



FY 2018 BUDGET PROCESS WORKSESSION

JANUARY 9, 2017



Overview

- Budget Principles
- Five Year Forecast (General Fund & Enterprise Funds)
- Budget Calendar



Budget Principles

- Balanced Budget = Revenues \geq Operating Expenditures + Maintenance Capital
- Reserves used only for one-time capital
- Maintain reserve of \geq 3 months operating expenditures
- No increase in combined property tax rate
- Maintain current level of services



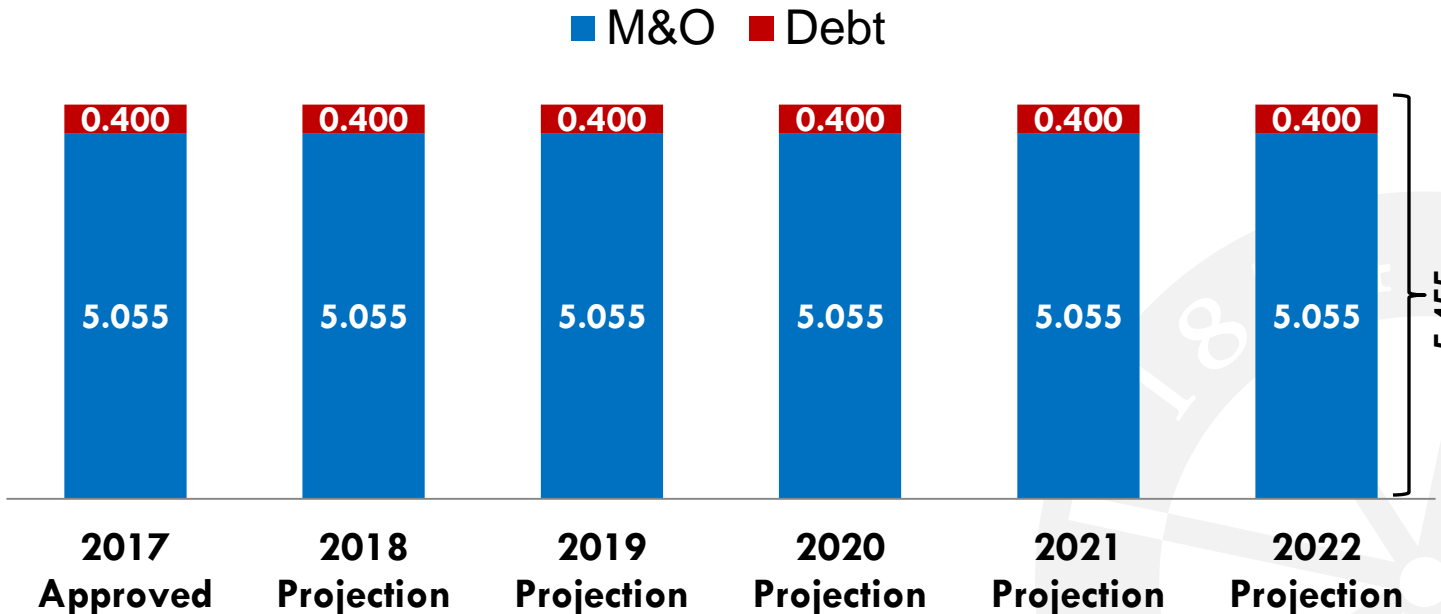
Five Year Forecast



Property Tax Revenues - Assumptions

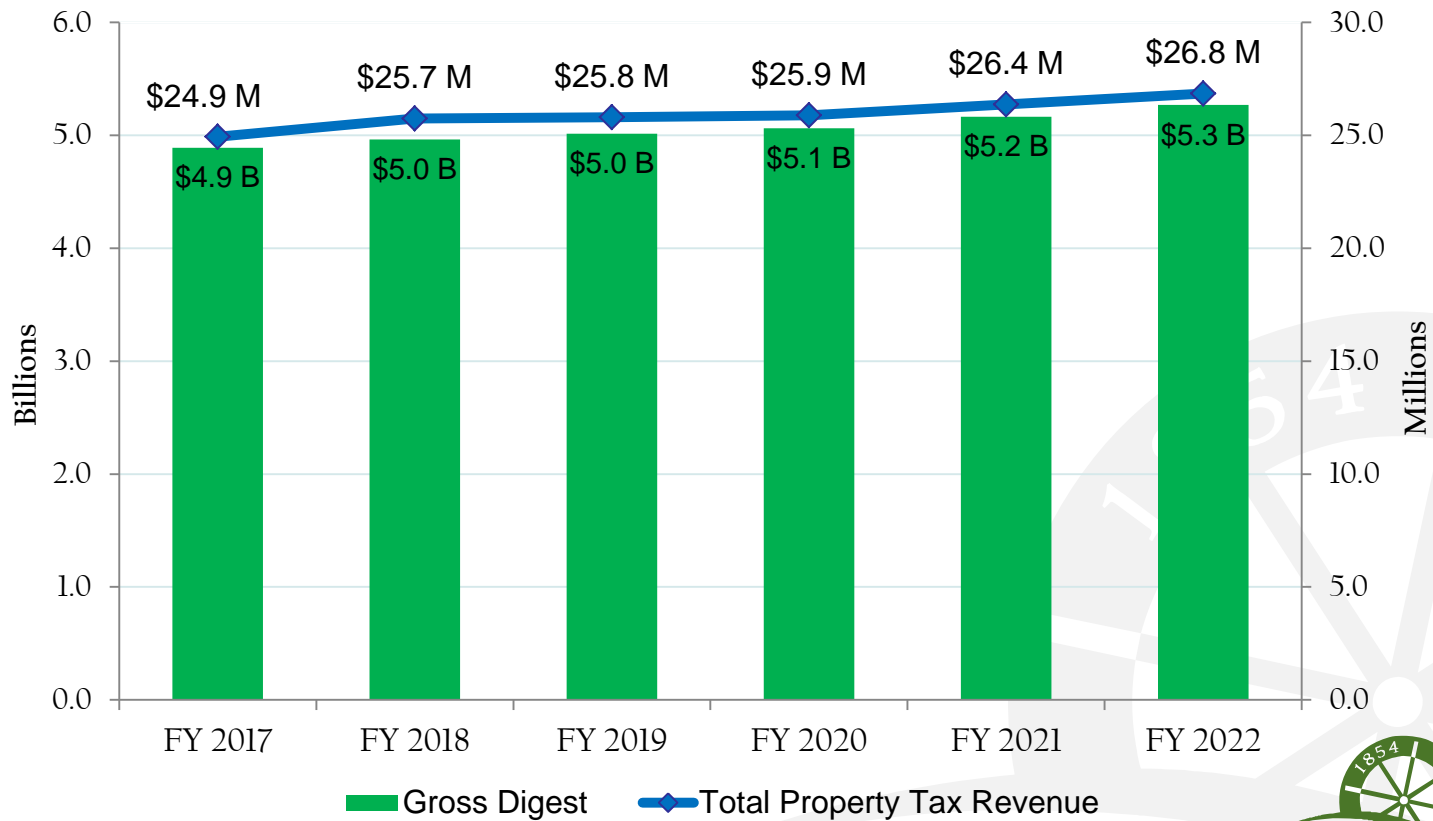
Millage Rate

- Assumes no change in millage rate throughout the forecast
- Total millage rate : 5.455



Property Tax Revenues - Projections

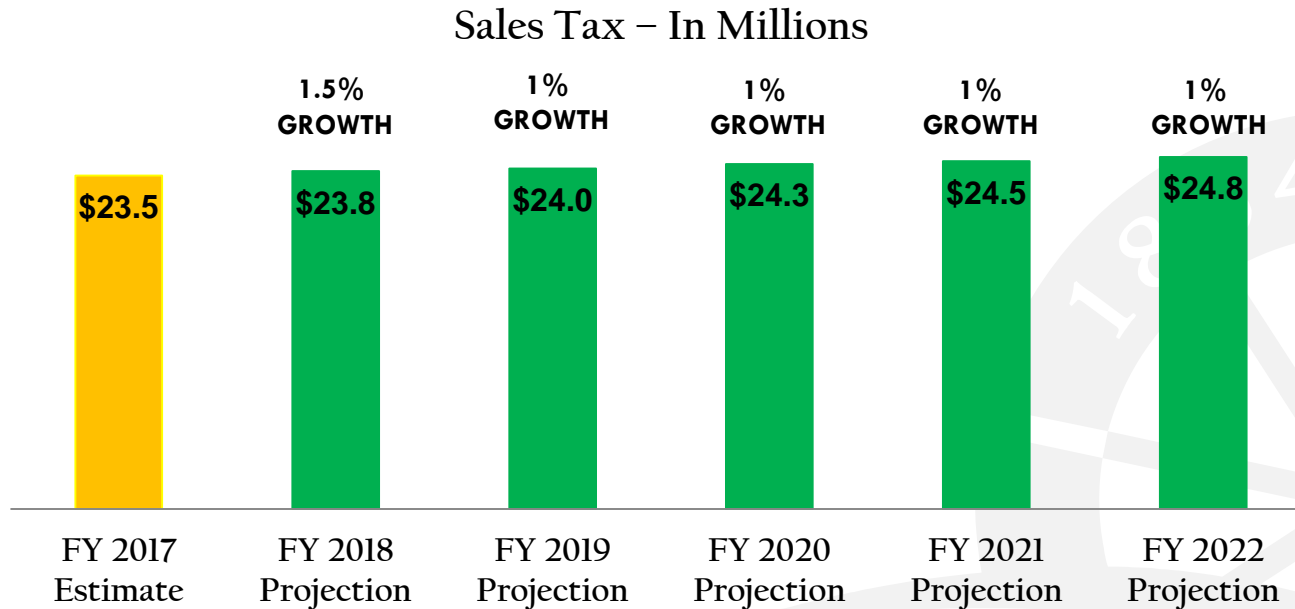
Gross Digest and Total Property Tax Revenue Projection



Sales Tax Revenues - Assumptions

- Factors included in projection

- Forecasted growth in personal income, median household income and population for the metro area



(Source: Moody's Data)

Other revenues and expenses

Assumptions

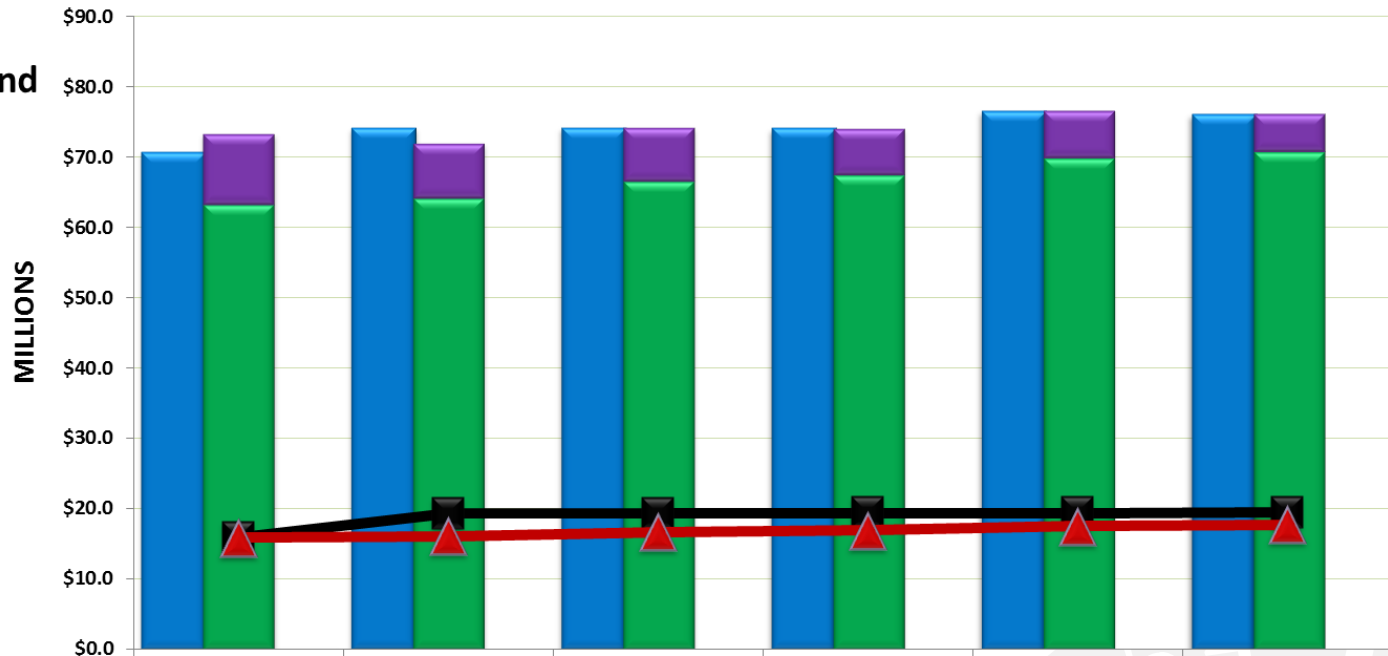
- All other revenues (except Fines and Forfeitures) are projected forward based on the projected percentage increase in CPI of the Atlanta MSA.
- The operating expenses have been increased by half of CPI growth
- Health benefits have been increased based on the Medical Care CPI.



General Fund

General Fund

**Five Year
Forecast**
*-For Discussion
Purposes Only-*



	FY 2017 Budget	FY 2018 Projection	FY 2019 Projection	FY 2020 Projection	FY 2021 Projection	FY 2022 Projection
Revenues	\$ 70.7 M	\$ 74.2 M	\$ 74.2 M	\$ 74.1 M	\$ 76.6 M	\$ 76.2 M
Operating	\$ 63.3 M	\$ 64.2 M	\$ 66.5 M	\$ 67.4 M	\$ 69.8 M	\$ 70.7 M
Capital	\$ 10.0 M	\$ 7.8 M	\$ 7.7 M	\$ 6.6 M	\$ 6.8 M	\$ 5.4 M
Ending Fund Balance	\$ 15.8 M	\$ 19.2 M	\$ 19.2 M	\$ 19.3 M	\$ 19.3 M	\$ 19.4 M
Reserve by Policy (25%)	\$ 15.8 M	\$ 16.1 M	\$ 16.6 M	\$ 16.9 M	\$ 17.4 M	\$ 17.7 M

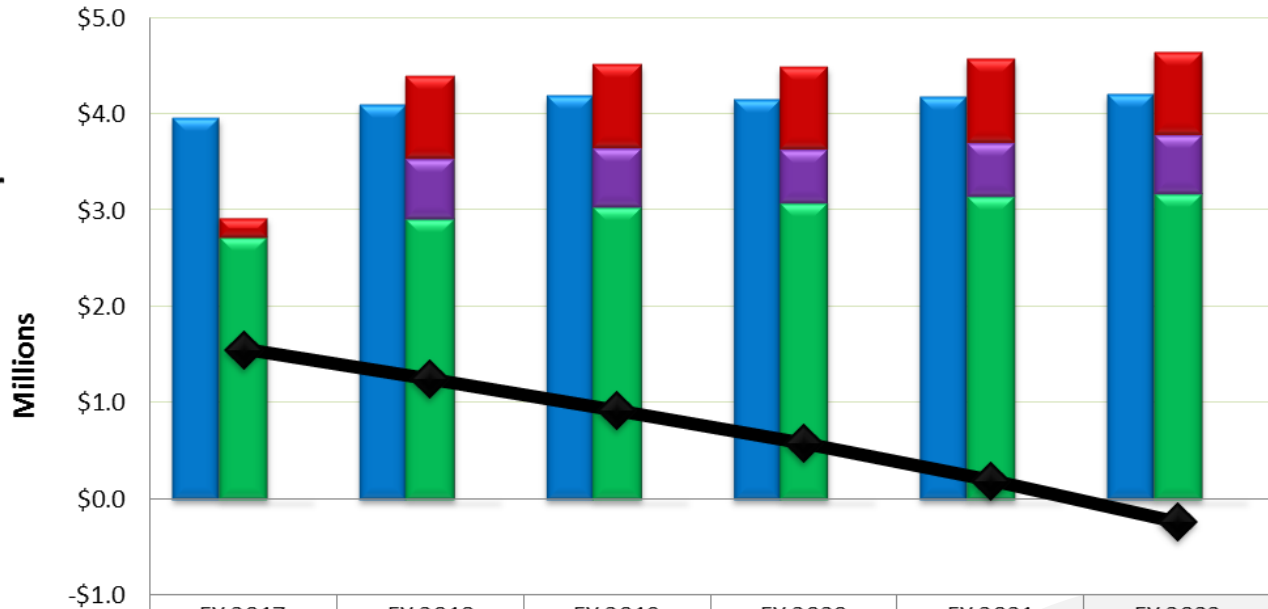
Enterprise Funds



Water Fund

Water and Sewer Fund

Five Year Forecast
-For Discussion Purposes Only-



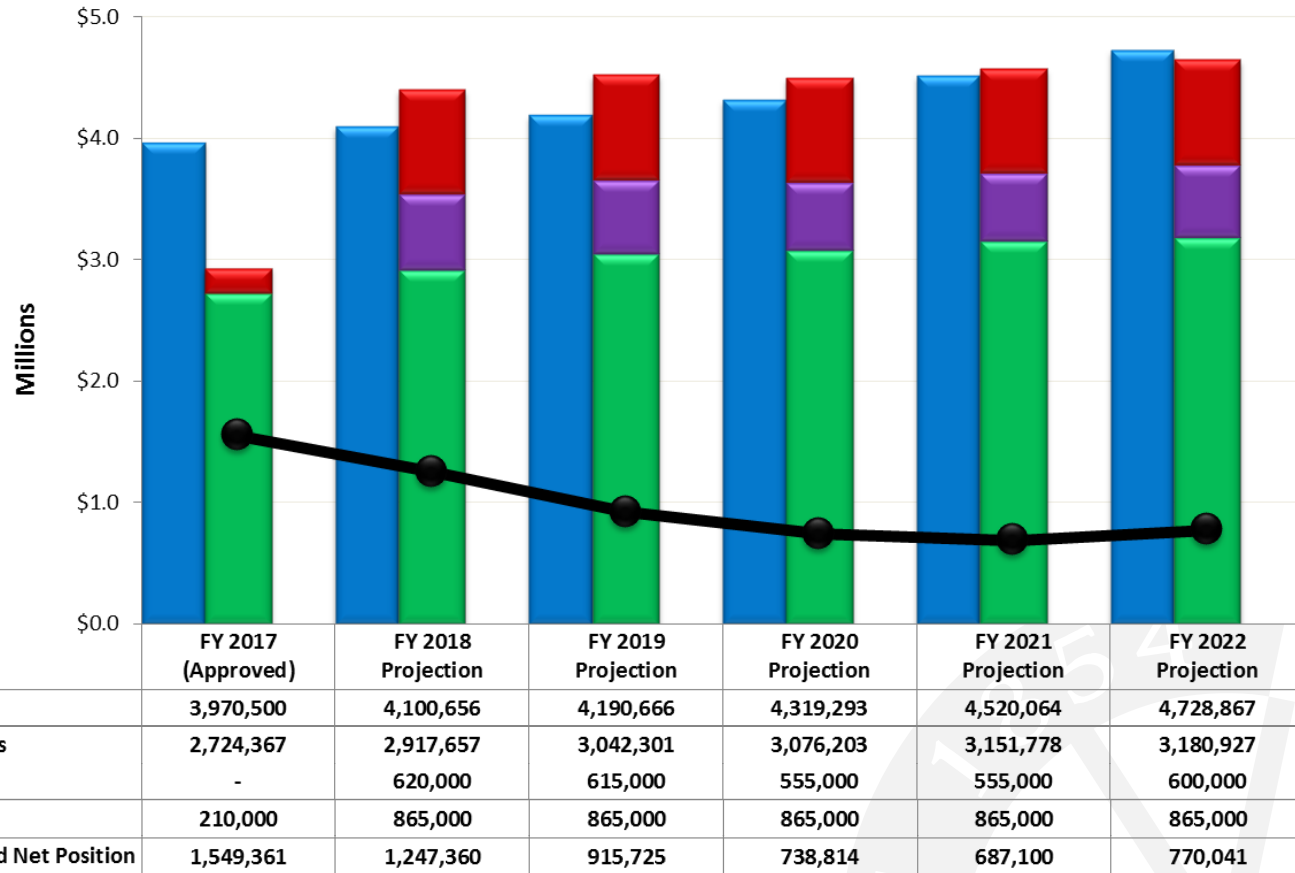
	FY 2017 (Approved)	FY 2018 Projection	FY 2019 Projection	FY 2020 Projection	FY 2021 Projection	FY 2022 Projection
TOTAL REVENUES	3,970,500	4,100,656	4,190,666	4,155,666	4,185,666	4,215,666
Operating Expenses	2,724,367	2,917,657	3,042,301	3,076,203	3,151,778	3,180,927
Capital Expenses	-	620,000	615,000	555,000	555,000	600,000
Debt Service	210,000	865,000	865,000	865,000	865,000	865,000
Ending Unrestricted Net Position	1,549,361	1,247,360	915,725	575,187	189,075	(241,185)

Forecast Assumptions

- The revenues are grown by 1.5% in FY 2018 and FY 2019 as per the current approved rate increase. The forecast also includes revenues from Meter Sales and Capacity Fees and increase in sales from new growth and development.
- Operating Expenses are grown by half of CPI.

Water Fund

**Water and Sewer Fund
Five Year
Forecast**
*-For Discussion
Purposes Only-*



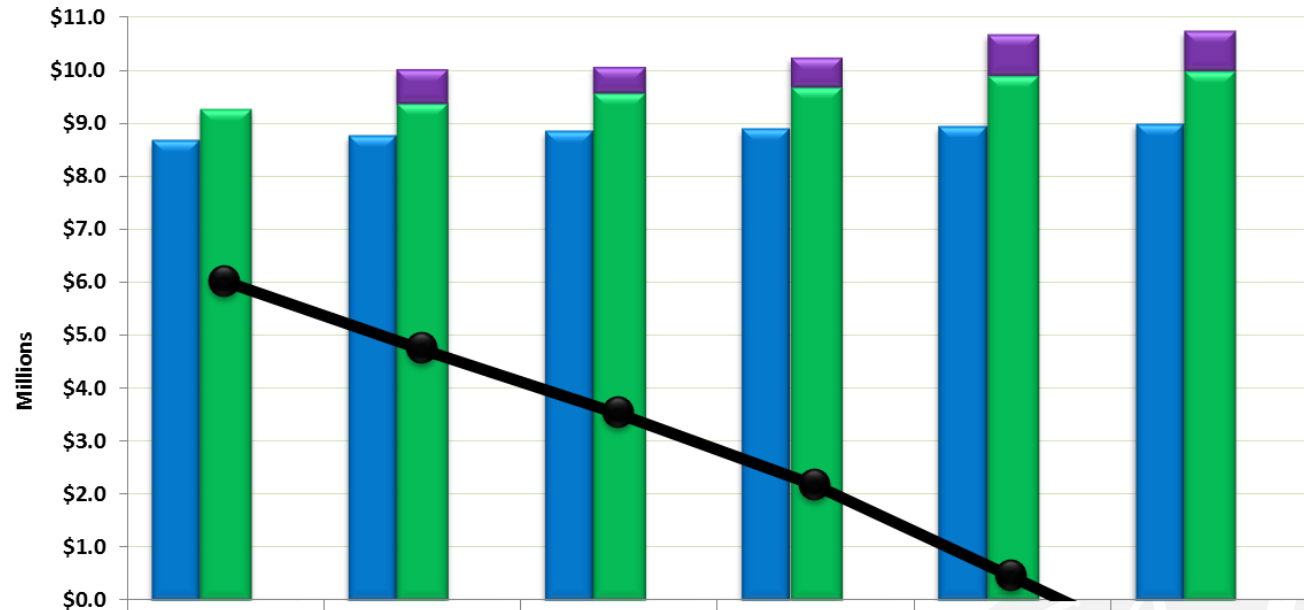
Forecast Assumptions

- Option: rate increase of 4% in revenue from FY 2020 through FY 2022.

Solid Waste Fund

Solid Waste Fund Five Year Forecast

*-For Discussion
Purposes Only-*



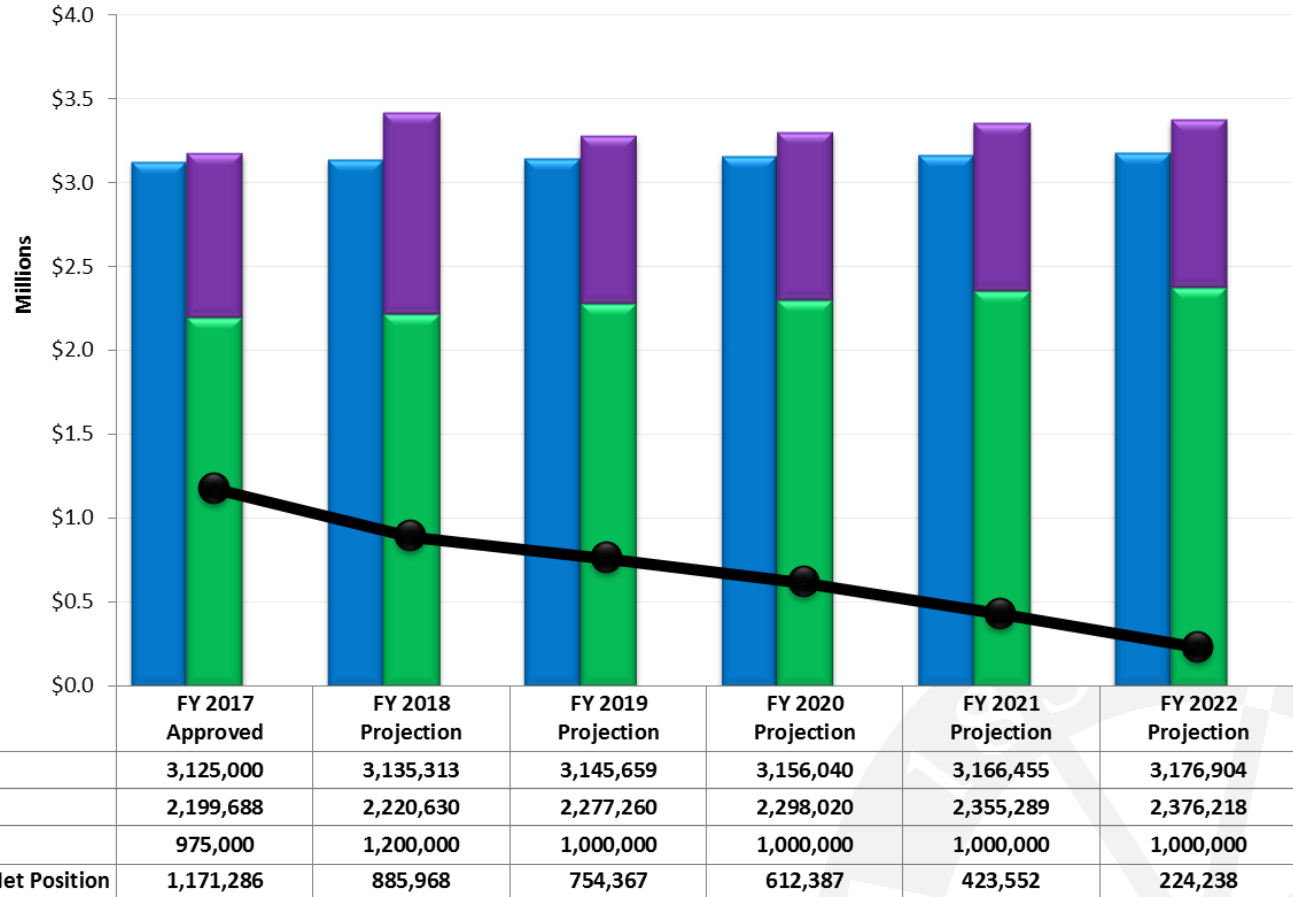
	FY 2017 Approved	FY 2018 Projection	FY 2019 Projection	FY 2020 Projection	FY 2021 Projection	FY 2022 Projection
Revenues	8,667,000	8,755,000	8,843,830	8,891,164	8,938,710	8,986,469
Operating Expenses	9,263,042	9,361,411	9,576,066	9,673,067	9,888,039	9,985,325
Capital Expenses	-	657,600	492,000	568,000	782,000	750,600
Ending Unrestricted Net Position	5,997,832	4,733,821	3,509,585	2,159,682	428,354	(1,321,103)

Forecast Assumptions

- Modest revenue growth
- Operating Expenses are grown by half of CPI.
- Potential rate increase needs to be considered by FY 2021.

Storm Water Fund

**Stormwater
Fund
Five Year
Forecast**
*-For Discussion
Purposes Only-*



Forecast Assumptions

- The revenues are grown by the estimated growth in new construction.
- Operating Expenses are grown by half of CPI.

FY 2018 Budget Calendar

JANUARY, 2017						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

- Jan. 9 – Budget Work Session (5:00 pm)
 - Budget Principles, 5-Year Forecasts, FY 2018 Budget Calendar
- Jan.11 – Budget Kick-off for Staff

FEBRUARY, 2017						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

- Feb. 13 – Budget Work Session (5:30 pm)
 - Economic Update, Personnel/Benefits, Revenues/Fees



FY 2018 Budget Calendar

MARCH, 2017						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- Mar. 13 – Budget Work Session (5:30 pm)
 - One-Time Capital Priorities including TSPLOST, Capital Financing Plan

APRIL, 2017						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

- Apr. 10 – Budget Work Session (5:30 pm)
 - Partner Organization Presentations



FY 2018 Budget Calendar

MAY, 2017						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

JUNE, 2017						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JULY, 2017						
S	M	T	W	T	F	S
						1

- May 8 – City Council Meeting
 - FY 2018 Proposed Budget Presentation
- May 15 – Budget Work Session (11:30 am)
 - Department Presentations
- May 22 – 1ST Budget Reading and Millage Rate Hearing
- May 31 – Millage Rate Public Hearing
- June 12 – 2nd Budget Reading and Millage Rate Public Hearing
- July 1 – START of FY 2018



Next Steps

- Feb 13 Budget Worksession
 - Economic Update
 - Discuss Personnel Costs/Benefits
 - Discuss Revenues/Fees



Questions?

