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**MEMORANDUM**

**To:** Mayor and City Council

**From:** Warren Hutmacher, City Manager

**Date:** 10/24/2011

**Subject:** **Amended Budget for the Year Ending December 31, 2011**

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**ITEM DESCRIPTION**

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

**BACKGROUND**

During 2011, a few events occurred that require the City to amend its 2011 budget.

- The contract with Chatcomm will result in approximately \$772,400 in transfer of General Fund dollars to finance the start-up and initial operations of the City's E911 services.
- The financing of the previously approved purchase from Estates at Dunwoody Park GA, LLC (PVC Farm) provides for GMA Lease revenues. There was also an additional \$40,000 in property taxes owed by the City (pro-ration) for the remainder of 2011.
- The City plans to purchase another 5 acres later this year. The funds for the land and due diligence costs are provided for as revenues in the Capital Projects Fund from reserve HOST funds transferred from the General Fund's Park budget.
- Next, the City has been awarded several grants this year including two large grants from GA Department of Natural Resources and federal ARRA funding. To better track the revenues and expenditures of these grants and to keep the expenditures separated from General Fund expenditures, a new fund is established.
- Surplus revenues of \$3.7 million from the HOST calculation were added, and another \$230,000 were added to forecasted revenues for Permits & Inspection Fees.
- Stormwater Fund infrastructure repairs are expected to exceed the budget. Some repairs are delayed to FY2012, but some repairs cannot wait. Reserve surpluses increased during FY2009 and FY2010 while analysis of the system could be completed. The reserves are now needed to complete these needed repairs.

The budget team has recommended the 2011 surplus HOST dollars of \$3.7 million be directed to specific purposes including FY2012 Paving Projects (\$600,000), FY2012 Sidewalks (\$500,000), TE Grant Matching Funds (\$1,100,000) and a reserve for DPD Vehicle Replacement Fund (\$1,500,000).



**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 ACTION**

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

**ORDINANCE 2011-10-31**

**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, 2011, 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 2011.

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

#L.1.

STATE OF GEORGIA  
CITY OF DUNWOODY

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

**REVENUES**

<b>SOURCE</b>	<b>PROPOSED BUDGET</b>
General Fund (100) - HOST Revenues	\$ 3,700,000
General Fund (100) - Use of Prior Year HOST Reserves	1,500,000
E911 Fund (215) - E911 Charges for Services	120,000
E911 Fund (215) - E911 Transfer from General Fund	487,065
E911 Fund (215) - E911 Transfer from Capital Proj Fund	285,335
Multiple Grants Fund (250) - ARRA Grant (EECB)	180,000
Multiple Grants Fund (250) - DNR Trail Grant	100,000
Multiple Grants Fund (250) - Transfer from General Fund	30,810
Capital Projects Fund (350) - Excess HOST Funds FY2011	3,700,000
Capital Projects Fund (350) - GMA Lease Proceeds	5,173,000
Capital Projects Fund (350) - HOST Xfer from Gen Fund	1,500,000
Stormwater Fund (560) - Use of Prior Year Reserves	300,000
<b>TOTAL RECEIPTS</b>	<b>\$ 17,076,210</b>

**EXPENDITURES**

<b>EXPENDITURE</b>	<b>PROPOSED BUDGET</b>
Transfer from General Fund - Parks (6200)	\$ 1,500,000
Transfer from General Fund - E911 (3800)	217,065
Transfer from General Fund - Police (3200)	1,500,000
Transfer from General Fund - Public Works (4200)	600,000
Transfer from General Fund - Public Works (4200)	500,000
Transfer from General Fund - Public Works (4200)	1,100,000
E911 Expenditures (Fund 215)	892,400
Multiple Grants Fund Expenditures (Fund 250)	310,810
Capital Projects Land Purchase/Taxes (Fund 350)	40,000
Transfer from Capital Projects Fund (Fund 350)	285,335
Capital Projects Land Purchase (Fund 350)	1,500,000
Repairs & Maintenance (Fund 560)	\$ 300,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 8,745,610</b>

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.

STATE OF GEORGIA  
CITY OF DUNWOODY

**SO ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF  
DUNWOODY, GEORGIA** this the 24<sup>th</sup> day of October, 2011.

Approved:

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Ken Wright, Mayor

Attest:

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Sharon Lowery, City Clerk  
Seal

Approved as to Form and Content

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Brian Anderson, City Attorney