City Council of Peachtree City

WORKSHOP

December 2, 2008

6:30 p.m.

The Mayor and City Council and the Planning Commission will hold a joint workshop on Tuesday, December 2, 2008, 6:30 p.m., in Council Chambers. The purpose of the workshop is to discuss the proposed changes to the GC, LUC and OS zoning ordinances and to discuss proposed budget adjustments for FY 2009.

This agenda is subject to change at any time up to 24-hours prior to the scheduled meeting.

CITY OF PEACHTREE CITY

INTEROFFICE MEMORANDUM

TO: **Mayor and City Council**

VIA: **City Manager**

FROM: **Financial Services Director** P.S.

DATE: **November 26, 2008**

SUBJECT: **Budget adjustments in response to anticipated revenue shortfalls**

December 2, 2008 City Council Workshop Meeting

Recommendation:
Consider budget adjustments staff is proposing in response to anticipated revenue shortfalls in FY 2009, as well as future budget deficits, and provide direction to staff.

Discussion:
On August 7, 2008, the City Council adopted the city's annual operating budget and capital plan (PIP) for fiscal year 2009, which began October 1, 2008. Since adopting the budget, city finances have been adversely impacted by numerous economic events including skyrocketing fuel prices in September 2008, failure of major financial institutions due to sub-prime lending practices, sharp declines in the stock market and soaring unemployment, just to name a few. As a result of these events, there has also been a sharp decline in consumer spending, which has greatly impacted the city's local option sales tax and other revenue projections for FY 2009 and future years.

Staff has prepared a presentation that identifies what the main problem areas are as far as revenue shortfalls, and possible actions that can be taken in response to the shortfalls. The presentation will first review the original adopted budget for FY 2009 and then show what the budget looks like after considering revised revenue estimates, and eliminating millage rate increases that had been included in the city's 5-Year financial model at the time the FY 2009 budget was adopted. Staff will then present a detailed listing of numerous proposed budget adjustments that include both one-time adjustments, as well as on-going reductions that will also impact future years. Staff will then present a revised financial model that shows the impact of all the changes to estimated revenue and appropriations that are anticipated. It will also show what work still needs to be accomplished in preparing the FY 2010 budget. Staff seeks input from Council and the public on these matters.

PEACHTREE CITY
PLAN TO STAY

FY 2009 Budget Amendments

December 2, 2008 Workshop

Anticipated G/F Revenue Shortfalls

Local Option Sales Tax	$700,000
Motor Vehicle Tax	50,000
Intangible Tax	45,000
Franchise Taxes	74,000
Hotel/Motel Tax (city share)	15,000
Other Revenues	28,000
Total G/F Shortfall:	$912,000

SPLOST/PIP Shortfalls

- Anticipate SPLOST revenue shortfall of about $200K in FY 2009
- SPLOST Projects will need to be revisited
- Some may be deferred to next SPLOST
- Anticipated impact fee revenue reduced by approx $350K due to developer projects being put on hold

5-Year Financial Model Impacts

- Original FY 2009 adopted budget called for use of cash reserves of approx. $1.5M
- FY 2010 budget already included a millage rate increase of 1.5 mills and use of cash reserves of $477K
- Another ½ mill increase was also scheduled for FY 2011

5-Year Model - Original

City of Peachtree City
Five-Year Financial Projections - FY 2009 Original Budget

General Fund	Projected Actual FY 2008	Proposed Budget FY 2009	Projected Budget FY 2010	Projected Budget FY 2011	Projected Budget FY 2012	Projected Budget FY 2013
Beginning Fund Balance	$10,607,894	$10,030,148	$8,883,492	$8,405,789	$8,406,365	$8,407,079
Sources of Funds:						
Percentage Increase in G.F. Revenue over Prior Year	-2.92%	1.43%	13.05%	6.69%	5.62%	4.22%
Total Revenues & Transfers In	$25,963,349	$26,335,035	$29,772,643	$31,765,501	$33,552,210	$34,966,973
Uses of Funds:						
Departmental Operating Expenses	$23,488,952	$25,460,659	$26,860,995	$28,338,350	$29,896,959	$31,541,292
Salary Vacancy/Other Savings:	$0	($636,516)	($671,525)	($708,459)	($747,424)	($788,532)
General Administration Expenses	$404,035	$369,985	$386,200	$403,722	$422,666	$443,159
Transfers to Other Funds/Authorities	$2,648,108	$2,287,563	$3,674,676	$3,731,312	$3,979,294	$4,052,852
Total Uses of Funds:	$26,541,095	$27,481,691	$30,250,346	$31,764,925	$33,551,495	$35,248,770
Percentage Increase in G.F. Expenses over Prior Year	2.23%	3.54%	10.07%	5.01%	5.62%	5.06%
Surplus / (Deficit)	($577,746)	($1,146,656)	($477,703)	$576	$715	($281,797)
Ending Fund Balance - General Fund	$10,030,148	$8,883,492	$8,405,789	$8,406,365	$8,407,079	$8,125,282
Reserve Percentage	38%	32%	28%	26%	25%	23%
Target Reserves (20% of Uses of Funds):	$5,308,219	$5,496,338	$6,050,069	$6,352,985	$6,710,299	$7,049,754
Over (Under)	$4,721,929	$3,387,154	$2,355,720	$2,053,380	$1,696,780	$1,075,528
Total City Millage Rate:	5.533	5.533	7.017	7.531	7.811	8.299
Total Millage Increase (Decrease)	0.000	0.000	1.484	0.514	0.280	0.488
Percent Increase/Decrease	0.0%	0.0%	29.0%	7.8%	3.9%	6.6%
Maintenance & Operation Millage Rates	4.985	5.122	6.622	7.145	7.445	7.945
M & O Millage Increase/Decrease	-0.548	0.137	1.500	0.523	0.300	0.500
Percent Increase/Decrease	-9.90%	2.75%	29.29%	7.90%	4.20%	6.72%
Bond Millage Rates	0.548	0.411	0.395	0.386	0.366	0.354
Bond Millage Increase/Decrease	N/A	-0.137	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	N/A	-25.00%	-3.89%	-2.28%	-5.18%	-3.28%

5-Year Financial Model Impacts

- Revised revenue estimates for FY 2009 will increase use of cash reserves from $1.5M to approximately $2.5M
- This represents about 25% of the city's total General Fund reserves
- Such reliance on cash reserves is unacceptable and cannot be sustained
- May also adversely impact city's bond ratings

5-Year Financial Model Impacts

- If no action is taken to reduce expenditures, next year's estimated millage rate increase would need to be about 2 mills
- One time cuts in the current fiscal year would only prolong this problem, not fix it
- Meaningful, ongoing cuts will be necessary in order to avoid millage rate increases

<u>5-Year Model – Revised Revenue</u>

<u>Revised Model with 1-Time Cuts</u>

City of Peachtree City
Five-Year Financial Projections - Revised revenue estimates/No mill increases

General Fund	Projected Actual FY 2008	Proposed Budget FY 2009	Projected Budget FY 2010	Projected Budget FY 2011	Projected Budget FY 2012	Projected Budget FY 2013
Beginning Fund Balance	$10,607,894	$10,030,148	$7,971,492	$3,682,786	($1,317,246)	($7,167,985)
Sources of Funds:						
Percentage Increase in G.F. Revenue over Prior Year	-2.92%	-2.08%	2.12%	3.09%	3.50%	0.10%
Total Revenues & Transfers In	$25,963,349	$25,423,035	$25,961,640	$26,764,893	$27,700,756	$27,729,224
Uses of Funds:						
Departmental Operating Expenses	$23,488,952	$25,460,659	$26,860,995	$28,338,350	$29,896,959	$31,541,292
Salary Vacancy/Other Savings:	$0	($636,516)	($671,525)	($708,459)	($747,424)	($788,532)
General Administration Expenses	$404,035	$369,985	$386,200	$403,722	$422,666	$443,159
Transfers to Other Funds/Authorities	$2,648,108	$2,287,563	$3,674,676	$3,731,312	$3,979,294	$4,052,852
Total Uses of Funds:	$26,541,095	$27,481,691	$30,250,346	$31,764,925	$33,551,495	$35,248,770
Percentage Increase in G.F. Expenses over Prior Year	2.23%	3.54%	10.07%	5.01%	5.62%	5.06%
Surplus / (Deficit)	($577,746)	($2,058,656)	($4,288,706)	($5,000,032)	($5,850,739)	($7,519,547)
Ending Fund Balance - General Fund	$10,030,148	$7,971,492	$3,682,786	($1,317,246)	($7,167,985)	($14,687,532)
Reserve Percentage	38%	29%	12%	-4%	-21%	-42%
Target Reserves (20% of Uses of Funds):	$5,308,219	$5,496,338	$6,050,069	$6,352,985	$6,710,299	$7,049,754
Over (Under)	$4,721,929	$2,475,154	($2,367,283)	($7,670,231)	($13,878,284)	($21,737,286)
Total City Millage Rate:	5.533	5.533	5.517	5.508	5.488	5.476
Total Millage Increase (Decrease)	0.000	0.000	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	0.0%	0.0%	-0.3%	-0.2%	-0.4%	-0.2%
Maintenance & Operation Millage Rates	4.985	5.122	5.122	5.122	5.122	5.122
M & O Millage Increase/Decrease	-0.548	0.137	0.000	0.000	0.000	0.000
Percent Increase/Decrease	-9.90%	2.75%	0.00%	0.00%	0.00%	0.00%
Bond Millage Rates	0.548	0.411	0.395	0.386	0.366	0.354
Bond Millage Increase/Decrease	N/A	-0.137	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	N/A	-25.00%	-3.89%	-2.28%	-5.18%	-3.28%

City of Peachtree City
Five-Year Financial Projections - Revised Revenue w/ One-time Cuts

General Fund	Projected Actual FY 2008	Proposed Budget FY 2009	Projected Budget FY 2010	Projected Budget FY 2011	Projected Budget FY 2012	Projected Budget FY 2013
Beginning Fund Balance	$10,607,894	$10,030,148	$8,775,632	$5,609,904	$1,732,850	($2,994,911)
Sources of Funds:						
Percentage Increase in G.F. Revenue over Prior Year	-2.92%	-2.08%	2.12%	3.09%	3.50%	0.10%
Total Revenues & Transfers In	$25,963,349	$25,873,035 incl. $450K 1x transf from PIP	$25,961,640	$26,764,893	$27,700,756	$27,729,224
Uses of Funds:						
Departmental Operating Expenses	$23,488,952	$25,460,659	$26,860,995	$28,338,350	$29,896,959	$31,541,292
Salary Vacancy/Other Savings:	$0	($636,516)	($671,525)	($708,459)	($747,424)	($788,532)
General Administration Expenses	$404,035	$369,985	$386,200	$403,722	$422,666	$443,159
Transfers to Other Funds/Authorities	$2,648,108	$1,933,423	$2,551,698	$2,608,334	$2,856,316	$2,964,520
Total Uses of Funds:	$26,541,095	$27,127,551	$29,127,368	$30,641,947	$32,428,517	$34,160,438
Percentage Increase in G.F. Expenses over Prior Year	2.23%	2.21%	7.37%	5.20%	5.83%	5.34%
Surplus / (Deficit)	($577,746)	($1,254,516)	($3,165,728)	($3,877,054)	($4,727,761)	($6,431,215)
Ending Fund Balance - General Fund	$10,030,148	$8,775,632	$5,609,904	$1,732,850	($2,994,911)	($9,426,126)
Reserve Percentage	38%	32%	19%	6%	-9%	-28%
Target Reserves (20% of Uses of Funds):	$5,308,219	$5,425,510	$5,825,474	$6,128,389	$6,485,703	$6,832,088
Over (Under)	$4,721,929	$3,350,122	($215,570)	($4,395,540)	($9,480,615)	($16,258,213)
Total City Millage Rate:	5.533	5.533	5.517	5.508	5.488	5.476
Total Millage Increase (Decrease)	0.000	0.000	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	0.0%	0.0%	-0.3%	-0.2%	-0.4%	-0.2%
Maintenance & Operation Millage Rates	4.985	5.122	5.122	5.122	5.122	5.122
M & O Millage Increase/Decrease	-0.548	0.137	0.000	0.000	0.000	0.000
Percent Increase/Decrease	-9.90%	2.75%	0.00%	0.00%	0.00%	0.00%
Bond Millage Rates	0.548	0.411	0.395	0.386	0.366	0.354
Bond Millage Increase/Decrease	N/A	-0.137	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	N/A	-25.00%	-3.89%	-2.28%	-5.18%	-3.28%

Proposed Budget Reductions

- PIP contingency for prior year projects will be used to cover impact fee shortfalls projected for 2008/2009 - $333,423
- Additional PIP Contingency will be transferred to the General Fund - $159,814
- Past & current year projects/equipment cancelled - $290,186
- FY 2009 Debt Service delayed - $360,000
- Total 1-Time PIP Cuts - <u>$810,000</u>

CITY OF PEACHTREE CITY
ANALYSIS OF PIP FUNDS
SEPTEMBER 30, 2008
(to be revisited at November 30, 2008)

PIP Funds Proposed Budget Adjustments

		Potential General Fund 2009 Impact
Fund 350		
1)	Decrease 2004 PIP Contingency by $69,749 and transfer to Fund 358 to cover 2008 impact fee shortfall	$ -
Fund 355		
1)	Transfer $193,000 from Fund 358 to provide City funding for Hwy 54/CSX multi-use path connections.	-
2)	Cancel grant funding for Hwy 54/CSX multi-use path connections - City funds available $54,568.	-
3)	Transfer $35,390 2005 PIP Contingency to Fund 358 to cover2008 impact fee shortfall.	-
Fund 356		
1)	Cancel Hwy 54 East landscaping project - City funds available $33,568 - transfer to Fund 358 to cover 2008 impact fee shortfall.	-
2)	Transfer $74,837 2006 PIP Contingency to Fund 358 to cover 2008 impact fee shortfall.	-
3)	Transfer $19,660 from Meade/Riley Parking Lot Improvements (2007 B&M loan) to Fund 357 to assist in funding Police Department renovations.	-
Fund 357		
1)	Transfer $148,875 from Battery Way Boat Docks (2007 B&M loan) to assist in funding Police Department renovations.	-
2)	Transfer $119,879 2007 PIP Contingency to Fund 358 to cover 2008 impact fee shortfall.	-
3)	Cancel AFIS project of $60,000 and transfer funds to General Fund	60,000
Fund 358		
1)	Cancel Simulated Firearms Training budget of $150,000. Savings in 2009 is debt service only since this was schedule to be financed.	34,646
2)	Transfer balance of funds available from Recycling Renovations to General Fund and close project.	19,086
3)	Transfer balance of funds available from Kedron traffic signal design to General Fund and close project.	20,500
4)	Cancel GA 54 East multi-use path project #1 (in conjunction with Hwy 54 E landscape project) and transfer funds to General Fund.	60,000
5)	Cancel GA 54 East multi-use path project #2 (in conjunction with Hwy 54 E landscape project) and transfer funds to General Fund.	60,000
6)	Cancel Robinson road multi-use path project and transfer funds to General Fund.	5,000
7)	Transfer balance of funds available in Playground/Picnic Park account and transfer funds to General Fund.	30,954
9)	Transfer $69,749 from Fund 350, $35,390 from Fund 355, $108,405 from Fund 356, $119,875 from Fund 357 to cover 2008 impact fee shortfall.	-
10)	Transfer $193,000 to Fund 355 to provide City funding for Hwy 54/CSX multi-use path connections (balance of $200,000 refund from County associated with TDK construction.	-
11)	Transfer $159,814 of remaining 2008 PIP Contingency to General Fund.	159,814

CITY OF PEACHTREE CITY
ANALYSIS OF PIP FUNDS
SEPTEMBER 30, 2008
(to be revisited at November 30, 2008)

PIP Funds Proposed Budget Adjustments

	Potential General Fund 2009 Impact
Fund 359	
1) Transfer $50,000 from 2009 PIP Contingency to fund pending economic development project.	-
Total amount of PIP funds available to cover General Fund projected revenue shortfall in FY 2009	$ 450,000
Debt Service Funds	
1) Delay in Bricks & Mortar project financing	120,000
2) Delay in Lease/Purchase project financing	240,000
Total amount of PIP funds and debt service project financing delays to cover General Fund projected revenue shortfall in FY 2009	$ 810,000

Results:

1) $247,568 of City cash to be available for Hwy 54/CSX multi-use path connections (no grant funding).
2) Hwy 54 E landscape project cancelled.
3) A total of $333,423 available to cover 2008 impact fee shortfall and amount needed to transfer to Fund 359 as budgeted.
4) $168,535 more available for Police Department renovations (potentially reducing amount needed in 2008 B&M loan - $19,660 from Meade/Riley Improvements and $148,875 from Battery Way Boat Docks).
5) AFIS project cancelled.
6) Battery Way Boat Docks project cancelled.
7) Simulated Fire Arms project cancelled.
8) Recycling Center project closed.
9) Kedron Traffic Signal project closed.
10) Hwy 54 E multi-use path projects cancelled (3 projects).
12) $50,000 of 2009 PIP Contingency to be rebudgeted to fund pending economic development project.
13) $475,000 available to be transferred back to General Fund in FY 2009.

Departmental Operating Budgets

City Manager	$ 2,381
Administrative Services	55,000
Fire/EMS	134,749
Leisure Services	315,961
Police Department	115,486
Public Works	141,200
Financial Services	33,034
Developmental Services	88,878
Total Departmental	$886,689

City Manager
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
City Manager						
	1320-52-2275	Repairs & Maintenance Vehicles				
		Emissions Testing	$25	$25		
		Oil Change	$42	$0		
	1320-52-3600	Dues & Fees				
		American Public Works Association	$126	$126		x
	1320-52-3700	Education & Training				
		CM Meetings/Conferences	$1,100	$1,100		x
	1320-53-1150	Office Supplies				
		Miscellaneous Supplies	$700	$700		x
	1320-53-1175	Operating Supplies				
		QIT Luncheons - Quarterly	$750	$0		
		New Hire Meet & Greet - Quarterly	$105	$105		x
	1320-53-1650	Small Tools & Equipment				
		Miscellaneous	$325	$325		
City Manager Total			$3,173	$2,381		$2,031

Non-recurring: $350

Administrative Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Mayor & Council						
	1310-52-3700	Education & Training	$5,000	$5,000	No Mandatory Training this year.	
	1310-53-1175	Operating Supplies	$900	$0	Cut PTC 101 to once a year	
	1310-53-1180	Computer Supplies	$8,500	$8,500	No New laptops for Council	
Human Resources						
	1540-52-1200	Professional Services	$300	$300	Pre-employment training	
	1540-52-3300	Advertising	$1,000	$1,000	Reduce job ads, fewer openings	
	1540-52-3600	Dues & Fees	$300	$300	Books & Periodicals	
	1540-52-3700	Education & Training	$2,150	$2,150	Law letter, reduce employee training, reduce personnel seminars	
	1540-53-1175	Operating Supplies	$500	$500	Referral rewards (have had no problem filing PW positions)	
	1540-53-1650	Small Tools & Equipment	$1,100	$1,100	No new training tables	
Public Information						
		Salaries & Benefits	$5,600		Potential savings in salary adjustments if new director is hired	
	1570-52-3400	Printing & Binding	$14,000	$14,000	Reduce UPDATE to 6x/year	x
	1570-52-3450	Postage	$11,500	$11,500	Reduce UPDATE to 6x/year	x
	1570-52-3700	Education & Training	$500	$500	PIO Training done through City Clerk	
					$25,500	
City Clerk						
	1580-52-3700	Education & Training	$1,200	$1,200	Reduce Clerk training / retain elections, deputy clerk, and records retention	
	1580-54-2060	Computer Equipment	$6,000	$6,000	Emailing archiving software - using freewar	x
					$6,000	

Administrative Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Municipal Court						
	2650-52-1268	PT Salaries	$2,500.00	$2,500.00	Reduce court runners to arraignment court only	x
	2650-52-1267	Indigent Care	-$3,000.00	-$3,000.00	Budget was reduced from 2008 - however we are seeing an increase due to the economy and court appointed attorneys	x
	2560-52-1268	Subpoenas	$300.00	$300.00	Not charging	x
	2650-52-3400	Printing & Binding	$400.00	$400.00	Enough forms on hand to last through FY09	
	2650-52-3700	Education & Training	$2,350.00	$2,350.00	Eliminate Court Clerk Sup certification training (not mandated - retirement pending) Reduce mgmt development by $500 (course III will be in FY10)	
	2650-53-1725	Uniforms	$400.00	$400.00	Reduce uniforms (non-essential except Wednesdays)	x
Administrative Services Total			$64,800.00	$55,000	$200.00	$31,700.00

Non-recurring: $23,300

Fire / EMS
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
Fire / EMS						
	Rescue 8 Replacement	PIP	$64,519.00	$0.00		
	C/V Relacement W/Expedtion	PIP	$10,719.00	$10,719.00		
	Education & Training	3600-3700				
			$300.00	$0.00	GA EMT Instructor Recert	
			$1,935.00	$1,935.00	Changes Conference	
			$1,745.00	$1,745.00	IAFC EMS Confernce	
			$3,800.00	$3,800.00	Critical Care Paramedic Course	
	Small Tools & Equip	3600-1650				
			$1,200.00	$1,200.00	EMS Bikes	x
	Machinery & Equip	3600-2050				
			$3,995.00	$0.00	RAD 57 Blood Gas Meter	
	Part/Temporary Employees	3510-1200	$53,000.00	$0.00		
	Volunteer Stipends	3510-1210	$24,850.00	$24,850.00		x
	Professioanl Services	3510-1200				
			$1,500.00	$1,500.00	Flu Shots	
			$600.00	$0.00	Dive Master Insurance	
	Cleaning Services	3510-2100				
			$1,700.00	$0.00	Strip/Wax/Bluff Floors	
			$1,700.00	$0.00	Shampoo Carpets	
	Advertising	3510-3300	$3,500.00	$3,500.00		x
	Printing & Binding	3510-3400				

Fire / EMS
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
			$400.00	$400.00	Building Inspection Forms	
			$650.00	$650.00	Code Books	
			$300.00	$300.00	Driver Training Mat	
			$400.00	$400.00	Accreditation Material	
	Education & Training	3510-3700				
			$2,100.00	$0.00	Fire Prevention Material	
			$200.00	$200.00	Update Fire Reference Library	
			$400.00	$0.00	Diver Training Books	
			$250.00	$0.00	Child Safety Seat Program Materials	
			$6,500.00	$0.00	Dive/Boat Team Training	
			$4,500.00	$0.00	Swift Water Rescue Trng	
			$7,525.00	$7,525.00	Fire House Training (Total)	
			$665.00	$665.00	Ga. Fire Chief Conference (Total)	
			$5,500.00	$0.00	FDIC (Total)	
			$700.00	$700.00	Governor's Emergency Man. Conf.	
			$300.00	$300.00	Ga. Fire Safety Sympos.	
	Office Supplies	3510-1150				
			$3,000.00	$3,000.00	Replacement Furniture	
	Operating Supplies	3510-1175				
			$1,200.00	$1,200.00	Coffee & Supplies	
			$4,500.00	$0.00	Volunteer Recognition Dinner	
	Computer Supplies	3510-1180				
			$800.00	$800.00	Fire Studio 4.0 Upgrade	
			$3,200.00	$3,200.00	Vehicle Computer Mtng Kit	
			$1,050.00	$1,050.00	VisioSoftware Preplan	
			$3,000.00	$3,000.00	Printers for Vehicles	
			$12,000.00	$12,000.00	GPS Units/Vehicles	

Fire / EMS
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
	Small Tools & Equipment	**3510-1650**				
			$3,800.00	**$0.00**	**Dive Tem Equipment**	
			$1,000.00	**$1,000.00**	**Fire Marshal Digtal Camera**	
			$4,000.00	**$0.00**	**Swift Water Recue Equipment**	
			$700.00	**$0.00**	**Boat Division Equipment**	
			$6,500.00	**$6,500.00**	**Wellness Equipment**	
			$2,610.00	**$2,610.00**	**Bio-Block Matteress Covers**	
			$1,800.00	**$0.00**	**K12 Saw**	
			$5,400.00	**$0.00**	**Cutters Edge x 3**	
	Uniforms	**3510-1725**	**$40,000.00**	**$40,000.00**		
Fire / EMS Total			**$300,013**	**$134,749**		**$29,550.00**
	Non-recurring:			$105,199		$28,350.00

Leisure Services
FY 2009 Budget Reductions
11/14/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Library						
	Staff & Utilities		$20,726	$20,726.00	Reduction of Operating Hours, Sunday (12:30 - 5:00 - 6 PT + SS/Med)	x
Recreation						
	Non-supporting Rec	6110-52-1330	$4,000	$4,000	Reduced Scope of Hometown Holiday	x
	Vinyl Fence purchase	6110-52-2290	$3,500	$3,500	Cancel replacing split rail w/white vinyl fence in parks	
	Paint Tennis Poles	6110-52-2290	$6,000	$6,000	Discontinue refurbishing tennis fences in parks	
	Metal dugout roofs	6110-52-2290	$3,000	$3,000	Discontinue refurbishing support structures, Braelinn	
	Bleacher Pads, Braelin	6110-52-2290	$5,000	$5,000	Discontinue refurbishing support structures, Braelinn	
	Advertising	6110-52-3300	$3,000	$3,000	Eliminate paid ads for programs/events	
	Aluminum tables	6110-53-1650	$2,000	$2,000	Discontinue replacing old wooden tables	
	Sm. Tools/Equip	6110-53-1650	$4,000	$4,000	Cancel purchase of wheelstops, park benches	
	Sealcoat Glen. Parking	6110-54-1260	$10,000	$10,000	Cancel resurfacing parking lot, will just restripe	
	Central Irr. Sys. Control	6110-54-1260	$20,000	$20,000	Cancel computerized irrigation monitor system	x
	Glen. BB/Tennis resurf.	6110-54-1260	$25,000	$25,000	Cancel resurfacing, tennis and basketball courts	
	Regravel parking lots	6110-54-1260	$20,000	$20,000	Reduce scope from full regravel, repair holes only	
	Park Benches/Tables	6110-54-1260	$7,000	$7,000	Cancel replacing old wooden benches, tables	
	Sports field Fencing	611054-1260	$40,000	$40,000	Cancel replacing, repairing sports field fencing	
	Curlex matting	6110-52-2140	$1,000	$1,000	Reduce purchase of erosion control matting	
	Outsource Topdressing	6110-52-2140	$15,000	$15,000	Cancel topdressing of baseball fields	x
	B'day Fireworks	6110-52-1320	$10,000	$10,000	Reduce scope of 50th Anniversary fireworks	
	Amp.Sandblast/paint	6110-52-2251	$15,000	$15,000	Cancel sandblast/paint amphitheater stage area	
	Restroom dryers/heaters	6110-52-2250	$4,800	$4,800	Cancel conversion to hand dryers, space heaters	
	Printing Rec Brochure	6110-52-3400	$2,000	$2,000	Reduce scope (color, # pages) of Rec Program catalog	x
	Crew Training	6110-52-3700	$2,000	$2,000	Cancel non-local training sessions	
	Goose control program	6110-52-1200	$2,500	$2,500	Cancel goose relocation program	
			$35,000	$35,000	Closing of Pebble Pocket Pool	x

Leisure Services
FY 2009 Budget Reductions
11/14/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Kedron						
	Staff & Utilities		$15,866.00	$15,866	Reduction of Operating Hours, Saturday (7:00 - 10:00 - 2 PT + SS/Med), Sunday (12:30 - 6:00 - 3 PT + SS/Med)	x
	Wood Chips	6122-52-2140	$1,000	$1,000	Reduce replacement volume in landscape areas	
	Rep/Maint Bld	6122-52-2250	$2,000	$0	Cancel new bubble rubber seal	
	Motor Rewind/Impellor	6122-52-2200	$6,000	$6,000	Eliminate contingency for pool motor failures	
	Sm Tools/Equip	6122-53-1650	$2,569	$2,569	Cancel safety padding, folding tables, air hockey table	
	Kedron Capital Items	6122-54-1320	$30,000	$30,000	Cancel fence repairs, new bubble lights	
Leisure Services Total			$317,961	$315,961		$112,592

Non-recurring:	$203,369	$76,000

Police Department
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
Police						
	Operating Supplies	3210-53-1175	$413.00	$413.00	SPRAY MARKING PAINT	
			$1,000.00	$0.00	GUN CLEANING SUPPLIES	
			$640.00	$640.00	ANTI-BACTERIAL SPRAY	
			$500.00	$0.00	EVIDENCE PROCESSING SUITS	
			$650.00	$650.00	EVIDENCE DRYING CABINET FILTER	
			$500.00	$500.00	BADGE HOLDERS	
			$7,000.00	$0.00	SIMMUNITIONS CONVERSIONS	
			$1,590.00	$0.00	SIMMUNITION ROUNDS	
			$1,500.00	$1,500.00	LESS LETHAL ROUNDS	
			$6,000.00	$6,000.00	DVD/RAM DISKS	
	Small Tools & Equip	3210-53-1650	$30.00	$30.00	BLUE FLASHLIGHT CONES	
			$2,000.00	$2,000.00	SHOT GUN RACKS	
			$500.00	$0.00	DIGITAL CAMERA ACCESSORIES	
			$100.00	$100.00	ANTI-PUTRIFICATION	
			$2,400.00	$2,400.00	.45 CAL GUNS	
			$1,650.00	$1,650.00	VIDEO SHOULDER MICS	
			$840.00	$0.00	FILING CABINETS (2)	
			$450.00	$450.00	JUMP N CARRY PRO 650	
			$1,600.00	$1,600.00	10HR HOLDING CELL VHS TAPES	
			$180.00	$180.00	JUMPER CABLES	
			$750.00	$750.00	50TH ANNIVERSAY PROMO ITEMS	
			$189.00	$0.00	LARGE BULLETIN BOARD	
			$2,250.00	$2,250.00	STOP STICKS	
			$1,880.00	$0.00	DIGITAL CAMERAS/SD FLASHCARD	
			$1,000.00	$0.00	METAL DETECTOR	
			$325.00	$0.00	REFLECTIVE TAPE	
			$4,000.00	$4,000.00	BREACHING TOOLS	
			$200.00	$200.00	SRT HEADSETS	
			$3,250.00	$3,250.00	TRANSMITTERS-MICS/MICS OLD/VCR	
	Rpr & Maint (Equip)	3210-52-2200	$800.00	$0.00	ALCO-SENSOR REPAIR	

Police Department
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
	Rpr & Maint (Bldg)	3210-52-2250	$160.00	$160.00	LIGHT FIXTURE REPLACEMENT	
			$300.00	$300.00	CEILING TILE REPLACEMENT	
	Rpr & Maint (Vehicle)	3210-52-2275	$4,000.00	$4,000.00	CAR WASH	x
	Cleaning Services	3210-52-2100	$750.00	$750.00	CARPET CLEANING	
	Education & Training	3210-52-3700	$2,000.00	$0.00	ICIAC TRAINING	
			$5,120.00	$0.00	RALEIGH CALEA CONFERENCE	
			$2,100.00	$0.00	GATLINBURG TRAINING	
	Technical Services	3210-52-1300	$990.00	$990.00	POWER DMS COST SAVINGS ONLY	
	Advertising	3210-52-3300	$2,800.00	$0.00	JOB FAIRS	
	Office Supplies	3210-53-1150	$500.00	$0.00	MINI DV CASSETTES	
			$532.00	$532.00	MISCELLANEOUS	
			$1,000.00	$0.00	THERMAL BINDING MACHINE SUPPLIES	
	Communications	3210-52-3200	$3,000.00	$3,000.00	GCIC MODEM LINE	
			$500.00	$0.00	REPLACEMENT PARTS/CELL PHONES	
	PIP	CARRYOVER	$60,000.00	$60,000.00	AFIS FINGERPRINT	
	Machinery & Equip	3210-54-2050	$9,000.00	$0.00	VIDEO SURVEILLANCE EQUIP	
	Uniforms	3210-53-1725	$3,141.00	$3,141.00	UNIFORMS	
			$3,250.00	$3,250.00	WINTER/SUMMER BIKE UNIFORMS	
	Professional Services	3210-52-1200	$750.00	$750.00	APPLICANTS POLYGRAPHS	x

Police Department
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
	Salaries	3210-51-1300	$4,050.00	$4,050.00	OVERTIME COMPENSATION	
			$12,000.00	$6,000.00	COURT OVERTIME PAY	x
	CURRENT OFFICER - ACTIVE MILITARY DUTY (FEB. 09 - SEPT. 09)	3210-51-1100	$6,029.00		REGULAR SALARIES(ACTIVE DUTY)	
		3210-51-1100	$2,445.00		BENEFITS (ACTIVE DUTY)	
			$8,474.00		COMBINED COST PER MONTH	
			$67,792.00	$0.00	TOTAL COST FEB 09 TO SEP 09	
	NEW OFFICER DEFFERED HIRE (HIRE DATE JUL 1, 09)	3210-51-1100	$26,919.00		SALARY/ MONTH OCT 08 - JUN 09	
		3210-51-1100	$14,877.00		BENEFITS/ MONTH OCT 09 - JUN 09	
			$41,796.00	$0.00	TOTAL COST HIRE DATE JUL 1, 09	
	NEW OFFICER DEFFERED HIRE (HIRE DATE SEPT 1, 09)	3210-51-1100	$29,910.00		SALARY/MONTH OCT 08 - JUL 09	
		3210-51-1100	$16,530.00		BENEFITS/ MONTH OCT 08 - JUL 09	
			$46,440.00	$0.00	TOTAL COST HIRE DATE AUG 1, 09	
Police Department Total			$316,158.00	$115,486.00		$10,750.00

Non-recurring: $104,736.00

Public Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impacts?
Public Services						
	4100-51-1300	Overtime	$15,000	$15,000	No Overtime	
	4100-51-1100	Salaries	$102,500	$102,500	Reduce Landscaping Crew by (2) Maint Techs	x
	4100-52-3700	Education & Training	$8,700	$8,700		
	4100-53-1650	Small Tools & Equipment	$15,000	$15,000	Mower Replacement	
Public Services Total			$141,200	$141,200		$102,500

Financial Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact / Div Comments	Recurring Impact?
Financial Services						
	Citywide Phone Service		$7,534.00	$7,534.00	Capacity Reduction	x
	Annual Audit		$21,000.00	$21,000.00		x
	Education & Training		$4,500.00	$4,500.00	Incode Conference & General Trng	
	Postage		$500.00	$0.00	Email RFPs	
Financial Services Total			$33,534.00	$33,034.00		$28,534.00

Non-recurring: $4,500.00

Developmental Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Building Department						
	7210-52-1200	Professional Services				
		Flu Shots	$40.00	$40.00	Two employees did not have flu shot in 2008. MVR fee for employee transferred to Stormwater.	
		MVR	$12.00	$12.00		
	7210-52-2275	Repairs & Maintenance Vehicles				
		Car Wash	$288.00	$288.00	Vehicles can be washed at Public Works.	x
	7210-52-3400	Printing & Binding				
		Trade Permits, Notices, etc.	$1,000.00	$1,000.00	Due to decrease in construction, should not have to reproduce as many permits and notices.	
	7210-52-3500	Travel				
		Parking - Meetings in Atlanta	$50.00	$50.00	Cut back on meetings/training in Atlanta.	
	7210-52-3600	Dues & Fees				
		West GA Inspectors Association	$30.00	$30.00	Fee for employee transferred to Stormwater	
	7210-52-3700	Education & Training				
		Annual ICC Code Enforcement Mtg.	$1,000.00	$1,000.00	Building Official does not pay registration to ICC Public Hearing Conference since he is President of BOAG. One inspector will not attend Annual Education Conference.	
		Georgia State Hearings	$1,000.00	$1,000.00		
	7210-53-1650	Small Tools & Equipment				
		Hard Hats	$300.00	$300.00	No impact, was a duplication from the Uniforms budget.	x
	7210-53-1725	Uniforms				
		Safety Boots	$100.00	$100.00	Uniforms for employee transferred to Stormwater	x
		Uniform Shirts, Trousers, etc.	$500.00	$500.00		
		Hard Hats	$75.00	$75.00		
Building Department Total			$4,395.00	$4,395.00		$688.00

Developmental Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Code Enforcement						
	7450-51-1100	Regular Salaries = Benefits			Position Vacant - not to be filled	
		Code Enforcement Position (1)	$50,911.00	$50,911.00		x
	7450-52-2200	Professional Services			Position Vacant - not to be filled	
		Flu Shot	$20.00	$20.00		x
		MVR	$6.00	$6.00		x
	7450-52-2275	Repairs Maintenance - Vehicles			Wash at Public Works.	
		Car Wash	$288.00	$288.00		x
	7450-52-3400	Printing & Binding				
		Landlord Training	$1,000.00	$1,000.00	Manuals to be printed in house.	x
	7450-52-3600	Dues and Fees				
		ICC Exam Fees	$180.00	$180.00	Deferred until position is filled.	x
	7450-52-3700	Education and Training				
		Landlord and Tenant Class	$299.00	$299.00	Deferred until future date.	x
	7450-53-1650	Small Tools & Equipment				
		Digital Camera	$300.00	$300.00	Deferred until future date.	x
Code Enforcement Total			$53,004.00	$53,004.00		$53,004.00

Developmental Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Engineering						
	1575-52-1200	Professional Services				
		Geotechnical Services	$5,000.00	$5,000.00	City Engineer does not anticipate using in FY09	
		Engineering Studies	$5,000.00	$5,000.00		
		Flu Shots	$60.00	$60.00	Employees did not receive flu shots	
		Tower Inspection	$6,000.00	$6,000.00	Completed in FY08	
	1575-52-2275	Repairs & Maintenance Vehicles				
		Car Wash	$72.00	$72.00	Wash at PW	x
	1575-52-3700	Education & Training				
		City Engineer Training Class	$500.00	$500.00	Defer until next year	
	1575-53-1180	Computer Supplies				
		New Turning Movement Software	$1,500.00	$1,500.00	Work can be done by hand. Defer software purchase until future date.	x
Engineering Total			$18,132.00	$18,132.00		$1,572.00

Developmental Services
FY 2009 Budget Reductions
11/2008

Department	Item	Line Item	Division Proposed Cut	CM Approved Cut	Budget Impact	Recurring Impact?
Planning						
	7410-52-1200	Professional Services				
		Arborist Service	$1,200.00	$1,200.00	Can be done in-house instead of outsourcing.	x
		Flu Shot	$20.00	$20.00	Employee did not receive flu shot	
		Drafting Services	$5,000.00	$5,000.00	Can be done in-house instead of outsourcing.	x
	7410-52-2275	Repairs & Maintenance Vehicles				
		Car Wash	$72.00	$72.00	Wash at PW	x
	7410-52-3400	Printing & Binding				
		Comprehensive Plan Printing	$2,500.00	$2,500.00	Can be done in-house instead of outsourcing.	x
		Miscellaneous Printing	$500.00	$500.00	Can be done in-house instead of outsourcing.	x
		Comprehensive Plan - Public Mtg.	$500.00	$500.00	Reduction of printings for mailing for future	x
	7410-52-3450	Postage				
		Miscellaneous Postage	$500.00	$500.00	Reduction in projects will lessen requirements	
	7410-52-3700	Education & Training				
		Arc View Training Course	$700.00	$700.00	Deferred to later date	
		ASLA Seminars	$875.00	$875.00	Not required. CLA eared CE credits in FY08	
		ARC Workshops	$500.00	$500.00	ARC has not defined training or seminars.	
		Staff Meeting Training Supplies	$150.00	$150.00	Share Engineering supplies.	
	7410-53-1175	Operating Supplies				
		Flagging/Marking Paint	$50.00	$50.00	Deferred to later date	
	7410-53-1650	Small Tools & Equipment				
		Miscellaneous Small Tools	$500.00	$500.00	Deferred to later date	
	7410-53-1725	Uniforms				
		Rainsuits	$80.00	$80.00	Deferred to later date	
		Safety Boots	$200.00	$200.00	Deferred to later date	
Planning Total			$13,347.00	$13,347.00		$9,772.00

$88,878.00

Non-recurring: $23,842.00 Recurring: $65,036.00

Total Estimated Adjustments

■ PIP Funds	$450,000
■ Debt Service Delays	$360,000
■ Departmental Cuts	$886,689
■ Computer Equipment	$ 36,600
Total G/F Adjustments:	$1,733,289
Recurring Adjustments:	$ 382,693
Non-recurring:	$1,350,596

FY 2010 Proposed Cuts - PIP

S. Kedron Traffic Signal	$250,000
Cart Path Extensions (all)	$100,000
Station 83 Improvements	$275,000
Quint (S. End Fire Sta.) D/S	$166,832
Station 82 Improvements	$175,000
Crime Scene Van	$ 50,000
PIP Contingency (reduce)	$100,000
	$1,116,832

Revised 5-Year Model

- <u>5-Year Model with adjusted revenue estimates, no millage rate increases and budget adjustments presented thus far</u>

City of Peachtree City
Five-Year Financial Projections - Revised Revenue w/ All Adjustments

General Fund	Projected Actual FY 2008	Proposed Budget FY 2009	Projected Budget FY 2010	Projected Budget FY 2011	Projected Budget FY 2012	Projected Budget FY 2013
Beginning Fund Balance	$10,607,894	$10,030,148	$9,640,154	$6,868,074	$3,406,318	($883,304)
Sources of Funds:						
Percentage Increase in G.F. Revenue over Prior Year	-2.92%	-2.08%	2.12%	3.09%	3.50%	0.10%
Total Revenues & Transfers In	$25,963,349	$25,873,035 incl. $450K 1x transf from PIP	$25,961,640	$26,764,893	$27,700,756	$27,729,224
Uses of Funds:						
Departmental Operating Expenses	$23,488,952	$24,573,970	$26,457,254	$27,912,403	$29,447,585	$31,067,202
Salary Vacancy/Other Savings:	$0	($614,349)	($661,431)	($697,810)	($736,190)	($776,680)
General Administration Expenses	$404,035	$369,985	$386,200	$403,722	$422,666	$443,159
Transfers to Other Funds/Authorities	$2,648,108	$1,933,423	$2,551,698	$2,608,334	$2,856,316	$2,964,520
Total Uses of Funds:	$26,541,095	$26,263,029	$28,733,721	$30,226,649	$31,990,378	$33,698,201
Percentage Increase in G.F. Expenses over Prior Year	2.23%	0.80%	7.40%	5.20%	5.84%	5.34%
Surplus / (Deficit)	($577,746)	($389,994)	($2,772,080)	($3,461,756)	($4,289,621)	($5,968,977)
Ending Fund Balance - General Fund	$10,030,148	$9,640,154	$6,868,074	$3,406,318	($883,304)	($6,852,281)
Reserve Percentage	38%	37%	24%	11%	-3%	-20%
Target Reserves (20% of Uses of Funds):	$5,308,219	$5,252,606	$5,746,744	$6,045,330	$6,398,076	$6,739,640
Over (Under)	$4,721,929	$4,387,548	$1,121,330	($2,639,012)	($7,281,379)	($13,591,921)
Total City Millage Rate:	5.533	5.533	5.517	5.508	5.488	5.476
Total Millage Increase (Decrease)	0.000	0.000	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	0.0%	0.0%	-0.3%	-0.2%	-0.4%	-0.2%
Maintenance & Operation Millage Rates	4.985	5.122	5.122	5.122	5.122	5.122
M & O Millage Increase/Decrease	-0.548	0.137	0.000	0.000	0.000	0.000
Percent Increase/Decrease	-9.90%	2.75%	0.00%	0.00%	0.00%	0.00%
Bond Millage Rates	0.548	0.411	0.395	0.386	0.366	0.354
Bond Millage Increase/Decrease	N/A	-0.137	-0.016	-0.009	-0.020	-0.012
Percent Increase/Decrease	N/A	-25.00%	-3.89%	-2.28%	-5.18%	-3.28%