (1999), the budget document was paper clipped together and once adopted it was thrown in a desk drawer, never to be looked at or used again.





# Budget History



The following 6 years brought slow but methodical change as we moved toward our goal of producing a budget document that we could all be proud of (and wouldn't feel like shoving into a drawer).



# Budget History

*-FY 2005*



**In fiscal year 2005, we started working towards having a comprehensive budget document.**

*We added:*

- An actual cover and tabs.
- A budget policy.
- Budget calendar/schedule.
- Expenditures by object classification.
- An organizational chart.
- Analysis of the tax digest.



# Budget History

*-FY 2006*



**In fiscal year 2006 we started focusing on the requirements for the GFOA budget award program.**

*We added:*

- A copy of all our financial policies.
- Three year comparisons for revenues, expenditures, and authorized personnel.
- A narrative on major revenue estimates.
- A statement of services.
- A supplemental section.
- The CIP as part of the budget document instead of a separate report.



# Budget History

*-FY 2007*



**In fiscal year 2007 we received our first GFOA budget award.**

*We added:*

- Additional combining statements.
- The current year budget objectives.
- Workload and productivity measures.
- A section on major budget changes.
- A budget guide narrative and glossary section.
- The short term work program section to the supplemental information.
- Pictures and more interesting page layouts.



# Budget History

*-FY 2008*



**In fiscal year 2008 we started having fun with the budget document. This is the year our budget document started to have a distinct feel and character. The management team and City Council started becoming excited about the document. They started using it, referring to it, and talking about it.**

## *We added:*

- Big ticket items: both included and cut from departmental requests.
- Council and staff mission statements.
- Detailed departmental goals.
- Additional workload measures and productivity measures.
- 10 year projections.
- We also went back and obtained prior period workload and productive measures actuals.

## *We changed:*

- Page design, layout, and graphics.



# Budget History

**-FY 2009**



**In fiscal year 2009 we continued to modify the document.**

*We added:*

- The ICMA Comparative Performance Measures to help with benchmarking.
- Logic tables to help link workload measures and productivity measures to outcomes.

*We changed:*

- The CIP section; expanding the narrative, adding a scoring matrix, a project ranking, and additional summaries.
- The glossary section, moving it to the back of the document.



# Budget History

**-FY 2010**



**In fiscal year 2010 we continued to make small modifications.**

*We added:*

- Additional information on our funds and code structure.

*We changed:*

- The layout and flow of the CIP plan. We removed some information and changed the flow to take up less space.
- We reviewed and modified workload and productivity measures. Some measures were changed to include items we were already collecting for the ICMA program.



# Budget History

**-FY 2011**



**In fiscal year 2011 we continued to make small modifications.**

*We added:*

- A fund balance policy.
- The national citizen survey results as a measurement of outcomes.
- Line and bar charts to the general fund function sheets.
- Department organizational charts.

*We changed:*

- The grouping of the general fund function sheets from function code to departmental.
- The document layout from portrait to landscape.
- The short term work program, moving it from supplemental to a separate section and adding a narrative.
- Some of the estimate methods for the ten year projections.
- We created a new section for the National Citizen Survey results.



# GFOA Distinguished Budget Presentation Awards Program



## About the Program

The budget award program has been promoting the preparation of high quality budget documents since 1984. More than 1,100 governments participate in the program each year. Participants include governments of all levels (state and local), types (general-purpose and special-purpose), and sizes.



# Goals



- 1. Encourage:** To encourage governments to prepare better budget documents. The program is designed to encourage state and local governments to prepare and issue budget documents of the highest quality. Top quality documents are essential for citizens and others with an interest to be fully informed participants in the budget process. Better budget documents contribute to better decision making and enhanced accountability.



# Goals



- 2. Assist:** To assist governments to prepare better budget documents. The program actively strives to assist participating governments to achieve the goal of improving their budget document. Program participants benefit from access of technical material specifically designed to help them comply with program requirements.



# Goals



- 3. Recognize:** To recognize governments that prepare better budget documents. The program recognizes governments that have succeeded in preparing a high quality budget document. This recognition can be viewed as a positive factor by credit rating agencies and others interested in the professionalism of a government's finance function.



# Judging Process



Each budget document submitted to the program is evaluated by three independent reviewers. Each reviewer rates a given budget document as being either:

- not proficient,
- proficient, or
- outstanding,

in regard to 27 specific criteria, grouped into four basic categories.



# Judging Process



The reviewer also provides an overall rating for each of the basic categories.

To receive the award, a budget document must be rated either proficient or outstanding by at least two of the three reviewers, for all four basic categories, as well as for 14 of the 27 specific criteria identified as “mandatory”.



# Four Basic Criteria



1. The Budget as a **Policy Document**
2. The Budget as a **Financial Plan**
3. The Budget as an **Operations Guide**
4. The Budget as a **Communications Device**



# The Budget as a Policy Document



## ***Mandatory Elements:***

1. The document should include a coherent statement of entity-wide, long-term financial policies.
  - a. Explanation: Requires a discussion on long-term financial policies used during the budget process. It should also indicate whether the budget presented, is balanced.
  - b. Suwanee Example:

We include the following policies on pages 10-20

    - i. Budget policies and procedures
    - ii. Capital improvement policy
    - iii. Debt management policy
    - iv. Investment policy
    - v. Fund balance policy



# The Budget as a Policy Document

## *Suwanee Example*



### fund balance policy

CITY OF  
**Suwanee** | 2011

#### **BACKGROUND**

The City of Suwanee maintains its financial operations in a manner consistent with sound financial management principles, which require that sufficient funds be retained by the City to provide a stable financial base at all times. An adequate fund balance level is an essential element in both short-term and long-term financial planning. It serves to mitigate current and future risks, sustain operations during economic downturns, provides cash flow liquidity for the City's general operations, and enhances creditworthiness. Maintenance of sufficient levels of fund balance enables the City to stabilize funding for operations, stabilize taxes and fees, and realize cost savings in issuing debt. While adequate levels of fund balance are important, the City strives to maintain an appropriate amount that is neither too high nor low.

#### **PURPOSE**

This policy establishes guidelines for preserving an adequate fund balance in order to sustain financial stability and to provide prudent management of the City's financial reserves. Fund balance is a surplus of funds accrued from unexpended operating budgets and unanticipated revenues.

#### **COMPONENTS OF FUND BALANCE**

Fund balance consists of four accounts: restricted, designated, stabilization, and unassigned. Funding of these accounts follow the order listed.

- **Restricted account** consists of funds that are mandated by a third party through laws, regulations, and other legal requirements to be used for a specific purpose. There is no minimum funding requirement for this account.
- **Designated account** consists of funds set aside by ordinance or resolution (including annual budget resolutions) for specific purposes. There is no minimum funding requirement for this account.
- **Stabilization account** consists of a minimum of four months of general fund budgeted expenditures and transfers. As a part of the budget resolution, the City Council will annually commit the funding level of the stabilization account.
- **Unassigned account** consists of the remaining funds not segregated above. These funds may be used for new programs or positions desired outside of the current and established budget or for one-time capital investments. There is no minimum funding requirement for this account.

#### **POLICY**

The stabilization account provides the City with a "rainy day" fund for use in unforeseen, unbudgeted emergency situations, such as rapidly declining real estate values and/or tax collection rates; the loss of a major taxpayer; sudden changes in revenues or spending requirements imposed by the state or federal government; natural disasters or emergency infrastructure failures; or unforeseen litigation. A minimum of four months of general fund budgeted expenditures and transfers is prudent based upon an evaluation the City's operating characteristics, diversity of tax base, reliability of non-property tax sources, working capital needs, impact on bond rating, state and local economic outlooks, emergency and disaster risk, and other contingencies.

The City Manager will report to the City Council an estimated, unaudited balance of both the stabilization and unassigned account balances during the annual budget submission process. Recommendations of the use of these funds would be included as an element of the annual operating budget. Any funds in addition to the minimum requirement of four months maybe authorized by City Council in the budget resolution.

After the City has allocated resources to the stabilization account, any excess funds would be reported in the unassigned account and may be utilized for other municipal purposes, including, without limitations, additional capital improvement needs identified in the five-year capital improvement plan. The five-year capital improvement plan would include resource allocation of these unassigned funds.

#### **UTILIZATION**

The stabilization account reserves below minimum standards should only be used to provide a short-term solution to maintaining services until projected revenue growth or necessary expenditure reductions are achieved to balance the budget. The City will evaluate the current economic conditions and their impact on future revenue projections to determine the extent of expenditure reductions or revenue increases that are required to achieve day-to-day financial balance.

#### **RESTORATION**

When it becomes necessary for the City to draw funds from the stabilization account, wherein the balance drops below the minimum level of four months, the City will develop a plan to replenish the account to the minimum level from net revenue surpluses in subsequent fiscal year(s) until the balance is restored to the minimum level.



# The Budget as a Policy Document



*Suwanee Example*

## budget policies and procedures

### Policy Guidelines

The overall goal of the City's financial plan is to establish and maintain effective management of the City's financial resources. The following section outlines the policies used to guide the preparation and management of the City's budget. This section consists of operating budget policies, capital expenditures' policies, revenue policies and financial accounting policies.

The development and preparation of the City's budget are guided by the following policies:

- All funds are required to balance. Anticipated revenue must equal the sum of budgeted expenditures. All funds should be included in the budget process along with work programs, objectives and strategies.
- The Capital Improvement Program requires coordination and planning in conjunction with the various operating fund budgets.
- The General Fund is based on long-range financial plans which include unallocated fund reserves. The goal is to keep the reserve at approximately the level of three to six months of operating expense. This reserve protects the City against catastrophic revenue losses and major emergency expenditures.



# The Budget as a Policy Document

*Suwanee Example*



2011 | *suwanee*

definitions

## Definitions

The budget document contains specialized and technical terminology that is unique to public finance and budgeting. The following definitions are provided to assist the reader in understanding these terms.

**Account Number:** A line item code defining an appropriation.

**Assessed Property:** The value set upon real estate or other property by the

**Balanced Budget:** A budget in which planned funds available equal planned expenditures

incurred.

**Ad Valorem Tax:** Commonly referred to as property taxes. These charges are levied on all real and certain personal property according to the property's assessed valuation and the tax rate.

**Adopted Budget:** Term used to describe revenues and expenditures for the upcoming year beginning July 1st as adopted by City Council.

**Advanced Refunding:** A transaction in which new debt is issued to provide monies to pay interest on old, outstanding debt as it becomes due; and to pay the principal on the old debt either as it matures or at an earlier call date.

**Appraised Value:** The market value of real and personal property located in the City as of January 1st each year; determined by Gwinnett County Tax Commissioner Office.

**Appropriation:** A specific amount of money authorized by City Council for the purpose of providing or acquiring goods and services.

**Appropriation Resolution:** The formal statement approved by the City Council which shows budgeted revenues and expenditures for the approaching fiscal year.

**Authorized Position Resolution:** The formal statement approved by the City Council that outlines the approved positions for the approaching fiscal year.

**Balance Sheet:** A financial statement that discloses the assets, liabilities, reserves and balances of a fund as of a specific date.

**Balanced Budget:** A budget in which planned funds available equal planned expenditures.

**Bond:** A certificate of debt issued by an entity guaranteeing payment of the original investment plus interest by a specified future date.

**Bond Proceeds:** The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued, and to pay certain costs of issuance as may be provided in the bond contract.

**Bonded Indebtedness:** That portion of indebtedness represented by outstanding bonds.

**Budget:** A financial plan for a specified period of time that matches all planned revenues and expenditures to planned services.



# The Budget as a Policy Document



## ***Mandatory Elements (continued):***

2. The document shall include a budget message that articulates priorities and issues for the budget. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes.
  - a. Explanation: Requires a summary explanation of key choices and decisions made during the budget process. The budget message should address the ramifications of these choices and decisions.
  - b. Suwanee Example:

Handout

3

3



# The Budget as a Policy Document

## Suwanee Example

Our budget message includes this information in the highlights, executive summary, revenue highlights, expenditure highlights and the conclusion.

**2011 Suwanee**

City of Suwanee  
 1500 Peachtree Industrial Boulevard  
 Suwanee, Georgia 30088  
 Phone: 770.241.1000  
 Fax: 770.241.1001  
 Website: www.cityofsuwanee.com

To: Mayor and Council  
 From: Marvin Allen, City Manager  
 CC: Mike Jones, James Miller, Evtra Rogers, Josh Carybell, Denise Brinson, Jessica Roth and Amie Skmar  
 Date: June 22, 2010  
 Re: City Manager's Budget Message for FY 2011

The City of Suwanee remains fiscally strong. Acknowledging the current economic conditions, the City has had to make some concessions to present a balanced budget that proposes no increases in City's millage rate. However, for the first time in several years the budget does include water rate increases to help offset costs associated with operating the city's small water system. Other major budgetary highlights for the upcoming year are listed below:

**Highlights**

- At 5.77 mills, the millage rate is proposed to remain the same as last year. The millage rate has either remained the same or been reduced over each of the past eight years.
- The proposed budget is balanced (it relies on anticipated revenues; no fund balance will be used for operating expenses). The budget proposes to use \$116,070 of general fund balance and \$196,100 water fund balance for capital improvements to the water system. However, the city has been approved for federal grants for the water system.
- General fund revenues are expected to decrease by approximately \$329,390 from \$11,436,700 (FY10 current) to \$11,107,310 (FY11 proposed).
- The general fund budget is about 1.0% less than the adopted FY10 budget. General fund expenditures are projected to decrease from \$11,335,050 in the FY10 adopted budget to \$11,223,380 in the proposed FY11 budget. At

**Executive Summary**

The City's overall financial position remains strong. Like the rest of the country, the City of Suwanee is not immune to the current economic environment. Overall revenues are expected to increase more modestly than past years due to general economic conditions and associated declining property values. The proposed millage rate is projected to remain the same at 5.77 mills for FY11. **General fund revenues are projected to be \$11,107,310.**

**General Fund Proposed Budget**

	FY10 (adopted)	FY11 (proposed)
Revenues	\$ 11,047,600	\$ 11,107,310
Use of Fund Balance	382,450	116,070
Total	\$ 11,335,050	\$ 11,223,380
Expenditures	\$ 11,335,050	\$ 11,223,380
Ending Fund Balance	\$ 7,298,113	\$ 6,959,198

**budget message**

\$11,223,380, the proposed general fund budget is about 6.2% less than the FY10 amended budget.

- Annual bond payments totaling approximately \$1.61 million for the 2002 Open Space Initiative and the new City Hall project remain the City's largest expenditures.
- Due to declining revenue growth, the proposed budget largely focuses on maintaining the City's current service levels. Primary expenditure areas include incorporating a 2.5% cost of living adjustment for employees, phase 1 of two-year Strategic Plan, legal fees associated with ongoing Service Delivery Strategy litigation, police laptop replacement, and increased landscaping commitments on Peachtree Industrial Boulevard, McGinnis Ferry Road and around I-85.
- Healthcare costs continue to rise faster than the rate of revenue increases. As such, certain cost-saving changes to the city's healthcare benefit package was made for employees primarily via increased deductibles.
- The positive financial impact of the SPOST program continues to provide funds for many of the major capital projects and reduces the pressure on the City's annual general fund budget. The recently approved 2009 SPOST program is expected to provide about \$9.4 million over the next four years for capital items and projects.
- A long-planned community garden will open, proposed on a 7-acre tract acquired in 2003 via open space funds. Is one important capital project anticipated for completion in June of 2010.

**2011 Suwanee**

**budget message**

If quality growth, the City has been able to provide the appropriate revenue level for the year. Suwanee has an excellent fund balance policy that provides for preserving an adequate fund balance in order to sustain operations of the city's services. The city needs to ensure that provides for a number of general funds. The current balance at the end of 2010, including the amount for the new program, is \$7,298,113. The city needs to ensure and established budget for the year and balance policy for more information.

156 (177) requires that the City report increased revenue to the City's general fund. If property taxes, 156 (177) requires that the City report increased revenue to the City's general fund. The proposed millage rate of 5.77 will likely result in an increase in property tax revenue due to the city's natural gas, telephone and telephone services. The proposed millage rate of 5.77 will likely result in an increase in property tax revenue due to the city's natural gas, telephone and telephone services. The proposed millage rate of 5.77 will likely result in an increase in property tax revenue due to the city's natural gas, telephone and telephone services.

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**2011 Suwanee**

**budget message**

Results of the other funds, increased state grants and bond proceeds in 2010 and the proposed budget increase for the City and its employees. The City is using the proposed budget to provide for the City's services. The proposed budget increase for the City and its employees. The City is using the proposed budget to provide for the City's services. The proposed budget increase for the City and its employees. The City is using the proposed budget to provide for the City's services.

**Executive Summary**

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# The Budget as a Policy Document

## Suwanee Example

### budget message

Residential developments such as Suwanee Station, Highland Station, McGinnis Reserve, Village Grove and Stonecypher are expected to see a small increase in new construction compared to the previous year. With relatively high vacancy rates, commercial development is likely to be limited. The City has completed a 10-year financial projection, both for revenues and expenditures. This helps with long-range planning and will serve as another useful tool as we envision for the future.

**Alcoholic beverage excise tax growth is anticipated to slow down** and maintain compared with large increases in previous years. The last couple of years, numerous new establishments have opened. However, fewer new establishments are projected to open this year. The budgets for both the excise tax (\$705,000) and mixed-drink tax (\$67,000) are expected to be the same as last year.

**Hotel/motel taxes remain unsteady.** They were down 4% in FY08 monthly averages, up 25% in FY09, and are projected to be back down 22% in FY10 based on current receipts. The City's Suwanee Gateway Initiative continues toward its goal of revitalizing the entire IBS hotel district. With initiatives like the Gateway Branding Campaign and the Suwanee Gateway Tax Allocation District, this area has increased potential for renewal, which can have a positive impact on the hotels.

**Insurance premiums** collected by the State of Georgia on the City's behalf are estimated to decline by \$15,000 or 3%. Motor vehicle taxes are expected to maintain the same \$230,000 for both fiscal years.

### Expenditures Highlights

Suwanee remains a vibrant community with changing and expanding needs that demand high-quality services. Given the state of the economy and anticipated reduced revenues, the proposed budget reflects some difficult decisions to control costs and expenses, including delaying certain purchases and initiatives.

During the course of FY10, the City increased the FY10 budget 5.5% from \$11,335,050 (adopted) to \$11,964,150 (amended). The increase was largely to undertake certain emergency spending with a stormwater failure along Settles Point Road (\$240,000), as well as pre-funding of some road and stormwater maintenance transfers and police and public works vehicle purchases (\$339,670). **General fund expenditures for FY11 are projected to decrease to \$11,223,380 (6.2%) from the amended FY10 budget. General fund expenditures in the FY11 proposed budget total \$11,670 (1%) less than in the FY10 adopted budget.**

## Suwanee 2011

The proposed budget includes continuation of a **take-home car** program for police. In its third year, this program is a major part of the city's police recruitment and retention efforts. As noted last year, this is not a one-time cost, but rather an ongoing program. In recent years, recruiting and retaining quality police officers has become more difficult in an increasingly competitive environment as new cities have begun and nearby jurisdictions have added officers. This program provides a benefit offered by many nearby competing jurisdictions and will help the City remain competitive.

The budget proposes to convert from using contracted janitorial services to **three part-time employees.** The in-house janitorial proposal will provide modest cost savings, but will provide for more hours and building coverage than the current arrangement. After a salary freeze in FY10, the FY11 budget also includes a **citywide 2.5% COLA** – pay for performance increase. Combined, these decisions expended \$73,798.

Healthcare costs continue to increase for the City and its employees. The City made several changes to the existing benefits package this year in order to save substantial money. In FY10, the City created a new **Healthcare Reimbursement Account (HRA)** program to help offset the cost to employees of new healthcare deductibles. The net effect of the various healthcare adjustments made by the City resulted in substantial savings from the renewal proposal initially received from the City's healthcare provider. This year the city faced similar increases with the renewal. Certain plan changes were made to keep costs inline and manageable. The net increase to the budget is \$31,749.

What remains of the OpenGreen Space Funds (\$325,865), are proposed to be combined with 2009 SPLOST revenues to supplement the costs of the proposed **Suwanee Creek Greenway rehabilitation.**

**Stormwater** management remains an important issue. In order to implement state-mandated MS4 Permit requirements, various water-related projects are needed. \$50,000 has been budgeted to undertake program requirements for this year.

Moving forward with a **Tax Allocation District (TAD)** is a key priority for improving the **Suwanee Gateway.** In November 2007, voters approved legislation to create a TAD. A Redevelopment Plan was adopted, and the City created the Suwanee Gateway Tax Allocation District. The Gateway fund has accumulated \$100,201 since its creation.

fy 2011 annual budget | executive summary

## Suwanee 2011

A complete and clear budget for an effective budget process, the budget serves as a policy and a communication document to provide a quality and professional message and to inform the citizens and the Board of Supervisors of the City's performance measures and the results of the budget process. This is also a key objective to performance. The City Manager's Association stated that the budget document is the most important document in the budget process. It is the document that provides the information and data needed to make the budget process effective.

A financial document in addition to the budget process, the budget serves as a policy and a communication document to provide a quality and professional message and to inform the citizens and the Board of Supervisors of the City's performance measures and the results of the budget process. This is also a key objective to performance. The City Manager's Association stated that the budget document is the most important document in the budget process. It is the document that provides the information and data needed to make the budget process effective.

fy 2011 annual budget | executive summary

## 2011 Suwanee



To: Mayor and Council  
 From: Marvin Allen, City Manager  
 CC: Mike Jones, James Miller, Elvira Rodriguez, Jessica Roth and Arnie Saloner  
 Date: June 22, 2010  
 Re: City Manager's Budget Message for

The City of Suwanee remains fiscally strong. Under current conditions, the City has had to make some cuts in the proposed Fiscal Year 2011 Budget. We're once again budgeting that proposes no increases in City's millage rate in several years the budget does include what costs associated with operating the city's small water highlights for the upcoming year are listed below:

- a) At 5.77 mills, the millage rate is proposed to remain the same as in the past eight years.
- b) The proposed budget is balanced. It relies on an average of \$116,070 of general fund balance and \$196,100 in investments to the water system. However, it requires federal grant dollars that may substantially contribute for the water system.
- c) General fund revenues are expected to decrease by \$11,436,700 (FY10 current) to \$11,073,310 (FY11). The general fund budget is about 1.0% less than the FY10 adopted budget to \$11,223,380 in the FY11 adopted budget.

executive summary | fy 2011 annual budget



# The Budget as a Policy Document

## Suwanee Example

### budget message

#### Capital Project Funds

These funds account for resources used for the acquisition or construction of major capital facilities. Currently, there are a total of 8 of these funds. The City's Capital Improvement Program (included as a part of this document) provides information for readers interested in learning more about the funds and future projects that will be completed in the next five years.

The **SPLOST Fund** includes final proceeds from the 2005 SPLOST and the 2009 SPLOST, which began in April of 2009. SPLOST funds are a major source of City revenue for various capital projects. SPLOST money is legally restricted for use in categories specifically approved by voters, such as recreation, public safety, park enhancements, etc. This fund will help Suwanee construct 25 separate projects over the next four years. Highlights of these projects include: renovation of the Police Station and Crossroads Center; rehabilitation and extension of the Suwanee Creek Greenway; enhancements to Town Center Park and PlayTown Suwanee; construction of a police substation; multiple roadway, sidewalk, and trail projects, including a major streetscape project for the Buford Highway corridor; street resurfacing; and storm drainage system improvements.

In 2001, Suwanee voters approved an approximately \$17 million bond referendum to fund acquisition and development of parks and open space in Suwanee. The **Open/Green Space Fund** was subsequently created. The city has used these funds over the years to acquire and develop various projects including Town Center Park, Suwanee Creek Park, Sims Lake Park, PlayTown Suwanee, Delay Nature Park (undeveloped), Suwanee Creek Greenway and others. Prior to the referendum in 2009, the city owned or controlled approximately 28 acres of park/greenspace. Today, the city owns or controls over 350 acres (acquired through various sources including this fund). As previously noted, what remains of the Open/Green Space proceeds (\$325,865) are currently proposed to be combined with SPLOST funding and used for the Suwanee Creek Greenway rehabilitation. This will effectively spend the remaining bond proceeds allowing the city to close the fund.

Other smaller Capital Project Funds include Paved Streets and Storm Drainage, Public Facilities maintenance and enhancements.

With a proposed five-year capital budget of more than \$26 million, the City has a large number of capital projects (36) to manage and oversee. In addition to designated staff project managers, the City also uses a private consulting firm, to advance these projects and provide professional program management services.

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#### Budget Presentation

The City of Suwanee takes pride in presenting a complete and clear budget for public use. The GFOA establishes guidelines for an effective budget presentation, which are designed to assess how well a government's budget serves as a policy document, a financial plan, an operations guide, and a communications device. Relevant information has been included in each function area to provide a quick snapshot of the department's objectives, workload and productivity measures, and a summary of the budget changes for the year. The performance measures allow for ongoing reporting and establishment of goals for the coming fiscal year. In doing this, the document becomes especially useful to the reader, clarifying the purpose and functionality of each department and in turn, city government as a whole. This is also a valuable internal resource to aid departments in fulfilling their daily activities. Logic tables are included, which help link department goals and objectives to performance measures. We also added results from the International City Manager's Association (ICMA) National Citizen's Survey. It should also be noted that the budget document for Fiscal Year 2010 was submitted to GFOA for consideration and again received the Distinguished Budget Presentation Award for the 8th year.

The city's budget is an impressive and comprehensive financial document. In addition to core spending and revenue information, it contains both required and desired information that is useful for reporting, data tracking, and generally making better-informed decisions. The city also recognizes the need for accurate and concise information for readers of all levels and interests. As such, this year the city has created a condensed Citizen's Operating Budget. It is not intended to replace the city's full budget, instead it attempts to summarize it, focusing on certain important and interesting points for a potential reader.

#### Conclusion

Suwanee remains a safe, economically vibrant, diverse, well-rounded community. In FY09, the City administered an independent scientific survey called the National Citizens Survey that randomly polled 1,200 citizens of Suwanee. The responses to the survey were overwhelmingly positive and underscored the community's ranking in 2007 as one of Money Magazine's Top 10 Small Places to Live. Ninety-seven percent of surveyed respondents rated Suwanee a "good" or "excellent" place to live.

With this budget, the City will maintain existing service levels, make progress on efforts to improve service delivery, and improve and beautify our facilities for safe and enjoyable use by our citizens. City Council sets a vision and, with a dedicated staff,

CITY OF Suwanee | 2011

#### budget message

Approved by the Board of Commissioners on June 22, 2010. The City of Suwanee is pleased to present the 2011 Budget Message. This document is intended to provide a clear and concise overview of the City's financial plan for the upcoming year. It is not intended to replace the full budget document. All details can be found in the full budget document. Thank you for your interest in the City of Suwanee.

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2011 Suwanee



To: Mayor and Council  
From: Harvin Allen, City Manager  
CC: Mike Jones, James Miller, Elvira Rogers, Josh Campbell, Denise Brinson, Jessica Roth and Arnie Sakow  
Date: June 22, 2010  
Re: City Manager's Budget Message for FY 2011

The City of Suwanee remains fiscally strong. Acknowledging the current economic conditions, the City has had to make some concessions to the economy in its proposed Fiscal Year 2011 Budget. We're once again proud to present a balanced budget that proposes no increases in City's millage rates. However, for the first time in several years the budget does include water rate increases to help offset costs associated with operating the city's small water system. Other major budgetary highlights for the upcoming year are listed below.

#### Highlights

- a) At 5.77 mills, the millage rate is proposed to remain the same as last year. The millage rate has either remained the same or been reduced over each of the past eight years.
- b) The proposed budget is balanced. It relies on anticipated revenues; no fund balance will be used for operating expenses. The budget proposes to use \$116,070 of general fund balance and \$196,100 water fund balance for capital investments to the water system. However, the city has been approved for federal grant dollars that may substantially reduce the City's needed contribution for the water system.
- c) General fund revenues are expected to decrease by approximately \$329,390 from \$11,436,700 (FY10 current) to \$11,107,310 (FY11 proposed).
- d) The general fund budget is about 1.0% less than the adopted FY10 budget. General fund expenditures are projected to decrease from \$11,335,050 in the FY10 adopted budget to \$11,223,380 in the proposed FY11 budget. At

executive summary | fy 2011 annual budget

fy 2011 annual budget | executive summary



# The Budget as a Policy Document

## Suwanee Example

2011 CITY OF Suwanee

budget message

works as a team to ensure that Suwanee models regional leadership and exceeds expectations in all endeavors. We will build upon our track record of success and almost three-dozen awards over the past several years to continue producing excellent results.

The City of Suwanee remains economically strong and fiscally sound. While slowing economic conditions and rising costs increase financial challenges for Suwanee and other similar communities, the City's past conservative financial policies coupled with strong past development patterns have helped to soften some of these financial difficulties. And even though overall revenues are expected to decline this year, the proposed millage rate remains the same as it was last year, thereby avoiding passing along to our citizens any additional hardship during this difficult economic period. Hard choices have been made in this budget in order to balance it. However, the core services are being maintained at the high levels to which Suwanee citizens have become accustomed.

I would like to thank each person within our various City departments who spend the time and energy on formulating their budget request each year. This serves as our budget starting point, so their effort is greatly appreciated. Financial Services Director Amie Sakmar leads us through the budget process each year and takes tremendous pride in producing an outstanding and meaningful budget document. Jessica Roth, assistant to the city manager, spends considerable time and effort managing the Capital Improvements Program. Tracy Padgett and Susan VanNus, play key roles in the layout and creation of the award-winning budget document. All of these staff members typify the dedication and commitment to excellence that is the hallmark of Suwanee's staff team.

Mayor Dave Williams and each of our Councilmembers deserve recognition and credit for setting the tone and providing leadership to keep the City moving in the right direction. This commitment to community service and desire to improve your community helps motivate City staff to continue striving for excellence. Thanks for your thoughtful input and guidance on the direction of the City as outlined in both the short-term work program and this document.

Please contact me if you have any questions or comments about this document.

Respectfully submitted,

Marvin R. Allen  
City Manager

The City staff will continue to work very hard to carry out the goals of the Mayor, City Council, citizens, and stakeholders in Suwanee. Our staff deserves the credit and praise that go along with our noteworthy accomplishments and continued success. I would personally like to thank each staff person for his or her contributions over the past year.

2011 CITY OF Suwanee



To: Mayor and Council  
From: Marvin Allen, City Manager  
CC: Mike Jones, James Miller, Elvira Rogers, Josh Campbell, Denise Brinson, Jessica Roth and Arnie Sakmar  
Date: June 22, 2010  
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**Executive Summary**  
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executive summary | fy 2011 annual budget

executive summary | fy 2011 annual budget



# The Budget as a Financial Plan



## ***Mandatory Elements:***

1. The document shall present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization.
  - a. Explanation: Both revenues and other financing sources and expenditures and other financing uses must be presented either (1) together in a single schedule or (2) in separate but adjacent/sequential schedules or (3) in a matrix.
    - i. Revenues should be presented by type (e.g. property tax, sales tax, fees and charges, intergovernmental) for all appropriated funds in total.
    - ii. Expenditures should be presented either by function, organizational unit or object.
  - b. Suwanee Example:



# The Budget as a Financial Plan

*Suwanee Example*

governmental and proprietary fund types combining statements

Suwanee

	FY 2007 Actual			FY 2008 Actual		
	Governmental	Proprietary	Total	Governmental	Proprietary	Total
<b>Revenues</b>						
General Property Taxes	\$ 5,600,039		\$ 5,600,039	\$ 6,920,043		\$ 6,920,043
Selective Sales and Use Taxes	1,211,742		1,211,742	1,216,489		1,216,489
Business Taxes	1,498,956		1,498,956	1,517,270		1,517,270
Penalty & Interest on Taxes	49,251		49,251	37,762		37,762
Licenses and Permits	258,814		258,814	311,370		311,370
Regulatory Fees	854,040		854,040	846,435		846,435
Intergovernmental Grants	143,278		143,278	918		918
Charge for Services	232,617	\$ 96,618	349,235	227,016	\$ 93,405	320,421
Fines and Forfeitures	1,427,285		1,427,285	1,236,992		1,236,992
Investment Income	291,132	1,393	292,525	293,519	1,597	295,116
Contributions and Donations	99,459		99,459	56,092		56,092
Miscellaneous Revenues	18,636	678	19,314	30,291		30,291
<b>Total Revenues</b>	<b>11,501,228</b>	<b>98,689</b>	<b>11,599,917</b>	<b>12,624,441</b>	<b>95,002</b>	<b>12,719,443</b>
<b>Expenditures/Expenses and Other Uses:</b>						
General Government	1,793,177		1,793,177	1,819,854		1,819,854
Judicial	336,751		336,751	380,799		380,799
Public Safety	3,378,165		3,378,165	3,487,698		3,487,698
Public Works	945,779	75,734	1,021,513	1,244,901	104,603	1,349,504
Culture and Recreation	377,993		377,993	400,287		400,287
Housing and Development	1,150,166		1,150,166	1,337,015		1,337,015
Debt Service	1,494,217	19,073	1,513,290	1,623,590	28,445	1,652,035
<b>Total Expenditures/Expenses and Other Uses</b>	<b>9,476,748</b>	<b>94,807</b>	<b>9,571,555</b>	<b>10,285,139</b>	<b>133,048</b>	<b>10,418,187</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,024,480</b>	<b>3,882</b>	<b>2,028,362</b>	<b>2,343,303</b>	<b>(38,046)</b>	<b>2,305,257</b>
<b>Other Financing Sources (Uses)</b>						
Proceeds from capital lease	139,247		139,247	72,572		72,572
Transfer in	1,316,610	36,400	1,353,010	1,902,916	70,600	1,973,516
Refunded bonds issued	15,350,000		15,350,000			15,350,000
Bond premium	31,216		31,216			31,216
Payment to refunded bond escrow agent	(14,670,566)		(14,670,566)			(14,670,566)
Gain (Loss) on disposal of capital assets		(126,583)	(126,583)	7,550	11,474	(119,109)
Transfer out	(2,724,910)		(2,724,910)	(2,072,518)		(4,797,428)
<b>Total other financing sources</b>	<b>(658,003)</b>	<b>(90,183)</b>	<b>(748,186)</b>	<b>(90,476)</b>	<b>82,074</b>	<b>(666,112)</b>
<b>Net change in fund balance</b>	<b>1,366,477</b>	<b>(86,301)</b>	<b>1,280,176</b>	<b>2,251,825</b>	<b>44,028</b>	<b>1,326,203</b>
<b>Fund Balances, beginning of year</b>	<b>5,429,939</b>	<b>1,934,975</b>	<b>7,364,914</b>	<b>6,796,416</b>	<b>1,848,624</b>	<b>8,645,040</b>
<b>Fund Balances, end of year</b>	<b>\$ 6,796,416</b>	<b>\$ 1,848,674</b>	<b>\$ 8,645,090</b>	<b>\$ 9,048,241</b>	<b>\$ 1,892,652</b>	<b>\$ 10,940,893</b>

**Revenues**

- General Property Taxes
- Selective Sales and Use Taxes
- Business Taxes
- Penalty & Interest on Taxes
- Licenses and Permits
- Regulatory Fees
- Intergovernmental Grants
- Charge for Services
- Fines and Forfeitures
- Investment Income
- Contributions and Donations
- Miscellaneous Revenues

**Total Revenues**

**Expenditures/Expenses and Other Uses:**

- General Government
- Judicial
- Public Safety
- Public Works
- Culture and Recreation
- Housing and Development
- Debt Service

**Total Expenditures/Expenses and Other Uses**



# The Budget as a Financial Plan

*Suwanee Example*



governmental fund types combining statement FY 2011 budget

**Suwanee** 2011

	General	Suwanee Day	Public Arts	Cemetery	Confiscated Asset	Community Garden	Hotel/Motel Tax	Debt Service	Total Governmental Funds
<b>Revenues</b>									
General Property Taxes	\$ 7,155,430								\$ 7,155,430
Selective Sales and Use Taxes	939,300						\$ 389,070		1,328,370
Business Taxes	1,290,000								1,290,000
Penalty & Interest on Taxes	55,000								55,000
Licenses and Permits	197,500								197,500
Regulatory Fees	103,880								103,880
Intergovernmental Grants	-								-
Charge for Services	80,200								80,200
Fines and Forfeitures	1,084,500				\$ 99,000				1,183,500
Investment Income	175,000	\$ 250	\$ 500	\$ 100	250	\$ 100	610	\$ 7,000	183,810
Contributions and Donations	5,000	77,500	80,000			8,800			171,300
Miscellaneous Revenues	16,500								16,500
<b>Total Revenues</b>	<b>11,102,310</b>	<b>77,750</b>	<b>80,500</b>	<b>100</b>	<b>99,250</b>	<b>8,900</b>	<b>389,680</b>	<b>7,000</b>	<b>11,765,490</b>
<b>Expenditures</b>									
General Government	2,245,090								2,245,090
Judicial	350,440								350,440
Public Safety	3,933,850				99,250				4,033,100
Public Works	1,681,680			14,600					1,696,280
Culture and Recreation	261,600	77,750	80,500			8,900			428,750
Housing and Development	940,960						222,380		1,163,340
Debt Service								1,612,690	1,612,690
<b>Total Expenditures</b>	<b>9,413,620</b>	<b>77,750</b>	<b>80,500</b>	<b>14,600</b>	<b>99,250</b>	<b>8,900</b>	<b>222,380</b>	<b>1,612,690</b>	<b>11,529,690</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,688,690</b>	<b>-</b>	<b>-</b>	<b>(14,500)</b>	<b>-</b>	<b>-</b>	<b>167,300</b>	<b>(1,605,690)</b>	<b>235,800</b>
<b>Other Financing Sources (Uses)</b>									
Proceeds from capital lease									-
Gain (Loss) on disposal of capital assets	5,000								5,000
Transfers in								1,605,690	1,605,690
Transfers out	(1,809,760)						(167,300)		(1,977,060)
<b>Total other financing sources</b>	<b>(1,804,760)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(167,300)</b>	<b>1,605,690</b>	<b>(366,370)</b>
<b>Net change in fund balance</b>	<b>(116,070)</b>	<b>-</b>	<b>-</b>	<b>(14,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(130,570)</b>
<b>Fund Balance, beginning of year</b>	<b>7,075,268</b>	<b>16,698</b>	<b>-</b>	<b>14,862</b>	<b>30,486</b>	<b>-</b>	<b>104,847</b>	<b>1,201,842</b>	<b>8,444,003</b>
<b>Fund Balance, end of year</b>	<b>\$ 6,959,198</b>	<b>\$ 16,698</b>	<b>\$ -</b>	<b>\$ 362</b>	<b>\$ 30,486</b>	<b>\$ -</b>	<b>\$ 104,847</b>	<b>\$ 1,201,842</b>	<b>\$ 8,313,433</b>



# The Budget as a Financial Plan



## Suwanee Example

2011 *Suwanee*

capital projects combining statements project based budgets

	2009 SPL/OST	2005 SPL/OST	Public Facilities Maintenance	Public Facilities Enhancement	Paved Streets	Storm Drainage	Open/Green Space	Suwanee Tax Allocation District	Total
<b>Revenues</b>									
Intergovernmental Grants	\$ 11,029,861	\$ 7,441,031					\$ 1,772,158		\$ 20,243,050
Investment Income		242,000	\$ 750	\$ 5,000	1,500	\$ 500	1,154,653	\$ 1,000	1,405,403
Contributions and Donations							81,010		81,010
Miscellaneous Revenues			205,000				19,059		224,059
<b>Total Revenues</b>	<b>11,029,861</b>	<b>7,683,031</b>	<b>205,750</b>	<b>5,000</b>	<b>1,500</b>	<b>500</b>	<b>3,026,880</b>	<b>1,000</b>	<b>21,953,522</b>
<b>Expenditures</b>									
Purchased Professional and Technical Services	2,010,092	1,572,883	50,000	150,000	50,000	10,000	1,366,995	21,000	5,230,970
Purchased Property Services							71,469		71,469
Supplies		5,000	5,000	5,900	1,500		109,031		126,431
Capital Outlay	11,210,654	5,589,900	150,750	735,000	150,000	65,500	19,031,540	100,000	37,033,344
Other Cost							7,909		7,909
Debt Service							146,531		146,531
<b>Total Expenditures</b>	<b>13,220,746</b>	<b>7,167,783</b>	<b>205,750</b>	<b>890,900</b>	<b>201,500</b>	<b>75,500</b>	<b>20,733,475</b>	<b>121,000</b>	<b>42,616,654</b>
Excess (deficiency) of revenues over (under) expenditures	(2,190,885)	515,248	-	(885,900)	(200,000)	(75,000)	(17,706,595)	(120,000)	(20,663,132)
<b>Other Financing Sources (Uses)</b>									
Bond Proceeds							17,794,398		17,794,398
Transfer In	2,375,865	277,500		885,900	200,000	75,000	815,000	120,000	4,749,265
Transfer Out	(184,980)	(792,748)					(902,803)		(1,880,531)
<b>Total Other Financing Sources</b>	<b>2,190,885</b>	<b>(515,248)</b>	<b>-</b>	<b>885,900</b>	<b>200,000</b>	<b>75,000</b>	<b>17,706,595</b>	<b>120,000</b>	<b>20,663,132</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



# The Budget as a Financial Plan



## Suwanee Example

capital projects combining statements project balances as of June 1, 2010

city of Suwanee | 2011

	2009 SPLOST	2005 SPLOST	Public Facilities Maintenance	Public Facilities Enhancement	Paved Streets	Storm Drainage	Open/Green Space	Suwanee Tax Allocation Districts	Total
<b>Revenues</b>									
Inergovernmental Grants	\$ 9,413,827								\$ 9,413,827
Investment Income	(3,478)	\$ -4,335	\$ 750	\$ 5,000	\$ 1,500	\$ 500	\$ (50,528)	\$ 521	(41,400)
Contributions and Donations							(5)		(5)
Miscellaneous Revenues			175,000						175,000
<b>Total Revenues</b>	<b>9,410,349</b>	<b>4,335</b>	<b>175,750</b>	<b>5,000</b>	<b>1,500</b>	<b>500</b>	<b>(50,533)</b>	<b>521</b>	<b>9,547,422</b>
<b>Expenditures</b>									
Purchased Professional and Technical Services	1,938,262	280,840	50,000	150,000	50,000	10,000	9,277	21,000	2,509,379
Supplies		1,784	5,000	5,900	1,500				14,184
Capital Outlay	11,170,856	1,380,155	150,750	735,000	150,000	65,500	322,450	100,000	14,074,711
<b>Total Expenditures</b>	<b>13,109,118</b>	<b>1,662,779</b>	<b>205,750</b>	<b>890,900</b>	<b>201,500</b>	<b>75,500</b>	<b>331,727</b>	<b>121,000</b>	<b>16,598,274</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(3,698,769)</b>	<b>(1,658,444)</b>	<b>(30,000)</b>	<b>(885,900)</b>	<b>(200,000)</b>	<b>(75,000)</b>	<b>(383,260)</b>	<b>(120,479)</b>	<b>(7,050,852)</b>
<b>Other Financing Sources (Uses)</b>									
Transfer in	1,075,865	124,041	30,000	885,900	200,000	75,000	815,000	20,278	3,226,084
Transfer out	(124,041)						(325,865)		(449,906)
<b>Total Other Financing Sources</b>	<b>951,824</b>	<b>124,041</b>	<b>30,000</b>	<b>885,900</b>	<b>200,000</b>	<b>75,000</b>	<b>489,135</b>	<b>20,278</b>	<b>2,776,178</b>
<b>Net change in fund balance</b>	<b>(2,746,945)</b>	<b>(1,534,403)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106,875</b>	<b>(100,201)</b>	<b>(4,274,674)</b>
<b>Fund Balance, beginning of year</b>	<b>2,746,945</b>	<b>1,534,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(106,875)</b>	<b>100,201</b>	<b>4,274,674</b>
<b>Fund Balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



# The Budget as a Financial Plan



## ***Mandatory Elements (continued):***

2. The document must include summaries of revenues and other financing sources, and of expenditures and other financing uses for the prior year actual, current year budget and/or estimated current year actual, and the proposed budget year.
  - a. Explanation: Requires a schedule(s) that includes both revenues and other financing sources and expenditures and other financing uses for at least 3 budget periods (prior year actual, current year, and budget year).
  - b. Suwanee Example:



# The Budget as a Financial Plan



## Suwanee Example

2011 <small>city of</small> Suwanee		statement of revenues, expenditures and changes in fund balance				
Governmental Funds		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
		Actual	Actual	Actual	Budget	Budget
<b>Revenues</b>						
General Property Taxes	\$	5,600,838	\$ 6,920,043	\$ 7,704,078	\$ 7,403,530	\$ 7,155,430
Selective Sales and Use Taxes		1,211,742	1,216,483	1,475,247	1,410,170	1,328,370
Business Taxes		1,438,956	1,512,270	1,465,980	1,305,000	1,290,000
Penalty and Interest on Taxes		43,251	37,762	77,775	15,000	55,000
Licenses and Permits		258,814	211,270	209,630	202,300	197,500
Regulatory Fees		854,060	846,435	159,242	85,010	103,880
Intergovernmental Grants		14,378	818	-	16,610	-
Charge for Services		252,617	227,016	111,630	94,400	90,200
Fines and Forfeitures		1,427,285	1,276,932	1,028,022	1,152,980	1,183,500
Investment Income		291,132	293,529	244,537	187,910	183,810
Contributions and Donations		89,459	56,092	101,024	174,800	171,300
Miscellaneous Revenues		18,696	20,791	47,448	18,370	16,500
<b>Total Revenues</b>		<b>11,501,228</b>	<b>12,624,441</b>	<b>12,624,613</b>	<b>12,056,080</b>	<b>11,765,490</b>
<b>Expenditures</b>						
General Government		1,793,177	1,819,854	1,978,113	2,216,910	2,245,090
Judicial		336,751	380,793	387,299	368,270	350,440
Public Safety		3,378,165	3,467,698	3,737,097	4,188,790	4,033,100
Public Works		945,779	1,244,901	1,508,440	1,593,120	1,696,280
Culture and Recreation		377,993	408,287	350,836	419,050	428,750
Housing and Development		1,150,166	1,337,015	1,615,332	1,235,640	1,163,340
Debt Service		1,494,717	1,623,590	1,622,796	1,627,060	1,612,690
<b>Total Expenditures</b>		<b>9,476,748</b>	<b>10,282,138</b>	<b>11,199,913</b>	<b>11,648,840</b>	<b>11,529,690</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>		<b>2,024,480</b>	<b>2,342,303</b>	<b>1,424,700</b>	<b>407,240</b>	<b>235,800</b>
<b>Other Financing Sources (Uses)</b>						
Transfer In		1,316,610	1,902,916	1,628,632	1,620,060	1,605,690
Proceeds from capital lease		139,247	72,572	94,316	-	-
Refunded bonds issued		15,250,000	-	-	-	-
Bond premium		31,216	-	-	-	-
Payment to refunded bond escrow agent		(14,670,566)	-	-	-	-
Sale of General Fixed Assets		-	7,550	9,610	2,500	5,000
Transfer out		(2,724,510)	(2,073,516)	(3,234,406)	(2,556,890)	(1,977,060)
<b>Total Other Financing Sources</b>		<b>(658,003)</b>	<b>(90,478)</b>	<b>(1,501,848)</b>	<b>(934,330)</b>	<b>(366,370)</b>
<b>Net change in fund balance</b>		<b>1,366,477</b>	<b>2,251,825</b>	<b>(77,148)</b>	<b>(527,090)</b>	<b>(130,570)</b>
<b>Fund Balances, beginning of year</b>		<b>5,429,939</b>	<b>6,796,416</b>	<b>9,048,241</b>	<b>8,971,093</b>	<b>8,444,003</b>
<b>Fund Balances, end of year</b>		<b>\$ 6,796,416</b>	<b>\$ 9,048,241</b>	<b>\$ 8,971,093</b>	<b>\$ 8,444,003</b>	<b>\$ 8,313,433</b>



# The Budget as a Financial Plan



## ***Mandatory Elements (continued):***

3. The document shall describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends.
  - a. Explanation: Requires major revenues of the appropriated funds in the aggregate be identified and described. If the entity uses trend analysis to project particular revenue, a discussion of the revenue trend is required in addition to any schedules or graphs depicting the revenue trend.
  - b. Suwanee Example:



# The Budget as a Financial Plan

## Suwanee Example

### General Property Taxes

**Definition:** General property taxes include taxes on Real and Personal Property, Motor Vehicle, Mobile Homes, Intangible Taxes and Franchise Taxes.

**Assumption:** These taxes are projected based on estimated growth of the state approved tax digest at millage rates adopted by Council. Current economic conditions and falling property values have changed how we normally calculate the revenues from real and personal property. This year we reviewed two different methods to estimate real and personal property taxes. The first method used fiscal year 2010 projected collections and applied a 5% reduction. This method takes into account the current economic conditions and an additional decline in property values. The second method reviewed building permit activity to determine if new construction would offset the declining market values and have an effect on the revenue predicted in the first method.

All other revenues in this category are based on prior period collections and include a modest decrease or remained flat.

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All other revenues in this category are based on prior period collections and include a modest decrease or remained flat.

#### History and Projections:

Fiscal Year	Revenues	% Change From Prior Year	Millage Rate
1999 Actual	\$ 986,322	31.6%	2.5
2000 Actual	1,210,086	22.7%	2.5
2001 Actual	1,449,603	19.8%	2.5
2002 Actual	1,622,062	11.9%	2.5
2003 Actual*	3,462,019	113.4%	5.999
2004 Actual	3,765,058	8.8%	5.89
2005 Actual	4,392,240	16.7%	5.81
2006 Actual	4,484,232	2.1%	5.77
2007 Actual	5,600,838	24.9%	5.77
2008 Actual	6,920,043	23.5%	5.77
2009 Actual	7,704,078	11.3%	5.77
2010 Projected	7,434,913	-3.5%	5.77
2011 Budgeted	7,155,430	-3.7%	5.77

\* In fiscal year 2003, the City's millage rate increased from 2.5 to 5.999. This increase was due to the issuance of the 2002 Open space bonds. More detail on this debt issuance is located in the Debt Service section.

Less 10% Value of HP		(749,960)	(749,960)
Net Growth Added	\$ 3,006,081	\$ 8,298,116	\$ 11,304,197
Millage Rate @ 5.77 mills	\$ 17,345	\$ 47,880	\$ 65,225
Estimated Construction Value Added	\$ 65,225		

Note: The second method used 90% of total building permit construction values for calendar year 2009 less December 2009 plus November 2008 and December 2008. An adjustment was also made to add Hewlett Packard at 90%. Currently Hewlett Packard is only taxed at 10% of the assessed value due to an agreement with the Gwinnett Development Authority. However, due to the current economic conditions, Hewlett Packard has not been able to fulfill the terms of the tax incentive program and has requested to be released from the agreement.

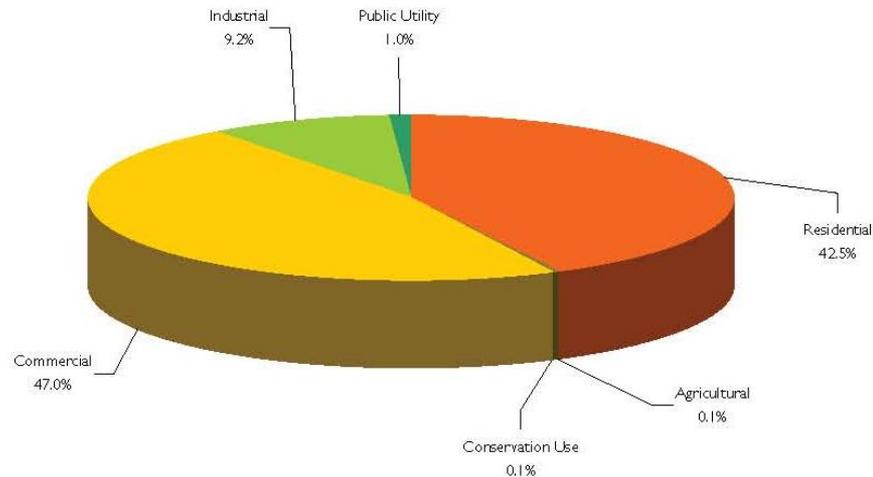


# The Budget as a Financial Plan

## *Suwanee Example*

Real Property Assessed Values by Type

	2005	2006	2007	2008	2009
Residential	\$ 283,019,048	\$ 358,454,950	\$ 457,212,920	\$ 488,117,714	\$ 488,055,160
Agricultural	905,000	797,040	1,275,320	1,587,200	1,286,560
Conservation Use	2,175,880	2,010,040	2,906,200	2,963,880	1,515,600
Commercial	180,979,992	354,041,707	410,537,343	471,717,632	538,964,630
Industrial	56,203,760	55,903,790	57,336,610	48,620,230	105,939,690
Public Utility	20,501,164	9,712,340	12,059,680	11,265,240	11,265,240
Total	\$ 543,784,844	\$ 780,919,867	\$ 941,328,073	\$ 1,024,271,896	\$ 1,147,026,880





# The Budget as a Financial Plan

## Suwanee Example

### General Property Taxes - Franchise Fees

**Definition:** Franchise Taxes are the fees charged to utility companies for the use of City streets and right of ways to conduct their private business of delivering natural gas, telephone, cable television, water and other fiber optics cable services.

**Assumptions:** This category represents 14.9% of the total FY 2011 General Fund revenues. Revenue projections are typically based on historical trends in conjunction with current economic indicators and past climate conditions. A cold winter and a hot summer will produce additional power usage and cause the fees to increase. These fees are deposited in the general fund and are used along with other sources to support City operations.

The various utilities conducting business in the City are Atlanta Gas Light, Georgia Power, Jackson EMC, AT&T Communications, Birch Telecom, Charter Communications, and Time Warner.

#### General Property Taxes - Franchise Fees

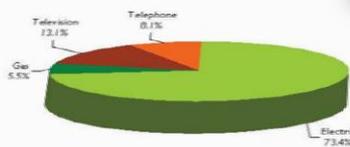
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**Assumptions:** This category represents 14.9% of the total FY 2011 General Fund revenues. Revenue projections are typically based on historical trends in conjunction with current economic indicators and past climate conditions. A cold winter and a hot summer will produce additional power usage and cause the fees to increase. These fees are deposited in the general fund and are used along with other sources to support City operations.

The various utilities conducting business in the City are Atlanta Gas Light, Georgia Power, Jackson EMC, AT&T Communications, Birch Telecom, Charter Communications, and Time Warner.

#### History and Projections:

Description	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Electric	\$ 584,930	\$ 1,084,493	\$ 1,304,650	\$ 1,438,800
Gas	87,519	90,957	93,955	97,450
Television	217,729	229,934	254,574	268,000
Telephone	92,616	116,308	124,805	133,200
<b>Total</b>	<b>\$ 982,694</b>	<b>\$ 1,521,682</b>	<b>\$ 1,777,984</b>	<b>\$ 1,937,450</b>
<b>Total Revenues</b>	<b>\$ 11,241,566</b>	<b>\$ 12,433,106</b>	<b>\$ 12,114,976</b>	<b>\$ 11,844,000</b>
<b>% of Total Revenues</b>	<b>8.7%</b>	<b>12.2%</b>	<b>14.7%</b>	<b>15.9%</b>



Motel tax fund as required by State law. The chart above represents the General fund 43% collections of accommodation taxes along with the projections on taxes collected by distribution of distilled spirits and the sale of distilled spirits by the drink.



# The Budget as a Financial Plan



## ***Mandatory Elements (continued):***

4. The document shall include projected changes in fund balances, as defined by the entity, for appropriated governmental funds included in the budget presentation (fund equity if no governmental funds are included in the document).
  - a. Explanation: Requires beginning and ending fund balances be shown for the budget year, as well as revenues, expenditures, and other financing sources/uses. This information must be provided for each major fund and for the nonmajor governmental funds in the aggregate. Both the beginning and ending fund balances must be clearly labeled. If the fund balances of any major fund or the nonmajor funds in the aggregate are expected to change by more than 10%, the change should be discussed in the budget message or at the bottom of the schedules.
  - b. Suwanee Example: Pages 39 -43
    - We prepare roll up and detail statements of revenues, expenditures and changes in fund balance.



# The Budget as a Financial Plan

Suwanee Example

2011 <small>suwanee</small>		statement of revenues, expenditures and changes in fund balance				
Governmental Funds		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
		Actual	Actual	Actual	Budget	Budget
<b>Revenues</b>						
General Property Taxes	\$	5,600,838	\$ 6,920,043	\$ 7,704,078	\$ 7,403,530	\$ 7,155,430
Selective Sales and Use Taxes		1,211,742	1,216,403	1,475,247	1,410,170	1,328,379
Business Taxes		1,438,956	1,517,270	1,465,980	1,305,000	1,290,000
Penalty and Interest on Taxes		43,251	37,762	77,775	15,000	55,000
Licenses and Permits		258,814	211,270	209,630	202,300	197,500
Regulatory Fees		851,060	846,435	159,242	85,010	103,880
Intragovernmental Grants		14,378	818	-	16,610	-
Charge for Services		252,617	227,016	111,630	84,400	80,200
Fines and Forfeitures		1,427,285	1,276,932	1,028,022	1,152,980	1,183,500
Investment Income		291,132	293,529	244,537	187,910	183,810
Contributions and Donations		89,459	56,092	101,024	174,800	171,300
Miscellaneous Revenues		18,696	20,791	47,448	18,370	16,500
<b>Total Revenues</b>		<b>11,501,228</b>	<b>12,624,441</b>	<b>12,624,613</b>	<b>12,056,080</b>	<b>11,765,490</b>
<b>Expenditures</b>						
General Government		1,792,177	1,819,854	1,978,113	2,216,910	2,245,090
Judicial		336,751	380,793	387,299	368,270	350,440
Public Safety		3,378,165	3,467,698	3,737,097	4,188,790	4,033,100
Public Works		945,779	1,244,901	1,508,440	1,593,120	1,696,280
Culture and Recreation		377,993	408,287	350,836	419,050	428,750
Housing and Development		1,150,166	1,337,015	1,615,332	1,235,640	1,163,340
Debt Service		1,494,717	1,623,590	1,622,796	1,627,060	1,612,690
<b>Total Expenditures</b>		<b>9,476,748</b>	<b>10,282,138</b>	<b>11,199,913</b>	<b>11,648,840</b>	<b>11,529,690</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>		<b>2,024,480</b>	<b>2,342,303</b>	<b>1,424,700</b>	<b>407,240</b>	<b>235,800</b>
<b>Other Financing Sources (Uses)</b>						
Transfer In		1,316,610	1,902,916	1,628,632	1,620,060	1,605,690
Proceeds from capital lease		139,247	72,572	94,316	-	-
Refunded bonds issued		15,250,000	-	-	-	-
Bond premium		31,216	-	-	-	-
Payment to refunded bond escrow agent		(14,670,566)	-	-	-	-
Sale of General Fixed Assets		-	7,550	9,610	2,500	5,000
Transfer out		(2,724,510)	(2,073,516)	(3,234,406)	(2,556,890)	(1,977,060)
<b>Total Other Financing Sources</b>		<b>(658,003)</b>	<b>(90,478)</b>	<b>(1,501,848)</b>	<b>(934,330)</b>	<b>(366,370)</b>
<b>Net change in fund balance</b>		<b>1,366,477</b>	<b>2,251,825</b>	<b>(77,148)</b>	<b>(527,090)</b>	<b>(130,570)</b>
<b>Fund Balances, beginning of year</b>		<b>5,429,939</b>	<b>6,796,416</b>	<b>9,048,241</b>	<b>8,971,093</b>	<b>8,444,003</b>
<b>Fund Balances, end of year</b>		<b>\$ 6,796,416</b>	<b>\$ 9,048,241</b>	<b>\$ 8,971,093</b>	<b>\$ 8,444,003</b>	<b>\$ 8,313,433</b>



# The Budget as a Financial Plan

*Suwanee Example*

statement of revenues, expenditures and changes in fund balance

City of Suwanee | 2011

## General Fund

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
<b>Revenues</b>					
General Property Taxes	\$ 5,600,838	\$ 6,920,043	\$ 7,704,078	\$ 7,403,530	\$ 7,155,430
Selective Sales and Use Taxes	1,046,675	1,047,884	999,358	990,500	939,300
Business Taxes	1,436,956	1,517,270	1,465,990	1,305,000	1,290,000
Penalty and Interest on Taxes	43,251	37,742	77,775	15,000	55,000
Licenses and Permits	258,814	211,270	209,630	202,300	197,500
Regulatory Fees	854,040	846,435	159,242	85,010	103,880
Intergovernmental Grants	14,378	818	-	16,610	-
Charge for Services	252,617	227,016	111,630	84,400	90,200
Fines and Forfeitures	1,320,467	1,259,195	994,207	1,130,480	1,084,500
Investment Income	252,066	264,000	231,289	176,000	175,000
Contributions and Donations	1,500	500	18,392	5,000	5,000
Miscellaneous Revenues	18,696	20,791	47,448	18,370	16,500
<b>Total Revenues</b>	<b>11,102,318</b>	<b>12,352,984</b>	<b>12,019,029</b>	<b>11,434,200</b>	<b>11,102,310</b>
<b>Expenditures</b>					
General Government	1,793,177	1,819,854	1,978,113	2,216,910	2,245,090
Judicial	336,751	380,793	387,299	368,270	350,440
Public Safety	3,315,676	3,393,188	3,728,382	4,166,040	3,933,850
Public Works	945,779	1,244,901	1,484,691	1,593,120	1,681,680
Culture and Recreation	312,682	328,958	262,857	247,950	261,600
Housing and Development	1,043,676	1,186,883	1,031,684	973,410	940,960
<b>Total Expenditures</b>	<b>7,747,741</b>	<b>8,354,577</b>	<b>8,873,026</b>	<b>9,565,700</b>	<b>9,413,620</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,354,577</b>	<b>3,998,407</b>	<b>3,146,003</b>	<b>1,868,500</b>	<b>1,688,690</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from capital lease	139,247	72,572	94,316	-	-
Sale of General Fixed Assets	-	7,550	9,610	2,500	5,000
Transfer in	-	-	1,632	-	-
Transfer out	(2,724,510)	(2,073,516)	(3,234,406)	(2,398,450)	(1,809,760)
<b>Total Other Financing Sources</b>	<b>(2,585,263)</b>	<b>(1,993,394)</b>	<b>(3,128,848)</b>	<b>(2,395,950)</b>	<b>(1,804,760)</b>
<b>Net change in fund balance</b>	<b>769,314</b>	<b>2,005,013</b>	<b>17,155</b>	<b>(527,450)</b>	<b>(116,070)</b>
<b>Fund Balances, beginning of year</b>	<b>4,811,236</b>	<b>5,580,550</b>	<b>7,585,563</b>	<b>7,602,718</b>	<b>7,075,268</b>
<b>Fund Balances, end of year</b>	<b>\$ 5,580,550</b>	<b>\$ 7,585,563</b>	<b>\$ 7,602,718</b>	<b>\$ 7,075,268</b>	<b>\$ 6,959,198</b>



# The Budget as a Financial Plan



## Suwanee Example

### statement of revenues, expenditures and changes in fund balance

Suwanee | 2011

#### Debt Service

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
<b>Revenues</b>					
Investment Income	\$ 32,928	\$ 22,679	\$ 10,303	\$ 7,000	\$ 7,000
<b>Total Revenues</b>	<u>32,928</u>	<u>22,679</u>	<u>10,303</u>	<u>7,000</u>	<u>7,000</u>
<b>Expenditures</b>					
Debt Service-Principal	350,000	630,000	665,000	700,000	725,000
Debt Service-Interest	964,223	993,590	957,796	924,560	885,440
Fiscal Agent's Fees	180,494	-	0	2,500	2,250
<b>Total Expenditures</b>	<u>1,494,717</u>	<u>1,623,590</u>	<u>1,622,796</u>	<u>1,627,060</u>	<u>1,612,690</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,461,789)</u>	<u>(1,600,911)</u>	<u>(1,612,493)</u>	<u>(1,620,060)</u>	<u>(1,605,690)</u>
<b>Other Financing Sources (Uses)</b>					
Transfer in	1,315,610	1,891,916	1,627,000	1,620,060	1,605,690
Refunded bonds issued	15,250,000				
Bond premium	31,216				
Payment to refunded bond escrow agent	(14,670,566)				
<b>Total Other Financing Sources</b>	<u>1,926,260</u>	<u>1,891,916</u>	<u>1,627,000</u>	<u>1,620,060</u>	<u>1,605,690</u>
<b>Net change in fund balance</b>	<u>464,471</u>	<u>291,005</u>	<u>14,507</u>	<u>-</u>	<u>-</u>
<b>Fund Balances, beginning of year</b>	<u>431,859</u>	<u>896,330</u>	<u>1,187,335</u>	<u>1,201,842</u>	<u>1,201,842</u>
<b>Fund Balances, end of year</b>	<u>\$ 896,330</u>	<u>\$ 1,187,335</u>	<u>\$ 1,201,842</u>	<u>\$ 1,201,842</u>	<u>\$ 1,201,842</u>



# The Budget as a Financial Plan



## Suwanee Example

2011 | Suwanee statement of revenues, expenditures and changes in fund balance

### Special Revenue

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
<b>Revenues</b>					
Selective Sales and Use Taxes	\$ 165,067	\$ 168,599	\$ 475,889	\$ 419,670	\$ 389,070
Fines and Forfeitures	106,818	17,737	33,815	22,500	99,000
Investment Income	6,138	6,850	2,945	2,910	1,810
Contributions and Donations	87,959	55,592	82,632	169,800	166,300
<b>Total Revenues</b>	<b>365,982</b>	<b>248,778</b>	<b>595,281</b>	<b>614,880</b>	<b>656,180</b>
<b>Expenditures</b>					
Public Safety	62,489	74,510	8,715	22,750	99,250
Public Works	-	-	23,749	-	14,600
Culture and Recreation	65,311	79,329	87,979	171,100	167,150
Housing and Development	106,490	150,132	583,648	262,230	222,380
<b>Total Expenditures</b>	<b>234,290</b>	<b>303,971</b>	<b>704,091</b>	<b>456,080</b>	<b>503,380</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>131,692</b>	<b>(55,193)</b>	<b>(108,810)</b>	<b>158,800</b>	<b>152,800</b>
<b>Other Financing Sources (Uses)</b>					
Transfer in	1,000	11,000	-	-	-
Transfer out	-	-	-	(158,440)	(167,300)
<b>Total Other Financing Sources</b>	<b>1,000</b>	<b>11,000</b>	<b>-</b>	<b>(158,440)</b>	<b>(167,300)</b>
<b>Net change in fund balance</b>	<b>132,692</b>	<b>(44,193)</b>	<b>(108,810)</b>	<b>360</b>	<b>(14,500)</b>
<b>Fund Balances, beginning of year</b>	<b>186,844</b>	<b>319,536</b>	<b>275,343</b>	<b>166,533</b>	<b>166,893</b>
<b>Fund Balances, end of year</b>	<b>\$ 319,536</b>	<b>\$ 275,343</b>	<b>\$ 166,533</b>	<b>\$ 166,893</b>	<b>\$ 152,393</b>



# The Budget as a Financial Plan



## Suwanee Example

2011 **Suwanee** statement of revenues, expenses and changes in net assets

**Proprietary Fund**

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget
<b>Revenues</b>					
Water and Sewer Charges	\$ 97,296	\$ 93,405	\$ 65,207	\$ 70,000	\$ 79,715
Investment Income	1,393	1,597	51	1,000	1,000
<b>Total Revenues</b>	<b>98,689</b>	<b>95,002</b>	<b>65,258</b>	<b>71,000</b>	<b>80,715</b>
<b>Expenses</b>					
Salaries and Benefits	19,281	20,547	23,861	27,110	27,130
Purchased Professional Services	5,848	31,917	73,380	96,490	46,500
Other Purchased Services	-	638	647	900	1,860
Supplies	13,508	14,041	12,950	18,280	20,000
Depreciation	37,097	37,460	38,539	43,000	43,000
Capital Outlay	-	-	-	406,620	220,000
Principal Expense	8,581	13,312	13,858	14,430	36,581
Interest Expense	10,492	15,133	14,586	14,020	24,394
Insurance Costs	-	-	-	7,350	7,350
<b>Total Expenses</b>	<b>94,807</b>	<b>133,048</b>	<b>177,821</b>	<b>628,200</b>	<b>426,815</b>
<b>Excess (deficiency) of revenues over (under) expenses</b>	<b>3,882</b>	<b>(38,046)</b>	<b>(112,563)</b>	<b>(557,200)</b>	<b>(346,100)</b>
<b>Other Financing Sources (Uses)</b>					
Transfer in	36,400	70,600	150,000	287,450	150,000
Loss on disposal of capital assets	(126,583)	11,474	13,857	-	-
<b>Total Other Financing Sources</b>	<b>(90,183)</b>	<b>82,074</b>	<b>163,857</b>	<b>287,450</b>	<b>150,000</b>
<b>Net change</b>	<b>(86,301)</b>	<b>44,028</b>	<b>51,294</b>	<b>(269,750)</b>	<b>(196,100)</b>
<b>Total Net Assets, beginning of year</b>	<b>1,934,975</b>	<b>1,848,674</b>	<b>1,892,702</b>	<b>1,943,996</b>	<b>1,674,246</b>
<b>Total Net Assets, end of year</b>	<b>\$ 1,848,674</b>	<b>\$ 1,892,702</b>	<b>\$ 1,943,996</b>	<b>\$ 1,674,246</b>	<b>\$ 1,478,146</b>



# The Budget as a Financial Plan



## ***Mandatory Elements (continued):***

5. The document needs to include budgeted capital expenditures, whether authorized in the operating budget or in a separate capital budget.
  - a. Explanation: Requires the entity to define capital expenditures and to indicate the total dollar amount of such expenditures for the budget year. Non-routine capital expenditures should be described indicating the project's purpose, funding source, and the amount appropriated for the project during the budget year.
  - b. Suwanee Example:



# The Budget as a Financial Plan



*Suwanee Example*

## definitions

**Capital Improvement Program:** A five year planning guide for capital projects with estimated costs of at least \$10,000 in any one of the fiscal years affected.

**Capital Outlay:** Expenditures which result in the acquisition of a fixed asset, such as equipment, vehicles, building improvements or major repairs.

**Capital Project Budget:** A financial plan for construction of physical assets such as buildings, streets, and recreation facilities. The time period usually expands more than one fiscal year.



# The Budget as a Financial Plan



*Suwanee Example*

## Budgeted Capital Expenditures

- Capital Projects current pages
- Capital Improvement Program
- Short Term Work Program

Handout  
5

Handout  
6

Handout  
7

Handout  
8



# The Budget as a Financial Plan



## ***Mandatory Elements (continued):***

6. The document shall include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current operations.
  - a. Explanation: If an entity uses debt, the budget document must either describe its debt policy or indicate that it has no debt policy. Legal debt limits requirements should be defined.
  - b. Suwanee Example:



# The Budget as a Financial Plan

## Suwanee Example

2011 PROPOSED Suwanee

debt management policy

### I. PURPOSE

The City recognizes that the foundation of any well-managed debt program is a comprehensive debt policy. A debt policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and the structural features that may be incorporated. The debt policy should recognize a binding commitment to full and timely repayment of all debt as a requirement for entry into the capital markets. Adherence to a debt policy helps to ensure that a government maintains a sound debt position and that credit quality is protected. Advantages of a debt policy are as follows:

- Enhances the quality of decisions by imposing order and discipline.
- Promotes consistency and continuity in decision making.
- Rationalizes the decision making process.
- Identifies objectives for staff to implement.
- Demonstrates a commitment to long-term financial planning objectives.
- Regarded favorably by the rating agencies in reviewing credit quality.

This policy is intended only to address the City's criteria with respect to the issuance of debt which is secured by the full faith and credit of the City. Policies with respect to the issuance of revenue backed debt and other debt instruments will be adopted by City Council as such financing vehicles become necessary or prudent to accomplish future capital funding needs. This General Obligation debt policy will be reviewed and amended as necessary no less than every third year after its initial adoption.

### II. CREDITWORTHINESS OBJECTIVES

The City seeks to maintain the highest possible credit rating for all categories of short and long term General Obligation debt that can be achieved without compromising delivery of basic City services and achievement of adopted City policy objectives. The City recognizes that external economic, natural, or other events may from time to time affect the creditworthiness of its debt. The City is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, City departments, and the general public to share clear, comprehensible, and accurate financial information. The City is committed to meeting secondary disclosure requirements on a timely and comprehensive basis.

A. **Financial Disclosure:** Official statements accompanying debt issues, Annual Financial Reports, and continuous disclosure statements will meet (at a minimum), the standards articulated by the Governmental Accounting Standards Board (GASB), the National Federation of Municipal Analysts, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP).

B. **Capital Planning:** To enhance creditworthiness and prudent financial management, the City is committed to systematic capital planning, intergovernmental cooperation and coordination, and long term financial planning. Evidence of this commitment to systematic capital planning will be demonstrated through adoption of a five year Capital Improvement Program (CIP) and adherence to the Short Term Work Program component of the City's Comprehensive Plan.

### III. DEBT AFFORDABILITY MEASURES

A. **Assumption of Additional Debt:** The City shall not assume more tax supported general purpose debt than it retires each year without conducting an objective analysis as to the community's ability to assume and support additional debt service payments. The City acknowledges the importance of pay-as-you-go financing in meeting its capital funding requirements to date. The City reaffirms its commitment to pay-as-you-go financing and will consider the feasibility of this funding option prior to any issuance of long-term General Obligation debt. When appropriate, self-supporting debt (e.g., revenue bonds) shall be issued before general obligation bonds.

B. **Affordability Targets:** The City acknowledges the importance of establishing and adhering to standards of affordability when issuing long term general obligation indebtedness. These standards may include, but are not limited to outstanding direct and overlapping debt per capita, direct debt service payments as a percentage of current revenues and current expenditures, and undesignated general fund balance as a percent of annual revenues and expenditures. The City will conduct a review of rating agency target ranges for these criteria no less than every third year after the initial adoption of this policy and will endeavor to maintain actual debt, value and other appropriate ratios which equal or surpass the current acceptable ranges and/or ratios associated with the City's then current ratings. The decision on whether or not to assume new debt shall be based on these costs and benefits, the current conditions of the municipal bond market, and the City's ability to afford new debt as determined by the aforementioned standards.

### IV. PURPOSE AND USES OF DEBT

A. **Asset Life:** The City will consider long term financing for the acquisition, maintenance, replacement, or expansion of physical assets only if they have a useful life of at least five years. Debt will be used only to finance capital projects and equipment. City debt will not be issued for periods exceeding the useful life or average useful lives of the projects to be financed.

B. **Use of Limited Tax General Obligation Debt:** Before issuing limited tax general obligation bonds, the City will consider all other financing alternatives or funding sources, including non-debt financing. The City shall only use limited tax general obligation bonds:



# The Budget as an Operations Guide



## ***Mandatory Elements:***

1. The document shall describe activities, services or functions carried out by organizational units.
  - a. Explanation: Requires a clear presentation of the organizational units within the budget document. Narrative description of assigned services, functions, and activities should be included.
  - b. Suwanee Example:

Handout  
10

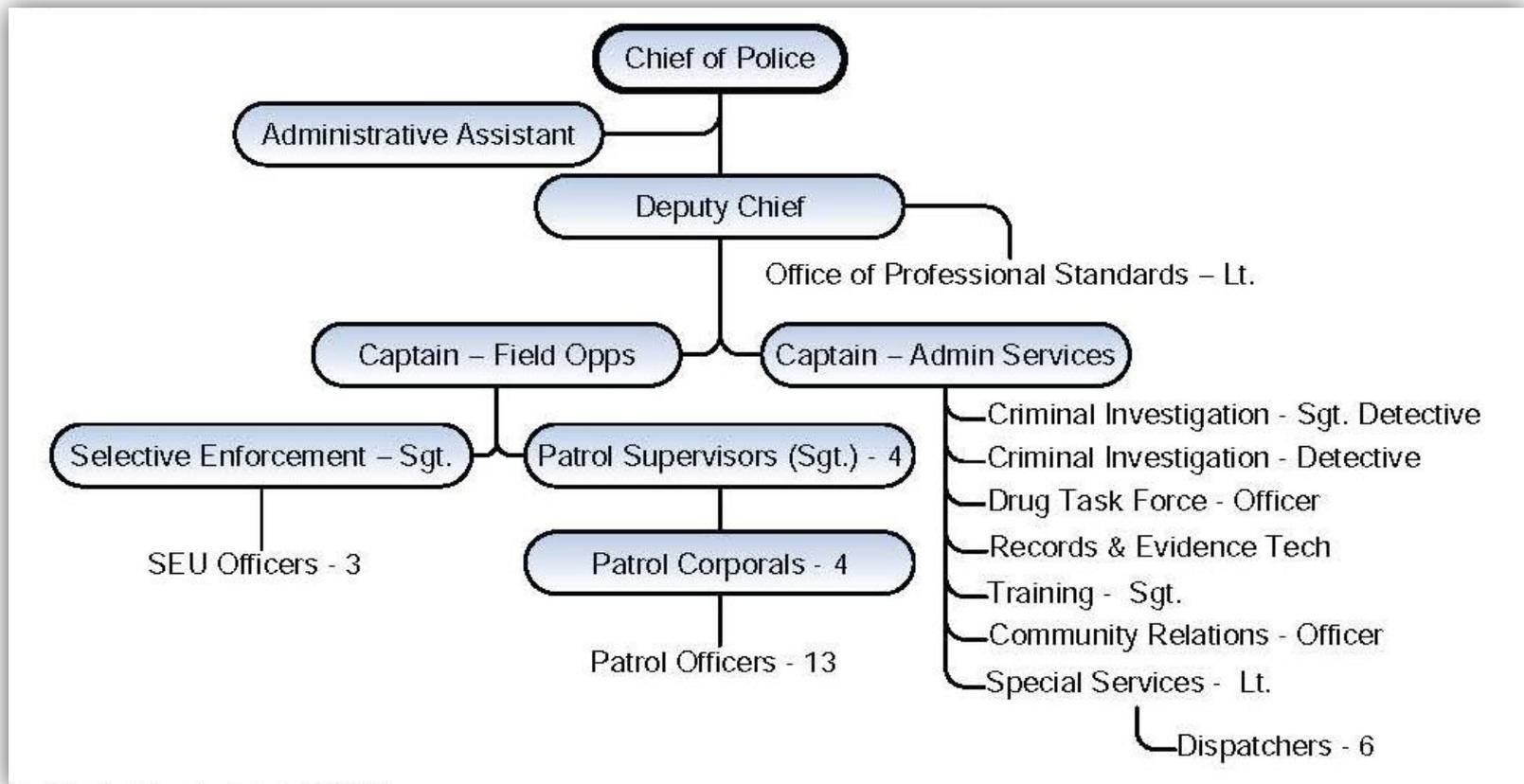
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# The Budget as an Operations Guide



*Suwanee Example*





# The Budget as an Operations Guide



*Suwanee Example*

**Current FY 2010 Budget:** \$4,166,040

**Proposed FY 2011 Budget:** \$3,933,850

**Functions:** Includes the operations of Police Administration, Criminal Investigation, Patrol, Records & Identification, Police Training, Special Detail Services, Gateway Patrol, Police Stations & Buildings, Dispatcher, and Public Relations.

**Employees:** 36 sworn officers and 8 non-sworn personnel (all full time)

**Role:** Provides safety and security services, responds to calls for services, investigates and solves cases referred, manages the Police and Citizens Together (PACT) program, and the Citizen's Police Academy.

**FY 2011 Budget Request:**

No new employees

Reclass of one patrol officer to corporal, \$1,500

Moved Hotel/Motel Patrol to the General Fund, \$17,200

Replace 10 laptops, \$10,000

Prefunding of FY 2011 police vehicle expenditures in FY 2010, savings \$114,465.



# The Budget as an Operations Guide

## Suwanee Example

### STATEMENT OF SERVICE

The mission of the Patrol Division is to provide the highest quality of Police services while maintaining and improving the quality of life for citizens, businesses, and the motoring public in a professional, courteous, and empathetic manner. This mission is accomplished by an array of functions and duties, including:

- Preventive patrols of neighborhoods and businesses.
- Interaction with the public to foster better community relations.
- Responding to calls for service.
- Compiling incident reports.
- Assisting persons in need.
- Providing assistance to investigative personnel.
- Taking enforcement action in matters related to the assignment.
- Investigation of offenses, crimes, traffic accidents, disturbances, and all other incidents that require police service.

#### 3223 patrol division

##### STATEMENT OF SERVICE

The mission of the Patrol Division is to provide the highest quality of maintaining and improving the quality of life for citizens, businesses, and a professional, courteous, and empathetic manner. This mission is accomplished by an array of functions and duties, including:

- Preventive patrols of neighborhoods and businesses.
- Interaction with the public to foster better community relations.
- Responding to calls for service.
- Compiling incident reports.
- Assisting persons in need.
- Providing assistance to investigative personnel.
- Taking enforcement action in matters related to the assignment.
- Investigation of offenses, crimes, traffic accidents, disturbances, that require police service.

##### WORKLOAD MEASURES

Traffic analysis reports  
 Calls for service  
 Traffic accidents  
 Traffic related injuries  
 Traffic citations  
 Part I crimes  
 Citizen complaints against officers  
 Police vehicles equipped with MDT  
 PRIDE classes  
 PACT Meetings  
 Special Events  
 Number of parks patrolled regularly  
 Miles of trails patrolled regularly  
 Quarterly Evidence Inspections  
 Annual Evidence Audit  
 Annual Internal Affairs Report<sup>(1)</sup>

(1) These measures are performed by the police lieutenant position that moved from 3221, Criminal Investigation Division, to 3223, Patrol.

To provide for more effective and efficient park and trail service, the Targeted Police Function has been moved into the Patrol Function. All officers in patrol are responsible for the patrolling of the parks and trail system.

0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
4	4	4	4	4	4	4	4
1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1

##### PRODUCTIVITY MEASURES

	2007	2008	2008	2009	2009	2010	2010	2011
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
Average response time (emergency)	3:59	3:59	4:00*	4:00*	5:00*	5:00	3:00	5:00
Average response time (non-emergency)	5:43	5:43	5:00*	5:00*	6:00*	6:00	4:00	6:00

\*new software does not measure seconds at this time



# The Budget as an Operations Guide

*Suwanee Example*

## OBJECTIVES FOR FISCAL YEAR 2011

- Ensure that police services are handled in a professional and timely manner.
- Limit the number of sustained complaints filed against officers.
- Limit the number of accidents and resulting injuries through enforcement and education.
- Improve police response times to emergency and non-emergency calls.

**3223** patrol division

### STATEMENT OF SERVICE

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- Responding to calls for service.
- Compiling incident reports.
- Assisting persons in need.
- Providing assistance to investigative personnel.
- Taking enforcement action in matters related to the assignment.
- Investigation of offenses, crimes, traffic accidents, disturbances, and all other incidents that require police service.

- Improve police response times to emergency and non-emergency calls.

### WORKLOAD MEASURES

	2007 ACTUAL	2008 BUDGET	2008 ACTUAL	2009 BUDGET	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET
Traffic analysis reports	12	12	12	12	12	12	12	12
Calls for service	22,816	25,100	28,153	32,375	37,511	38,000	39,453	38,000
Traffic accidents	1,223	1,267	1,219	1,280	1,141	1,280	1,113	1,280
Traffic related injuries	306	300	290	300	270	300	252	280
Traffic citations	10,650	11,500	10,271	11,300	10,627	11,000	11,715	11,000
Part I crimes	408	425	511	525	633	600	528	600
Citizen complaints against officers	10	5	7	10	16	15	16	15
Police vehicles equipped with MDT	0	10	24	32	24	24	24	25
PRIDE classes	5	5	5	6	4	5	5	5
PACT Meetings	62	72	78	78	94	96	96	96
Special Events	0	0	0	0	0	0	0	0
Number of parks patrolled regularly	0	0	0	0	0	0	0	0
Miles of trails patrolled regularly	0	0	0	0	0	0	0	0
Quarterly Evidence Inspections	4	4	4	4	4	4	4	4
Annual Evidence Audit	1	1	1	1	1	1	1	1
Annual Internal Affairs Report <sup>(1)</sup>	1	1	1	1	1	1	1	1

(1) These measures are performed by the police lieutenant position that moved from 3221, Criminal Investigation Division, to 3223, Patrol.

To provide for more effective and efficient park and trail service, the Targeted Police function has been moved into the Patrol Function. All officers in patrol are responsible for the patrolling of the parks and trail system.

### PRODUCTIVITY MEASURES

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# The Budget as an Operations Guide

## Suwanee Example

WORKLOAD MEASURES	2007	2008	2008	2009	2009	2010	2010	2011
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
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PRIDE classes	5	5	5	6	4	5	5	5
PACT Meetings	62	72	78	78	94	96	96	96
Special Events	0	0	0	0	0	0	0	0
Number of parks patrolled regularly	0	0	0	0	0	0	0	0
Miles of trails patrolled regularly	0	0	0	0	0	0	0	0
Quarterly Evidence Inspections	4	4	4	4	4	4	4	4
Annual Evidence Audit	1	1	1	1	1	1	1	1
Annual Internal Affairs Report <sup>(1)</sup>	1	1	1	1	1	1	1	1

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4	4	4	4	4	4	4	4	4
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# The Budget as an Operations Guide

## Suwanee Example

### PRODUCTIVITY MEASURES

Average response time (emergency)

Average response time (non-emergency)

\*new software does not measure seconds at this time

2007 ACTUAL	2008 BUDGET	2008 ACTUAL	2009 BUDGET	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET
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5:43	5:43	5:00*	5:00*	6:00*	6:00	4:00	6:00

**3223** pat

#### STATEMENT OF SER

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- Investigation of offenses, crimes, traffic accidents, disturbances, and all other incidents that require police service.

- Ensure that police services are rendered in a professional and timely manner.
- Limit the number of sustained complaints filed against officers.
- Limit the number of accidents and resulting injuries through enforcement and education.
- Improve police response times to emergency and non-emergency calls.

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Citizen complaints against officers	10	5	7	10	16	15	16	15
Police vehicles equipped with MDT	0	10	24	32	24	24	24	25
PRIDE classes	5	5	5	6	4	5	5	5
PACT Meetings	62	72	78	78	94	96	96	96
Special Events	0	0	0	0	0	0	0	0
Number of parks patrolled regularly	0	0	0	0	0	0	0	0
Miles of trails patrolled regularly	0	0	0	0	0	0	0	0
Quarterly Evidence Inspections	4	4	4	4	4	4	4	4
Annual Evidence Audit	1	1	1	1	1	1	1	1
Annual Internal Affairs Report <sup>(1)</sup>	1	1	1	1	1	1	1	1

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#### PRODUCTIVITY MEASURES

Average response time (emergency)

Average response time (non-emergency)

\*new software does not measure seconds at this time

2007 ACTUAL	2008 BUDGET	2008 ACTUAL	2009 BUDGET	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	2011 BUDGET
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# The Budget as an Operations Guide

## Suwanee Example

2011 *Suwanee*

patrol division **3223**

MISSION: Reduce traffic accidents through the SEU - Selective Enforcement Unit - Suwanee CARES program	
<b>Inputs</b>	<ul style="list-style-type: none"> <li>Staff</li> <li>Facilities</li> <li>Citizens</li> <li>Police vehicles</li> <li>Accident data</li> <li>Electronic equipment (radios, laptops, etc.)</li> <li>Safety equipment (vest, guns, uniforms, etc.)</li> </ul>
<b>Activities</b>	<ul style="list-style-type: none"> <li>Patrol by police vehicle</li> <li>Respond to calls for service</li> <li>Setup observation area</li> <li>Attend meetings</li> <li>Attend trainings</li> <li>Respond to traffic accidents</li> <li>Respond to moving violations</li> <li>Speed enforcement measurements</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Reports</li> <li>Citations</li> <li>Public awareness</li> <li>Suwanee CARES program - Suwanee Corridor SR317 Accident Reduction and Enforcement Strategy</li> </ul>
<b>Outcomes</b>	<b>Initial</b> Traffic law compliance
	<b>Intermediate</b> Reduce traffic accidents with injury
	<b>Long-term</b> Public feels safe
	Trust between Police and community
	Maintain public's respect, confidence and satisfaction

**MEASUREMENT OF OUTCOMES**

Citizens surveyed rated the following as either excellent or good:  
Traffic Enforcement

MISSION: Reduce traffic accidents through the SEU - Selective Enforcement Unit - Suwanee CARES program	
<b>Inputs</b>	<ul style="list-style-type: none"> <li>Staff</li> <li>Facilities</li> <li>Citizens</li> <li>Police vehicles</li> <li>Accident data</li> <li>Electronic equipment (radios, laptops, etc.)</li> <li>Safety equipment (vest, guns, uniforms, etc.)</li> </ul>
<b>Activities</b>	<ul style="list-style-type: none"> <li>Patrol by police vehicle</li> <li>Respond to calls for service</li> <li>Setup observation area</li> <li>Attend meetings</li> <li>Attend trainings</li> <li>Respond to traffic accidents</li> <li>Respond to moving violations</li> <li>Speed enforcement measurements</li> </ul>
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	<b>Long-term</b> Public feels safe
	Trust between Police and community
	Maintain public's respect, confidence and satisfaction



# The Budget as an Operations Guide

*Suwanee Example*

## MEASUREMENT OF OUTCOMES

Citizens surveyed rated the following as either excellent or good:

Traffic Enforcement	80%
Safety in Suwanee's downtown area after dark	83%
Safety in Suwanee's downtown area during the day	96%
Safety in own neighborhood after dark	87%
Safety in own neighborhood during the day	97%
Safety from environmental hazards	88%
Safety from property crimes	76%
Safety from violent crime	91%

2011 | Suwanee

<b>MISSION:</b> Reduce traffic	
<b>Inputs</b>	• Staff • Facilities • Citizens
<b>Activities</b>	• Patrol by police • Respond to calls • Stop violations
<b>Outputs</b>	• Reports • Citations • Public awareness
<b>Outcomes</b>	<b>Initial</b> Traffic law compliance
	<b>Intermediate</b> Reduce traffic accidents Public feels safe
	<b>Long-term</b> Trust between Police and community Maintain public's respect, confidence and satisfaction

## MEASUREMENT OF OUTCOMES

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Safety from environmental hazards	88%
Safety from property crimes	76%
Safety from violent crime	91%



# The Budget as an Operations Guide

## Suwanee Example

**3223** patrol division Suwanee 2011

AUTHORIZED POSITIONS	GRADE	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY2010 BUDGET	FY2011 BUDGET
Deputy Police Chief	77	1	1	1	1	1
Patrol Captain	72	0	0	1	1	1
Police Lieutenant <sup>(1)</sup>	70	1	1	0	0	1 <sup>(2)</sup>
Police Sergeant	68	4	5	5	5	5
Police Corporal	66	3	3	3	3	4
Police Officer <sup>(2)</sup>	64	14	14	16	15	16
<b>Total</b>		<b>23</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>28</b>

(1) In fiscal year 2011, the Police Lieutenant position was moved from Criminal Investigation to Patrol.  
 (2) In fiscal year 2011, Targeted Police was moved to Patrol. This added 2 police officer positions.

SUMMARY OF EXPENDITURES BY CATEGORY	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2011 BUDGET
Personal Services	\$ 1,506,386	\$ 1,609,900	\$ 1,787,892	\$ 1,899,440	\$ 2,081,380
Purchased Property Services	25,324	26,411	31,512	37,370	58,120
Other Purchased Services	10,082	10,348	7,990	9,220	9,320
Supplies	96,777	157,267	120,229	155,640	143,070
Capital Outlay	221,367	170,554	325,581	189,470	58,110
<b>Total</b>	<b>\$ 1,859,936</b>	<b>\$ 1,974,480</b>	<b>\$ 2,273,194</b>	<b>\$ 2,291,140</b>	<b>\$ 2,349,900</b>

AUTHORIZED POSITIONS	GRADE	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY2010 BUDGET	FY2011 BUDGET
Deputy Police Chief	77	1	1	1	1	1
Police Captain	72	0	0	1	1	1
Patrol Lieutenant	70	1	1	0	0	0
Police Sergeant	68	4	4	4	4	5
Accreditation Manager	68	0	1	1	1	1
Police Corporal	66	3	3	3	3	2
Police Officer (1)	64	14	14	16	15	16
<b>Total</b>		<b>23</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>26</b>

(1) In fiscal year 2010, a full-time police officer position moved from Patrol to Community Relations, enabling the Police Training position to become full-time.  
 (2) In fiscal year 2011, Targeted Police was moved to Patrol. This added 2 police officer positions.



# The Budget as an Operations Guide



## Suwanee Example

**3223** patrol division Suwanee 2011

AUTHORIZED POSITIONS	GRADE	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2011 BUDGET
Deputy Police Chief	77	1	1	1	1	1
Patrol Captain	72	0	0	1	1	1
Police Lieutenant <sup>(1)</sup>	70	1	1	0	0	1 <sup>(2)</sup>
Police Sergeant	68	4	5	5	5	5
Police Corporal	66	3	3	3	3	4
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<b>Total</b>		<b>23</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>28</b>

(1) In fiscal year 2011, the Police Lieutenant position was moved from Criminal Investigation to Patrol.  
 (2) In fiscal year 2011, Targeted Police was moved to Patrol. This added 2 police officer positions.

SUMMARY OF EXPENDITURES BY CATEGORY	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2011 BUDGET
Personal Services	\$ 1,506,386	\$ 1,609,900	\$ 1,787,882	\$ 1,899,440	\$ 2,081,380
Purchased Property Services	25,324	26,411	31,512	37,370	58,120
Other Purchased Services	10,082	10,348	7,990	9,220	9,220
Supplies	96,777	157,267	120,229	155,640	143,070
Capital Outlay	221,367	170,554	325,581	189,470	58,110
<b>Total</b>	<b>\$ 1,859,936</b>	<b>\$ 1,974,480</b>	<b>\$ 2,273,194</b>	<b>\$ 2,291,140</b>	<b>\$ 2,349,900</b>

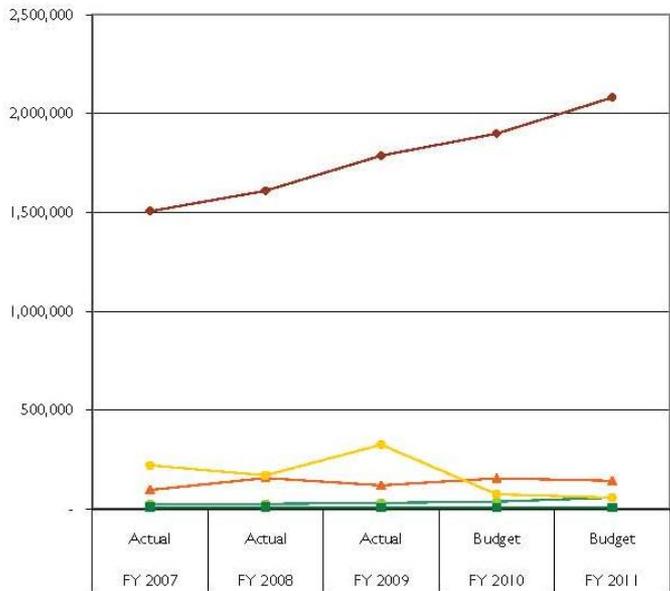
SUMMARY OF EXPENDITURES BY CATEGORY	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET	FY 2011 BUDGET
Personal Services	\$ 1,506,385	\$ 1,609,900	\$ 1,787,882	\$ 1,899,440	\$ 2,081,380
Purchased Property Services	25,324	26,411	31,512	37,370	58,120
Other Purchased Services	10,082	10,348	7,990	9,220	9,220
Supplies	96,777	157,267	120,229	155,640	143,070
Capital Outlay	221,367	170,554	325,581	75,000	58,110
<b>Total</b>	<b>\$ 1,859,935</b>	<b>\$ 1,974,480</b>	<b>\$ 2,273,194</b>	<b>\$ 2,176,670</b>	<b>\$ 2,349,900</b>



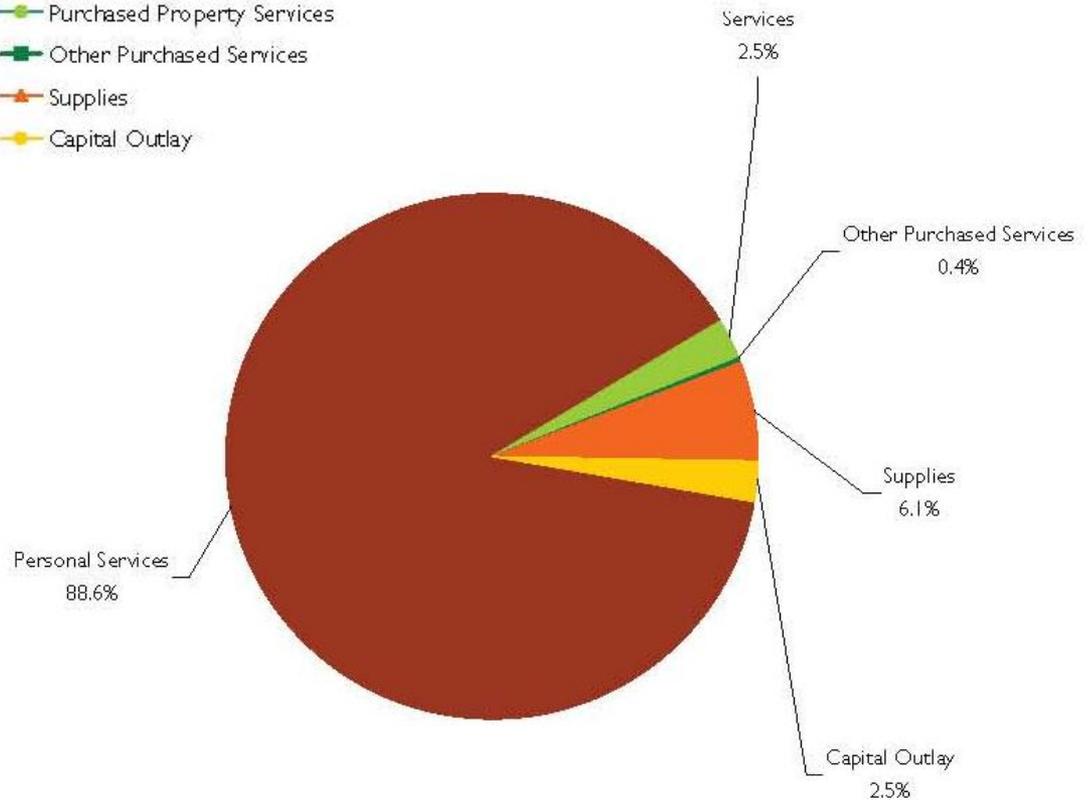
# The Budget as an Operations Guide



## Suwanee Example



- Personal Services
- Purchased Property Services
- Other Purchased Services
- Supplies
- Capital Outlay





# The Budget as an Operations Guide



## ***Mandatory Elements (continued):***

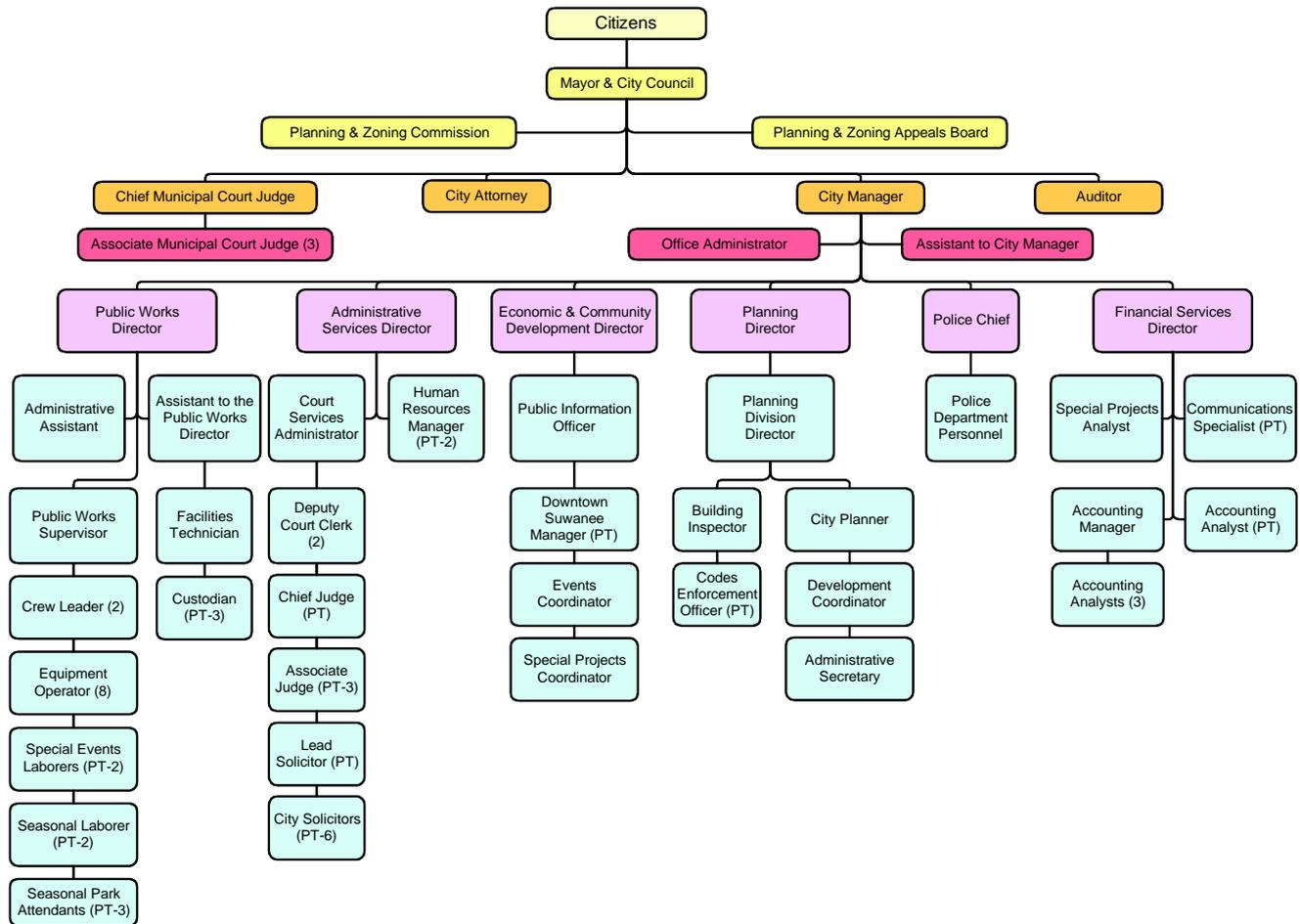
2. The document shall include an organization chart(s) for the entire entity.
  - a. Explanation: Requires an organizational chart to be presented for the overall entity. If individual units within the entity are presented, those charts should be presented to underscore the link between the individual unit and the overall entity.
  - b. Suwanee Example:



# The Budget as an Operations Guide



## Suwanee Example

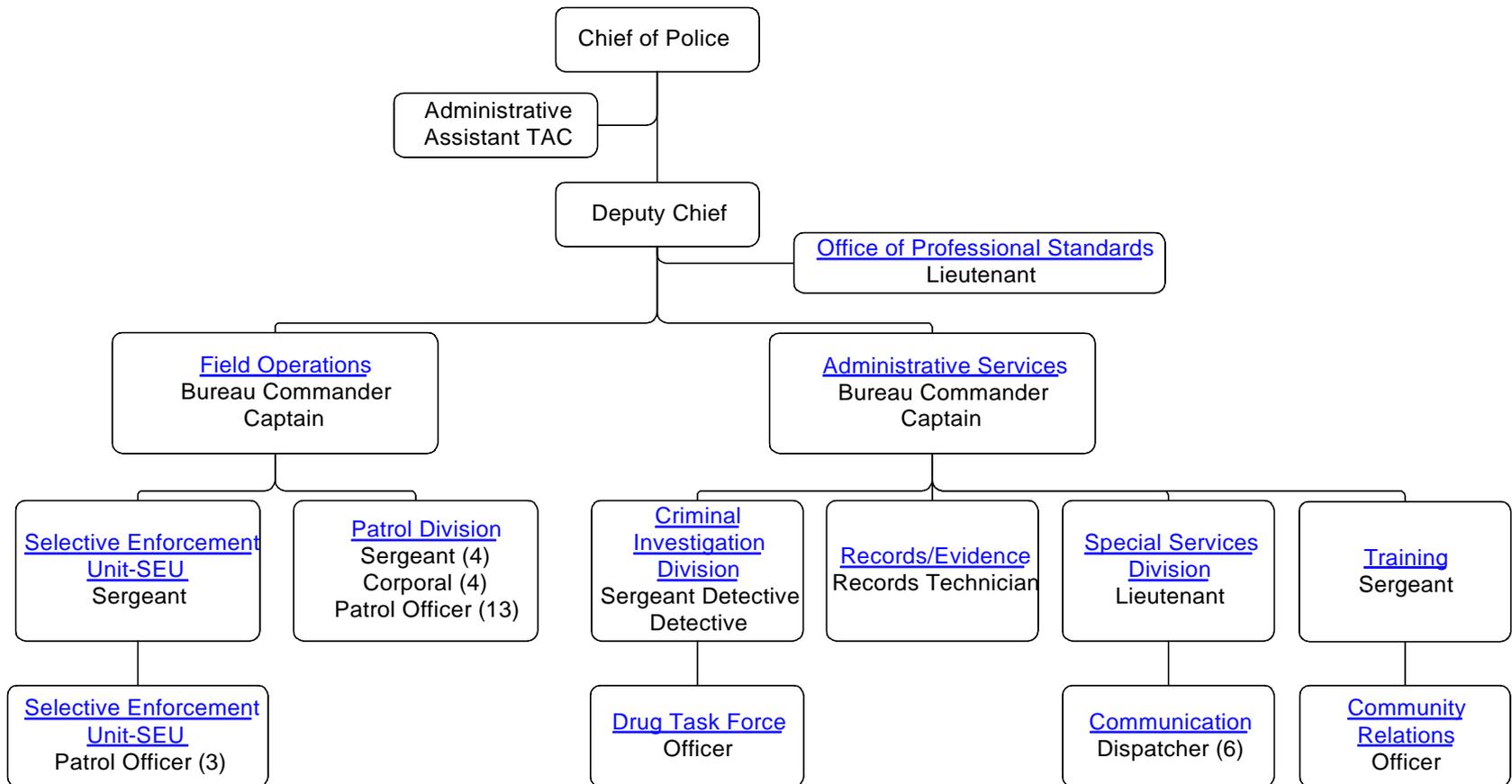




# The Budget as an Operations Guide



## *Suwanee Example*





# The Budget as an Operations Guide



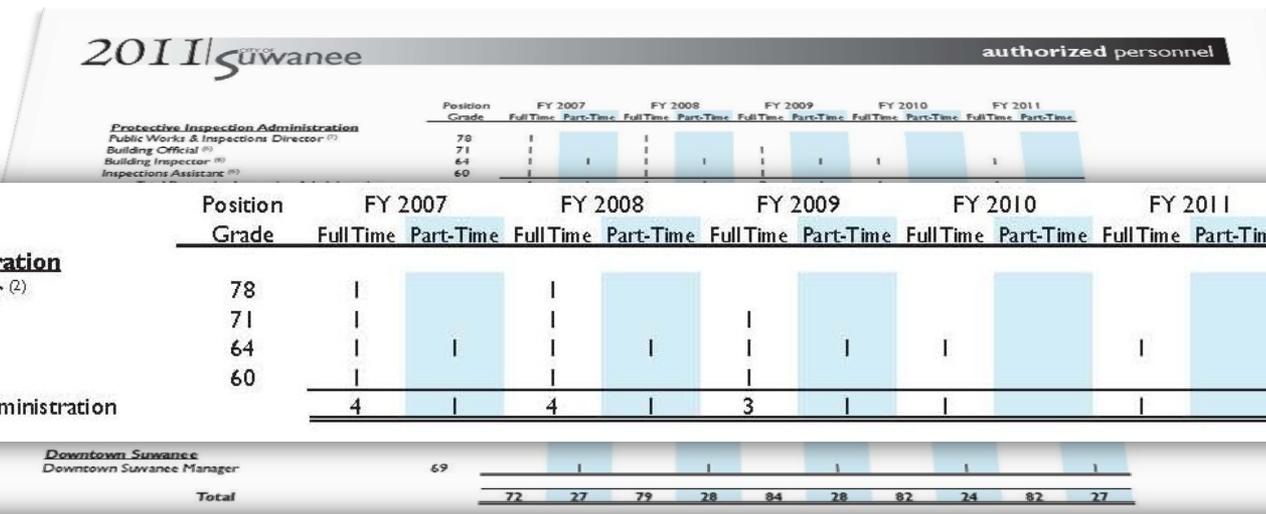
## ***Mandatory Elements (continued):***

3. A schedule or summary table of personnel or position counts for prior, current and budgeted years shall be provided.
  - a. Explanation: Requires a presentation of position counts or full time equivalents working for the entity. Position summary within individual departments may be presented, but not required. If they are presented the departmental summaries should tie to the consolidated position count schedule for the entity as a whole.
  - b. Suwanee Example:



# The Budget as an Operations Guide

## Suwanee Example



- (1) In fiscal year 2009, the Administrative Secretary position had been moved from Chief Executive to Planning & Zoning.
- (2) In fiscal year 2009, the Public Works & Inspections Director focus had been changed from Public Works and Inspections to Public Works with an emphasis on Storm Drainage.
- (3) In fiscal year 2008, the Principal Planner position was upgraded to the Planning Division Director.
- (4) In fiscal year 2009, the Economic Division Director position had been upgraded to the Economic Development Director.
- (5) In fiscal year 2010, a full-time police officer position moved from Patrol to Community Relations, enabling the Police Training position to become full-time.
- (6) In fiscal year 2010, the Building Official position, the Inspections Assistant position, and a part-time Building Inspector position were dissolved due to economic conditions.
- (7) In fiscal year 2010, the Red Light Camera program was dissolved, one part-time court clerk and a police technician position were dissolved.
- (8) In Fiscal year 2011, Police Lieutenant position moved from Criminal Investigation to Patrol.
- (9) In fiscal year 2011, Targeted Police was moved into Patrol.
- (10) In fiscal year 2011, one equipment operator position was reclassified to facilities technician.



# The Budget as a Communications Device



## ***Mandatory Elements:***

1. The document shall describe the process for preparing, reviewing, and adopting the budget for the coming fiscal year. It also should describe the procedures for amending the budget after adoption.
  - a. Explanation: Requires a narrative description of the budget process, including an explanation of relevant legal or policy requirements. Should include internal process to prepare the budget, the opportunities for public input, and the actual adoption of the budget. The process for amending the budget after adoption should be covered. The description of the amendment process should identify the level at which the governing body must approve changes.
  - b. Suwanee Example:



# The Budget as a Communications Device



## Suwanee Example

### Budget Preparation

The City of Suwanee operates under a fiscal year that begins on July 1st and ends June 30th. The major steps in the process are outlined below with a detailed schedule on page 15.

- I. Proposed Budget-A proposed budget shall be prepared by the City Manager with the participation of all the City's Department Directors within the provisions of the City Charter. The City will cover current expenditures with current revenues. The City will avoid budgetary procedures that cover current expenditures at the expense of meeting future years' expenditures, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt.

- a. The budget shall include four basic segments for review and evaluation. These segments are:
  1. Revenues
  2. Personnel costs
  3. Operations and maintenance cost
  4. Capital and other (non-capital) project costs
- b. Departments develop performance and expenditure requests for the next fiscal year.
- c. During the months of March and April, the City Manager reviews all departmental operations and budget requests in order to propose a recommended balanced budget.
- d. At least 30 days prior to the fiscal year commencing July 1st, the City Manager submits to Council a proposed operating budget for all operating funds. The operating budget includes recommended expenditures and the means for financing them.
- e. A series of workshops and public hearings are held before making any final changes to the City Manager's recommended budget.
- f. The annual budget is formally adopted by Council before July 1st.

### budget policies and procedures

The Annual Budget is a fiscal plan which presents the services to be provided to the community and the funds necessary to perform those services. Key steps in this process are described within.

#### Budget Preparation

The City of Suwanee operates under a fiscal year that begins on July 1st and ends June 30th. The major steps in the process are outlined below with a detailed schedule on page 15.

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  - f. The annual budget is formally adopted by Council before July 1st.

#### Expenditure Control

Once the annual budget has been adopted, expenditure control is maintained on the appropriation unit basis (group of accounts) with travel and capital expenditures maintained under full control. Throughout the year, all expenditures and revenues are monitored.



# The Budget as a Communications Device

## Suwanee Example

### budget policies and procedures

The Annual Budget is a fiscal plan which presents the needs of the community and the funds necessary to perform those needs as described within.

#### Budget Preparation

The City of Suwanee operates under a fiscal year that begins on 10/1. The major steps in the process are outlined below within 15.

- f. Proposed Budget-A proposed budget shall be prepared by the City Manager with the participation of all the City's Department Directors within the provisions of the City Charter. The City will cover current expenditures with current revenues. The City will avoid budgetary procedures that cover current expenditures at the expense of meeting future years' expenditures, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt.
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#### Expenditure Control

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### Budget Control

Georgia Law, O.C.G.A. §36-81-3 establishes the legal level of budgetary control at the department level. Within the overall budget limitations, authority is delegated to the City Manager. When acting on the authority delegated by the City Manager to the Financial Services Director, intra-departmental transfers of appropriation and revenue anticipation may be approved as deemed necessary. Under no circumstances, however, may the total budget of any department be increased or decreased without Council approval.

#### Policy Guidelines

The overall goal of the City's financial plan is to establish and maintain effective management of the City's financial resources. The following section outlines the policies used to guide the preparation and management of the City's budget. This section consists of operating budget policies, capital expenditures' policies, revenue policies and financial accounting policies.

The development and preparation of the City's budget are guided by the following policies:

- All funds are required to balance. Anticipated revenue must equal the sum of budgeted expenditures. All funds should be included in the budget process along with work programs, objectives and strategies.
- The Capital Improvement Program requires coordination and planning in conjunction with the various operating fund budgets.
- The General Fund is based on long-range financial plans which include unallocated fund reserves. The goal is to keep the reserve at approximately the level of three to six months of operating expense. This reserve protects the City against catastrophic revenue losses and major emergency expenditures.

#### Revenue Policies

The City will maintain effective collection systems and implement aggressive enforcement strategies in order to maximize revenues from available sources.

The City will maintain a broad revenue base; that is, a large number of widely diversified revenue sources that will be established and maintained in order to distribute the revenue burden equitably and protect the City from short-term fluctuations in any one revenue source.



# The Budget as a Communications Device

## Suwanee Example

### Reporting

Monthly financial reports will be prepared by the Financial Services Director to enable the Department Directors to manage their budgets and to enable the Financial Services Director to monitor and control the budget as authorized by the City Manager. Summary financial and budgetary reports will be presented to the City Council quarterly. Such reports will be in a format appropriate to enable the City Council to understand the overall budget and financial status.

#### budget policies and procedures

The Annual Budget is a fiscal plan which presents the needs of the community and the funds necessary to perform those needs as described within.

**Budget Preparation**  
The City of Suwanee operates under a fiscal year that begins on 10/1/15. The major steps in the process are outlined below.

- f. Proposed Budget-A proposed budget shall be prepared by the City Manager with the participation of all the City's Department Directors within the provisions of the City Charter. The City will cover current expenditures with current revenues. The City will avoid budgetary procedures that cover current expenditures at the expense of meeting future years' expenditures, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt.
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  - b. Departments develop performance and expenditure requests for the next fiscal year.
  - c. During the months of March and April, the City Manager reviews all departmental operations and budget requests in order to propose a recommended balanced budget.
  - d. At least 30 days prior to the fiscal year commencing July 1st, the City Manager submits to Council a proposed operating budget for all operating funds. The operating budget includes recommended expenditures and the means for financing them.
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**Expenditure Control**  
Once the annual budget has been adopted, expenditure control is maintained on the appropriation unit basis (group of accounts) with travel and capital expenditures maintained under full control. Throughout the year, all expenditures and revenues are monitored.

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# The Budget as a Communications Device

## Suwanee Example

### budget policies and procedures

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#### Budget Preparation

The City of Suwanee operates under a fiscal year that begins on July 1st and ends on June 30th. The major steps in the process are outlined below with a detailed description of each step.

- f. Proposed Budget-A proposed budget shall be prepared by the City Manager with the participation of all the City's Department Directors within the time frame set forth in the City Charter. The City will cover current expenditures with current revenues. The City will avoid budgetary procedures that cover current expenditures with anticipated future revenues, such as postponing expenditures to future years' revenues, or rolling over short-term debt.
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- d. At least 30 days prior to the fiscal year commencement, the City Manager submits to Council a proposed operating budget. The operating budget includes expenditures and the means for financing them.
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# The Budget as a Communications Device



## *Suwanee Example*

### **budget policies and procedures**

Suwanee 2011

AUGUST	<ul style="list-style-type: none"><li>• City Council adopts millage rate.</li></ul>
DECEMBER	<ul style="list-style-type: none"><li>• City Manager and Department Directors attend Planning retreat.</li></ul>
FEBRUARY	<ul style="list-style-type: none"><li>• City Council, City Manager and Department Directors attend Council Planning retreat.</li></ul>
MARCH	<ul style="list-style-type: none"><li>• All Operating Departments, following the City Manager's Guidelines, prepare their Budget and Capital Improvement Request.</li><li>• City Manager evaluates Budget Requests and Capital Improvement Requests.</li><li>• City Manager prepares Budget.</li></ul>
MAY-JUNE	<ul style="list-style-type: none"><li>• City Manager presents Recommended Budget to City Council.</li><li>• Council Work Sessions are held.</li><li>• Public Hearings are conducted.</li><li>• City Council adopts Annual Budget.</li></ul>

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# The Budget as a Communications Device



## Suwanee Example

2011 *Suwanee*

2009	
AUGUST 25	Millage Rate Approved
DECEMBER 7-8	Department Head Planning Retreat
2010	
JANUARY 28	Proposed Budget Schedule Distributed to Department Heads
FEBRUARY 4-6	City Council Planning Retreat
FEBRUARY 27	Special Workshop: Capital Budget Review @ 8 am
MARCH 15	Department Head Requests Due to City Manager
MARCH 22	Capital Improvements Budget Projections Due to City Manager
MARCH 31	Revenue Forecasts Complete
APRIL 14	Departmental Function Sheets (goals, objectives, measures) Due
APRIL 16	City Manager to Complete Review of All Expenditure Requests
APRIL 27	First Draft Presented to City Council for Review (Regular April Council Meeting)
MAY 3	Special Workshop: Operating Budget Review @ 5:30 pm
MAY 6	Special Workshop: Capital Budget Review @ 5:30 pm
MAY 13	Operating Budget Review Work Session @ 5:30 pm (Regular May Workshop)
MAY 25	Presentation of Proposed Budget Document and Capital Improvement Plan to City Council (Regular May Council Meeting)
MAY 26	Budget Available for Public Review
JUNE 10	1 <sup>ST</sup> Public Hearing on Budget and CIP as a Called Council Meeting @ 5:30 pm (Before Regular June Workshop)
JUNE 22	2 <sup>ND</sup> Public Hearing on Budget and CIP @ 6:30 pm Scheduled Adoption of Budget @ 7:00 pm (Regular June Council Meeting)
JULY 1	Begin Fiscal Year 2010 - 2011

executive summary | fy 2011 annual budget

2009	
AUGUST 25	Millage Rate Approved
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JULY 1	Begin Fiscal Year 2010 - 2011



# The Budget as a Communications Device



## ***Mandatory Elements (continued):***

2. Charts and graphs should be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the message conveyed by the graphs are not self-evident.
  - a. Explanation: Requires graphics to be used to communicate key information in the budget document. Graphics should enhance the budget presentation, and clarify significant information.
  - b. Suwanee Example:



# The Budget as a Communications Device



## Suwanee Example

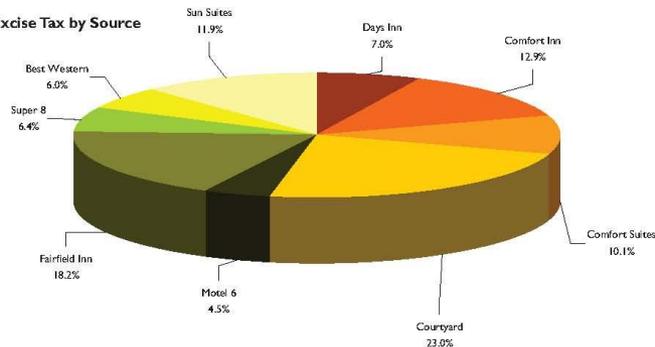
2011 | CITY OF Suwanee



Fiscal Year	Monthly Average	% Change From PY
1999	28,567	n/a
2000	36,033	26%
2001	36,956	3%
2002	30,923	-16%
2003	26,349	-17%
2004	25,224	-4%
2005	27,956	11%
2006	30,120	8%
2007	34,699	15%
2008	33,400	-4%
2009*	41,690	25%
2010	32,422	-22%

\*In fiscal year 2009, the Hotel/Motel tax changed from 5% to 7%. The extra 2% goes to the Gwinnett Convention and Visitor's Bureau per agreement.

Hotel/Motel Excise Tax by Source





# The Budget as a Communications Device



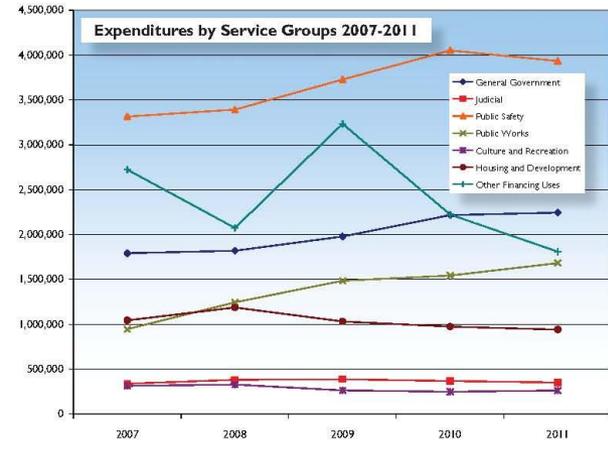
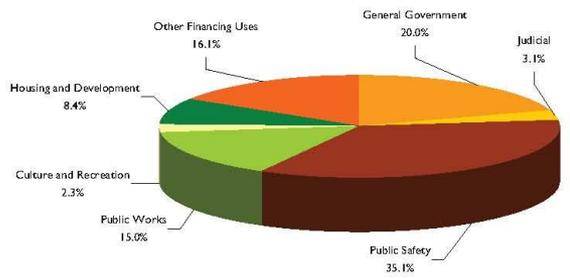
## Suwanee Example

2011 annual budget Suwanee

general fund expenditures by service group

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	% of Total
General Government	\$ 1,793,177	\$ 1,819,854	\$ 1,978,113	\$ 2,216,910	\$ 2,245,090	20.0%
Judicial	336,751	380,793	387,299	368,270	350,440	3.1%
Public Safety	3,315,676	3,393,188	3,728,382	4,166,040	3,933,850	35.1%
Public Works	945,779	1,244,901	1,484,691	1,593,120	1,681,680	15.0%
Culture and Recreation	312,682	328,958	262,857	247,950	261,600	2.3%
Housing and Development	1,043,676	1,186,883	1,031,684	973,410	940,960	8.4%
Other Financing Uses	2,724,510	2,073,516	3,234,406	2,398,450	1,809,760	16.1%
<b>Total General Fund</b>	<b>\$ 10,472,251</b>	<b>\$ 10,428,093</b>	<b>\$ 12,107,432</b>	<b>\$ 11,964,150</b>	<b>\$ 11,223,380</b>	<b>100.0%</b>

FY 2011 Expenditures by Service Group





# The Budget as a Communications Device



## Suwanee Example

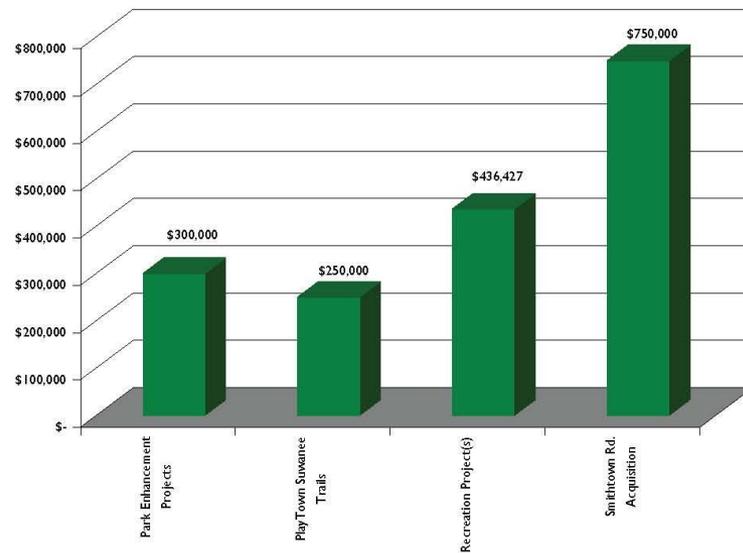
### summary - recreation

CITY OF Suwanee | 2011

Projects in the Recreation category total \$1,736,427 or 6% of the CIP. Notable projects include acquisition of land on Smithtown Road for a future park, as well as a trail from PlayTown Suwanee to Stonecypher Road. New to the recreation category this year are two project groups: Park Enhancements and Recreation Projects. Funding dedicated to Park Enhancements will add minor improvements to existing City parks, i.e. benches, kiosks, etc. Recreation Projects is an allocation of pooled funds for future projects. Funding for this category comes from the SPLOST program and some general fund contributions.



	FY 11	FY 12	FY 13	FY 14	FY 15	PROJECT TOTALS	% OF TOTAL
<b>RECREATION</b>							
Park Enhancement Projects	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000	
PlayTown Suwanee Trails	\$250,000	\$-	\$-	\$-	\$-	\$250,000	
Recreation Project(s)	\$90,000	\$90,000	\$90,000	\$90,000	\$76,427	\$436,427	
Smithtown Road Land Acquisition	\$750,000	\$-	\$-	\$-	\$-	\$750,000	
	<b>\$1,150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$136,427</b>	<b>\$1,736,427</b>	<b>6.56%</b>





# The Budget as a Communications Device



## Suwanee Example

2011 | CITY OF Suwanee

recreation projects

**Project:** Park Enhancements  
**Total Cost:** \$300,000  
**Proposed Funding Year:** Recurring  
**Proposed Funding Source:** SPLOST

**Project Description:**  
The purpose of this item is to provide a pool of funding to add minor enhancements to the City's existing parks. These are not intended to be significant projects, but may include additional signage, benches, kiosks, etc. As specific needs are identified, projects and cost estimates will be determined.



**Project:** PlayTown Suwanee Trails  
**Total Cost:** \$250,000  
**Proposed Funding Year:** FY 2011  
**Proposed Funding Source:** SPLOST



**Project Description:**  
In March 2009, the City purchased an adjoining tract of property to PlayTown Suwanee. The intention of this project is to construct trails from PlayTown Suwanee to Stonecypher Road, through this recently acquired property.

**Project:** Recreation Project(s)  
**Total Cost:** \$436,427  
**Proposed Funding Year:** Recurring  
**Proposed Funding Source:** SPLOST

**Project Description:**  
The purpose of this item is to set aside funds for future recreation projects the City will undertake. These monies are intended to serve as a pool that may wholly or partially fund one project or a series of smaller projects and/or enhancements to existing City parks and recreation facilities. As needs arise, the City will further develop project scopes and cost estimates.



**Project:** Smithtown Road Land Acquisition  
**Total Cost:** \$750,000  
**Proposed Funding Year:** FY 2011  
**Proposed Funding Source:** General Fund



**Project Description:**  
The purpose of this project is to acquire property in the Smithtown Road corridor, as identified in the City's Open Space Needs Assessment. The Suwanee Creek Greenway currently terminates near this area. It is likely this property would serve as a future trailhead and extension of the Greenway, similar in size and amenities to the Martin Farm Park, with a small parking area, restroom facility, Greenway access, etc. This project is for acquisition only and does not include construction of the park; construction is estimated to cost in excess of \$1,000,000 and is not anticipated to occur within the 2011-2015 CIP.



# The Budget as a Communications Device



## ***Mandatory Elements (continued):***

3. The document shall include a table of contents to make it easy to locate information in the document.
  - a. Explanation: Requires a single comprehensive table of contents.
  - b. Suwanee Example:



# The Budget as a Communications Device



## Suwanee Example

2011 CITY OF Suwanee

CLICK ON AN ITEM IN THE TABLE OF CONTENTS TO BE DIRECTED TO THAT PAGE. CLICK ON THE "BACK" BUTTON TO RETURN TO THE TABLE OF CONTENTS

table of contents

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# The Budget as a Communications Device

## Suwanee Example

**2011** city of **Suwanee** **budget message**



**To:** Mayor and Council  
**From:** Marvin Allen, City Manager  
**CC:** Mike Jones, James Miller, Eivira Rogers, Josh Campbell, Denise Brinson, Jessica Roth and Annie Sakmar  
**Date:** June 22, 2010  
**Re:** City Manager's Budget Message for FY 2011

The City of Suwanee remains fiscally strong. Acknowledging the current economic conditions, the City has had to make some concessions to the economy in its proposed Fiscal Year 2011 Budget. We're once again proud to present a **balanced budget that proposes no increases in City's millage rate.** However, for the first time in several years the budget does include water rate increases to help offset costs associated with operating the city's small water system. Other major budgetary highlights for the upcoming year are listed below:

**Highlights**

a) At 5.77 mills, the millage rate is proposed to remain the same as last year. The millage rate has either remained the same or been reduced over each of the

b) The general fund budget is about 1.0% less than the adopted FY10 budget. General fund expenditures are projected to decrease from \$11,335,050 in the FY10 adopted budget to \$11,223,380 in the proposed FY11 budget. At

**General Fund Proposed Budget**

	FY10 (adopted)	FY11 (proposed)
Revenues	\$ 11,047,600	\$ 11,107,310
Use of Fund Balance	287,450	116,070
<b>Total</b>	<b>\$ 11,335,050</b>	<b>\$ 11,223,380</b>
Expenditures	\$ 11,335,050	\$ 11,223,380
Ending Fund Balance	\$ 7,298,113	\$ 6,959,198

**Summary**

overall financial position remains strong. Like the rest of the country, Suwanee is not immune to the current economic environment. Overall we expected to increase more modestly than past years due to general conditions and associated decline property values. The proposed millage rate is projected to remain the same as last year. General fund revenues are projected to be \$11,107,310.

**executive summary | fy 2011 annual budget**

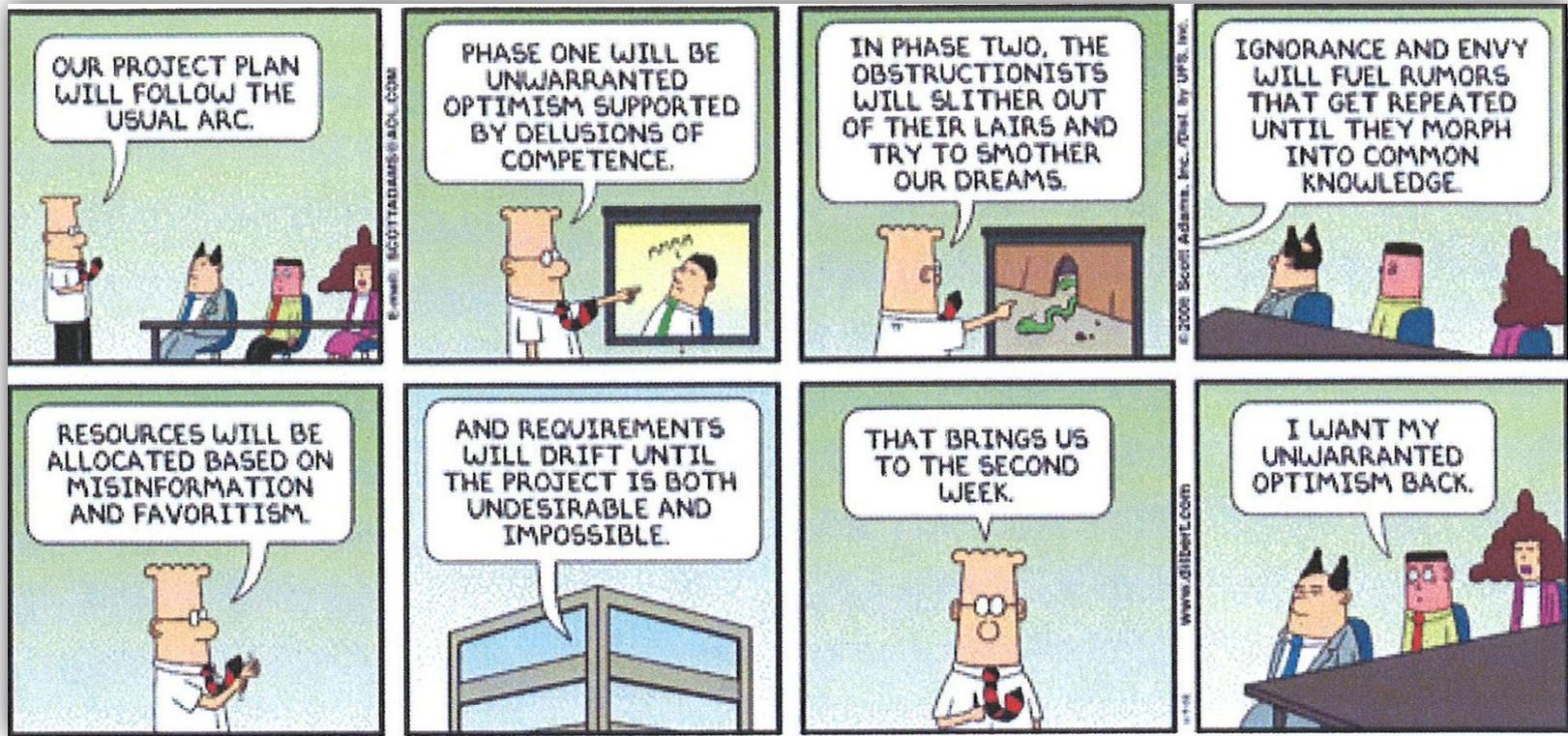
**executive summary | fy 2011 annual budget**

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# Lessons Learned





# Lessons Learned



## 1. Go slow

- a. Plan out the changes you would like to make.
- b. Phase the changes in over time.
- c. Be sure everyone is on board with the changes.  
Don't rush it; you need everyone's support and help to make the changes.



# Lessons Learned



## **2. Help departments be successful**

- a. Be a team player and help write or gather information.
- b. Have meetings and explain deadlines and help departments meet the deadline.
- c. Remember everyone wants to be successful.



# Lessons Learned



## **3. The budget document belongs to everyone**

- a. Get involvement from all departments.
- b. Share credit.
- c. Brainstorm about changes to be made.
- d. Encourage departments to make changes to their sections



# Lessons Learned



## **4. Try new formats**

- a. Add pictures
- b. Add color
- c. Be creative
- d. Keep a list of problems you notice to correct the following year.



# Lessons Learned



- 5. Review budget documents for GFOA**
  - a. See what other governments are doing.
  - b. Provides ideas for cutting cost.
  - c. You obtain a better understanding of the requirement for the program.



# Lessons Learned



## **6. At the end, no matter what, be happy and proud of your document**

- a. Your excitement helps build the excitement in others.
  - i. Share your document and the changes made to the document with your elected officials
  - ii. Make sure everyone who wants a copy gets one.
- b. The document is never going to be perfect.
  - i. Be happy with the progress you made.
  - ii. Be excited for the changes you may make next year.



# Questions?



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[amie@suwanee.com](mailto:amie@suwanee.com)  
770-945-8996

To access the budget document online:  
[www.suwanee.com](http://www.suwanee.com)

1. Place mouse over **“City Hall”** at the top
2. Scroll down to **“Financial Services Dept.”**
3. Go down the page and click **“Financial Documents”**