
MEMORANDUM

To: Mayor and City Council

From: Warren Hutmacher, City Manager

Date: 10/15/2012

Subject: **First Read of an Ordinance to Amend the 2012 Operating and Capital Budgets**

ITEM DESCRIPTION

Discussion and First Read of an Ordinance to Amend the 2012 Operating and Capital Budgets.

BACKGROUND

During 2012, a few events have occurred that require the City to amend its 2012 budget. Also, as a result of the 2013 budget committee meeting, a few changes are being recommended to the 2012 budget.

Prior Year Projects Not Completed Until 2012

The following projects were budgeted in a previous year, but the project was not completed until 2012. Because appropriations expire at the end of the fiscal year, Council must reallocate budget dollars for this projects in the year completed.

- The police department had \$2,967.42 in unused funds for the Explorers program that was used later in 2012.
- The City had \$100,000 in litigation funds for the parks bonds that was not used in 2011. Though not certain the bills will be received in 2012 (versus 2013), Finance is requesting the funds be rolled forward each year until they are used or no longer anticipated to be spent for the litigation.
- The public works department had a work order system budgeted in 2011 with \$49,456 of the dollars not spent until 2012.
- E911 had \$27,200 for communications carrier charges not used in 2011 to be used in 2012.

Current Year Projects Not Budgeted Until 2012

The following projects were not budgeted in 2011 when the budget was adopted.

- The Renaissance project resulted in the City using 2010 HOST dollars of \$3.75 million for the purchase of the first two parcels from HCA. The General Fund will need to show the use of the prior year HOST reserves and the transfer to the Capital Projects Fund. Accordingly, the Capital Projects Fund will need to recognize the transfer from the General



Fund as well as the land purchase.

- The police department received \$3500 in a donation that was used for departmental supplies. The amendment recognizes the receipt and use of those funds.
- The police used just over \$2100 in unrestricted seized funds for allowed uses. The amendment records those expenses.

HOST Surplus Projects Recommended for 2012

The following projects were recommended by the budget committee for adoption into the 2012 budgets by utilizing HOST reserves received in 2012.

- Purchase of Next HCA Land Parcel - \$543,000
- Purchase of Brook Run Police Surveillance Camera System - \$113,000
- Set Aside Partial Funding of the Tilly Mill/N. Peachtree Construction - \$750,000
- Set Aside Partial Funding of the Womack/Vermack Construction - \$250,000
- Set Aside Partial Funding for Design & Engineering of City Hall - \$100,000

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. Council may also choose to accept some of the items that have occurred already (such as the land acquisition and prior year projects) while adjusting the incomplete projects such as the HOST surplus items.

BACKGROUND

RECOMMENDED ACTION

Staff recommends Council approve the ordinance to amend the 2012 budget.

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2012-10-XX

AN ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR 2012 FOR EACH FUND OF THE CITY OF DUNWOODY, GEORGIA, PURSUANT TO ARTICLE V, SECTION 5 OF THE CHARTER OF THE CITY, BEGINNING JANUARY 1, 2012, AND ENDING DECEMBER 31, 2012, 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 2012.

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

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2012-10-XX

Section 1. That the City of Dunwoody, Georgia hereby amends the budget for the Fiscal Year 2012, said budget being described below;

Multiple Grants Fund (250) - DNR Trail Grant	
Multiple Grants Fund (250) - Transfer from General Fund	5,555,456
Capital Projects Fund (350) - Excess HOST Funds FY2011	
Capital Projects Fund (350) - GMA Lease Proceeds	
Capital Projects Fund (350) - HOST Xfer from Gen Fund	
Stormwater Fund (560) - Use of Prior Year Reserves	
TOTAL RECEIPTS	\$ 12,085,112

EXPENDITURES

EXPENDITURE	PROPOSED BUDGET
Transfer from General Fund - Parks (6200)	\$ 4,293,000
Transfer from General Fund - Finance - Facilities (1511)	100,000
Transfer from General Fund - Police (3200)	113,000
Transfer from General Fund - Public Works (4200)	1,049,456
Police Supplies (3200)	8,600
Legal Litigation (1530)	100,000
E911 Expenditures (Fund 215)	27,200
Parks Capital for HCA Land Purchases (6200)	\$ 4,293,000
Admin Capital for Future City Hall Design & Engineering	100,000
Police Capital for Parks Surveillance Camera System	113,000
Public Works Capital for Work Order System	49,456
Public Works Capital for Intersections Construction	\$ 1,000,000
TOTAL EXPENDITURES	\$ 11,246,712

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 2012. 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**

ORDINANCE 2012-10-XX

**SO ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF
DUNWOODY, GEORGIA** this the 29th day of October, 2012.

Approved:

Michael G. Davis, Mayor

Attest:

Sharon Lowery, City Clerk
Seal

Approved as to Form and Content

City Attorney