



41 Perimeter Center East, Suite 250
 Dunwoody, Georgia 30346
 P (678) 382-6700 F (678) 382-6701
 dunwoodyga.gov

MEMORANDUM

To: Mayor and City Council
From: Warren Hutmacher, City Manager
Date: June 13, 2011
Subject: **Amended Budget for the Year Ending December 31, 2011**

ITEM DESCRIPTION

First Read of an Ordinance to Amend the 2011 Operating and Capital Budgets.

BACKGROUND

During 2011, Finance has noticed a few variances from our anticipated budget. As a result, a budget amendment is recommended to account for these variances. The variances include additions to the budget for temporary labor to complete a Court scanning project, small equipment funds for items purchased with Police Explorers donations, renovations to City Hall to accommodate more working space needs, Council sound improvements to enable citizens to hear Councilmembers better during work sessions, and additional funds to correct an omission from the 2011 original budget that failed to allocated funds for outside Economic Development needs. Regarding the last item for Economic Development, we did bring forward some 2010 unspent funds but failed to budget for the 2011 funds. In addition to these new items, corrections and adjustments have been made to account for a reduction and reallocation of our annual GIRMA insurance premiums, add funds to the Police Workers' Compensation Insurance as a result of the 2010 insurance audit, and reduce anticipated utility costs for City Hall. The net result of all of these adjustments has a net expenditure increase of \$32,000, due entirely to the addition of the parks and other properties acquired from DeKalb to the City's insurance policy. Related to this amendment is an internal amendment (no approval from Council required) will be made for the reallocation of revenues to reduce anticipated property taxes and increase actual franchise tax payments to provide a cushion in the budget for any future reductions in the tax digest.

| Department | Account | Description | Amount |
|--------------------------|---|---|-------------|
| Court | Technical Services | Temporary Labor for Court Scanning Project | 10,000.00 |
| Parks | Insurance | Adding Parks to Insurance Coverage | 32,100.00 |
| Council | Insurance | Insurance Premium Reallocation | (12,000.00) |
| Finance - Administration | Insurance | Insurance Premium Reallocation | 2,000.00 |
| Police | Insurance | Insurance Premium Reallocation | (22,100.00) |
| Community Development | Professional Services (Zone Re-Write Project) | Reduced Due to Timing of Project to Allow Funding for Renovations | 16,000.00 |
| Finance - Facilities | Transfer to Capital Projects | Reduced Due to Timing of Project to Allow Funding for Renovations | 16,000.00 |
| Police | Small Equipment | Explorer Grant Expenditures | 5,000.00 |
| Explorer Donations | | Explorer Grant Expenditures | (5,000.00) |
| Finance - Facilities | Transfer to Capital Projects | Council Chamber Sound Improvements | 19,000.00 |
| Police | Workers' Compensation Insurance | 2010 Audit Adjustment | 25,000.00 |
| Finance - Facilities | Utilities | Overestimated Utility Expense for City Hall | (42,000.00) |
| City Manager | Professional Services (Econ Dev Project) | Move Outside Economic Development Expenses to Community Development | (12,500.00) |
| Community Development | Professional Services (Econ Dev Project) | Move Outside Economic Development Expenses From City Manager | 12,500.00 |
| Community Development | Professional Services (Econ Dev Project) | Correct Budget Omission of 2011 Outside Economic Development Costs | 20,000.00 |



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ALTERNATIVES

Council may choose to deny the recommendation and leave the existing budget in place. This will result in some expenses exceeding budget resulting in a Georgia Department of Audits comment for violating state budget laws.

RECOMMENDED ACTIONS

Staff recommends Council approve the ordinance to amend the 2011 budget.

ORDINANCE 2011-06-XX

AN ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR 2011 FOR EACH FUND OF THE CITY OF DUNWOODY, GEORGIA, PURSUANT TO ARTICLE V, SECTION 5 OF THE CHARTER OF THE CITY, BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2010, APPROPRIATING THE AMOUNTS SHOWN IN EACH BUDGET AS EXPENDITURES, ADOPTING THE ITEM OF ANTICIPATED FUNDING SOURCES, PROHIBITING EXPENDITURES TO EXCEED APPROPRIATIONS, AND PROHIBITING EXPENDITURES FROM EXCEEDING ACTUAL FUNDING SOURCES

WHEREAS, a proposed amended budget for each of the various funds of the City has been presented to the Mayor and City Council; and

WHEREAS, the Mayor and City Council have reviewed the proposed amendment; and

WHEREAS, each of the funds has a balanced budget, such that anticipated funding sources equal or exceed proposed expenditures; and

WHEREAS, This Budget Amendment and the Budget Message pursuant to Section 5.03(a) of the City Charter have been filed in the office of the City Clerk and open for public inspection; and

WHEREAS, the Mayor and City Council intend to amend the annual budget for the Fiscal Year 2010.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Dunwoody, pursuant to their authority, as follows:

Section 1. That the City of Dunwoody, Georgia hereby amends the budget for the Fiscal Year 2010, said budget being described below;

STATE OF GEORGIA
CITY OF DUNWOODY**GENERAL FUND REVENUES**

| SOURCE | PROPOSED BUDGET |
|------------------------------------|------------------------|
| Grants and Donations | \$ 5,000 |
| TOTAL GENERAL FUND RECEIPTS | \$ 5,000 |

GENERAL FUND BUDGET EXPENDITURES

| EXPENDITURE | PROPOSED BUDGET |
|--------------------------------|------------------------|
| City Council | \$ (12,000) |
| City Manager | (12,500) |
| Finance & Administration | (5,000) |
| Court | 10,000 |
| Police | 7,900 |
| Parks | \$ 32,100 |
| Community Development | 16,500 |
| TOTAL FUND EXPENDITURES | \$ 37,000 |

INCREASES TO CAPITAL PROJECTS FUND BUDGET REVENUE

| SOURCE | PROPOSED BUDGET |
|------------------------------------|------------------------|
| Transfers from the General Fund | \$ 35,000 |
| TOTAL GENERAL FUND RECEIPTS | \$ 35,000 |

INCREASES TO CAPITAL PROJECTS FUND BUDGET EXPENDITURES

| DEPARTMENT | PROPOSED BUDGET |
|---|------------------------|
| Council | \$ 19,000 |
| Finance & Administration | 16,000 |
| CAPITAL PROJECTS FUND EXPENDITURES | \$ 35,000 |

Section 2. That any increase or decrease in appropriations or revenue of any fund or for any department; the establishment of new capital projects; or the establishment of new grant projects other than those exceptions provided for herein, shall require approval of the City Council; and

Section 3. That this amended budget maintains the number of established Dunwoody full-time positions for 2011 at 59. This number may only be increased or decreased through approval of the Mayor and City Council; and

Section 4. That the City Manager and his/her designee may promulgate all necessary internal rules, regulations, and policies to ensure that this Budget Ordinance is followed.

SO ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DUNWOODY, GEORGIA this the 13th day of June, 2011.

Approved:

STATE OF GEORGIA
CITY OF DUNWOODY

Ken Wright, Mayor

Attest:

Sharon Lowery, City Clerk
Seal

Approved as to Form and Content

Brian Anderson, City Attorney