

PLAY HARD • LIVE

# City of Suwanee, Georgia Citizens Operating Budget *Fiscal Year 2011*





## ***A Citizen's Guide to the Operating Budget***

Budget documents can sometimes be difficult to read, especially if you are not familiar with the organization. They are filled with information that is useful to regular users of the document and include details that ensure accountability. But, this abundance of information and detail can make it difficult to know where to focus your attention if you do not work with the budget very often. This report is intended to be an easy-to-read summary of Suwanee's operating budget. It offers a big picture view of where the City's money comes from and how it is spent. For greater detail and for the City's multi-year Capital Improvement Plan, the full budget document is available on the City's web site at [www.suwanee.com](http://www.suwanee.com).

An operating budget is a yearly plan for the City that illustrates how much money is anticipated (revenue) and how that money will be spent (expenditures). However, the budget is not just an accounting tool, it is a management and planning tool that aids officials in determining which objectives have the highest priority and will produce a positive impact in the community. Once the budget is adopted, the various City departments are then able to plan day-to-day spending decisions according to the guidance provided by the Annual Budget. Because the budget is based on anticipated revenue, the City is then able to track revenue over the course of the year and modify spending if revenue is different than expected.

A new budget is adopted every year. Each year the Mayor, City Council and staff work together to develop an Annual Budget. During this process decisions are made on how to use the City's limited resources in order to produce the greatest benefits for the citizens while implementing the City's vision and goals. The City is required by law to balance its budget each year, which means that each year revenues must equal expenditures. The budget year runs from July 1 to June 30 of the following year. Throughout the year the budget is monitored and adjusted to ensure the City's resources are in line with its spending.

**FY 2010 Highlights**

**Recap of FY 2010 adopted General Fund Budget**

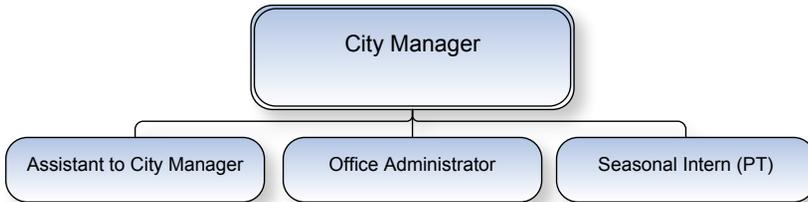
- No increase in any City tax rate
- Proposed using \$287,450 of fund balance for water system improvements
- Overall, revenues were expected to decline by \$482,164
- Expenditures were 7.9% lower than adopted FY 2009 budget
- Salary Freeze, savings \$124,562
- Elimination of the 8 & 4 Hours of Additional Pay, savings \$18,400
- No new employees
- FY 2009 mid year staffing reductions
- Elimination of the Wellness program, savings \$46,500
- Created new Healthcare Reimbursement Account (HRA), savings \$150,000
- Opened the new City Hall and Public Works facility, \$189,000 additional cost
- Annual bond payments of \$1.62 million
- Continuation of digital records storage system \$17,000
- Prefunding of FY 2010 police vehicles expenditures in FY 2009, savings \$106,470
- Prefunding of FY 2010 public works equipment expenditures in FY 2009, savings \$43,300

**FY 2011 Highlights**

**Proposed FY 2011 Budget**

- No increase in City tax rate
- Strategic Plan \$150,000 plan budgeted over two years. FY 2011 budget \$75,000
- 2 ½% employee cost of living adjustment (COLA) pay for performance adjustment \$79,143.
- In house janitorial proposal, additional man hours and modest cost savings
- National Citizen Survey \$11,000
- Landscape Management (right of way grounds maintenance contracted)
  1. Four corners of I-85 exit 111, \$23,000
  2. PIB city limits, \$51,250
  3. McGinnis Ferry Road city limits, \$28,750
- Police server upgrade for computer aided dispatch and records system, \$30,000
- Prefunding of FY 2011 police vehicle expenditures in FY 2010, savings \$114,465
- Prefunding of FY 2011 public works truck expenditures in FY 2010, savings \$50,200
- Prefunding of FY 2011 capital transfers in FY 2010, savings \$175,000





**CHIEF EXECUTIVE**

**FUNCTIONS:** Includes the operations of the Governing Body and Chief Executive.

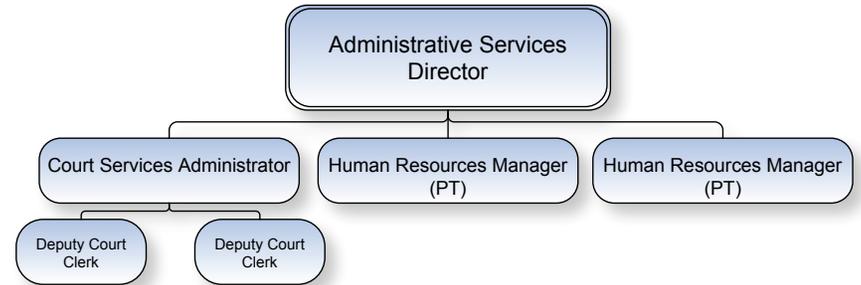
**POSITIONS:** 3 full time, 6 City Council members

**ROLE:** This office is responsible for carrying out the City Council's policy decisions, for vision and leadership to the organization and for overseeing the day-to-day operations. It also includes special projects and management of the capital project consultant.

- NOTABLE FY 2011 BUDGET ITEMS**
- No new employees
  - Summer Intern, \$5,200
  - Gwinnett Municipal Association Dues, \$23,060
  - SDS legal fees, \$50,000
  - Year 1 of the Strategic Plan, \$75,000 (2 year plan total cost \$150,000)

**Current FY 2010 Budget: \$ 544,890**

**Proposed FY 2011 Budget: \$ 642,260**



**ADMINISTRATIVE SERVICES**

**FUNCTIONS:** Includes the operations of General Administration and Municipal Court.

**POSITIONS:** 4 full time, 2 part time, 4 Judges and 6 Solicitors

**ROLE:** This department is responsible for City Clerk functions, Human Resources and Municipal Court operations.

- NOTABLE FY 2011 BUDGET ITEMS**
- No new employees
  - Continuation of current funding

**Current FY 2010 Budget: \$ 571,260**

**Proposed FY 2011 Budget: \$ 556,030**



**ECONOMIC & COMMUNITY DEVELOPMENT**

**FUNCTIONS:** Includes the operations of Public Information, Special Facilities & Activities, Economic Development, and Downtown Suwanee.

**POSITIONS:** 4 full time and 1 part time

**ROLE:** Provides information for citizens and business owners, promotes Suwanee's image, manages the farmers market and events, and provides support to the Public Arts Commission and the Downtown Development Authority.

- NOTABLE FY 2011 BUDGET ITEMS**
- No new employees
  - Maintain current event funding
  - Partnership Gwinnett, \$20,000
  - Reduce professional services, \$25,000

**Current FY 2010 Budget:** \$ 627,380  
**Proposed FY 2011 Budget:** \$ 603,550



**FINANCIAL SERVICES**

**FUNCTIONS:** Includes the operations of Financial Administration and Accounting.

**POSITIONS:** 6 full time and 2 part-time

**ROLE:** Provides the accounting and financial reporting for all City operations, billing and collection for taxes, issuance of debt, and alcohol licenses.

- NOTABLE FY 2011 BUDGET ITEMS**
- No new employees
  - National Citizen Survey, \$11,000

**Current FY 2010 Budget:** \$ 628,690  
**Proposed FY 2011 Budget:** \$ 633,600



### PLANNING AND INSPECTIONS

**FUNCTIONS:** Includes the operations of Legislative Committees, Protective Inspection Administration, Planning & Zoning, and Code Enforcement.

**POSITIONS:** 6 full time, 1 part time, 6 Planning Commissioners, and 6 Zoning Board of Appeals Members

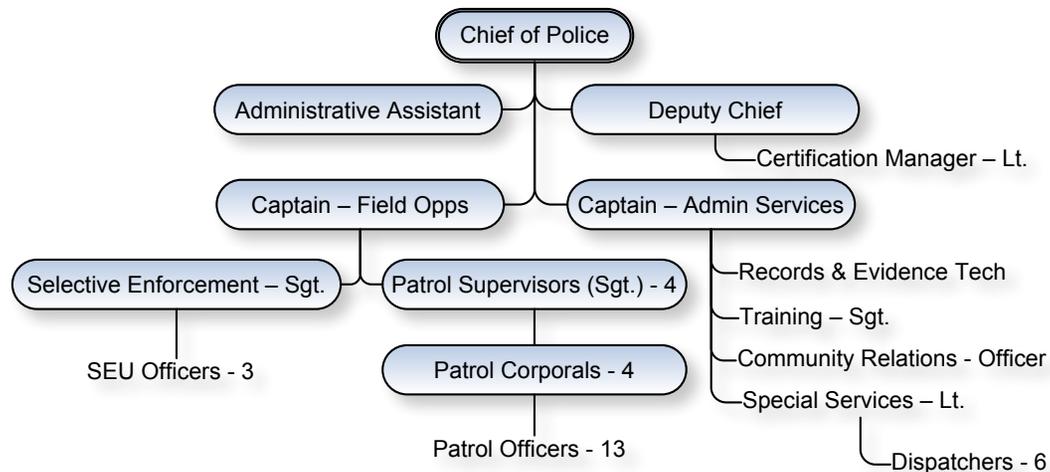
**ROLE:** Manages current and long range planning activities and provides guidance to citizens, developers, and property owners regarding zoning, development, code enforcement and building inspections.

**NOTABLE FY 2011 BUDGET ITEMS**

- No new employees
- Continuation of current funding

**Current FY 2010 Budget: \$ 609,390**

**Proposed FY 2011 Budget: \$ 595,670**



### POLICE

**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.

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

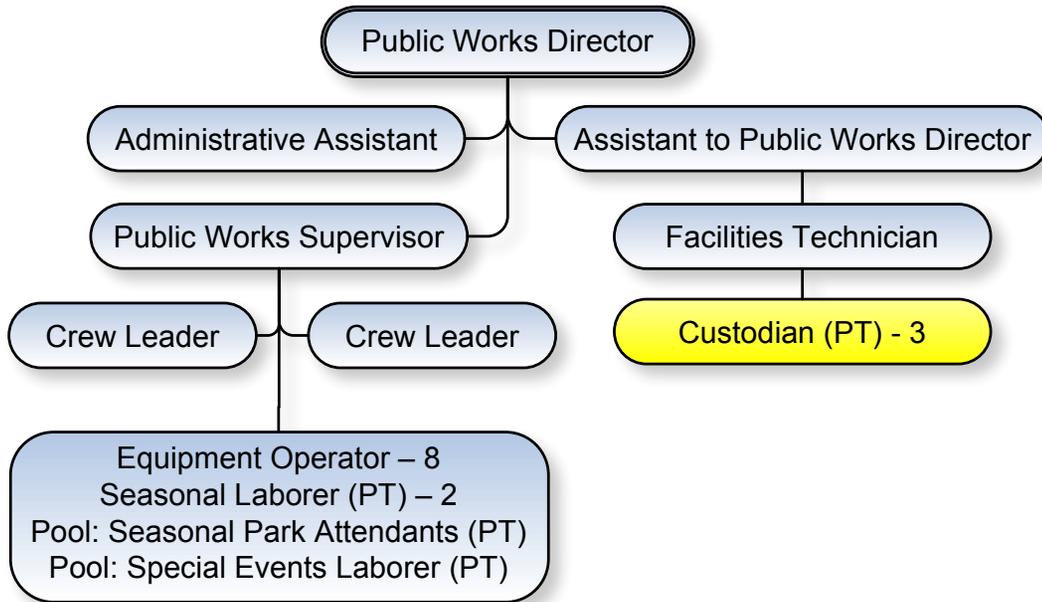
**ROLE:** Provides safety and security services, responds to calls for services, investigates and solves cases referred, manages the Police and Citizens Together (PACT) program, and the Citizen's Police Academy.

**NOTABLE FY 2011 BUDGET ITEMS**

- 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

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

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



new part-time position

**PUBLIC WORKS**

**FUNCTIONS:** Includes the operations of Public Works Administration, Paved Streets, Storm Drainage, and Park Areas.

**POSITIONS:** 15 full time and 8 seasonal

**ROLE:** Maintenance and repair of City owned facilities, grounds, and infrastructure, including the City's water system.

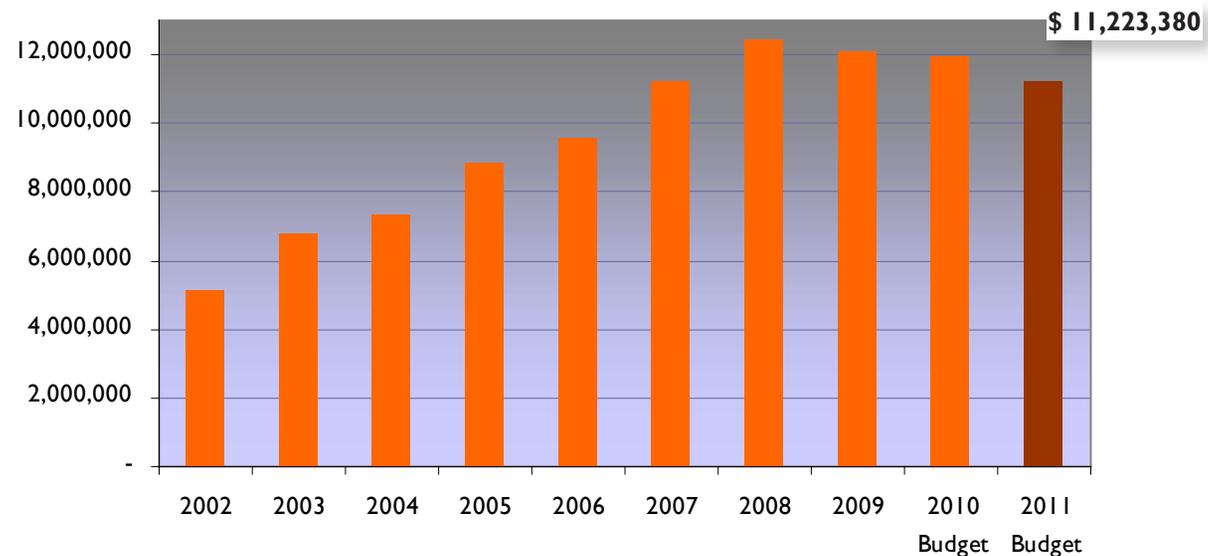
- NOTABLE FY 2011 BUDGET ITEMS**
- 3 new part time Custodians, \$49,015
  - Landscape maintenance of PIB, I-85 exit ramps, and McGinnis Ferry Road, \$96,200
  - Top dressing for Town Center Park, \$13,850
  - Prefunding of FY 2011 Public Works truck expenditures in FY 2010, savings of \$50,200

**Current FY 2010 Budget: \$ 1,723,370**

**Proposed FY 2011 Budget: \$ 1,825,780**

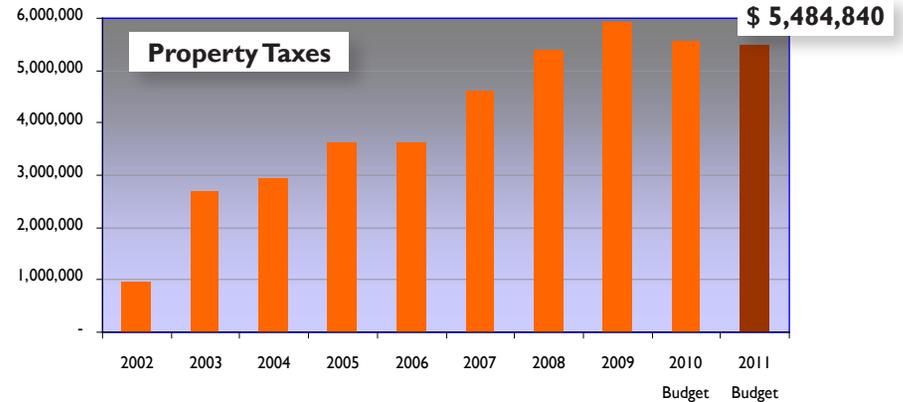
Description	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	% Change
General Property Taxes	\$ 5,600,839	\$ 6,920,043	\$ 7,704,079	\$ 7,403,530	\$ 7,155,430	-3.35%
Selective Sales and Use Taxes	1,046,675	1,047,884	999,358	990,500	939,300	-5.17%
Business Taxes	1,438,956	1,517,270	1,465,980	1,305,000	1,290,000	-1.15%
Penalty and Interest on Taxes	43,251	37,762	77,776	15,000	55,000	266.67%
Licenses and Permits	258,814	211,270	209,630	202,300	197,500	-2.37%
Regulatory Fees	854,060	846,435	159,242	85,010	103,880	22.20%
Intergovernmental Grants	14,378	818	-	16,610	-	-100.00%
Charge for Services	252,617	227,016	111,630	84,400	80,200	-4.98%
Fines and Forfeitures	1,320,467	1,259,195	994,207	1,130,480	1,084,500	-4.07%
Investment Income	252,066	264,000	231,289	178,000	175,000	-1.69%
Contributions and Donations	1,500	500	18,392	5,000	5,000	0.00%
Miscellaneous Revenues	18,696	20,791	47,448	18,370	16,500	-10.18%
Other Financing Sources	139,247	80,122	95,948	529,950	121,070	-77.15%
<b>TOTAL REVENUES</b>	<b>\$ 11,241,566</b>	<b>\$ 12,433,106</b>	<b>\$ 12,114,979</b>	<b>\$ 11,964,150</b>	<b>\$ 11,223,380</b>	<b>-6.19%</b>

### Total General Fund Revenues



**Property Taxes**

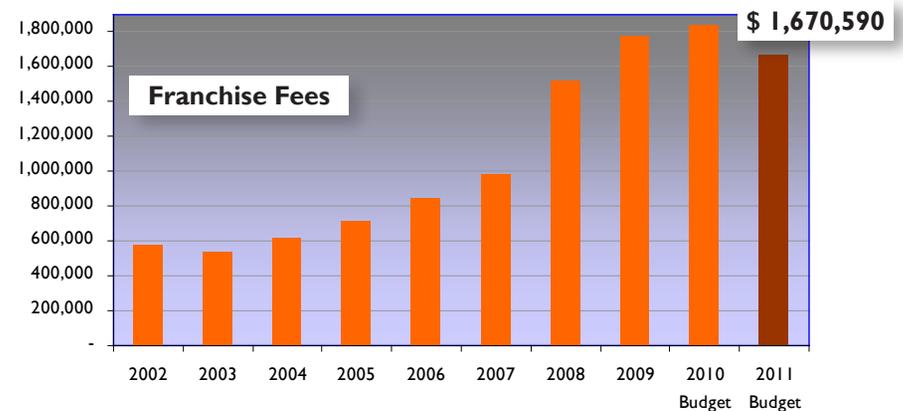
Property taxes include taxes on Real and Personal Property, Motor Vehicle, Mobile Homes, and Intangible Taxes. This category represents 48.9% of the total FY 2011 General Fund revenues. These taxes are projected based on estimated growth of the state approved tax digest at millage rates adopted by Council. 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 an anticipated 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.



**Franchise Fees**

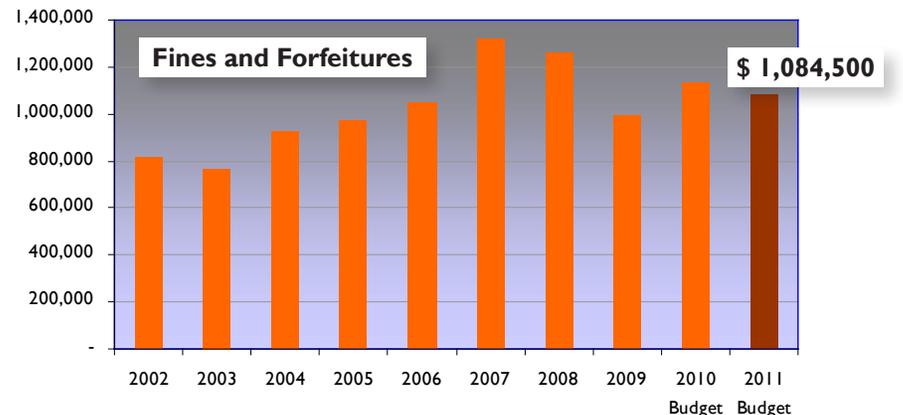
Franchise Taxes are the fees charged to utility companies for the use of City streets and right of ways to conduct their private business of delivering natural gas, telephone, cable television, water and other fiber optics cable services. This category represents 14.9% of the total FY 2011 General Fund 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.



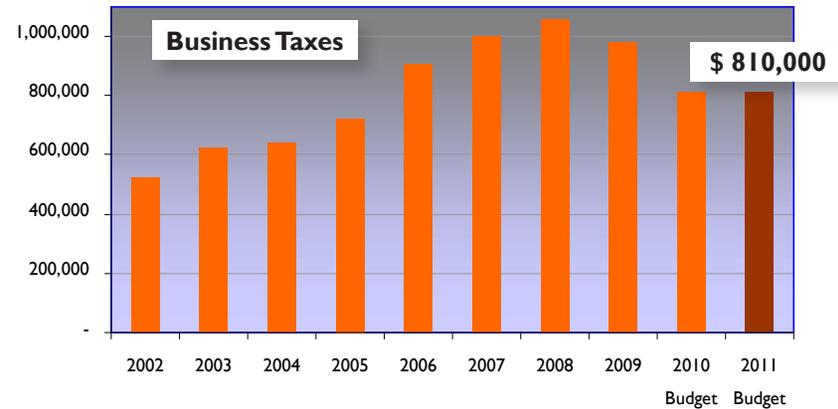
**Fines and Forfeitures**

Revenues in this category consist of fines and charges imposed by the City's Municipal Court. This category represents 9.7% of the total FY 2011 General Fund revenues. Council set some of these charges while others are mandated by the State and adopted by the Council. Projections are based on the rates set by City Council and historical trends. In fiscal year 2010, the rate structure was changed to include a technology fee to cover police software cost.



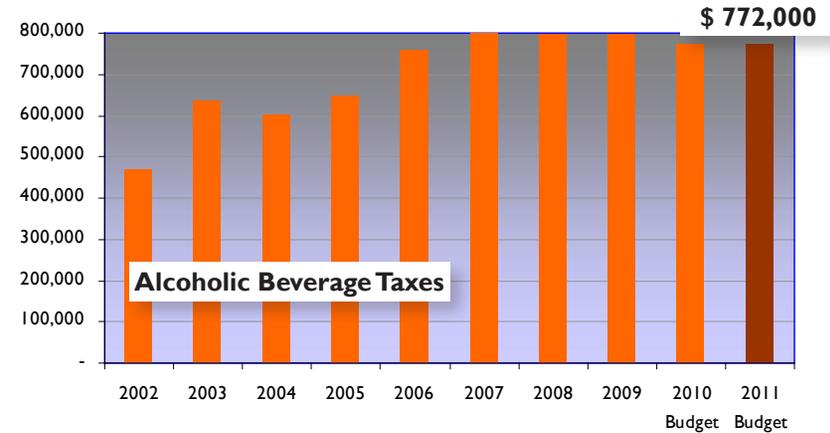
### Business Taxes

This category includes revenues realized from business and financial institutions' occupational licenses and excise taxes on insurance premiums written by insurance companies conducting business within the city. This category represents 7.2% of the total FY 2011 General Fund revenues. Projections are based on historical trend analysis, economic indicators, and anticipated economic growth. Some of these fees are sensitive to economic conditions and have been declining the past two fiscal periods as gross sales have declined. Current estimates are projecting a stabilization of prior years' decreased amounts with a continued trend decrease of 3%.



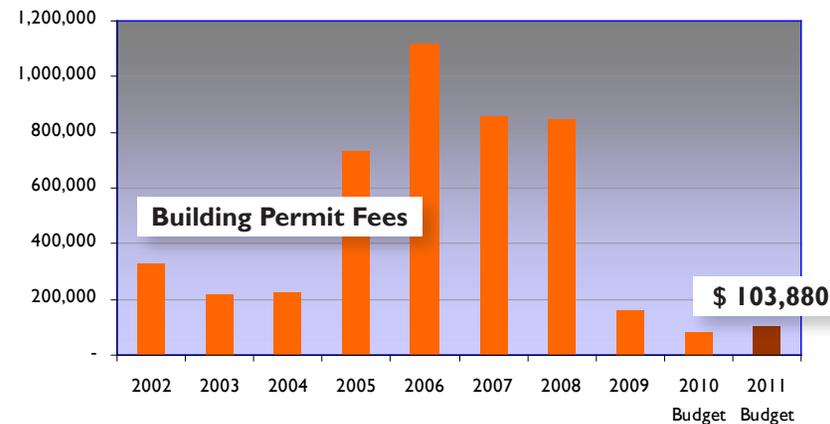
### Alcoholic Beverage Taxes

Alcoholic Beverage Taxes are levied on the sale, distribution, or consumption of selected goods and services. Included in this category are taxes imposed on the distribution of distilled spirits, malt beverages, and wine; and taxes imposed on the sale of distilled spirits by the drink. This category represents 6.9% of the total FY 2011 General Fund revenues. The revenue projections are based on historical trends in conjunction with current economic indicators. Actual collection amounts are used along with the continued trend decline, which averaged 3.5%, to determine the projection for taxes on distribution of distilled spirits and the sale of distilled spirits by the drink.

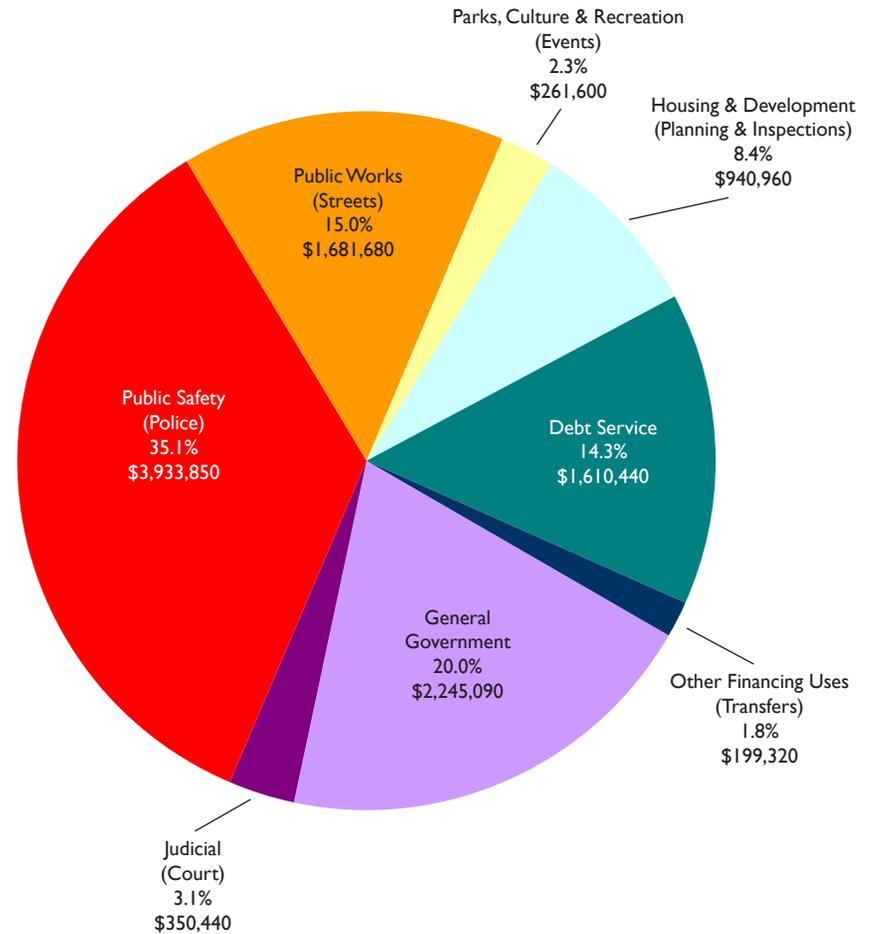
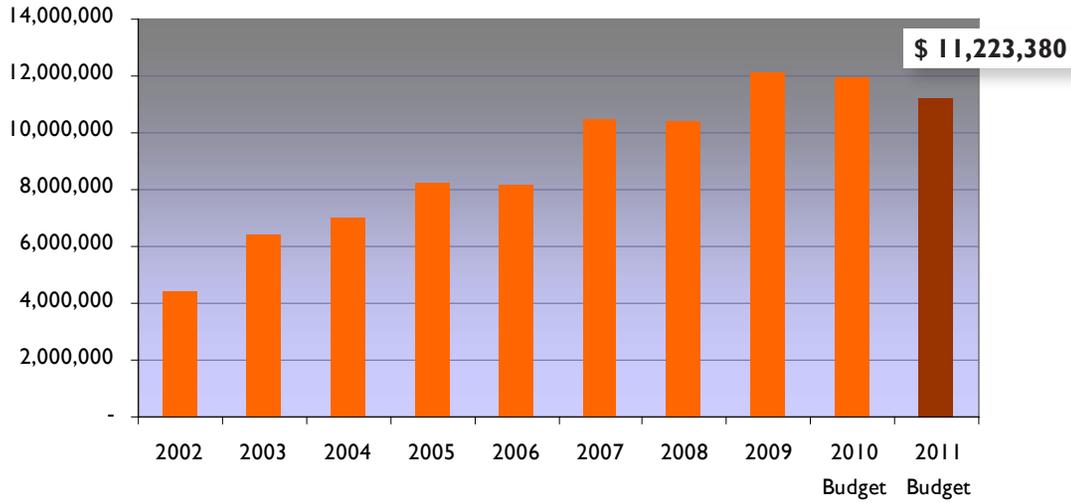


### Building Permit Fees

Regulatory fees consist of revenues realized from fees charged for building permits and inspections. This category represents less than 1% of the total FY 2011 General Fund revenues. It has been included to reflect the significant decline in revenue resources. Revenue projections are based on historical trends in conjunction with current economic indicators along with pertinent fee increases. Commercial and residential project units authorized by zoning are reviewed for projected units to be completed in the next fiscal period. In fiscal year 2011, we are predicting \$38,880 in interior and remodels and \$65,000 in residential permits. Last year the City absorbed 91 new residential units, and inventory of builder-owned units has dropped from 105 to 35. Discussions with developers have indicated that it is hard to obtain construction loans; therefore, we are not anticipating any new development in fiscal year 2011.



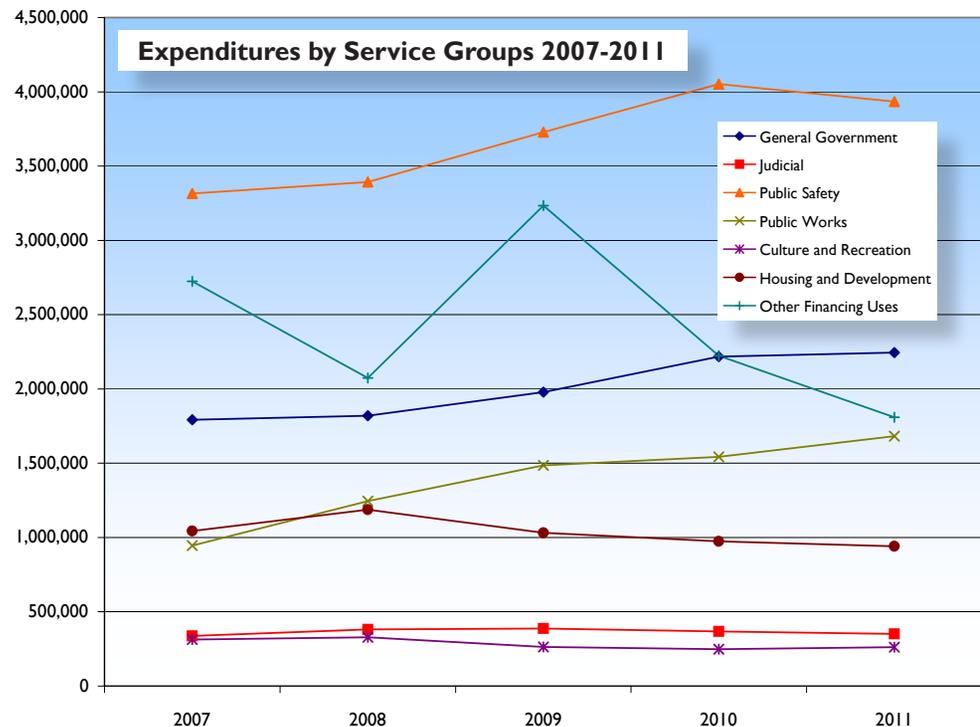
Total General Fund Expenditures



### 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>

Expenditures by Service Group summarizes the cost by accounting reporting categories instead of departmental. This schedule is included to reflect the required financial statement reporting requirements for the City's annual financial report. The annual financial report is available on the City's website at [www.suwanee.com](http://www.suwanee.com)



Description	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	% Change
Governing Body	\$ 56,025	\$ 99,796	\$ 117,733	\$ 158,370	\$ 179,130	13.11%
Legislative Committees	3,856	6,463	5,329	8,750	8,750	0.00%
Chief Executive	377,401	354,224	371,114	386,520	463,130	19.82%
General Administration	202,710	190,290	201,342	202,990	205,590	1.28%
Financial Administration	487,013	512,142	547,010	593,190	603,600	1.75%
Accounting	67,900	25,000	27,000	35,500	30,000	-15.49%
Law	53,190	67,306	49,938	65,000	65,000	0.00%
Data Processing/MIS	205,641	206,124	276,412	243,840	296,350	21.53%
General Government Buildings	263,398	245,090	266,417	385,840	261,530	-32.22%
Public Information	76,043	113,419	115,818	136,910	132,010	-3.58%
Municipal Court	263,318	302,031	307,337	368,270	350,440	-4.84%
Red Light Camera	73,433	78,762	79,962	-	-	n/a
Police Administration	282,132	293,138	294,364	334,680	353,090	5.50%
Criminal Investigation	200,680	292,550	309,748	349,870	254,050	-27.39%
Patrol	1,859,936	1,974,480	2,273,194	2,291,140	2,349,900	2.56%
Records & Identification	158,476	73,888	147,082	165,720	119,460	-27.91%
Police Training	57,094	57,150	66,174	107,690	106,220	-1.37%
Special Detail Services	130,965	90,248	63,705	50,000	50,000	0.00%
Gateway Patrol	-	-	-	-	17,200	n/a
Police Stations & Buildings	142,519	141,632	134,888	248,900	165,450	-33.53%
Dispatcher	327,728	365,239	395,266	440,670	432,970	-1.75%
Public Relations	45,568	35,270	37,978	88,510	85,510	-3.39%
Other Park Police	110,578	69,593	5,983	88,860	-	-100.00%
Public Works Administration	864,790	1,103,156	1,411,760	1,509,720	1,513,880	.27%
Paved Streets	33,056	33,493	14,810	21,600	117,800	445.37%
Storm Drainage	33,385	91,273	35,703	61,800	50,000	-19.09%
Street Lighting	6,505	4,564	5,325	-	-	n/a
PW Special Detail Services	8,043	12,415	17,093	-	-	n/a
Playgrounds	4,995	9,289	72	-	-	n/a
Special Facilities & Activities	178,364	208,185	109,554	117,700	117,500	-0.17%
Park Areas	129,323	111,484	153,231	130,250	144,100	10.63%
Protective Inspection Administration	387,658	407,160	262,335	151,930	137,110	-9.75%
Planning & Zoning	415,488	354,795	432,972	409,700	410,520	0.20%
Code Enforcement	28,292	22,102	2,418	39,010	39,290	0.72%
Economic Development & Assistance	151,104	331,384	257,430	284,170	290,640	2.28%
Downtown Suwanee	61,134	71,442	76,529	88,600	63,400	-28.44%
Other Financing Uses	2,724,510	2,073,516	3,234,406	2,398,450	1,809,760	-24.54%
<b>TOTAL EXPENDITURES</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>-6.19%</b>
Revenues (over) under Expenditures	\$ (769,315)	\$ (2,005,013)	\$ (7,547)	\$ -	\$ -	

During the budgeting forecast process, all Department Directors submit their performance and expenditure requests for the next fiscal year. Based on this information, the budget development team reviewed all departmental operations and budget requests in order to propose a recommended balanced budget to the Council.

The following is a summary of larger dollar requested items for Fiscal Year 2011 that were included.

## Big Ticket Items Included in the General Fund Budget

Function	Description	Amount	Function	Description	Amount
All	Salaries	\$ 4,629,770	4100	Public Works Seasonal Labor	\$ 19,290
All	Overtime	51,950	4100	Janitorial Proposal	77,945
All	FICA	288,920	4100	Repairs	39,500
All	M-Care	67,580	4100	Electricity	165,450
All	Retirement	423,340	4100	Park Water Usage	43,100
All	Group Health	837,860	4221	Street Sweeping	14,800
All	Other Employee Benefits	62,520	4221	Landscape Management I-85 Exit 111	23,000
All	Workers Compensation	172,620	4221	Landscape Management PIB	51,250
All	Gasoline Fuel Usage	170,530	4221	Landscape Management McGinnis Ferry	28,750
All	Property/Casualty Insurance	178,200	4250	MS4 Permit Requirements	50,000
1110	GWMA City Contribution	73,060	6190	Events	117,500
1320	Strategic Plan	75,000	6220	Landscape Management & Tree Removal	84,000
1511	National Citizen Survey	11,000	6220	Park Repairs	40,500
1512	Annual Audit	30,000	6220	Park Site Improvements	19,600
1530	Annual Attorney Fees	65,000	7400	Professional Services Planning	28,500
1535	IT Consultant	125,000	7400	Arbor Day	17,500
1535	Accounting Software Support Fees	45,000	7510	General Consulting	10,000
1535	Software Annual License Fees	25,100	7510	TAD Implementation	10,000
1535	Digital Records Storage	17,000	7510	Partnership Gwinnett	20,000
1535	Accounting Technical Support	26,500	7520	Downtown Suwanee Funding	63,400
1535	Computer Repair & Replacement	5,000	9100	GO Bond Payment	1,136,105
1535	New program	30,000	9100	URA Bond Payment	474,323
1565	City Hall Operating Cost	171,530	9100	Water Fund Transfer	150,000
1570	Newsletter Production & Printing	42,500	9100	TAD Fund Transfer	42,320
3223	Repairs	52,100	9100	DDA Fund Transfer	7,000
3224	Police Annual Software Fees	70,000			
3251	Gateway Patrol	17,200			
4100	Public Works Park Attendants	26,910			
				Total Big Ticket Items	\$ 10,525,023
				Total Budget	\$ 11,223,380
				% Summarized	93.8%

**Conclusion**

The City appreciates any comments from the citizens of our community relative to the budget. All citizens are invited and encouraged to attend the budget hearings held in June of each year. Anyone interested in attending or receiving additional information should contact the Financial Services Department at 770-945-8996.



