

Alpharetta GEORGIA

Operating and Capital Budget Narrative Fiscal Year 2014 (July 1, 2013 - June 30, 2014)





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Annual Operating & Capital Budget Budget Narrative

for Fiscal Year 2014

(July 1, 2013 through June 30, 2014)



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MAYOR AND CITY COUNCIL

Mayor and City Council

DONALD MITCHELL
CITY COUNCIL (POST 1)



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MIKE KENNEDY
CITY COUNCIL (POST 2)



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CHRIS OWENS
CITY COUNCIL (POST 3)



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DAVID BELLE ISLE
MAYOR



DBelleIsle@alpharetta.ga.us

Mission Statement

TO MAKE A POSITIVE DIFFERENCE in the community by efficiently managing public resources and providing effective services and leadership that exceed the expectations of our citizens.

JIM GILVIN
CITY COUNCIL (POST 4)



JGilvin@alpharetta.ga.us

MICHAEL CROSS
CITY COUNCIL (POST 5)



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D.C. AIKEN
CITY COUNCIL (POST 6)



DCAiken@alpharetta.ga.us

VISION

Vision

Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security;



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

EXECUTIVE MANAGEMENT TEAM

Executive Management Team



BOB REGUS
CITY ADMINISTRATOR



BRegus@alpharetta.ga.us

ELECTED OFFICIAL

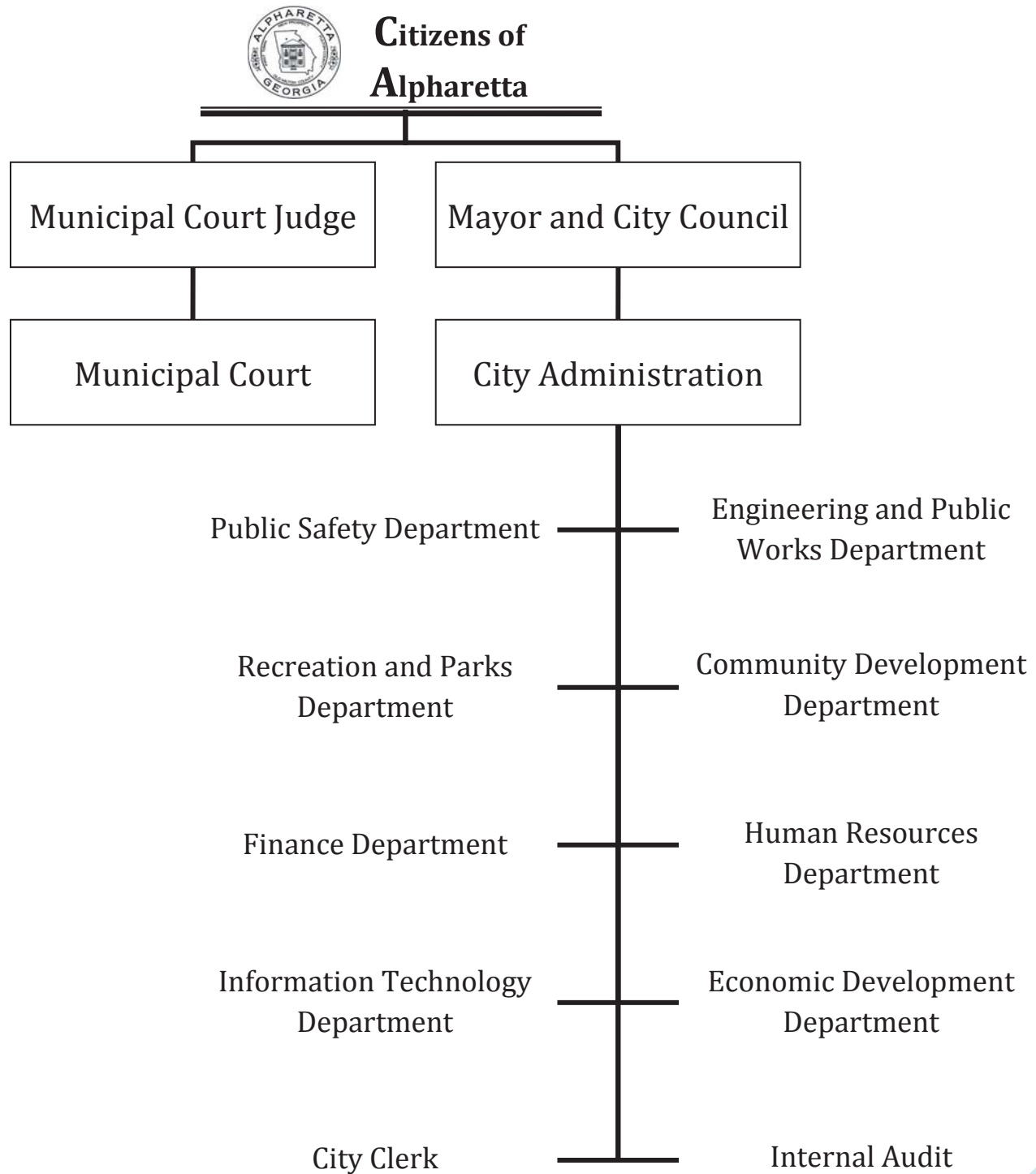
Jim Matoney	JMatoney@alpharetta.ga.us	Municipal Court Judge
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EXECUTIVE STAFF

Randy Bundy	RBundy@alpharetta.ga.us	Director of Information Technology
James Drinkard	JDrinkard@alpharetta.ga.us	Assistant City Administrator
Gary George	GGeorge@alpharetta.ga.us	Director of Public Safety
Thomas G. Harris	THarris@alpharetta.ga.us	Director of Finance
Carl S. Mays	CMays@alpharetta.ga.us	Internal Auditor
Richard McLeod	RMcleod@alpharetta.ga.us	Director of Community Development
Mike Perry	MPerry@alpharetta.ga.us	Director of Recreation and Parks
Coty Thigpen	CThigpen@alpharetta.ga.us	City Clerk
Peter Tokar III	PTokar@alpharetta.ga.us	Director of Economic Development
Elizabeth Sahlin	ESahlin@alpharetta.ga.us	Director of Court Services
Pete Sewczwicz	PSewczwicz@alpharetta.ga.us	Director of Engineering and Public Works

ORGANIZATIONAL STRUCTURE

Organizational Structure



Reader's Guide

The City of Alpharetta Budget Narrative is intended to provide information at both the detailed and summary level – information that can be used by both citizens (as an informational tool) and city employees (as an operational tool) alike. Following is a brief description of the information included in each section of this document.

Introduction and Overview

Transmittal Letter

Comprehensive introduction to the city's fiscal year 2014 budget.

About Alpharetta

Brief history of our city and detail of our governmental structure, Mission, and Vision (i.e. Strategic Priorities).

Financial Structure, Policy, and Process

Financial Accounting Structure

Information on our financial accounting structure including classification (e.g. Governmental vs. Proprietary), descriptions, and a graph of all city funds.

Financial Reporting

Comprehensive listing of our financial reporting products aimed at ensuring the information needs of the government, authorities, regulatory agencies, and citizens/stakeholders are met.

Budget Process

Information on our budget basis and structure, budget process, and performance measurement program.

Financial Summaries

Citywide Budget Summaries

Information on the overall (i.e. all appropriated funds) fiscal year 2014 budget. Included are schedules that provide readers with revenue and expenditure summaries from several different perspectives including fund, revenue source, expenditure category, and expenditures by department. A detailed multi-year personnel listing by department is also provided.

General Fund Summary

Information on the fiscal year 2014 budget for the General Fund. Included are schedules that provide readers with revenue and expenditure summaries/narratives from several different perspectives including: fund

READER'S GUIDE

summary; statement of budgetary comparisons (i.e. FY 2013 and FY 2014); statement of revenues, expenditures, and changes in fund balance (FY 2010 through the FY 2016 forecast period); and a detailed narrative of revenue and expenditure trends including historical information.

Special Revenue/Enterprise/Internal Service Fund Summaries

Information on the fiscal year 2014 budget for the Special Revenue/Enterprise/Internal Service Funds. Included are schedules set forth by Fund that provide readers with revenue and expenditure summaries/narratives from several different perspectives including: fund summaries; statements of budgetary comparisons (i.e. FY 2013 and FY 2014); and statements of revenues, expenditures, and changes in fund balance (FY 2010 through the FY 2016 forecast period).

Capital and Debt

Capital Project Fund Summaries

Information on our capital budgeting process and capital funding methodology as well as a detailed capital improvement listing.

Debt Service Fund Summary

Listing and description of the city's outstanding debt obligations (including debt schedules) and the debt service requirements.

Departmental Information

Department Summaries

Detailed non-financial and financial information about each department's activities (General Fund only) including: departmental mission statement; goals and objectives and how they link with the city's vision/strategic priorities; revenue and expenditure summary and fiscal year 2014 budget narrative; changes in personnel; and performance measurement.

Appendix

Financial Management Policies

Excerpts of our financial management policies including: budgeting, capital improvement plan, revenue, capital asset, inventory, accounting, auditing, financial reporting, debt management, grant management, etc.

Community Profile

Demographic, economic, and statistical data of our city.

Glossary

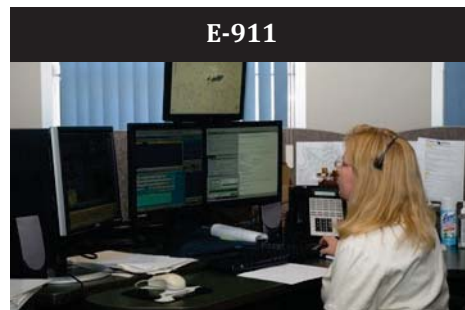
Definition of the many terms used in city government/budget process.

READER'S GUIDE

Acronyms and Abbreviations

ABC	Alpharetta Business Community
BRC	Budget Review Committee
CAFR	Comprehensive Annual Financial Report
CF	Carryforward
CIP	Capital Improvement Plan
CO	Change Order
CPI	Consumer Price Index
CY	Current Year
DCA	Department of Community Affairs (Georgia)
DEA	Drug Enforcement Administration (Federal)
DOR	Department of Revenue (Georgia)
DSF	Debt Service Fund
E-911	Emergency 911
EPD	Georgia Environmental Protection Division
FT	Full-Time
FTE	Full-Time Equivalent
FY	Fiscal Year
GAO	General Accounting Office (Federal)
GAAP	Generally Accepted Accounting Principals
GAAS	Generally Accepted Auditing Standards
GAGAS	Generally Accepted Governmental Auditing Standards
GASB	Governmental Accounting Standards Board
GDOT	Georgia Department of Transportation
GF	General Fund
GFOA	Government Finance Officers Association
GO Bonds	General Obligation Bonds
HX	Homestead Exemption
ICMA	International City/County Management Association
IT	Information Technology Department
LOST	Local Option Sales Tax
M&O	Maintenance and Operations
NTV	Net Taxable Value
O.C.G.A.	Official Code of Georgia Annotated
OMB	Office of Management and Budget (Federal)
PAFR	Popular Annual Financial Report
PO	Purchase Order
PT	Part-Time
PY	Prior-Year
SWAT	Special Weapons and Tactics (team)
TV	Taxable Value

E-911



SWAT



GFOA Distinguished Budget Presentation Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Alpharetta, Georgia for its annual budget for the fiscal year beginning July 1, 2012. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



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MAYOR

David Belle Isle

COUNCIL

D.C. Aiken

Michael Cross

Jim Gilvin

Mike Kennedy

Donald F. Mitchell

Chris Owens

CITY ADMINISTRATOR

Robert J. Regus

CITY HALL

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Alpharetta, Georgia 30009

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24-HOUR

INFORMATION

www.alpharetta.ga.us

Our Mission

To make a positive difference in the community by efficiently managing public resources and providing effective services that exceed the expectations of our citizens.

Our Core Values

*Excellence
Stewardship
Integrity
Service
Loyalty*

June 17, 2013

To the City Council and Citizens of Alpharetta:

We are pleased to present our Annual Operating and Capital Budget (narrative) for Fiscal Year 2014 (the “Budget”) of the City of Alpharetta, Georgia. Our recommendations are based on direction provided at the City Council Retreat as well as a thorough review of our current financial status, revenue trends, economic data, and our standard of providing top level service while maintaining our focus on keeping Alpharetta an affordable option for our citizens and stakeholders.

This budget is the culmination of years of financial stewardship by the City Council, City Administrator, city departments, and includes the following:

- Tax-burden reductions for our homeowners and business owners including:
 - Maintenance of the city’s \$40,000 homestead exemption which saves our homeowners over \$2.6 million annually. This savings equates to a 1.6 mill reduction for the average homeowner (see section entitled *Taxpayer Savings* for more information).
 - Maintenance of the city’s millage rate at 5.750 mills (flat with FY 2013) including funding \$2.4 million for recurring capital initiatives (e.g. milling and resurfacing of city streets; traffic equipment replacement; etc.)
- Funding of the Gwinnett Tech contribution (\$4 million financed over 20-years);
- Funding totaling \$8.3 million available for capital investment within our city (includes the \$2.4 million in recurring capital discussed above);

INTRODUCTION AND OVERVIEW

- Continuation of the same high service levels our citizenry, business owners, and stakeholders have to expect from our city; and
- Expanded service levels within public safety and recreation and parks are available for your review and described in detail under the *Operating Initiatives* section of this transmittal letter.

Budget Process and Overview

The Fiscal Year 2014 Budget process began with an update of the city's financial condition, which was presented during the City Council retreat (January 20-21, 2013). During this update, a financial plan was established which prioritized the use of available fund balance to most effectively position the city for financial success in the future. This information was also shared with the city's department directors during budget kick-off meetings.

As provided monthly to the City Council through the Financial Management Reports, the Finance Department has closely monitored our revenue and expenditure trends, indicating spending would continue to be closely managed for FY 2014 to compensate for slow revenue growth (e.g. franchise fees, court fines, building permits) relative to expenditure cost drivers (e.g. healthcare). Accordingly, the Finance Department analyzed departmental spending needs and calculated target budgets for each department.

City departments responded to the direction provided by the Finance Department and submitted base operating budgets (non-personnel) for each activity and program in line with current revenue estimates that cover the city's primary cost drivers (healthcare).

The FY 2014 Budget is balanced for all funds and totals \$82.8 million with the breakdown by fund type as follows:

FUNDS BY TYPE	\$	
General Fund	\$58,896,778	
Special Revenue Funds	7,678,197	(1)
Debt Service Fund	3,733,000	
Capital Project Fund	8,093,503	(1)
Solid Waste Fund	3,215,710	
Risk Management Fund	1,142,000	
Total	\$82,759,188	

(1) Amounts contained herein represent new appropriations for FY 2014. Unexpended FY 2013 appropriations for City Council approved projects are re-appropriated annually pursuant to city policy.

INTRODUCTION AND OVERVIEW

Several of the major points of the FY 2014 Budget are as follows.

- **Property Taxes:** The FY 2014 Budget is based on maintenance of the city's millage rate at 5.750 mills. Property tax digest growth is estimated at 2%.
 - The portion of the millage rate funding debt service (Debt Service Fund) will decline from 0.93 mills in FY 2013 to 0.88 mills in FY 2014 (0.05 mill reduction). The underlying debt service requirements will remain consistent at approximately \$3.7 million annually over short-term. The consistent debt service requirements coupled with estimated growth in the property tax digest allows for a reduction in the millage rate dedicated for debt service. The FY 2014 Budget proposes to program the debt service millage reduction into the General Fund for funding of debt service on the proposed Gwinnett Tech contribution (\$4 million financed over 20-years). As the Gwinnett Tech debt is not a general obligation bond, the debt service must be recorded within the General Fund.
 - The portion of the millage rate funding operations and the recurring capital program (General Fund) will increase from 4.82 mills in FY 2013 to 4.87 mills in FY 2014. Property tax revenue estimates for FY 2014 total \$17.6 million (excluding motor vehicle taxes). Of this amount, \$265,000 is included for full funding of the annual debt service on the Gwinnett Tech contribution and \$2.4 million is dedicated to the recurring capital program (e.g. milling & resurfacing of city streets, traffic equipment maintenance, fleet replacement, etc.) and will be transferred to the Capital Project Fund to properly account for the acquisition/construction of the recurring capital initiatives.

The property tax revenue estimates are net of the city's \$40,000 homestead exemption which saves our homeowners over \$2.6 million annually (e.g. equates to a 1.6 mill reduction for the average homeowner). The city's homestead exemption is more than double the amounts offered from our companion cities and goes great lengths in keeping Alpharetta an affordable place to live and raise a family.

- Operating expenditures of the General Fund are up 3.3% over FY 2013. This figure includes the incremental budgetary impact for the position changes approved during the FY 2013 mid-year budget (Economic Development Manager and increase from part-time to full-time status for one Special Events Coordinator), full funding of the annualized Gwinnett Tech debt service, operating initiatives¹, and the city

¹ Please refer to the Transmittal Letter (Operating Initiatives section) for detailed descriptions of the initiatives.

INTRODUCTION AND OVERVIEW

election. After adjusting for these new incremental budgetary impacts, the **base operational budget growth totals 2% and is less than CPI²**.

- Management of personnel and compensation program to align with current market environment:

- ✓ Personnel

430 full-time equivalents (funded; includes FY 2013 mid-year budget amendments to add one Economic Development Manager position and upgrade one Special Events Coordinator from part-time to full-time status);

6 full-time equivalents (funded; FY 2014 operating initiatives³ to increase public safety service levels); and

13 full-time equivalents (un-funded; budgetary savings of \$800,000) – positions to remain vacant pending a workload justification and identified funding source.

- ✓ Implementation of a performance-based merit program of 3% on April 1, 2014, per authorized/funded position (estimated cost of \$205,000 citywide⁴). This merit program is contingent upon a mid-year review of revenue trends to determine if sufficient funding is available. Research of national and local wage growth data indicates the 3% rate is a responsible average (i.e. not among the highest or the lowest).

Coverage of group insurance premiums (12% premium increase; \$596,604 incremental budget impact). The premium growth is due to claims patterns that are trending at over 100% of premiums (industry standard is 80-85%) and general medical cost inflation.

The Finance Department, in conjunction with Bryant Wharton (insurance advisor), successfully lowered the competitive renewal from 20% to 12% after negotiations and several plan design changes.

- ✓ Decrease in the actuarially determined defined benefit pension contribution of -7%, or -\$200,000, compared to FY 2013.
- ✓ Increase in 401A Pension Contribution of \$303,667 due to a combination of staff turnover (Defined Benefit pension plan was closed to new hires as of July 1, 2009; new staff are enrolled in the 401A plan) and adjusting the

² 12 month CPI for All Urban Consumers (CPI-U), Atlanta, totaled 2.1%.

³ Please refer to the Transmittal Letter (Operating Initiatives section) for detailed descriptions of the initiatives.

⁴ This represents the financial impact in FY 2014 (i.e. April-June 2014).

INTRODUCTION AND OVERVIEW

budget to more accurately track participation in the city's 401A match program.

- Targeted growth (2.9% or \$347,399) in departmental maintenance and operations budgets (General Fund) that is primarily attributable to the following:
 - Increase in professional fees of \$39,582 due primarily to: costs associated with the upcoming municipal election (November 2013); increased fees for the GBI fingerprinting program (offset through additional user fees); FY 2014 operating initiatives for a Wage & Benefit Study and instructor fees for the new Youth Volleyball League and Babysitter Boot Camp programs; and partially offset through the elimination of the emergency ambulance subsidization (Rural Metro);
 - Increase of \$41,621 in repair and maintenance of city assets (equipment, vehicles, grounds, and facilities). Cost drivers include facility maintenance (e.g. overhead doors at fire stations, etc.) and grounds maintenance (e.g. Milton Center maintenance pursuant to the Intergovernmental Agreement and North Park repairs including repaving the walking trails at fields 6-8, replacing the dugout canopies at fields 5-8, and repairing the fencing at football field 1);
 - Increase of \$53,484 in travel and training primarily associated with economic development initiatives, maintaining required levels of certification, and learning to utilize the city's software tools more effectively (e.g. CityWorks permitting/work-order software, ActiveNet recreation management software, Munis financial management software, as well as core technologies such as OSSI, CISCO, and virtualization);
 - Increase in professional services (IT) of \$151,864 due primarily to support/maintenance costs for the CityWorks software (work order/permitting) and ActiveNet software (recreation management) approved during FY 2013 coupled with increased cellphone service charges (upgrade to smartphones/iPads);
 - Increase of \$41,493 in uniform expenses related primarily to the Public Safety Department (turnout gear for firefighters, uniforms for police officers/reservists, as well as additional uniform costs for the two new Firefighter/Paramedic positions approved as part of the FY 2014 operating initiatives);
 - Increase of \$60,000 in wellness program expenses due to the inclusion of spouses into the CHN program;

INTRODUCTION AND OVERVIEW

- Decrease in general supplies of -\$45,923 based on current expenditure trends including reductions in postage and office supplies; and
- Net increase of \$5,278 (total) in all other departmental maintenance and operations accounts).
- Significant reduction (-26.5% or -\$170,707) in departmental operating capital/lease budgets due to a combination of non-recurring capital purchases in FY 2013, the acquisition lease costs for the CityWorks software coming in under budget, and the refinancing of the city's capital leases. Specifically, the Finance Department refinanced the city's entire portfolio of capital leases during FY 2013 which resulted in a 69% savings in interest expense over the respective lives of the leases.
- The Other Uses category includes the following: contingency (approximately 1% of the operating budget); increases in insurance premiums (Risk Management Fund); funding of debt service on the proposed Gwinnett Tech contribution (\$4 million financed over 20-years); and a continuation of funding for the Police Athletic League (\$35,000) and Friends of the Library (\$10,000).

Please refer to the *Financial Summaries* tab for (1) multi-year revenue/expense statements on both a citywide and individual fund basis (e.g. Special Revenue Funds, Enterprise Fund, etc.) as well as (2) a personnel listing by department. Also, the *Departmental Information* tab contains multi-year revenue/expense statements by department (e.g. Finance, Public Safety, etc.) within the General Fund along with a listing of personnel by position as well as any changes from FY 2013.

Budget and Millage Rate Hearings

As set forth under Georgia law and the City of Alpharetta Code, citizen input is solicited during the process of adopting the budget through publicly advertised meetings as follows.

DATE	ACTION
April 26, 2013	Distribute 2014 Recommended Budget
May 6, 2013	Council Meeting
May 20, 2013	Council Meeting
June 3, 2013	Public Hearing and Council Meeting
	<i>1st reading of Budget Ordinance</i>
	<i>1st reading of Millage Rate Ordinance</i>
	<i>E-911 Resolution</i>
June 10, 2013	Public Hearing and Council Meeting
June 17, 2013	Public Hearing and Council Meeting
	<i>2nd reading of Budget Ordinance</i>
	<i>2nd reading of Millage Rate Ordinance</i>

INTRODUCTION AND OVERVIEW

Budget Issues and Priorities

The FY 2014 Budget formalizes numerous key financial factors which have been themes for several years within the government.

- ✓ Bond ratings;
- ✓ Sustainability of existing services;
- ✓ Cost of government;
- ✓ Taxpayer savings;
- ✓ Debt service payments;
- ✓ Expansion of departmental service levels;
- ✓ Maintaining an effective capital improvement program;
- ✓ Proper use of fund balance; and
- ✓ Funding recurring capital from operating budget

Bond Ratings

The city's AAA bond rating was reaffirmed by Moody's and Standard & Poor's during March 2012 in conjunction with the sale of \$29 million (par) of General Obligation Bonds, Series 2012, for the City Center project.

Alpharetta is one of only 199 cities in the United States (and one of two in Georgia) to earn a AAA bond rating (Moody's). The AAA rating represents the highest rating available to municipalities and translates to significant savings to our citizens and stakeholders through reduced borrowing costs. Case in point, the true-interest cost of the Series 2012 Bonds approximates 2.98% which is among the lowest our financing team has witnessed for bonds carrying a 20-year term.

This rating demonstrates the strongest creditworthiness relative to other US municipal or tax-exempt issuers and reflects the city's current sound financial position as well as strong financial management practices guiding our ongoing decision making. These practices are supported by formal policies to guide budget and procurement practices, capital investment, and debt management. Other positive factors include a relatively strong economic base, moderate debt burden, and manageable capital needs. The FY 2014 Budget is mindful of these factors and the importance of maintaining the highest rating, not only for our citizens but also our bondholders.

Sustainability of Existing Services

Governments in our regional area as well as across the country are experiencing significant budgetary shortfalls due to the stagnating economy and weak construction activity. Although many economic factors are largely outside of local government control, the City Council, City Administration, and City Departments have displayed impressive financial stewardship over the years through an established philosophy of budgetary evaluation.

INTRODUCTION AND OVERVIEW

This philosophy entails reviewing the needs of the city relative to a standard that services and associated costs should not be appropriated unless they are justified as strategic goals of the organization that serve to accomplish our guiding principles.

This philosophy is the foundation of our budget process as evidenced by the Finance Department's direction to departments that base operating budgets should be submitted in line with the city's revenue trends. City departments responded to the direction provided by the Finance Department and submitted base operating budgets (non-personnel) for each activity and program in-line with current revenue estimates that cover the city's primary cost drivers (e.g. healthcare).

As with many employers, one item that is affecting the sustainability of services is healthcare costs. The City of Alpharetta has been proactive in the latest wellness initiatives to help reduce these costs in the long run and as such has been recognized by the Atlanta Business Chronicle for the last two years as one of "Atlanta's Healthiest Employers". To mitigate the rising costs of healthcare, the city is focused on the following initiatives:

- Continuation with our consumer driven HRA (Health Reimbursement Account) and HSA (Health Savings Account) healthcare plans supplemented with a wellness program. Together these programs engage the employee and his/her family into making more informed decisions about their medical care and their overall health.
- Incentivizing our wellness program for all employees who elect city health coverage. This will include the completion of a health risk assessment questionnaire, biometric screening, and in-person meetings with a trained wellness coach. Failure to enroll (employee and covered spouse) will result in the application of a material surcharge to the medical premium paid by the employee.
- Amending our surcharge for tobacco use to include employees identified as high risk for chronic disease via the biometric screening. The employee can avoid the surcharge by actively meeting with a wellness coach through the year or by enrolling in a tobacco cessation program:

Fiscal Year	Operating Millage Levy	Debt Service Millage Levy	Total Millage Levy	% Increase (Decrease)
2014	4.870	0.880	5.750	0.0%
2013	4.820	0.930	5.750	0.0%
2012	4.215	1.535	5.750	0.0%
2011	4.215	1.535	5.750	0.0%
2010	4.215	1.535	5.750	0.0%
2009	4.215	1.535	5.750	-8.0%
2008	4.508	1.740	6.248	-5.3%
2007	4.150	2.450	6.600	-5.7%
2006	4.550	2.450	7.000	0.0%
2005	4.700	2.300	7.000	0.0%
2004	4.750	2.250	7.000	-3.2%
2003	4.900	2.330	7.230	-3.3%
2002	5.060	2.420	7.480	-5.1%
2001	4.930	2.950	7.880	0.0%
2000	5.170	2.710	7.880	

Cost of Government

The city has historically acknowledged the need to provide a taxation rate commensurate with the government's level of service. The FY 2014 Budget is based on maintenance of the city's millage rate at 5.750 mills.

The table to the left provides a historical snapshot of millage rate levies.

INTRODUCTION AND OVERVIEW

The portion of the millage rate funding debt service (Debt Service Fund) will decline from 0.93 mills in FY 2013 to 0.88 mills in FY 2014 (0.05 mill reduction). The underlying debt service requirements will remain consistent at approximately \$3.7 million annually over short-term. The consistent debt service requirements coupled with estimated growth in the property tax digest allows for a reduction in the millage rate dedicated for debt service. The FY 2014 Budget proposes to program the debt service millage reduction into the General Fund for funding of debt service on the proposed Gwinnett Tech contribution (\$4 million financed over 20-years). As the Gwinnett Tech debt is not a general obligation bond, the debt service must be recorded within the General Fund.

The portion of the millage rate funding operations and the recurring capital program (General Fund) will increase from 4.82 mills in FY 2013 to 4.87 mills in FY 2014. Property tax revenue estimates for FY 2014 total \$17.6 million (excluding motor vehicle taxes). Of this amount, \$265,000 is included for full funding of the annual debt service on the Gwinnett Tech contribution and \$2.4 million is dedicated to the recurring capital program (e.g. milling & resurfacing of city streets, traffic equipment maintenance, fleet replacement, etc.) and will be transferred to the Capital Project Fund to properly account for the acquisition/construction of the recurring capital initiatives.

The city has forecasted a 2% increase in digest values. As of the date of this letter, we have not received the 2013 Property Tax Digest from the Fulton County Board of Assessors.

Taxpayer Savings

The FY 2014 millage rate, coupled with the city's substantial Homestead Exemption, goes great lengths in keeping Alpharetta an affordable place to live and also strategically positions us relative to neighboring areas.

The city's homestead exemption totals \$40,000 and saves our homeowners over \$2.6 million annually (e.g. equates to a 1.6 mill reduction for the average homeowner). The city's homestead exemption is more than double the amounts offered from our companion cities and goes great lengths in keeping Alpharetta an affordable place to live and raise a family.

Additionally, the city is considering multiple operating (additional two firefighter/paramedic positions) and capital initiatives (fire dispatch protocols/accreditation) aimed at lowering our Insurance Services Office (ISO) rating which results in lower overall commercial and residential building insurance rates.

Debt Service Payments

The city's primary method of funding large scale capital projects is through the issuance of general obligation bonds ("GO Bonds") upon referendum approval by our voters. GO Bonds have been issued to fund numerous large scale projects including public safety facilities, parks and recreation facilities, and transportation improvements that continue to define Alpharetta as a desirable community to work and live. Principal and interest payments for

INTRODUCTION AND OVERVIEW

fiscal year 2014 are budgeted at \$3,670,315 (including the newly issued City Center bonds) with the following forecast: 2015 - 2032⁵: \$3,564,848 (annual average).

Expansion of Departmental Service Levels (Operating Initiatives)

Recommended operating initiative funding for FY 2014 totals \$494,744 and has been included within the respective departmental operating budgets: General Fund (net of \$141,644); and DEA Fund (\$353,100).

GENERAL FUND	REVENUE	EXPENSE	NET COST
Public Safety Department	\$ -	\$129,469	\$129,469
Recreation and Parks Department	14,300	11,475	(2,825)
Human Resources Department	-	15,000	15,000
Total	\$ 14,300	\$155,944	\$141,644

DEA FUND	REVENUE	EXPENSE	NET COST
Public Safety Department	\$ -	\$353,100	\$353,100
Total	\$ -	\$353,100	\$353,100

- **General Fund**
 - **Public Safety Department**

Fire Staffing (2.0 FTE)

\$109,831 (net cost)

The Department recommends creating two new full-time positions in Fire Suppression (Firefighter/Paramedics).

In 2012, the Department reclassified a Fire Captain position from Suppression to create a Communications Training Coordinator (Captain) position for the Communications Center, in order to improve performance to a level at which accreditation was possible. This was achieved last year in emergency medical dispatch, and the Department would like to both preserve those performance gains and extend them into other areas of emergency response. To do this the Communications Training Coordinator position is being transferred into the E-911 budget and the Department is seeking approval to replace the Fire Captain position with a lower cost Firefighter/Paramedic position. Also in 2012, the Department reclassified a Fire Captain position from Suppression to create an Accreditation/Emergency Management Coordinator (Captain) position to develop and implement methods of improving on-scene emergency medical care and to keep up with a myriad of state reporting requirements. This

⁵ Represents final maturity of the city's existing debt (General Obligation Bonds, Series 2012).

INTRODUCTION AND OVERVIEW

effort has been highly successful and the Department recommends making the position permanent, allowing it to replace the Fire Captain position with a lower cost Firefighter/Paramedic position. These two moves will restore all three Suppression shifts to full strength and positively impact the city's Insurance Service Office (ISO) rating.

Costs are estimated at \$135,216 for salary/benefits and \$12,000 for turnout gear/uniforms for the two new Firefighter/Paramedic positions which is partially offset through a decrease in anticipated overtime expense of \$37,385.

Assistant Fire Marshall (1.0 FTE)

\$19,638 (net cost)

The Department recommends creating one new full-time position in Fire Prevention (Assistant Fire Marshal) to help meet forecasted growth in plan reviews and inspections, coordinate the priorities and schedules of the part-time inspectors, and extend office hours in the marshal's office to improve customer service. The Department would promote a part-time inspector into this position and re-fill the part-time position as demand requires.

Costs are estimated at \$91,614 for salary/benefits which is partially offset through a reduction in hours/hourly pay rate for the Division's two part-time Fire Prevention Officer positions (\$71,976 in savings).

– Recreation and Parks Department

Youth Volleyball League

Expense: \$4,725

Revenue: \$5,300

The Recreation and Parks Department proposes the creation of a developmental volleyball program that offers participants age 9 to 18 years the opportunity to learn and improve their volleyball skills through training classes and competitive league play. Program is based on one season in Spring 2014. Learning outcomes for participants are as follows: become adept at volleyball skills and techniques; develop sense of teamwork and sportsmanship in team environment; and improve fitness, strength and flexibility. Proposed fee for developmental program is \$115 Resident and \$172.50 Non-Resident (\$57.50 NR surcharge). Proposed fee for Academy Team is \$150 Resident and \$262.50 for Non-Resident (\$112.50 NR surcharge). City would provide awards and uniforms to team members.

Staff will measure the success of this program through registration numbers and teams developed. Participant evaluations will be sent at the conclusion of the season to evaluate whether or not the program objectives were met and if participants are likely to re-enroll. Target participation for year 1 is 30

INTRODUCTION AND OVERVIEW

Residents and 10 Non-Residents, with 20 in the developmental program and 20 in the academy team program.

Babysitter Boot Camp **Expense: \$6,750** **Revenue: \$9,000**

The Recreation and Parks Department proposes the creation of a Babysitter Boot Camp whereby participants will learn skills to develop or improve their babysitting skills. Two different weeks of summer camp (4 days @ 6 hours per day) would be offered with a max of 30 participants each week. Participants will be instructed in CPR/AED, First Aid, Heimlich maneuver, house safety, child development stages, age-appropriate games and activities, how to interact with parents, and how to negotiate rates. Proposed fee for one week of camp is \$150 for Residents and \$225 for Non-Residents (\$75 NR surcharge). The hourly rate is \$6.25 per participant. The instructor would supply all materials.

Success of the program will be measured by growth of the program through registration numbers. Participant evaluations will be collected at the end of the session to ensure that the learning outcomes were met or exceeded. Target participation is 60 with 75% being Residents.

– Human Resources Department

Wage and Benefit Study **\$15,000**

The Human Resources Department proposes to undertake a comprehensive wage and benefits analysis project during FY 2014. The purpose of this initiative is to analyze current wage and benefit packages among competing employers in the market to determine Alpharetta's competitive position with respect to the attraction and retention of quality employees. The study effort goes beyond basic wage comparisons to more fully and accurately compare and contrast the full employee compensation package inclusive of wages, insurance, retirement programs, and other benefits. The resulting information will be used to guide/advise policy decisions that will ensure our ability to recruit and retain talented employees while efficiently investing public dollars.

• DEA Fund

– Public Safety Department

Special Investigations Unit Staffing (2.0 FTE) **\$353,100**

The Public Safety Department recommends creating two new police officer positions and one police lieutenant position to staff a permanent Special Investigations Unit. In 2012 the Department created this unit, borrowing

INTRODUCTION AND OVERVIEW

positions from other police divisions, to investigate and pursue reports of significant growth in drug and vice offenses in the City. The unit determined that an unacceptable level of criminal activity in these areas does exist and is growing, making it imperative to dedicate resources on a focused and consistent basis. The Department plans to maintain staffing of four officers and one lieutenant. Two of the officers can be pulled permanently from other divisions, but the other two and the lieutenant need to be new positions

Costs are estimated as follows: \$212,249 for salary/benefits; \$78,000 for the purchase of 3 undercover vehicles; \$27,000 for equipment (e.g. weapons, Tasers, radios, electronics, etc.); \$10,950 for uniform expenses including vests; and \$24,901 for all other operational expenses (e.g. fuel, training, etc.). Funding would be provided annually through the DEA Fund. In the event that seizure funding is insufficient to cover costs in any given year, the General Fund would provide a subsidy to cover any unfunded costs.

Maintaining an Effective Capital Improvement Program (Capital Initiatives)

The FY 2014 Budget includes funding of \$8.3 million for capital initiatives. As part of the capital planning process, departments submitted capital/one-time initiative funding requests totaling \$16.6 million.

Recommended capital projects total \$7.9 million with an additional \$382,003 set aside for future capital initiatives.

FY 2014 Capital Improvement Program

	Source and Use		
	General Fund	E-911 Fund	Total
Sources:			
Available Fund Balance	\$ 5,668,503	\$ -	\$ 5,668,503
(1) Recurring Capital Program	2,425,000	-	2,425,000
(2) Project Contributions	-	160,000	160,000
	\$ 8,093,503	\$ 160,000	\$ 8,253,503
Uses:			
(3) Capital	\$ 7,711,500	\$ 160,000	\$ 7,871,500
	\$ 7,711,500	\$ 160,000	\$ 7,871,500
Reserve:			
Future Capital/one-time Initiatives	\$ 382,003	\$ -	\$ 382,003

(1) Represents funding programmed within the General fund budget to cover recurring capital needs (e.g. milling & resurfacing of city roadways, fleet replacement, etc.).

(2) Represents contributions for allowable projects (E-911 Fund: funding for Fire Dispatch Protocols/Accreditation and the purchase of 6 radios/minor equipment for the Police Reserve Unit).

(3) All Capital Initiative funding will be transferred and accounted for within the Capital Project Fund and the E-911 Fund.

INTRODUCTION AND OVERVIEW

Please refer to the *Capital and Debt* tab for a detailed listing of capital initiatives by funding source.

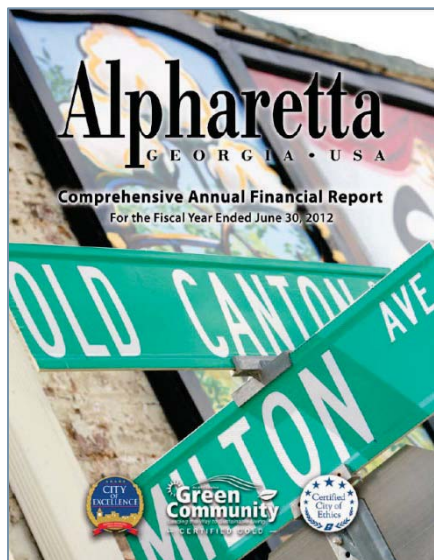
Proper Use of Fund Balance

General Fund - Based on audited financial statements for the year ended June 30, 2012, the city's fund balance totaled \$21.3 million. Of this amount, approximately \$4.6 million was appropriated in the FY 2013 Budget for capital/one-time initiatives and \$11 million has been designated as an emergency account based on a conservative policy of 21% of total appropriations (i.e. roughly 2½ months of operating expenditures). It has been the city's policy to utilize the remaining fund balance above the emergency requirement for one-time capital expenditures. Available capital/one-time initiative funding for FY 2014 totals \$5.7 million.

Funding Recurring Capital from Operating Budget

FY 2014 includes appropriations totaling \$2.4 million within the General Fund to cover recurring capital initiatives (e.g. milling & resurfacing of city streets, traffic equipment maintenance, fleet replacement, etc.). By programming the recurring capital program into the operating budget, the city is announcing to its citizens and stakeholders that capital investment in our roads and infrastructure is a priority that should be funded with certainty as opposed to relying on fund balance which may or may not be accumulated.

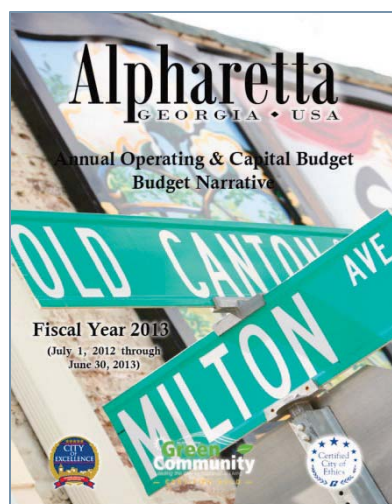
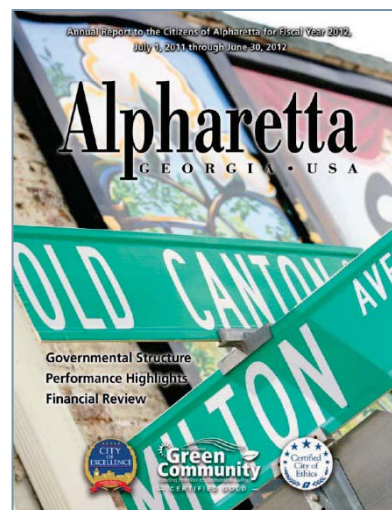
Awards and Acknowledgements



Financial Reporting: The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the city for our Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended June 30, 2012. This program recognizes those governments that go beyond the minimum requirements of generally accepted accounting principles to prepare CAFR's that represent the spirit of transparency and full disclosure. This was the 24th consecutive year that the city has received this prestigious award.

INTRODUCTION AND OVERVIEW

Citizens Reporting: The city also received the GFOA Popular Annual Financial Reporting Award (“PAFR”) for our annual citizens’ report for the fiscal year ended June 30, 2012. This program recognizes those governments that produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. This was the 10th consecutive year that the city has received this prestigious award.



Budgetary Reporting: Last but certainly not least, the city also received the GFOA Distinguished Budget Presentation Award for its annual budget narrative for the fiscal year ended June 30, 2013. This program recognizes those governments that prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA’s recommended practices on budgeting. This was the 10th consecutive year that the city has received this prestigious award.

In closing, while this budget is conveyed on behalf of the Mayor, this document is due in large part to the diligent work of staff, as well as the constructive management provided by the City Council and the feedback provided by our citizenry. We would like to thank our elected officials for their effective leadership and commitment to continuing our Signature City status in the region, despite the many demands on their time and interests.

This budget is committed to continuing our focus on providing effective and efficient savings to our citizens and stakeholders.

Respectfully Submitted,

David Belle Isle
Mayor

Robert J. Regus
City Administrator

Thomas G. Harris
Finance Director

ABOUT ALPHARETTA

About Alpharetta



History⁶

From the North Georgia Mountains to the Chattahoochee River along a Cherokee Indian trail, a tiny village named *New Prospect Camp Ground* was formed. This village, made up of tents, a log school, and an arbor became a trading post where Indians and settlers exchanged their goods. The surrounding

countryside provided excellent farmland, especially for cotton. On December 11, 1858, the town was chartered and became the county seat of Milton County. The town was renamed Alpharetta from the Greek words “alpha” meaning first and “retta” meaning town.

Alpharetta and Milton County can trace their history to the time of the Cherokee Indian Nation resettlement in the 1830's. First, drawn by the promise of free Indian lands, a few somewhat itinerant settlers moved into the area. These first pioneers were soon followed by permanent farmers and merchants who were the fortunate winners of the land lotteries of the early 1830's.

The first permanent landmark in the area was the New Prospect Campground, often referred to as the "Methodist Camp Ground". This campground was located next to a natural spring just north of the present "downtown" section of Alpharetta. A "Camp Meeting" in that era was the social and cultural highlight of the year for the families living on isolated farms with few travel options.

On December 11, 1858, Alpharetta was legally chartered. Prior to July of that year, the town was known as the "Town of Milton". The original town charter provided that the city could pass a tax on every grocery store, retailing liquor store, hallway and billiard table of not more than \$25.00 per year. Another provision of that charter was the right to levy a tax of \$25.00 on every show that may be exhibited within the city. The first report of the city Trustees showed a balance of \$1,302.00 for fiscal year 1859.

A courthouse and jail were soon constructed, and with building costs being what they were, the final bill for the completed facility was \$2,400.00. This building served as a landmark

⁶ The information contained within this section is based upon original research by Anne Rogers Ferguson and accessed via the City of Alpharetta website.

ABOUT ALPHARETTA

for the city limits because, according to the charter, the limits were to extend in a one-half mile radius from the Courthouse.

By the time of the Civil War, Alpharetta had grown to a fair sized town with three hotels, several mercantile shops, numerous churches and a school. The farms around the area were for the most part small family farms and the majority of the farmers were not slave owners.

In 1863, an epidemic of smallpox spread through town. In one instance, 16 cases of the disease were recorded in two families alone. Guards were hired to keep people from leaving their quarantine and thereby spreading the sickness further.

Many of these early records are incomplete because as the left flank of the Union Army passed through Milton County, the original Courthouse was burned. In fairness, it was never established whether it was burned by the Union Troops or by retreating Confederate soldiers. In any case, one enterprising citizen, a Dr. O.P. Skeleton salvaged many of the court documents and carried them to a hiding place in Jackson County and promptly billed the city \$30.00 for "services rendered". Later, the city paid O.P.'s friend, John Webb, \$60.00 to bring them back.

As the Civil War drew to a close, Alpharetta, along with the rest of the South, suffered a period of economic hardship. These "hard times" tended to draw folks together and a sense of community identity began to grow. As hard as these times were, Milton County fared better than many areas. Since the area was populated primarily by small farms and merchants, the collapse of the "Plantation" economy had nowhere near the impact as in other communities.

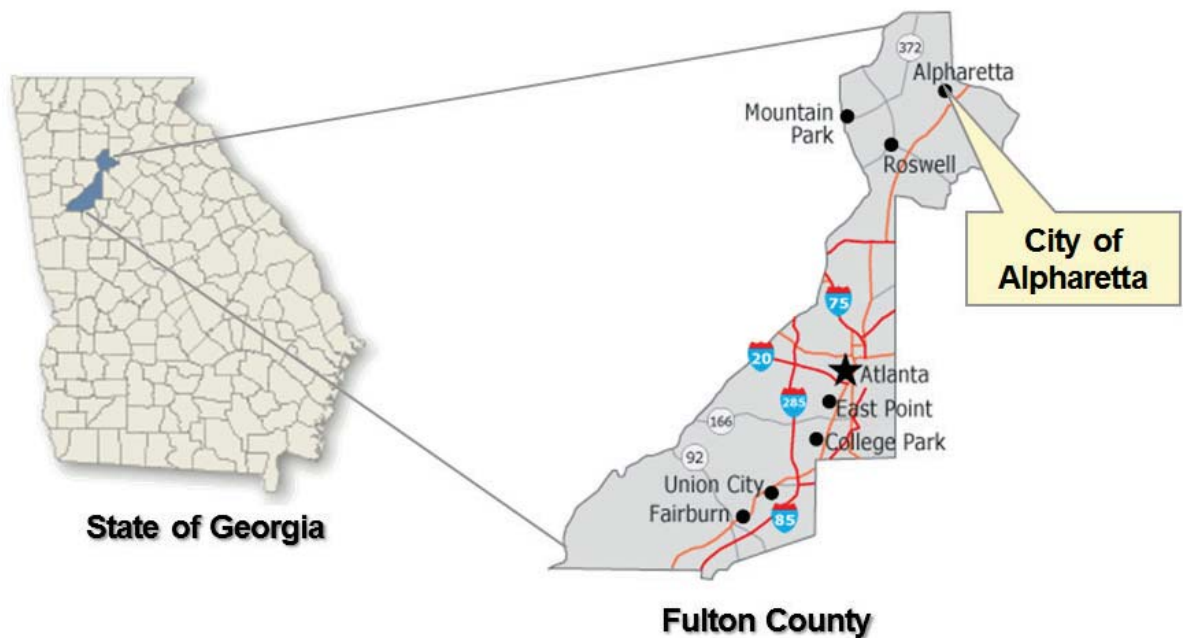
In the next decades, growth in Milton County was steady, but never spectacular. The area was hampered by the lack of a railroad, around which most growth in those times was centered. The nearest railroad dead-ended at the river in Roswell. It is ironic that in those times a railroad was so important, but today the absence of a noisy and dangerous railroad track is considered desirable for community development.

When the depression of the early 1930's devastated the nation's economy, Milton County found itself near bankruptcy. In order to save the area from disaster, it was decided that a merger of Milton County with Fulton County would be to everyone's advantage. It was because of this merger that the first roads began to be paved. Until that time, the only paved roads in the area were State Highway 19 (now Highway 9) and 120 (now Old Milton Parkway).

Today, Alpharetta represents one of fourteen incorporated cities/towns within Fulton County and is one of the fastest growing communities in the South. Its environment is considered ideal for raising families and living a quality lifestyle free from the problems found in so many similar sized cities.

ABOUT ALPHARETTA

Located approximately 25 miles north of the City of Atlanta, Alpharetta occupies a land area of approximately 27 square miles and serves an estimated population of 61,981. Population growth has been fueled in part by the city's strong economic base as well as the annexation of surrounding communities. With the recent incorporation of the City of Milton and the City of John's Creek, all unincorporated areas within north Fulton County have been absorbed. As such, future growth will be through internal development and redevelopment as opposed to annexation.



Government

The City of Alpharetta ("city") operates under a strong mayoral form of government, whereby the mayor possesses all of the executive and administrative powers granted to the government under the constitution and laws of the State of Georgia and the city charter. Policy making and legislative authority are vested in the governing council, consisting of the mayor and six (6) council members, all elected on a non-partisan basis. The mayor is chosen by popular vote. City Council members run for a specific post, but they are elected by a citywide vote. The city's elected officials serve four (4) year terms which begin on January 2nd immediately following the date of election into office. Council members elected for three (3) consecutive terms are not eligible for the succeeding term. A mayor elected and qualified for two (2) consecutive terms is not eligible for a succeeding term. Elections are held every two (2) years and are conducted by the Fulton County Board of Elections.

ABOUT ALPHARETTA

The Mayor and City Council appoint a City Administrator to carry out the day to day operations of the city.

The city provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events. Sanitation services are provided through relationships with private operators.

Regularly scheduled public meetings of the Alpharetta City Council, boards and commissions are listed below. All meetings and hearings are held in the City Hall Council Chambers (2 South Main Street, Alpharetta, GA 30005) and are open to the public. City residents and stakeholders are encouraged to attend.



MEETING	DATE/TIME
City Council	1 st Monday of each month (7:30 p.m. business meeting) 3 rd Monday of each month (7:30 p.m. business meeting) 4 th Monday of each month (7:30 p.m. public hearing)
Natural Resources Commission	3 rd Tuesday of each month (7:00 p.m.)
Planning Commission	1 st Thursday of each month (7:30 p.m.)
Recreation Commission	2 nd Thursday of each month (7:30 p.m.)
Board of Zoning Appeals	3 rd Thursday of each month (5:30 p.m.)
Code Enforcement Board	4 th Thursday of each month (3:30 p.m.)
Design Review Board	3 rd Friday of each month (9:00 a.m.)
Alpharetta Development Authority	Quarterly meetings (please refer to the website for specific meeting dates/times)

All meetings are subject to change. Please confirm the dates/times on the city's website:

<http://www.alpharetta.ga.us/index.php?p=453>

ABOUT ALPHARETTA

Mission⁷

To make a positive difference in the community by efficiently managing public resources and providing effective services and leadership that exceed the expectations of our citizens.

Vision⁸

Our Community Vision is to advance Alpharetta as a signature City by:

Strategic Priorities

Offering the highest quality of environment for our residents and businesses;

Fostering strong sense of community including safety and security; and

Providing a business climate that attracts the top echelon companies.



Big Creek Greenway

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission.

In summary, our vision for the future guides the city's decision making process. As you read this document, you will notice that direct linkages are identified between the city's vision/strategic priorities and departmental goals & objectives as well as the projects set forth in the Capital Improvement Plan. When funding initiatives (e.g. annual departmental budgets) are brought before the City Council for consideration, discussion is centered on how the initiatives link with the city's vision for the future.

⁷ The Mission Statement details our City's reason for existence and embodies our philosophies, goals, ambitions, and character.

⁸ The Vision Statement represents what we want our City to become and details how the City's future will look if we continue to achieve our Mission.

FINANCIAL ACCOUNTING STRUCTURE

Financial Accounting Structure

The accounting policies of the city shall conform to the generally accepted accounting principles (“GAAP”) as applicable to local governments.

The diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single entity. From an accounting and financial management viewpoint, a governmental unit is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other.

Each accounting entity is accounted for in a separate “fund”. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources together with related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The city’s accounting records for governmental funds are maintained on a modified accrual basis with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the city’s proprietary and fiduciary funds are maintained on an accrual basis.

Fund Classification

The city’s accounting system is organized and operated on a “fund” basis and each fund is classified in one of three categories:

CLASSIFICATION	FUND TYPE
Governmental Funds	General Fund
	Special Revenue Funds
	Debt Service Fund
	Capital Project Funds
Proprietary Funds	Enterprise Fund
	Internal Service Fund
Fiduciary Funds	Pension Trust Fund
	Other Post Employment Benefit (OPEB) Trust Fund

FINANCIAL ACCOUNTING STRUCTURE

Governmental Funds

These funds are, in essence, accounting segregations of financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the differences between governmental fund assets and liabilities is referred to as “Fund Balance”. The primary measurement focus is “flow of current financial resources”. In other words, are there more or less resources than can be spent in the near future as a result of transactions of the period? Increases in resources are reported in the operating statement as revenues or other financing sources, and decreases are reported as expenditures or other financing uses.

Proprietary Funds

These funds are sometimes referred to as “income determination,” “non-expendable”, or “commercial type” funds and are used to account for a government’s on-going organizations and activities which are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government’s business and quasi-business activities, where net income and capital maintenance are measured, are accounted for through proprietary funds. The generally accepted accounting principles are those applicable to similar businesses in the private sector, and the measurement focus is the economic condition of the fund as a result of the events and transactions of the period. Events and transactions that improve the economic position of a proprietary fund are reported as revenues or gains in the operating statement. Those events and transactions that diminish the economic position are reported as expenses or losses.

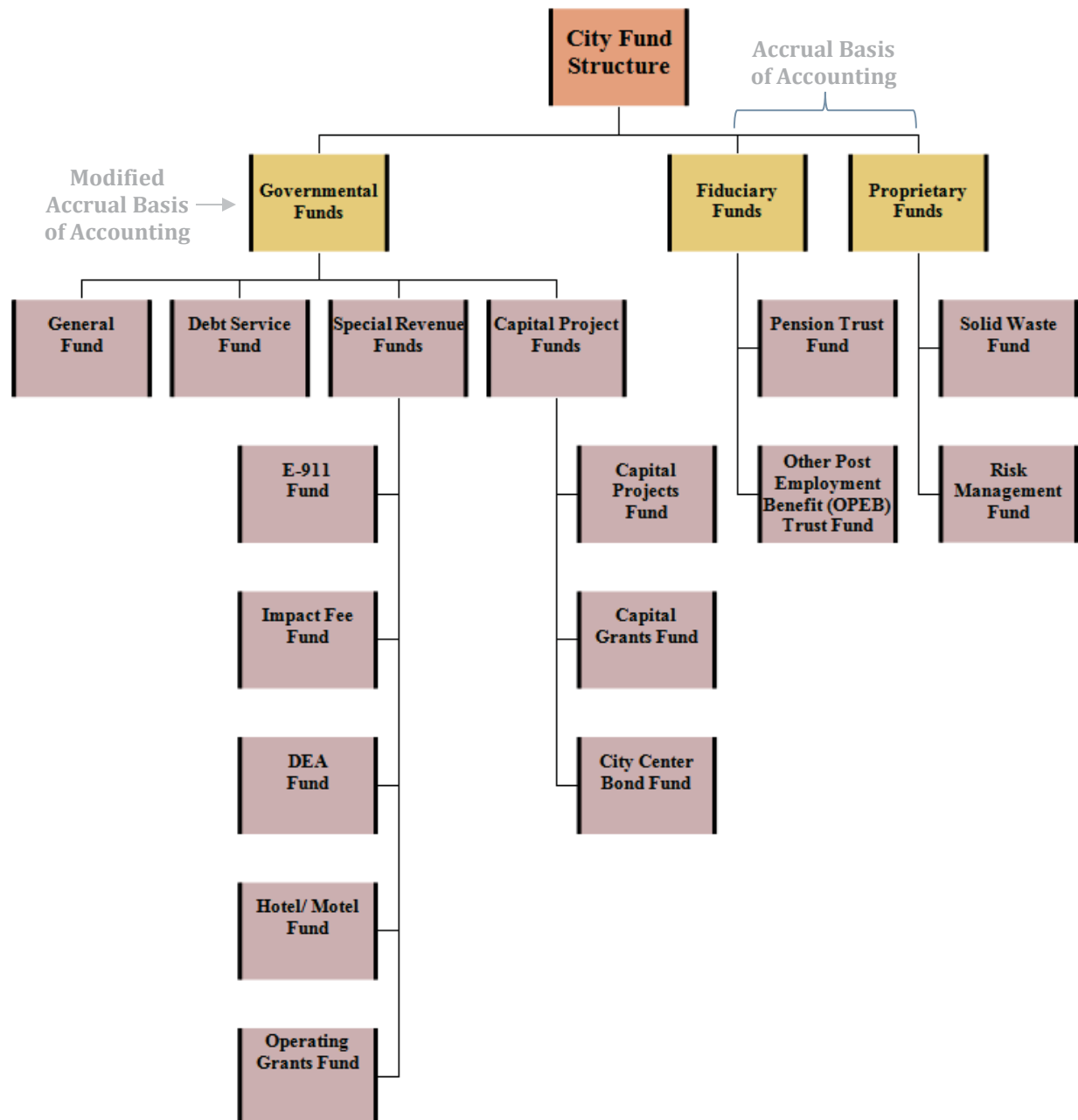
Fiduciary Funds

These funds are used to account for assets held by the city in a trustee capacity or as an agent for other governmental units and for other funds.

FINANCIAL ACCOUNTING STRUCTURE

Fund Structure

The city uses ten governmental funds, two proprietary funds, and two fiduciary funds as detailed below.



FINANCIAL ACCOUNTING STRUCTURE

Fund Descriptions

The following section provides a narrative on each of the city's 14 funds:

General Fund (Governmental Fund)

The General Fund is the principal operating fund of the city and includes governmental activities such as police, fire, recreation, transportation, and other general governmental functions that are primarily funded with property taxes, utility taxes, franchise fees, state shared revenues, and charges for services, such as recreation program fees.

The General Fund utilizes the modified accrual basis of budgeting and accounting. Under the modified accrual basis, revenues are recorded when both available and measurable. Expenditures are recognized when the liability is incurred, except for: (1) principal and interest on general long-term debt which are recognized when due; and (2) annual employee leave and claims/judgments for litigation and self-insurance which are recorded in the period due and payable.

The General Fund maintains a fund balance reservation of 21% of operating expenditures (approximately \$11 million as of audited fiscal-year-ending September 30, 2012). Additionally, the city maintains a budgetary contingency equal to 1% of operating expenditures aimed at mitigating budget impacts associated with minor revenue variances and unanticipated expenditures. Fund balance in excess of the reserve designation is utilized to assist in funding of the city's capital improvement plan. The FY 2014 budget includes a carryforward of excess fund balance totaling \$5.7 million for capital investment and other one-time initiatives.

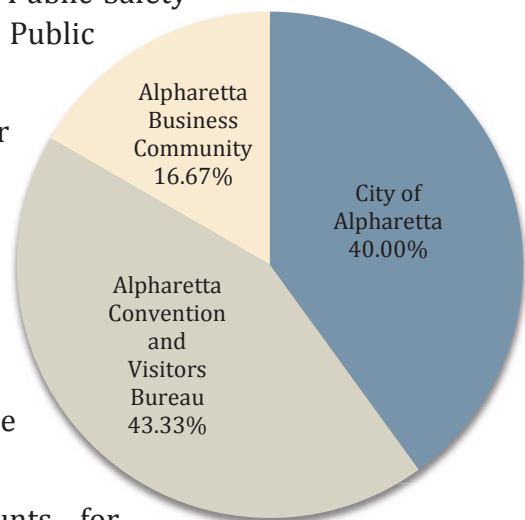
The city understands the importance of programming appropriations in the operating budget for on-going renewal & replacement of capital initiatives. FY 2014 includes appropriations totaling \$2.4 million within the General Fund to cover recurring capital initiatives (e.g. milling & resurfacing of city streets, traffic equipment maintenance, fleet replacement, etc.). By programming the recurring capital program into the operating budget, the city is announcing to its citizens and stakeholders that capital investment in our roads and infrastructure is a priority that should be funded with certainty as opposed to relying on fund balance which may or may not be accumulated. The recurring capital funding will be transferred from the General Fund into the Capital Project Fund where the projects will be accounted for.

Special Revenue Funds (Governmental Fund)

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. All special revenue funds utilize the modified accrual basis of budgeting and accounting.

FINANCIAL ACCOUNTING STRUCTURE

- **E-911 Fund:** This fund accounts for fees received from users, or potential users, of the city's Emergency 911 System. The fee equals \$1.50 monthly and is paid directly from wired, wireless (including prepaid cards), and voice-over-internet-protocol telecommunication providers, with expenditures occurring to maintain and run the system within the government. The city also provides emergency dispatch services to the City of Milton through an Intergovernmental Agreement. Funding under this agreement is based on relative populations and is accounted for within the E-911 Fund. The Public Safety Department manages the E-911 Program.
- **Impact Fee Fund:** This fund accounts for fees assessed upon development activity. These fees are collected to pay for system improvements (recreation/parks, streets, and public safety) as detailed within the city's impact fee ordinance. In FY 2014, the revenue collected will be reserved within the Impact Fee Fund for future allowable system improvements. In prior years, the impact fee monies were transferred to the Debt Service Fund to offset debt service on general obligation bonds issued to fund allowable system improvements. The Community Development Department manages the Impact Fee Program..
- **Drug Enforcement Agency (DEA) Fund:** This fund accounts for revenues received from the enforcement of drug laws and the confiscation of property from drug offenders arrests that can be used by public safety to aid in drug enforcement activity. Funds cannot be used to supplant the Public Safety Department's normal operational budget. The Public Safety Department manages the DEA Program.
- **Hotel/Motel Fund:** This fund accounts for occupancy tax collections from area hotels and motels for the purpose of promoting conventions, tourism, and trade shows, while providing funds to facilitate economic vitality in downtown areas. Currently, the city levies a hotel/motel occupancy tax of 6% on total rental charges. The chart to the right details the resulting revenue distribution.
- **Operating Grants Fund:** This fund accounts for resources received from federal, state, and local grants awarded to the city. Matching funds, which represents the city's financial investment, are also recorded within this fund. This fund accounts for operational grants only. Capital grant proceeds are recorded within the Capital Grants Fund. All operating grant funds follow the life-to-date budgeting process whereby budget is carried forward annually to cover Council approved projects. As such, only new appropriations are



FINANCIAL ACCOUNTING STRUCTURE

reflected in the annual budget document. Existing appropriations are reflected in the city's monthly financial management reports and can be accessed at www.alpharetta.ga.us.

Debt Service Fund (Governmental Fund)

This fund accumulates financial resources for the repayment of the city's debt obligations including.

- **General Obligation Bonds, Series 2006;**
- **General Obligation Bonds, Series 2012;** and
- **Development Authority Revenue Refunding Bonds, Series 2009***(city is obligated via an Intergovernmental Agreement to fund 16.5% of the principal and interest associated with this obligation.)*

The Debt Service Fund utilizes the modified accrual basis of budgeting and accounting.

Capital Project Funds (Governmental Fund)

These funds are used to account for the acquisition and construction of major items, such as buildings, infrastructure, parks, streets, and other major capital facilities. The city has three (3) capital project funds: Capital Project Fund (general capital projects); Capital Grant Fund (account for capital grant proceeds); and City Center Capital Project Fund (account for proceeds from GO Bonds, Series 2012). All capital project funds follow the life-to-date budgeting process whereby budget is carried forward annually to cover Council approved projects. As such, only new appropriations are reflected in the annual budget document. Existing appropriations are reflected in the city's monthly financial management reports and can be accessed at www.alpharetta.ga.us. The capital project funds utilize the modified accrual basis of budgeting and accounting.

- **Capital Project Fund:** This fund accounts for the acquisition and construction of major items, such as buildings, infrastructure, parks, streets, and other major capital facilities, with a value in excess of \$25,000. Funding for these capital improvements typically come primarily from a transfer of available fund balance within the General Fund. Appropriations are perpetual with only new appropriations recognized in the annual budget.
- **Capital Grant Fund:** This fund accounts for resources received from federal, state, and local grants awarded to the city. Matching funds, which represents the city's financial investment, are also recorded within this fund. This fund accounts for capital grants only. Operating grant proceeds are recorded within the Operating Grant Fund.
- **City Center Capital Project Fund:** This fund accounts for the proceeds and associated expenditures resulting from the issuance of voter approved general

FINANCIAL ACCOUNTING STRUCTURE

obligation bonds, series 2012. Fund appropriations are perpetual with only new appropriations recognized in the annual budget.

Proprietary Funds

The city maintains two different proprietary fund types. Enterprise Funds are used to account for business-type activities whose operations are primarily funded by customer fees. Internal Service Funds are used to accumulate and allocate costs internally among the city's various functions. Proprietary Funds utilize the accrual basis of budgeting and accounting.

- **Solid Waste Fund (Enterprise Fund):** This fund accounts for fees received from users of the city's solid waste program (i.e. garbage and trash collection). Services are provided on a user charge basis and managed through a contract with a private operator. The Finance Department manages the Solid Waste Program including billing, collection, and customer service functions.
- **Risk Management Fund (Internal Service Fund):** This fund is used to account for expenses related to providing and administering the general liability, automotive liability, workers' compensation and property insurance coverage for the city.

Fiduciary Funds

These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds utilize the accrual basis of accounting and are not appropriated in the annual budget but are reflected in the city's monthly financial management reports and can be accessed at www.alpharetta.ga.us.

- **Pension Trust Fund:** This fund accounts for assets of the city's defined benefit pension plan. The assets in this fund cannot be used to support government programs or activities.
- **Other Post Employment Benefit (OPEB) Trust Fund:** Other Post-Employment Benefits are benefits that an employee receives upon retirement. For the city, eligible retirees are offered the same health and prescription drug coverage as active employees. However, unlike active employees, retirees pay 100% of the blended premium afforded to the city. The city's only exposure is the accounting treatment of the implicit rate subsidy (the additional cost of including retired employees in the same healthcare plan used by current employees). The city has fully funded its OPEB liability as of fiscal year end June 30, 2012. The FY 2013 and 2014 Budgets contain sufficient funding to cover the annual required contributions of the OPEB liability. This fund is used to account for the OPEB assets.

FINANCIAL REPORTING

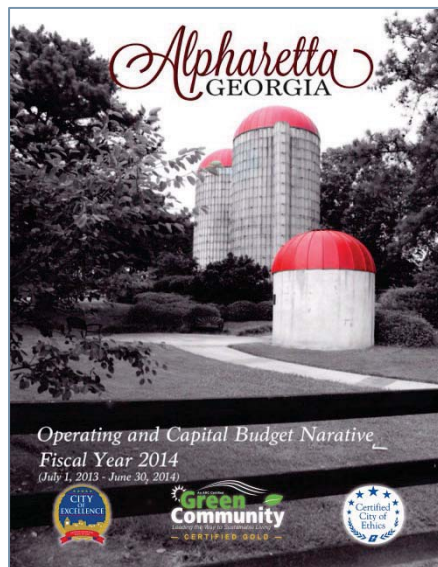
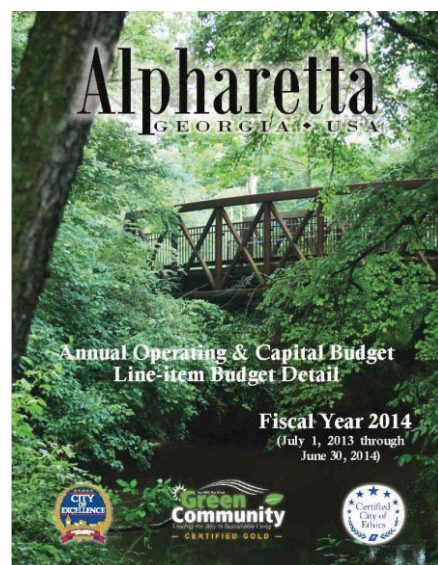
Financial Reporting

The Finance Department provides detailed financial reporting to meet the information needs of the government, authorities, regulatory agencies, and citizens/ stakeholders. In addition, the City Administrator, Mayor, Council, Department Heads, and the public shall have access to reports to allow them to monitor, regulate, and to use as a basis for future financial decisions.

Operating and Capital Budget Documents⁹ (June-August)

The city annually prepares and publishes two (2) related budget documents.

- The *Operating and Capital Budget (line-item budget detail)* is presented to the City Council as part of the budget adoption process. This document includes all specific line-item appropriations that compose the budget and aids in the financial administration of the city.
- The *Operating and Capital Budget (budget narrative)* is prepared as a companion to the line-item budget and provides our elected officials, citizenry, and stakeholders with a complete, clear, and understandable budget narrative that facilitates the transparency of our budgeting and financial processes.

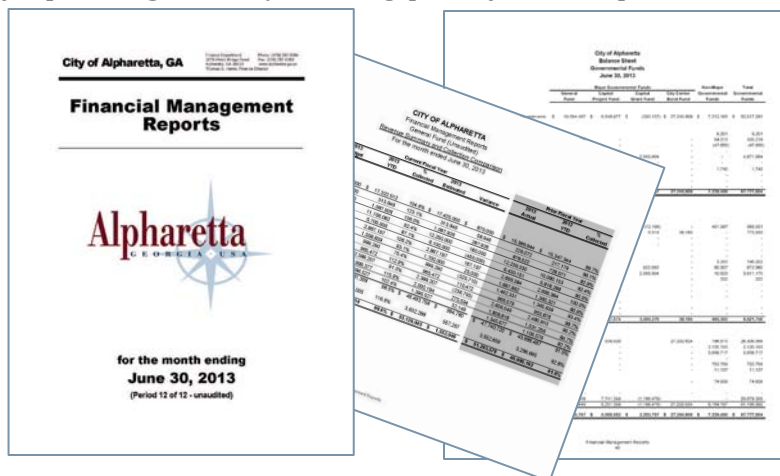


⁹ Available for download from the City's website: www.alpharetta.ga.us.

FINANCIAL REPORTING

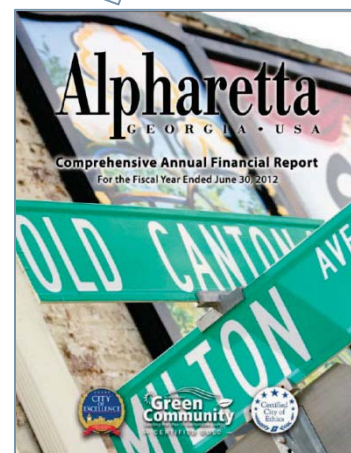
Financial Reporting to the City Council¹⁰ (monthly)

On a monthly basis, the Finance Department prepares and presents detailed revenue and expenditure statements for all city operating funds (including prior year comparisons for the General Fund). In addition, this report shall include: (1) a detailed capital project report including prior-year activity; (2) all checks issued in dollar amounts over \$5,000; (3) all purchase orders with an estimated cost of over \$5,000 but less than \$25,000; (4) status of current year bid/RFP's.



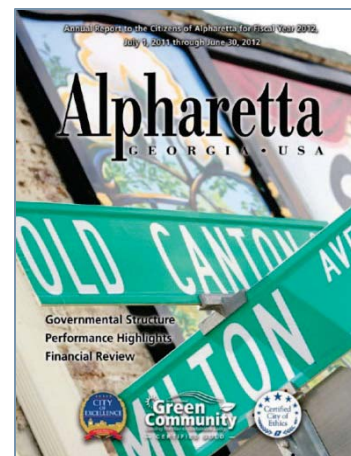
Comprehensive Annual Financial Report¹¹ (November-December)

In conjunction with the annual independent audit, the city prepares and publishes a Comprehensive Annual Financial Report (CAFR) that effectively communicates the complete financial affairs of the city to all interested readers.



Annual Citizens Report¹² (November-December)

In order to provide citizens with financial information that is easily disseminated, the Finance Department prepares and publishes an annual report to the citizen's. This report is in addition to the CAFR and provides our citizens, businesses and stakeholders with descriptive information about our organizational structure, city departments, service delivery, and financial condition. The focus is on providing information that is readily accessible and easily understandable to the general public and other interested parties.



¹⁰ Available for download from the City's website: www.alpharetta.ga.us.

¹¹ Available for download from the City's website: www.alpharetta.ga.us.

¹² Available for download from the City's website: www.alpharetta.ga.us.

BUDGET PROCESS

Budget Process

The annual budget serves as the foundation for the city's financial plan and assists in control of the financial stability and health of the government. The Mayor and Council are legally required to adopt a balanced budget (i.e. revenues = expenditures) no later than the close of the fiscal year. The city's fiscal year runs from July 1st through June 30th, with the official fiscal year taken from the year ending date. For example, the FY 2014 Budget Narrative is prepared for the fiscal year commencing July 1, 2013 and ending June 30, 2014.

Annual Budget Process

Responsibility for funding recommendations contained within the annual budget rests with the Budget Review Committee ("BRC"), comprised of the Mayor, City Administrator, and Finance Director. The BRC maintains the primary responsibility of ensuring that funding requests are in alignment with the city's strategic priorities (set by Mayor and City Council) and by extension, the strategic vision for the future. Additionally, the BRC performs a detailed review of revenues and expenditures that culminates in the Mayor's recommended budget which is presented annually to the City Council for discussion and adoption during April-June.

Budget Methodology

The city's budget is created under a hybrid performance-based budgeting system. This type of budgeting system blends the traditional historical financial trend model with the performance based model of identifying a particular level of performance for each type of service/program and the resources necessary to operate it, as well as describes the structure of the departments and the programs into which they are divided.

Beginning with each department's mission statement, which sets the direction for the department's activities, goals and objectives are developed that support the department's mission and, by extension, the city's strategic priorities. Goals and objectives should be SMART – Specific, Measurable, Achievable, Relevant, and Timed. Ultimately, the goals and objectives should result in departmental efficiency/effectiveness improvements which are then reflected in the appropriations process.

Departments, in partnership with the Finance Department, then develop a projected budget based on the previous year's budget/actual expenditure trend and amend for any new initiatives or discontinued/non-recurring initiatives.

The departmental budget is separated into the following components:

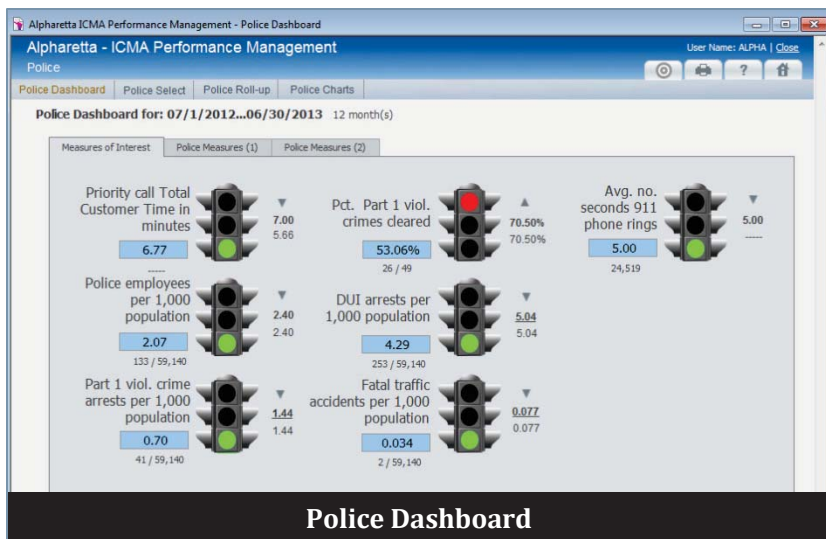
- *Mission Statement* – the statement must identify the particular purpose for the department and how it relates to the city's overall mission.

BUDGET PROCESS

- *Goals & Objectives* – a listing of the fundamental goals and objectives which aid the department in achieving its mission. Goals stretch and challenge the department, but they must also be SMART (please see above). Direct linkages are identified between the city’s strategic priorities and departmental goals & objectives.
- *Program/Expenditure Summary* – the budget for the department presented on both a department-wide and individual program basis and summarized by expenditure category:
 - Personal Services: salaries, overtime, and other compensation related expenditures.
 - Maintenance & Operations: professional fees, repair & maintenance, general supplies, communications, and other operational related expenditures.
 - Capital: departmental machinery & equipment expenses.
- *New Initiatives* – new services and/or capital investment.
- *Statement of Service and Performance Measures* – multi-year summary of departmental performance measurements.

Performance Measurement

The city views its performance measurement system as a priority and is continuing to develop and refine performance data and benchmarks. The city’s performance measurement team is implementing a proprietary software application to assist in the tracking, analysis and reporting of performance measurement data and the comparison of core measures from identified benchmark cities (e.g. cities with similar characteristics). As you review the departmental sections of this document, you will notice refined measures for our Public Safety and Information Technology Departments that follow the city’s updated model.



BUDGET PROCESS

Council Retreat (January-February)

The budget preparation process commences annually in January/February with the City Council Retreat, including City Administration and key department personnel. The Retreat provides the dedicated time necessary for the City Council and executive staff to discuss the strategic issues facing the city and the associated effects on the upcoming budget. Discussion topics include any and all strengths, weaknesses, opportunities, threats, etc., facing the city and typically are categorized as follows: millage rates and property taxation; revenue generation/diversification; capital renewal/replacement and improvement; base-level service and operations; personnel compensation; service and operation improvements; bond issues in connection with capital improvement initiatives; etc. The Retreat provides the strategic framework and guiding priorities for the upcoming budget process.

Budget Preparation and Analysis (February-April)

In February, the Finance Department distributes a budget calendar and target budgets to departments for the coming year which is based on revenue forecasts and projections of current year expenditures, as well as the two prior year's actual expenditures. Included in the target budget are: line-items for salaries and benefits (e.g. pension, health insurance, etc.); the department's current year's goals and objectives; and Capital Improvement Program worksheets (i.e. current year updates to the city's capital improvement plan).

Fiscal Year 2014 Update

Operating expenditures of the General Fund are up 3.3% over FY 2013. This figure includes the incremental budgetary impact for the position changes approved during the FY 2013 mid-year budget (Economic Development Manager and increase from part-time to full-time status for one Special Events Coordinator), full funding of the annualized Gwinnett Tech debt service, operating initiatives, and the city election. After adjusting for these new incremental budgetary impacts, the base operational budget growth totals 2% and is less than CPI.

Budget information is collected in three phases.

The first two phases are collected simultaneously. Phase one requests are related to employee expenses. During this phase, finance staff forecasts the personnel services funding requirements (e.g. salary and benefits) for the upcoming budget. Departments are requested to submit a forecast of personnel-driven operational expenses such as uniforms, professional development, travel, communications, etc.

The second phase includes budget requests that relate to departmental operations. During phase two, city departments are directed to review their operations and provide a forecast of appropriations required to maintain current service levels.

BUDGET PROCESS

Phase three, the final phase of data collection, includes funding requests for improvements to current service levels as well as new programs or services and capital improvement projects.

As departments formulate their expenditure requests, the Finance Department is preparing the corresponding revenue analysis and forecast. Revenue sources across all funds are analyzed using the expert judgment of department directors and staff, trend analysis, and economic forecasts to compile revenue estimates that are both accurate and conservative. The city maintains a conservative revenue forecasting philosophy aimed at mitigating the over-appropriation of expenditures based on inflated revenue estimates. Additionally, the city's aggressive pay-as-you-go capital program is supported by the conservative revenue philosophy through a level supply of excess fund balance (i.e. fund balance in excess of the city's 21% fund balance reserve) available for one-time capital investment.

Fiscal Year 2014 Update

New service level requests were primarily limited to those initiatives that improved the safety of our public (police and fire staffing), and increased our recreational program offerings (please refer to the Transmittal Letter for more information).

Fiscal Year 2014 Update

Revenue collections are forecasted to grow by 3.2% due primarily to increases in property tax collections (millage rate to remain flat), local option sales taxes, insurance premium taxes, etc.

Budget requests are completed by every department and submitted to the Finance Department where the data is assembled into a central repository reporting system.

Both expenditure requests and revenue projections are calculated and formatted for presentation to the Mayor and City Administrator for initial review. During these meetings, discussion is focused on appropriations necessary to maintain current service levels. Appropriation growth in excess of a reasonable CPI figure will be thoroughly analyzed to determine the primary growth factors (i.e. fuel, utilities, and other items subject to volatile price fluctuations) and brainstorm ways to mitigate the increased costs. Additionally, new programs, services, improvements to current services, and capital improvement projects are discussed in terms of how the initiatives link with departmental goals and objectives and by extension, the city's strategic priorities and vision for the future.

Upon completion of the departmental meetings, the BRC reviews base budgets within the context of the conservative revenue forecast and makes the necessary adjustments to balance the budget. Funding for new programs, services, or improvements to current services is prioritized based on a needs assessment and balanced against the goal of reducing the tax burden on our citizenry and stakeholders (e.g. millage rates). Funding for capital improvement projects is contained both within the general operational budget (recurring capital which is transferred from the General Fund into the Capital Project Fund) as well as the companion capital project budget (one-time funding from excess fund

BUDGET PROCESS

balance). The consolidated balanced budget (i.e. operations and capital) is then prepared for presentation to the City Council.

City Council Budget Workshops (May-June)

City Council budget workshops are held in May-June. The workshops typically commence with distribution of the Mayor's proposed budget which includes the following:

- Transmittal letter that summarizes the budget including current service levels, new initiatives, strengths/weaknesses/opportunities/threats facing the organization, and how the budget addresses those issues identified during the City Council Retreat;
- Departmental performance measurement listing; and
- Departmental budget detail including a multi-year expenditure summary (current year and two prior years); project summary listing; and budget detail comparison that provides specific line-item allocations for the current and proposed budget years.

The Finance Director conducts public presentations, as needed, to summarize the budget and discuss the underlying economic growth trends. Discussion will focus on the strategic issues facing the organization for the upcoming budget year and the next several years and how this budget positions the city to respond in a prudent and proactive manner (e.g. periods of slowing economic growth, etc.). The City Council takes a lead role in analyzing the budget within the context of the city's strategic vision for the future.

Budget Adoption (June)

The budget and millage rate(s) are adopted via Ordinance in June through the public hearing process as provided under State law:

BUDGET PROCESS

Budget Calendar



City of Alpharetta Fiscal Year 2014 Budget Calendar

January 20-21	City Council Retreat
February 4-8	Budget kickoff meetings Budget target data distributed to departments <ul style="list-style-type: none">- Phase I (personnel services)- Phase II (maintenance and operations)- Phase III (capital requests and budget initiatives)- Performance Measurement ("PM") template<ul style="list-style-type: none">• FY 2012 actual vs. target (results)• FY 2013 year-to-date actual• FY 2013 target• FY 2014 target- Departmental organizational charts- Departmental goals and objectives
February 26	Due to Finance: <ul style="list-style-type: none">- Phase II and III Budget data- Updated PM data- Updated organizational charts- Updated goals and objectives
March-April	Mayor, City Administrator and Finance Director Budget overview meetings
April 26	City Council Meeting <ul style="list-style-type: none">- Distribute Mayor's Recommended FY 2014 Operating and Capital Budget (line-item detail)
May 6	City Council Meeting <ul style="list-style-type: none">- Finance Department presentation<ul style="list-style-type: none">• FY 2014 Budget overview (operating and capital)
May 20	City Council Meeting <ul style="list-style-type: none">- Finance Department presentation<ul style="list-style-type: none">• FY 2014 Budget overview (capital)
June 3	Public Hearing #1 City Council Meeting <ul style="list-style-type: none">1st reading of Budget Ordinance1st reading of Millage Rate OrdinanceE-911 Resolution
June 10	Public Hearing #2
June 17	Public Hearing #3 City Council Meeting <ul style="list-style-type: none">2nd reading of Budget Ordinance2nd reading of Millage Rate Ordinance

BUDGET PROCESS

Budget Basis and Structure

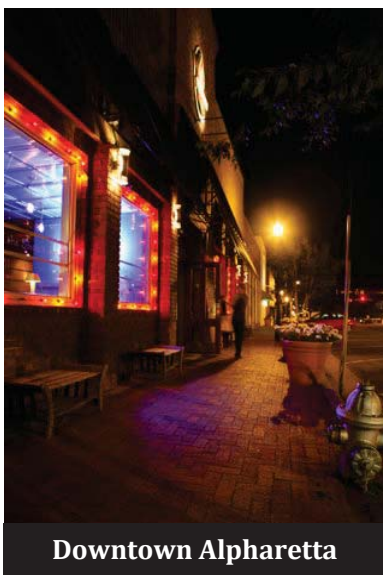
The city's budget is developed on a modified accrual basis. State law requires that the city's budget be balanced – revenues equal expenditures.

Under the modified accrual basis, revenues are recorded when both available and measurable. Certain fines and forfeitures, however, are recorded when received, as they are not susceptible to accrual. Expenditures are recognized when the liability is incurred, except for: (1) principal and interest on general long-term debt which are recognized when due; and (2) annual employee leave and claims/judgments for litigation and self-insurance which are recorded in the period due and payable.

The legal level-of-control resides at the department level within a given fund. As such, reallocation of appropriations between line-items is acceptable within a given department with the following exceptions:

- Salary and benefit savings due to vacancies are restricted from reallocation to cover operating expenditures except in the case of funding temporary labor assistance; and
- Capital appropriations are restricted to the specific purpose set forth in the budget and cannot be reallocated except through approval by City Administration and/or the City Council.

Budget amendments that cross departments must be approved in advance by the City Council. As such, these amendments are typically brought for consideration by City Council during the mid-year budget review process.



CITYWIDE BUDGET SUMMARIES

Citywide Budget Summaries

Overview

The *Citywide Budget Summaries* section is intended to provide readers with an overall understanding of the city's fiscal year 2014 budget. The following schedules provide readers with revenue and expenditure summaries from several different perspectives including:

- **Citywide Budget Summary by Fund**

This section provides a summary/narrative of FY 2014 budget data by fund type (e.g. General Fund, Special Revenue Funds, etc.). Please refer to the *Financial Accounting Structure* section of this document for detailed information about the city's financial structure and fund types.

- **Citywide Budget Summary by Revenue Source**

This section provides a summary/narrative of FY 2014 budget data by revenue source (i.e. Property Taxes, Other Taxes, Charges for Services, etc.). Please refer to the specific Fund Summaries section (e.g. General Fund Summary, Special Revenue Fund Summaries, etc.) of this document for more detailed information about the city's various revenue sources.

- **Citywide Budget Summary by Department Expenditures**

This section provides a summary/narrative of FY 2014 budget data by department expenditures (e.g. City Administration, Public Safety, etc.). Please refer to the *Departmental Summaries* tab of this document for more detailed information about each department's expenditures.

- **Citywide Budget Summary by Expenditure Category**

This section provides a summary/narrative of FY 2014 budget data by expenditure category (e.g. Personnel Services, Maintenance & Operations, etc.).

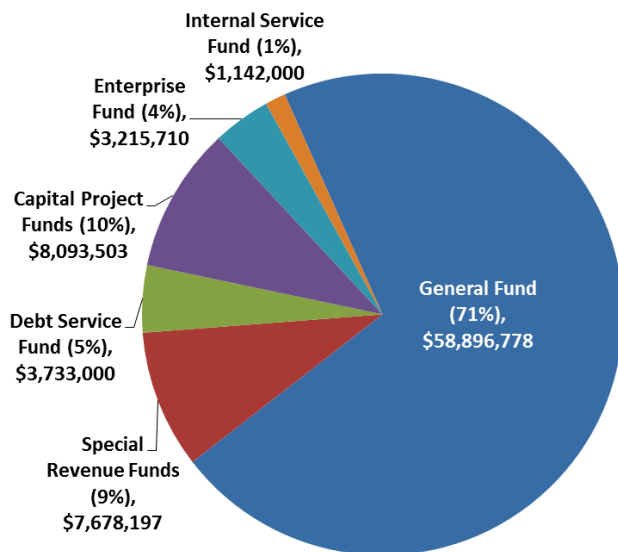
- **Citywide Statement of Revenues, Expenditures, and changes in Fund Balance**

This schedule provides citywide (all funds) revenue and expenditure data for fiscal years 2010-2014 including changes in fund balance.

CITYWIDE BUDGET SUMMARIES

Summary by Fund Type

**FY 2014 Citywide Budget
totals \$82.8 Million**



The Fiscal Year 2014 budget for all funds totals \$82.8 million. The city budget includes appropriations for the following fund types:

General Fund: The city's General Fund is its largest fund and includes governmental activities such as police, fire, recreation, and other general governmental functions that are primarily funded with property taxes, utility taxes, franchise fees, state shared revenues, and charges for services, such as recreation program fees.

Special Revenue Funds: Special Revenue Funds are established to account for revenues that are restricted by statute, ordinance, or resolution for a specific purpose. The city currently utilizes the following special revenue funds: E-911 Fund; Impact Fee Fund; Drug Enforcement Agency Fund; Hotel/Motel Fund; and the Operating Grants Fund.

Debt Service Fund: The Debt Service Fund is utilized to account for debt service requirements of the city's general government debt obligations.

Capital Project Funds: Capital Project Funds are used for various citywide capital projects. Projected funding for FY 2014 is from fund balance and transfers from other funds. Unspent appropriations from fiscal year 2013 will be re-appropriated to continue previously approved projects.

Enterprise Fund: The Enterprise Fund is a self-supporting entity that derives its revenue primarily from charges levied on the users of its services, much like private enterprises. The city utilizes an enterprise fund to account for operations of its solid waste system.

Internal Service Fund: Internal Service Funds are used to accumulate and allocate costs internally among the city's various functions. The city utilizes a Risk Management Fund to account for expenses related to providing and administering general liability, automotive liability, workers' compensation and property insurance coverage.

CITYWIDE BUDGET SUMMARIES

Summary by Fund

	Revenues	Expenditures	Balanced Budget
General Fund	\$ 58,896,778	\$ 58,896,778	√
Special Revenue Funds:			
E-911 Fund	\$ 3,346,347	\$ 3,346,347	√
Impact Fee Fund	46,350	46,350	√
Drug Enforcement Agency Fund	585,500	585,500	√
Hotel/Motel Fund	3,700,000	3,700,000	√
	\$ 7,678,197	\$ 7,678,197	√
Debt Service Fund	\$ 3,733,000	\$ 3,733,000	√
Capital Project Funds:			
Capital Projects Fund	\$ 8,093,503	\$ 8,093,503	√
Enterprise Fund:			
Solid Waste Fund	\$ 3,215,710	\$ 3,215,710	√
Internal Service Fund:			
Risk Management Fund	\$ 1,142,000	\$ 1,142,000	√
Total	\$ 82,759,188	\$ 82,759,188	√

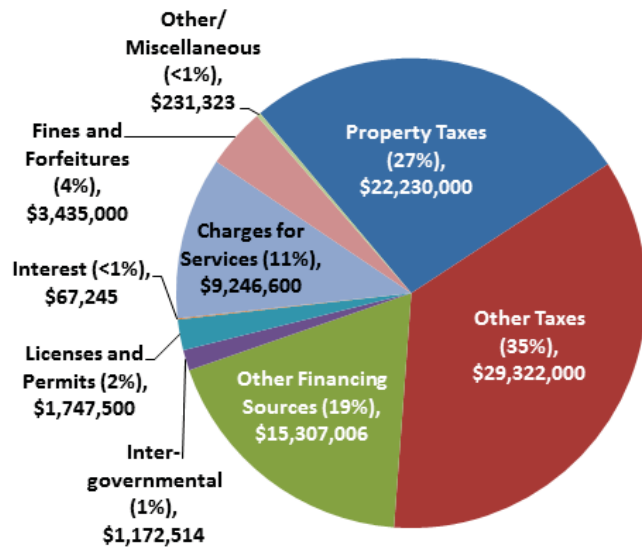


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CITYWIDE BUDGET SUMMARIES

Summary by Revenue Source

**FY 2014 Citywide Budget
totals \$82.8 Million**



The chart above segments the FY 2014 budget by revenue source and includes the following:

Property Taxes: Ad Valorem tax on real/personal property owned within the city. The adopted millage rate for FY 2014 totals 5.750 mills and is composed of the following: Operating Millage Rate of 4.870 mills (used to fund general city operations and the recurring capital program); and a Debt Service Millage Rate of 0.880 mills (used to fund debt service on voter approved general obligation bonds).

Other Taxes: Includes local option sales taxes (i.e. LOST), franchise fees (fees charged to utility companies operating within the city that allow for the use of public right-of-ways), hotel/motel taxes, business and occupational taxes, etc.

Licenses and Permits: Includes building permit fees, occupancy permit fees, alcohol

beverage permit fees, development permits and related fees, etc.

Intergovernmental: Includes federal, state, and local grant funding as well as revenue sharing associated with intergovernmental agreements.

Charges for Services: Includes recreation user fees, planning and development fees, fire plan review fees, special event fees, solid waste fees, etc.

Fines and Forfeitures: Includes municipal court fines, red light camera fines, etc.

Interest: Includes investment earnings on city funds.

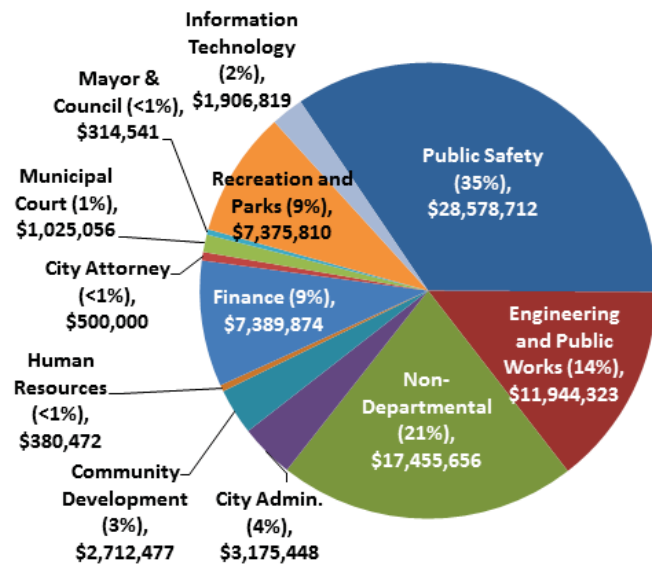
Other/Miscellaneous: Includes the sale of surplus assets, donations, and other miscellaneous revenues.

Other Financing Sources: Includes inter-fund transfers and budgeted fund balance.

CITYWIDE BUDGET SUMMARIES

Summary by Department Expenditures

**FY 2014 Citywide Budget
totals \$82.8 Million**



The chart above segments the FY 2014 budget by department/functional unit and includes the following:

Mayor and City Council

City Administration

Community Development

Engineering and Public Works

Finance

Human Resources

Information Technology

Legal Services

Municipal Court

Public Safety

Recreation and Parks

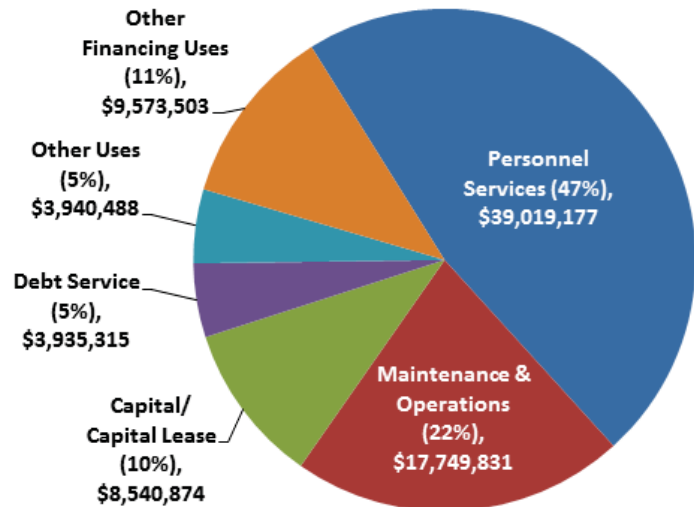
Non-Departmental (interfund transfers, contingency/reserves, Hotel/Motel Fund distributions, etc.)

Please refer to the *Departmental Information* tab of this document for specific information on each department including mission, goals and objectives, financial summary, and performance measures.

CITYWIDE BUDGET SUMMARIES

Summary by Expenditure Category

**FY 2014 Citywide Budget
totals \$82.8 Million**



The chart above segments the FY 2014 budget by expenditure category and includes the following:

Personnel Services: Includes expenses for salaries, wages, and related employee benefits provided for all persons employed by the city whether on a full-time, part-time, temporary, or seasonal basis. Employee benefits include employer contribution for health insurance, pension, social security, workers compensation, other post-employment benefits, etc.

Maintenance and Operations: Includes expenses for goods and services associated with city's provision of services. Examples include: professional

fees, repair & maintenance, utilities, travel and training, etc.

Capital: Includes expenses for the acquisition of capital assets (e.g. building improvements, machinery and equipment, vehicle replacement/acquisition, etc.).

Debt Service: Includes expenses related to the repayment of the city's voter approved debt obligations (e.g. principal and interest payments, debt service fees, etc.).

Other Uses: Includes contingency/reserve appropriations and expenses related to donations/contributions.

Other Financing Uses: Includes interfund transfers for items such as grant matches, capital improvements, etc.

CITYWIDE BUDGET SUMMARIES

Consolidated Summary (Revenues by Source/Expenditures by Department)

		Special Revenue Funds				
	General Fund	E-911 Fund	Impact Fee Fund	DEA Fund	Hotel/Motel Fund	
REVENUES:						
Property Taxes	\$ 18,505,000	\$ -	\$ -	\$ -	\$ -	
Local Option Sales Taxes	12,850,000	-	-	-	-	
Other Taxes	12,772,000	-	-	-	3,700,000	
Licenses and Permits	1,747,500	-	-	-	-	
Intergovernmental Revenue	76,252	1,096,262	-	-	-	
Charges for Services	2,666,200	2,247,000	45,000	-	-	
Fines and Forfeitures	2,850,000	-	-	585,000	-	
Interest Earnings	50,000	3,085	1,350	500	-	
Other/Miscellaneous	231,323	-	-	-	-	
subtotal	\$ 51,748,275	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 3,700,000	
Other Financing Sources						
Interfund Transfer from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	
Interfund Transfer from Hotel/Motel Fund	1,480,000	-	-	-	-	
Budgeted Fund Balance	5,668,503	-	-	-	-	
subtotal	\$ 7,148,503	\$ -	\$ -	\$ -	\$ -	
Total Revenues						
	\$ 58,896,778	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 3,700,000	
EXPENDITURES:						
Mayor and City Council	\$ 314,541	\$ -	\$ -	\$ -	\$ -	
City Administration	2,675,448	-	-	-	-	
Legal Services	500,000	-	-	-	-	
Community Development	2,412,477	-	-	-	-	
Engineering and Public Works	7,038,823	-	-	-	-	
Finance	3,032,164	-	-	-	-	
Public Safety	23,821,865	3,346,347	-	585,500	-	
Human Resources	380,472	-	-	-	-	
Municipal Court	1,025,056	-	-	-	-	
Recreation and Parks	6,654,810	-	-	-	-	
Information Technology	1,446,819	-	-	-	-	
Non-Departmental						
Insurance Premiums (Risk Fund)	690,800	-	-	-	-	
Contingency	500,000	-	-	-	-	
Reserve	-	-	45,000	-	-	
Alpharetta Business Community (Sidewalks)	-	-	-	-	616,790	
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,603,210	
Debt Service (Principal and Interest)	265,000	-	-	-	-	
Other	45,000	-	1,350	-	-	
subtotal	\$ 50,803,275	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 2,220,000	
Other Financing Uses						
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,480,000	
Interfund Transfer to Capital Project Funds	8,093,503	-	-	-	-	
Interfund Transfer to Risk Management Fund	-	-	-	-	-	
subtotal	\$ 8,093,503	\$ -	\$ -	\$ -	\$ 1,480,000	
Total Expenditures						
	\$ 58,896,778	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 3,700,000	

CITYWIDE BUDGET SUMMARIES

	Debt Service Fund	Capital Projects Fund	Enterprise Fund Solid Waste Fund	Internal Service Fund Risk Management Fund	TOTAL
REVENUES:					
Property Taxes	\$ 3,725,000	\$ -	\$ -	\$ -	\$ 22,230,000
Local Option Sales Taxes	-	-	-	-	12,850,000
Other Taxes	-	-	-	-	16,472,000
Licenses and Permits	-	-	-	-	1,747,500
Intergovernmental Revenue	-	-	-	-	1,172,514
Charges for Services	-	-	3,212,600	1,075,800	9,246,600
Fines and Forfeitures	-	-	-	-	3,435,000
Interest Earnings	8,000	-	3,110	1,200	67,245
Other/Miscellaneous	-	-	-	-	231,323
<i>subtotal</i>	\$ 3,733,000	\$ -	\$ 3,215,710	\$ 1,077,000	\$ 67,452,182
Other Financing Sources					
Interfund Transfer from General Fund	\$ -	\$ 8,093,503	\$ -	\$ -	\$ 8,093,503
Interfund Transfer from Hotel/Motel Fund	-	-	-	-	1,480,000
Budgeted Fund Balance	-	-	-	65,000	5,733,503
<i>subtotal</i>	\$ -	\$ 8,093,503	\$ -	\$ 65,000	\$ 15,307,006
Total Revenues	\$ 3,733,000	\$ 8,093,503	\$ 3,215,710	\$ 1,142,000	\$ 82,759,188
EXPENDITURES:					
Mayor and City Council	\$ -	\$ -	\$ -	\$ -	\$ 314,541
City Administration	-	500,000	-	-	3,175,448
Legal Services	-	-	-	-	500,000
Community Development	-	300,000	-	-	2,712,477
Engineering and Public Works	-	4,905,500	-	-	11,944,323
Finance	-	-	3,215,710	1,142,000	7,389,874
Public Safety	-	825,000	-	-	28,578,712
Human Resources	-	-	-	-	380,472
Municipal Court	-	-	-	-	1,025,056
Recreation and Parks	-	721,000	-	-	7,375,810
Information Technology	-	460,000	-	-	1,906,819
Non-Departmental					
Insurance Premiums (Risk Fund)	-	-	-	-	690,800
Contingency	-	-	-	-	500,000
Reserve	57,685	382,003	-	-	484,688
Alpharetta Business Community (Sidewalks)	-	-	-	-	616,790
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,603,210
Debt Service (Principal and Interest)	3,670,315	-	-	-	3,935,315
Other	5,000	-	-	-	51,350
<i>subtotal</i>	\$ 3,733,000	\$ 8,093,503	\$ 3,215,710	\$ 1,142,000	\$ 73,185,685
Other Financing Uses					
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,480,000
Interfund Transfer to Capital Project Funds	-	-	-	-	8,093,503
Interfund Transfer to Risk Management Fund	-	-	-	-	-
<i>subtotal</i>	\$ -	\$ -	\$ -	\$ -	\$ 9,573,503
Total Expenditures	\$ 3,733,000	\$ 8,093,503	\$ 3,215,710	\$ 1,142,000	\$ 82,759,188

CITYWIDE BUDGET SUMMARIES

Consolidated Summary (Revenues by Source/Expenditures by Category)

		Special Revenue Funds			
	General Fund	E-911 Fund	Impact Fee Fund	DEA Fund	Hotel/Motel Fund
REVENUES:					
Property Taxes	\$ 18,505,000	\$ -	\$ -	\$ -	\$ -
Local Option Sales Taxes	12,850,000	-	-	-	-
Other Taxes	12,772,000	-	-	-	3,700,000
Licenses and Permits	1,747,500	-	-	-	-
Intergovernmental Revenue	76,252	1,096,262	-	-	-
Charges for Services	2,666,200	2,247,000	45,000	-	-
Fines and Forfeitures	2,850,000	-	-	585,000	-
Interest Earnings	50,000	3,085	1,350	500	-
Other/Miscellaneous	231,323	-	-	-	-
<i>subtotal</i>	\$ 51,748,275	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 3,700,000
Other Financing Sources					
Interfund Transfer from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfer from Hotel/Motel Fund	1,480,000	-	-	-	-
Budgeted Fund Balance	5,668,503	-	-	-	-
<i>subtotal</i>	\$ 7,148,503	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 58,896,778	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 3,700,000
EXPENDITURES:					
Personnel Services	\$ 36,503,631	\$ 2,245,587	\$ -	\$ 212,249	\$ -
Maintenance and Operations	12,324,470	935,760	1,350	183,251	-
Capital/Capital Lease	474,374	165,000	-	190,000	-
Other					
Insurance Premiums (Risk Fund)	690,800	-	-	-	-
Contingency	500,000	-	-	-	-
Reserve	-	-	45,000	-	-
Alpharetta Business Community (Sidewalks)	-	-	-	-	616,790
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,603,210
Debt Service (Principal and Interest)	265,000	-	-	-	-
Donations/Contributions	45,000	-	-	-	-
<i>subtotal</i>	\$ 50,803,275	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 2,220,000
Other Financing Uses					
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,480,000
Interfund Transfer to Capital Project Funds	8,093,503	-	-	-	-
Interfund Transfer to Risk Management Fund	-	-	-	-	-
<i>subtotal</i>	\$ 8,093,503	\$ -	\$ -	\$ -	\$ 1,480,000
Total Expenditures	\$ 58,896,778	\$ 3,346,347	\$ 46,350	\$ 585,500	\$ 3,700,000

CITYWIDE BUDGET SUMMARIES

	Debt Service Fund	Capital Projects Fund	Enterprise Fund Solid Waste Fund	Internal Service Fund Risk Management Fund	TOTAL
REVENUES:					
Property Taxes	\$ 3,725,000	\$ -	\$ -	\$ -	\$ 22,230,000
Local Option Sales Taxes	-	-	-	-	12,850,000
Other Taxes	-	-	-	-	16,472,000
Licenses and Permits	-	-	-	-	1,747,500
Intergovernmental Revenue	-	-	-	-	1,172,514
Charges for Services	-	-	3,212,600	1,075,800	9,246,600
Fines and Forfeitures	-	-	-	-	3,435,000
Interest Earnings	8,000	-	3,110	1,200	67,245
Other/Miscellaneous	-	-	-	-	231,323
<i>subtotal</i>	\$ 3,733,000	\$ -	\$ 3,215,710	\$ 1,077,000	\$ 67,452,182
Other Financing Sources					
Interfund Transfer from General Fund	\$ -	\$ 8,093,503	\$ -	\$ -	\$ 8,093,503
Interfund Transfer from Hotel/Motel Fund	-	-	-	-	1,480,000
Budgeted Fund Balance	-	-	-	65,000	5,733,503
<i>subtotal</i>	\$ -	\$ 8,093,503	\$ -	\$ 65,000	\$ 15,307,006
Total Revenues	\$ 3,733,000	\$ 8,093,503	\$ 3,215,710	\$ 1,142,000	\$ 82,759,188
EXPENDITURES:					
Personnel Services	\$ -	\$ -	\$ 57,710	\$ -	\$ 39,019,177
Maintenance and Operations	5,000	-	3,158,000	1,142,000	17,749,831
Capital/Capital Lease	-	7,711,500	-	-	8,540,874
Other					
Insurance Premiums (Risk Fund)	-	-	-	-	690,800
Contingency	-	-	-	-	500,000
Reserve	57,685	382,003	-	-	484,688
Alpharetta Business Community (Sidewalks)	-	-	-	-	616,790
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,603,210
Debt Service (Principal and Interest)	3,670,315	-	-	-	3,935,315
Donations/Contributions	-	-	-	-	45,000
<i>subtotal</i>	\$ 3,733,000	\$ 8,093,503	\$ 3,215,710	\$ 1,142,000	\$ 73,185,685
Other Financing Uses					
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,480,000
Interfund Transfer to Capital Project Funds	-	-	-	-	8,093,503
Interfund Transfer to Risk Management Fund	-	-	-	-	-
<i>subtotal</i>	\$ -	\$ -	\$ -	\$ -	\$ 9,573,503
Total Expenditures	\$ 3,733,000	\$ 8,093,503	\$ 3,215,710	\$ 1,142,000	\$ 82,759,188

CITYWIDE BUDGET SUMMARIES

Citywide Statement of Revenues, Expenditures, and changes in Fund Balances (all Funds)

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual
Beginning Fund Balance: (1)	\$ 53,383,994	\$ 53,214,373	\$ 39,281,654
Revenues:			
Property Taxes	\$ 25,940,049	\$ 25,175,624	\$ 23,226,420
Local Option Sales Taxes	11,174,798	11,230,204	12,239,330
Other Taxes	13,830,636	14,343,669	15,951,485
Licenses and Permits	1,497,744	1,819,139	2,201,211
Intergovernmental	1,018,726	1,425,580	5,412,258
Charges for Services	7,815,142	9,009,805	9,639,397
Fines and Forfeitures	3,867,865	4,235,789	3,930,119
Interest	357,379	88,026	77,827
Other Revenue	1,333,340	604,634	265,597
	\$ 66,835,679	\$ 67,932,470	\$ 72,943,644
Expenditures:			
Mayor and City Council	\$ 226,706	\$ 210,244	\$ 238,982
City Administration	1,602,420	1,573,439	1,693,685
Legal Services	392,470	505,862	484,458
Community Development (2)	3,624,923	3,813,176	3,934,018
Engineering and Public Works	7,025,225	6,343,910	6,580,587
Finance	7,033,298	6,740,017	6,741,431
Public Safety	24,260,518	25,004,377	24,969,487
Human Resources	263,708	292,169	332,952
Municipal Court	931,504	928,142	938,942
Recreation and Parks	6,489,730	6,139,829	6,140,771
Information Technology	1,230,662	1,225,291	1,275,237
Capital Outlay (3)	4,408,372	20,157,683	17,732,749
Non-Departmental:	-	-	-
Contingency	-	258,891	68,984
Reserve for Future Capital	-	-	-
Debt Service	9,530,331	9,588,815	7,334,236
Insurance Premiums (Risk fund)	-	-	244,000
OPEB (full funding of Accrued Liability)	-	-	862,110
Gwinnett Tech Debt Service	-	-	-
Other	58,532	56,237	461,469
	\$ 67,078,399	\$ 82,838,082	\$ 80,034,098
Other Financing Sources (Uses):			
Proceeds from the sale of Capital Assets	\$ 73,099	\$ 247,893	\$ 133,690
Proceeds from Bond/Capital Lease	-	725,000	30,488,475
Transfers In	9,393,322	7,564,111	10,683,574
Transfers Out	(9,393,322)	(7,564,111)	(10,683,574)
	\$ 73,099	\$ 972,893	\$ 30,622,165
Ending Fund Balance: (4)	\$ 53,214,373	\$ 39,281,654	\$ 62,813,365
Changes in Fund Balance (actual/est.)	\$ (169,621)	\$ (13,932,719)	\$ 23,531,711

CITYWIDE BUDGET SUMMARIES

	FY 2013 Amended Budget	FY 2014 Recommended Budget
Beginning Fund Balance: (1)	\$ 62,813,365	\$ 54,645,917
Revenues:		
Property Taxes	\$ 21,665,792	\$ 22,230,000
Local Option Sales Taxes	12,070,000	12,850,000
Other Taxes	15,945,000	16,472,000
Licenses and Permits	2,024,500	1,747,500
Intergovernmental	1,048,851	1,172,514
Charges for Services	8,242,000	9,246,600
Fines and Forfeitures	3,267,916	3,435,000
Interest	27,729	67,245
Other Revenue	502,272	142,202
	\$ 64,794,060	\$ 67,363,061
Expenditures:		
Mayor and City Council	\$ 307,471	\$ 314,541
City Administration	2,333,727	2,675,448
Legal Services	500,000	500,000
Community Development (2)	4,104,001	4,632,477
Engineering and Public Works	7,185,001	7,038,823
Finance	7,321,075	7,389,874
Public Safety	30,245,415	27,753,712
Human Resources	396,247	380,472
Municipal Court	996,785	1,025,056
Recreation and Parks	6,672,774	6,654,810
Information Technology	1,422,338	1,446,819
Capital Outlay (3)	5,909,750	7,711,500
Non-Departmental:	-	-
Contingency	371,450	500,000
Reserve for Future Capital	1,527,045	382,003
Debt Service	3,681,976	3,670,315
Insurance Premiums (Risk fund)	664,500	690,800
OPEB (full funding of Accrued Liability)	-	-
Gwinnett Tech Debt Service	-	265,000
Other	51,350	51,350
	\$ 73,690,905	\$ 73,083,000
Other Financing Sources (Uses):		
Proceeds from the sale of Capital Assets	\$ 64,897	\$ 89,121
Proceeds from Bond/Capital Lease	-	-
Transfers In	9,115,673	9,573,503
Transfers Out	(8,451,173)	(9,573,503)
	\$ 729,397	\$ 89,121
Ending Fund Balance: (4)	\$ 54,645,917	\$ 49,015,099
<i>Changes in Fund Balance (actual/est.)</i>	\$ (8,167,448)	\$ (5,630,818)

- (1) Pursuant to the city's financial management policies, fund balance in excess of the city's 21% Fund Balance Reserve can be used for one-time capital initiatives. The majority of fund balance utilized for the FY 2013-2014 budgets represent amounts in excess of the city's 21% Fund Balance Reserve (General Fund). Additionally, the budgetary presentation for FY 2013-2014 assumes all appropriations will be spent; historically, a portion of the appropriations will go unspent which will augment the fund balance (i.e. the actual reduction in fund balance will be lower than what is presented). FY 2012 fund balance was augmented through the sale of General Obligation Bonds for our City Center project (see Debt Service Fund Summary for more detailed information).
- (2) This schedule includes two distinct presentations of financial data. Fiscal Years (FY) 2010-2012 include actual financial activity for all City Funds. FY's 2013-2014 include budgeted appropriations for those city Funds that experienced new appropriations in the given year.
- (3) This schedule assigns disbursements for *Alpharetta Business Community* and *Alpharetta Convention & Visitor's Bureau* to the Community Development Department.
- (4) This schedule assigns all capital outlay for FY's 2013-2014 to the Capital Outlay account as opposed to the budgetary schedules within this document that assign said capital outlay to the responsible department (e.g. Public Safety, Engineering and Public Works, etc.).



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CITYWIDE BUDGET SUMMARIES

Personnel Listing by Department

	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Recommended FY 2014*	Variance
Detail by Department:						
General Fund						
Mayor & City Council	7.0	7.0	7.0	7.0	7.0	-
City Administration	10.0	10.0	11.0	14.0	14.0	-
Community Development	21.0	21.0	20.0	20.0	23.0	3.0
Engineering and Public Works	62.0	62.0	62.0	62.0	59.0	(3.0)
Finance	25.0	25.0	25.0	24.0	24.0	-
Public Safety	218.0	218.0	217.0	217.0	218.0	1.0
Human Resources	3.0	3.0	3.0	3.0	3.0	-
Municipal Court	9.0	9.0	9.0	9.0	9.0	-
Recreation and Parks	51.0	51.0	51.0	51.0	51.0	-
Information Technology	11.0	11.0	11.0	11.0	11.0	-
subtotal	417.0	417.0	416.0	418.0	419.0	1.0
E-911 Fund (Special Revenue Fund)						
Public Safety	20.0	20.0	23.0	23.0	25.0	2.0
Information Technology	1.0	1.0	1.0	1.0	1.0	-
subtotal	21.0	21.0	24.0	24.0	26.0	2.0
DEA Fund (Special Revenue Fund)						
Public Safety	-	-	-	-	3.0	3.0
Solid Waste Fund (Enterprise Fund)						
Finance	1.0	1.0	1.0	1.0	1.0	-
Full-Time-Equivalent (FTE) Positions	439.0	439.0	441.0	443.0	449.0	6.0
City of Alpharetta Population	52,508	57,571	58,975	61,981	61,981	

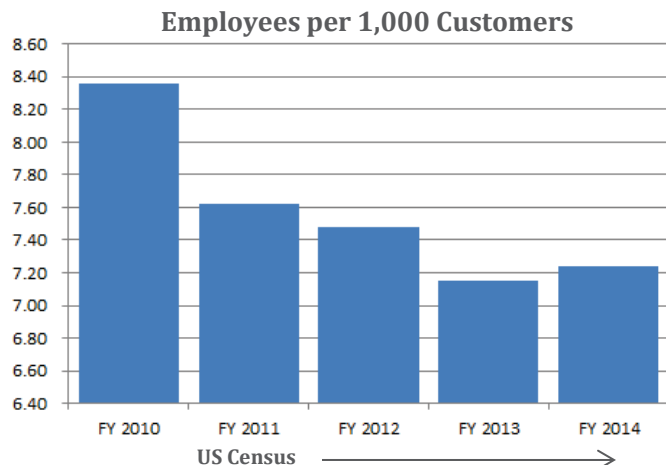
US Census →

Notes:

- * Includes 13.0 full-time equivalent positions that are not funded but are part of the City's authorized work force. These positions will remain vacant pending a (1) justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

Position activity includes the following: (a) transfer of three positions (Arborist, Engineer, and Senior Engineer) from the Engineering & Public Works Department to the Community Development Department for the purposes of improving availability and service to our customers; (b) transfer of two positions (Public Safety Administrator and Communications Training Coordinator) from the General Fund (Public Safety Department) to the E-911 Fund as the underlying job duties are E-911 functions; (c) FY 2014 operating initiatives representing the addition of two Firefighter/Paramedics and one Assistant Fire Marshal within the General Fund and the addition of a Special Investigations Unit (two Police Officers and one Police Lieutenant) within the DEA Fund.

The chart to the right provides an illustration of the number of employees per 1,000 residents. During this time frame, the city has increased its service delivery capabilities and has managed to maintain the ratio through effective and efficient management practices. It should be noted that the FY 2014 ratio increased slightly due to multiple Public Safety initiatives (e.g. Special Investigations Unit).



GENERAL FUND SUMMARY

General Fund Summary

Overview

The *General Fund Summary* section is intended to provide readers with an overall understanding of the city's fiscal year 2014 General Fund budget. The following schedules provide readers with revenue and expenditure summaries/narratives from several different perspectives including:

- **General Fund Summary**

This section provides a brief description of the General Fund as well as charts segmenting revenues by source (e.g. Property Taxes, Licenses & Permits, etc.) and expenditures by department (e.g. City Administration, Public Safety, etc.).

- **Statement of Budgetary Comparisons**

This statement provides a detailed comparison of revenues and expenditures for fiscal years 2013 and 2014. Revenues are presented by source and expenditures are presented by category (i.e. Personnel Services, Maintenance & Operations, Capital, etc.).

- **Statement of Revenues, Expenditures, and changes in Fund Balances**

This statement provides a historical comparison of revenues and expenditures for fiscal years 2010-2014 as well as a forecast for fiscal years 2015-2016. Also included are changes in the city's fund balance. As previously noted, fund balance in excess of the city's 21% emergency reserve is used to fund non-recurring capital expenditures.

The financial forecast utilizes revenue collection patterns (historical and current patterns; as adjusted for seasonal fluctuations) adjusted to reflect the current economic slowdown as well as departmental expenditure mandates as provided by the City Council (e.g. spending growth in line with a reasonable CPI factor, increase in capital funding through the operating budget, etc.).

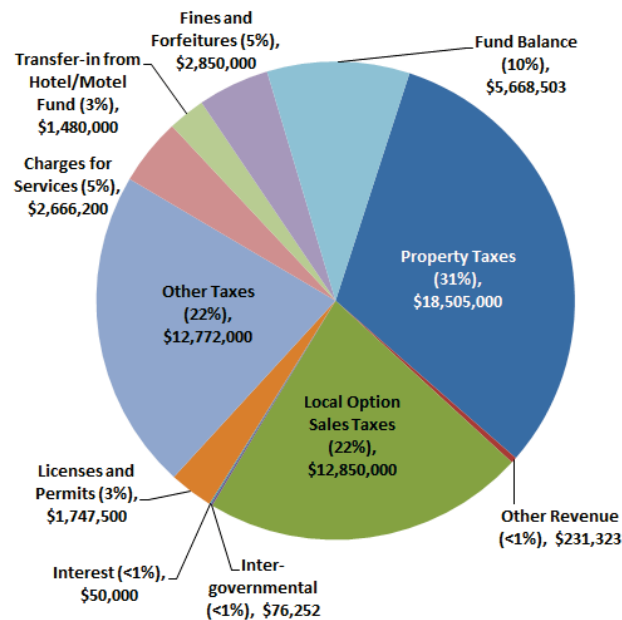
- **Budget Narrative**

This section provides a narrative of General Fund revenue and expenditure trends including historical information.

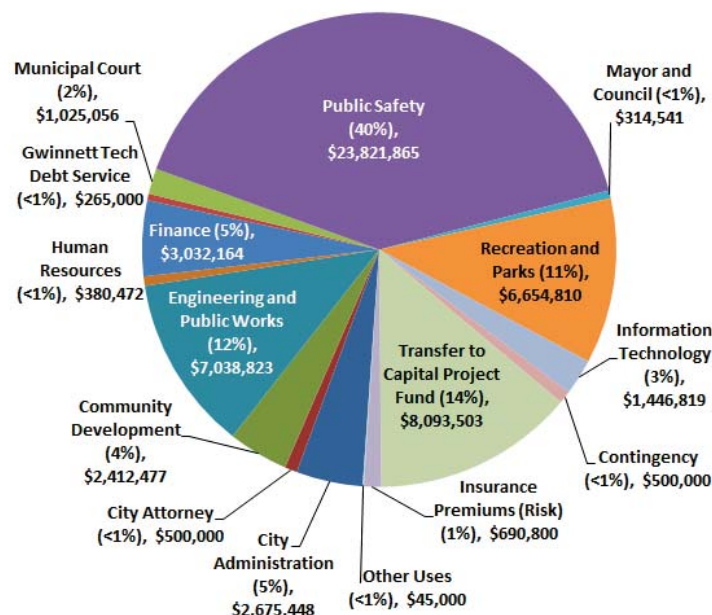
GENERAL FUND SUMMARY

The General Fund is the city's largest fund and includes governmental activities such as police, fire, recreation, and other general governmental functions that are primarily funded with property taxes, utility taxes, franchise fees, state shared revenues, and charges for services, such as recreation program fees.

Summary by Revenue Source



Summary by Department Expenditures



FY 2014 General Fund Budget

totals \$58.9 Million

GENERAL FUND SUMMARY

Statement of Budgetary Comparisons

	FY 2013 AMENDED BUDGET	FY 2014 RECOMMENDED BUDGET	\$ Variance	% Variance
Revenues:				
Property Taxes:				
Current Year	\$ 16,555,000	\$ 17,550,000	\$ 995,000	6.0%
Motor Vehicle	800,000	750,000	(50,000)	-6.3%
Prior Year/Delinquent	255,000	205,000	(50,000)	-19.6%
Local Option Sales Tax	12,070,000	12,850,000	780,000	6.5%
Other Taxes:				
Franchise Fees	6,550,000	6,340,000	(210,000)	-3.2%
Insurance Premium Tax	2,700,000	2,900,000	200,000	7.4%
Alcohol Beverage Excise Tax	1,675,000	1,750,000	75,000	4.5%
Other Taxes	1,620,000	1,782,000	162,000	10.0%
Licenses & Permits	2,024,500	1,747,500	(277,000)	-13.7%
Intergovernmental	76,252	76,252	-	0.0%
Charges for Services	2,600,500	2,666,200	65,700	2.5%
Fines & Forfeitures	3,050,000	2,850,000	(200,000)	-6.6%
Interest	15,000	50,000	35,000	233.3%
Other Revenues	217,169	231,323	14,154	6.5%
Other Financing Sources:				
Interfund Transfer (Hotel/Motel F	1,364,378	1,480,000	115,622	8.5%
Total Operating Revenues	\$ 51,572,799	\$ 53,228,275	\$ 1,655,476	3.2%
Fund Balance Carryforward	4,679,944	5,668,503		
Total Revenues	\$ 56,252,743	\$ 58,896,778		
Expenditures (by Category):				
Personnel Services:				
Salaries and Wages	\$ 23,669,072	\$ 24,223,846	\$ 554,774	2.3%
Group Insurance	5,796,601	6,275,137	478,536	8.3%
Pension (Defined Benefit)	2,587,027	2,359,826	(227,201)	-8.8%
Pension (401A)	1,012,075	1,276,270	264,195	26.1%
Miscellaneous Benefits	2,398,071	2,368,552	(29,519)	-1.2%
subtotal	\$ 35,462,846	\$ 36,503,631	\$ 1,040,785	2.9%
Maintenance and Operations:				
Professional Fees	\$ 1,906,967	\$ 1,946,549	\$ 39,582	2.1%
Maintenance Contracts	1,700,487	1,708,322	7,835	0.5%
Professional Services (IT)	1,120,354	1,272,218	151,864	13.6%
General Supplies	947,417	901,494	(45,923)	-4.8%
Utilities (Electricity)	2,134,993	2,102,400	(32,593)	-1.5%
Fuel	842,000	858,500	16,500	2.0%
Legal Services	500,000	500,000	-	0.0%
Miscellaneous	2,824,853	3,034,987	210,134	7.4%
subtotal	\$ 11,977,071	\$ 12,324,470	\$ 347,399	2.9%
Capital/Lease:				
Fire Truck Leases	\$ 332,820	\$ 275,215	\$ (57,605)	-17.3%
Tyler ERP Lease	111,976	101,431	(10,545)	-9.4%
Work Order Software Lease	133,000	71,728	(61,272)	-46.1%
Miscellaneous	67,285	26,000	(41,285)	-61.4%
subtotal	\$ 645,081	\$ 474,374	\$ (170,707)	-26.5%
Other Uses:				
Contingency	\$ 371,450	\$ 500,000	\$ 128,550	34.6%
Insurance Premiums (Risk Fund)	664,500	690,800	26,300	4.0%
Gwinnett Tech Contribution (Debt	-	265,000	265,000	100.0%
Donations/Contributions	45,000	45,000	-	0.0%
subtotal	\$ 1,080,950	\$ 1,500,800	\$ 419,850	38.8%
Total Operating Expenditures	\$ 49,165,948	\$ 50,803,275	\$ 1,637,327	3.3%
Interfund Transfer:				
Capital Project Fund	7,086,795	8,093,503		
Total Expenditures	\$ 56,252,743	\$ 58,896,778		
Personnel (full-time-equivalent)	418.0	419.0		

GENERAL FUND SUMMARY

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ 21,295,481	\$ 18,879,353	\$ 20,565,040	\$ 21,330,297	\$ 16,650,353	\$ 10,981,850	\$ 10,981,850
Revenues:							
Property Taxes	\$ 18,603,559	\$ 17,973,531	\$ 16,494,539	\$ 17,610,000	\$ 18,505,000	\$ 18,875,100	\$ 19,252,602
Local Option Sales Taxes	11,174,798	11,230,204	12,239,330	12,070,000	12,850,000	13,235,500	13,632,565
Other Taxes	10,998,748	11,210,028	12,587,292	12,545,000	12,772,000	13,102,218	13,475,773
Licenses and Permits	1,497,744	1,819,139	2,201,211	2,024,500	1,747,500	1,799,925	1,853,923
Intergovernmental	76,348	61,294	85,489	76,252	76,252	76,252	76,252
Charges for Services	2,638,962	2,913,918	2,871,235	2,600,500	2,666,200	2,740,696	2,818,918
Fines and Forfeitures	3,360,576	3,110,574	3,045,182	3,050,000	2,850,000	2,907,000	2,965,140
Interest	57,365	36,604	53,079	15,000	50,000	50,000	50,000
Other Revenue	315,562	214,572	250,557	152,272	142,202	142,202	142,202
	\$ 48,723,662	\$ 48,569,864	\$ 49,827,914	\$ 50,143,524	\$ 51,659,154	\$ 52,928,893	\$ 54,267,375
Expenditures:							
Mayor and City Council	\$ 226,706	\$ 210,244	\$ 238,982	\$ 307,471	\$ 314,541	\$ 323,699	\$ 333,586
City Administration	1,602,420	1,573,439	1,693,685	2,333,727	2,675,448	2,732,150	2,791,027
Legal Services	392,470	505,862	484,458	500,000	500,000	510,000	520,200
Community Development	1,925,790	1,932,992	1,915,502	2,057,433	2,412,477	2,480,152	2,550,856
Engineering and Public Works	7,025,225	6,343,910	6,580,587	7,185,001	7,038,823	7,203,896	7,372,433
Finance	2,684,236	2,754,804	2,771,067	2,951,242	3,032,164	3,110,794	3,189,420
Public Safety	21,698,836	22,141,259	22,189,625	23,261,980	23,821,865	24,517,957	25,268,938
Human Resources	263,708	292,169	332,952	396,247	380,472	385,924	391,532
Municipal Court	931,504	928,142	938,942	996,785	1,025,056	1,047,888	1,071,664
Recreation and Parks	6,159,360	6,137,913	6,120,896	6,672,774	6,654,810	6,786,551	6,923,875
Information Technology	1,230,662	1,225,291	1,275,237	1,422,338	1,446,819	1,468,146	1,509,523
Non-Departmental:							
Contingency	-	258,891	68,984	371,450	500,000	505,000	510,000
(1) Insurance Premiums (Risk Fund)	-	-	244,000	664,500	690,800	697,708	704,685
OPEB (full funding of accrued liab)	-	-	862,110	-	-	-	-
Gwinett Tech Debt Service	-	-	-	-	265,000	288,640	290,340
Donations/Contributions	45,000	45,000	45,000	45,000	45,000	45,000	45,000
	\$ 44,185,917	\$ 44,349,916	\$ 45,762,027	\$ 49,165,948	\$ 50,803,275	\$ 52,103,505	\$ 53,473,079
Other Financing Sources (Uses):							
Proceeds from the sale of Capital Asset	\$ 73,099	\$ 247,893	\$ 119,990	\$ 64,897	\$ 89,121	\$ 90,012	\$ 90,912
Interfund Transfer:							
Hotel/Motel Fund	1,132,755	1,253,457	1,345,677	1,364,378	1,480,000	1,509,600	1,539,792
Operating Grant Fund	-	(50,000)	-	-	-	-	-
Capital Grant Fund	(275,000)	-	-	-	-	-	-
Capital Project Fund	(6,634,830)	(3,259,311)	(4,373,797)	(7,086,795)	(8,093,503)	(2,425,000)	(2,425,000)
(1) Risk Management Fund	(1,249,897)	(726,300)	(392,500)	-	-	-	-
	\$ (6,953,873)	\$ (2,534,261)	\$ (3,300,630)	\$ (5,657,520)	\$ (6,524,382)	(825,388)	(794,296)
Ending Fund Balance: (2)	\$ 18,879,353	\$ 20,565,040	\$ 21,330,297	\$ 16,650,353	\$ 10,981,850	\$ 10,981,850	\$ 10,981,850
Changes in Fund Balance (actual/est.)	\$ (2,416,128)	\$ 1,685,687	\$ 765,257	\$ (4,679,944)	\$ (5,668,503)	\$ 0	\$ -
Personnel (full-time-equivalent) (3)	417.0	417.0	416.0	418.0	419.0		

Notes:

- (1) Represents funding to the Risk Management Fund.
- (2) Pursuant to the City's financial management policies, fund balance in excess of the City's current 21% Fund Balance Reserve can be used for one-time capital initiatives. Additionally, the budgetary presentation for fiscal years 2013 and 2014 assumes all appropriations will be spent; historically, a portion of the appropriations will go unspent which will augment the fund balance (i.e. the actual reduction in fund balance will be lower than what is presented above).

GENERAL FUND SUMMARY

Budget Narrative

Revenues

FY 2014 General Fund operating revenues are forecasted to grow by 3.2%, or \$1.7 million, compared to Amended FY 2013.

The following table compares major revenue categories within the General Fund:

	FY 2013 AMENDED BUDGET	FY 2014 RECOMMENDED BUDGET	\$ Variance	% Variance
Revenues:				
Property Taxes:				
Current Year	\$ 16,555,000	\$ 17,550,000	\$ 995,000	6.0%
Motor Vehicle	800,000	750,000	(50,000)	-6.3%
Prior Year/Delinquent	255,000	205,000	(50,000)	-19.6%
Local Option Sales Tax	12,070,000	12,850,000	780,000	6.5%
Other Taxes:				
Franchise Fees	6,550,000	6,340,000	(210,000)	-3.2%
Insurance Premium Tax	2,700,000	2,900,000	200,000	7.4%
Alcohol Beverage Excise Tax	1,675,000	1,750,000	75,000	4.5%
Other Taxes	1,620,000	1,782,000	162,000	10.0%
Licenses & Permits	2,024,500	1,747,500	(277,000)	-13.7%
Intergovernmental	76,252	76,252	-	0.0%
Charges for Services	2,600,500	2,666,200	65,700	2.5%
Fines & Forfeitures	3,050,000	2,850,000	(200,000)	-6.6%
Interest	15,000	50,000	35,000	233.3%
Other Revenues	217,169	231,323	14,154	6.5%
Other Financing Sources:				
Interfund Transfer (Hotel/Motel Fuel)	1,364,378	1,480,000	115,622	8.5%
Total Operating Revenues	\$ 51,572,799	\$ 53,228,275	\$ 1,655,476	3.2%
Fund Balance Carryforward	4,679,944	5,668,503		
Total Revenues	\$ 56,252,743	\$ 58,896,778		

GENERAL FUND SUMMARY

Revenue Forecasting Process

The Finance Department analyzes revenues by source on a monthly basis and compares to the prior five fiscal years to determine the trend and adjust for seasonal fluctuations. A current year revenue estimate is derived from the trend data and is included in the city's monthly financial management report¹³. Trend data also includes non-financial data (e.g. solid waste accounts). The current year estimate, in conjunction with the trend data, is used to formulate the upcoming budget and future forecast values.

Revenue Analysis

Account Name: Property Taxes - Current Year
 Account Number: 10090000-311100/100-0000-311-10-00
 Revenue Category: Taxes
 Date: 7/3/2013

Ad valorem tax consists of an assessed millage rate on real and personal property owned in the City. Real property consists of land, buildings, structures, and improvements affixed to land. Personal property includes machinery, equipment, inventory supplies, and furniture. Taxable personal property also consists of motor vehicles, trailers, campers, mobile homes, boats, airplanes, and other like items. The Fulton County Board of Assessors determines the fair market value for a given property. Property tax is then imposed upon the assessed value at 40% of its fair market value.

MONTH	FY 2008 Actual	FY 2009 Actual	% Change	FY 2010 Actual	% Change	FY 2011 Actual	% Change	FY 2012 Actual	% Change	FY 2013 Actual	% Change
July	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-
September	21,927.56	44,868.09	104.6%	-	-100.0%	33,766.73	-	46,170.69	36.7%	3,524.93	-92.4%
October	1,464,600.23	2,969,350.74	102.7%	17,813.21	-99.4%	2,094,808.25	11659.9%	2,288,741.56	9.3%	2,553,636.20	11.6%
November	11,186,074.94	8,565,685.17	-23.4%	3,450,757.82	-59.7%	11,127,769.12	222.5%	9,459,009.52	-15.0%	11,902,820.98	25.8%
December	2,963,317.41	3,609,599.37	21.8%	12,216,286.14	238.4%	2,113,201.29	-82.7%	2,700,869.66	27.8%	1,908,878.23	-29.3%
January	317,742.37	772,408.16	143.1%	923,266.74	19.5%	254,540.32	-72.4%	474,915.33	86.6%	316,894.08	-33.3%
February	366,487.13	272,195.41	-25.7%	351,895.54	29.3%	223,436.16	-36.5%	180,404.78	-19.3%	106,713.83	-40.8%
March	155,167.73	240,720.97	55.1%	198,499.07	-17.5%	302,145.82	52.2%	66,018.22	-78.2%	301,886.66	357.3%
April	131,662.21	153,297.25	16.4%	50,095.27	-67.3%	72,173.49	44.1%	61,011.96	-15.5%	177,121.63	190.3%
May	38,615.01	142,551.72	269.2%	18,817.08	-86.8%	35,597.97	89.2%	70,202.76	97.2%	35,212.19	-49.8%
June	44,135.96	542,395.02	1128.9%	37,758.10	-93.0%	41,762.88	10.6%	42,599.93	2.0%	15,822.97	-62.9%
SUB-TOTAL	16,689,730.55	17,313,071.90	3.7%	17,265,188.97	-0.3%	16,299,202.03	-5.6%	15,389,944.41	-5.6%	17,322,511.70	12.6%
Adj. Period (July)	155,238.76	365,204.10	135.3%	55,802.07	-84.7%	76,261.98	36.7%	-	-100.0%	-	-
SUB-TOTAL	155,238.76	365,204.10	135.3%	55,802.07	-84.7%	76,261.98	36.7%	-	-100.0%	-	-
TOTAL	16,844,969.31	17,678,276.00	4.9%	17,320,991.04	-2.0%	16,375,464.01	-5.5%	15,389,944.41	-6.0%	-	-100.0%
ORIGINAL BUDGET	16,059,674	16,620,000		17,100,000		16,500,000		15,500,000		16,555,000	
AMENDED BUDGET	16,059,674	16,620,000		17,100,000		16,500,000		15,500,000		16,555,000	
% OVER AMENDED BUDGET	0.00%	0.00%		0.00%		0.00%		0.00%		0.00%	
Current Period % to Actual	99.08%	97.93%		99.68%							
Current Period % to Budget						98.78%		99.29%		104.64%	
Variance: Actual to Budget	785,295	1,058,276		220,991		(124,536)		(110,056)		(16,555,000)	

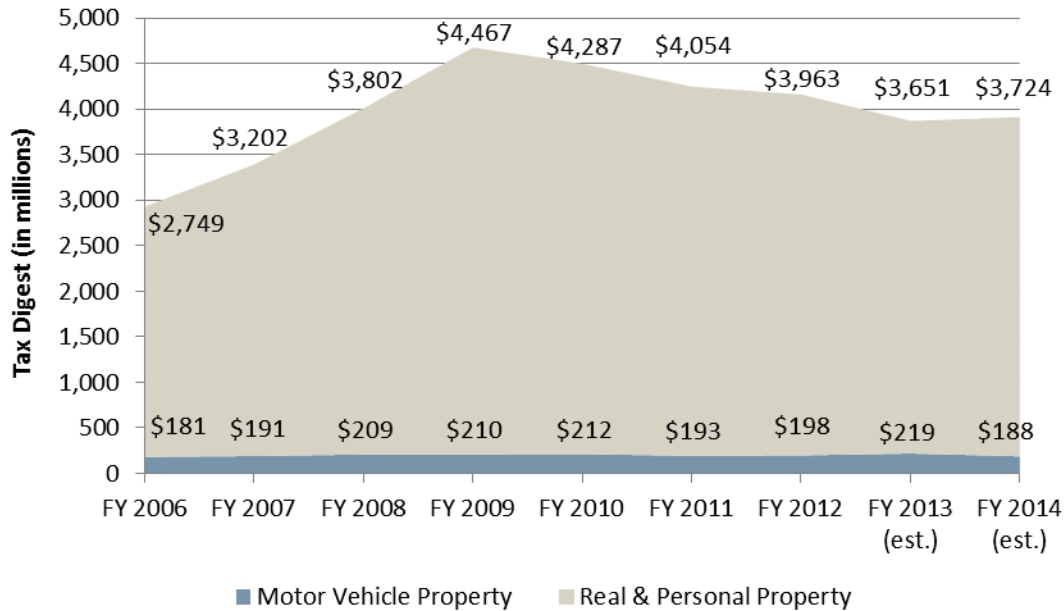
Property Taxes

Property taxes are calculated based on an assessed millage rate on real and personal property owned within the city. Real property consists of land, buildings, structures, and improvements affixed to land. Personal property includes machinery, equipment, inventory supplies, furniture, motor vehicles, boats, etc. The Fulton County Board of Assessors (the "BOA") determines the fair market value of property (i.e. tax digest) utilizing numerous analytical methods including comparative sales data.

¹³ Please refer to the Financial Management Policies (Section III: Financial Reporting).

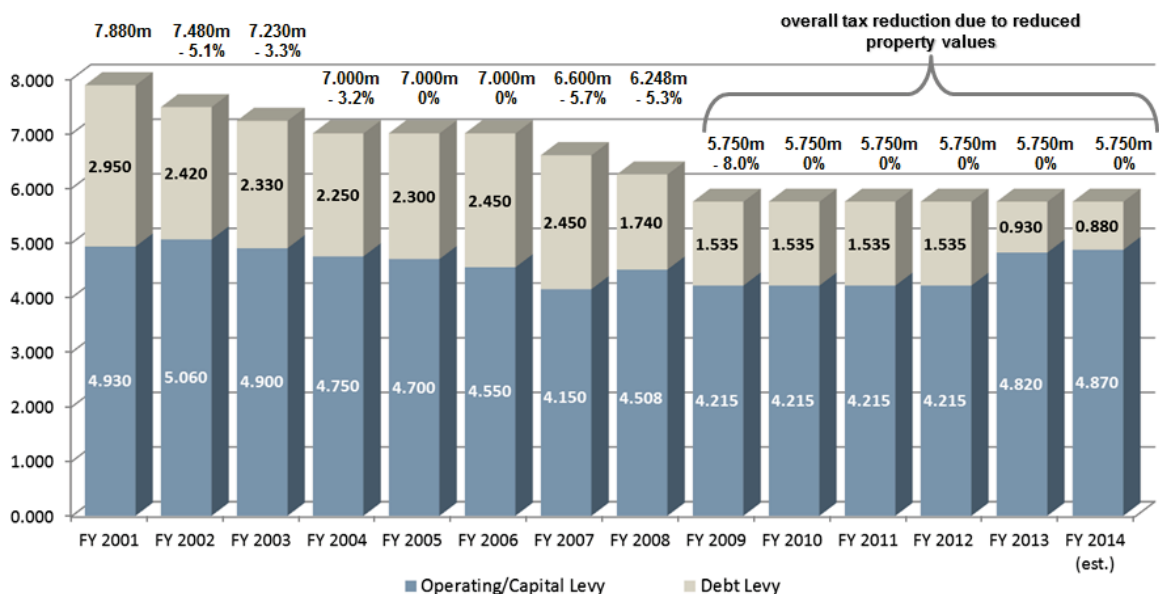
GENERAL FUND SUMMARY

The chart below illustrates the tax base growth (net of exemptions) within the city for the last 7 years and the forecast for FY 2013.



In conjunction with the annual budget process, the city adopts a millage rate to be applied to the tax digest in order to determine the taxroll value and, consequently, the property tax billings.

The city has historically acknowledged the need to provide a taxation rate commensurate with the government's level of service. The chart below illustrates the annual millage rates levied by the city for the last 14 years.



GENERAL FUND SUMMARY

The FY 2014 Budget is based on maintenance of the city's millage rate at 5.750 mills. Property tax digest growth is estimated at 2%.

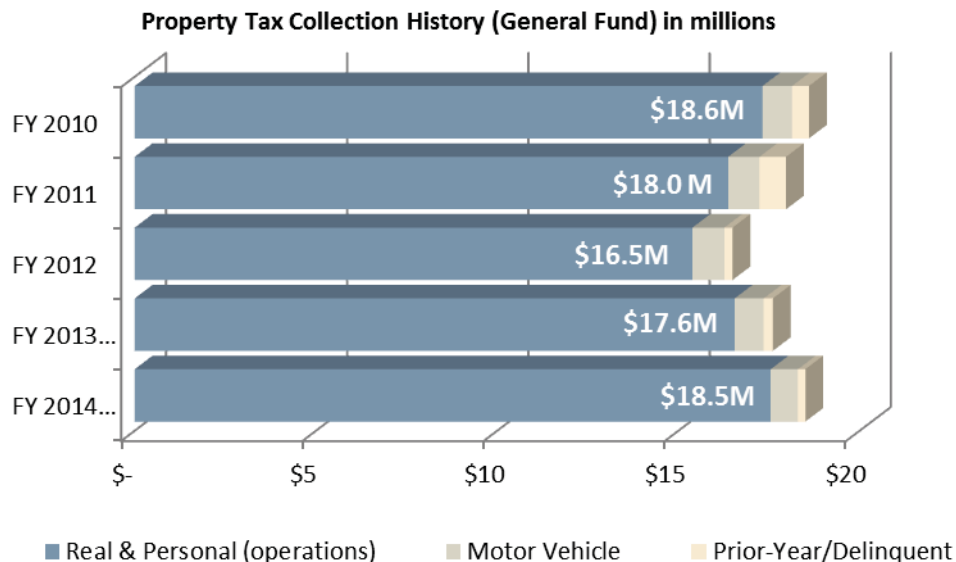
- The portion of the millage rate funding debt service (Debt Service Fund) will decline from 0.93 mills in FY 2013 to 0.88 mills in FY 2014 (0.05 mill reduction). The underlying debt service requirements will remain consistent at approximately \$3.7 million annually over short-term. The consistent debt service requirements coupled with estimated growth in the property tax digest allows for a reduction in the millage rate dedicated for debt service. The FY 2014 Budget proposes to program the debt service millage reduction into the General Fund for funding of debt service on the proposed Gwinnett Tech contribution (\$4 million financed over 20-years). As the Gwinnett Tech debt is not a general obligation bond, the debt service must be recorded within the General Fund.
- The portion of the millage rate funding operations and the recurring capital program (General Fund) will increase from 4.82 mills in FY 2013 to 4.87 mills in FY 2014. Property tax revenue estimates for FY 2014 total \$17.6 million (excluding motor vehicle taxes). Of this amount, \$265,000 is included for full funding of the annual debt service on the Gwinnett Tech contribution and \$2.4 million is dedicated to the recurring capital program (e.g. milling & resurfacing of city streets, traffic equipment maintenance, fleet replacement, etc.) and will be transferred to the Capital Project Fund to properly account for the acquisition/construction of the recurring capital initiatives.

The property tax revenue estimates are net of the city's \$40,000 homestead exemption which saves our homeowners over \$2.6 million annually (e.g. equates to a 1.6 mill reduction for the average homeowner). The city's homestead exemption is more than double the amounts offered from our companion cities and goes great lengths in keeping Alpharetta an affordable place to live and raise a family.

Motor vehicle taxes will experience a decline due to the partial year impact of House Bill 386 which is phasing out motor vehicle taxes on all vehicles titled on or after March 1, 2013. The city will still receive motor vehicle taxes on vehicles titled before March 1, 2013 until the vehicle is sold/transferred. The city is forecasting motor vehicle revenues to be fully phased-out over the seven year period ending in FY 2020. HB 386 created a Motor Vehicle Title Fee (included within the "Other Taxes" line) that is intended to partially offset the reduction in motor vehicle taxes. The title fee is estimated at \$85,000 in FY 2014 (trend data is needed to provide a more accurate forecast of collections).

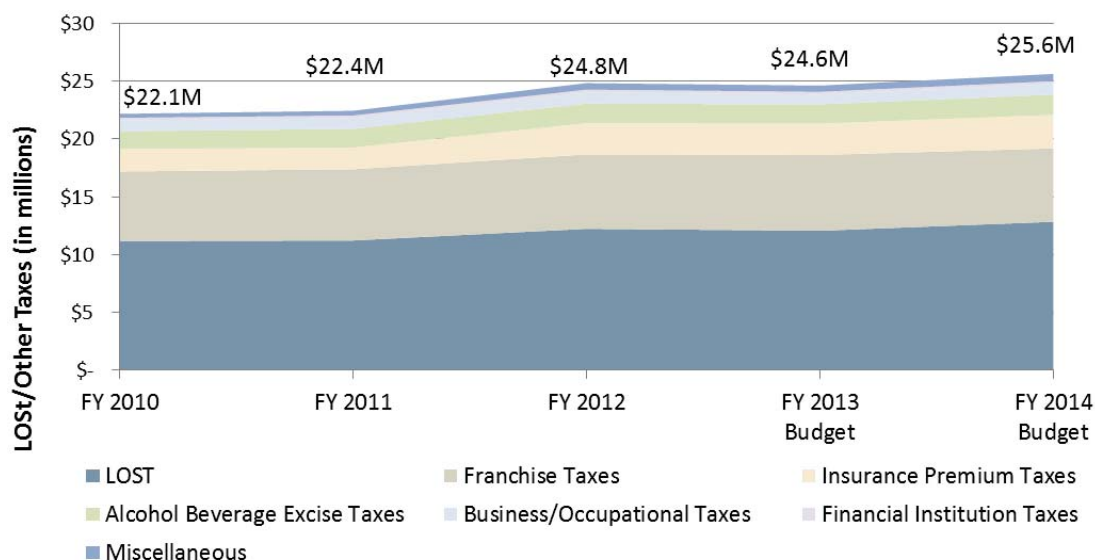
GENERAL FUND SUMMARY

Property taxes represent approximately 31% of General Fund revenues. FY 2014 Property Taxes are estimated at \$22.2 million citywide with the breakdown as follows: General Fund (\$18.5 million); and Debt Service Fund (\$3.7 million). The chart below depicts a 5-year history of General Fund property tax collections by type.



Other Taxes (including LOST)

Other taxes account for 44%, or \$25.6 million, of total General Fund revenue for FY 2014. Specifically, revenue sources within the Other Taxes category include Local Option Sales Taxes ("LOST"), Franchise Taxes, Insurance Premium Taxes, Alcohol Beverage Excise Taxes, etc. The chart below provides a 5-year history of Other Tax collections by type.



GENERAL FUND SUMMARY

- **Local Option Sales Taxes (“LOST”):** This revenue source represents the city’s portion of the 7% sales and use tax collected in Fulton County and totals \$12.9 million for FY 2014.

Sales and use tax is collected by the retailer making sales of tangible personal property in Fulton County. LOST is reported and remitted to the Georgia Department of revenue each month for the previous month’s sales. The DOR calculates the distribution and remits the revenue to the city monthly.

The LOST is distributed to municipalities within Fulton County based on population. The rate of distribution is negotiated every 10-years after the decennial U.S. Census. Due to recent annexation growth, the city received an increase in its proportionate distribution to 5.2% of the amount shared by local governments (roughly 1% of the 7% sales and use tax levy). The City is currently in negotiations with Fulton County and its companion municipalities on how to adjust the distribution to reflect the 2010 Census figures.

Current year LOST collections are growing 2.5% higher than prior year and are estimated at \$12.6 million in FY 2013. Growth of 2.5% is forecast to continue into FY 2014 resulting in a base LOST appropriation of \$12.9 million.

There are multiple factors affecting LOST collections over the short-term including: (1) HB 386¹⁴ which included provisions relating to sales tax exemptions aimed at making our community more competitive for industry/business retention and recruitment; and (2) the city’s ongoing negotiation with its companion governmental entities within Fulton County over redistribution of LOST proceeds based on the 2010 Census findings.

The city fully anticipates that the LOST redistribution will result in additional revenue above what is forecast in the FY 2014 budget

- **Franchise Taxes:** All entities that provide electric, gas, cable, and/or telecommunications service within the city are required to have a franchise agreement for the use of public right-of-ways. Estimated revenue for FY 2014 totals \$6.4 million. A decline of -3.2% is forecasted for FY 2014 from a budget-to-budget standpoint. Actual collections are estimated at \$6.2 million in FY 2013. GA Power, the largest contributor to this revenue source (68% of total franchise fees), obtained approval from the Georgia Public Service Commission for three incremental rate increases that began in calendar year 2011 (8-10%) and occurred annually through 2013 (1-3%). However, revenue from these rate increases were fully offset through fuel rate reductions by Georgia Power in June 2012 (-19%) and January 2013 (-7%). The drop in fuel costs was partially driven by lower natural gas prices as a result of

GENERAL FUND SUMMARY

increased natural gas supplies and lower demand for electricity resulting from milder-than-normal summer weather. Georgia law prohibits a company from earning a profit on fuel.

Several of the larger franchise agreements include the following: Georgia Power (electric/4% of taxable gross sales); Comcast (cable and communications/3% of gross receipts); BellSouth (communications/3% of gross receipts); etc.

- **Insurance Premium Taxes:** This revenue source represents a percentage of insurers' gross direct premiums on life, accident, and sickness insurance policies written within the State and totals \$2.9 million in FY 2014. Growth of 7.4% is forecasted for FY 2014 from a budget-to-budget standpoint. However, actual collections during FY 2013 totaled \$2.9 million. The FY 2014 budget assumes collections remain flat with FY 2013 actual collections.

Insurance premium tax is due on the first day of the calendar year and is collected directly by the city.

- **Alcohol Beverage Excise Taxes:** This revenue source represents taxes levied on dealers and wholesalers of alcoholic beverages within the city and totals \$1.8 million in FY 2014. Growth of 4.5% is forecasted for FY 2014 from a budget-to-budget standpoint. However, actual collections are estimated at \$1.7 million in FY 2013 (FY 2014 budget represents 2.9% growth over estimated 2013 collections).

Licenses & Permits

Licenses & permits account for 3%, or \$1.7 million, of total General Fund revenue for FY 2014. Licenses and permit revenues include alcoholic beverage permit fees, development permit and related fees, building permit fees, occupancy permit fees, sign permit fees, etc.

A reduction of -13.7% is forecasted for FY 2014 based on current collection patterns and permit activity. The primary driver of the revenue reduction is Building Permit Fees. From a trend perspective, the number of permits being issued in FY 2013 is substantially similar to FY 2012. The permit valuations in FY 2013, however, are lower and resulting in reduced revenue collections (e.g. smaller scale improvements/projects). This trend is expected to stabilize in FY 2015 with multiple large scale mixed-use (retail, commercial, residential, etc.) development either under construction (Avalon Project) or in the planning phases. Data used in forecasting models (e.g. building permits, certificate of occupancy submissions, etc.) indicate that economic activity will sustain the current revenue forecasts with growth increasing in the short-term.

GENERAL FUND SUMMARY

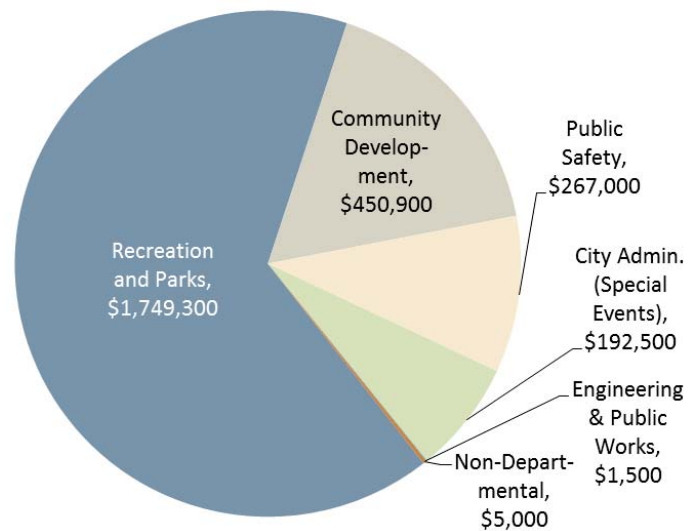
Intergovernmental

Intergovernmental sources account for <1%, or \$76,252, of total General Fund revenue for FY 2014. This revenue is generated from an Intergovernmental Agreement with the City of Milton related to the sharing of public safety capabilities.

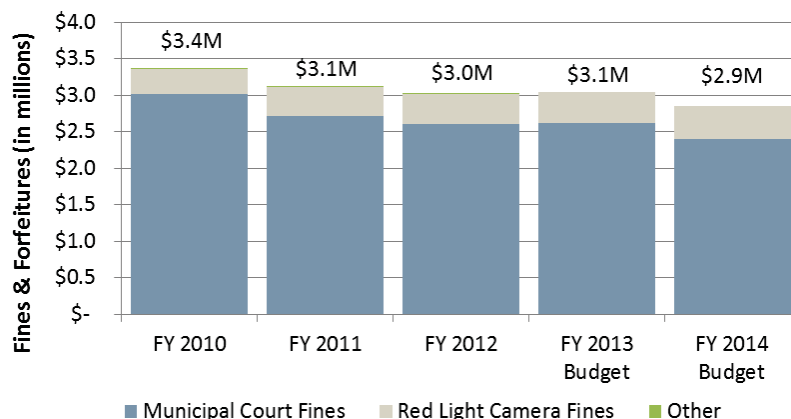
Charges for Services

Charges for services account for 5%, or \$2.7 million, of total General Fund revenue. Growth of 2.5% is forecasted for FY 2014 based on current collection patterns and is primarily related to new programs (Youth Volleyball and Babysitter Boot Camp) and revised estimates of recreation and parks program fee collections. Specific revenue sources include: Athletics activity fees (increased \$39,300 to \$389,300); Community Center activity fees (increased \$25,000 to \$375,000); Equestrian Center fees (decreased -\$65,000 to \$250,000); Wills Park Recreation Center (decreased -\$50,000 to \$150,000); and Non-Resident Fees (increased \$85,000 to \$375,000 due primarily to the Intergovernmental Agreement with the City of Milton).

Charges for Services: \$2.7M



Charges for services include user fees for community development (plan review, planning and development fees, etc.), public safety (plan review, police reports and services, etc.), recreation and parks (program and activity fees, etc.), and special events (Taste of Alpharetta event fees, etc.).



Fines & Forfeitures

Fines & forfeitures account for 5%, or \$2.9 million, of total General Fund revenue for FY 2014. Reduction of -6.6% is forecasted for FY 2014 due primarily to decreases in Municipal Court fines (decreased -\$225,000 to \$2.4 million). The decline is due to multiple factors

GENERAL FUND SUMMARY

including reductions in the number of citations and an increase in the number of offenders providing community service in lieu of paying fines due to economic hardship/inability to pay.

Fines & Forfeitures include municipal court fines, code enforcement, red light camera citations, etc.

Interest

Interest earnings account for <1%, or \$50,000, of total General Fund revenue for FY 2014. Increases are forecasted to more accurately reflect the earnings the city is currently receiving on its investments as governed by the city's investment management policy.

Other Financing Sources

Other Financing Sources account for 3%, or \$1.5 million, of total General Fund revenue for FY 2014 and consists of the city's share (40%) of the Hotel/Motel Tax. This revenue source is discussed in more detail within the *Special Revenue Fund Summaries* (Hotel/Motel Fund) section of this document.

Fund Balance

Carryforward fund balance accounts for 10%, or \$5.7 million, of total General Fund appropriations for FY 2014. Carryforward Fund Balance represents available cash in excess of the city's 21% emergency reserve. The excess fund balance is used to fund non-recurring capital expenditures as detailed in the transmittal letter as well as the *Capital and Debt* tab of this document.

GENERAL FUND SUMMARY

Expenditures

Operating expenditures of the General Fund are up 3.3% over FY 2013. This figure includes the incremental budgetary impact for the position changes approved during the FY 2013 mid-year budget (Economic Development Manager and increase from part-time to full-time status for one Special Events Coordinator), full funding of the annualized Gwinnett Tech debt service, operating initiatives¹⁵, and the city election. After adjusting for these new incremental budgetary impacts, the **base operational budget growth totals 2% and is less than CPI¹⁶**.

The following table compares departmental appropriations within the General Fund:

	FY 2013 AMENDED BUDGET	FY 2014 RECOMMENDED BUDGET	\$ Variance	% Variance
Expenditures (by Department):				
Mayor and Council	\$ 307,471	\$ 314,541	\$ 7,070	2.3%
City Administration	2,333,727	2,675,448	341,721	14.6%
Legal Services	500,000	500,000	-	0.0%
Community Development	2,057,433	2,412,477	355,044	17.3%
Engineering and Public Works	7,185,001	7,038,823	(146,178)	-2.0%
Finance	2,951,242	3,032,164	80,922	2.7%
Public Safety	23,261,980	23,821,865	559,885	2.4%
Human Resources	396,247	380,472	(15,775)	-4.0%
Municipal Court	996,785	1,025,056	28,271	2.8%
Recreation and Parks	6,672,774	6,654,810	(17,964)	-0.3%
Information Technology	1,422,338	1,446,819	24,481	1.7%
Non-Departmental:				
Contingency	371,450	500,000	128,550	34.6%
Insurance Premiums (Risk Fund)	664,500	690,800	26,300	4.0%
Gwinnett Tech Contribution (Debt S	-	265,000	265,000	100.0%
Donations/Contributions	45,000	45,000	-	0.0%
Total Operating Expenditures	\$ 49,165,948	\$ 50,803,275	\$ 1,637,327	3.3%
Interfund Transfer:				
Capital Project Fund	7,086,795	8,093,503		
Total Expenditures	\$ 56,252,743	\$ 58,896,778		

¹⁵ Please refer to the Transmittal Letter for detailed descriptions of the initiatives.

¹⁶ 12 month CPI for All Urban Consumers (CPI-U), Atlanta, totaled 2.1%.

GENERAL FUND SUMMARY

The following table compares expenditure category appropriations within the General Fund:

	FY 2013 AMENDED BUDGET	FY 2014 RECOMMENDED BUDGET	\$ Variance	% Variance
Expenditures (by Category):				
Personnel Services:				
Salaries and Wages	\$ 23,669,072	\$ 24,223,846	\$ 554,774	2.3%
Group Insurance	5,796,601	6,275,137	478,536	8.3%
Pension (Defined Benefit)	2,587,027	2,359,826	(227,201)	-8.8%
Pension (401A)	1,012,075	1,276,270	264,195	26.1%
Miscellaneous	2,398,071	2,368,552	(29,519)	-1.2%
<i>subtotal</i>	\$ 35,462,846	\$ 36,503,631	\$ 1,040,785	2.9%
Maintenance and Operations:				
Professional Fees	\$ 1,906,967	\$ 1,946,549	\$ 39,582	2.1%
Maintenance Contracts	1,700,487	1,708,322	7,835	0.5%
Professional Services (IT)	1,120,354	1,272,218	151,864	13.6%
General Supplies	947,417	901,494	(45,923)	-4.8%
Utilities (Electricity)	2,134,993	2,102,400	(32,593)	-1.5%
Fuel	842,000	858,500	16,500	2.0%
Legal Services	500,000	500,000	-	0.0%
Miscellaneous	2,824,853	3,034,987	210,134	7.4%
<i>subtotal</i>	\$ 11,977,071	\$ 12,324,470	\$ 347,399	2.9%
Capital/Lease:				
Fire Truck Leases	\$ 332,820	\$ 275,215	\$ (57,605)	-17.3%
Tyler ERP Lease	111,976	101,431	(10,545)	-9.4%
Work Order Software Lease	133,000	71,728	(61,272)	-46.1%
Miscellaneous	67,285	26,000	(41,285)	-61.4%
<i>subtotal</i>	\$ 645,081	\$ 474,374	\$ (170,707)	-26.5%
Other Uses:				
Contingency	\$ 371,450	\$ 500,000	\$ 128,550	34.6%
Insurance Premiums (Risk Fund)	664,500	690,800	26,300	4.0%
Gwinnett Tech Contribution (Debt S	-	265,000	265,000	100.0%
Donations/Contributions	45,000	45,000	-	0.0%
<i>subtotal</i>	\$ 1,080,950	\$ 1,500,800	\$ 419,850	38.8%
Total Operating Expenditures	\$ 49,165,948	\$ 50,803,275	\$ 1,637,327	3.3%
Interfund Transfer:				
Capital Project Fund	7,086,795	8,093,503		
Total Expenditures	\$ 56,252,743	\$ 58,896,778		

GENERAL FUND SUMMARY

Meeting the Internal Needs of Operating Departments

Several of the major points of the FY 2014 Budget are as follows:

- Operating expenditures of the General Fund are up 3.3% over FY 2013. This figure includes the incremental budgetary impact for the position changes approved during the FY 2013 mid-year budget (Economic Development Manager and increase from part-time to full-time status for one Special Events Coordinator), full funding of the annualized Gwinnett Tech debt service, operating initiatives¹⁷, and the city election. After adjusting for these new incremental budgetary impacts, the **base operational budget growth totals 2% and is less than CPI¹⁸**.
- Management of personnel and compensation program to align with current market environment:
 - Personnel
 - ✓ 430 full-time equivalents (funded; includes FY 2013 mid-year budget amendments to add one Economic Development Manager position and upgrade one Special Events Coordinator from part-time to full-time status);
 - ✓ 6 full-time equivalents (funded; FY 2014 operating initiatives¹⁹ to increase public safety service levels); and
 - ✓ 13 full-time equivalents (un-funded; budgetary savings of \$800,000)
 - positions to remain vacant pending a workload justification and identified funding source.
 - Implementation of a performance-based merit program of 3% on April 1, 2014, per authorized/funded position (estimated cost of \$205,000 citywide²⁰). This merit program is contingent upon a mid-year review of revenue trends to determine if sufficient funding is available. Research of national and local wage growth data indicates the 3% rate is a responsible average (i.e. not among the highest or the lowest).
 - Coverage of group insurance premiums (12% premium increase; \$596,604 incremental budget impact). The premium growth is due to claims patterns that are trending at over 100% of premiums (industry standard is 80-85%) and general medical cost inflation.

¹⁷ Please refer to the Transmittal Letter for detailed descriptions of the initiatives.

¹⁸ 12 month CPI for All Urban Consumers (CPI-U), Atlanta, totaled 2.1%.

¹⁹ Please refer to the Transmittal Letter for detailed descriptions of the initiatives.

²⁰ This represents the financial impact in FY 2014 (i.e. April-June 2014).

GENERAL FUND SUMMARY

The Finance Department, in conjunction with Bryant Wharton (insurance advisor), successfully lowered the competitive renewal from 20% to 12% after negotiations and several plan design changes.

- Decrease in the actuarially determined defined benefit pension contribution of -7%, or -\$200,000, compared to FY 2013.
 - Increase in 401A Pension Contribution of \$303,667 due to a combination of staff turnover (Defined Benefit pension plan was closed to new hires as of July 1, 2009; New staff are enrolled in the 401A plan) and adjusting the budget to more accurately track participation in the city's 401A match program.
- Targeted growth (2.9% or \$347,399) in departmental maintenance and operations budgets (General Fund) that is primarily attributable to the following:
 - Increase in professional fees of \$39,582 due primarily to: costs associated with the upcoming municipal election (November 2013); increased fees for the GBI fingerprinting program (offset through additional user fees); FY 2014 operating initiatives for a Wage & Benefit Study and instructor fees for the new Youth Volleyball League and Babysitter Boot Camp programs; and partially offset through the elimination of the emergency ambulance subsidization (Rural Metro);
 - Increase of \$41,621 in repair and maintenance of city assets (equipment, vehicles, grounds, and facilities). Cost drivers include facility maintenance (e.g. overhead doors at fire stations, etc.) and grounds maintenance (e.g. Milton Center maintenance pursuant to the Intergovernmental Agreement and North Park repairs including repaving the walking trails at fields 6-8, replacing the dugout canopies at fields 5-8, and repairing the fencing at football field 1);
 - Increase of \$53,484 in travel and training primarily associated with economic development initiatives, maintaining required levels of certification, and learning to utilize the city's software tools more effectively (e.g. CityWorks permitting/work-order software, ActiveNet recreation management software, Munis financial management software, as well as core technologies such as OSSl, CISCO, and virtualization);
 - Increase in professional services (IT) of \$151,864 due primarily to support/maintenance costs for the CityWorks software (work order/permitting) and ActiveNet software (recreation management) approved during FY 2013 coupled with increased cellphone service charges (upgrade to smartphones/iPads);

GENERAL FUND SUMMARY

- Increase of \$41,493 in uniform expenses related primarily to the Public Safety Department (turnout gear for firefighters, uniforms for police officers/reservists, as well as additional uniform costs for the two new Firefighter/Paramedic positions approved as part of the FY 2014 operating initiatives);
 - Increase of \$60,000 in wellness program expenses due to the inclusion of spouses into the CHN program;
 - Decrease in general supplies of -\$45,923 based on current expenditure trends including reductions in postage and office supplies; and
 - Net increase of \$5,278 (total) in all other departmental maintenance and operations accounts).
- Significant reduction (-26.5% or -\$170,707) in departmental operating capital/lease budgets due to a combination of non-recurring capital purchases in FY 2013, the acquisition lease costs for the CityWorks software coming in under budget, and the refinancing of the city's capital leases. Specifically, the Finance Department refinanced the city's entire portfolio of capital leases during FY 2013 which resulted in a 69% savings in interest expense over the respective lives of the leases.
 - The Other Uses category includes the following: contingency (approximately 1% of the operating budget); increases in insurance premiums (Risk Management Fund); funding of debt service on the proposed Gwinnett Tech contribution (\$4 million financed over 20-years); and a continuation of funding for the Police Athletic League (\$35,000) and Friends of the Library (\$10,000)

The departmental budgets are detailed within the *Departmental Information* section of this document.



GENERAL FUND SUMMARY



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SPECIAL REVENUE FUND SUMMARIES

Special Revenue Fund Summaries

Overview

The *Special Revenue Fund Summaries* section is intended to provide readers with an overall understanding of the respective fiscal year 2014 budgets for the city's Special Revenue Funds.

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. All special revenue funds utilize the modified accrual basis of budgeting and accounting.

The following schedules are set forth by Fund and provide readers with revenue and expenditure summaries/narratives from several different perspectives including:

- **Fund Summary**

This section provides a brief description of the Fund as well as charts segmenting revenues by source (e.g. Charges for Services, Licenses & Permits, etc.) and expenditures by use (e.g. Personnel Services, Maintenance & Operations, Capital, etc.).

- **Statement of Budgetary Comparisons**

This statement provides a detailed comparison of revenues and expenditures for fiscal years 2013 and 2014. Revenues are presented by source and expenditures are presented by use.

- **Statement of Revenues, Expenditures, and changes in Fund Balances**

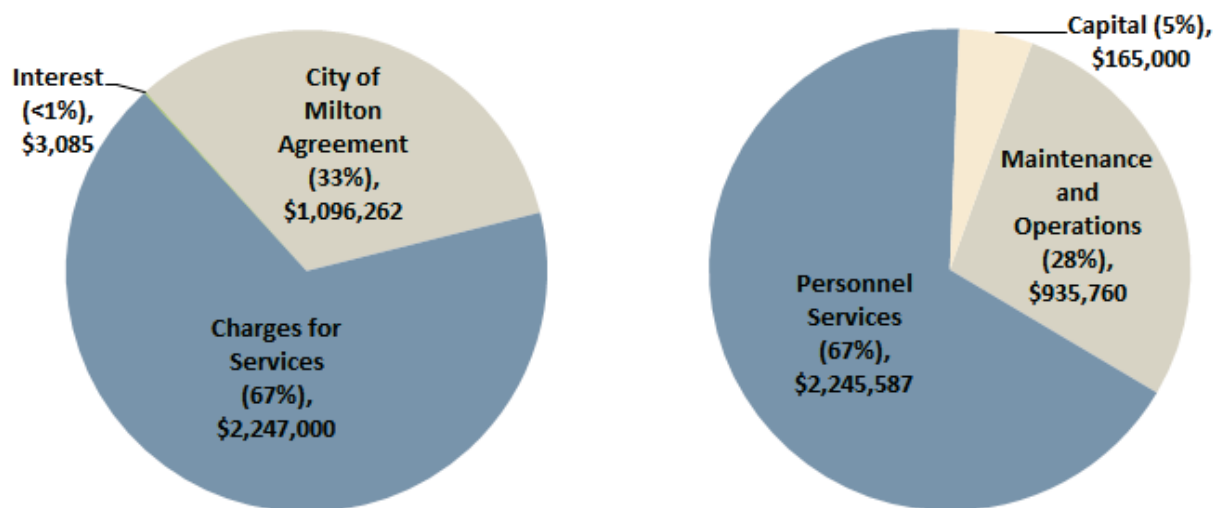
This statement provides a historical comparison of revenues and expenditures for fiscal years 2010-2014 as well as a forecast for fiscal years 2015-2016. Also included are changes in fund balance.

The financial forecast utilizes revenue collection patterns (historical and current patterns; as adjusted for seasonal fluctuations) adjusted to reflect expenditure mandates as provided by the City Council.

SPECIAL REVENUE FUND SUMMARIES

Emergency 911 Fund Summary

FY 2014 Budget: \$3,346,347



Revenues by Source

Expenditures by Use

The E-911 Fund accounts for fees received from users, or potential users, of the city's Emergency 911 System. The fee equals \$1.50 monthly and is paid directly from wired and wireless telecommunication providers (including prepaid cards) as well as Voice over Internet Protocol ("VOIP") providers, with expenditures occurring to maintain and run the system within the government. The Public Safety Department manages the E-911 Program.

Trends

The FY 2014 Budget for the E-911 Fund totals \$3,346,347 and represents a decrease of -38%, or -\$2,048,594, compared to FY 2013. The main driver of this variance is the reserve (i.e. available fund balance) budgeted in FY 2013²¹. After adjusting for the reserve, the true operational budget growth totals 15%. Funding for applicable service portions of the budget are split between Alpharetta and the City of Milton per Intergovernmental Agreement.

The Personnel Services category increased 18.2%, or \$346,131, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in group insurance premiums; costs, and the reorganization of two full-

²¹ Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. A portion of this Reserve was used to fund the city's share of the North Fulton Radio Initiative. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

SPECIAL REVENUE FUND SUMMARIES

time positions (Public Safety Administrator and Communications Training Coordinator) from the General Fund to the E-911 Fund as their job functions represent E-911 activities.

Authorized personnel total 26.0 FTEs.

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
Communications Officer	12.0	12.0	14.0	14.0	14.0	-
Communications Shift Supervisor	4.0	4.0	5.0	5.0	5.0	-
Communications Training Coord. (Captain)*	-	-	-	-	1.0	1.0
Public Safety Administrator (Battalion Chief)*	-	-	-	-	1.0	1.0
Sr. Communications Officer	4.0	4.0	4.0	4.0	4.0	-
IT Systems Administrator	1.0	1.0	1.0	1.0	1.0	-
	21.0	21.0	24.0	24.0	26.0	2.0

* Position duties are composed of E-911 functions were reallocated in FY 2014 to the E-911 Fund from the General Fund (Public Safety Department).

The Maintenance & Operations category decreased -7.2%, or -\$72,061, due primarily to the following activity:

- Decrease in maintenance contracts of -\$41,283 due to a reduction in phone system maintenance allocations coupled with increases in Fulton County radio system fees and funding for janitorial services to clean the E-911 facility;
- Decrease in professional services (IT) of -\$13,438 due to a reduction in CAD software maintenance needs; and
- Decrease in utilities of -\$7,000 based on current expenditure trends.

The Capital category includes funding totaling \$165,000 for general capital equipment needs (\$5,000), Fire Dispatch Protocol/Accreditation initiative (\$125,000; jointly funded by the City of Alpharetta and the City of Milton), and the purchase of 6 radios and associated equipment for the Police Reserve Unit (\$35,000; fully funded by the City of Alpharetta).



E-911 Call Center

SPECIAL REVENUE FUND SUMMARIES

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Charges for Services:				
E-911 Service Fees (land lines)	\$ 814,000	\$ 920,000	\$ 106,000	13.0%
E-911 Service Fees (cell phones)	1,121,000	1,327,000	206,000	18.4%
Intergovernmental:				
City of Milton	972,599	1,096,262	123,663	12.7%
Interest	1,077	3,085	2,008	186.4%
Other Financing Sources: (2)				
Budgeted Fund Balance	2,486,265	-	(2,486,265)	-100.0%
Total Revenues (All Sources): (1)	\$ 5,394,941	\$ 3,346,347	\$ (2,048,594)	-38.0%
Personnel Services:				
Salaries	\$ 1,305,486	\$ 1,522,844	\$ 217,358	16.6%
Benefits	593,970	722,743	128,773	21.7%
Maintenance and Operations:				
Communications	400,680	405,000	4,320	1.1%
Maintenance Contracts	195,161	153,878	(41,283)	-21.2%
Professional Services (IT)	174,251	160,813	(13,438)	-7.7%
Utilities	63,000	56,000	(7,000)	-11.1%
Miscellaneous	174,729	160,069	(14,660)	-8.4%
Capital:				
Miscellaneous (3)	37,918	165,000	127,082	335.1%
North Fulton Radio System (COA)	2,413,730	-	(2,413,730)	-100.0%
Other Uses: (2)				
Non-Allocated/Reserve	36,016	-	(36,016)	-100.0%
Transfer to Capital Project Fund	-	-	-	100.0%
Total Expenditures (All Uses): (1)	\$ 5,394,941	\$ 3,346,347	\$ (2,048,594)	-38.0%

Personnel (full-time-equivalent) (4)	24.0	26.0
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Notes:

(1) Includes non-operating revenue and expenditures such as Carryforward Fund Balance and Non-Allocated/Reserves. The true operational budget growth after adjusting for non-operating items approximates 15%.

(2) Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

(3) Capital initiative funding for FY 2014. Specifically, \$125,000 represents funds for Fire Dispatch Protocols/Accreditation and will be jointly funded by the City of Alpharetta and the City of Milton. \$35,000 represents funding for the purchase of 6 radios by the Police Reserve Unit and is fully funded by the City of Alpharetta.

(4) FY 2014 includes the reorganization of two full-time positions (Public Safety Administrator and Communications Training Coordinator) from the General Fund to the E-911 Fund as their job functions represent E-911 activities.

SPECIAL REVENUE FUND SUMMARIES

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ 2,280,174	\$ 2,470,588	\$ 2,921,114	\$ 1,915,839	\$ 2,486,265	\$ 36,016	\$ 36,016	\$ 36,016
Revenues:								
Charges for Services	\$ 1,986,479	\$ 2,001,326	\$ 2,280,641	\$ 2,313,371	\$ 1,935,000	\$ 2,247,000	\$ 2,269,470	\$ 2,292,165
Interest	34,693	11,147	3,488	5,624	1,077	3,085	3,116	3,147
City of Milton Agreement	393,675	551,065	535,797	535,370	972,599	1,096,262	1,107,225	1,118,297
Other	-	1,084	-	-	-	-	-	-
	\$ 2,414,847	\$ 2,564,622	\$ 2,819,927	\$ 2,854,365	\$ 2,908,676	\$ 3,346,347	\$ 3,379,810	\$ 3,413,609
Expenditures:								
Public Safety	\$ 2,224,433	\$ 2,114,096	\$ 2,050,158	\$ 2,283,939	\$ 5,358,925	\$ 3,346,347	\$ 3,379,810	\$ 3,413,609
	\$ 2,224,433	\$ 2,114,096	\$ 2,050,158	\$ 2,283,939	\$ 5,358,925	\$ 3,346,347	\$ 3,379,810	\$ 3,413,609
Other Financing Sources (Uses):								
Interfund Transfer:								
(2) General Fund (subsidy/other)	\$ -	\$ -	\$ (1,775,043)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Fund	-	-	-	-	-	-	-	-
	\$ -	\$ -	\$ (1,775,043)	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance: (1)	\$2,470,588	\$2,921,114	\$ 1,915,839	\$ 2,486,265	\$ 36,016	\$ 36,016	\$ 36,016	\$ 36,016
<i>Changes in Fund Balance (actual/est.) (2)</i>	<i>\$ 190,414</i>	<i>\$ 450,526</i>	<i>\$ (1,005,275)</i>	<i>\$ 570,426</i>	<i>\$ (2,450,249)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Personnel (full-time-equivalent) (3)</i>	<i>20.0</i>	<i>21.0</i>	<i>21.0</i>	<i>24.0</i>	<i>24.0</i>	<i>26.0</i>		

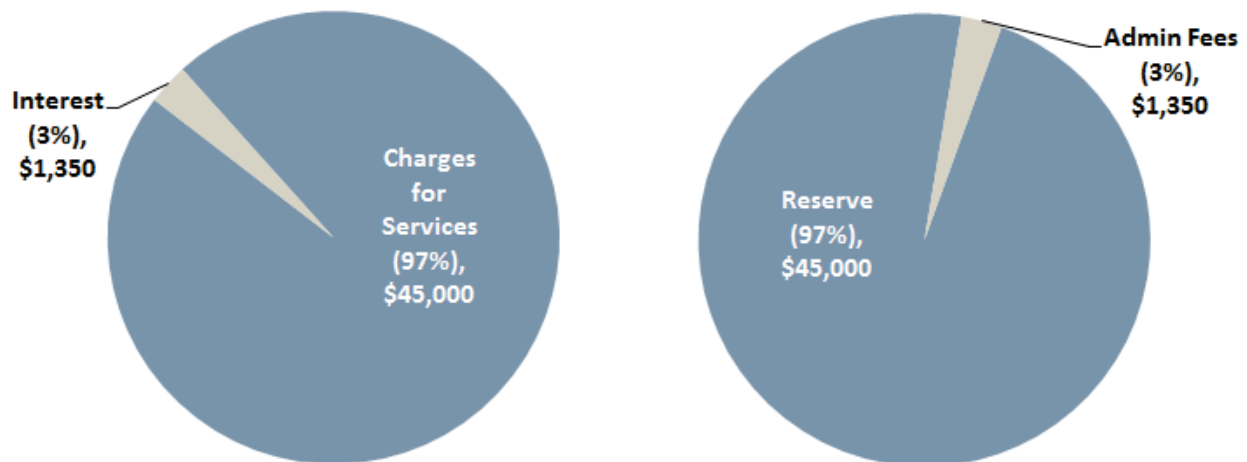
Notes:

- (1) In order to accurately measure anticipated fund balance usage, this schedule omits the Carryforward Fund Balance and Non-Allocated/Reserve accounts.
- (2) FY 2011: The General Fund has contributed \$1,775,043 to the E-911 Fund since fiscal year 2005. The contributions were made for budgeting purposes but were not needed as sufficient cash existed at the fund level. The decline in fund balance in FY 2011 represents repayment to the General Fund at 0% interest.
- FY 2013: The city appropriated approximately \$2.5 million from Reserve (e.g. fund balance) to fund a portion of the city's share of the North Fulton Radio System initiative. This initiative is 100% funded by the City of Alpharetta and is being tracked in a separate project (PEM01) to ensure transparency.
- (3) FY 2014 includes the reorganization of two full-time positions (Public Safety Administrator and Communications Training Coordinator) from the General Fund to the E-911 Fund as their job functions represent E-911 activities.

SPECIAL REVENUE FUND SUMMARIES

Impact Fee Fund Summary

FY 2014 Budget: \$46,350



Revenues by Source

Expenditures by Use

The Impact Fee Fund accounts for fees assessed upon development activity. These fees are collected to pay for system improvements (recreation/parks, streets, and public safety) as detailed within the city's impact fee ordinance. The Community Development Department manages the Impact Fee Program.

Trends

The FY 2014 Budget for the Impact Fee Fund totals \$46,350 and is flat with the adopted FY 2013 budget.

Impact fee revenues have declined due to the economic slowdown but recent collection trends have highlighted growth in several targeted real estate segments. This trend is expected to stabilize in FY 2015 with multiple large scale mixed-use (retail, commercial, residential, etc.) developments either under construction (Avalon Project) or in the planning phases.



Office Development

SPECIAL REVENUE FUND SUMMARIES

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Charges for Services:				
Impact Fees (streets/highways)	\$ 15,000	\$ 15,000	\$ -	0.00%
Impact Fees (recreation/parks)	15,000	15,000	-	0.00%
Impact Fees (public safety)	15,000	15,000	-	0.00%
Interest	1,350	1,350	-	0.00%
Other Financing Sources:				
Budgeted Fund Balance	641,592	-	(641,592)	-100.00%
Total Revenues (All Sources):	\$ 687,942	\$ 46,350	\$ (641,592)	-93.26%
Non-Departmental/Other Uses:				
Impact Fee Administration	1,350	1,350	-	0.00%
(1) Non-Allocated/Reserve	686,592	45,000	(641,592)	-93.45%
Total Expenditures (All Uses):	\$ 687,942	\$ 46,350	\$ (641,592)	-93.26%

Notes:

(1) Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ 710,516	\$ 713,109	\$ 457,293	\$ 641,594	\$ 686,594	\$ 731,594	\$ 794,054
Revenues:							
Charges for Services	\$ 104,486	\$ 251,116	\$ 468,657	\$ 45,000	\$ 45,000	\$ 63,000	\$ 88,200
Interest	2,593	602	1,304	1,350	1,350	1,350	1,350
	\$ 107,079	\$ 251,718	\$ 469,961	\$ 46,350	\$ 46,350	\$ 64,350	\$ 89,550
Expenditures:							
Non-Departmental	\$ 3,135	\$ 7,533	\$ 14,060	\$ 1,350	\$ 1,350	\$ 1,890	\$ 2,646
	\$ 3,135	\$ 7,533	\$ 14,060	\$ 1,350	\$ 1,350	\$ 1,890	\$ 2,646
Other Financing Sources (Uses):							
Interfund Transfer:							
Debt Service Fund	\$ 101,351	\$ 500,000	\$ 271,600	\$ -	\$ -	\$ -	\$ -
	\$ 101,351	\$ 500,000	\$ 271,600	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance: (1)	\$ 713,109	\$ 457,293	\$ 641,594	\$ 686,594	\$ 731,594	\$ 794,054	\$ 880,958
<i>Changes in Fund Balance (actual/est.)</i>	<i>\$ 2,593</i>	<i>\$ (255,816)</i>	<i>\$ 184,301</i>	<i>\$ 45,000</i>	<i>\$ 45,000</i>	<i>\$ 62,460</i>	<i>\$ 86,904</i>

Notes:

- (1) In order to accurately measure anticipated fund balance usage, this schedule omits the Carryforward Fund Balance and Non-Allocated/Reserve accounts.
- (2) Impact Fee monies for FY's 2010-2012 were transferred to the Debt Service Fund to offset debt service on general obligation bonds issued to fund system improvements (recreation/parks, streets, and public safety). Impact Fees in FY 2014 will be reserved for future system improvements.

SPECIAL REVENUE FUND SUMMARIES

Drug Enforcement Agency Fund Summary

FY 2014 Budget: \$585,500



Revenues by Source

Expenditures by Use

The DEA Fund accounts for revenues received from the enforcement of drug laws and the confiscation of property from drug offender's arrests that can be used by public safety to aid in drug enforcement activity. Funds cannot be used to supplant the Public Safety Department's operational budget. The Public Safety Department manages the DEA Program.

Trends

Included in the FY 2014 budget is funding totaling \$353,100 for a Special Investigations Unit (SIU) approved as part of the FY 2014 Operating Initiatives²². Funding for the SIU includes the following: \$212,249 for salary/benefits; \$78,000 for the purchase of 3 undercover vehicles; \$27,000 for equipment (e.g. weapons, Tasers, radios, electronics, etc.); \$10,950 for uniform expenses including vests; and \$24,901 for all other operational expenses (e.g. fuel, training, etc.). Funding will be provided annually through the DEA Fund. In the event that seizure funding is insufficient to cover costs in a given year, the General Fund would provide a subsidy to cover any unfunded costs.

Authorized personnel total 3 FTEs.

	FTEs					
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Variance
Officer	-	-	-	-	2.0	2.0
Lieutenant	-	-	-	-	1.0	1.0
	-	-	-	-	2.0	2.0

²² Please refer to the Transmittal Letter for detailed descriptions of the initiatives.

SPECIAL REVENUE FUND SUMMARIES

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Fines and Forfeitures (1)	\$ 50,000	\$ 585,000	\$ 535,000	1070.00%
Interest	2,500	500	(2,000)	-80.00%
Other Financing Sources:				
Budgeted Fund Balance	1,714,844	-	(1,714,844)	-100.00%
Total Revenues (All Sources):	\$ 1,767,344	\$ 585,500	\$ (1,181,844)	-66.87%
Personnel Services (2)	\$ -	\$ 212,249	\$ 212,249	100.00%
Maintenance and Operations (2)	225,467	193,251	(32,216)	-14.29%
Capital (2)	1,381,840	180,000	(1,201,840)	-86.97%
Other Uses:				
Non-Allocated/Reserve (3)	160,037	-	(160,037)	0.00%
Total Expenditures (All Uses):	\$ 1,767,344	\$ 585,500	\$ (1,181,844)	-66.87%

Notes:

(1) In past years, the annual budget relied primarily upon available fund balance (i.e. revenue collections in excess of expenditures/commitments). The FY 2014 Budget includes an operational estimate of revenue collections.

(2) Includes operational initiative funding totaling \$353,100 for a Special Investigations Unit and associated equipment. Please refer to the Operating Initiatives section for detailed information.

(3) Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimated Actual	FY 2014 Recommended Budget	FY 2014 Forecast	FY 2015 Forecast
Beginning Fund Balance:	\$ 572,678	\$ 804,469	\$ 1,281,939	\$ 1,714,846	\$ 308,352	\$ 308,352	\$ 308,352
Revenues:							
Fines and Forfeitures	\$ 507,289	\$ 1,125,215	\$ 884,937	\$ 217,916	\$ 585,000	\$ 702,000	\$ 842,400
Interest	3,142	2,019	450	100	500	505	510
Sale of Capital Assets	-	-	13,700	-	-	-	-
Miscellaneous	1,064	-	-	-	-	-	-
	\$ 511,494	\$ 1,127,234	\$ 899,086	\$ 218,016	\$ 585,500	\$ 702,505	\$ 842,910
Expenditures:							
Public Safety	\$ 279,703	\$ 649,764	\$ 466,179	\$ 1,624,510	\$ 585,500	\$ 702,505	\$ 842,910
	\$ 279,703	\$ 649,764	\$ 466,179	\$ 1,624,510	\$ 585,500	\$ 702,505	\$ 842,910
Ending Fund Balance: (1),(2)	\$ 804,469	\$ 1,281,939	\$ 1,714,846	\$ 308,352	\$ 308,352	\$ 308,352	\$ 308,352
<i>Changes in Fund Balance (actual/est.)</i>	\$ 231,791	\$ 477,470	\$ 432,907	\$ (1,406,495)	\$ -	\$ -	\$ -

Notes:

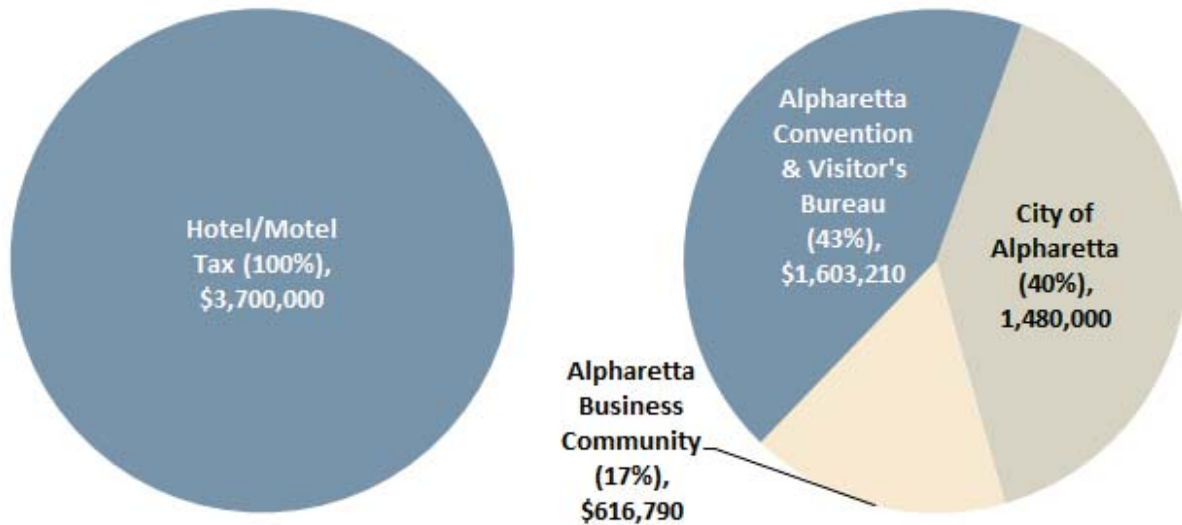
(1) In order to accurately measure anticipated fund balance usage, this schedule omits the Carryforward Fund Balance and Non-Allocated/Reserve accounts.

(2) FY 2013 fund balance is being used for capital initiatives (e.g. North Fulton Radio Initiative).

SPECIAL REVENUE FUND SUMMARIES

Hotel/Motel Fund Summary

FY 2014 Budget: \$3,700,000



Revenues by Source

Expenditures by Use

The Hotel/Motel Fund accounts for occupancy tax collections from area hotels and motels for the purpose of promoting conventions, tourism, and trade shows, while providing funds to facilitate economic vitality in downtown areas. Currently, the city levies a hotel/motel occupancy tax of 6% on total rental charges. The resulting revenue is distributed as follows: City of Alphairetta (40.00%); Alphairetta Convention & Visitor's Bureau (43.33%); and the Alphairetta Business Community (16.67%).

Trends

The FY 2014 budget for the Hotel/Motel Fund totals \$3,700,000 and represents an increase of 8.5% over FY 2013 due primarily to an increase in business spending on travel and training. Specifically, year-to-date collections are trending 11% higher than FY 2012 and are estimated to total \$3.6 million by year-end. The city (General Fund) receives 40% of this revenue.



SPECIAL REVENUE FUND SUMMARIES

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Other Taxes:				
Hotel/Motel Taxes	\$ 3,400,000	\$ 3,700,000	\$ 300,000	8.8%
Interest:	-	-	-	100.0%
Other:				
Budgeted Fund Balance	11,082	-	(11,082)	-100.0%
Total Revenues (All Sources):	\$ 3,411,082	\$ 3,700,000	\$ 288,918	8.5%
Other Uses:				
Alpharetta Business Community	\$ 568,605	\$ 616,790	\$ 48,185	8.5%
Alpharetta Convention & Visitor's Bureau	1,477,963	1,603,210	125,247	8.5%
City of Alpharetta	1,364,378	1,480,000	115,622	8.5%
Reserve	136	-	(136)	-100.0%
Total Expenditures (All Uses):	\$ 3,411,082	\$ 3,700,000	\$ 288,918	8.5%

Notes:

The City of Alpharetta levies a Hotel/Motel occupancy tax of 6% on total rental charges. The resulting revenue is distributed as follows: Alpharetta Business Community (16.67%); Alpharetta Convention & Visitor's Bureau (43.33%); and the City of Alpharetta (40.00%).

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ 10,947	\$ 10,947	\$ 10,948	\$ 11,084	\$ 138	\$ 138	\$ 138
Revenues:							
Other Taxes	\$2,831,888	\$3,133,641	\$3,364,193	\$3,400,000	\$ 3,700,000	\$3,811,000	\$3,925,330
Interest	-	-	136	-	-	-	-
	<u>\$2,831,888</u>	<u>\$3,133,641</u>	<u>\$3,364,329</u>	<u>\$3,400,000</u>	<u>\$ 3,700,000</u>	<u>\$3,811,000</u>	<u>\$3,925,330</u>
Expenditures:							
Alpharetta Business Community	\$ 472,076	\$ 522,378	\$ 571,913	\$ 568,605	\$ 616,790	\$ 635,294	\$ 654,353
Alpharetta Convention & Visitor's Bureau	1,227,057	1,357,806	1,446,603	1,477,963	1,603,210	1,651,306	1,700,845
City of Alpharetta	1,132,755	1,253,457	1,345,677	1,364,378	1,480,000	1,524,400	1,570,132
	<u>\$2,831,888</u>	<u>\$3,133,641</u>	<u>\$3,364,193</u>	<u>\$3,410,946</u>	<u>\$ 3,700,000</u>	<u>\$3,811,000</u>	<u>\$3,925,330</u>
Ending Fund Balance: (1),(2)	\$ 10,947	\$ 10,948	\$ 11,084	\$ 138	\$ 138	\$ 138	\$ 138
<i>Changes in Fund Balance (actual/est.)</i>	\$ (0)	\$ 1	\$ 136	\$ (10,946)	\$ -	\$ -	\$ -

Notes:

This Fund is not intended to accumulate Fund Balance. All revenue is to be distributed to the participating entities based on their relative share. As such, the FY 2014 budget includes the distribution of a minor accumulated fund balance total to the participating entities.

SPECIAL REVENUE FUND SUMMARIES



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ENTERPRISE FUND SUMMARY

Enterprise Fund Summary

Overview

The *Enterprise Fund Summary* section is intended to provide readers with an overall understanding of the fiscal year 2014 budget for the city's Solid Waste Fund.

Enterprise Funds are used to account for business-type activities whose operations are primarily funded by customer fees. The enterprise fund utilizes the accrual basis of budgeting and accounting.

The following schedules provide readers with revenue and expenditure summaries/narratives from several different perspectives including:

- **Fund Summary**

This section provides a brief description of the Solid Waste Fund as well as charts segmenting revenues by source (e.g. Charges for Services, Interest, etc.) and expenditures by use (e.g. Personnel Services, Maintenance & Operations, Capital, etc.).

- **Statement of Budgetary Comparisons**

This statement provides a detailed comparison of revenues and expenditures for fiscal years 2013 and 2014. Revenues are presented by source and expenditures are presented by use.

- **Statement of Revenues, Expenditures, and changes in Fund Balances**

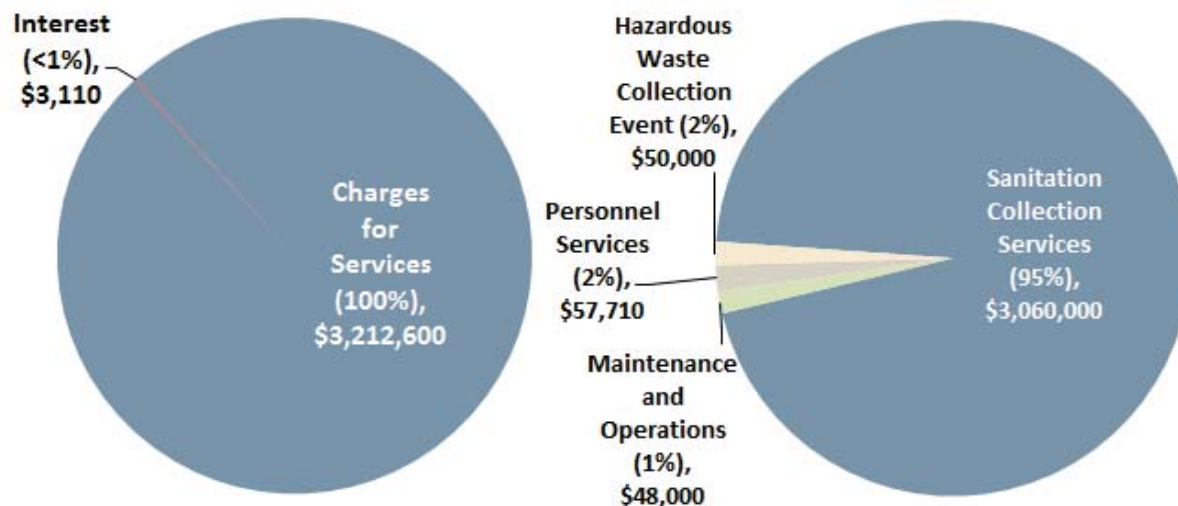
This statement provides a historical comparison of revenues and expenditures for fiscal years 2010-2014 as well as a forecast for fiscal years 2015-2016. Also included are changes in fund balance.

The financial forecast utilizes revenue collection patterns (historical and current patterns; as adjusted for seasonal fluctuations) adjusted to reflect expenditure mandates as provided by the City Council.

ENTERPRISE FUND SUMMARY

Solid Waste Fund Summary

FY 2014 Budget: \$3,215,710



Revenues by Source

Expenditures by Use

The Solid Waste Fund accounts for fees received from users of the city's residential solid waste program (i.e. garbage, yard waste, and recycling collection). Services are provided on a user charge basis and managed through a contract with a private operator. The Finance Department manages the Solid Waste Program including billing, collection, and customer service functions.

Commercial solid waste customers are authorized to contract for commercial solid waste collection and disposal services from any contractor that has obtained a solid waste collection permit from the city.

Trends

The FY 2014 Budget for the Solid Waste Fund totals \$3,215,710 and represents a decrease of -8.7%, or -\$305,285, compared to FY 2013. The main driver of this variance is the reserve (i.e. available fund balance) budgeted in FY 2013²³. After adjusting for the reserve, the true operational budget growth totals 1.8%.

²³ Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

ENTERPRISE FUND SUMMARY

The Personnel Services category increased 2.2%, or \$1,237, due primarily to wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014 and increases in group insurance premiums.

Authorized personnel total 1.0 FTE and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
Financial Services Representative	1.0	1.0	-	-	-	-
Customer Account Representative	-	-	1.0	1.0	1.0	-
	1.0	1.0	1.0	1.0	1.0	-

The Maintenance & Operations category increased 1.7%, or \$53,540, due to an increase in estimated sanitation collection fees (variance due to customer base; not an increase in rates). The Solid Waste budget includes \$50,000 for a Recycling/Hazardous Waste Removal Event. This event will assist homeowners with the proper disposal of items such as pesticides, poisons, mercury, flammables, paints, old electronics, and other caustic or environmentally dangerous items. This event is a component of the city's Green Initiative.

ENTERPRISE FUND SUMMARY

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Charges for Services:				
Solid Waste Collection Fees	\$ 2,775,000	\$ 2,810,000	\$ 35,000	1.26%
Solid Waste Tag Fees	1,000	300	(700)	-70.00%
Solid Waste Commercial Hauler Fees	20,000	23,000	3,000	15.00%
Recycling Collection Fees	350,000	350,000	-	0.00%
Solid Waste Fees (Penalties/Interest)	10,000	29,000	19,000	190.00%
Bad Check Fees	500	300	(200)	-40.00%
Interest	4,433	3,110	(1,323)	-29.84%
Other Financing Sources:				
Budgeted Fund Balance	360,062	-	(360,062)	-100.00%
Total Revenues (All Sources): (1)	\$ 3,520,995	\$ 3,215,710	\$ (305,285)	-8.67%
Personnel Services:				
Salaries	\$ 39,101	\$ 40,104	\$ 1,003	2.57%
Benefits	17,372	17,606	234	1.35%
Maintenance & Operations:				
Professional Fees	3,060,000	3,112,500	52,500	1.72%
Miscellaneous	44,460	45,500	1,040	2.34%
Capital/Other Uses:				
Tyler/Munis Billing Software	39,400	-	(39,400)	-100.00%
Non-Allocated/Reserve (2)	320,662	-	(320,662)	-100.00%
Total Expenditures (All Uses): (1)	\$ 3,520,995	\$ 3,215,710	\$ (305,285)	-8.67%

<i>Personnel (full-time-equivalent)</i>	<i>1.0</i>	<i>1.0</i>
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Notes:

(1) Includes non-operating revenue and expenditures such as Carryforward Fund Balance and Non-Allocated/Reserves. The true operational budget growth after adjusting for non-operating items approximates 1.8%.

(2) Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

ENTERPRISE FUND SUMMARY

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ 982,404	\$ 956,834	\$ 995,793	\$ 1,016,648	\$ 977,248	\$ 977,248	\$ 1,009,405
Revenues:							
Licenses and Permits	\$ 201	\$ 51	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	2,645,168	3,083,682	3,160,503	3,156,500	3,212,600	3,276,852	3,342,389
Interest	6,749	3,428	4,479	4,433	3,110	3,172	3,236
Miscellaneous Revenue	-	4	-	-	-	-	-
	<u>\$ 2,652,118</u>	<u>\$ 3,087,164</u>	<u>\$ 3,164,982</u>	<u>\$ 3,160,933</u>	<u>\$ 3,215,710</u>	<u>\$ 3,280,024</u>	<u>\$ 3,345,625</u>
Expenditures:							
Solid Waste Operations	\$ 2,677,689	\$ 3,048,205	\$ 3,144,127	\$ 3,200,333	\$ 3,215,710	\$ 3,247,867	\$ 3,280,346
	<u>\$ 2,677,689</u>	<u>\$ 3,048,205</u>	<u>\$ 3,144,127</u>	<u>\$ 3,200,333</u>	<u>\$ 3,215,710</u>	<u>\$ 3,247,867</u>	<u>\$ 3,280,346</u>
Other Financing Sources (Uses):							
Interfund Transfer:							
General Fund (subsidy/other)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustments/Reconciliation:	2	-	-	-	-	-	-
Ending Fund Balance: (1)	<u>\$ 956,834</u>	<u>\$ 995,793</u>	<u>\$ 1,016,648</u>	<u>\$ 977,248</u>	<u>\$ 977,248</u>	<u>\$ 1,009,405</u>	<u>\$ 1,074,684</u>
<i>Changes in Fund Balance (actual/est.)</i>	\$ (25,569)	\$ 38,959		\$ (39,400)	\$ -	\$ 32,157	\$ 65,279
<i>Personnel (full-time-equivalent)</i>	1.0	1.0	1.0	1.0	1.0		

Notes:

- (1) In order to accurately measure anticipated fund balance usage, this schedule omits the Carryforward Fund Balance and Non-Allocated/Reserve accounts. The forecasted \$39,400 reduction in fund balance in FY 2013 is funding for the acquisition and implementation of new billing software for sanitation (e.g. Munis billing software).

INTERNAL SERVICE FUND SUMMARY

Internal Service Fund Summary

Overview

The *Internal Service Fund Summary* section is intended to provide readers with an overall understanding of the fiscal year 2014 budget for the Risk Management Fund. The Risk Management Fund was established in fiscal year 2010 to allow for the effective and efficient tracking of Risk Management activities.

Internal Service Funds are used to accumulate and allocate costs internally among the city's various functions and utilizes the accrual basis of budgeting and accounting.

The following schedules provide readers with revenue and expenditure summaries/narratives from several different perspectives including:

- **Fund Summary**

This section provides a brief description of the Risk Management Fund as well as charts segmenting revenues by source (e.g. Charges for Services, Interest, etc.) and expenditures by use (e.g. Maintenance & Operations, Other, etc.).

- **Statement of Budgetary Comparisons**

This statement provides a detailed comparison of revenues and expenditures for fiscal years 2013 and 2014. Revenues are presented by source and expenditures are presented by use.

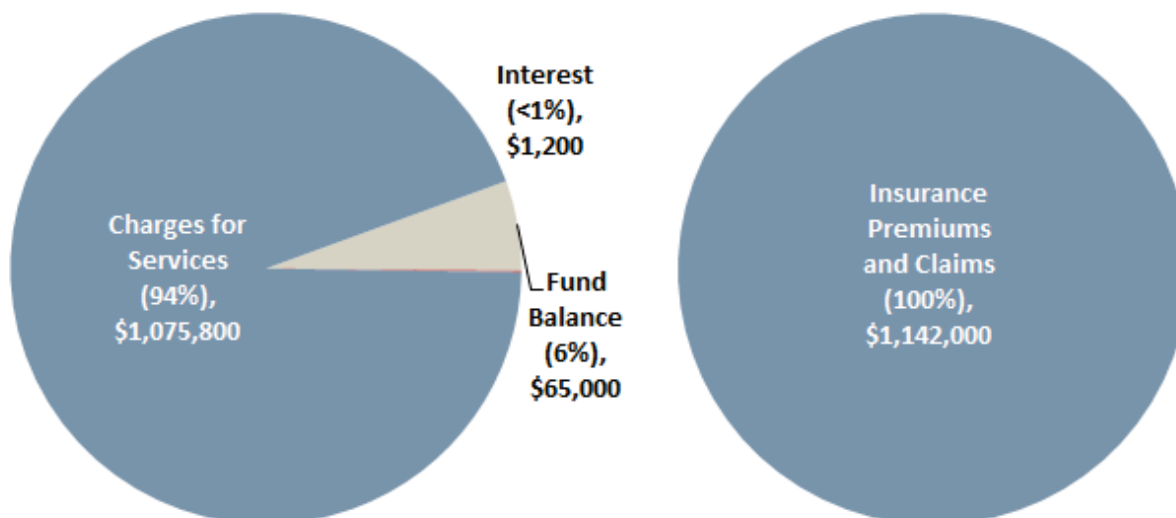
- **Statement of Revenues, Expenditures, and changes in Fund Balances**

This statement provides a historical comparison of revenues and expenditures for fiscal years 2010-2014 as well as a forecast for fiscal years 2015-2016. Also included are changes in fund balance.

INTERNAL SERVICE FUND SUMMARY

Risk Management Fund Summary

FY 2014 Budget: \$1,142,000



Revenues by Source

Expenditures by Use

The Risk Management Fund accounts for expenses related to providing and administering the general liability, automotive liability, workers' compensation and property insurance coverage for the city. Funding is provided through an (approximate) 2% charge per employee (based on salary) for workers compensation coupled with funding from the General Fund for insurance premiums. The Finance Department manages the Risk Management Program including all workers compensation, general liability, and other insurance claims.

Trends

The FY 2014 Budget for the Risk Management Fund totals \$1,142,000 and represents a decrease of -41.3%, or -\$803,639, compared to FY 2013. The main driver of this variance is the reserve (i.e. available fund balance) budgeted in FY 2013²⁴. After adjusting for the reserve, the true operational budget variance totals -2.4%.

The FY 2014 budget funds \$450,000 to cover actuarially determined claims/judgments exposure and \$692,000 for insurance premiums and associated insurance/claims administration services.

²⁴ Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

INTERNAL SERVICE FUND SUMMARY

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Charges for Services				
Risk Fund (Claims/Judgments)	\$ 505,000	\$ 385,000	\$ (120,000)	-23.8%
Risk Fund (Insurance Premiums)	-	690,800	690,800	100.0%
Interest Earnings	-	1,200	1,200	100.0%
Other:				
General Fund Transfer	664,500	-	(664,500)	-100.0%
Budgeted Fund Balance	776,139	65,000	(711,139)	-91.6%
Total Revenues (All Sources):	\$ 1,945,639	\$ 1,142,000	\$ (803,639)	-41.3%
Maintenance & Operations: (1)				
Professional Services	\$ 125,000	\$ 125,000	\$ -	0.0%
Vehicle Insurance	105,000	110,000	5,000	4.8%
Property and Equipment Insurance	60,000	64,500	4,500	7.5%
General Liability Insurance	80,000	85,000	5,000	6.3%
Law Enforcement Liability Insurance	125,000	135,000	10,000	8.0%
Public Entity Liability Insurance	30,000	30,000	-	0.0%
Workers Comp. Excess Liability	60,000	63,000	3,000	5.0%
Employee Benefits Liability Insurance	500	500	-	0.0%
Criminal Liability Insurance	4,000	4,000	-	100.0%
Umbrella Liability Insurance	75,000	75,000	-	0.0%
Claims and Judgments	505,000	450,000	(55,000)	-10.9%
Other Uses: (2),(3)				
Reserve	776,139	-	(776,139)	-100.0%
Total Expenditures (All Uses):	\$ 1,945,639	\$ 1,142,000	\$ (803,639)	-41.3%

Notes:

(1) Variances are based on current year-to-date premium expenditures.

(2) Includes non-operating revenue and expenditures such as Budgeted Fund Balance and Reserve. The true operational budget variance after adjusting for non-operating accounts approximates -2.4%.

(3) Annually after the year-end accrual period (i.e. September), the city carries-forward available fund balance and places in a Reserve account. The purpose is to provide elected officials, city staff, citizens, and stakeholders with a transparent view of the funding available for future initiatives. The carry-forward for FY 2014 will occur subsequent to adoption of the budget.

INTERNAL SERVICE FUND SUMMARY

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ -	\$ 3,521	\$ 383,598	\$ 776,139	\$ 776,139	\$ 711,139	\$ 755,074
Revenues:							
Charges for Services	\$ 425,000	\$ 480,698	\$ 769,000	\$ 505,000	\$ 1,075,800	\$ 1,197,355	\$ 1,209,329
Interest Earnings	-	-	649	-	1,200	-	-
Other:							
Insurance Proceeds	-	110,086	56,631	-	-	-	-
	\$ 425,000	\$ 590,784	\$ 826,279	\$ 505,000	\$ 1,077,000	\$ 1,197,355	\$ 1,209,329
Expenditures:							
Maintenance & Operations:							
Workers Comp. Administration	\$ 16,542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Services	40,699	135,123	81,526	125,000	125,000	126,250	127,513
Vehicle Insurance	143,013	103,088	102,408	105,000	110,000	111,100	112,211
Property and Equipment Insurance	45,351	49,034	59,963	60,000	64,500	65,145	65,796
General Liability Insurance	79,650	77,120	77,963	80,000	85,000	85,850	86,709
Law Enforcement Liability Insurance	124,466	112,825	124,969	125,000	135,000	136,350	137,714
Public Entity Liability Insurance	50,091	26,439	26,904	30,000	30,000	30,300	30,603
Insurance	67,271	53,208	58,302	60,000	63,000	63,630	64,266
Employee Benefits Liability Insurance	475	428	428	500	500	505	510
Criminal Liability Insurance	6,579	3,085	3,785	4,000	4,000	4,040	4,080
Umbrella Liability Insurance	120,581	71,637	72,778	75,000	75,000	75,750	76,508
Claims and Judgments	976,147	305,021	217,211	505,000	450,000	454,500	459,045
	\$ 1,670,865	\$ 937,008	\$ 826,238	\$ 1,169,500	\$ 1,142,000	\$ 1,153,420	\$ 1,164,954
Other Financing Sources (Uses):							
Interfund Transfer:							
General Fund	\$ 1,249,386	\$ 726,300	\$ 392,500	\$ 664,500	\$ -	\$ -	\$ -
	\$ 1,249,386	\$ 726,300	\$ 392,500	\$ 664,500	\$ -	\$ -	\$ -
Ending Fund Balance: (1),(2)	\$ 3,521	\$ 383,598	\$ 776,139	\$ 776,139	\$ 711,139	\$ 755,074	\$ 799,449
<i>Changes in Fund Balance (actual/est.) (3)</i>	\$ 3,521	\$ 380,077	\$ 392,541	\$ -	\$ (65,000)	\$ 43,935	\$ 44,375

Notes:

(1) The Risk Management Fund was established in FY 2010 to allow for the effective and efficient tracking of Risk Management activities.

(2) In order to accurately measure anticipated fund balance usage, this schedule omits the Carryforward Fund Balance and Non-Allocated/Reserve accounts.

Risk financial activity was recorded within the General Fund prior to FY 2010.

(3) Available Fund Balance is being used in FY 2014 to supplement the reserve for claims and judgments.

INTERNAL SERVICE FUND SUMMARY



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CAPITAL PROJECT FUND SUMMARIES

Capital Project Fund Summaries

Overview

Pursuant to the Governmental Accounting Standards Board's ("GASB") Codification, Section 1300.106, capital project funds are used to account for the acquisition and construction of major items, such as buildings, infrastructure, parks, streets, and other major capital facilities.

The city's capital program has the most visible and long-term effect on the quality of life for our stakeholders. Through an aggressive capital program, improvements to transportation, access to quality cultural and recreational opportunities, partnering with local businesses for continued economic development, and providing infrastructure and assets for public safety are afforded. The foundation of the city's capital program is the five-year capital project improvement plan ("CIP") which is updated annually. The CIP assists in the planning, acquisition, and financing of capital projects.



Big Creek Greenway



Wills Park

A capital project generally is defined as an expenditure that has an expected useful life of more than three years with an estimated total cost of \$25,000 or more, or an improvement/ addition to an existing capital asset. Examples include building/ infrastructure construction, park improvements, streetscapes, land acquisitions, vehicles, etc. Capital projects are budgeted primarily in the city's capital project funds with the main exception

being those capital renewal & replacement projects that are funded annually in the General Fund (discussed below). Please refer to the *Financial Management Policies* section of this document for more information on the city's Capital Improvement Plan.

The city has three (3) capital project funds: Capital Project Fund (general capital projects); Capital Grant Fund (account for capital grant proceeds); and the City Center Capital Project Fund (account for bond proceeds). For the purposes of this budget document, only the

CAPITAL PROJECT FUND SUMMARIES

Capital Project Fund is presented as new appropriation activity was approved for FY 2014. All capital project funds follow the life-to-date budgeting process whereby budget is carried forward annually to cover Council approved projects and remains in full-effect until project completion or re-allocation by City Council. As such, these appropriations are not reflected in this budget document but are reflected in the city's monthly financial management reports and can be accessed at www.alpharetta.ga.us. The capital project funds utilize the modified accrual basis of budgeting and accounting.

The following section provides a brief narrative of the city's capital project funds.

- **Capital Project Fund:** This fund accounts for the acquisition and construction of major items, such as buildings, infrastructure, parks, streets, and other major capital facilities, with a value in excess of \$25,000. Funding for these capital improvements typically come primarily from a transfer of available fund balance within the General Fund. Appropriations are perpetual with only new appropriations recognized in the annual budget.
- **Capital Grants Fund:** This fund accounts for resources received from federal, state, and local grants awarded to the city. Matching funds, which represents the city's financial investment, are also recorded within this fund. This fund accounts for capital grants only. Operating grant proceeds are recorded within the Operating Grants Fund.
- **City Center Capital Project Fund:** This fund accounts for the proceeds and associated expenditures resulting from the issuance of voter approved general obligation bonds, series 2012. Fund appropriations are perpetual with only new appropriations recognized in the annual budget.



Police Motorcycles



Sidewalk Improvements

CAPITAL PROJECT FUND SUMMARIES

Funding Methodology

The city's preferred method for funding capital projects within the CIP shall be through current revenue when available (i.e. pay-as-you-go) or from outside funding sources such as grant funding and related aid. Debt obligations may be issued for capital projects when it is appropriate to achieve a fair allocation of costs between current and future beneficiaries. Funding for the CIP is provided as follows:

- **Proper Use of Fund Balance**

General Fund: Based on audited financial statements for the year ended June 30, 2012, the city's fund balance totaled \$21.3 million. Of this amount, approximately \$4.6 million was appropriated in the FY 2013 Budget for capital/one-time initiatives and \$11 million has been designated as an emergency account based on a conservative policy of 21% of total appropriations (i.e. roughly 2½ months of operating expenditures). It has been the city's policy to utilize the remaining fund balance above the emergency requirement for one-time capital expenditures. Available capital/one-time initiative funding for FY 2014 totals \$5.7 million.

- **Funding Recurring Capital from Operating Budget**

FY 2014 includes appropriations totaling \$2.4 million within the General Fund to cover recurring capital initiatives (e.g. milling & resurfacing of city streets, traffic equipment maintenance, fleet replacement, etc.).

By programming the recurring capital program into the operating budget, the city is announcing to its citizens and stakeholders that capital investment in our roads and infrastructure is a priority that should be funded with certainty as opposed to relying on fund balance which may or may not be accumulated.

- **Debt Funding:** Debt obligations are primarily reserved for large scale capital projects when it is appropriate to achieve a fair allocation of costs between current and future beneficiaries. The voter approved City Center Bonds (Series 2012) represents a prime example (Please refer to the Debt Service Fund write-up under the *Capital and Debt* tab for a detailed description of the City Center Bonds).



Fire Engine #3



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CAPITAL PROJECT FUND SUMMARIES

FY 2014 Capital Funding

The FY 2014 Budget includes funding of \$8.3 million for capital initiatives. As part of the capital planning process, departments submitted capital/one-time initiative funding requests totaling \$16.6 million. Recommended capital projects total \$7.9 million with an additional \$382,003 set aside for future capital initiatives.

FY 2014 Capital Improvement Program

Source and Use				
	General Fund	E-911 Fund		Total
Sources:				
Available Fund Balance	\$ 5,668,503	\$ -	\$	5,668,503
(1) Recurring Capital Program	2,425,000	-		2,425,000
(2) Project Contributions	-	160,000		160,000
	\$ 8,093,503	\$ 160,000	\$	8,253,503
Uses:				
(3) Capital	\$ 7,711,500	\$ 160,000	\$	7,871,500
	\$ 7,711,500	\$ 160,000	\$	7,871,500
Reserve:				
Future Capital/one-time Initiatives	\$ 382,003	\$ -	\$	382,003

(1) Represents funding programmed within the General fund budget to cover recurring capital needs (e.g. milling & resurfacing of city roadways, fleet replacement, etc.).

(2) Represents contributions for allowable projects (E-911 Fund: funding for Fire Dispatch Protocols/Accreditation and the purchase of 6 radios/minor equipment for the Police Reserve Unit).

(3) All Capital Initiative funding will be transferred and accounted for within the Capital Project Fund and the E-911 Fund.

Capital Improvement Plan

A consolidated version of the city's five-year capital project improvement plan ("CIP") is included below. The CIP forecasts the city's capital investment over the next five-year period and consolidates the projects by Department.

	Fiscal Year					Total
	2014	2015	2016	2017	2018	
Investment by Department/Entity						
General Government	\$ 460,000	\$ 285,043	\$ 142,521	\$ 142,521	\$ 142,521	\$ 1,172,607
Information Technology	460,000	90,908	45,454	45,454	45,454	687,271
Public Safety	825,000	242,068	121,034	121,034	121,034	1,430,170
Engineering and Public Works	4,755,500	20,202,767	8,769,073	775,210	775,210	35,277,760
Recreation and Parks	871,000	318,960	159,480	159,480	159,480	1,668,399
Community Development	340,000	358,286	179,143	179,143	179,143	1,235,716
Alpharetta Business Community	-	223,686	111,843	111,843	111,843	559,214
	\$ 7,711,500	\$ 21,721,718	\$ 9,528,549	\$ 1,534,685	\$ 1,534,685	\$ 42,031,137
Reserve for Future Capital	382,003					
Appropriations	\$ 8,093,503					
Net Impact to Operations Budget	\$ 2,300					

\$27M associated with the City Center project.

CAPITAL PROJECT FUND SUMMARIES

FY 2014 Capital Project Listing

The following section provides both a (1) summary list of FY 2014 capital investment and (2) a detailed narrative of each capital project.

	E-911 Fund	Capital Projects Fund	Total
City Administration			
Downtown Beautification/Façade Improvement Grant Program	\$ -	\$ 40,000	\$ 40,000
Economic Development Initiatives	-	200,000	200,000
Local Job Creation Grant Program	-	40,000	40,000
City Website Upgrades and Redesign	-	130,000	130,000
Police Athletic League Matching Grant	-	90,000	90,000
Subtotal	\$ -	\$ 500,000	\$ 500,000
Community Development			
Downtown Master Plan	\$ -	\$ 300,000	\$ 300,000
Subtotal	\$ -	\$ 300,000	\$ 300,000
Engineering and Public Works			
Traffic Signal System Maintenance (recurring)	\$ -	\$ 35,000	\$ 35,000
Milling and Resurfacing (recurring)	-	1,500,000	1,500,000
Traffic Control Equipment (recurring)	-	50,000	50,000
Traffic Striping and Signage (recurring)	-	150,000	150,000
Traffic Calming & Intersection Safety Improvements (recurring)	-	37,500	37,500
Bridge Maintenance (recurring)	-	300,000	300,000
Mast Arm Maintenance (recurring)	-	200,000	200,000
Tree Planting and Landscape Improvements (recurring)	-	150,000	150,000
Storm/Drainage Repair (recurring)	-	150,000	150,000
Design Services (recurring)	-	75,000	75,000
Minor Intersection Upgrades	-	150,000	150,000
Haynes Bridge Road Landscaping	-	150,000	150,000
Old Milton Parkway Right Turn Lane (design)	-	75,000	75,000
Rucker Road Corridor Design	-	500,000	500,000
Mayfield Rd Bike Route (Mayfield Cir to Upshaw Dr; design)	-	25,000	25,000
Mayfield Rd Sidewalk (Mayfield Manor Dr to Sharp Development)	-	363,000	363,000
Marietta St Sidewalk (S. Main St to Roswell St)	-	200,000	200,000
Haynes Bridge Rd Sidewalk Ext. (Haynes Valley Ct to HB Middle School)	-	165,000	165,000
Windward Pkwy Sidewalk Ext. (Windward to Cogburn Rd)	-	35,000	35,000
Clairborne Drive Culvert (design/ROW)	-	75,000	75,000
Mills Creek Ave. Drainage Repair	-	60,000	60,000
Cains Cove Drainage Improvements	-	200,000	200,000
Webb Bridge Park Stream Restoration	-	150,000	150,000
10430 Centennial Drive Pipe Replacement	-	60,000	60,000
Downtown Enhancements	-	50,000	50,000
Subtotal	\$ -	\$ 4,905,500	\$ 4,905,500

CAPITAL PROJECT FUND SUMMARIES

	E-911 Fund	Capital Projects Fund	Total
Information Technology			
Technology Replacement (all city departments)	\$ -	\$ 250,000	\$ 250,000
EPW Data Center Servers and Core Storage (recurring)	-	210,000	210,000
Subtotal	\$ -	\$ 460,000	\$ 460,000
Public Safety			
Fleet Replacement (Qty in 2014: 16; smoothing)	\$ -	\$ 750,000	\$ 750,000
Public Safety Equipment (recurring)	-	75,000	75,000
Fire Dispatch Protocols/Accreditation (E-911 Fund)	125,000	-	125,000
Reserve Unit Equipment (E-911 Fund)	35,000	-	35,000
Subtotal	\$ 160,000	\$ 825,000	\$ 985,000
Recreation and Parks			
Fleet Replacement (Qty: 2)	\$ -	\$ 50,000	\$ 50,000
Athletic Scoreboards (recurring)	-	16,000	16,000
Park Equipment (recurring)	-	115,000	115,000
Manning Oaks Elementary School (capital imp./County IGA)	-	25,000	25,000
Lightning Warning System	-	50,000	50,000
Webb Bridge Park Erosion Control/Parking Lot Repaving	-	280,000	280,000
Webb Bridge Park Tennis Courts Resurfacing	-	35,000	35,000
Wills Park Pool Renovation (design)	-	70,000	70,000
Wills Park Recreation Center Gym Insulation Replacement	-	45,000	45,000
Crabapple Gov't Center Carpet Replacement	-	35,000	35,000
Subtotal	\$ -	\$ 721,000	\$ 721,000
Total	\$ 160,000	\$ 7,711,500	\$ 7,871,500
Reserve for Future Capital Initiatives			\$ 382,003

CAPITAL PROJECT FUND SUMMARIES

The capital projects include direct linkages with the city's vision/strategic priorities. As previously discussed, when capital project initiatives are brought before the City Council for consideration, discussion is centered on how the initiatives link with the city's vision for the future.

Project: Downtown Beautification/Façade Improvement Grant Program
Department: City Administration
Strategic Priority: Providing a business climate that attracts the top echelon companies



Scope

Description: This request is for seed funding for the Downtown Beautification grant program which is used to incentivize downtown building renovations and improvements (including façade improvements). This small city investment has resulted in over 16 private renovation projects in downtown over the past 12 years.

\$ Impact on Operations: Positive increase in property values for the target site(s) and surrounding areas.

Financial Status

Funding Source:	Local:	\$	40,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	40,000

Project: Economic Development Initiatives
Department: City Administration
Strategic Priority: Providing a business climate that attracts the top echelon companies



Scope

Description: The City of Alpharetta places a high priority on creating and developing a healthy community that promotes economic growth, creates jobs, retains existing businesses, and attracts new businesses and citizens to the area. This funding will be used for economic development programs/initiatives that support the city's economic development goals.

\$ Impact on Operations: Positive increase in economic activity (e.g. business investment, property values, etc.).

Financial Status

Funding Source:	Local:	\$	200,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	200,000

CAPITAL PROJECT FUND SUMMARIES

Project: Local Job Creation Grant (LJCG) Program
Department: City Administration
Strategic Priority: Providing a business climate that attracts the top echelon companies



Scope

Description: The LJCG Program is administered through the Alpharetta Development Authority and provides a cash grant to new businesses in the city creating jobs for Alpharetta residents. The City is researching alternate funding opportunities for this program (e.g. Development Authority contribution).

\$ Impact on Operations: Positive increase in economic activity (e.g. business investment, employment, etc.).

Financial Status

Funding Source:	Local:	\$	40,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	40,000

Project: City Website Upgrades and Redesign
Department: City Administration
Strategic Priority: Providing a business climate that attracts the top echelon companies



Scope

Description: This request is for the development and implementation of a new and technologically advanced City of Alpharetta website. The current website is approximately 10-years-old and the existing code has outlived its shelf-life. The coding on which the site is constructed is not sufficiently supportive of modern Web 2.1 and 3.0 architecture and functionalities. As a result, the city is currently unable to provide enhanced features and services that citizens have come to expect from modern websites; limiting our ability to continue to elevate customer service and representing an inconsistency with our position and branding as the "Technology City of the South". The requested funding would be used to acquire a new open source web technology, new content management systems, and design a new City of Alpharetta website that reflects best industry practices. This will allow us to improve the web experience for mobile devices, provide enhanced subscription services, support online forms, allow personalization of the homepage by individual users, and meet federally mandated ADA compliance requirements; among other things.

\$ Impact on Operations: Routine capital - maintenance is negligible and included in base operating budget.

Financial Status

Funding Source:	Local:	\$	130,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	130,000

CAPITAL PROJECT FUND SUMMARIES

Project: Police Athletic League - Facility Matching Grant
Department: City Administration
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description:

As a result of the Alpharetta City Center Project, the Alpharetta Police Athletic League (PAL) must be relocated. The organization was given by the city a deadline by which the existing facility must be vacated in advance of demolition. The city also extended to PAL an offer to match dollar-for-dollar up to a maximum of \$500,000 funds that the organization raises from private sources for the sole purpose of financing the acquisition and/or build out of a new facility from which to operate PAL's programs. PAL representatives have informed the city that they have raised such funds and will be approaching the city to request a total match of \$90,000.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	90,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	90,000

Project: Downtown Master Plan
Department: Community Development
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description:

This request is for development of a new master plan for the downtown area. The current plan was developed nearly 10-years ago and is in need of significant updates to reflect the current economic environment and development trends. Additionally, this plan should incorporate the public infrastructure components (primarily road networks, stormwater, and tree preservation) to reflect the differing types of land use that would be prevalent in downtown. Both the land use component and the infrastructure component should be reflective of a new market study that analyzes market conditions for retail, office and housing in the downtown area.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	300,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	300,000

CAPITAL PROJECT FUND SUMMARIES

Project: Recurring Milling and Resurfacing
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description:

This request is for the on-going maintenance of milling and resurfacing of city streets. Resurfacing of city streets increases the life expectancy of the roads. Without resurfacing, roadways will deteriorate and be more costly to repair. Engineering and Public Works will inspect the roads listed herein after the freeze/thaw cycle to ensure the roads with the lowest ratings are completed first.

The following projects are included in the FY 2014 funding request:

- Cogburn Road (Hwy 9 to Windward Parkway)
- Mossy Place (Bentwood Trace to cul-de-sac)
- Banyon Lane (Woodbury Way to cul-de-sac)
- Jayne Ellen Way (Cumming Street to Denna Drive)
- Eddison Drive (Windward Parkway to End)
- Mountain Pine Lane (White Oak Pass to cul-de-sac)
- Newport Hollow (Newport Bay Drive to Newport Bay Drive)
- Windward Concourse (Windward Parkway to McGinnis Ferry Road)
- Rucker Road (Wills Road to Harris Road)
- Cranchester Way (Waters Road to cul-de-sac)
- Newport Bay Cove (Newport Bay Drive to Newport Bay Drive)
- White Oak Pass (Willow Tree Way to Bentwood Trace)
- Hebden Bridge Lane (Barsley Lane to Barsley Lane)
- Haynes Bridge Road (GA 400 to Mansell Road)
- Kestrel Cove (Windham Way to cul-de-sac)
- Newport Shore (Newport Bay Drive to cul-de-sac)
- Pineset Drive (Buice Road to Pinehigh Drive)
- Pinewalk Drive (Pineset Drive to Pinewalk Forrest)
- Tradewinds Parkway (North Point Parkway to Morris Road)
- Wood Shoals Court (Waters Road to cul-de-sac)
- Providence Square (Providence Road to cul-de-sac)
- Spinnaker Drive (Clipper Bay to cul-de-sac)
- Upper Hembree Road (Hwy 9 to Harris Road)
- Village Green Way (Academy Street to Academy Street)

\$ Impact on Operations: This program decreases roadway maintenance costs as the surface is less susceptible to potholes and road surface deterioration.

Financial Status

Funding Source:	Local:	\$	1,500,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	1,500,000

CAPITAL PROJECT FUND SUMMARIES

Project: Recurring Traffic Signal System Maintenance
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the continual maintenance and repair of vehicle detectors (sensors that tell the traffic signal a car is waiting) and traffic signal communications throughout the city. Vehicle detectors are required to be repaired and/or replaced in order to maintain traffic signal responsiveness. Traffic signal communications enable the intersections to work together and smooth traffic flow.

\$ Impact on Operations: Routine capital - maintenance is negligible and included in base operating budget.

Financial Status

Funding Source:	Local:	\$	35,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	35,000

Project: Recurring Traffic Control Equipment
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the repair/replacement of traffic signal parts and supplies. Purchase of this necessary equipment will provide ongoing maintenance to the city's existing traffic system.

\$ Impact on Operations: Routine capital - maintenance is negligible and included in base operating budget.

Financial Status

Funding Source:	Local:	\$	50,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	50,000

CAPITAL PROJECT FUND SUMMARIES

Project: Recurring Traffic Striping and Signage
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



<i>Scope</i>	
Description:	This request is for the (a) replacement and repair of traffic striping and traffic control signs and the (b) restriping of city roadways after milling and resurfacing. This funding will provide ongoing maintenance to the city's existing traffic system. The FY 2014 capital request includes additional funding for Federal Highway Administration sign compliance. Signs are now required to meet minimum reflectivity requirements (requirements must be met within the next two years).
\$ Impact on Operations:	Routine capital - maintenance is negligible and included in base operating budget.

<i>Financial Status</i>	
Funding Source:	
Local:	\$ 150,000
Bond:	\$ -
Grant:	\$ -
Total Appropriations:	\$ 150,000

Project: Recurring Traffic Calming & Intersection Safety Improvements
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



<i>Scope</i>	
Description:	This request is for the identification and implementation of safety improvements in neighborhoods and at high crash rate intersections. Additionally, funds will enable staff to implement necessary traffic calming measures within the city. Projects will consist of roadway striping, signage, channelization, and minor widening to mitigate existing safety deficiencies. Program will enhance public health and safety for users of the city's transportation system.
\$ Impact on Operations:	Routine capital - maintenance is negligible and included in base operating budget.

<i>Financial Status</i>	
Funding Source:	
Local:	\$ 37,500
Bond:	\$ -
Grant:	\$ -
Total Appropriations:	\$ 37,500

CAPITAL PROJECT FUND SUMMARIES

Project: Recurring Bridge Maintenance
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the continual performance of required repairs and maintenance measures identified by Georgia Department of Transportation (GDOT) inspectors during their biennial inspections of city owned bridges. Tasks include: the removal of corrosion and repainting of bridge supports; remediation of erosion issues; installation/extension of concrete encasements around piles; and cleaning/sealing deck joints. Failure to address these items can lead to further deterioration of bridge conditions.

Work items based on 2011 GDOT Inspections and include Windward Parkway at Camp Creek (\$270,000), and funding for miscellaneous repairs as needed.

\$ Impact on Operations: This program decreases bridge maintenance costs and increases the useful life of the bridge.

Financial Status

Funding Source:	Local:	\$	300,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	300,000

Project: Recurring Mast Arm Maintenance
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the painting of mast arms and pedestrian/vehicular lighting (collectively the "fixtures") throughout the city and will be phased in over multiple years. Painting the fixtures black will increase the aesthetics of downtown Alpharetta. The project will consist of sandblasting the fixtures and then applying an industrial paint. Depending on the size of the fixtures and the amount of traffic traveling through the intersection the average cost per intersection ranges from \$4,000 to \$6,000. Painting the fixtures will improve the overall aesthetic of the city and provide a uniform appearance. The goal is to paint all mast arms at city intersections over the three year period that began with FY 2013 (\$225,000). Accordingly, funding in similar amounts is being requested in FY's 2014 and 2015 to accomplish this goal.

\$ Impact on Operations: Routine capital - maintenance is negligible and included in base operating budget.

Financial Status

Funding Source:	Local:	\$	200,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	200,000

CAPITAL PROJECT FUND SUMMARIES

Project: Recurring Tree Planting and Landscape Improvements
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description:

This request is for annual tree planting and landscape improvements within city right-of-ways and medians. FY 2014 request consists of tree planting at the northwest corner of Rucker Road and Wills Road, the northwest corner of Old Milton Parkway and Roswell Street, the traffic triangle median between Old Milton Parkway and State Bridge Way, the enhancement of the landscape plantings within the medians along Westside Parkway from Webb Bridge Road to the medians recently planted to the south of Cumming Street, and for the beginnings of the removal and replacement of the declining trees within the medians along North Point Parkway between Great Oaks Way and Windward Parkway. The city will partner with the various property owners and business associations, where practical, to perform the required maintenance, with the city implementing the proposed plans. The property owners (e.g. associations) will have direct involvement in the design process. The city will offset a portion of the project costs through tree bank funding where necessary and allowed. Approximate cost by location: Rucker Road and Wills Road: \$20,000; Old Milton Parkway and Roswell Street: \$18,000; Old Milton Parkway and State Bridge Way: \$40,000; Westside Parkway: \$12,000; North Point Parkway: \$60,000.

\$ Impact on Operations: Routine maintenance includes landscape maintenance (e.g. fertilizing, pruning, etc.) and irrigation.

Financial Status

Funding Source:	Local:	\$	150,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	150,000

CAPITAL PROJECT FUND SUMMARIES

Project: Recurring Storm/Drainage Repair
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the continual maintenance and repair of small drainage work within the city. The city is required by the State to maintain its existing storm sewer system. The stormwater inspections have shown approximately 15% of structures to be in need of repair (estimating 300 structures per year in need of repair). This account is used for: (1) smaller repairs such as grouting, paving inverts, and replacing tops; (2) vacuuming sediment/debris out of pipes to restore capacity; and (3) annual maintenance on the city's stormceptor units, oil/water separators, and city-owned detention ponds (as required by the Georgia Environmental Protection Division).

\$ Impact on Operations: This program decreases maintenance costs as flooding and erosion will be reduced.

Financial Status

Funding Source:	Local:	\$	150,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	150,000

Project: Recurring Design Services
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for various design services associated with minor projects unable to be completed by city staff. Such services include structural designs and or evaluations, sub-surface geotechnical investigations, miscellaneous right-of-way/easement research. Utilizing experts in various fields enables city staff to make the appropriate decisions related to resolving construction issues. Additionally, the information gathered by the design professionals allows staff to properly design or address issues in the field.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	75,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	75,000

CAPITAL PROJECT FUND SUMMARIES

Project: Minor Intersection Upgrades
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the identification and implementation of minor safety and operational improvements at several intersections. Improvements will consist of minor milling and resurfacing to reconfigure lane assignments (i.e. removing gore striping to accommodate a second turn lane at Westside and Mansell Road, redesigning right turn lanes on Douglas Road to develop a left turn lane near Clubhouse, and redesigning the travel lanes southbound on Haynes Bridge Road to feed a right turn lane onto Mansell Road), or reconfiguring a pedestrian island to accommodate a second right turn lane (such as being considered at Haynes Bridge Road and Old Milton Parkway).

\$ Impact on Operations: Routine capital - maintenance is negligible and included in base operating budget.

Financial Status

Funding Source:	Local:	\$	150,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	150,000

Project: Haynes Bridge Road Landscaping
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the design and installation of landscape along the realigned portion of Haynes Bridge Road (also includes pedestrian lighting). This project will begin south of Old Milton Parkway and stop at Academy Street. Landscaping will be installed within the medians as well as along the roadway. The landscape plan is envisioned to have trees planted along the street and in the medians; shrubs and seasonal color will also be mixed within.

\$ Impact on Operations: Routine maintenance includes landscape maintenance (e.g. fertilizing, pruning, etc.) and irrigation.

Financial Status

Funding Source:	Local:	\$	150,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	150,000

CAPITAL PROJECT FUND SUMMARIES

Project: Old Milton Parkway Right Turn Lane (design)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the design of a right turn lane, extending the existing eastbound right turn lane that flows onto southbound Haynes Bridge Road. This improvement is intended to smooth traffic flow from the heavy left turn movement experienced at South Main Street southbound onto eastbound Old Milton Parkway then right onto southbound Haynes Bridge Road. Construction costs are estimated at \$225,000 and will be requested as part of the FY 2015 capital budget.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	75,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	75,000

Project: Rucker Rd Corridor (design)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for design costs for Rucker Road intersection improvements from Wills Road west to the city limits. Existing traffic patterns and planned development have created a need for multiple improvements. The proposed project consists of: intersection improvements at Broadwell Road, Charlotte Drive, and Fairfax Lane; creation of center turning lanes and medians; addition of bicycle lanes; and installation of 8' sidewalks and four pedestrian bridges. The overall design will be constructed in phases with funding requested as part of the FY 2015-2018 capital budgets (estimated construction costs for all phases totals in excess of \$7.5 million).

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	500,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	500,000

CAPITAL PROJECT FUND SUMMARIES

Project: Mayfield Rd Bike Route - Mayfield Cir to Upshaw Dr (design)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for design costs (e.g. survey, geotechnical review, and retaining wall design) for construction of a bike lane and 8' sidewalk along the south side of Mayfield Road from Mayfield Circle to Upshaw Drive. The project length would be approximately 1,700 linear feet. Engineering & Public Works staff will perform all other design work to construct the project. To accommodate the lane the road will be widened and resurfaced. Approximately three utility poles and an existing retaining wall will require relocation. Additional right-of-way may be required for construction of the proposed improvements. Once completed, a bike route will be in place from Providence Road to Upshaw Drive along the south side of Mayfield Road. Construction costs are estimated at \$300,000 and will be requested as part of the FY 2015 capital budget.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	25,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	25,000

Project: Mayfield Rd Sidewalk (Mayfield Manor Dr to Sharp Development)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the construction of a sidewalk and bike-route along Mayfield Manor Drive to the Sharp Residential development on the west/south side of Mayfield Road (approximately 1,400 linear feet). Four utility poles and three AT&T cabinets will require relocation. These improvements will be coordinated with the improvements along Mayfield Road between Colony Drive and Bates Road resulting from the Sharp Residential development. Design work was funded as part of the FY 2012 capital budget.

\$ Impact on Operations: \$800 (FY 2014) to \$1,600 (future years) annually for maintenance (e.g. landscaping) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	363,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	363,000

CAPITAL PROJECT FUND SUMMARIES

Project: Marietta St Sidewalk (S. Main St to Roswell St)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This capital request is for the construction of 5' concrete sidewalk along the north side of Marietta Street between South Main Street and Roswell Street. Approximately 650 linear feet of sidewalk will be installed. Also included within the scope of work is the installation of curb, gutter, drainage structures, pipe, two utility pole relocations, one light pole relocation, and a retaining wall. Additional right-of-way will be required for construction of the proposed improvements.

Sidewalk improvements are only proposed along the north side of Marietta Street due to the requirement for more extensive right-of-way acquisition along the south side of Marietta Street.

\$ Impact on Operations: \$400 (FY 2014) to \$800 (future years) annually for maintenance (e.g. landscaping) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	200,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	200,000

Project: Haynes Br Rd Sidewalk Ext. (Haynes Valley Ct to HB Middle School)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the construction of sidewalk improvements along the south side of Haynes Bridge Road from Haynes Valley Court to Blackwatch Lane. This project consists of approximately 600 linear feet of sidewalk, curb and gutter, associated stormsewer pipe, and the relocation of three AT&T utility cabinets. Construction of this sidewalk will enable citizens within the Haynes Valley subdivision to walk to Haynes Bridge Middle School.

\$ Impact on Operations: \$400 (FY 2014) to \$800 (future years) annually for maintenance (e.g. landscaping) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	165,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	165,000

CAPITAL PROJECT FUND SUMMARIES

Project: Windward Pkwy Sidewalk Ext. (Windward to Cogburn Rd)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the construction of sidewalk improvements along the east and west sides of Windward Parkway between State Route 9 and Cogburn Road/Webb Road. This project consists of approximately 250 linear feet of 5' wide concrete sidewalk on the west side of Windward Parkway and approximately 900 linear feet of 5' wide concrete sidewalk on the east side. Construction of this sidewalk will eliminate gaps between existing sidewalk segments on both sides of Windward Parkway between State Route 9 and Cogburn Road/Webb Road.

\$ Impact on Operations: \$700 (FY 2014) to \$1,400 (future years) annually for maintenance (e.g. landscaping) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	35,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	35,000

Project: Mills Creek Ave Drainage Repair
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the replacement of two failing pipes between Mill Creek Avenue and the existing lake. The pipe failure has caused the sidewalk above it to buckle. The sidewalk section has been temporarily replaced but will fail again if the underlying pipe failure is not addressed. This project will include approximately 50 linear feet of concrete pipe, three new storm structures, proper pipe bedding and compaction, and potential wildlife relocation (beavers are currently inhabiting the pipe). The design for this project will be done by city staff.

\$ Impact on Operations: This project decreases maintenance costs as flooding and erosion will be reduced.

Financial Status

Funding Source:	Local:	\$	60,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	60,000

CAPITAL PROJECT FUND SUMMARIES

Project: Clairborne Drive Culvert (design/ROW)
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description:

As part of the FY 2013 capital budget, the city funded a design project to improve the area north of the culvert at Cumming Street (near Jayne Ellen Way). This project was to review the existing sedimentation at the culvert and design a stream restoration at this location. During the design an additional problem was identified with the culvert just south of this location (at Clairborne Drive). This project expands the original project to include the design and replacement of the Clairborne Drive culvert and show additional stream restoration between Cumming Street and Clairborne Drive.

The FY 2014 funding request is for design and permanent easement funds for the replacement of the culvert at Clairborne Drive which was improperly installed causing sedimentation along the stream.

Funding for construction of the improvements (estimated at \$400,000) will be requested as part of the FY 2015 capital budget and includes construction of the new culvert, the stream restoration between Clairborne Drive and Cumming Street, and the stream restoration just north of Cumming Street. This project will require state and federal stream buffer and encroachment approvals.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	75,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	75,000

CAPITAL PROJECT FUND SUMMARIES

Project: Webb Bridge Park Stream Restoration
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description:

Erosion control maintenance of the parking lots, recreation trails, drainage channels, and pond at Webb Bridge Park has increased steadily over the years. Additionally, the Recreation and Parks Department has indicated that they will be interested in performing improvements which could result in decreased stormwater run-off.

On August 1, 2011, City Council approved Manhard Consulting Ltd.'s proposal to perform a comprehensive drainage study of the park to evaluate the current conditions, provide project recommendations to reduce erosion and downstream impacts, and study drainage requirements for future development plans. As part of the final report's recommendations, three streams were identified as experiencing significant bank erosion. All three streams flow to the same unnamed tributary of Lake Windward. Additionally, an existing 60" reinforced concrete pipe (RCP) culvert located along said unnamed tributary to Lake Windward and downstream of two of the streams, is poorly-aligned which has resulted in bank erosion immediately upstream and downstream of the culvert. If left unaddressed, the continued erosion and downcutting of the streams would lead to the undermining of the walking trail and culvert.

The City worked in conjunction with Manhard Consulting Ltd. to prepare construction documents and specifications. In order to ensure that the City received bids which would fall within the allocated funds for this project, City Staff worked with the consultant to prioritize the proposed restoration work and identify a base scope of work and three alternate scopes. The base scope was determined to be the restoration of Reach 3 and the stabilization of the stream banks immediately downstream of the 60" RCP culvert. Alternate #1 was identified as restoration along Reach 1 downstream of the existing 30" RCP culvert. Alternate #2 was identified as restoration of Reach 2 and the stabilization of the stream banks immediately upstream of the 60" RCP. Alternate #3 was identified as restoration of Reach 1 upstream of the existing 30" culvert.

The FY 2013 budget includes funding for the base scope and Alternates #1 and 2.

The FY 2014 budget request is for funding of Alternate #3

\$ Impact on Operations: This project decreases maintenance costs as flooding and erosion will be reduced.

Financial Status

Funding Source:	Local:	\$	150,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	150,000

CAPITAL PROJECT FUND SUMMARIES

Project: Cains Cove Drainage Improvements
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the extension of storm pipe approximately 500 feet in the right-of-way of Cains Cove redirecting it from an existing drainage swale in the front yard of four homes. This swale has shown erosion problems because of the impact of off-site water draining through the yards and under the private driveways. Homeowners have complained that the driveway culverts are insufficient to hold the flow of water. This project will require field run survey and in-house civil design. It will include new storm structures, pavement milling and resurfacing, new curb and gutter, and new 36" concrete pipe.

\$ Impact on Operations: This project decreases maintenance costs as flooding and erosion will be reduced.

Financial Status

Funding Source:	Local:	\$	200,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	200,000

Project: 10430 Centennial Dr Pipe Replacement
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the replacement of approximately 70 linear feet of 48" storm pipe at 10430 Centennial Drive off Waters Road. The current metal pipe which crosses a residential driveway is compromised and is the downstream most pipe leading to the front neighborhood detention pond. The pipe would be replaced with a concrete pipe, a portion of driveway and sidewalk would be replaced, two new structures will be installed, three large trees would be removed, and replanting is included. This project will require field run survey and in-house civil design.

\$ Impact on Operations: This project decreases maintenance costs as flooding and erosion will be reduced.

Financial Status

Funding Source:	Local:	\$	60,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	60,000

CAPITAL PROJECT FUND SUMMARIES

Project: Downtown Enhancements
Department: Engineering and Public Works
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description: This request is for the design, installation, and repair of streetscape/aesthetic enhancements throughout the downtown area. Improvements consist of new trash receptacles, kiosks, benches, arbors, and landscape enhancements to city owned property.

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	50,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	50,000

Project: Technology Replacement (all city departments)
Department: Information Technology
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is to provide for the annual replacement of technology for all city departments. As in prior-years, funding for technology replacement is being provided through General Fund revenues but is requested to be placed in one capital project account to allow for more efficient management (as opposed to being spread across multiple departments based on an estimate of replacement needs which may or may not equate to the actual need during the fiscal year).

The current city standards for technology replacement (based on funding availability) are as follows: servers (5-years); SANS – storage (5-years); desktop PCs (4-years); laptop PCs (3-years); iPad tablets (2-years); large scale multi-function printers (MFPs) (5-7 years); small scale MFPs (5-years); small printers (3-5 years); desktop UPS (electrical service backup) (3-years); network UPS (closets) (4-years); network routers/switched/firewalls (5-years); telephony gateways (7-years).

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	250,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	250,000

CAPITAL PROJECT FUND SUMMARIES

Project: EPW Data Center Servers and Core Storage (replacement)
Department: Information Technology
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for the replacement of the Engineering & Public Works (EPW) data center servers and core storage that provides the virtual environment at this data center location. Equipment to be replaced includes 5 Existing VMware Hosts (Dell Servers)/large scale Dell Equallogic Storage (48 Terabytes , 48 1 TB Raid Drives). This equipment is scheduled to be replaced every 5 – 6 years (normal maintenance life) in order to provide for both reliable and efficient service, but also to provide newer technology that has greater capability and hardware that requires less power and gives off less heat. The city currently has two data centers (EPW and E-911) and is adding a third at the new city hall location.

\$ Impact on Operations: Annual costs for programming, maintenance and support, etc. (est. \$15,000) will begin in FY 2015.

Financial Status

Funding Source:	Local:	\$	210,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	210,000

CAPITAL PROJECT FUND SUMMARIES

Project: Fleet Replacement (Qty: 10 - smoothing)
Department: Public Safety
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description:

This request is for the forecasted annual replacement of police and fire sedans, light trucks and motorcycles. The replacement need is driven by the mileage and mechanical condition of the vehicles. Emergency response vehicles are expected to last more than 125,000 miles; administrative vehicles are generally run somewhat longer.

The forecasted need over the next 5-years based on a mileage threshold of 125,000 miles is as follows: FY 2014 (16 vehicles); FY 2015 (35 vehicles); FY 2016 (30 vehicles); FY 2017 (12 vehicles); and FY 2018 (12 vehicles). Due to the anticipated replacement spike in FYs 2015-2016, the city is recommending that replacement funding be smoothed over the three year period. Specifically, the city can insulate the capital budget from a spike in FYs 2015-2016 by funding an amount equivalent to the annual replacement of 20 vehicles and allowing the unspent funds to pool in the replacement account until needed.

The average cost per vehicle is lower than in recent years, as the department will have completed its analog-to-digital transition of radios and cameras and these two expensive pieces of equipment will be moved from old cars to new. Most of the other equipment, such as light bars and partitions, cannot be moved due to vehicle body style changes over the life of the cars. Funding is included within this request to replace the other equipment as needed.

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	750,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	750,000

CAPITAL PROJECT FUND SUMMARIES

Project: Public Safety Equipment (replacement)
Department: Public Safety
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for scheduled replacement of public safety equipment including: police, fire, rescue, and hazardous materials handling equipment. All of these items have a finite service life determined by wear and tear or expired warranties and must be replaced before personnel safety is jeopardized (e.g. an old air bottle failing under pressure or a harness breaking under stress). Replacement in each year will be prioritized based on the need at the time and the funding available. Identified equipment replacements includes: Intoxilyzer blood-alcohol measuring devices, speed detection lasers, weapons, firefighter turnout gear, SCBA harnesses, thermal imaging cameras, etc.

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	75,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	75,000

CAPITAL PROJECT FUND SUMMARIES

Project: Fire Dispatch Protocols/Accreditation
Department: Public Safety
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description:

This initiative will change the way 911 and non-emergency calls for fire service are taken and the way fire units are dispatched. All 911 calls begin with a call-taker trying to get all relevant information from a caller, determining an appropriate response, and providing pre-arrival instructions to the caller. This process can follow a best-efforts "free form" approach, or can follow scripted protocols. Protocols offer a number of advantages, notably obtaining better information and providing a more effective response. Protocols also represent consistent standards that support quality assurance, measurement and improvement. The drawback is that such protocols must be purchased from a commercial vendor to have validity and legal standing. Accordingly, the department has for a number of years used protocols in emergency medical dispatch, which is a requirement for dispatching the county's ambulance provider, but not for fire and police calls. Experience has proven the value of protocols, to the extent that the Department pursued and obtained accreditation in emergency medical dispatch in 2012. The Department is now ready to implement the use of protocols and pursue accreditation in fire dispatch. The advantages of standardizing fire protocols specifically include faster dispatch, better differentiation between emergency and non-emergency response, more efficient use of resources, and mitigation of some liability such as personnel encountering unexpected hazards on scenes. And, significantly, dispatch accreditation earns points in determining the City's ISO rating. This initiative is funded through the E-911 Fund.

\$ Impact on Operations:

Annual costs for licensing, re-certification for operators, accreditation maintenance fees, etc. (est. \$12,500) will begin in FY 2015.

Financial Status

Funding Source:	Local (E-911 Fund):	\$	125,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	125,000

CAPITAL PROJECT FUND SUMMARIES

Project: Reserve Unit Equipment (new)
Department: Public Safety
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description:

This request is for the purchase of equipment (radios and miscellaneous small equipment) for the Police Reserve Unit. The Reserve Unit is a tremendously valuable component of police services in Alpharetta and consists of 25 sworn officers who have met all the standards of the Department and work interchangeably with paid officers. During calendar year 2012, reserve officers contributed over 10,500 hours of service which is equivalent to over five full-time officer positions. The contribution is more valuable than this equivalency implies since most of these hours were worked at times when patrol shifts would otherwise have been short-handed.

Because reserve officers perform the same duties as paid officers the Department incurs comparable operating costs, including the need for vehicles and other equipment. The funding request for Fiscal Year 2014 includes funding from the E-911 Fund totaling \$35,000 for an estimated six additional radios for the reserve unit (the reserve unit is currently using the Department's floating radios which is intended to cover breakages and outages among its officers) along other minor equipment. This initiative is funded within the E-911 Fund.

\$ Impact on Operations: Routine capital - maintenance is negligible and included in base operating budget.

Financial Status

Funding Source:	Local (E-911 Fund):	\$	35,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	35,000

CAPITAL PROJECT FUND SUMMARIES

Project: Fleet Replacement (Qty: 2)
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for the replacement of two vehicles (two 2001 F-250s). The 2001 F-250's have over 91,000 and 95,000 miles respectively and warrant replacement based on age and repair costs. Repair costs for these vehicles are escalating and replacement parts can be difficult to locate.

Replacement criteria is as follows: 1) when the department director determines it is no longer cost effective to retain the vehicle; 2) when either mileage or age reaches or exceeds 10-years of service or 125,000 miles; and 3) motorized equipment damaged in accidents shall be inspected by the Safety/Risk Administrator to determine feasibility of repairs as compared to replacement cost.

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	50,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	50,000

Project: Athletic Scoreboards (maintenance/replacement)
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: The city owns and maintains thirty-one athletic and equestrian scoreboards.

Staff has developed a plan for systematic replacement of scoreboards. The replacement cost is estimated at \$6,000 per baseball/softball scoreboard (includes shipping and installation) and \$13,000 for a football scoreboard (includes shipping and installation). Maintenance/refurbishment of scoreboards is estimated at an additional \$1,000 to \$2,000 annually. Total expenses for FY 2014 are estimated at \$16,000 (\$13,000 to replace football scoreboard at North Park field 2, \$1,000 for refurbishment of football scoreboard at North Park field 1, and \$2,000 for general maintenance of all boards).

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	16,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	16,000

CAPITAL PROJECT FUND SUMMARIES

Project: Park Equipment Replacement
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for the replacement of nine pieces of equipment including: one 1996 New Holland Skid Steer Loader (historical repair costs exceed equipment value); four John Deere Field Rakes (model years include one 1991 and three 1999s); three John Deere Gators (model years 1991, 1999, and 2002); and one Yamahauler (already been auctioned).

\$ Impact on Operations: Routine replacement capital - operating costs to decrease due to decline in repairs.

Financial Status

Funding Source:	Local:	\$	115,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	115,000

Project: Capital Inv. for Manning Oaks Elementary School
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: Per the terms of the Intergovernmental Agreement between the City of Alpharetta and Fulton County Schools for use of Milton Center as approved by Alpharetta City Council on November 19, 2012, the City is to invest \$25,000 in a capital improvement project at Manning Oaks Elementary School in Year 2 of the IGA (June 1, 2013-May 31, 2014). The project is to be determined by Fulton County Schools, but preliminary discussions with school officials included the idea of playground equipment. This project will need to be done during the school's summer break. The project would start in late May 2014 and be complete by the end of June 2014.

\$ Impact on Operations: N/A (maintenance is the responsibility of the Fulton County School District)

Financial Status

Funding Source:	Local:	\$	25,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	25,000

CAPITAL PROJECT FUND SUMMARIES

Project: Lightning Warning System (Wills Park/Webb Bridge Park)
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for the purchase of two (2) Lightning Warning Systems; one each for Wills Park and Webb Bridge Park. These systems monitor cloud and cloud-to-ground lightning and responds by triggering a visual rotating strobe light and audible alarm to inform the park users to seek safety.

\$ Impact on Operations: N/A (acquisition price to include 5 years of support and maintenance)

Financial Status

Funding Source:	Local:	\$	50,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	50,000

Project: Webb Bridge Park Tennis Courts Resurfacing
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for the repair/resurface/recoat of four tennis courts at Webb Bridge Park with a fabric crack repair system. Also included is the repair of cracks that run along the fence lines on the playing surfaces. The tennis courts were last resurfaced in 2008 (no structural repairs; just a simple resurfacing) and have been susceptible to surface cracking which, if not repaired, could become a safety hazard.

\$ Impact on Operations: This program decreases athletic court maintenance costs as the surface is less susceptible to damage.

Financial Status

Funding Source:	Local:	\$	35,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	35,000

CAPITAL PROJECT FUND SUMMARIES

Project: Webb Bridge Park Erosion Control/Parking Lot Repaving
Department: Recreation and Parks
Strategic Priority: Offering the highest quality of environment for our residents and businesses



Scope

Description:

This request is for the repaving of parking lots at Webb Bridge Park and associated stormwater improvements. The existing parking lots are currently paved with pervious asphalt intended to reduce stormwater runoff. The existing pavement is costly to maintain, does not function as intended regarding stormwater, and generates a large amount of loose gravel. The scope of this project includes removing loose gravel, repaving with 1.5" thickness of Type E asphalt, restriping, and various stormwater improvements. The resurfacing would improve the structural adequacy of existing paving and provide a new appearance for striping. It would provide a safer walking surface for all users of the park. The stormwater runoff improvements would help improve water quality and address downstream erosion and sedimentation issues. The three parking lots would be resurfaced and improved in phases. The design cost (\$15,000) would cover the acquisition of surveys for use by City staff in design of the stormwater improvements.

Phase 1 - Lower Field Parking Lot (FY 2014, \$265,000): Stormwater improvements would include modification and enhancement of the swale separating the two tiers of parking, modifications to an existing detention area, and the creation of a new water quality feature near the southwest corner of the synthetic turf field. These improvements serve to improve water quality and lessen downstream erosion issues which impact residential properties adjacent to Webb Bridge Park.

\$ Impact on Operations: This project decreases maintenance costs as flooding and erosion will be reduced.

Financial Status

Funding Source:	Local:	\$	280,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	280,000

CAPITAL PROJECT FUND SUMMARIES

Project: Wills Park Pool Renovation (design)
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description:

This request is for design/study costs relating to Wills Park pool and bath house renovations. Staff's recommendation is funding the design costs In FY 2014 (estimated at \$70,000) and construction costs in FY 2016 (estimated at \$1.2 million). The city could opt to fund construction by phase over two years (e.g. pool in FY 2015 and bath house in FY 2016) but constructing both phases at the same time is estimated to save 20%-25% in costs while limiting the impact to our customers and maximizing contractor accountability and is staff's recommendation.

Phase 1 improvements to the Pool include the following: new pool lining (marcite); replace existing tile; refurbish stainless steel gutters; replace in-pool lighting (LED); repair shell fractures in diving well and corners; repair pool deck cracks; install new deck drainage system (recoat entire deck); replace all diving boards and guard stands; replace all starting blocks and anchors; install pool cover and anchors; install one additional ADA lift; replace old water filter system; remove and replace all old pumps, motors, filters, and controllers; remove and replace all old acid containers, pumps, and lines; remove and replace all exhaust fans; install new acid feeder system; install/construct new filter room, pump, tanks, and piping; and paint all surfaces with epoxy paint or tenemec paint as appropriate.

Phase 2 improvements to the Pool Bath House include the following: replace roof trusses, insulation, fascia, gutters, and downspouts; repair masonry including columns and entries as well as general cleaning and sealing of finishes; install new HVAC system; upgrade electrical system; install a pergola; and general interior renovations including new toilets, showers, sinks, partitions, ceilings, floors, drains, doors, etc.

\$ Impact on Operations: N/A

Financial Status

Funding Source:	Local:	\$	70,000
	Bond:	\$	-
	Alpharetta Youth Baseball Association:	\$	-
Total Appropriations:		\$	70,000

CAPITAL PROJECT FUND SUMMARIES

Project: Wills Park Recreation Center Gym Insulation (replacement)
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for the replacement of sagging and ripped insulation in the Wills Park Recreation Center gymnasium (built in 1985). The ripped insulation reduces the effectiveness of the insulation resulting in increased utility costs and is an eyesore to our customers. The gym is used for multiple programs including youth/adult basketball, karate, day camps, and open gym.

\$ Impact on Operations: This program decreases facility maintenance and utilities costs (increases energy efficiency).

Financial Status

Funding Source:	Local:	\$	45,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	45,000

Project: Crabapple Gov't Center Carpet (replacement)
Department: Recreation and Parks
Strategic Priority: Fostering strong sense of community including safety and security



Scope

Description: This request is for replacement of carpet at the Crabapple Government Center to include the Recreation and Parks offices, lobby, hallways, and art wing, as well as the Court Services area on the 2nd floor. This includes staff offices, hallways, lobby, multi-purpose rooms and court room. The carpet in the building was installed in 1998 during the initial renovation of the facility after the City purchased it from the church. It is worn and odorous in some areas. The replacement carpet would be 26 oz.

\$ Impact on Operations: This program decreases facility maintenance costs.

Financial Status

Funding Source:	Local:	\$	35,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	35,000



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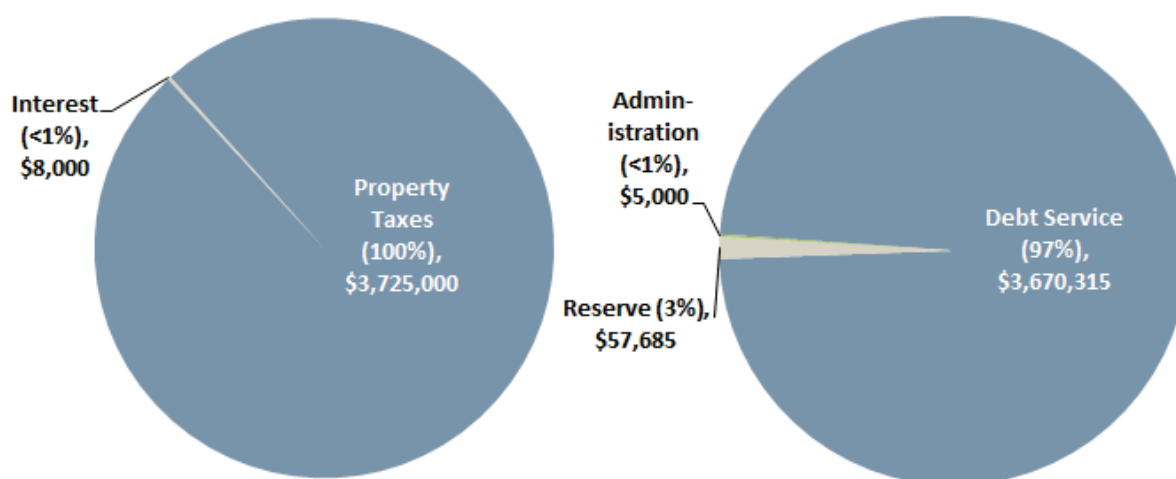
DEBT SERVICE FUND SUMMARY

Debt Service Fund Summary

Overview

Pursuant to the Governmental Accounting Standards Board's Codification, Section 1300.107, debt service funds are used to account for the accumulation of resources for the payment of principal and interest on general long-term debt.

FY 2014 Budget: \$3,733,000



Revenues by Source

Expenditures by Use

The city has one (1) debt service fund that accounts for debt service on the following obligations (along with the principal amounts outstanding as of June 30, 2013).

GENERAL OBLIGATION (GO) BONDS

	\$
GO Bonds, Series 2006	\$ 19,180,000
GO Bonds, Series 2012	28,395,000
Total GO Debt	\$ 47,575,000

DEVELOPMENT AUTHORITY

	\$
Revenue Refunding Bonds, Series 2009 ²⁵	\$ 654,225
Total GO Debt	\$ 654,225

²⁵ The City is obligated via an Intergovernmental Agreement to fund 16.5% of the principal and interest associated with this obligation. The amount shown represents the City's portion.

DEBT SERVICE FUND SUMMARY

Debt Issuance Methodology

The city's preferred method for funding the acquisition and construction of major items, such as buildings, infrastructure, parks, streets, and other major capital facilities shall be through current revenue when available (i.e. pay-as-you-go) or from outside funding sources such as grant funding and related aid.

General obligation bonds have been issued to fund numerous large scale projects including public safety facilities, parks and recreation facilities, and transportation improvements that continue to define Alpharetta as a desirable community to work and live.

The city issues general obligation bonds to provide capital improvement funding when the project(s) are of sufficiently large scale and it is appropriate to achieve a fair allocation of costs between current and future beneficiaries.

Debt Issuance Activity

In November 2011, the voters of the City of Alpharetta approved the issuance of \$29 million in General Obligation Bonds to fund the redevelopment of 22-acres in the heart of Downtown Alpharetta (the "City Center" project). The city's vision is of a vibrant environment of parks and civic space that will serve as a gathering place for citizens and attract business and investment to this important area of our community.



As proposed the first phase of the development would include:

- New Fulton County Library (funded separately through Fulton County);
- 5-acre Public Park;
- Town Square;
- New Alpharetta City Hall; and
- 450+/- space Public Parking Garage.

These components will create a place and an atmosphere where people naturally want to be; drawing residents and visitors to the heart of our community to read a good book, enjoy a family picnic, attend a community event, and enjoy the company of friends and neighbors. While there many will also patronize the unique shops and restaurants that call Downtown Alpharetta home.

DEBT SERVICE FUND SUMMARY

The environment created through these civic elements will also attract private investment that will drive the second phase of the development. Contained within the City's vision are four future development sites that will be sold or ground leased to private-sector developers.

The City Center bonds were issued in March 2012 ("General Obligation Bonds, Series 2012") in a par amount of \$29 million with a 20-year term and a true-interest cost of 2.98%.

Bond Smoothing

The city's primary method of funding large scale capital projects is through the issuance of general obligation bonds ("GO Bonds") upon referendum approval by our voters. GO Bonds have been issued to fund numerous large scale projects including public safety facilities, parks and recreation facilities, and transportation improvements that continue to define Alpharetta as a desirable community to work and live. Principal and interest payments for fiscal year 2013 are budgeted at \$3,681,976 (including the recently issued City Center bonds) with the following forecast: 2014 - 2032²⁶: \$3,570,399 (annual average).

The table below illustrates the annual millage rates levied by the city for the last 15 years.

Fiscal Year	Operating Millage Levy	Debt Service Millage Levy	Total Millage Levy	% Increase (Decrease)
2014	4.870	0.880	5.750	0.0%
2013	4.820	0.930	5.750	0.0%
2012	4.215	1.535	5.750	0.0%
2011	4.215	1.535	5.750	0.0%
2010	4.215	1.535	5.750	0.0%
2009	4.215	1.535	5.750	-8.0%
2008	4.508	1.740	6.248	-5.3%
2007	4.150	2.450	6.600	-5.7%
2006	4.550	2.450	7.000	0.0%
2005	4.700	2.300	7.000	0.0%
2004	4.750	2.250	7.000	-3.2%
2003	4.900	2.330	7.230	-3.3%
2002	5.060	2.420	7.480	-5.1%
2001	4.930	2.950	7.880	0.0%
2000	5.170	2.710	7.880	

²⁶ Represents final maturity of the city's existing debt (General Obligation Bonds, Series 2012).

DEBT SERVICE FUND SUMMARY

General Obligation Bond Debt

General obligation ("GO") bonds are direct obligations and pledge the full faith and credit of the city. Original issue GO bonds are generally issued as 20-year serial bonds with equal amounts of principal maturing each year. Refunding GO bonds are issued in a maturity not exceeding the maturity of the refunded bonds. The following schedule provides a detailed listing of total debt service requirements of the city's GO bonds through maturity (GO Bonds, Series 2006 and 2012).

	Principal	Interest	Total Debt Service
FY 2014	\$ 1,750,000.00	\$ 1,794,700.00	\$ 3,544,700.00
FY 2015	1,815,000.00	1,719,300.00	\$ 3,534,300.00
FY 2016	1,880,000.00	1,634,750.00	\$ 3,514,750.00
FY 2017	1,940,000.00	1,572,350.00	\$ 3,512,350.00
FY 2018	2,000,000.00	1,494,750.00	\$ 3,494,750.00
FY 2019	2,070,000.00	1,420,065.00	\$ 3,490,065.00
FY 2020	2,150,000.00	1,346,000.00	\$ 3,496,000.00
FY 2021	2,230,000.00	1,254,925.00	\$ 3,484,925.00
FY 2022	2,325,000.00	1,165,025.00	\$ 3,490,025.00
FY 2023	2,425,000.00	1,071,275.00	\$ 3,496,275.00
FY 2024	2,535,000.00	971,475.00	\$ 3,506,475.00
FY 2025	2,650,000.00	867,000.00	\$ 3,517,000.00
FY 2026	2,765,000.00	757,875.00	\$ 3,522,875.00
FY 2027	2,885,000.00	646,650.00	\$ 3,531,650.00
FY 2028	2,990,000.00	560,100.00	\$ 3,550,100.00
FY 2029	3,105,000.00	470,400.00	\$ 3,575,400.00
FY 2030	3,225,000.00	377,250.00	\$ 3,602,250.00
FY 2031	3,350,000.00	256,312.50	\$ 3,606,312.50
FY 2032	3,485,000.00	130,687.50	\$ 3,615,687.50
	\$ 47,575,000.00	\$ 19,510,890.00	\$ 67,085,890.00

DEBT SERVICE FUND SUMMARY

Development Authority Revenue Bond Debt

During fiscal year 1999, the Development Authority of Alpharetta entered into an agreement with Georgia State University Foundation to construct an educational facility. As a result, 20-year revenue bonds were issued by the Authority in the original amount of \$10,600,000 and refunded during 2009 through the issuance of Development Authority Revenue Refunding Bonds, Series 2009.

The city has a contract with the Development Authority in which it is obligated to pay 16.5% of the total principal and interest payments on the bonds. In conjunction with this agreement, the Foundation entered into a direct financing lease in which the Foundation's lease payments cover the remaining 83.5% of the total principal and interest payments on the bonds. The bonds are payable on May 1st and November 1st, serially to fiscal year 2019. The following schedule provides a detailed listing of total debt service requirements of the city's allocable portion through maturity.

	Principal	Interest	Total Debt Service
FY 2014	\$ 98,175.00	\$ 27,439.50	\$ 125,614.50
FY 2015	102,300.00	23,685.75	\$ 125,985.75
FY 2016	105,600.00	19,651.50	\$ 125,251.50
FY 2017	110,550.00	14,643.75	\$ 125,193.75
FY 2018	115,500.00	8,992.50	\$ 124,492.50
FY 2019	122,100.00	3,052.50	\$ 125,152.50
	\$ 654,225.00	\$ 97,465.50	\$ 751,690.50



Bond Ratings

The city's AAA bond rating was reaffirmed by *Moody's* and *Standard & Poor's* during March 2012 in conjunction with the sale of \$29 million (par) of General Obligation Bonds, Series 2012, for the City Center project.

Alpharetta is one of only 199 cities in the United States (and one of two in Georgia) to earn a AAA bond rating (*Moody's*). The AAA rating represents the highest rating available to municipalities and translates to significant savings to our citizens and stakeholders through reduced borrowing costs. Case in point, the true-interest cost of the Series 2012 Bonds approximates 2.98% which is among the lowest our financing team has witnessed for bonds carrying a 20-year term.

This rating demonstrates the strongest creditworthiness relative to other US municipal or tax-exempt issuers and reflects the city's current sound financial position as well as strong

DEBT SERVICE FUND SUMMARY

financial management practices guiding our ongoing decision making. These practices are supported by formal policies to guide budget and procurement practices, capital investment, and debt management. Other positive factors include a relatively strong economic base, moderate debt burden, and manageable capital needs. The FY 2014 Budget is mindful of these factors and the importance of maintaining the highest rating, not only for our citizens but also our bondholders.

Legal Debt Margin

The legal debt limit for the city is equal to 10% of the assessed value of the tax digest. For fiscal year 2013, the debt limit is estimated at \$441 million with currently outstanding general obligation debt representing 11% of capacity.

City Of Alpharetta

Legal Debt Margin (last five fiscal years)

	2013*	2012	2011	2010	2009
Debt limit	\$ 440,744,967	\$ 470,312,783	479,413,845	\$ 498,525,167	\$ 515,651,527
Total net debt applicable to limit	46,860,404	48,952,453	21,271,623	27,458,890	33,174,763
Legal Debt Margin	\$ 393,884,563	\$ 421,360,330	458,142,222	\$ 471,066,277	\$ 482,476,764
Total net debt applicable to the limit as a percentage of debt limit	11%	10%	4%	6%	6%

Legal Debt Margin Calculation for Fiscal Year 2013

Taxable Assessed Value	\$ 3,870,832,645
Add back: Exemptions	536,617,020
<i>Total assessed value</i>	<i>4,407,449,665</i>
Debt limit (10% of total assessed value)	\$ 440,744,967
Debt applicable to limit:	
General obligation bonds	47,575,000
Less: Amount set aside for repayment of general obligation debt	(714,596)
<i>Total net debt applicable to limit</i>	<i>\$ 46,860,404</i>
Legal Debt Margin	\$ 393,884,563

Variance due to the issuance of General Obligation Bonds, Series 2012.

Source: City of Alpharetta Finance Department

* FY 2013 data represents estimates.

DEBT SERVICE FUND SUMMARY

Statement of Budgetary Comparisons

	FY 2013 Amended Budget	FY 2014 Recommended Budget	\$ Variance	% Variance
Property Taxes: (1)				
Property Taxes	\$ 3,607,000	\$ 3,558,000	\$ (49,000)	-1.4%
Delinquent	-	5,000	5,000	100.0%
Motor Vehicle Taxes	169,000	162,000	(7,000)	-4.1%
Interest	5,000	8,000	3,000	60.0%
Other Financing Sources:				
Transfer-In from Impact Fee Fund	-	-	-	0.0%
Budgeted Fund Balance	-	-	-	0.0%
Total Revenues (All Sources)	\$ 3,781,000	\$ 3,733,000	\$ (48,000)	-1.3%
Maintenance & Operations:				
Professional Services	\$ 5,000	\$ 5,000	\$ -	0.0%
Debt Service (Principal and Interest):				
City of Alpharetta				
GO Bonds, Series 2006	2,037,850	2,038,850	1,000	0.0%
GO Bonds, Series 2012	1,517,950	1,505,850	(12,100)	100.0%
Development Authority of Alpharetta				
Revenue Refunding Bonds, Series 09	126,176	125,615	(561)	-0.4%
Other Uses:				
Debt Service Reserve (2)	94,024	57,685	(36,339)	100.0%
Total Expenditures (All Uses)	\$ 3,781,000	\$ 3,733,000	\$ (48,000)	-1.3%

Notes:

(1) The reduction in property tax revenue is primarily related to a decline in the underlying millage rate. Motor vehicle tax revenue is also declining due to the impact of House Bill 386 which phased out motor vehicle taxes on all vehicles titled on or after March 1, 2013. The city will still receive motor vehicle taxes on vehicles titled before March 11, 2013 until the vehicle is sold/transferred. The city is forecasting motor vehicle revenues to be fully phased-out over the seven year period ending in FY 2020.

(2) The debt service reserve is being maintained to insulate the city from unanticipated revenue declines.

DEBT SERVICE FUND SUMMARY

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Est.	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
Beginning Fund Balance:	\$ 8,875,237	\$ 6,811,110	\$ 4,948,377	\$ 327,546	\$ 702,132	\$ 759,817	\$ 817,503
Revenues:							
Property Taxes (incl. Motor Vehicle)	\$ 7,336,490	\$ 7,202,093	\$ 6,731,881	\$ 4,055,792	\$ 3,725,000	\$ 3,725,000	\$ 3,644,000
Interest	35,432	27,139	11,998	5,769	8,000	8,000	8,000
Other	-	-	-	-	-	-	-
	<u>\$ 7,371,922</u>	<u>\$ 7,229,232</u>	<u>\$ 6,743,879</u>	<u>\$ 4,061,561</u>	<u>\$ 3,733,000</u>	<u>\$ 3,733,000</u>	<u>\$ 3,652,000</u>
Expenditures:							
Professional Services	\$ 7,069	\$ 3,150	\$ 2,075	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Non-Departmental:							
Debt Service	9,530,331	9,588,815	7,334,235	3,681,976	3,670,315	3,670,315	3,660,286
	<u>\$ 9,537,400</u>	<u>\$ 9,591,965</u>	<u>\$ 7,336,310</u>	<u>\$ 3,686,976</u>	<u>\$ 3,675,315</u>	<u>\$ 3,675,315</u>	<u>\$ 3,665,286</u>
Other Financing Sources (Uses):							
Interfund Transfer:							
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Impact Fee Fund	101,351	500,000	271,600	-	-	-	-
(1) Capital Project Fund	-	-	(4,300,000)	-	-	-	-
Bond IV Fund	-	-	-	-	-	-	-
Refunding Bonds (net)	-	-	-	-	-	-	-
	<u>\$ 101,351</u>	<u>\$ 500,000</u>	<u>\$ (4,028,400)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Fund Balance: (1)	<u>\$ 6,811,110</u>	<u>\$ 4,948,377</u>	<u>\$ 327,546</u>	<u>\$ 702,132</u>	<u>\$ 759,817</u>	<u>\$ 817,503</u>	<u>\$ 804,217</u>
<i>Changes in Fund Balance (actual/est.)</i>	<i>\$ (2,064,127)</i>	<i>\$ (1,862,733)</i>	<i>\$ (4,620,831)</i>	<i>\$ 374,586</i>	<i>\$ 57,685</i>	<i>\$ 57,686</i>	<i>\$ (13,286)</i>

Notes:

(1) The city's General Fund transferred over \$6.0M to smooth the tax levy necessary to support escalating debt service requirements from 2007-2011. FY 2012 included a repayment to the General Fund that has been utilized for capital initiatives.

DEBT SERVICE FUND SUMMARY



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DEPARTMENT SUMMARIES

Department Summaries

Overview

The *Department Summaries* section is intended to provide detailed financial and non-financial information of the departmental operations funded within the General Fund.

This section segments departmental budgets into the following components:

- *Mission Statement* – the statement must identify the particular purpose for the department and how it relates to the city’s overall mission.
- *Goals & Objectives* – a listing of the fundamental goals and objectives which aid the department in achieving its mission. Goals stretch and challenge the department, but they must also be SMART (Specific, Measurable, Achievable, Relevant, and Timed).

Direct linkages are identified between the city’s vision/strategic priorities and departmental goals & objectives.

- *Revenue/Expenditure Summary* – the budget for the department summarized by expenditure category:
 - Personal Services: salaries, overtime, and other compensation related expenditures.
 - Maintenance & Operations: professional fees, repair & maintenance, general supplies, communications, and other operational related expenditures.
 - Capital: departmental machinery & equipment expenses.
- *New Initiatives* – new services and/or capital investment.
- *Statement of Service and Performance Measures* – multi-year summary of departmental performance measurements.

The city views its performance measurement system as a priority and is continuing to develop and refine performance data and benchmarks. The city’s performance measurement team is implementing a proprietary software application to assist in the tracking, analysis and reporting of performance measurement data and the comparison of core measures from ICMA consortium members. As you review the departmental sections of this document, you will notice refined measures for our Public Safety and Information Technology departments that follow the city’s updated model.

DEPARTMENT SUMMARIES

Mayor and City Council

DONALD MITCHELL
CITY COUNCIL (POST 1)



DMitchell@alpharetta.ga.us

MIKE KENNEDY
CITY COUNCIL (POST 2)



MKennedy@alpharetta.ga.us

CHRIS OWENS
CITY COUNCIL (POST 3)



COwens@alpharetta.ga.us

DAVID BELLE ISLE
MAYOR



DBelleIsle@alpharetta.ga.us



Citizens of Alpharetta

Mayor
David Belle Isle

City Council
Post 1
Donald Mitchell

City Council
Post 2
Mike Kennedy

City Council
Post 3
Chris Owens

City Council
Post 4
Jim Gilvin

City Council
Post 5
Michael Cross

City Council
Post 6
D.C. Aiken

JIM GILVIN
CITY COUNCIL (POST 4)



JGilvin@alpharetta.ga.us

MICHAEL CROSS
CITY COUNCIL (POST 5)



MCross@alpharetta.ga.us

D.C. AIKEN
CITY COUNCIL (POST 6)



DCAiken@alpharetta.ga.us

DEPARTMENT SUMMARIES

Mayor and City Council

Mission Statement

To make a positive difference in the community by efficiently managing public resources and providing effective services and leadership that exceed the expectations of our citizens.

Core Values

Excellence: We believe that expectations are the starting point; not the destination. Every member of the City of Alpharetta Team shall be dedicated to the pursuit of continuous improvement in our results and how they are achieved.

Stewardship: The citizens of Alpharetta have entrusted to us public resources and empowered us to protect, invest, and leverage them for the good and betterment of the community. We shall do so in a manner that reflects the highest ethics, exacting standards, and unwavering principles.

Integrity: The trust of the public is the foundation of our ability to conduct the business of local government and realize the City's mission. Every member of the City of Alpharetta Team shall maintain her or his reputation for honesty, straightforwardness, fair dealing, and a sincere desire to serve in the best interest of the community and citizens of Alpharetta

Service: The City of Alpharetta is committed to efficient, effective, and responsive service delivery that makes a positive difference in the community and the lives of those we serve. We shall proactively address issues and pursue opportunities, act with humility, and deliver more than what is expected.

Loyalty: Through our every word and action we shall serve, protect, and promote the community and citizens of Alpharetta; advance the City's mission; and support and work in unity with those with whom we serve.

Community Vision

Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security;



Providing a business climate that attracts the top echelon companies.

DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Mayor and City Council General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 117,500	\$ 115,000	\$ 117,500	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Group Insurance	63,878	51,279	67,124	105,042	113,986	123,105	132,953
FICA	7,860	8,058	7,640	9,455	9,455	9,455	9,455
Pension (Defined Benefit)	15,833	13,355	10,995	2,051	1,870	1,870	1,870
Pension (401A Contribution/Matcl	3,750	6,938	9,000	16,500	15,300	15,300	15,300
Workers Compensation	2,277	2,612	2,795	2,660	1,933	1,972	2,011
OPEB Contribution	-	-	-	-	397	397	397
Miscellaneous	3,600	3,600	1,800	3,763	3,600	3,600	3,600
subtotal	\$ 214,698	\$ 200,841	\$ 216,854	\$ 259,471	\$ 266,541	\$ 275,699	\$ 285,586
Maintenance & Operations:							
* Mayor	\$ 2,379	\$ 2,147	\$ 6,001	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
* City Council Post 1	1,721	2,068	4,709	5,000	5,000	5,000	5,000
* City Council Post 2	2,593	762	967	5,000	5,000	5,000	5,000
* City Council Post 3	2,462	565	2,418	5,000	5,000	5,000	5,000
* City Council Post 4	2,049	2,229	2,001	5,000	5,000	5,000	5,000
* City Council Post 5	310	1,300	5,391	5,000	5,000	5,000	5,000
* City Council Post 6	466	297	202	5,000	5,000	5,000	5,000
Miscellaneous	29	35	439	9,000	9,000	9,000	9,000
subtotal	\$ 12,008	\$ 9,404	\$ 22,128	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 226,706	\$ 210,244	\$ 238,982	\$ 307,471	\$ 314,541	\$ 323,699	\$ 333,586
PERSONNEL							
Mayor	1.0	1.0	1.0	1.0	1.0		
City Council	6.0	6.0	6.0	6.0	6.0		
TOTAL	7.0	7.0	7.0	7.0	7.0		

* Financial activity is tied to the Post and not the necessarily the current incumbent.

DEPARTMENT SUMMARIES

Budget Narrative

The Fiscal Year 2014 Budget for Mayor and City Council totals \$314,541 and represents an increase of 2.3%, or \$7,070, compared to the FY 2013 budget, and primarily represents increased group insurance premiums.

The Maintenance & Operations category remained flat compared to prior year. The annual discretionary expense appropriation will remain at \$5,000 for Council Members and \$9,000 for the Mayor.

Base level personnel totals 7.0 full-time-equivalents ("FTE") and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
Mayor	1.0	1.0	1.0	1.0	1.0	-
Councilperson Post 1	1.0	1.0	1.0	1.0	1.0	-
Councilperson Post 2	1.0	1.0	1.0	1.0	1.0	-
Councilperson Post 3	1.0	1.0	1.0	1.0	1.0	-
Councilperson Post 4	1.0	1.0	1.0	1.0	1.0	-
Councilperson Post 5	1.0	1.0	1.0	1.0	1.0	-
Councilperson Post 6	1.0	1.0	1.0	1.0	1.0	-
	7.0	7.0	7.0	7.0	7.0	-



The City of Alpharetta is one of the first communities in the region to qualify for the Green Community Certification by the Atlanta Regional Commission. Certification is earned by implementing environmental sustainability practices and policies in 10 categories, ranging from energy efficiency and

green building to transportation and water efficiency.

The City Council adopted the Alpharetta Green City Program in early 2009 as a comprehensive document for all the city's sustainable policies and practices. A variety of measures are incorporated in the Green City Program, including LEED or EnergyStar certification for all new local government buildings, a green fleet policy, "green" purchasing policies and more. The city received points for its water conservation requirement for new construction, which mandates that any project within the city limits demonstrate how the project will reduce water consumption by at least 10 percent to receive a permit. Other measures implemented by the City of Alpharetta are community incentives for green building and WaterSense homes, a commercial recycling requirement, installation of LED bulbs in all traffic signals and a no-idling policy for government.

DEPARTMENT SUMMARIES

City Administration

BOB REGUS
CITY ADMINISTRATOR

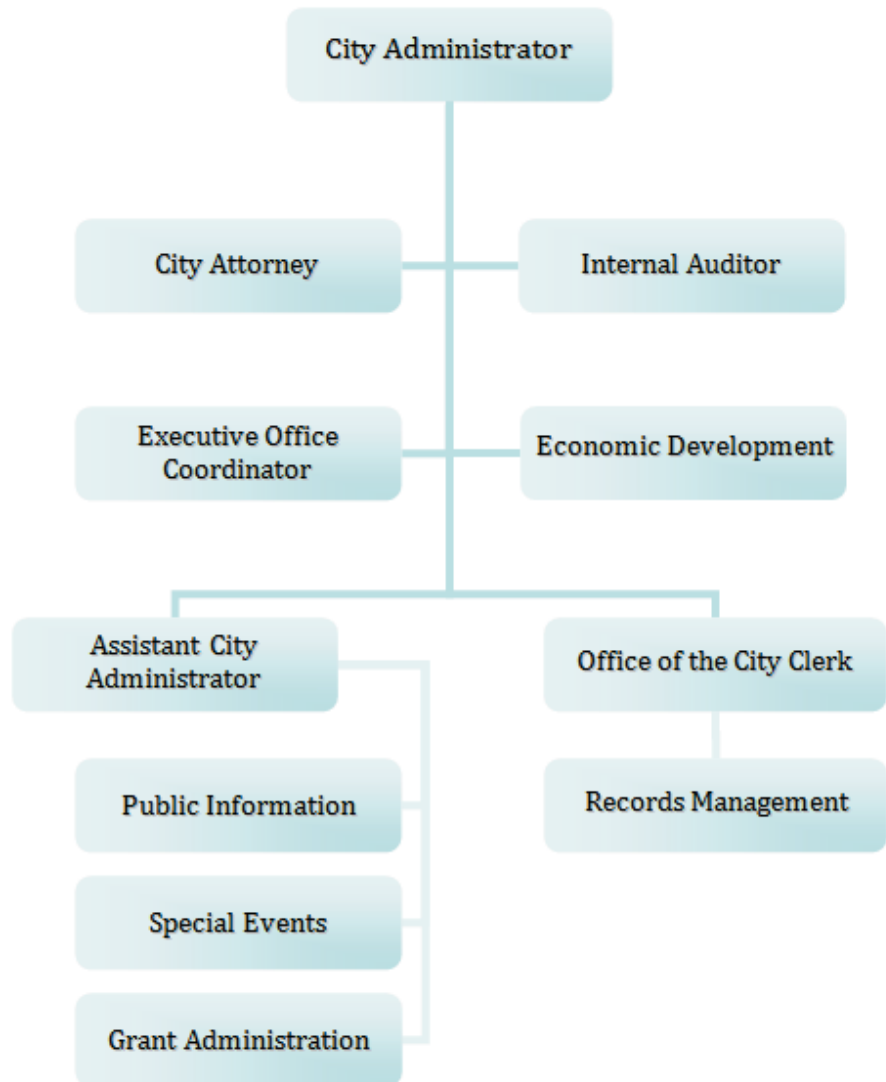


BRegus@alpharetta.ga.us

JAMES DRINKARD
ASSISTANT CITY
ADMINISTRATOR



JDrinkard@alpharetta.ga.us



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

City Administration

Administration, Internal Audit, City Attorney, City Clerk, Public Information, Special Events, Grants Administration, and Economic Development

Mission Statement

The mission of the City Administrator's Office is to carry out the policies and implement the goals established by the City Council in providing services to the citizens in the most effective and economical manner while promoting awareness and understanding of services, policies, information, programs, and priorities that results in an informed and participative community.

Goals and Objectives



✓ To improve quality of service to citizens of the City of Alpharetta;



✓ To improve morale and promote teamwork among all employees;



✓ To improve coordination and administration of interdepartmental activities;



✓ To promote better communication between all levels of government and the citizens;



✓ To use technology to improve processes for citizen input into facets of governance;



✓ To expand funding opportunities through grant resources;



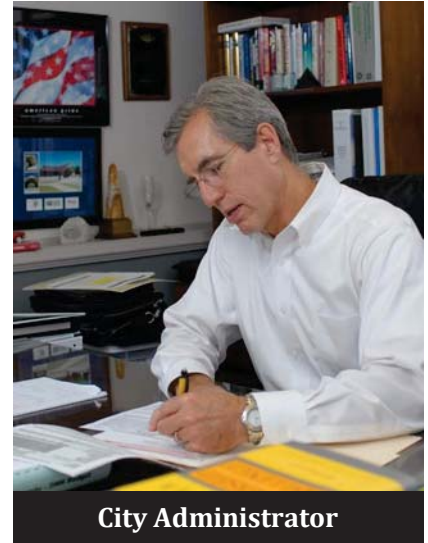
✓ To selectively create new events while sustaining existing events and promotions that draws the community closer together and maintains our distinctive character;



✓ To increase the public/government interaction through the City's web site; and



✓ Oversee the Economic Development efforts for the City.



City Administrator

DEPARTMENT SUMMARIES

Key Issues

- ✓ Continue the development of a “customer-driven” organizational culture among the staff;
- ✓ Strengthen the relationship between the City Council and staff - building bridges in communication to facilitate the relationship;
- ✓ Continue the informative, cooperative endeavor of providing the best available information for the City Council to remain effective and successful in their offices;
- ✓ Meet the service provision and service level demand of the citizens while ensuring the most cost effective delivery of those services;
- ✓ Continue efforts toward more effective communication strategies with citizens through enhanced public awareness and public education programs;
- ✓ Seek to work with the local legislative delegation on the introduction or support of legislation that benefits the City of Alpharetta and its citizens;
- ✓ Anticipate the future population and area growth of the City as a result of continued development and annexations, ensuring staff meets the expectations of existing and new residents;
- ✓ Continue efforts toward enhancing the compensation and benefits package to attract and retain the very best employees; and
- ✓ Continue to seek alternative private and public funding sources to procure equipment, improve internal operations, enhance service delivery, and accomplish municipal projects.



The City of Alpharetta has been awarded the *Certified City of Ethics* designation from the Georgia Municipal Association (“GMA”). This program was created to recognize cities that have adopted principles and procedures that offer guidance on ethical issues, along with a mechanism to resolve complaints at the local level.

The city has also been awarded the *City of Excellence* designation from the GMA in conjunction with Georgia Trend Magazine. This program was created to recognize Georgia’s best managed and most livable cities.



DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

City Administration General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
Licenses and Permits:							
(1) Alcohol Beverage Permits	\$ 426,972	\$ 439,959	\$ 10,820	\$ -	\$ -	\$ -	\$ -
Charges for Services:							
Taste of Alpharetta	141,357	157,874	150,214	140,000	150,000	154,500	159,135
Other (Special Events)	92,761	71,816	65,181	47,244	42,500	42,500	42,500
Other Revenue:							
Property Leases	-	40,188	75,001	-	-	-	-
TOTAL	\$ 661,090	\$ 709,837	\$ 301,216	\$ 187,244	\$ 192,500	\$ 197,000	\$ 201,635
EXPENDITURES							
Personnel Services:							
Salaries	\$ 851,797	\$ 851,787	\$ 824,736	\$ 1,037,429	\$ 1,138,465	\$ 1,166,927	\$ 1,196,100
Overtime	-	25,364	40,928	25,000	50,000	50,000	50,000
Group Insurance	94,810	92,546	100,236	152,388	202,261	218,442	235,917
FICA	56,623	58,651	55,799	80,178	91,468	93,755	96,099
Pension (Defined Benefit)	96,608	110,032	121,002	100,455	99,139	99,139	99,139
Pension (401A Contribution/Matcl	34,697	39,375	43,132	64,295	77,774	79,718	81,711
Workers Compensation	15,213	17,119	20,297	20,714	17,522	17,872	18,230
OPEB Contribution	-	-	-	-	3,643	3,716	3,790
Miscellaneous	7,282	7,442	7,279	7,608	7,853	7,853	7,853
<i>subtotal</i>	\$ 1,157,029	\$ 1,202,317	\$ 1,213,410	\$ 1,488,067	\$ 1,688,125	\$ 1,737,422	\$ 1,788,839
Maintenance & Operations:							
Professional Development	\$ 8,377	\$ 8,439	\$ 11,089	\$ 14,915	\$ 23,050	\$ 23,223	\$ 23,397
Professional Services	268,087	178,692	198,029	348,034	433,015	436,263	439,535
Rental Equipment	25,801	28,878	33,728	80,794	86,488	87,137	87,790
Advertising	30,215	26,599	52,613	78,545	145,002	146,090	147,185
Printing	18,338	15,962	21,918	37,980	44,575	44,909	45,246
General Supplies	21,990	36,752	60,984	96,267	95,362	96,077	96,798
Maintenance Contracts/IT Services	36,721	35,913	52,544	138,856	102,351	103,119	103,892
Utilities	14,277	18,125	22,610	35,469	24,610	24,795	24,981
Promotions	-	-	-	-	-	-	-
Miscellaneous	14,444	21,759	26,759	14,800	32,870	33,117	33,365
<i>subtotal</i>	\$ 438,250	\$ 371,120	\$ 480,275	\$ 845,660	\$ 987,323	\$ 994,728	\$ 1,002,188
Capital	\$ 7,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,602,420	\$ 1,573,439	\$ 1,693,685	\$ 2,333,727	\$ 2,675,448	\$ 2,732,150	\$ 2,791,027
Authorized Personnel	10.0	10.0	11.0	14.0	14.0		

(1) Starting in FY 2012, the Alcohol Beverage Permitting processes and revenue collection were moved to the Public Safety Department.

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for City Administration totals \$2,675,448 and represents an increase of 14.6%, or \$342,233, compared to the FY 2013 budget.

The Personnel Services category increased 13.4%, or \$200,570, due primarily to: the full-year cost associated with the FY 2013 mid-year budget amendments (Economic Development Manager position and the upgrade of a Special Events Coordinator from part-time to full-time status); additional overtime costs associated with various special events (e.g. public works setup/breakdowns and street closing crews, public safety crews, etc.); wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; and increases in group insurance premiums.

Base level personnel total 14 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
Assistant City Administrator	1.0	1.0	1.0	1.0	1.0	-
Assistant City Clerk	1.0	1.0	1.0	1.0	1.0	-
City Administrator	1.0	1.0	1.0	1.0	1.0	-
City Clerk	1.0	1.0	1.0	1.0	1.0	-
Economic Development Coordinator	-	-	1.0	-	-	-
Economic Development Director	-	-	-	1.0	1.0	-
Economic Development Manager*	-	-	-	1.0	1.0	-
Executive Office Coordinator	1.0	1.0	1.0	1.0	1.0	-
Grants Administrator	1.0	1.0	1.0	1.0	1.0	-
Internal Auditor	1.0	1.0	1.0	1.0	1.0	-
Records Manager	-	-	-	1.0	1.0	-
Special Events Coordinator (1FT;2PT)*	1.0	1.0	1.0	2.0	2.0	-
Special Events Manager	1.0	1.0	1.0	1.0	1.0	-
Web Administrator	1.0	1.0	1.0	1.0	1.0	-
	10.0	10.0	11.0	14.0	14.0	-

* The FY 2013 mid-year budget process included the addition of one Economic Development Manager and the upgrade of one Special Events Coordinator from part-time to full-time status.

The Maintenance & Operations category increased 16.8%, or \$141,663, due primarily to the following activity:

- Increase in professional fees of \$84,981 due primarily to costs associated with conducting the November 2013 municipal election and partially offset through net reductions in special event needs;
- Increase in advertising of \$66,457 due primarily to economic development initiatives (e.g. general marketing and recruitment activities) and costs associated with the municipal election;
- Increase in travel/training of \$28,235 due primarily to current spending trends within the Economic Development Division coupled with a forecast of spending

DEPARTMENT SUMMARIES

needs once the Division is fully established (e.g. with the new Economic Development Manager position);

- Increase in professional services (IT) of \$12,248 due primarily to a revised allocation methodology for Voice-Over-Internet-Protocol (VOIP) costs (e.g. GLS monitoring and support, CISCO SMARTnet licenses, and CISCO support); and
- Decrease of -\$48,753 in maintenance contracts attributable to reduced funding requirements for Progress Partners coupled with the elimination of property maintenance of the retail sites on the City Center parcels (buildings will be demolished as part of the City Center development).

Statement of Revenues, Expenditures, and changes in Personnel

Legal Services

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Maintenance & Operations:							
Professional Fees	\$ 391,365	\$ 505,016	\$ 482,051	\$ 500,000	\$ 500,000	\$ 510,000	\$ 520,200
Miscellaneous	1,105	846	2,408	-	-	-	-
Adjustments/Reconciliation	-	-	-	-	-	-	-
TOTAL	\$ 392,470	\$ 505,862	\$ 484,458	\$ 500,000	\$ 500,000	\$ 510,000	\$ 520,200
PERSONNEL*	-	-	-	-	-	-	-

* City Attorney services are provided through a contractual arrangement with a private law firm.



DEPARTMENT SUMMARIES

Performance Measurement

The following section provides detailed information on City Administration programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **City Administration**

Statement of Service: Serves as the administrative head of the municipal government, coordinating municipal functions in order to provide effective, efficient, and responsive services. This office also ensures that ordinances, resolutions and regulations of the City Council and laws of the State of Georgia are enforced and is responsible for public relations activities. Through the grants administrator, the City's Administrator's office identifies revenue sources for the city via grant funding.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
City Administration Department						
annual turnover percentage	0.0%	0.0%	14.0%	0.0%	0.0%	0.0%
# of Public meetings held	44	31	21	25	34	34
Number of website hits	4,923,592	1,830,155	1,757,888	1,062,824	1,700,000	1,800,000
Website Unique Visitors	380,366	373,367	378,451	251,777	300,000	300,000
Website Page Views	1,956,813	570,425	579,311	375,486	500,000	500,000
% of Website New Visits	64.67%	62.40%	62.05%	62.48%	55%	55%
Number of newsletters distributed	N/A	N/A	N/A	N/A	N/A	N/A
# of Grant applications prepared	13	17	10	5	15	10
# of Grants received	9	8	5	4	7	6
% of successful grant applications	69%	47%	50%	80%	47%	60%
Total value of grants received	\$7,193,802	\$725,057	\$773,450	\$46,300	\$100,000	\$100,000
# of Grants managed	42	42	40	41	38	35
Personnel Assigned:	8.0 FTE	8.0 FTE	8.0 FTE	9.0 FTE	9.0 FTE	9.0 FTE
City Administrator	City Administrator	City Administrator	City Administrator	City Administrator	City Administrator	City Administrator
Asst City Admin	Asst City Admin	Asst City Admin	Asst City Admin	Asst City Admin	Asst City Admin	Asst City Admin
Executive Office Coord.	Executive Office Coord.	Executive Office Coord.	Executive Office Coord.	Executive Office Coord.	Executive Office Coord.	Executive Office Coord.
Grants Administrator	Grants Administrator	Grants Administrator	Grants Administrator	Grants Administrator	Grants Administrator	Grants Administrator
Web Administrator	Web Administrator	Web Administrator	Web Administrator	Web Administrator	Web Administrator	Web Administrator
City Clerk	City Clerk	City Clerk	City Clerk	City Clerk	City Clerk	City Clerk
Assistant City Clerk	Assistant City Clerk	Assistant City Clerk	Assistant City Clerk			Assistant City Clerk
				* Records Manager		Records Manager
Internal Auditor	Internal Auditor	Internal Auditor	Internal Auditor	Internal Auditor		Internal Auditor

* Records Manager position was reorganized from the Finance Department to the City Clerk Division during FY 2012.



DEPARTMENT SUMMARIES

- Economic Development**

Statement of Service: To promote the economic growth of Alpharetta.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Existing business contacts	215	215	215	215	250	260
# of New projects	4	5	6	7	10	7
# of Major business prospects recruited	3	**	4	2	3	3
Personnel Assigned:			1.0 FTE*		2.0 FTE	2.0 FTE
			Economic Dev Director		Economic Dev Director	Economic Dev Director
					Economic Dev Manager	Economic Dev Manager

* FY 2012 includes the reorganization of the Economic Development function (1.0 FTE Economic Development Director position) from the Community Development Department to City Administration.

** Information not available.

- Special Events**

Statement of Service: To enhance the quality of life and reputation of the city by providing special event opportunities for citizens and visitors of Alpharetta.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Total approved events:						
Exclusive City Events	35	35	42	35	36	41
City Partnered Events	50	50	52	57	57	57
Other Events	42	92	47	47	60	75
Approximate attendance for:						
Taste of Alpharetta	64,000	62,400	61,000	62,400	64,000	60,000
Mayor's Challenge	1,000	800	751	800	1,000	1,000
Old Soldier's Day Parade	9,500	9,000	9,000	9,000	9,500	9,000
Annual Tree Lighting	3,500	3,500	8,000	3,500	3,500	4,000
Alpharetta Arts Street Fest Spring	15,000	18,000	19,000	18,000	18,000	18,000
Scarecrow Harvest	3,500	5,000	5,000	5,000	3,500	3,500
Lazy Log Cabin Days	750	750	600	750	750	750
# of Special events applications processed	2,260	2,281	2,870	2,281	2,281	2,281
# of Volunteers recruited	750	763	924	763	750	
# of Special event sponsors	38	45	52	45	39	45
# of Event vendors managed	600	622	731	622	600	700
Personnel Assigned:	2.0 FTE	2.0 FTE	2.0 FTE	3.0 FTE	3.0 FTE	3.0 FTE
	Special Events Manager	Special Events Manager	Special Events Manager		Special Events Manager	Special Events Manager
	Special Events Coord. (2 PT)	Special Events Coord. (2 PT)	Special Events Coord. (2 PT)		Special Events Coord. (1 FT; 2 PT)	Special Events Coord. (1 FT; 2 PT)

DEPARTMENT SUMMARIES

Community Development

RICHARD MCLEOD
DIRECTOR



RMcleod@alpharetta.ga.us



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Community Development

Administration, Building Safety, Development Services, Zoning, and Code Enforcement

Mission Statement

To protect and enhance the lives of Alpharetta citizens by guiding the city's growth and safeguarding the built environment.

Goals and Objectives



- ✓ Enforce the standard building code and zoning code;



- ✓ Provide building inspections within 48 hours of request;



- ✓ Provide efficient plans processing and permitting;



- ✓ Provide quality support to boards and commissions staffed by Community Development;



- ✓ Maintain and update demographic, statistical and other data, maps and materials;



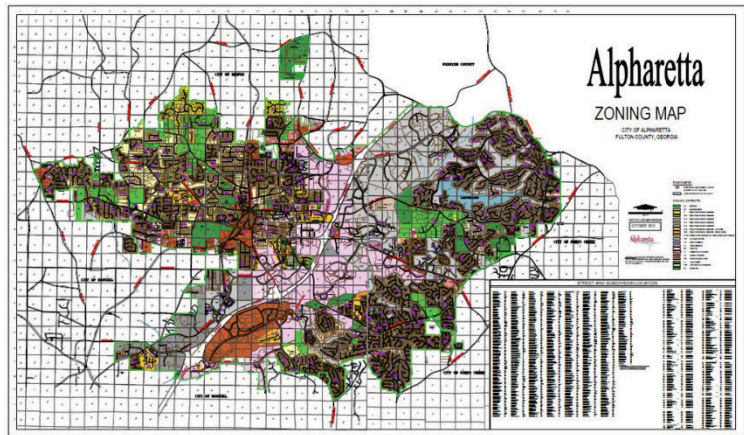
- ✓ Process all public hearings in the most efficient manner possible;



- ✓ Maintain and process business licenses for the City; and



- ✓ Collaborate with the Economic Development Division (City Administration) to fulfill the vision of the City of Alpharetta as the preeminent place to live, work, learn and play.



DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Community Development General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
Business Taxes:							
Occupational License Fees	\$ 948,564	\$ 917,214	\$ 970,824	\$ 855,000	\$ 925,000	\$ 952,750	\$ 981,333
Licenses & Permits:							
Development Permits/Fees	40,932	77,175	106,107	90,000	90,000	92,700	95,481
Building Permit Fees	900,010	1,128,520	1,462,331	1,325,000	1,000,000	1,030,000	1,060,900
Occupancy Permit Fees	84,554	114,413	129,176	130,000	110,000	113,300	116,699
Other	33,610	34,272	31,520	30,000	37,500	38,625	39,784
Charges for Services:							
Planning and Development Fees	78,727	80,764	103,502	85,000	110,000	113,300	116,699
Plan Review Fees	278,562	357,439	450,320	425,000	340,000	350,200	360,706
Other	8,628	14,112	23,755	5,900	5,900	6,077	6,259
TOTAL	\$ 2,373,587	\$ 2,723,908	\$ 3,277,535	\$ 2,945,900	\$ 2,618,400	\$ 2,696,952	\$ 2,777,861
EXPENDITURES							
Personnel Services:							
Salaries	\$ 1,175,097	\$ 1,142,624	\$ 1,084,502	\$ 1,154,041	\$ 1,354,991	\$ 1,388,866	\$ 1,423,587
Overtime	250	-	-	-	-	-	-
Group Insurance	190,129	190,470	224,247	255,276	315,899	341,171	368,465
FICA	84,888	82,175	77,101	88,158	103,540	106,129	108,782
Pension (Defined Benefit)	161,910	171,919	155,485	138,936	123,296	123,296	123,296
Pension (401A Contribution/Match)	49,201	46,000	58,175	63,336	100,545	103,059	105,635
Workers Compensation	23,282	25,215	25,761	25,177	21,589	22,021	22,461
OPEB Contribution	-	-	-	-	4,348	4,435	4,524
Miscellaneous	245	316	1,105	408	571	571	571
<i>subtotal</i>	<i>\$ 1,685,002</i>	<i>\$ 1,658,718</i>	<i>\$ 1,626,377</i>	<i>\$ 1,725,332</i>	<i>\$ 2,024,779</i>	<i>\$ 2,089,547</i>	<i>\$ 2,157,321</i>
Maintenance & Operations:							
Professional Services	\$ 14,862	\$ 25,787	\$ 20,172	\$ 13,421	\$ 15,000	\$ 15,113	\$ 15,226
Board Member Fees	11,850	10,550	10,625	11,250	11,500	11,586	11,673
Fuel/Repair/Maintenance (Vehicle)	12,426	16,264	17,716	19,800	18,000	18,135	18,271
Building Lease	82,824	82,824	82,824	109,478	112,000	112,840	113,686
Advertising	7,298	6,058	9,081	7,000	9,500	9,571	9,643
Printing	4,806	4,409	9,122	3,600	4,100	4,131	4,162
Maintenance Contracts/IT Svcs.	64,613	62,377	77,175	101,012	149,270	150,390	151,517
General Supplies	16,085	22,989	21,474	21,739	22,000	22,165	22,331
Utilities	11,950	13,417	14,461	17,619	19,150	19,294	19,438
Miscellaneous	14,073	29,600	17,895	16,182	27,178	27,382	27,587
<i>subtotal</i>	<i>\$ 240,788</i>	<i>\$ 274,274</i>	<i>\$ 280,545</i>	<i>\$ 321,101</i>	<i>\$ 387,698</i>	<i>\$ 390,606</i>	<i>\$ 393,535</i>
Capital/Other	\$ -	\$ -	\$ 8,580	\$ 11,000	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,925,790	\$ 1,932,992	\$ 1,915,502	\$ 2,057,433	\$ 2,412,477	\$ 2,480,152	\$ 2,550,856
Authorized Personnel	21.0	21.0	20.0	20.0	23.0		

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for Community Development totals \$2,412,477 and represents an increase of 17.3%, or \$355,044 compared to FY 2013.

The Personnel Services category increased 17.4%, or \$299,447, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in group insurance premiums; and position reorganizations aimed at improving service and availability to our customers. The position reorganizations included the transfer of one Senior Engineer (Transportation), one Engineer (Stormwater), and one Arborist from the Engineering and Public Works Department. Additionally, the Department has two Building Inspector positions that were not funded in FY 2013 and are not funded in FY 2014. These positions will remain vacant pending an identified funding source and workload justification.

Base level personnel total 23.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Administrative Assistant II***	3.0	3.0	2.0	3.0	2.0	(1.0)
Arborist**	-	-	-	-	1.0	1.0
Boards Administrator***	1.0	1.0	1.0	1.0	-	(1.0)
Boards Assistant***	-	-	-	-	1.0	1.0
Building Inspector*	5.0	5.0	5.0	5.0	5.0	-
Building Official	1.0	1.0	1.0	1.0	1.0	-
Building Plans Examiner	2.0	2.0	2.0	2.0	2.0	-
Code Enforcement Officer	4.0	4.0	4.0	4.0	4.0	-
Director of Community Development	1.0	1.0	1.0	1.0	1.0	-
Deputy Director of Community Development***	-	-	-	-	1.0	1.0
Economic Development Coordinator	1.0	1.0	-	-	-	-
Engineer (Stormwater)**	-	-	-	-	1.0	1.0
GIS Specialist	1.0	1.0	1.0	1.0	1.0	-
Planning & Zoning Administrator	1.0	1.0	1.0	1.0	1.0	-
Recording Secretary	1.0	1.0	1.0	-	-	-
Senior Engineer (Transportation)**	-	-	-	-	1.0	1.0
Specialized Assistant - Permits Plus	-	-	1.0	1.0	1.0	-
	21.0	21.0	20.0	20.0	23.0	3.0

* Includes 2.0 FTE not-funded in the FY 2014 Budget [Building Inspector (2.0 FTE)]. Funding for these positions was eliminated in FY 2011 and they will only be filled upon (1) a justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

** Includes 3.0 FTE transferred from the Engineering & Public Works Department as part of a reorganization aimed at continuing to improve availability and service to our customers.

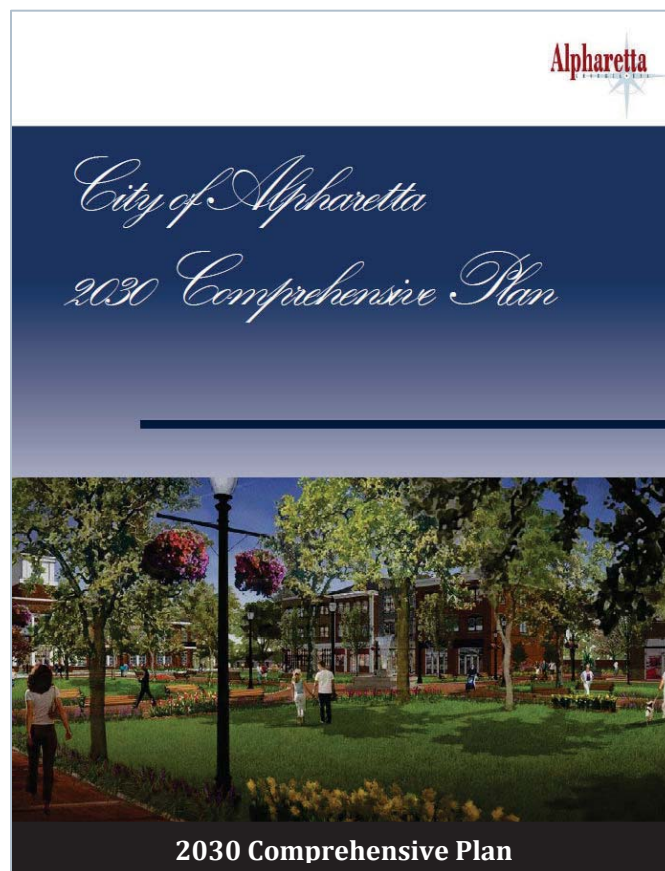
*** Position reclassification occurred during FY 2013.

DEPARTMENT SUMMARIES

The Maintenance & Operations category increased 20.7%, or \$66,597, due primarily to the following activity:

- Increase of \$11,098 in multiple accounts (travel, training, uniforms, equipment refresh) due to the departmental reallocation and increased personnel coupled with a renewed focus on staff training;
- Increase of \$47,774 in professional services (IT) due to support/maintenance costs related to the CityWorks software (work order/permitting) approved during FY 2013 and increased cellphone service charges (upgrade to smartphones/iPads coupled with new staff members); and
- Increase of \$1,531 in utilities primarily attributable to the annualized impact of the office move in FY 2013 (new office space is 1,516 sq.ft. larger).

The Capital/Lease category decreased -\$11,000 as the FY 2013 budget included funding for the purchase of a replacement plotter. There are no operational capital needs for FY 2014.



DEPARTMENT SUMMARIES

Performance Measurement

The following section provides detailed information on Community Development programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **Administration**

Statement of Service: The purpose of Community Development Administration is to provide effective, efficient and responsive services to account for the resources allocated to the Planning & Zoning and Code Enforcement division of the department.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014**
Community Development annual turnover percentage	0%	0%	13%	10%	0%	0%
# of Special projects managed	2	2	2	1	2	2
Personnel Assigned:	7.0 FTE	7.0 FTE	6.0 FTE		6.0 FTE	4.0 FTE
Director of Comm Development	Director of Comm Development	Director of Comm Development	Director of Comm Development		Director of Comm Development	Director of Comm Development
Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II		Admin Asst. II (2)	Admin Asst. II
GIS Specialist	GIS Specialist	GIS Specialist	GIS Specialist		GIS Specialist	
Boards Administrator	Boards Administrator	Boards Administrator	Boards Administrator		Boards Administrator	
						Deputy Director of Comm Development
Recording Secretary	Recording Secretary	Recording Secretary	Recording Secretary			
						Specialized Assistant (Permits Plus)
Planning & Zoning Administrator	Planning & Zoning Administrator	Planning & Zoning Administrator	Planning & Zoning Administrator		Planning & Zoning Administrator	
Economic Development * Coordinator	Economic Development Coordinator	Economic Development Coordinator				

* Economic Development Coordinator was reorganized into City Administration in FY 2012.

** Department completed a reorganization in FY 2013 that segmented operations by Administration, Building Safety, Development Services, Code Enforcement, and Zoning. Position reallocations are reflected in FY 2014.

DEPARTMENT SUMMARIES

- **Zoning/Development/Building Safety Services**

Statement of Service: These Divisions are tasked with guiding the growth and development of the city in a manner that enhances the quality of life and recognizes the city's historic and natural features.

Zoning Services						
Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Jan. 2013) FY 2013	Target FY 2013	Target FY 2014*
# of New public hearings filed	66	71	119	20	80	100
Total # of public hearings processed	87	96	133	18	110	110
# of parcels annexed	0	0	0	0	0	0
Personnel Assigned:						4.0 FTE
						Zoning Administrator GIS Specialist Boards Assistant Code Enforcement Officer

* Department completed a reorganization in FY 2013 that segmented operations by Administration, Building Safety, Development Services, Code Enforcement, and Zoning. Position reallocations are reflected in FY 2014.

Community Development - Development Services						
Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Jan. 2013) FY 2013	Target FY 2013	Target FY 2014*
Private development plans reviewed		133	133	92	125	135
Tree permits issued		637	745	415	700	750
Personnel Assigned:						3.0 FTE
						Development Services Senior Engineer - Transportation Development Services Engineer - Stormwater Arborist

Division activity was previously recorded within the Engineering & Public Works Department (figures sourced from FileMaker ICMA by Fiscal Year).

Development Services (Community Development) is tracking activity effective January 2013.

* Department completed a reorganization in FY 2013 that segmented operations by Administration, Building Safety, Development Services, Code Enforcement, and Zoning. Position reallocations are reflected in FY 2014.

DEPARTMENT SUMMARIES

Community Development - Building Safety						
Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Jan. 2013) FY 2013	Target FY 2013	Target FY 2014**
# of New building permits issued	2,516	2,944	2,995	1,681	3,400	3,400
# of Building inspections completed	7,776	9,974	10,042	6,177	13,000	13,000
Personnel Assigned:	14.0 FTE	14.0 FTE	14.0 FTE	14.0 FTE	9.0 FTE	
	Building Official	Building Official	Building Official	Building Official	Building Official	Building Official
	Admin Asst. II (2)	Admin Asst. II (2)	Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II
			Specialized Assistant (Permits Plus)	Specialized Assistant (Permits Plus)		
	Building Plans Examiner (2)	Building Plans Examiner (2)	Building Plans Examiner (2)	Building Plans Examiner (2)	Building Plans Examiner (2)	Building Plans Examiner (2)
	Building Inspector (5)	Building Inspector (5)	Building Inspector (5)*	Building Inspector (5)*	Building Inspector (5)*	Building Inspector (5)*
	Code Enforcement Officer (4)	Code Enforcement Officer (4)	Code Enforcement Officer (4)	Code Enforcement Officer (4)	Code Enforcement Officer (4)	

* Includes 2.0 FTE (Building Inspector positions) not-funded in the Budget.

** Department completed a reorganization in FY 2013 that segmented operations by Administration, Building Safety, Development Services, Code Enforcement, and Zoning. Position reallocations are reflected in FY 2014.

- Code Enforcement Services**

Statement of Service: To protect the public health, safety, and welfare by ensuring compliance with city building and land-use codes and ordinances.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Jan. 2013) FY 2013	Target FY 2013	Target FY 2014*
# of Code enforcement inspections completed	4,210	2,992	2,886	1,350	3,000	3,000
Personnel Assigned:						3.0 FTE
						Code Enforcement Officer (3)

* Department completed a reorganization in FY 2013 that segmented operations by Administration, Building Safety, Development Services, Code Enforcement, and Zoning. Position reallocations are reflected in FY 2014.

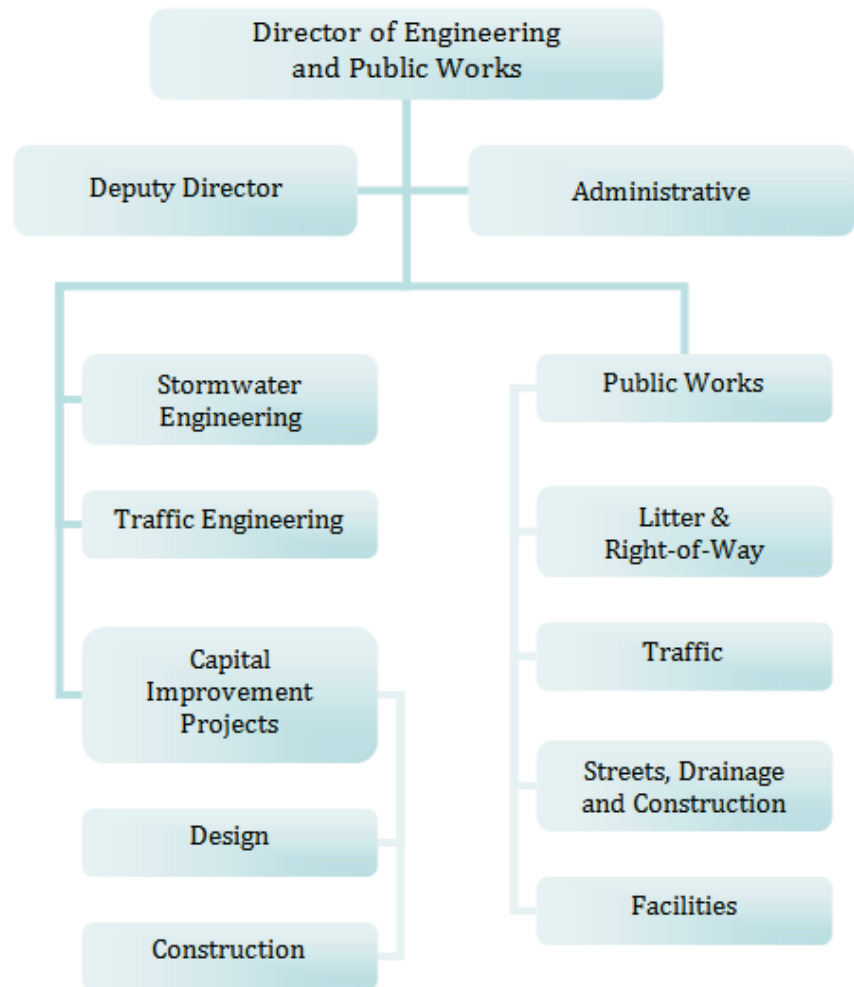
DEPARTMENT SUMMARIES

Engineering and Public Works

PETE SEWCZWICZ
DIRECTOR



Psewczwicz@alpharetta.ga.us



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Engineering and Public Works

Administration, Conservation, Engineering, and Public Work

Mission Statement

The Department of Engineering and Public Works is committed to providing cost effective engineering, maintenance and design solutions through the highest possible professionalism which protects, preserves and improves the City of Alpharetta's infrastructure. Our focus shall include traffic, streets, stormwater, and environmental conservation.

Goals and Objectives



- ✓ Improve and maintain the City of Alpharetta infrastructure at the highest possible level and to enhance and promote the quality of life;



- ✓ Provide engineering professionalism to ensure growth and progress for the City of Alpharetta;



- ✓ Provide consistent Public Works functions and operations that afford future excellence in growth and expansion for the City of Alpharetta;



- ✓ Improve intergovernmental relations;



- ✓ Provide more efficient support and response for the citizens of Alpharetta;



- ✓ Develop strategic, long-range plans for the future; and



- ✓ Ensure timely completion of repairs on work projects so the disruption of service to the customer is minimal.



DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Engineering and Public Works General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
Licenses and Permits:							
(1) Tree Removal Permit	\$ 1,612	\$ 967	\$ 2,504	\$ 2,500	\$ -	\$ 2,525	\$ 2,550
(1) Soil Erosion Permit	5,642	13,247	9,800	10,000	-	10,100	10,201
Charges for Services:							
Printing Services	-	-	-	3,000	1,500	-	-
Tree Replacement Fund	-	-	-	-	-	-	-
Other Revenue:	1,635	210	1,604	-	-	-	-
TOTAL	\$ 8,889	\$ 14,424	\$ 13,908	\$ 15,500	\$ 1,500	\$ 12,625	\$ 12,751
EXPENDITURES							
Personnel Services:							
Salaries	\$ 2,732,807	\$ 2,649,235	\$ 2,754,497	\$ 2,856,750	\$ 2,676,483	\$ 2,743,395	\$ 2,811,980
Overtime	60,911	55,009	23,601	50,000	50,000	50,000	50,000
Group Insurance	527,421	543,493	642,776	733,360	787,130	850,100	918,108
FICA	205,869	198,073	201,974	221,842	207,963	213,162	218,491
Pension (Defined Benefit)	382,298	386,367	339,964	302,863	253,491	253,491	253,491
Pension (401A Cont./Match)	99,259	119,290	136,461	141,242	169,111	173,339	177,672
Workers Compensation	54,972	60,446	65,788	62,315	42,558	43,409	44,277
OPEB Contribution	-	-	-	-	8,734	8,909	9,087
Miscellaneous	4,449	1,120	1,784	1,552	1,631	1,631	1,631
subtotal	\$ 4,067,987	\$ 4,013,033	\$ 4,166,845	\$ 4,369,924	\$ 4,197,101	\$ 4,337,436	\$ 4,484,738
Maintenance & Operations:							
Professional Services	\$ 40,350	\$ 45,237	\$ 29,249	\$ 34,300	\$ 36,700	\$ 36,975	\$ 37,253
Fuel/Repair/Maint. (Vehicles)	121,663	138,295	144,280	170,000	165,000	166,238	167,484
Repair & Maint. (Facilities)	110,434	105,736	137,127	140,500	152,000	153,140	154,289
Maint. Contracts/IT Services	546,839	515,877	491,574	569,563	641,001	645,809	650,652
General Supplies	166,954	157,910	139,635	162,644	165,544	166,786	168,036
Utilities	1,160,894	1,268,973	1,344,486	1,499,600	1,499,000	1,510,243	1,521,569
Miscellaneous	124,782	99,851	105,280	105,470	110,749	111,580	112,416
subtotal	\$ 2,271,916	\$ 2,331,878	\$ 2,391,632	\$ 2,682,077	\$ 2,769,994	\$ 2,790,769	\$ 2,811,700
Capital/Lease							
Milling & Resurfacing	\$ 682,923	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Software Lease	-	-	-	133,000	71,728	75,691	75,996
Miscellaneous	2,400	-	22,110	-	-	-	-
subtotal	\$ 685,323	\$ -	\$ 22,110	\$ 133,000	\$ 71,728	\$ 75,691	\$ 75,996
Adjustments/Reconciliation	-	(1,000)	-	-	-	-	-
TOTAL	\$ 7,025,225	\$ 6,343,910	\$ 6,580,587	\$ 7,185,001	\$ 7,038,823	\$ 7,203,896	\$ 7,372,433
Authorized Personnel	62.0	62.0	62.0	62.0	59.0		

(1) Starting in FY 2014, all Arborist activities (including permitting) were moved to the Community Development Department.

Budget Narrative

The FY 2014 Budget for Engineering and Public Works totals \$7,038,823 and represents a decrease of -2%, or -\$174,178, compared to FY 2013.

DEPARTMENT SUMMARIES

The Personnel Services category decreased -4%, or -\$200,823, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in group insurance premiums; all of which was mitigated by position reorganizations aimed at improving service and availability to our customers. The position reorganizations included the transfer of one Senior Engineer (Transportation), one Engineer (Stormwater), and one Arborist to the Community Development Department. Additionally, the Department has four positions (1.0 FTE Deputy Director of Engineering/Public Works, 1.0 FTE GIS Specialist, and 2.0 FTE Public Works Technician positions) that were not funded in FY 2013 and are not funded in FY 2014. These positions will remain vacant pending an identified funding source and workload justification.

Base level personnel total 59.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Administrative Assistant I	1.0	-	-	-	-	-
Administrative Assistant II	1.0	2.0	2.0	2.0	2.0	-
Arborist**	1.0	1.0	1.0	1.0	-	(1.0)
Civil Engineer**	3.0	3.0	3.0	3.0	2.0	(1.0)
Construction Inspector	2.0	2.0	-	-	-	-
Construction Manager	1.0	1.0	1.0	1.0	1.0	-
Deputy Director of Engineering/Public Works*	1.0	1.0	1.0	1.0	1.0	-
Director of Engineering/Public Works	1.0	1.0	1.0	1.0	1.0	-
Engineering Technician	5.0	5.0	7.0	7.0	7.0	-
Environmental Program Coordinator	-	-	-	1.0	1.0	-
Environmental Education Coordinator	1.0	1.0	1.0	-	-	-
Fleet Coordinator	1.0	1.0	1.0	1.0	1.0	-
GIS Specialist*	1.0	1.0	1.0	1.0	1.0	-
Inspector	-	-	4.0	4.0	4.0	-
Land Disturbance Activity Inspector	3.0	3.0	-	-	-	-
Office Manager	1.0	-	-	-	-	-
Project Administrator	-	1.0	1.0	1.0	1.0	-
Public Works Crew Leader	7.0	7.0	7.0	7.0	7.0	-
Public Works Supervisor	3.0	3.0	3.0	3.0	3.0	-
Public Works Technician*	7.0	7.0	6.0	6.0	6.0	-
Public Works Technician I	7.0	7.0	7.0	7.0	7.0	-
Public Works Technician II	9.0	9.0	9.0	9.0	9.0	-
Senior Engineer**	3.0	3.0	3.0	3.0	2.0	(1.0)
Senior Operations Manager (Public Works)	1.0	1.0	1.0	1.0	1.0	-
Senior Engineering Technician	1.0	1.0	1.0	1.0	1.0	-
Water Resources Technician	1.0	1.0	1.0	1.0	1.0	-
	62.0	62.0	62.0	62.0	59.0	(3.0)

* Includes 4.0 FTE not-funded in the FY 2014 Budget [Deputy Director of Engineering/PW (1.0 FTE); GIS Specialist (1.0 FTE); and Public Works Technician (2.0 FTE)]. The GIS Specialist position was approved in FY 2009 but never funded due to revenue constraints. Funding for the other positions was eliminated in FY 2011. These 4.0 FTE will only be filled upon (1) a justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

** Reflects 3.0 FTE transferred to the Community Development Department as part of a reorganization aimed at continuing to improve availability and service to our customers.

DEPARTMENT SUMMARIES

The Maintenance & Operations category increased 3.3%, or \$87,917, due primarily to the following activity:

- Increase of \$11,500 in facility repair and maintenance based on current maintenance trends coupled with forecasted departmental maintenance requests (e.g. HVAC unit replacements, fire station door repair, etc.);
- Increase of \$28,124 in maintenance contracts due primarily to the addition of service areas to the city's right-of-way maintenance contract (e.g. Westside Parkway extension, Old Milton median at Park Bridge Parkway, Cotton Creek entry, Webb Bridge Road at North Point Parkway, and Encore Parkway ay Westside Parkway) and increases for HVAC maintenance; and
- Increase of \$43,314 in professional services (IT) due to support/maintenance costs related to the CityWorks software (work order/permitting) approved during FY 2013 and increased cellphone service charges (upgrade to smartphones/iPads).

The Capital/Lease category includes funding for the CityWorks software (work order/permitting) approved during FY 2013.



The Tree City USA® program, sponsored by the Arbor Day Foundation in cooperation with the USDA Forest Service and the National Association of State Foresters, provides direction, technical assistance, public attention, and national recognition for urban and community forestry programs in thousands of towns and cities that more than 120 million Americans call home. The many benefits of being a Tree City include creating a framework for action, education, a positive public image, and citizen pride.

The City of Alpharetta has been designated as a Tree City USA Community. Tree City USA Designation has four (4) major components: (1) A Tree Board or Department; (2) A Community Tree Ordinance; (3) A Community Forestry Program with an Annual Budget of at Least \$2 Per Capita; and (4) an Arbor Day Observance and Proclamation.

The city has also been awarded the Tree City USA Growth Award which recognizes environmental improvement and encourages higher levels of tree care throughout America. This award is designed not only to recognize achievement, but also to communicate new ideas and help the leaders of all Tree City USA's plan for improving community tree care.



DEPARTMENT SUMMARIES

Performance Measurement

The following section provides detailed information on Engineering and Public Works programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **Administration**

Statement of Service: Engineering and Public Works Administration provides oversight and guidance to all public works operating functions in order to provide the citizens and visitors of Alpharetta skillful, courteous, and prompt stormwater, traffic, and construction services.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Engineering/PW Department annual turnover percentage	10%	10%	10%	5%	5%	5%
Personnel Assigned:	7.0 FTE	7.0 FTE	7.0 FTE		7.0 FTE	7.0 FTE
Director of Eng/PW	Director of Eng/PW	Director of Eng/PW	Director of Eng/PW		Director of Eng/PW	Director of Eng/PW
Deputy Director	Deputy Director	Deputy Director	Deputy Director *		Deputy Director *	Deputy Director *
Senior Operations	Senior Operations	Senior Operations	Senior Operations		Senior Operations	Senior Operations
Manager - PW	Manager - PW	Manager - PW	Manager - PW		Manager - PW	Manager - PW
Office Manager	Project Administrator	Project Administrator	Project Administrator		Project Administrator	Project Administrator
Admin Asst. II	Admin Asst. II (2)	Admin Asst. II (2)	Admin Asst. II (2)		Admin Asst. II (2)	Admin Asst. II (2)
Admin Asst. I						
Fleet Coordinator	Fleet Coordinator	Fleet Coordinator	Fleet Coordinator		Fleet Coordinator	Fleet Coordinator

* Deputy Director position is not funded in the Budget.

- **Conservation**

Statement of Service: Conservation provides education and community activism strategies to address environmental and aesthetic issues in the City of Alpharetta, through clean-up campaigns, seminars, literature, and other beautification efforts.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Jan. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Events coordinated	23	27	23	12	25	25
# of Students reached	896	1363	930	293	900	900
# of Volunteers	677	944	1018	694	1000	1000
Personnel Assigned:	1.0 FTE	1.0 FTE	1.0 FTE		1.0 FTE	1.0 FTE
Environmental Education Coord.	Environmental Education Coord.	Environmental Education Coord.	Environmental Education Coord.		Environmental Program Coord.	Environmental Program Coord.

DEPARTMENT SUMMARIES

- Engineering**

Statement of Service: Engineering administration provides for the administration and technical review of public and private improvements in the City of Alpharetta by managing all projects skillfully, efficiently and professionally.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Stormwater plans reviewed	103	133	133	92	n/a	n/a
% of Stormwater plans reviewed within 10 calendar days	93%	97%	99%	96%	n/a	n/a
# of capital/bond contracts managed	35	47	43	21	26	20
Total amount of capital/bond projects under contract	\$10,516,222	\$16,621,864	\$17,887,165	\$14,506,240	\$15,771,345	\$14,000,000
Contract expenditures on capital/bond projects *	\$4,167,114	\$10,036,317	\$7,933,076	\$4,516,740	\$10,928,950	\$8,000,000
% of contracts completed within 10% of original budget contract	86%	92%	89%	67%	86%	80%
% of contracts completed within 10% of original contract time	61%	48%	72%	83%	93%	80%
# of Water quality samples analyzed	316	330	299	199	300	300
# of Land disturbance inspections	4099	4868	6491	3809	5500	5500
# of traffic/signal projects inspected	40	39	52	35	50	50
# of traffic signals timed	43	59	51	26	50	50
# of Traffic complaint responses	250	269	185	110	200	200
* Capital contracts include traffic, stormwater, sidewalks, infrastructure, community development, and facilities projects.						
Personnel Assigned:	21.0 FTE	21.0 FTE	22.0 FTE	22.0 FTE	19.0 FTE**	
Arborist	Arborist	Arborist	Arborist	Arborist		
Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (2)	
Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (2)	
Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.	
Construction Inspector (2)	Construction Inspector (2)	Construction Inspector (4)	Construction Inspector (4)	Construction Inspector (4)	Construction Inspector (4)	
Sr. Engineering Technician	Sr. Engineering Technician	Sr. Engineering Technician	Sr. Engineering Technician	Sr. Engineering Technician	Sr. Engineering Technician	
Engineering Technician (5)	Engineering Technician (5)	Engineering Technician (7)	Engineering Technician (7)	Engineering Technician (7)	Engineering Technician (7)	
Land Disturbance Inspector (3)	Land Disturbance Inspector (3)					
Water Resources Technician	Water Resources Technician	Water Resources Technician	Water Resources Technician	Water Resources Technician	Water Resources Technician	
GIS Specialist*	GIS Specialist*	GIS Specialist*	GIS Specialist*	GIS Specialist*	GIS Specialist*	

* GIS Specialist position is not funded in the Budget.

**Three positions were reorganized into the Community Development Department in FY 2013 to improve service and availability to our permit customers (one Senior Engineer (Transportation), one Engineer (Stormwater), and one Arborist).

DEPARTMENT SUMMARIES

- **Public Works**

Statement of Service: Public works coordinates and performs maintenance on streets, sidewalks, traffic signals, traffic signs, and city facilities. Public Works also provides construction services in support of the engineering division and other city departments.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Average # of days to complete sidewalk work order	10.4	9.1	7.2	6.1	7.5	7.5
Average # of days to complete pothole work order	1.1	1.0	1.0	1.0	1.0	1.0
Average # of days to complete curb and gutter work order	16.8	19.6	1.9	4.9	5.0	5.0
Average # of days to complete ROW, mowing, limb work order	2.3	1.7	1.5	1.4	1.5	1.5
Average # of days to complete sink hole work order	1.1	1.9	1.6	3.3	2.0	2.0
Average # of days to complete sign replacement/upgrade work order	3.5	5.1	6.1	5.3	5.0	5.0
Average # of days to complete signal light maintenance work order	2.5	2.6	1.6	1.6	1.5	1.5
Average # of days to complete striping work order	1.9	2.2	2.4	2.2	2.0	2.0
Average # of days to complete catch basin work order	6.1	7.6	1.1	1.8	2.0	2.0
Average # of days to complete storm drain work order	19.5	6.3	4.3	5.0	5.0	5.0
Average # of days to complete facilities work order	4.9	2.5	2.6	2.2	2.5	2.5
Personnel Assigned:	33.0 FTE	33.0 FTE	32.0 FTE	32.0 FTE	32.0 FTE	32.0 FTE
PW Supervisor (3)	PW Supervisor (3)	PW Supervisor (3)	PW Supervisor (3)	PW Supervisor (3)	PW Supervisor (3)	PW Supervisor (3)
PW Crew Leader (7)	PW Crew Leader (7)	PW Crew Leader (7)	PW Crew Leader (7)	PW Crew Leader (7)	PW Crew Leader (7)	PW Crew Leader (7)
PW Tech II (9)	PW Tech II (9)	PW Tech II (9)	PW Tech II (9)	PW Tech II (9)	PW Tech II (9)	PW Tech II (9)
PW Tech I (7)	PW Tech I (7)	PW Tech I (7)	PW Tech I (7)	PW Tech I (7)	PW Tech I (7)	PW Tech I (7)
PW Tech (7)	PW Tech (7)	PW Tech (7)	PW Tech (6)*	PW Tech (6)*	PW Tech (6)*	PW Tech (6)*

* 2 PW Tech. positions are not funded in the Budget.

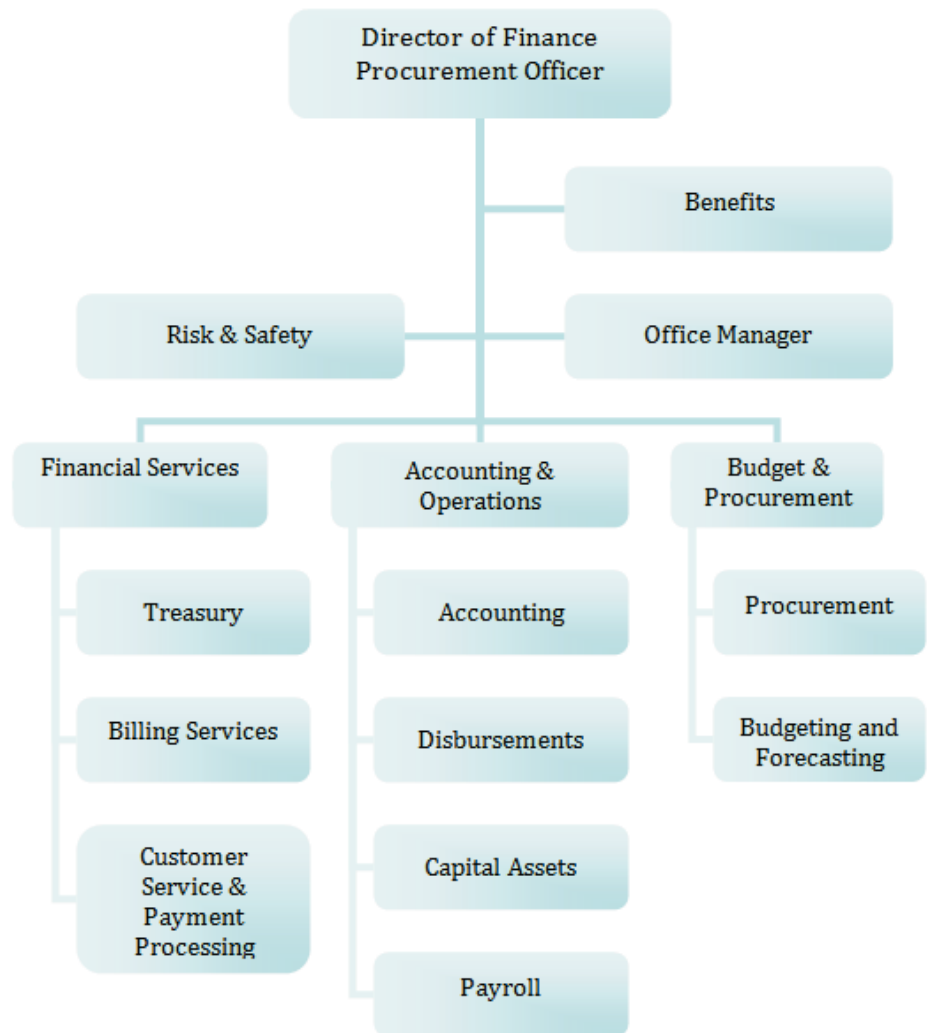
DEPARTMENT SUMMARIES

Finance

THOMAS G. HARRIS
DIRECTOR



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Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Finance

Administration, Accounting, Budgeting, Employee Benefits and Compensation, Procurement, Risk Management, Treasury, Internal and External Service

Mission Statement

The mission of the Finance Department is to plan, receive, monitor, safeguard, invest, account, and expend the financial resources of the City of Alpharetta in the highest legal, ethical, and professional standard practical, and to respond to the service needs of our internal and external customers in a timely, courteous and accurate manner.

Goals and Objectives



- ✓ Implementation of a finance/human resources system that utilizes current technology and provides heightened data analysis functionality and increases overall staff efficiencies;



- ✓ Process and procedure documentation program – conduct a comprehensive review of team processes, procedures, and practices;



- ✓ Expansion of the financial planning process – continue the development of a comprehensive long-term capital improvement program and multi-year budgeting, forecasting, and planning in order to more accurately predict our financial position in future years, and the impact current year decisions have on the city's long-range financial position;



- ✓ Update to Financial Management Program (e.g. Procurement Policy revisions); and



- ✓ Design and administer innovative and cost-effective benefit programs (e.g. Health Savings Accounts and enhanced Wellness Program) that meet the needs of today's diverse workforce and enhance the city's ability to attract, retain and reward employees.



DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Finance General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 1,447,735	\$ 1,408,418	\$ 1,425,720	\$ 1,407,569	\$ 1,431,672	\$ 1,467,464	\$ 1,504,150
Overtime	65	-	-	-	-	-	-
Group Insurance	271,805	271,747	311,925	305,246	339,640	366,811	396,156
FICA	103,681	100,023	100,927	107,462	109,345	112,079	114,881
Pension (Defined Benefit)	184,206	202,618	204,700	185,749	167,570	167,570	167,570
Pension (401A Cont./Match)	60,782	61,713	63,153	56,294	70,146	71,900	73,697
Workers Compensation	27,553	30,469	31,770	30,688	22,776	23,232	23,696
OPEB Contribution	-	-	-	-	4,510	4,600	4,692
Miscellaneous	4,033	802	474	573	1,143	1,143	1,143
<i>subtotal</i>	\$ 2,099,862	\$ 2,075,790	\$ 2,138,669	\$ 2,093,581	\$ 2,146,802	\$ 2,214,798	\$ 2,285,986
Maintenance & Operations:							
Professional Development	\$ 13,619	\$ 15,894	\$ 13,698	\$ 24,734	\$ 25,104	\$ 25,292	\$ 25,482
Professional Services	223,419	247,509	166,634	201,692	210,594	212,173	213,765
Building Lease	47,243	-	-	-	-	-	-
Printing	41,275	30,103	21,724	40,800	30,450	30,678	30,908
Maint. Contracts/IT Services	145,643	133,005	138,323	219,225	217,851	219,485	221,131
General Supplies	44,643	47,144	43,652	83,347	67,225	67,729	68,237
Wellness Programs	5,600	174,392	94,450	127,500	187,500	188,906	190,323
Miscellaneous	62,933	30,966	41,941	48,387	45,207	45,546	45,888
<i>subtotal</i>	\$ 584,375	\$ 679,013	\$ 520,423	\$ 745,685	\$ 783,931	\$ 789,810	\$ 795,734
Capital/Lease:							
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Software Lease	-	-	111,975	111,976	101,431	106,186	107,700
<i>subtotal</i>	\$ -	\$ -	\$ 111,975	\$ 111,976	\$ 101,431	\$ 106,186	\$ 107,700
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,684,236	\$ 2,754,804	\$ 2,771,067	\$ 2,951,242	\$ 3,032,164	\$ 3,110,794	\$ 3,189,420
Authorized Personnel	25.0	25.0	25.0	24.0	24.0		

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for Finance totals \$3,032,164 and represents an increase 2.7%, or \$80,922, compared to FY 2013.

The Personnel Services category increased 2.5%, or \$53,221, due primarily to wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014 (contingent upon a mid-year review of revenue trends) and increases in group insurance premiums. The Department has three positions (1.0 FTE Accounts Receivable/Collections Rep., 1.0 FTE Controller, and 0.5 FTE part-time Accountant) that were not funded in FY 2013 and are not funded in FY 2014. These positions will remain vacant pending an identified funding source and workload justification.

Base level personnel total 24.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Accountant (3FT; 2PT)*	4.0	4.0	4.0	4.0	4.0	-
Accounting & Operations Manager	1.0	1.0	1.0	1.0	1.0	-
Accounts Payable Technician	1.0	1.0	1.0	1.0	1.0	-
Accounts Receivable/Collections Rep.*	1.0	1.0	1.0	1.0	1.0	-
Benefits Manager	1.0	1.0	1.0	1.0	1.0	-
Benefits Program Administrator	-	-	-	1.0	1.0	-
Billing Coordinator	-	-	1.0	1.0	1.0	-
Budget & Procurement Analyst	1.0	1.0	1.0	-	-	-
Budget & Procurement Manager	1.0	1.0	1.0	1.0	1.0	-
Cash Management Coordinator	-	-	1.0	1.0	1.0	-
Chief Accountant	1.0	1.0	1.0	1.0	1.0	-
Controller*	1.0	1.0	1.0	1.0	1.0	-
Customer Account Coordinator	-	-	1.0	1.0	1.0	-
Customer Account Representative	-	-	1.0	1.0	1.0	-
Customer Service Coordinator	1.0	1.0	-	-	-	-
Director of Finance	1.0	1.0	1.0	1.0	1.0	-
Financial Services Manager	1.0	1.0	-	-	-	-
Financial Services Representative	1.0	1.0	-	-	-	-
HRIS/Compensation Administrator	1.0	1.0	1.0	-	-	-
Office Manager	1.0	1.0	1.0	1.0	1.0	-
Payroll Coordinator	1.0	1.0	1.0	1.0	1.0	-
Records Manager	1.0	1.0	1.0	-	-	-
Safety/Risk Administrator	1.0	1.0	1.0	1.0	1.0	-
Senior Budget & Procurement Analyst	2.0	2.0	2.0	3.0	3.0	-
Tax Billing Coordinator	1.0	1.0	-	-	-	-
Treasury/Deposit Program Coordinator	1.0	1.0	-	-	-	-
Treasury Services Manager	-	-	1.0	1.0	1.0	-
	25.0	25.0	25.0	24.0	24.0	-

* Includes 2.5 FTE not-funded in the FY 2014 Budget [Accountant (0.5 FTE - part time); Accounts Receivable/Collections Representative (1.0 FTE); and Controller (1.0 FTE)]. Funding for these positions was eliminated in FY 2011 and they will only be filled upon (1) a justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

DEPARTMENT SUMMARIES

The Maintenance & Operations category increased 5.1%, or \$38,246, due primarily to the following activity:

- Increase in professional fees of \$8,902 due primarily to increased funding for credit card processing fees (based on year-to-date expenditure trends), coupled with reductions in multiple line-items including bank wire fees and graphic design fees;
- Increase in travel/training of \$4,740 due primarily to software training needs (the Department is entering the second year of its Munis software implementation and it is imperative that staff completes sufficient training to maximize our understanding of the software's capabilities which will increase our operational efficiency);
- Increase in the employee wellness program of \$60,000 which is targeted towards CHN wellness initiatives for spouses;
- Decrease in advertising of -\$6,850 based on current expenditure trends coupled with reductions in legal advertising costs (e.g. purchasing solicitation advertisements are typically charged directly to the underlying project account);
- Decrease in printing and binding of -\$10,350 due to a calculated reduction in document printing (e.g. budgets, financial reports, etc.) with a focus on electronic distribution instead (website); and
- Decrease in general supplies of -\$13,522 based on current expenditure trends including reductions in postage and office supplies.

The Capital/Lease category includes funding for the ERP system (Munis software) lease and decreased -9.4%, or -\$10,545, compared to FY 2013. The decline is solely related to a refinancing of the underlying lease. Specifically, the Finance Department refinanced the city's entire portfolio of capital leases during FY 2013 which resulted in a 69% savings in interest expense over the respective lives of the leases.

DEPARTMENT SUMMARIES

Performance Measurement

The following section provides detailed information on Finance programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **Administration**

Statement of Service: The purpose of the administrative arm of the Department of Finance is to facilitate the success of the operating divisions of the department through the provision of oversight, staff support, and internal and public advocacy. Finance administration provides fiduciary oversight and support to the various departments of the city and communicates the financial health of the city to the Mayor, City Council, and stakeholders. Administration is also responsible for cash and debt management.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of New GAAP/GASB financial requirements implemented	2	1	1	1	1	1
Bond rating maintained or upgraded	Maintain Aaa - AAA	Maintain Aaa - AAA	Maintain Aaa - AAA	Maintain Aaa - AAA	Maintain Aaa - AAA	Maintain Aaa - AAA
Cash management program maximizing interest returns (all funds)	\$357,739	\$60,586	\$40,718	\$88,432	\$50,000	\$62,000
Personnel Assigned:	Finance Admin 3.0 FTE	Finance Admin 3.0 FTE	Finance Admin 3.0 FTE	Finance Admin 3.0 FTE	Finance Admin 3.0 FTE	Finance Admin 3.0 FTE
	Director of Finance Controller*	Director of Finance Controller*	Director of Finance Controller*		Director of Finance Controller*	Director of Finance Controller *
	Office Manager	Office Manager	Office Manager		Office Manager	Office Manager
	Risk Mgmt 1.0 FTE	Risk Mgmt 1.0 FTE	Risk Mgmt 1.0 FTE		Risk Mgmt 1.0 FTE	Risk Mgmt 1.0 FTE
	Safety/Risk Administrator	Safety/Risk Administrator	Safety/Risk Administrator		Safety/Risk Administrator	Safety/Risk Administrator
Total Personnel Assigned						
Finance Administration:	4.0 FTE	4.0 FTE	4.0 FTE		4.0 FTE	4.0 FTE

* The Controller position is not funded in the Budget.

DEPARTMENT SUMMARIES

• Internal Services

Statement of Service: The internal services arm of the Department of Finance includes Accounting & Operations along with Budgeting & Procurement Services, each further defined as:

- *Budget & Procurement:* The purpose of the budget/procurement division is to facilitate the financial planning process. This is accomplished through the budgeting and expenditure monitoring process in order to effectively distribute available resources consistent with city objectives and priorities. Responsibilities also include supporting all city departments with financial information, activities, transactions, and administration of their annual financial plan.
- *Accounting & Operations:* Accounting services records the city's financial transactions. Responsibilities include financial reporting and disbursement activities. The accounting function also provides financial data for the purpose of compiling management and public reports which reflect the financial condition of the city in accordance with Generally Accepted Accounting Principles.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Audited CAFR to be published within 180 days of fiscal year end	12/6/2010	12/16/2011	12/28/2012	N/A	11/15/2013	11/1/2014
GFOA Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes	N/A	Yes	Yes
GFOA Outstanding Achievement in Popular Annual Financial Reporting	Yes	Yes		N/A	Yes	Yes
GFOA Distinguished Budget Award	Yes	Yes	Yes	N/A	Yes	Yes
Percentage of departments within appropriated salary & benefit budget	100%	100%	100%	100%	100%	100%
Percentage of departments within appropriated maintenance & operating budget	100%	100%	100%	100%	100%	100%
% of Budgeted employees participating in direct deposit	96%	96%	96%	96%	96%	96%
Average # of vendor responses to Bids/Requests for Proposals	8	7	8	5	8	8
Accounting Services 8 FTE	Accounting Services 8 FTE	Accounting Services 8 FTE	Accounting Services 8 FTE	Accounting Services 8 FTE	Accounting Services 8 FTE	Accounting Services 8 FTE
Accounting & Op. Mgr	Accounting & Op. Mgr	Accounting & Op. Mgr	Accounting & Op. Mgr	Accounting & Op. Mgr	Accounting & Op. Mgr	Accounting & Op. Mgr
Chief Accountant	Chief Accountant	Chief Accountant	Chief Accountant	Chief Accountant	Chief Accountant	Chief Accountant
Accountant (4)*	Accountant (4)*	Accountant (4)*	Accountant (4)*	Accountant (4)*	Accountant (4)*	Accountant (4)*
Payroll Coordinator	Payroll Coordinator	Payroll Coordinator	Payroll Coordinator	Payroll Coordinator	Payroll Coordinator	Payroll Coordinator
Accounts Payable Technician	Accounts Payable Technician	Accounts Payable Technician	Accounts Payable Technician	Accounts Payable Technician	Accounts Payable Technician	Accounts Payable Technician
Budget/Procurement 5 FTE	Budget/Procurement 5 FTE	Budget/Procurement 5 FTE	Budget/Procurement 5 FTE	Budget/Procurement 4 FTE**	Budget/Procurement 4 FTE**	Budget/Procurement 4 FTE**
Budget & Procurement Mgr.	Budget & Procurement Mgr.	Budget & Procurement Mgr.	Budget & Procurement Mgr.	Budget & Procurement Mgr.	Budget & Procurement Mgr.	Budget & Procurement Mgr.
Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (3)	Sr. Budget & Procurement Analyst (3)	Sr. Budget & Procurement Analyst (3)
Budget & Procurement Analyst	Budget & Procurement Analyst	Budget & Procurement Analyst	Budget & Procurement Analyst			
Records Manager	Records Manager	Records Manager	Records Manager			
Total Personnel Assigned						
Internal Services:	13.0 FTE	13.0 FTE	13.0 FTE		12.0 FTE	12.0 FTE

* Includes 0.5 FTE (part-time Accountant position) not funded in the Budget.

** Records Manager position was reorganized from the Finance Department to the City Clerk's Office during FY 2012.

DEPARTMENT SUMMARIES

- External Services**

Statement of Service: The purpose of the external services team is to provide accurate and efficient services to City of Alpharetta residents, businesses, and stakeholders through timely and accurate billing and collections processes and outstanding customer service.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
% of bills generated on time	99%	99%	99%	99%	99%	99%
% of bills collected on time	95%	95%	95%	95%	95%	95%
# of Real estate tax bills generated	19,121	19,227	19,208	19,219	19,200	19,200
# of Personal property tax bills	2,832	2,817	2,638	2,863	2,600	2,600
# of Liens processed	391	263	229	0	300	300
# of Sanitation customers	14,020	14,552	14,822	14,888	14,600	14,600
% of Delinquent sanitation Accts	<10%	<10%	<10%	<10%	40561.33	<10%
Personnel Assigned:	6.0 FTE	6.0 FTE	6.0 FTE		6.0 FTE	6.0 FTE
Financial Services Manager	Treasury Services Manager	Treasury Services Manager	Treasury Services Manager	Treasury Services Manager	Treasury Services Manager	Treasury Services Manager
Tax Billing Coord	Billing Coordinator	Billing Coordinator	Billing Coordinator	Billing Coordinator	Billing Coordinator	Billing Coordinator
Customer Service Coord	Customer Account Coordinator	Customer Account Coordinator	Customer Account Coordinator	Customer Account Coordinator	Customer Account Coordinator	Customer Account Coordinator
Treasury/ Deposit Project Coord.	Cash Management Coordinator	Cash Management Coordinator	Cash Management Coordinator	Cash Management Coordinator	Cash Management Coordinator	Cash Management Coordinator
Accounts Rec/ Collections Rep.*	Accounts Rec/ Collections Rep.*	Accounts Rec/ Collections Rep.*	Accounts Rec/ Collections Rep.*	Accounts Rec/ Collections Rep.*	Accounts Rec/ Collections Rep.*	Accounts Rec/ Collections Rep.*
	Customer Account Representative	Customer Account Representative	Customer Account Representative	Customer Account Representative	Customer Account Representative	Customer Account Representative

* The Accounts Rec./Collections Rep. position is not funded in FY 2014 Budget.

- Benefits and Compensation**

Statement of Service: The benefits and compensation function provides for a competitive pay and benefits package to help attract and retain the best employees.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Annual City Paygrade review conducted	11/1/2009				9/1/2011	
% of Employees enrolled in group insurance	93%	91%	92%	91%	95%	93%
% of Employees enrolled in deferred compensation	78%	76%	75%	75%	85%	78%
Personnel Assigned:	2.0 FTE	2.0 FTE	2.0 FTE		2.0 FTE	2.0 FTE
Benefits Manager	Benefits Manager	Benefits Manager	Benefits Manager	Benefits Manager	Benefits Manager	Benefits Manager
HRIS/Comp Administrator	HRIS/Comp Administrator	HRIS/Comp Administrator	HRIS/Comp Administrator	HRIS/Comp Administrator	HRIS/Comp Administrator	HRIS/Comp Administrator

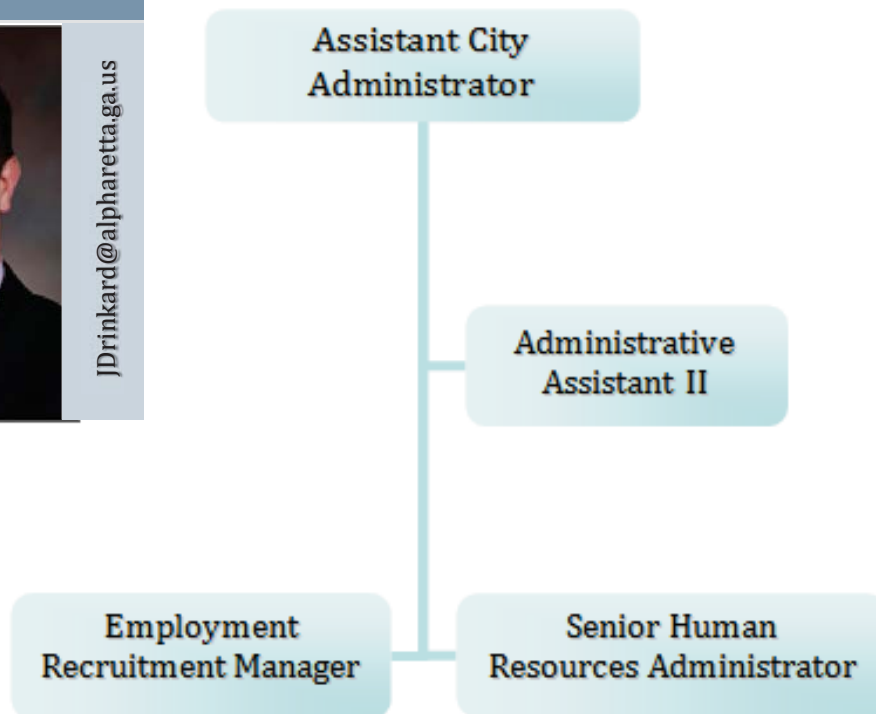
DEPARTMENT SUMMARIES

Human Resources

JAMES DRINKARD
ASSISTANT CITY
ADMINISTRATOR



JDrinkard@alpharetta.ga.us



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Human Resources

Administration, Employee Recruitment and Retention

Mission Statement

It is the mission of the Human Resources Team to recruit, retain, and develop an efficient, creative, and professional workforce capable of meeting the current and future needs and expectations of the City of Alpharetta and the citizens and customers whom we exist to serve.

Synopsis

To successfully carryout our core mission, the Human Resources Team shall:

- ✓ Ensure that employees are provided the same concern, respect, and caring attitude within the organization that they are expected to share with every customer, both external and internal;
- ✓ Act as a catalyst enabling all employees to contribute at optimum levels towards the success of the community and the City of Alpharetta;
- ✓ Establish, administer, and effectively communicate sound policies, rules, and practices that treat employees with dignity and equality while maintaining compliance with employment and labor laws, organizational directives, and the vision and values of the City of Alpharetta;
- ✓ Consult with senior management and supervisory personnel on human resources matters regarding staffing, organizational effectiveness, training and development, motivation and discipline, compliance, and related matters; and
- ✓ Work in support of the Benefits Team (Finance Department) to develop and provide a competitive salary and benefit package that supports our employees and meets the needs and goals of the City of Alpharetta.

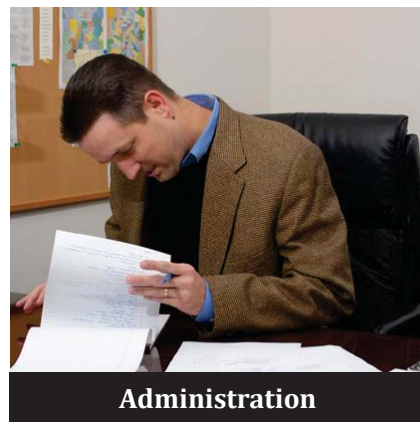
Goals and Objectives








- ✓ Develop and maintain appropriate personnel policies and procedures that provide flexibility in the management of personnel while maintaining compliance with current employment law and practice so as to effectively protect the City;



- ✓ Develop and deliver effective training programs to all employees so as to constantly improve customer service delivery, efficiency of operations, and the overall effectiveness and professionalism of the organization;



DEPARTMENT SUMMARIES

- 

 ✓ Identify and develop internal talent;
- 
 ✓ Develop and maintain a Strategic Human Resources Plan to ensure continuity of operations, effective succession planning in key positions, appropriate staffing to meet City goals and customer service expectations, and anticipate fiscal needs and impacts;
- 
 ✓ Improve operational efficiency and reduce costs by elevating the overall health of our employees; and
- 
 ✓ Elevate and maintain morale by improving communications with employees and fostering an information rich environment.

Statement of Revenues, Expenditures, and changes in Personnel

Human Resources General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 112,652	\$ 112,042	\$ 113,899	\$ 117,632	\$ 119,763	\$ 122,757	\$ 125,826
Group Insurance	11,816	3,214	7,120	9,051	9,578	10,344	11,172
FICA	8,522	8,494	8,667	8,999	9,162	9,391	9,626
Pension (Defined Benefit)	21,719	16,514	16,684	15,838	14,757	14,757	14,757
Pension (401A Cont./Match)	4,378	4,354	5,045	5,882	5,988	6,138	6,291
Workers Compensation	3,123	2,422	2,650	2,568	1,907	1,945	1,984
OPEB Contribution	-	-	-	-	385	393	401
(1) Citywide Educational Programs	-	47,864	40,632	85,000	50,000	50,000	50,000
Miscellaneous	-	-	237	82	-	-	-
<i>subtotal</i>	\$ 162,210	\$ 194,904	\$ 194,933	\$ 245,052	\$ 211,540	\$ 215,725	\$ 220,056
Maintenance & Operations:							
Professional Development	\$ 2,126	\$ 1,926	\$ 2,873	\$ 1,230	\$ 2,150	\$ 2,166	\$ 2,182
Professional Services	12,821	10,587	48,593	50,100	64,200	64,682	65,167
Advertising	-	875	1,160	4,019	3,000	3,023	3,045
Maintenance Contracts/IT Svcs.	9,710	4,821	5,220	8,792	9,097	9,165	9,234
General Supplies	3,917	2,829	6,374	7,858	9,850	9,924	9,998
Employee Recognition	65,658	67,906	67,386	70,066	72,500	73,044	73,592
Miscellaneous	7,265	8,321	6,413	9,130	8,135	8,196	8,257
<i>subtotal</i>	\$ 101,498	\$ 97,266	\$ 138,019	\$ 151,195	\$ 168,932	\$ 170,199	\$ 171,475
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 263,708	\$ 292,169	\$ 332,952	\$ 396,247	\$ 380,472	\$ 385,924	\$ 391,532
Authorized Personnel	3.0	3.0	3.0	3.0	3.0		

(1) In prior years, the citywide Tuition Reimbursement Program was funded through the individual departmental budgets. The program was centralized in FY 2011 with citywide funding reallocated to the HR Dept. to allow for more efficient management of the

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for Human Resources totals \$380,472 and represents a decrease of -4%, or -\$15,775, compared to FY 2013.

The Personnel Services category decreased -13.7%, or -\$33,512, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in group insurance premiums; all of which was mitigated through reductions in the citywide tuition reimbursement program to more closely align with actual spending patterns. The Department has one position (1.0 FTE Senior HR Administrator) that was not funded in FY 2013 and is not funded in FY 2014. This position will remain vacant pending an identified funding source and workload justification.

Base level personnel total 3.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Administrative Assistant II	1.0	1.0	1.0	1.0	1.0	-
Employment/Recruitment Manager	1.0	1.0	1.0	1.0	1.0	-
Senior HR Administrator*	1.0	1.0	1.0	1.0	1.0	-
	3.0	3.0	3.0	3.0	3.0	-

* Includes 1.0 FTE not-funded in the FY 2014 Budget (Senior HR Administrator). Funding for this position was eliminated in FY 2011 and will only be filled upon (1) a justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

* Assistant City Administrator (acting HR Director) is funded within the City Administration budget.

The Maintenance & Operations category increased 11.7%, or \$17,737, due to minor reallocations within multiple accounts based on current expenditure trends coupled with operating initiative funding for a Wage & Benefit Study (\$15,000).

Performance Measurement

The following section provides detailed information on Human Resources programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

DEPARTMENT SUMMARIES

• Administration

Statement of Service: The administrative function monitors legal compliance and employee relations in order to effectively administer sound policies, and practices that will treat all employees equally while maintaining compliance with employment and labor laws.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Human Resources annual turnover percentage	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
City-wide turnover percentage	2.90%	5.61%	6.94%	3.51%	8.00%	9.00%
Total # full-time equivalents (full-time, part-time, seasonal, and elected)	542	537	530	478	530	535
HR staff to total full-time equivalent employee ratio	1 to 271	1 to 268	1 to 265	1 to 239	1 to 265	1 to 268
Personnel Assigned:	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE
	Admin Assistant II	Admin Assistant II	Admin Assistant II		Admin Assistant II	Admin Assistant II

*The Human Resources Department is directed by the Assistant City Administrator.

• Recruitment and Retention

Statement of Service: The recruitment and retention function facilitates programs to continually increase the quality of the workforce through placing, training, and retaining highly qualified individuals who have the educational background, knowledge, and competencies to perform at above average levels.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Average cost per hire - Permanent	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Average cost per hire - Seasonal	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
# of Resumes reviewed & logged	576	651	622	278	550	700
# of Qualified applications processed	150	91	80	50	75	125
# of New hires - Permanent	13	21	27	20	26	30
# of New hires - Seasonal	51	53	50	0	53	55
# of Internal promotions	8	19	9	7	8	7
# of separations	75	65	80	15	75	80
% of Employees rated "Exceeds" on annual merit review	5.0%	5.0%	3.6%	5.9%	5.5%	5.5%
% of Employees rated "Meets" on annual merit review	95.0%	95.0%	96.0%	93.6%	94.0%	94.0%
% of Employees underperforming on annual performance review	0.5%	0.5%	0.4%	51.0%	0.5%	0.5%
% of Employees on "Performance Improvement Plan"	2.0%	2.0%	1.0%	77.0%	1.0%	1.0%
Total # of employees enrolled in Education Programs						
Doctorate Degree	0	1	1	1	1	2
Master's Degree	6	5	2	7	3	8
Bachelor's Degree	11	11	11	11	8	12
Associate's Degree	12	13	9	5	10	8
Certificate Programs	0	1	2	1	5	2
Total # of employees receiving tuition reir	26	28	20	25	20	32
Total dollar amount of reimbursement	\$42,023	\$52,118	\$38,628	\$33,781	\$38,000	\$43,000
* Employee review percentage not 100% due to the impact of new hires, vacancies, turnover, and leaves of absence.						
Personnel Assigned:	2.0 FTE	1.0 FTE	2.0 FTE	2.0 FTE	2.0 FTE	2.0 FTE
	Sr. HR Administrator	Sr. HR Administrator*	Sr. HR Administrator*	Sr. HR Administrator*	Sr. HR Administrator*	Sr. HR Administrator*
	Employment/	Employment/	Employment/	Employment/	Employment/	Employment/
	Recruitment Manager	Recruitment Manager	Recruitment Manager	Recruitment Manager	Recruitment Manager	Recruitment Manager

* Not funded in the budget for FY's 2011-2014.



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DEPARTMENT SUMMARIES

Municipal Court

ELIZABETH SAHLIN
DIRECTOR



ESahlin@alpharetta.ga.us

Municipal Judge

Clerk of Courts

Court Operations

Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES























Municipal Court

Administration, Employee Recruitment and Retention

Mission Statement

To grow and maintain sufficient staffing, infrastructure and general court services for the City of Alpharetta; to educate and inform persons who attend court; to ensure the citizens' rights are observed and protected; to achieve justice and fundamental fairness in all matters including cases that go to trial and those that are settled pre-trial; and to efficiently and responsibly serve all citizens living in the community.

Goals and Objectives

-   ✓ Provide professional, quality service;
-   ✓ Monitor court sessions and continue to improve efficiency;
-   ✓ Develop operations guide to use internally;
-   ✓ Enhance the GBS court Software system;
-   ✓ Develop activity reports;
-   ✓ Enhance reporting to state and city departments;
-   ✓ Review and enhance current reports/forms;
-   ✓ Enhance the current data that is shared between Court/Police;
-   ✓ Review, improve, and update day to day operations;
-   ✓ Provide proper training to insure compliance with all State laws and regulations; and
-   ✓ Continue to cross-train employees.

DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Municipal Court General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 406,906	\$ 401,685	\$ 404,252	\$ 422,232	\$ 427,515	\$ 438,203	\$ 449,158
Seasonal	-	5,210	4,901	12,788	12,813	12,813	12,813
Overtime	457	-	-	-	-	-	-
Group Insurance	58,862	61,372	70,087	82,348	95,994	103,674	111,967
FICA	29,040	29,550	29,245	32,993	33,331	34,164	35,018
Pension (Defined Benefit)	54,191	62,175	57,012	48,897	45,302	45,302	45,302
Pension (401A Cont/Match)	17,724	19,526	21,331	23,959	26,162	26,816	27,486
Workers Compensation	8,029	9,391	10,017	9,411	6,937	7,076	7,217
OPEB Contribution	-	-	-	-	1,359	1,386	1,414
Miscellaneous	-	245	789	-	734	734	734
subtotal	\$ 575,209	\$ 589,155	\$ 597,635	\$ 632,628	\$ 650,147	\$ 670,168	\$ 691,110
Maintenance & Operations:							
Professional Services	\$ 245,061	\$ 232,626	\$ 228,966	\$ 241,829	\$ 242,790	\$ 244,611	\$ 246,446
Printing	22,258	22,058	18,031	25,609	24,100	24,281	24,463
Maintenance Contracts/IT Svcs.	35,941	38,056	42,445	43,619	53,066	53,464	53,865
General Supplies	13,311	13,434	13,989	14,408	14,148	14,254	14,361
Utilities	25,118	24,817	24,654	31,572	32,225	32,467	32,710
Miscellaneous	14,606	7,995	13,222	7,120	8,580	8,644	8,709
subtotal	\$ 356,295	\$ 338,986	\$ 341,307	\$ 364,157	\$ 374,909	\$ 377,721	\$ 380,554
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 931,504	\$ 928,142	\$ 938,942	\$ 996,785	\$ 1,025,056	\$ 1,047,888	\$ 1,071,664
Authorized Personnel	9.0	9.0	9.0	9.0	9.0		

(1) Please note: departmental operations often impact numerous revenue sources that are accounted elsewhere within the City's budget. For example, the Municipal Court is instrumental in the collection of Municipal Court Fine revenues. These revenues are accounted for in the Public Safety Department but are reliant, in part, on the work of the Municipal Court.

Budget Narrative

The FY 2014 Budget for Municipal Court totals \$1,025,056 and represents an increase of 2.8%, or \$28,271, compared to FY 2013.

The Personnel Services category increased 2.8%, or \$17,519, due primarily to wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014 and increases in group insurance premiums.

DEPARTMENT SUMMARIES

Base level personnel total 9.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
Court Clerk/Director of Court Services	1.0	1.0	1.0	1.0	1.0	-
Deputy Clerk I	1.0	1.0	1.0	1.0	1.0	-
Deputy Clerk II	5.0	5.0	5.0	5.0	5.0	-
Deputy Clerk III	1.0	1.0	1.0	1.0	1.0	-
Judge	1.0	1.0	1.0	1.0	1.0	-
	9.0	9.0	9.0	9.0	9.0	-

The Maintenance & Operations category increased 3.0%, or \$10,752, due primarily to the following activity:

- Increase of \$2,908 in maintenance contracts related to the lease replacement of the Department's copier (warrants replacement based on age, maintenance costs, and consumables costs); and
- Increase of \$6,539 in professional services (IT) due primarily to a revised allocation methodology for Voice-Over-Internet-Protocol (VOIP) costs (e.g. GLS monitoring and support, CISCO SMARTnet licenses, and CISCO support).

Performance Measurement

The following section provides detailed information on Municipal Court programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

• **Violations Bureau**

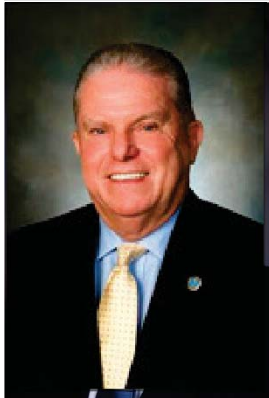
Statement of Service: The purpose of the Municipal Court is to process all alleged violations of city Ordinances and certain state laws in a fair, impartial, expeditious, accurate, and fiscally responsible manner. The Violations Bureau holds traffic and state court, monitors and handles all cash bonds and manages all Court records.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) 2013	Target 2013	Target 2014
# of Citations received to process	20,773	20,093	16,858	11,021	21,000	17,000
Total # of cases disposed	23,356	21,342	18,946	12,093	22,000	19,000
# of Court sessions	226	232	232	154	232	232
Annual deposits (Court Fines)	\$3,011,998	\$2,715,193	\$2,606,049	\$1,572,599	\$2,350,000	\$2,400,000
Personnel Assigned:	9.0 FTE	9.0 FTE	9.0 FTE	9.0 FTE	9.0 FTE	9.0 FTE
Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge
Court Clerk / Director of Court Services	Court Clerk / Director of Court Services	Court Clerk / Director of Court Services	Court Clerk / Director of Court Services	Court Clerk / Director of Court Services	Court Clerk / Director of Court Services	Court Clerk / Director of Court Services
Deputy Clerk III	Deputy Clerk III	Deputy Clerk III	Deputy Clerk III	Deputy Clerk III	Deputy Clerk III	Deputy Clerk III
Deputy Clerk II (5)	Deputy Clerk II (5)	Deputy Clerk II (5)	Deputy Clerk II (5)	Deputy Clerk II (5)	Deputy Clerk II (5)	Deputy Clerk II (5)
Deputy Clerk I	Deputy Clerk I	Deputy Clerk I	Deputy Clerk I	Deputy Clerk I	Deputy Clerk I	Deputy Clerk I

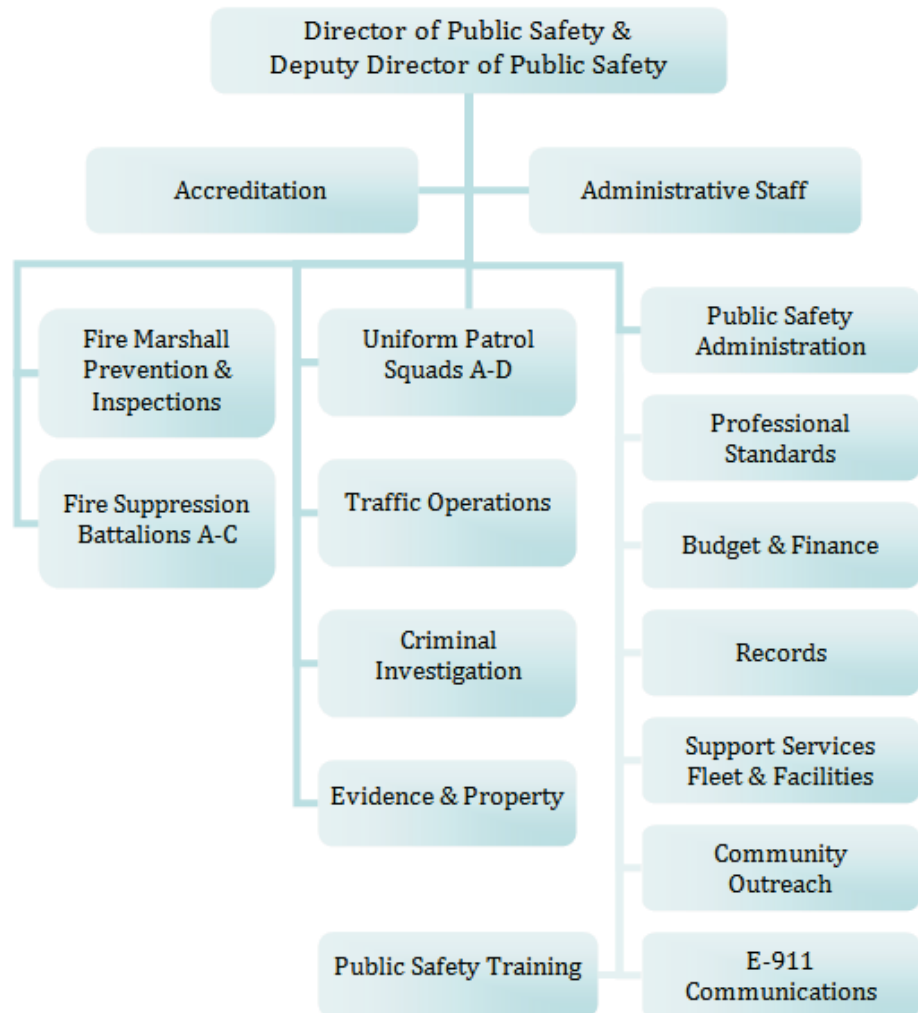
DEPARTMENT SUMMARIES

Public Safety

GARY GEORGE
DIRECTOR



GGeorge@alpharetta.ga.us



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Public Safety

Administration, Police, Fire, and Emergency 911

Mission Statement

Public Safety: Expand joint efforts between Police and Fire, particularly in the area of training, emergency management, and community outreach.

Police Services strives to ensure the highest quality of life for its citizens through developing and maintaining partnerships with the community. We take pride in the fact that all contacts with the public are professional and at all times personify the highest levels of honor, integrity, ethics and justice, entrusted to us by those we are sworn to serve.

Fire and Emergency Services is a proactive, customer oriented emergency services provider. Our objective is to provide the best possible fire and emergency medical services. Our goal is to maximize the saving of lives, minimize the loss of property and avoid loss whenever possible through prevention and education.



Director of Public Safety

Goals and Objectives

Police Services



- ✓ Traffic Safety - Identify and address traffic concerns through engineering, education, and enforcement. Build the effectiveness of specialty teams including DUI enforcement, bicycle and commercial vehicle inspection;



- ✓ Crime Prevention - Reach out to the community through the Police Athletic League (PAL), Police And Citizens Together (PACT), and Business Watch programs, building partnerships and mitigating problems through education and enforcement;



























- ✓ Uniform Patrol - Increase visible presence in the community with an emphasis on residential neighborhoods; and



- ✓ Criminal Investigation - Maintain a case clearance rate above national averages through strong local investigative efforts and appropriate partnerships with other federal, state and local law enforcement agencies.

DEPARTMENT SUMMARIES

Fire Services

-  ✓ To maintain a minimum on duty staffing level of not less than 25 firefighters at all times;
-  ✓ Assure all firefighters are certified at the National Professional Qualifications Firefighter II Level;
-  ✓ Maintain a minimum of 240 hours of annual training and career development for each career firefighter;
-  ✓ Place the first fire apparatus on the scene of an emergency within five minutes of dispatch at least 90% of the time;
-  ✓ Place a minimum of 15 firefighters on the scene of a structure fire within seven minutes of dispatch at least 90% of the time;
-  ✓ Place an advance life support paramedic on the scene of a medical emergency within five minutes of dispatch at least 90% of the time;
-  ✓ Present programs of fire safety education to 80% of all preschool children and 95% of all first and fourth grade students who reside within the City; and
-  ✓ Conduct a fire safety inspection and/or design a pre-fire plan for every non-residential occupancy annually.



Public Safety Department

DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Public Safety General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
Licenses and Permits							
Alcohol Beverage	\$ -	\$ -	\$ 440,840	\$ 432,000	\$ 504,000	\$ 514,080	\$ 524,362
Other	4,413	10,586	8,113	5,000	6,000	6,120	6,242
Intergovernmental:							
City of Milton	59,695	56,234	61,734	76,252	76,252	77,777	79,333
Charges for Services:							
Reports	45,085	51,955	53,719	40,000	45,000	45,900	46,818
Services	60,614	154,785	159,257	100,000	150,000	153,000	156,060
False Alarms	15,357	19,841	20,478	10,000	12,000	12,240	12,485
Plan Review	53,347	68,510	73,611	30,000	45,000	45,900	46,818
Other	24,497	27,063	19,985	15,000	15,000	15,300	15,606
Fines & Forfeitures:							
Municipal Court Fines	3,011,998	2,715,193	2,606,049	2,625,000	2,400,000	2,448,000	2,496,960
Red Light Camera Fines	348,578	395,380	407,144	425,000	450,000	459,000	468,180
Other Revenue	40,313	47,950	56,135	23,300	20,000	-	-
TOTAL	\$ 3,663,897	\$ 3,547,497	\$ 3,907,065	\$ 3,781,552	\$ 3,723,252	\$ 3,777,317	\$ 3,852,863
EXPENDITURES							
Personnel Services:							
Salaries	\$ 11,710,786	\$ 11,635,447	\$ 11,684,213	\$ 12,208,244	\$ 12,553,234	\$ 12,867,065	\$ 13,188,741
Overtime	963,688	917,524	874,833	885,001	880,615	880,615	880,615
Group Insurance	2,769,134	2,736,363	3,026,885	3,431,971	3,636,655	3,927,587	4,241,794
FICA	918,456	911,293	902,132	999,289	1,033,671	1,059,513	1,086,001
Pension (Defined Benefit)	1,432,579	1,593,330	1,569,354	1,447,416	1,343,334	1,343,334	1,343,334
Pension (401A Cont/Match)	468,965	500,489	523,188	486,749	635,866	651,763	668,057
Workers Compensation	210,088	242,302	263,090	254,059	193,170	197,033	200,974
OPEB Contribution	-	-	-	-	42,433	43,282	44,147
Miscellaneous	48,263	6,753	6,946	7,514	5,386	5,386	5,386
subtotal	\$ 18,521,959	\$ 18,543,501	\$ 18,850,639	\$ 19,720,243	\$ 20,324,364	\$ 20,975,578	\$ 21,659,050
Maintenance & Operations:							
Professional Development	\$ 51,316	\$ 104,021	\$ 48,597	\$ 53,216	\$ 58,850	\$ 59,291	\$ 59,736
Professional Services	196,074	295,327	290,105	294,601	207,850	209,409	210,979
Fuel/Repair/Maint. (Vehicles)	704,672	815,890	861,564	932,150	949,000	956,118	963,288
Travel	40,740	39,198	50,015	50,500	54,500	54,909	55,321
Maint. Contracts/IT Services	1,019,836	1,104,010	1,006,310	1,133,809	1,162,161	1,170,877	1,179,659
General Supplies	197,604	189,144	202,452	215,143	216,780	218,406	220,044
Uniforms	197,362	121,822	175,610	176,187	212,900	214,497	216,105
Utilities	203,770	212,389	204,364	232,260	216,800	218,426	220,064
Miscellaneous	196,320	201,325	212,959	121,051	143,445	144,521	145,605
subtotal	\$ 2,807,693	\$ 3,083,127	\$ 3,051,976	\$ 3,208,917	\$ 3,222,286	\$ 3,246,453	\$ 3,270,802
Capital/Leases:							
Capital/Other	\$ -	\$ -	\$ 14,192	\$ -	\$ -	\$ -	\$ -
Software/Fire Truck Lease(s)	369,184	514,630	272,818	332,820	275,215	295,926	302,672
subtotal	\$ 369,184	\$ 514,630	\$ 287,010	\$ 332,820	\$ 275,215	\$ 295,926	\$ 339,087
Adjustments/Reconciliation	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 21,698,836	\$ 22,141,259	\$ 22,189,625	\$ 23,261,980	\$ 23,821,865	\$ 24,517,957	\$ 25,268,938
Authorized Personnel	218.0	218.0	217.0	217.0	218.0		

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for Public Safety totals \$23,821,865 and represents an increase of 2.4%, or \$559,885, compared to FY 2013.

The Personnel Services category increased 3.1%, or \$604,121, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in anticipated overtime costs; increases in group insurance premiums; the addition of two full-time Firefighter/Paramedic positions and one full-time Assistant Fire Marshall position (please refer to the Operating Initiatives section for more detailed information); partially offset through the reorganization of two full-time positions (Public Safety Administrator and Communications Training Coordinator) from the General Fund to the E-911 Fund as their job functions represent E-911 activities.

The Department has one part-time position (0.5 FTE part-time Administrative Assistant I) that was not funded in FY 2013 and is not funded in FY 2014. This position will remain vacant pending an identified funding source and workload justification.

Base level personnel total 218.0 FTEs and represent the following:

	FTEs					
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	Variance
Sworn Police Officers						
Director of Public Safety	1.0	1.0	1.0	1.0	1.0	-
Captain	7.0	7.0	7.0	8.0	8.0	-
Lieutenant**	14.0	14.0	14.0	14.0	15.0	1.0
Emer. Mgmt Program Coordinator (Lt.)	1.0	1.0	1.0	-	-	-
Field Training Officer	10.0	10.0	10.0	10.0	10.0	-
Officer**	70.0	70.0	71.0	71.0	70.0	(1.0)
Public Information Officer	1.0	1.0	1.0	1.0	1.0	-
	104.0	104.0	105.0	105.0	105.0	-
Certified Firefighters						
Deputy Director of Public Safety	1.0	1.0	1.0	1.0	1.0	-
Battalion Chief	4.0	4.0	4.0	4.0	4.0	-
Communications Training Coord. (Captain)***	-	-	1.0	1.0	-	(1.0)
Public Safety Administrator (Battalion Chief)***	1.0	1.0	1.0	1.0	-	(1.0)
Captain	26.0	26.0	25.0	24.0	24.0	-
Fire Training/Emer. Mgmt Coord. (Captain)**	-	-	-	1.0	-	(1.0)
Accreditation/Emer. Mgmt Coord. (Captain)**	-	-	-	-	1.0	1.0
Fire Apparatus Engineer	23.0	23.0	23.0	23.0	23.0	-
Firefighter/Paramedic**	17.0	17.0	17.0	17.0	20.0	3.0
Firefighter II	19.0	19.0	19.0	19.0	19.0	-
Fire Logistics Officer	1.0	1.0	1.0	1.0	1.0	-
Fire Marshal (Battalion Chief)	1.0	1.0	1.0	1.0	1.0	-
Fire Marshall (Assistant)**	-	-	-	-	1.0	1.0
Fire Prevention Officer (2FT; 1PT)	3.0	3.0	3.0	3.0	2.5	(0.5)
	96.0	96.0	96.0	96.0	97.5	1.5

DEPARTMENT SUMMARIES

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Civilian Positions						
Accreditation Manager**	1.0	1.0	1.0	1.0	-	(1.0)
Administrative Assistant I (1FT; 1PT)*	2.5	1.5	0.5	0.5	0.5	-
Administrative Assistant II (2FT)	2.5	2.5	2.5	2.5	2.0	(0.5)
CERT Program Manager	1.0	1.0	-	-	-	-
Criminal Intelligence Analyst**	-	-	-	1.0	1.0	-
Data Entry Clerk (1PT)	0.5	0.5	0.5	0.5	0.5	-
Evidence Technician	2.0	2.0	1.0	1.0	1.0	-
Fingerprint Technician (1PT)	0.5	0.5	0.5	0.5	0.5	-
Jail/Court Liaison	1.0	-	-	-	-	-
Public Safety Volunteer Manager	-	-	1.0	1.0	1.0	-
Records Clerk	1.0	3.0	3.0	3.0	4.0	1.0
Records Supervisor	1.0	1.0	1.0	1.0	1.0	-
Research Analyst**	1.0	1.0	1.0	-	-	-
School Crossing Guard (8PT)	4.0	4.0	4.0	4.0	4.0	-
	18.0	18.0	16.0	16.0	15.5	(0.5)
	218.0	218.0	217.0	217.0	218.0	1.0

* Includes 0.5 FTE not-funded in the FY 2014 Budget (Administrative Assistant I - part time). This position was approved in FY 2009 but never funded due to revenue constraints and will only be filled upon (1) a justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

** Approved operating initiatives in FY 2014 include the addition of two Firefighter/Paramedics and one Assistant Fire Marshall; all other position reclassifications occurred during FY 2013.

*** Position duties are composed of E-911 functions and are being reallocated to the E-911 Fund.

The Maintenance & Operations category increased 6.0%, or \$180,747, due primarily to the following activity:

- Increase in vehicle repair and maintenance of \$202,150 due primarily to rising fuel costs/general fleet maintenance requirements and budget not keeping pace with actual expenditure trend (FY 2012 budget was too low to cover department needs);
- Net increase in travel and training of \$8,500 for command college (specific) and general training needs;
- Increase of \$57,074 in professional services (IT) due to general cost increases in multiple software related categories (e.g. virtual server licensing, Microsoft licensing, GIS mobile licensing, permitting software, etc.), additional funding for cell phones/data card service, and a revised allocation methodology for voice over internet protocol (VOIP) costs;
- Increase of \$18,810 in utilities based on current year-to-date expenditures and GA Power rate increases; and
- Decrease of -\$104,546 in small equipment/equipment refresh (IT) due to funding source reallocations. Starting with FY 2013, all IT computer equipment (e.g. computer, printer, server, etc.) is being centrally managed and replaced by the IT

DEPARTMENT SUMMARIES

Department within the Capital Project Fund. This will allow for greater flexibility in prioritizing computer equipment replacement. The remaining funding in the equipment refresh account represents cell phone replacements which were budgeted under small equipment in FY 2012.

The Capital/Lease category increased 17.7% due primarily to operational initiative funding totaling \$60,000 to fund a lease payment for replacement of the Air & Light/Rehab Truck (please refer to the Operating Initiatives tab for a detailed description).

Performance Measurement

The following section provides detailed information on Public Safety programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **Administration**

Statement of Service: Public Safety Administration ensures effective, efficient and responsive services by planning and administering the resources allocated to the various divisions of the department, ensuring activities are managed in a manner which produces a safe and secure city.



Public Safety Headquarters



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DEPARTMENT SUMMARIES

• Police Services

Statement of Service: Alpharetta's Police Services include criminal investigations, uniform patrol, traffic patrol, and training activities.

	Actual 2010	Actual 2011	Actual 2012	ICMA/ Department Target	Results	YTD (Feb.) 2013	ICMA/ Department Target
Uniform Crime Reports - Part 1							
Reported							
No.	1,637	1,762	1,517	N/A	N/A	795	N/A
No. reported per 1,000 population	31.28	30.64	26.26	< 39.29	A	13.48	< 39.29
Arrests							
No. (total)	397.00	503.00	415.00	N/A	N/A	189	N/A
% arrested of Part 1 Crimes	24.25%	34.24%	27.36%	N/A	N/A	23.77%	N/A
No. (juvenile only)	127	166	105	N/A	N/A	42	N/A
% juvenile arrests per total UCR Part 1 arrests	31.99%	19.00%	25.30%	< 20.02%	C	22.22%	< 20.02%
No. arrests per 1,000 population	7.59	8.75	7.19%	< 9.72	A	3.20	< 9.72
No. arrests per sworn FTE	3.82	4.79	3.99	< 5.16	A		< 5.16
Assigned							
No.	563	491	603	N/A	N/A	267	N/A
% assigned	34.39%	24.25%	39.75%	N/A	N/A	33.58%	N/A
Cleared							
No.	561	384	346	N/A	N/A	102	N/A
% assigned	34.27%	78.20%	22.81%	N/A	N/A	12.83%	N/A
No. cleared per sworn FTE	5.39	3.66	3.33	N/A	N/A		N/A
Uniform Crime Reports - Part 2							
No. drug arrests	155	230	130	N/A	N/A	128	N/A
No. drug arrests per 1,000 population	2.96	4.00	2.25	< 5.88	A	2.17	< 5.88
No. juvenile drug arrests	10	25	12	N/A	N/A	11	N/A
% juvenile drug arrests	6.45%	10.87%	9.23%	< 13%	A	8.59%	< 13%
Arrests - General							
No. total arrests	1,331	1,469	1,246	N/A	N/A	662	N/A
No. total arrests per 1,000 population	25.43	25.55	21.57	< 68.52	A	11.22	< 68.52
No. DUI arrests	356	439	369	N/A	N/A	158	N/A
No. DUI arrests per 1,000 population	6.80	7.63	6.39	> 6.96	B	2.68	> 6.96
Traffic Accidents							
No. fatal traffic accidents	1	3	2	N/A	N/A	1	N/A
No. fatal traffic accidents per 1,000 population	0.01	0.05	0.03	N/A	N/A	0.02	N/A
911 Calls							
No. incoming calls	42,559	42,026	39,097	N/A	N/A	24,550	N/A
Avg. ring time in seconds	5.17	0.75	5.00	< 5.00	B	5.00	< 5.00

LEGEND

A = met or exceeded target

B = within 15% of target

C = missed target by more than 15%

DEPARTMENT SUMMARIES

• Fire Services

Statement of Service: Alpharetta's Police Services include criminal investigations, uniform patrol, traffic patrol, and training activities.

	Actual 2010	Actual 2011	Actual 2012	ICMA/ Department Target	Results	YTD (Feb.) 2013	ICMA/ Department Target
FTEs							
No. Fire FTE per 1,000 population	1.85	1.68	1.65	< 2.51	A	1.62	< 2.51
Fires							
Residential							
No. structure fires	22	59	31	N/A	N/A	29	N/A
Structure fires per 1,000 structures	1.05	2.57	1.35	< 3.06	A	1.23	< 3.06
Structure fires per 1,000 population	0.42	1.02	0.54	< 1	A	0.49	< 1
1&2 family structure fires	15	23	19	N/A	N/A	15	N/A
1&2 family structure fires contained to room of origin	8	20	15	N/A	N/A	12	N/A
1&2 family fires contained per total 1&2 family fires	53.33%	86.96%	78.95%	> 62%	A	80.00%	> 62%
Commercial/Industrial							
No. structure fires	2	16	4	N/A	N/A	2	N/A
Structure fires per 1,000 Comm./Ind. structures	1.11	8.87	2.21	< 6.48	A	1.10	< 6.48
Non-Structure							
No. non-structure fires	85	96	81	N/A	N/A	30	N/A
No. non-structure fires per 1,000 population	1.62	1.67	1.40	< 2.23	A	0.51	< 2.23
Totals							
Total fire incidents	109	171	116	N/A	N/A	61	N/A
Total fire incidents per 1,000 population	2.08	2.97	2.01	< 3.66	A	1.03	< 3.66
Response Time							
Fire Total Customer Time in minutes	6.46	6.18	6.18	< 7	A	6.82	< 7
Non-Fires							
No. non-fire incidents	4,271	3,955	3,920	N/A	N/A	2,297	N/A
No. non-fire incidents per 1,000 population	81.48	68.66	67.59	< 80.21	A	38.94	< 80.21
False Alarms							
No. false alarms & good intent calls	1,756	1,284	1,232	N/A	N/A	796	N/A
False alarms & good intent calls per total calls	28.62%	23.73%	23.39%	> 18.02%	A	25.24%	> 18.02%
Arson							
No. residential arson incidents	1	1	1	1	A	2	1
No. residential arson incidents per 10,000 population	0.19	0.17	0.17	< 0.82	A	0.34	< 0.82
Total arson incidents	2	2	2	N/A	N/A	2	N/A
Total arson incidents per 10,000 population	0.38	0.35	0.35	< 1.33	A	0.34	< 1.33
Total arson cases cleared	1	0	1	N/A	N/A	1	N/A
Arson case clearance rate	50.00%	0.00%	50.00%	> 52.83%	A	50.00%	> 52.83%
Rescue/Recovery							
No. rescue/recovery incidents	69	71	69	N/A	N/A	34	N/A
No. rescue/recovery incidents per 10,000 population	13.18	12.33	11.95	< 4.20	C	5.76	< 4.20
EMS							
No. EMS responses	3,289	3,061	3,101	N/A	N/A	1,814	N/A
No. EMS responses per 1,000 population	62.84	53.14	53.47	< 87.00	A	30.75	< 87.00
Hazmat							
No. Hazmat incidents	57	48	44	N/A	N/A	28	N/A
No. Hazmat incidents per 10,000 population	10.89	8.33	7.62	< 13.32	A	4.75	< 13.32

LEGEND

A = met or exceeded target

B = within 15% of target

C = missed target by more than 15%

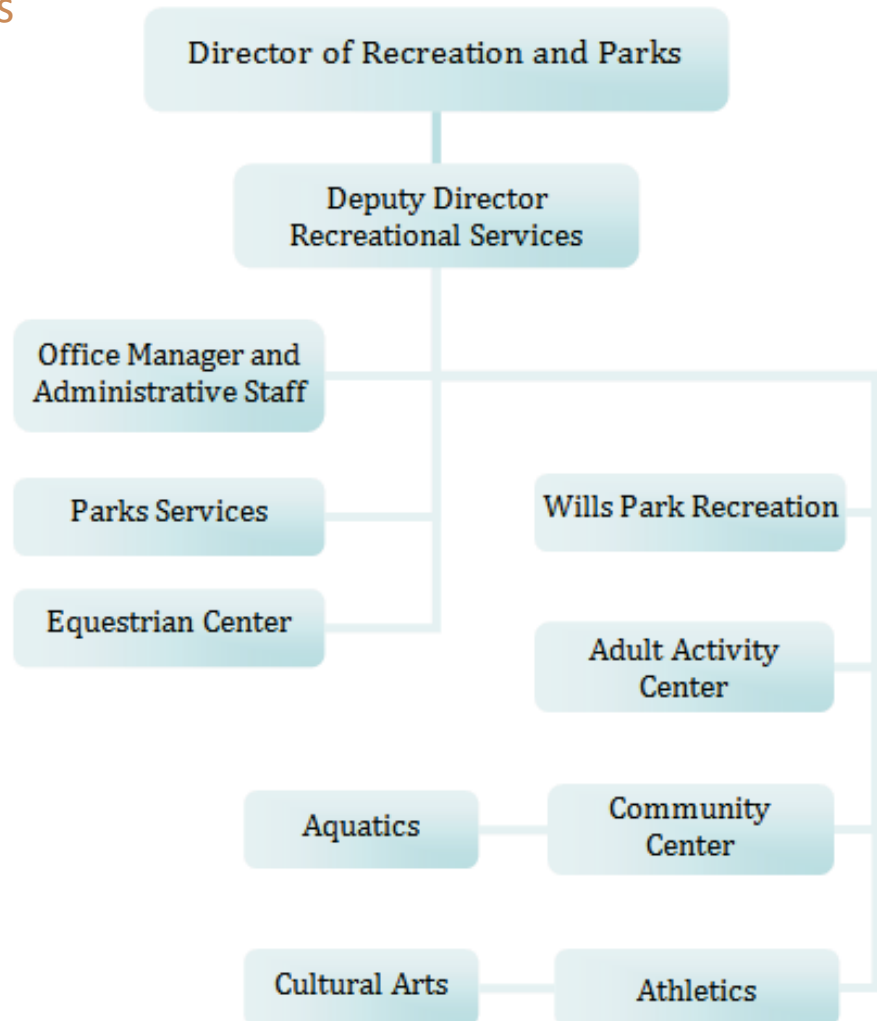
DEPARTMENT SUMMARIES

Recreation and Parks

MIKE PERRY
DIRECTOR



MPerry@alpharetta.ga.us



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Recreation and Parks

Administration, Adult Activity Center, Aquatics, Athletics, Community Center, Cultural Arts, Equestrian Center, Wills Park Recreation Center, and Parks Maintenance

Mission Statement

The Alpharetta Recreation and Parks Department strives to promote the highest quality recreation programs and park facilities to our citizens consistent with our core values of Excellence, Stewardship, Integrity, Service and Loyalty.

Goals and Objectives



-   ✓ Complete Recreation and Parks Master Plan 2014-2024;
-   ✓ Receive NRPA 15 year Department re-accreditation (first Georgia City);
-   ✓ Develop a short/long term facility maintenance plan for all department buildings;
-  ✓ Develop a replacement schedule for all department equipment;
-   ✓ Successfully implement new ActiveNet registration program;
-   ✓ Implement new programs where there is a need to serve residents;
-   ✓ Increase revenues through increased participation and sponsorships; and
-   ✓ Successful opening of new pool splash pad.

DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Recreation and Parks General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services:							
Aquatics Activity Fees	110,571	113,857	119,401	119,600	115,000	118,450	122,004
Athletics Activity Fees	440,744	548,980	499,445	350,000	375,000	386,250	397,838
Fulton County Arts	62,904	52,429	43,206	50,000	35,000	36,050	37,132
Community Center Activity Fees	401,704	362,893	359,779	350,000	389,300	400,979	413,008
Senior Center Activity Fees	81,291	61,477	52,808	50,000	60,000	61,800	63,654
Equestrian Center Activity Fees	312,458	310,838	299,472	315,000	250,000	257,500	265,225
Wills Park Rec. Ctr Activity Fees	188,041	182,740	204,924	200,000	150,000	154,500	159,135
Non-Resident Fees	238,396	234,983	227,041	290,000	375,000	386,250	397,838
Other	3,919	1,375	2,742	-	-	-	-
Other Revenue	31,156	7,778	11,903	10,406	-	-	-
TOTAL	\$ 1,871,182	\$ 1,877,350	\$ 1,820,721	\$ 1,735,006	\$ 1,749,300	\$ 1,801,779	\$ 1,855,832
EXPENDITURES							
Personnel Services:							
Salaries	\$ 2,079,605	\$ 2,043,333	\$ 2,042,669	\$ 2,112,125	\$ 2,101,928	\$ 2,154,476	\$ 2,208,338
Seasonal	379,227	413,437	376,434	434,000	434,000	434,000	434,000
Overtime	10,958	10,072	13,772	-	-	-	-
Group Insurance	498,193	487,136	508,853	570,163	608,022	656,664	709,197
FICA	179,446	180,918	177,069	194,286	193,618	198,458	203,420
Pension (Defined Benefit)	282,207	301,626	285,798	252,680	222,019	222,019	222,019
Pension (401A Cont./Match)	72,327	85,235	95,851	98,525	120,507	123,520	126,608
Workers Compensation	49,076	54,462	58,888	55,637	40,418	41,226	42,051
OPEB Contribution	-	-	-	-	6,739	6,874	7,011
Miscellaneous	734	1,436	2,052	2,940	980	980	980
subtotal	\$ 3,551,773	\$ 3,577,654	\$ 3,561,387	\$ 3,720,356	\$ 3,728,231	\$ 3,838,217	\$ 3,953,624
Maintenance & Operations:							
Professional Services	\$ 661,501	\$ 654,071	\$ 616,111	\$ 707,890	\$ 720,800	\$ 726,206	\$ 731,653
Fuel/Repair/Maint. (Vehicles)	53,787	63,393	64,474	107,609	90,000	90,675	91,355
Repair & Maintenance (Grounds)	323,938	245,268	269,318	282,864	310,300	312,627	314,972
Repair & Maintenance (Facilities)	122,965	105,102	107,456	129,765	116,800	117,676	118,559
Maintenance Contracts/IT Svcs.	419,548	452,678	415,713	507,294	566,450	570,698	574,979
General Supplies	207,832	193,383	198,493	323,811	285,285	287,425	289,580
Uniforms	80,235	71,280	70,488	20,630	22,810	22,981	23,153
Utilities	531,655	555,562	568,328	615,000	571,100	575,383	579,699
Miscellaneous	197,031	207,407	236,575	212,270	217,034	218,662	220,302
subtotal	\$ 2,598,492	\$ 2,548,144	\$ 2,546,955	\$ 2,907,133	\$ 2,900,579	\$ 2,922,333	\$ 2,944,251
Capital/Other	\$ 9,095	\$ 12,115	\$ 12,554	\$ 45,285	\$ 26,000	\$ 26,000	\$ 26,000
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 6,159,360	\$ 6,137,913	\$ 6,120,896	\$ 6,672,774	\$ 6,654,810	\$ 6,786,551	\$ 6,923,875
Authorized Personnel	51.0	51.0	51.0	51.0	51.0		

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for Recreation and Parks totals \$6,654,810 and represents a decrease of -0.3%, or -\$17,964, compared to FY 2013.

The Personnel Services category increased 0.2%, or \$7,875, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in group insurance premiums; which was partially mitigated through departmental turnover. The Department has three positions (1.0 FTE Athletic Coordinator, 1.0 FTE Program Coordinator, and 1.0 FTE Customer Service Coordinator) that were not funded in FY 2013 and are not funded in FY 2014. These positions will remain vacant pending an identified funding source and workload justification.

Authorized personnel total 51.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Administrative Assistant I	2.0	2.0	2.0	3.0	3.0	-
Administrative Assistant II	1.0	1.0	1.0	1.0	1.0	-
Athletic Coordinator*	4.0	4.0	4.0	3.0	3.0	-
Arts Coordinator	1.0	1.0	1.0	1.0	1.0	-
Customer Service Representative*	5.0	5.0	5.0	4.0	4.0	-
Deputy Director of Recreation/Parks	1.0	1.0	1.0	1.0	1.0	-
Director of Recreation/Parks	1.0	1.0	1.0	1.0	1.0	-
Equestrian Center Manager	1.0	1.0	1.0	1.0	1.0	-
Facility Technician	3.0	4.0	4.0	4.0	4.0	-
Office Manager	1.0	1.0	1.0	1.0	1.0	-
Park Services Manager	1.0	1.0	1.0	1.0	1.0	-
Parks Maintenance Technician	11.0	10.0	10.0	8.0	8.0	-
Parks Maintenance Technician I	2.0	2.0	2.0	5.0	5.0	-
Parks Maintenance Technician II	5.0	5.0	5.0	5.0	5.0	-
Parks Supervisor II	4.0	4.0	4.0	4.0	4.0	-
Program Coordinator	4.0	4.0	4.0	4.0	4.0	-
Recreation Supervisor II*	4.0	4.0	4.0	4.0	4.0	-
	51.0	51.0	51.0	51.0	51.0	-

* Includes 3.0 FTE not-funded in the FY 2014 Budget [Athletic Coordinator (1.0 FTE); Program Coordinator (1.0 FTE); and Customer Service Representative (1.0 FTE)]. Funding for these positions was eliminated in FY 2011/FY2012 and they will only be filled upon (1) a justifiable needs assessment by City Administration and (2) identification of a sustainable funding source.

The Maintenance & Operations category decreased -0.2%, or -\$6,554, due primarily to the following activity:

- Increase in grounds repair and maintenance of \$27,436 due to multiple initiatives including maintenance of Milton Center pursuant to the Intergovernmental Agreement and North Park repairs (e.g. repaving the walking trails at fields 6-8; replacing the dugout canopies at fields 5-8; and repairing the fencing at football field 1);

DEPARTMENT SUMMARIES

- Increase in professional services (IT) of \$68,234 due primarily to: support/maintenance costs related to the ActiveNet recreation management software and CityWorks software (work order/permitting) approved during FY 2013; and increased cellphone service charges (upgrade to smartphones/iPads);
- Decrease in facility repair and maintenance of -\$12,965 due to multiple initiatives completed during FY 2013 that will not continue into FY 2014 (e.g. carpet cleaning for the Community Center; bench repair and ceiling fan installation for the court room; upgrading the sinks and faucets at the wacky world restroom; etc.);
- Decrease in general supplies of -\$38,526 due to general reductions across multiple spend categories including player uniforms, trophies, office supplies, food, etc.; and
- Decrease in utilities (combined) of -\$43,900 based on current usage and expenditure trends.

The Capital/Lease category includes funding for a pull behind blower (athletic fields), bleacher shade structures for multiple locations, and replacement playground equipment.



DEPARTMENT SUMMARIES

Performance Measurement

The following section provides detailed information on Recreation and Parks programs including performance measures and personnel. Please refer to the *Budget Process* section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **Administration**

Statement of Service: The administrative arm of the Recreation & Parks Department provides short & long term capital projects planning, oversees the effective distribution of the department's resources, and provides professional guidance to each division.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Recreation & Parks turnover percentage	4.00%	2.00%	5.70%	2%	2%	2%
Maintain CAPRA accreditation *	yes	yes	yes	yes	yes	yes
Semi-Annual Leisure Guide distribution (per season)	2,500	2,500	2,500	2,500	2,500	2,500
Annual Activity Enrollments as in RecWare	15,255	13,901	11,400	7,069	15,000	13,000
# of Part-time hours used	45,340.25	45,998.50	43,893.50	31,327.25	46,000	45,000
# of purchase orders managed	203	177	176	122	150	150
* CAPRA = Commission for Accreditation of Parks and						
Personnel Assigned:	7.0 FTE	6.0 FTE	6.0 FTE	5.0 FTE	5.0 FTE	
Director - Rec/Parks	Director - Rec/Parks	Director - Rec/Parks	Director - Rec/Parks	Director - Rec/Parks	Director - Rec/Parks	Director - Rec/Parks
Deputy Director	Deputy Director	Deputy Director	Deputy Director	Deputy Director	Deputy Director	Deputy Director
Office Manager	Office Manager	Office Manager	Office Manager	Office Manager	Office Manager	Office Manager
Customer Service Rep (2)	Customer Service Rep (2)	Customer Service Rep (2)	Customer Service* Rep (2)	Customer Service Rep (2)*	Customer Service Rep (2)*	Customer Service Rep (2)*
Admin Asst I						
Facility Tech	Facility Tech	Facility Tech	Facility Tech			

* 1.0 FTE Customer Service Representative is not funded in the Budget.

DEPARTMENT SUMMARIES

• Adult Activity Center

Statement of Service: To meet the needs of Alpharetta's adult and senior citizens through facilitating convenient, affordable, and accessible recreation activities and services.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Jan. 2013) FY 2013	Target FY 2013	Target FY 2014
Total # of Participants per year*	13,555	13,808	12,635	12,635	13,500	13,000
(Res / Non-Res)	3166 / 10,389	3755 / 10,053	3341 / 9,294	3547 / 9,088	3900 / 9,600	4,000 / 9,000
Total # of Building rentals	37	49	43	43	48	48
Total # of Day trips taken	173	162	160	160	144	144
Total # of Overnight trips taken using City buses	6	4	1	2	4	3
*For FY 2010, the number of participants reduced significantly due to the bridge program moving to a private facility. The bridge program accounted for 15,000 participants annually in prior fiscal years.						
Personnel Assigned:	4.0 FTE	5.0 FTE	5.0 FTE		4.0 FTE	4.0 FTE
Recreation Supervisor II		Recreation Supervisor II	Recreation Supervisor II*		Recreation Supervisor II	Recreation Supervisor II
Program Coord		Program Coord	Program Coord		Program Coord*	Program Coord*
Admin Asst. I		Admin Asst. I	Admin Asst. I		Admin Asst. I	Admin Asst. I
		Customer Service Representative	Customer Service Representative			
Facility Technician		Facility Technician	Facility Technician		Facility Technician	Facility Technician

* 1.0 FTE Program Coordinator position is not funded in the Budget (In prior fiscal years, the unfunded position was the Recreation Supervisor II).

• Aquatics

Statement of Service: Aquatics provides accessible and safe recreation opportunities through water-related training, events, and facilities.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
% of Days pool facilities were open during pool season (93 days)	99%	98%	100%	-	98%	98%
Average daily attendance at City pool	230	240	240	-	230	250
Hours of lifeguard training per person	20	20	20	-	20	20
# of Swim lessons held	116	111	113	-	120	120
# of Swim lessons participants	692	646	639	-	650	650
(resident / non-resident)	528/164	511/135	498/141	-	525/125	500/150
Swim teams participants	278	237	263	-	250	275
(resident / non-resident)	187/91	164/73	163/100	-	160/90	165/110
C.O.A.S.T. participants	N/A	N/A	55	-	65	65
(resident / non-resident)	N/A	N/A	27/28	-	45/20	35/30
# of Non-competitive special events held	2	2	3	-	3	2
# of Swim competitions hosted at City pool	2	3	2	-	3	3
Total attendance at non-competitive special events	493	263	240	-	450	300
# of Pool passes sold	220	131	107	-	125	125
(resident / non-resident)	188/32	76/55	58/49	-	80/45	75/50
* Pool season spans two fiscal years						
Personnel Assigned:						
Employees are hired seasonally. Aquatics is overseen by Recreation Supervisor II at the Community Center. YTD figures are not available as the season has not begun.						

DEPARTMENT SUMMARIES

- Athletics**

Statement of Service: Athletics provides accessible and safe recreation opportunities through athletic-related training and events.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Participants - Adult Basketball						
2 Seasons-25 teams	173	226	227	-	225	230
(resident / non-resident)	115 / 58	137/84	104/123		135/85	135/95
# of Participants - Adult Roller Hockey						
2 Seasons-10 teams	239	44	-	-	-	-
(resident / non-resident)	69/170	16/28				
# of Participants - Adult Softball						
3 Seasons-170 teams	2425	2380	2244	-	2800	2800
(resident / non-resident)	696 / 1729	704/1676	619/1625		850/1950	850/1950
# of Participants - Teen Basketball						
2 Season-12 teams	243	255	294	166	275	300
(resident / non-resident)	116/27	159/96	156/138	74/92	145/130	175/125
# of Participants - Youth Baseball						
2 Seasons-44 teams **	271	304	-	-	-	-
(resident / non-resident)	234/37	206/98				
# of Participants - Youth Travel Baseball						
7 Teams **	104	173	-	-	-	-
(resident / non-resident)	54/50	106/67				
# of Participants - Youth Basketball						
75 Teams	521	598	590	575	610	620
(resident / non-resident)	332/189	407/191	417/173	409/166	435/170	445/175
# of Participants - Youth Lacrosse						
8 Teams	209	197	244	-	250	250
(resident / non-resident)	149/160	124/73	111/133		175/75	175/75
# of Participants - Youth Roller Hockey						
20 Teams	97	-	-	-	-	-
(resident / non-resident)	41/56					
# of Participants - Youth Soccer						
70 Teams	670	642	706	379	725	750
(resident / non-resident)	533/137	512/130	600/106	307/75	550/175	550/200
# of Participants - Youth Travel Soccer						
40 Teams (2 seasons)	454	575	808	496	575	750
(resident / non-resident)	252/202	335/240	490/318	293/203	350/225	475/275
# of Participants - Adult Volleyball	59	57	-	-	75	75
(resident / non-resident)	40/19	48/9			50/25	50/25
Adult Programs - % of City resident participation *	31%	33%	30%	-	35%	35%
Youth Programs - % of City resident participation	67%	66%	67%	67%	68%	69%
Personnel Assigned:	5.0 FTE	6.0 FTE	6.0 FTE	6.0 FTE	6.0 FTE	6.0 FTE
Recreation Supervisor II	Recreation Supervisor II	Recreation Supervisor II		Recreation Supervisor II	Recreation Supervisor II	
	Facility Technician	Facility Technician		Facility Technician	Facility Technician	
				Admin Asst. I	Admin Asst. I	
Athletic Coord (4)	Athletic Coord (4)	Athletic Coord (4)*		Athletic Coord (3)*	Athletic Coord (3)*	

* 1.0 FTE Athletic Coordinator position is not funded in the Budget.

** Youth Baseball (including travel baseball) is being managed by the Alpharetta Youth Baseball Association effective Spring 2012.

DEPARTMENT SUMMARIES

- Community Center**

Statement of Service: The Alpharetta Community Center provides a convenient and safe environment for diverse recreational opportunities and services to meet the needs of all populations.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Participants in dance (resident / non-resident)	489 353/136	552 427/125	619 459/160	193 141/52	440 350/90	460 360/100
# of Participants in gymnastics (resident / non-resident)	1852 1209/643	2100 1748/352	2,077 1665/412	990 653/337	2000 1600/400	2200 1800/400
# of Participants in instructional sports, including camps (resident / non-resident)	954 640/314	1119 795/324	745 543/202	456 329/127	980 675/305	1,155 929/226
# of Special events Total attendance at special events	5 2,115	4 990	4 715	3 500	4 800	4 875
# of Part-time hours used	3,720	3,720	3,720	2,480	3,720	3,720
Personnel Assigned:	6.0 FTE	6.0 FTE	6.0 FTE	6.0 FTE	6.0 FTE	6.0 FTE
	Recreation Supervisor II Program Coord (2)	Recreation Supervisor II Program Coord (2)	Recreation Supervisor II Program Coord (2)		Recreation Supervisor II Program Coord (2)	Recreation Supervisor II Program Coord (2)
	Customer Service Representative (2)	Customer Service Representative	Customer Service Representative		Customer Service Representative	Customer Service Representative
	Facility Technician	Facility Technician	Facility Technician		Facility Technician	Facility Technician
		Administrative Assistant I	Administrative Assistant I		Administrative Assistant I	Administrative Assistant I

- Cultural Arts**

Statement of Service: Cultural Arts facilitates programs that educate and expose citizens and visitors to a rich and diverse range of cultural expressions, through both education and special events.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Participants in youth art classes (resident / non-resident)	188 116/72	185 96/89	146 73/73	26 23/3	225 150/75	230 155/75
# of Participants in adult art classes (resident / non-resident)	143 64/79	118 61/57	130 76/54	26 19/7	200 100/100	175 100/75
# of Participants in summer camp (resident / non-resident)	247 130/117	173 122/51	142 96/46	- 0/0	300 175/125	300 175/125
# of Cultural arts special events Total attendance at special events	4 2,200	3 300*	3 105**	1 12	6 110**	4 3000***
Personnel Assigned:	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE
	Arts Coordinator	Arts Coordinator	Arts Coordinator		Arts Coordinator	Arts Coordinator
		*No Children's Festival in Spring 2011	**Children's Festival was not held in FY 2012 or FY 2013			***Children's Festival will be held in November 2013

DEPARTMENT SUMMARIES

- **Equestrian Center**

Statement of Service: The equestrian center provides an accessible and safe venue for hosting local and national equestrian events as well as other outdoor events.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
Total # of Equestrian event dates	144	105	98	58	145	145
Total # dog show events	31	33	31	9	33	30
Total # other event dates hosted at equestrian center	12	10	29	11	10	20
Total attendance at events	80,000	80,000	75,000	50,000	90,000	90,000
# of Arenas/rings maintained	6	6	6	6	7	6
Personnel Assigned:	4.0 FTE	4.0 FTE	4.0 FTE	4.0 FTE	4.0 FTE	4.0 FTE
Equestrian Mgr	Equestrian Mgr	Equestrian Mgr	Equestrian Mgr	Equestrian Mgr	Equestrian Mgr	Equestrian Mgr
Parks Maintenance Tech II	Parks Maintenance Tech II	Parks Maintenance Tech II	Parks Maintenance Tech II	Parks Maintenance Tech II	Parks Maintenance Tech II	Parks Maintenance Tech II
				Parks Maintenance Tech I	Parks Maintenance Tech I	Parks Maintenance Tech I
Parks Maintenance Tech (2)	Parks Maintenance Tech (2)	Parks Maintenance Tech (2)	Parks Maintenance Tech (2)	Parks Maintenance Tech	Parks Maintenance Tech	Parks Maintenance Tech



DEPARTMENT SUMMARIES

- Parks Maintenance**

Statement of Service: Parks maintenance provides for the development and maintenance of the city's parks, greenway space, recreation facility grounds, athletic fields, and other city owned property in order to aesthetically reflect community identity, enrich the quality of life, and provide accessible and safe open space for leisure time activities.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Athletic fields maintained*	29	29	29	31	29	31
# of Park acres maintained	313	318	318	318	318	320
# of Greenway acres maintained	250	250	250	250	250	250
# of Playground inspections	84	96	96	72	96	96
# of Park/playground injuries	2	2	4	-	-	-
# of Athletic field preparations	7,100	5,628	5,388	3,168	5,628	5,388
# of Park mowings	40	40	40	20	40	40
# of Athletic field mowings	80	80	80	40	80	80
# of Buildings maintained	35	35	35	36	35	36
# of Restrooms maintained	50	50	50	50	50	52
# of Pavilions maintained	14	14	15	15	14	15
# of Hours utilized for trash	9,425	9,425	9,425	5,497	9,425	9,425
# of Part-time hours used	4,480	7,386	4,915	4,273	7,500	7,500
# of Vehicles maintained	14	14	14	14	14	14
# of Vehicle-related accidents	2	2	2	3	-	-
# of Work days missed due to accidents	-	-	-	-	-	-
Personnel Assigned:	21.0 FTE	20.0 FTE	20.0 FTE	21.0 FTE	21.0 FTE	
Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager
Park Supervisor II (4)	Park Supervisor II (4)	Park Supervisor II (4)	Park Supervisor II (4)	Park Supervisor II (4)	Park Supervisor II (4)	Park Supervisor II (4)
Park Maintenance Tech II (4)	Park Maintenance Tech II (4)	Park Maintenance Tech II (4)	Park Maintenance Tech II (4)	Park Maintenance Tech II (4)	Park Maintenance Tech II (4)	Park Maintenance Tech II (4)
Park Maintenance Tech I (2)	Park Maintenance Tech I (2)	Park Maintenance Tech I (2)	Park Maintenance Tech I (2)	Park Maintenance Tech I (4)	Park Maintenance Tech I (4)	Park Maintenance Tech I (4)
Park Maintenance Tech (9)	Park Maintenance Tech (8)	Park Maintenance Tech (8)	Park Maintenance Tech (8)	Park Maintenance Tech (7)	Park Maintenance Tech (7)	Park Maintenance Tech (7)
Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II

DEPARTMENT SUMMARIES

- **Wills Park Recreation Center**

Statement of Service: Wills Park provides a convenient and safe environment for diverse recreational opportunities and services to meet the needs of all populations.

Performance Measurements	Actual FY 2010	Actual FY 2011	Actual FY 2012	YTD (Feb. 2013) FY 2013	Target FY 2013	Target FY 2014
# of Participants in aerobics (resident / non-resident)	464 330/134	390 309/81	320 230/90	185 140/45	370 300/70	355 300/55
# of Participants in summer camp (resident / non-resident)	950 860/90	1157 1038/119	1026 904/122	515 455/60	910 840/70	1100 1000/100
# of Participants in Extreme camp (resident / non-resident)	70 63/7	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
# of Participants in tennis (resident / non-resident)	515 400/115	400 325/75	399 350/49	189 162/27	400 330/70	415 332/83
# of Participants in karate (resident / non-resident)	205 165/40	200 150/50	190 123/67	170 92/39	225 210/15	220 200/20
# of Participants in youth fitness (resident / non-resident)	N/A N/A	N/A N/A	8 8/0	N/A N/A	35 25/10	N/A NA
# of Participants in adult fitness (resident / non-resident)	N/A N/A	N/A N/A	456 419/37	172 165/7	360 330/30	225 200/25
# of Wills Park special events	4	5	6	6	6	6
Estimated attendance at July 4th	30,000	30,000	30,000	7,000	30,000	30,000
Total attendance at special events	6,400	6,400	7,000	7,000	7,000	7,000
Personnel Assigned:	3.0 FTE	3.0 FTE	3.0 FTE	4.0 FTE	4.0 FTE	
	Recreation Center Supervisor II	Recreation Supervisor II	Recreation Supervisor II	Recreation Supervisor II	Recreation Supervisor II	
	Program Coord	Program Coord	Program Coord	Program Coord	Program Coord	
				Facility Technician	Facility Technician	
	Customer Service Rep	Customer Service Representative	Customer Service Representative	Customer Service Representative	Customer Service Representative	

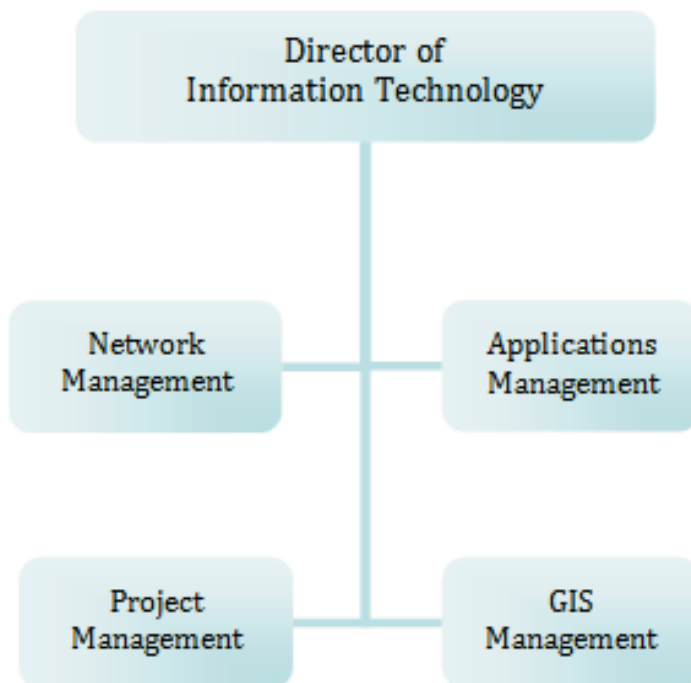
The youth/adult fitness programs were initiated during FY 2012.

The 4th of July celebration in FY 2012 was significantly lower than prior year attendance due to inclement weather.



DEPARTMENT SUMMARIES

Information Technology



Our Community Vision is to advance Alpharetta as a signature City by:



Offering the highest quality of environment for our residents and businesses;



Fostering strong sense of community including safety and security; and



Providing a business climate that attracts the top echelon companies.

Our Community Vision serves as the guiding principles for the planning and operation of our city government and each department structures its mission, goals and objectives to facilitate achievement of our mission. The icons set forth above are used throughout the Budget Narrative to identify the link between the city's Community Vision and the goals and objectives of our various departmental divisions/projects.

DEPARTMENT SUMMARIES

Information Technology

Administration, Network, and Systems

Mission Statement

Information Technology's mission is to provide high quality technology products, services and human resources to City departments that enable them to accomplish their goals and objectives. The Information Technology Department strives to continuously improve the delivery of services and minimize costs while accommodating future City growth.

Goals and Objectives

As we accomplish our mission, the City of Alpharetta Information Technology Department will be known to provide high quality services by:



- ✓ Being recognized by City departments as having a high level of skill and knowledge;



- ✓ Providing excellent serves to all City departments as measured by the City's performance standards;



- ✓ Acquiring and supporting proven, sustainable technology solutions that are continually maintained and updated; and



- ✓ Helping City departments to improve and extend the functionality of major systems by offering systems integration and software development services.



Network Administration

DEPARTMENT SUMMARIES

Statement of Revenues, Expenditures, and changes in Personnel

Information Technology General Fund

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Amended Budget	FY 2014 Recommended Budget	FY 2015 Forecast	FY 2016 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 716,667	\$ 706,847	\$ 749,831	\$ 826,261	\$ 872,367	\$ 894,176	\$ 916,531
Group Insurance	98,072	97,950	110,483	151,756	165,972	179,250	193,590
FICA	53,384	52,044	55,334	65,335	66,647	68,313	70,021
Pension (Defined Benefit)	92,634	104,663	105,175	92,142	89,048	89,048	89,048
Pension (401A Cont./Match)	32,738	32,244	34,261	55,293	54,871	56,243	57,649
Workers Compensation	13,320	15,350	16,708	17,241	13,889	14,167	14,450
OPEB Contribution	-	-	-	-	2,799	2,855	2,912
Miscellaneous	571	-	158	164	408	408	408
<i>subtotal</i>	<i>\$ 1,007,385</i>	<i>\$ 1,009,098</i>	<i>\$ 1,071,951</i>	<i>\$ 1,208,192</i>	<i>\$ 1,266,001</i>	<i>\$ 1,304,460</i>	<i>\$ 1,344,608</i>
Maintenance & Operations:							
Professional Development	\$ 21,142	\$ 14,784	\$ 7,925	\$ 20,000	\$ 22,000	\$ 22,165	\$ 22,331
Professional Services	7,965	11,102	14,756	15,100	15,600	15,717	15,835
Maintenance Contracts/IT Svcs.	100,721	118,555	99,610	98,671	79,293	79,888	80,487
General Supplies	34,357	11,496	10,937	18,800	19,300	19,445	19,591
Utilities	16,703	18,163	20,605	17,700	18,350	-	-
Small Equipment	22,823	12,205	28,431	5,545	6,245	6,292	6,339
Miscellaneous	4,468	9,943	17,392	27,330	20,030	20,180	20,332
<i>subtotal</i>	<i>\$ 208,177</i>	<i>\$ 196,248</i>	<i>\$ 199,656</i>	<i>\$ 203,146</i>	<i>\$ 180,818</i>	<i>\$ 163,687</i>	<i>\$ 164,914</i>
Capital/Other	\$ 15,100	\$ 19,946	\$ 3,630	\$ 11,000	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,230,662	\$ 1,225,291	\$ 1,275,237	\$ 1,422,338	\$ 1,446,819	\$ 1,468,146	\$ 1,509,523
Authorized Personnel	11.0	11.0	11.0	11.0	11.0		

DEPARTMENT SUMMARIES

Budget Narrative

The FY 2014 Budget for Information Technology totals \$1,446,819 and represents an increase of 1.7%, or \$24,481, compared to FY 2013.

The Personnel Services category increased 4.8%, or \$57,809, due primarily to: wage increases associated with the 3% performance-based merit program scheduled for April 1, 2014; increases in group insurance premiums; and targeted pay adjustments to several team members in 2012 to bring them in line with the local market.

Authorized personnel total 11.0 FTEs and represent the following:

	FTEs					Variance
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	
Director	1.0	1.0	1.0	1.0	1.0	-
GIS Coordinator	1.0	1.0	1.0	1.0	1.0	-
GIS Manager	1.0	1.0	1.0	1.0	1.0	-
IT Project Manager	1.0	1.0	1.0	-	-	-
IT Systems Administrator	1.0	1.0	1.0	1.0	1.0	-
Network Analyst I	1.0	1.0	1.0	1.0	1.0	-
Network Analyst II	1.0	1.0	1.0	1.0	1.0	-
Network Manager	1.0	1.0	1.0	1.0	1.0	-
Systems Analyst II	2.0	2.0	2.0	2.0	2.0	-
Systems Manager	1.0	1.0	1.0	1.0	1.0	-
Telecommunications Manager	-	-	-	1.0	1.0	-
	11.0	11.0	11.0	11.0	11.0	-

The Maintenance & Operations category decreased -11%, or -\$22,328, due primarily to the following activity:

- Decrease of -\$18,988 in professional services (IT) due primarily to revised methodologies that allocate network and cellular expenses based on relative users (as such, the Department's allocated cost decrease relative to other departments);
- Decrease of -\$6,650 in equipment refresh (IT) due to a reduction in smartphone replacement needs; and
- Increase of \$3,000 in travel/training due to a continued focus on training and new software implementations (e.g. CityWorks permitting/work-order software, ActiveNet recreation management software, Munis financial management software, as well as core technologies such as OSSI, CISCO, and virtualization).

The Capital/Lease category decreased -\$11,000 as the FY 2013 budget included funding for the purchase of a replacement plotter. There are no operational capital needs for FY 2014.

Performance Measurement

The following section provides detailed information on Information Technology programs including performance measures and personnel. Please refer to the *About Alpharetta*

DEPARTMENT SUMMARIES

section of this document for information on the city's Performance Measurement System as well as an update on the city's move towards benchmarking and dashboard reporting.

- **Information Technology**

Statement of Service: Information Technology provides hardware, software and support services to all departments in technology related areas.

(Calendar Year Stats)	Actual CYear 2010	Actual CYear 2011	Actual CYear 2012	Department Target	Results
Telephone					
Repairs					
Number	148	88	90		N/A
Number resolved w/in 24 hours	88	58	55		N/A
% resolved w/in 24 hours	59.46%	65.90%	61.11%	50.00%	A
Service Requests					
Number	116	137	188		N/A
Number resolved on time	110	130	168		N/A
% resolved on time	94.83%	94.89%	89.36%	90.00%	B
Network					
Repairs					
Number	173	214	210		N/A
Number resolved w/in 24 hours	140	157	178		N/A
% resolved w/in 24 hours	80.92%	73.36%	84.76%	80.00%	A
Service Requests					
Number	121	234	256		N/A
Number resolved on time	119	228	244		N/A
% resolved on time	98.35%	97.44%	95.31%	90.00%	A
Outages					
Number (including maintenance)	41	29	25	60	N/A
Avg. duration in hours	3.70	1.39	1.24		N/A
Applications					
Repairs					
Number	537	418	544		N/A
Number resolved w/in 24 hours	366	306	388		N/A
% resolved w/in 24 hours	68.16%	73.21%	71.32%	70.00%	A
Desktop					
Repairs					
Number	1,380	1,343	1,448		N/A
Number resolved w/in 24 hours	874	769	881		N/A
% resolved w/in 24 hours	63.33%	57.26%	60.84%	60.00%	A
Service Requests					
Number	879	536	688		N/A
Number resolved on time	834	500	634		N/A
% resolved on time	94.88%	93.28%	92.15%	90.00%	A
Helpdesk					
Number total calls	4,099	3,661	4,189		N/A
Number resolved w/in 4 hours	1,856	1,600	1,501		N/A
Number resolved w/in 8 hours	264	233	225		N/A
% resolved w/in 8 hours	51.72%	50.07%	41.20%	40.00%	A
GIS					
Number total cases	276	310	333		N/A
Number resolved on time	257	282	289		N/A
% resolved on time	93.12%	90.97%	86.79%	80.00%	A
Emails					
Number	9,024,850	5,270,672	4,287,745		N/A
SPAM blocked	7,890,426	4,452,730	3,471,248		N/A
Viruses blocked	320,180	110,911	81,068		N/A
% SPAM	87.43%	84.48%	80.96%		N/A
% viruses	3.55%	2.10%	1.89%		N/A
Servers					
Avg. number	63	80	89	89.00	N/A
% availability (including maintenance)	99.75%	99.88%	99.92%	99.00%	A
911 Calls					
Number incoming calls	7,500	7,500	7,500	-	-
Avg. ring time in seconds	0.89	0.89	0.89	5.00	A

LEGEND

A = met or exceeded target
B = within 15% of target
C = missed target by more than 15%

FINANCIAL MANAGEMENT POLICIES

Financial Management Policies

The *Financial Management Policies* section is intended to provide readers with a sampling of the city's financial management policy program. Due to size constraints, several of the city's larger policies have been excluded. First and foremost is the city's procurement policy which guides the purchasing of goods/services of the highest quality at the most reasonable cost through ensuring fair and open competition. Details of the city's procurement policy as well as any of the policies contained within our financial management policy program can be obtained from the city's Finance Department²⁷.

Section I: General Budget Policies

The budget process provides the primary mechanism by which key decisions are made regarding the levels and types of services to be provided within estimated resources. Budget policy guides this process. Budget policy also directs the city's financial health and stability. Georgia law (e.g., O.C.G.A. 36-81-2 et seq.) provides the budget requirements for Georgia's local governments. The information below provides an outline of the city's application of those laws.

The city's goal is to adopt operating budgets where current revenues equal anticipated expenditures. All departments supported by the resources of this city must function within the limits of the financial resources identified or available specifically to them. A balance must be struck between revenues and expenditures, so the public can realize the benefits of a strong and stable government. It is important to understand that this policy is applied to budget entities over periods of time which extend beyond current appropriations. By law, budgets cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years.

A. Scope

This policy applies to all budgeted funds, which are the responsibility, and under the management of the City of Alpharetta and its Department of Finance.

B. Financing Current Costs

Current costs shall be financed with current revenues, including the use of authorized fund balances. The city shall avoid balancing current expenditures through the obligation of future year's resources. The city shall strive to avoid short-term borrowing to meet cash flow requirements. However, the city may enter into short-term borrowing should a critical need arise.

²⁷ City of Alpharetta – Finance Department: 2970 Webb Bridge Road, Alpharetta, Georgia 30009. Phone (678) 297-6094. Fax (678) 297-6063.

FINANCIAL MANAGEMENT POLICIES

C. Budget Objective by Fund Type

The following budget objectives are established for the different funds the city uses:

- General Fund – The annual budget for the General Fund shall provide for general government operations of the city and maintain working capital necessary for the city’s financial health and stability;
- Special Revenue Fund(s) – The city adopts annual budgets for each special revenue fund that demonstrates that any legally restricted revenue sources are used consistent with the applicable laws and/or regulations (i.e. Emergency 911 Fund, Impact Fee Fund, etc.);
- Capital Project Fund(s) – The city adopts project budgets for each of its capital project funds. These adopted appropriations do not lapse at the end of a fiscal year; rather they remain in effect until project completion or re-appropriation by City Council;
- Debt Service Fund(s) – The city adopts annual budgets for its debt service funds. Any remaining fund balances from prior years plus current years projected revenues shall be sufficient to meet all annual debt service requirements; and
- Proprietary Fund(s) - Although generally accepted accounting principles (GAAP) or Georgia statutes do not require the city to adopt budgets for enterprise funds, the city does adopt budgets for its enterprise funds in order to monitor revenues and control expenses. The city uses a business approach when budgeting enterprise funds. Enterprise funds shall be self-supporting whenever possible and subsidized losses will be minimized when break-even is not possible. Also, the city adopts annual budgets for its Internal Service Funds.

Additionally, the city classifies funds as either operating funds or non-operating funds. Operating funds are those funds that include appropriations for the payment of salary/benefits and whose maintenance & operating appropriations are necessary to continue the daily operations of the city. The General Fund will always be an operating fund. Other examples of operating funds are the Emergency 911 Fund and the Solid Waste Fund. Non-operating funds are those funds that do not include appropriations for the payment of salary/benefits and whose maintenance & operating appropriations are not critical to the daily operations of the city. Examples of non-operating funds are the Hotel/Motel Fund, Impact Fee Fund, and the Drug Enforcement Agency Fund.

FINANCIAL MANAGEMENT POLICIES

Section II: Operating Budget Policies

The operating budget shall be prepared on an annual basis and include those funds detailed in Section I that are subject to annual appropriation (all funds excluding the Capital Project Funds and the Fiduciary Fund). Prior year budget appropriations and prior year actual expenditures will be provided as reference data, with the current year appropriation and two years projection of expenditures. At a minimum, the city shall adopt annual balanced budgets for the general fund, each special revenue fund, and each debt service fund in accordance with O.C.G.A. 36-81-3.

The annual proposed budget should be submitted to the governing authority while being held by the Department of Finance for public review/inspection in accordance with O.C.G.A. 36-81-3. Public meetings will be conducted after proper advertisement prior to the City Council adopting and approving the annual budget document. (O.C.G.A. 36-81-5 and 36-81-6).

A. Departmental Appropriations

The budget shall be developed based upon “line-item” expenditures within each department. This type of budget focuses on categories of expenditures such as personal services, contractual services, supplies, equipment, etc. within each department. At a minimum, each department’s appropriation in each fund shall be detailed within the budget document. (O.C.G.A. 36-81-3 and 36-81-5).

B. Performance Budget

In addition to requesting expenditures by line item, the budget document shall include “performance” budget information. A performance budget provides information of each of the departments’ goals and objectives to be accomplished in the upcoming budget year. Goals and objectives should be SMART – Specific, Measurable, Achievable, Relevant, and Timed. Ultimately, the goals and objectives should result in efficiency/effectiveness improvements.

A performance budget also utilizes “Service Efforts and Accomplishments” which measure services rendered and department efficiency/effectiveness on a historical basis and project targets of the indicators for the upcoming budget year. The city shall strive to minimize and reduce, if possible, staffing levels required to accomplish its service delivery.

C. Budget Preparation Categories

Each department shall submit budget requests separately for:

- Current services - A current services budget is defined as that level of funding which is necessary to provide the same level of service for the upcoming year

FINANCIAL MANAGEMENT POLICIES

that is currently being provided. The current services budget will include replacement capital equipment; and

- Expanded services - An expanded services budget includes funding requests associated with new services, additional personnel or new capital projects/equipment.

D. Balanced Budget

The budget shall be balanced for each budgeted fund. Total anticipated revenues plus that portion of fund balance in excess of authorized reserves (see operating budget policy H below) designated as a budget-funding source shall equal total estimated expenditures for each fund.

E. Basis of Budgeting

Neither GAAP nor Georgia statutes address a required budgetary basis of budgeting; the city adopts budgets in conformity with GAAP for all budgeted funds. All governmental funds use the modified accrual basis of accounting and proprietary fund budgets use the accrual basis of accounting.

F. Level of Budget Adoption and Control

All budgets shall be adopted at the legal level of budgetary control, which is the department level within each individual fund. See policy K below for amending the budget.

G. Budget Stabilization Resources

The city shall establish a fund balance reserve in all operating funds (defined in Section I of this policy) for working capital. The purpose of working capital is to cover the cost of expenditures caused by unforeseen emergencies, cover shortfalls caused by revenue declines, and to eliminate any short-term borrowing for cash flow purposes. This reserve shall accumulate and then be maintained at an amount, which represents no less than two (2) months of operating and debt expenditures²⁸.

H. Utilization of Prior Year's Fund Balance

If necessary, the city may use fund balance in excess of the reserve for working capital (see operating budget policy G above) as a funding source for that fund's budget. The amount of unreserved fund balance shall be estimated conservatively, taking into consideration future year needs. The minimum requirement for the reserve for working capital, equal to two (2) months of operating and debt

²⁸ This equates to approximately 16%. In keeping with the strong financial management practices that allowed Alpharetta to become one of the few cities in the country with a AAA credit rating (highest available), the city currently maintains a Fund Balance Designation of 21%.

FINANCIAL MANAGEMENT POLICIES

expenditures, must first be met before utilizing the excess fund balance as a funding source for the budget.

I. Appropriation Lapses at Year End

All operating budget appropriations (including encumbered appropriations) shall lapse at the end of a fiscal year. Purchases encumbered in the current year, but not received until the following year, must be charged against a department's subsequent year appropriation.

J. Budget Control Reports

The city shall maintain a system of budgetary control reports to assure adherence to the budget. The city will prepare and distribute to departments, timely monthly financial reports comparing actual revenues, and outstanding encumbrances and expenditures with budgeted amounts.

K. Authorization of Budget Adjustments and Amendments

The budget is a dynamic rather than static plan, which requires adjustments and formal budget amendments as circumstances change. The City Council must approve all increases in total departmental appropriations, increases in the personal services budgets (i.e., moving salary or employee benefit budget to other line items), and increases in the number of authorized positions (full and part-time).

Department heads must submit budget amendment requests transferring appropriations from one line item to another, other than those prohibited above, and obtain approval by the Director of Finance and the City Administrator. Adjustments from appropriations that have been obligated, committed, or reserved for a designated purpose shall not be transferred until a formal de-obligation occurs.

At the mid-point of each year, any necessary budgetary appropriations, including budgets for any projects authorized but not funded during the year, shall be appropriated through a supplementary budget ordinance. This mid-point adjustment is limited to requesting additional resources. Such supplemental appropriations shall be balanced with additional revenues for each fund. A justification for each requested change must be prepared (O.C.G.A. 38-81-3).

L. Contingency

The city shall establish an appropriated contingency of one percent of the total annual expenditure appropriation in all operating funds (defined in Section I of this policy) in order to accommodate unexpected operational changes, legislative impacts, or other economic events affecting the city's operations which could not have been reasonably anticipated at the time the budget was prepared. Non-

FINANCIAL MANAGEMENT POLICIES

operating funds (defined in Section I of this policy) shall not require a contingency reserve appropriation.

This contingency reserve appropriation will be a separate line item within the budget. This amount shall be subject to annual appropriation. The approval of the Mayor and the City Administrator is required before this appropriation can be expended. If approved, the Finance Department will transfer the appropriation from the contingency line item to the applicable line item(s) with the applicable department's budget.

M. Maintenance and Replacement of Capital Equipment

The City Council will give budget priority to requests that provide for adequate maintenance of capital equipment and facilities and for their orderly replacement.

N. Contributions

Unless authorized by City Council, outside contributions to programs operated by city departments shall be subject to the city's accounting and budgetary policies. The city welcomes both unrestricted and restricted contributions compatible with the city's programs and objectives. The Finance Director is authorized via the annual budget ordinance to amend the budget to reflect donation and/or contribution revenues and expenditures upon documented approval by the director of the benefitting department and the actual receipt of the donation and/or contribution.

O. Administrative Service Fee/Cost Allocation

Whenever possible, the city may assess an administrative service fee from the General Fund to any other fund, based upon documentation and/or an outside independent study. This assessment will be based upon a percentage of the operating revenues, or services provided to the fund and shall be used to reimburse the General Fund for the administrative and support services provided to the assessed fund.

Section III: Cash-flow Budget Policies

For analysis and internal management purposes, the city shall prepare an annual cash flow budget in conjunction with the Operating Budget. The purpose of this document will be to provide the necessary guidelines to insure that cash will be available to pay budget costs on a timely basis.

A. Budget Allotments

Budget allocations (i.e., budget allotments) are used in the operating budget, when needed to manage cash flows. The annual appropriation may be divided into segments in order to insure that the projected revenue streams will be adequate to

FINANCIAL MANAGEMENT POLICIES

fund the appropriated expenditures. The cash flow budget will provide details as to the periods in which the revenues will be collected, and thereby providing for available resources to pay obligations.

Section IV: Capital Project Improvement Plan Policies

The city will prepare a five-year capital project improvement plan (CIP) which they will update annually. This plan will assist in the planning, acquisition, and financing of capital projects. A major capital project generally is defined as an expenditure that has an expected useful life of more than three years with an estimated total cost of \$25,000 or more, or an improvement/addition to an existing capital asset. Examples include building/infrastructure construction, park improvements, streetscapes, land acquisitions, and vehicles.

Major capital projects will be budgeted in the Capital Improvement Fund along with all identified funding resources. With the involvement of the responsible departments, the Finance Department will prepare the capital budget in conjunction with the operating budget.

A. Project Length Budget

The CIP budget shall be developed based upon defined projects approved by the Mayor and City Council. Budget appropriation shall include the complete project costs with contingency amounts as appropriate and if available. (O.C.G.A. 36-81-3)

B. Budget Preparation

Each department, in conjunction with the Mayor and City Council, will identify potential capital projects throughout the year. All identified projects will be added to the CIP document, regardless of available funding. These needed projects will provide a method of tracking and planning for the future needs of the city. Every effort will be made to identify those projects committed by the City Council through legislative action.

The graphic to the right depicts the CIP form that is submitted annually to city departments during the budget process and serves as the foundation in updating the city's 5-Year CIP.

City of Alpharetta, GA
Fiscal Years 2014 - 2018
Capital Improvement Program Input Form

Highlighted Areas represent Input Fields. All other fields are locked from changes.

Project Name: Traffic Control Equipment (Inventory) Project Category: Planning (Priority Improvements)
Department: Engineering & Public Works Improvement Type: Roadway
Contact: John Decker (ext. 1314) Funding Source(s): General Fund
Department Priority: Improvement/Upgrade Useful Life: 7 to 10 years
Strategic Priority: Comprehensive Transportation System, Reducing Greenhouse and Air Quality with Road and Rail

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Total Funding
Project Costs:						
Capital Costs:						
Design/Studies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Land/Right-of-Way	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
subtotal	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
Operating Costs:						
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Costs:	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
Funding Sources:						
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Revenue (operating)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Revenue (capital)	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
User Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance (available)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leasing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Funding Sources:	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
Funding Variance:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Total
Capital Improvement Plan Prioritization Matrix:						
Consistency with Community Goals & Plans	1	1	1	1	1	5
Public Health and Safety	2	2	2	2	2	10
Maintenance or Other Legal Requirements	3	3	3	3	3	15
Maintain or Improve Standard of Service	4	4	4	4	4	20
Board of Board	5	5	5	5	5	25
Related to Other Projects	6	6	6	6	6	30
Public Perception/Enhanced	7	7	7	7	7	35
Efficiency of Service	8	8	8	8	8	40
Supports Economic Development	9	9	9	9	9	45
Environmental Quality	10	10	10	10	10	50
Feasibility of Project	11	11	11	11	11	55
Opportunity Cost	12	12	12	12	12	60
Operational Budget Impact	13	13	13	13	13	65
Total:	11	11	11	11	11	55

Finance Department Comments

Description and Justification

Detail of Operational Costs

Other Comments

FINANCIAL MANAGEMENT POLICIES

accommodate expenditures that may not have been expected during the duration of a capital project. Expenditure of contingency funds shall only be authorized in accordance with the city's Change Order Policy. Any contingency budgets shall be subject to annual appropriation.

Section V: Revenue Administration Policies

The city levies, collects, and records certain taxes, license and permit fees, intergovernmental revenues, charges for service, investment income, fines and forfeitures, and other miscellaneous revenues and financing sources. This policy provides direction in the application, acceptance, and administration of revenues the city receives.

A. Diversification and Stability

All revenues have particular characteristics in terms of stability, growth, sensitivity to inflation or business cycle effects, and impact on the tax and ratepayers. A diversity of revenue sources can improve a city's ability to handle fluctuations in revenues and potentially help to better distribute the cost of providing services.

The city shall strive to maintain a diversified and stable revenue structure to shelter it from short-term fluctuations in any primary revenue source. When possible, the revenue mix shall combine elastic and inelastic revenue sources to minimize the effect of economic downturns. The city will work towards diversifying its revenue base in order to reduce its dependence upon property taxes.

B. Conservative Revenue Estimates

As part of the annual budget process, an objective analytical process will estimate revenues realistically and prudently. The city will estimate revenues of a volatile nature conservatively.

C. User Based Fees and Charges (Exchange Revenue)

The level of user fee cost recovery should consider the *community-wide* versus *special service* nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while user fees are appropriate for services that are of special benefit to easily identified individuals or groups.

The city will strive to keep the revenue system simple that will result in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay. The city will avoid nuisance taxes, fees, or charges as revenue sources.

The city's revenue system will strive to maintain equity in its structure. That is, the city will seek to minimize or eliminate all forms for subsidization between entities,

FINANCIAL MANAGEMENT POLICIES

funds, services, utilities, and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances (e.g., senior citizen partial tax abatement).

Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. The Finance Department shall forward any proposed changes to the City Council for approval.

For services associated with a user fee or charge, a fee shall offset the costs of that service, where possible. Costs of services include direct and indirect costs such as operating and maintenance costs, administrative costs, and charges for the use of capital (e.g., depreciation and/or debt service).

D. Alternative Revenue Sources

The city shall seek alternative funding sources whenever possible to reduce the required revenue from non-exchange transactions (e.g., property taxes). Such alternative sources include private and public grants, federal or state assistance, and public and private contributions.

E. Revenue Collection

The city will follow an aggressive policy of collecting revenues, consistent with state and federal laws. This policy includes charging of penalties and interest, revoking city licenses, and providing for the transferring and assignment of tax executions.

F. Rates and Charges

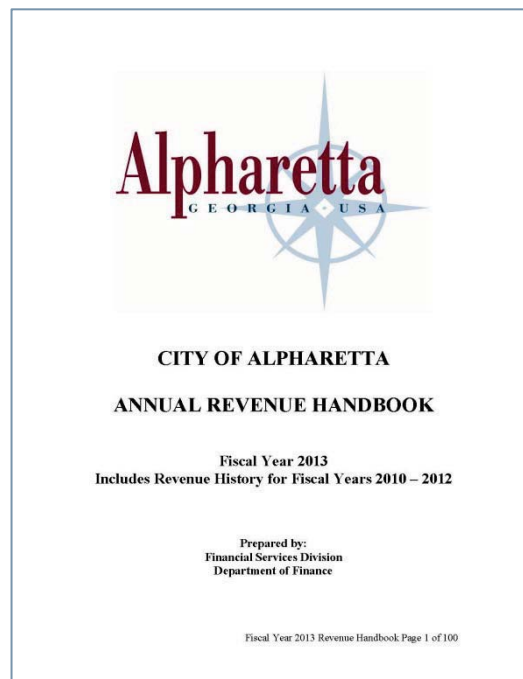
The City Council shall approve all revenue rates, charges, and processes in association with receipted funds that are deposited by the city, in accordance with the Code of Ordinances.

FINANCIAL MANAGEMENT POLICIES

G. Revenue Handbook

The revenue handbook is updated annually as part of the budget process. This information contained therein is utilized to adjust fees and user charges. The handbook includes (at a minimum) the following information:

- Revenue Source
- Legal Authorization
- Method of Collection
- Department responsible for collection
- Rate or charge history
- Total revenue history



Section VI: Capital Asset Policies

A. Introduction

The Capital Asset Policy is designed to provide a comprehensive description of the capital asset and property systems of the City of Alpharetta. The primary purpose of the policies are to provide for consistent and uniform accounting of capital asset transactions throughout the city; guidelines for physical control and accountability of capital assets; and guidelines for disposal and depreciation of capital assets.

B. Definitions

- Asset Acquisition: There are various methods by which the city acquires assets. These methods include, but are not limited to: purchase, donation, lease/purchase, trade-in, forfeiture, condemnation, internal/external construction, transfers from other governments, or any other method which transfers title of any property to the city.
 - *Leased Assets*: The city capitalizes assets, acquired under capital lease, provided they meet the capitalization threshold and a buy-out option is included in the lease agreement. The capital lease must meet accounting standards for capitalization purposes. For capital leases, where the title of the asset will ultimately be transferred to the city, the asset will be capitalized at the net present value of future minimum lease payments. The city does not capitalize assets they

FINANCIAL MANAGEMENT POLICIES

acquired under operating leases.

- *Gifts/Donations:* The city capitalizes all equipment acquired through donations at fair market value on the date of the transaction, provided such gift or donation meets the capitalization threshold of this policy. If the equipment is new and the donor can furnish an invoice, the invoice would determine the fair market value. If the equipment is used or no information is available regarding the cost of new equipment on date of acquisition, an appraisal will be conducted to establish the capitalization amount.
- Property: Property is divided into several classes including:
 - *Real property:* Land and whatever is attached to the land that cannot be readily removed, such as buildings and permanent improvements to the land. Infrastructure is included within this classification.
 - *Personal property:* Property that is movable and further classified as tangible and intangible.
 - *Tangible personal property:* Property that is moveable such as furniture, machinery, automobiles, or works of art.
 - *Intangible personal property:* The right of ownership in property such as bonds, notes, contracts, computer software, programs, and proprietary assets that are created or purchased and owned by the city.
- Capital Asset: Any real or personal property acquired by the city which has an estimated useful life of three (3) or more years with an acquisition value of \$5,000 or more. This includes land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in the operations of the government.
- Asset Capitalization Amount: The city will capitalize purchased assets at acquisition cost plus costs incurred in preparing the asset for use. The city will recognize acquisition costs based on individual unit prices.
- Generally Accepted Accounting Principles (GAAP) Reporting: All assets capitalized under this policy shall be included in the financial statements issued by the city and in the annual external audit.
- Gifts/Donations: Gifts and donations are capitalized at fair market value on the date donated, if the value of the asset meets the threshold levels.

FINANCIAL MANAGEMENT POLICIES

B. Classification Categories

- Land: The city will capitalize all costs incurred to acquire land (without regard to a dollar threshold) and to place it in use. The acquisition costs of land should include: (1) the purchase price; (2) ancillary charges; (3) the assumption of any liens or mortgages on the property; and (4) improvements made to the land that are permanent in nature. Examples of ancillary charges to be included in the capitalization costs are: legal and title fees, closing costs, appraisal and negotiation fees, surveying fees, site preparation fees, demolition costs, architect and accounting fees, insurance premiums during construction phase, and transportation charges.
- Land Improvements: The city classifies improvements to land with limited lives, such as fences, parking lots, and walkways as land improvements.
- Buildings: If the city purchases a building, the capitalized cost should include the purchase price and other incidental expenses incurred at the time of acquisition. If the building is constructed, the capitalized cost should include material, labor, supervision, and overhead, or the contract price, including costs such as: permits and licenses, architectural and engineering fees, insurance, title costs, and interest incurred on tax exempt debt (the latter is applicable to enterprise funds only).
- Building Improvements: The city capitalizes costs of improvements to a building if the following criteria are met: (1) the expenditures increase the service potential of the building and (2) the total improvement costs, including the contract price, engineering, architectural, and attorney's fees, etc., meet the capitalization threshold of this policy.

Items considered as improvements include: ramps, fire escapes, truck doors or other appurtenances; modifications to comply with fire, health, or safety codes; conversion of unusable to useable floor space, upgrade of the space.

Repairs to a building are not considered an improvement unless it extends the useful life of the structure or increases the value of the structure (i.e., a betterment). The city considers ordinary repairs as operating costs.

- Construction in Progress: Construction in progress includes accumulation of on-going project costs that increase the value or life of the asset. Upon project completion, the construction account in progress will be closed out and costs will be capitalized into the appropriate asset category (infrastructure, land improvement, building).
- Moveable Equipment: Expenditures for individual items or pieces of equipment meeting the capitalization threshold shall be capitalized,

FINANCIAL MANAGEMENT POLICIES

consistent with the designations of personal property, both tangible and intangible outlined above.

- **Infrastructure:** Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets shall be capitalized based on the capitalization threshold requirement of this policy. Examples of infrastructure include roads, bridges, drainage systems, sidewalks, etc.

C. Annual Inventory

Annually, an asset listing is sent to each department for their verification of the existence of their department's capital assets. The department should identify any assets they have which are not included on the asset listing. Also, the department should identify any missing assets. The Finance Department will investigate any missing items with the assistance of the department. Significant unaccounted losses of assets will be brought to the attention of the Finance Director and/or the City Administrator for further actions. The Finance Department, with the cooperation of the department, may make an annual physical inventory to verify the accuracy of inventory records.

D. Transfer or Disposal of Assets

All capital assets are the property of the city. They may not be donated, discarded or transferred to another owner without the Finance Department's direct authorization. Departments should send all surplus assets to the Finance Department for disposition. Transfer or disposal of vehicles must be coordinated with Fleet Services.

The disposition of capital assets the city purchased with Federal grant must follow Federal Guidelines. The guidelines of the specific grant, or Federal general guidelines, will dictate the duration of time that the asset must remain property of the city. The guidelines also will indicate the disposition of the proceeds of from the sale of the asset.

All sales by the city of real property or personal property with an assigned value of more than \$500 must be offered for purchase, either by sealed bids or by auction to the highest bidder. Notice of the sale must be published once in the official newspaper of the city or in a newspaper of general circulation in the city. The legal notice must appear not less than 15 days or more than 60 days prior to the date of the sale. The notice must contain a brief description of the property and the conditions of the sale. If the sale is by sealed bid, the bids shall be opened in public at the time and place stated in the legal notice. The bids shall be kept available for public inspection for 60 days. The city may reject any and all bids or cancel a

FINANCIAL MANAGEMENT POLICIES

proposed sale. Property with an estimated value of less than \$500 may be sold without regard to the above provisions. Such sales may be made in the open market without advertisement and without acceptance of bids. The city has the power to estimate the value of the property being sold.

E. Depreciation

The city records depreciation for its capital assets monthly. Depreciation is calculated using the straight-line method with no estimated salvage values. For purchased capital assets, the city uses the invoice date as the in service date.

F. Estimated Useful Life

For purposes of depreciation, each asset is assigned an estimated useful life. Useful lives are based upon the category of assets. The life of the asset begins when it is put into service, which is recognized as the invoice date. The estimated lives shall be based upon those recommended by the Governmental Accounting Standards Board, the Government Finance Officers Association, and the city's experience.

G. Asset and Inventory Control Responsibility

It is the responsibility of the Finance Department to establish and maintain an accurate accounting of capital assets, and to design and implement operating procedures for activities required as a result of this policy. It shall be the responsibility of all city departments to cooperate in the capitalization process and to perform the annual inventory.

Section VII: Non-Capital Operating Inventory Policies

The primary purpose of the Non-Capital Inventory Policy is to provide:

- Consistent and uniform tracking of assets which are not capitalized under the Capital Asset policy;
- Guidelines for physical control and accountability of items which should be inventoried and tracked based upon purpose; and
- Guidelines for disposal and yearly reporting of inventoried, non-capital assets.

A. Acquisition

Operating Inventory Acquisition: There are various methods by which the city acquires operating inventories. The acquisition means may require different methods to identify inventories. The city acquires inventories in the following ways:

- New Purchases

FINANCIAL MANAGEMENT POLICIES

- Donations
- Transfer from Other Departments
- City Surplus
- Lease Purchase
- Internal/External Construction

B. Inventory

Operating Inventory Criteria: The city will track inventories when one of the following criteria is met:

- Goods or supplies are purchased with use scheduled for a future date. Examples of this type of inventory include water meters purchased for future installation or bulk paper purchased with the intent to distribute to departments when previous stock has been depleted; or
- The operating inventory is such that for non-financial related reasons, the tracking of the item(s) is beneficial to the safekeeping of governmental property. Examples of this type of inventory include firearms or official uniforms. Further, specialized tools and equipment may be determined applicable to this policy.

C. Classification Categories

All inventories shall be classified and reported in compliance with Generally Accepted Accounting Principles (GAAP). Classifications and categories shall be compliant with the Georgia Department of Community Affairs chart of accounts.

D. Annual Inventory

Annually, an inventory listing shall be sent from all departments to the Department of Finance for verification of the existence of their department's non-capitalized assets. The department should identify any inventories that their department has that are not included on the capitalized asset listing. Also, the department should identify any missing items from inventory. The Department of Finance will investigate any missing items with the assistance of the department. Significant unaccounted losses of assets will be brought to the attention of the Finance Director and/or the City Administrator for further actions. The Department of Finance, with the cooperation of the department, may make an annual physical inventory to verify the accuracy of inventory records.

FINANCIAL MANAGEMENT POLICIES

E. Transfer or Disposal of Assets

All inventory assets are the property of the city. They may not be donated, discarded, transferred, or consumed to/by another department without the Finance Department's notification. Departments should notify Finance for assistance in the disposal of all surplus inventories. Disposal of inventories to surplus is accomplished by completing the "*Inventory/Transfer*" form and indicating that the asset is being transferred to surplus.

All sales by the city of real property or personal property with an assigned value of more than \$500 must be offered for purchase, either by sealed bids or by auction, to the highest bidder. Notice of the sale must be published once in the official newspaper of the city or in a newspaper of general circulation in the city. The legal notice must appear not less than 15 days or more than 60 days prior to the date of the sale. The notice must contain a description of the property and the conditions of the sale. If the sale is by sealed bid, the bids shall be opened in public at the time and place stated in the legal notice. The bids shall be kept available for public inspection for 60 days. The city may reject any and all bids or cancel a proposed sale.

Property with an estimated value of less than \$500 may be sold without regard to the above provisions. Such sales may be made in the open market without advertisement and without acceptance of bids. The city has the power to estimate the value of the property being sold.

Section VIII: Accounting, Auditing and Financial Reporting Policies

Section I: Accounting

The city shall maintain a system of financial monitoring, control, and reporting for all operations and funds in order to provide an effective means of ensuring that financial integrity is not compromised. In addition, such practices shall provide city officials with the necessary resources in order to make sound financial decisions.

A. Scope

This policy applies to all accounting records that are the responsibility and under the management of the city's Department of Finance

B. Generally Accepted Accounting Principles (GAAP)

The city will establish and maintain a high standard of accounting practices. Accounting standards will conform to generally accepted accounting principles of the United States as promulgated by the Governmental

FINANCIAL MANAGEMENT POLICIES

Accounting Standards Board (GASB). The city will also follow the Financial Accounting Standards Board's pronouncements, as applicable.

C. Fund Structure

The city will maintain the minimum number of funds consistent with legal compliance and sound financial administration. The city will adhere to the mandatory fund structure included in the Georgia Department of Community Affairs' (DCA) chart of accounts (see below). Funds shall be classified in conformity with GAAP. Further, all funds shall be reported within the annual financial statements.

D. Chart of Accounts

The Georgia General Assembly passed the Local Government Uniform Chart of Accounts and Reporting act in 1997 (House Bill 491). This law requires the DCA to prepare and issue a standardized chart of accounts for Georgia governments. It shall be the policy of the city to implement and utilize the account classifications as the chart of accounts prescribes.

Section II: Auditing

Georgia Law on Local Government Audits, O.C.G.A. Section 36-81-7, requires an independent annual audit for the city. The annual independent audit shall be conducted in accordance with generally accepted auditing standards (GAAS) and generally accepted governmental auditing standards (GAGAS). In addition, the city shall comply with the requirements of the General Accounting Office (GAO) and the Office of Management and Budget (OMB) when audits are conducted relating to federal funding consistent with the 1996 (and any future) amendments to the Single Audit Act.

A. Scope

This policy applies to all funds that are the responsibility and under the management of the City of Alpharetta and its Department of Finance.

B. Auditor Qualifications

A properly licensed Georgia independent public accounting firm shall conduct the audit.

C. Choosing the Audit Firm

Every three to five years, the city will issue a request for proposal to choose an audit firm for a period of three years with two one year options. The city will request two proposals from qualified public accounting firms. One

FINANCIAL MANAGEMENT POLICIES

proposal shall contain the firm's costs and a second will contain the firm's qualifications. The cost proposals shall only be opened after three qualified firms are determined. When awarding the contract for the independent audit, not less than 70% of the decision will be based upon technical qualifications rather than cost.

D. Auditing Agreement

The agreement between the independent auditor and the city shall be in the form of a written contract or an engagement letter. The contract or engagement letter shall include the request for proposal as an appendix to the written document and all issues addressed in the request for proposal shall be required as part of the contract or engagement letter.

E. Internal Audit

The city shall develop and maintain a strong internal audit function whereby applying financial practices and policies to transactions. The city shall develop accounting practices and procedures which will be documented for use in internal control evaluation.

F. Malfeasance and Embezzlement

Any employee will be prosecuted to the extent of the law in any instance where the employee is proven to have committed an illegal act such as theft.

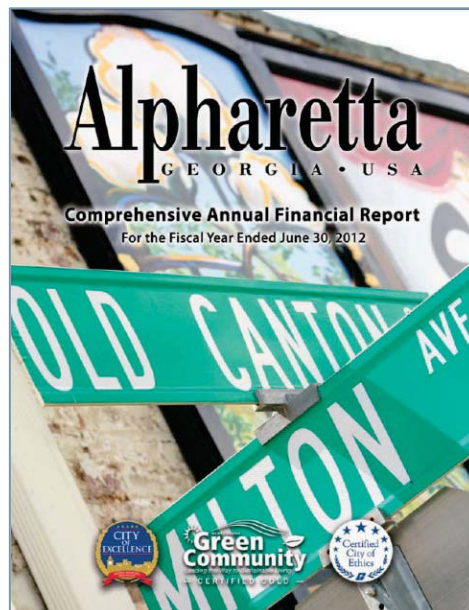
Section III: Financial Reporting Policies

The Department of Finance shall develop and maintain an ongoing system of financial reporting to meet the information needs of the government, authorities, and regulatory agencies. In addition, the City Administrator, Mayor, Council, Department Heads, and the public shall have access to reports to allow them to monitor, regulate, and to use as a basis for future financial decisions.

FINANCIAL MANAGEMENT POLICIES

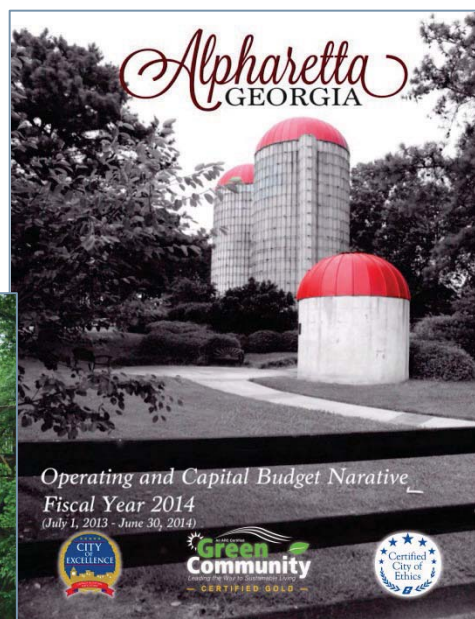
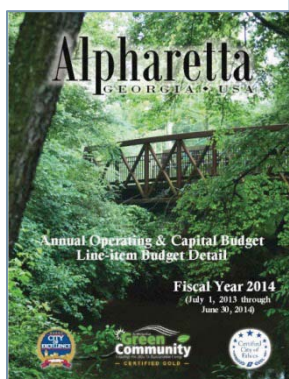
A. Comprehensive Annual Financial Report (CAFR)²⁹

In conjunction with the annual independent audit, the city shall prepare and publish a Comprehensive Annual Financial Report (CAFR). The city shall prepare the CAFR in conformity with GAAP and the Government Finance Officers Association's (GFOA) program requirements. The city will submit its annual CAFR to the GFOA to determine its eligibility to receive the GFOA's "*Certificate of Achievement for Excellence in Financial Reporting*." The city shall make this report available to the elected officials, bond rating agencies, creditors, and citizens. All financial statements and schedules contained within the CAFR shall be audited with the purpose to effectively communicate the complete financial affairs of the city to all interested readers.



B. Annual Budget Document³⁰

The city shall prepare and publish an annual budget document. This budget shall measure the annual funding and forecast the financial position of the city for the two subsequent fiscal years.



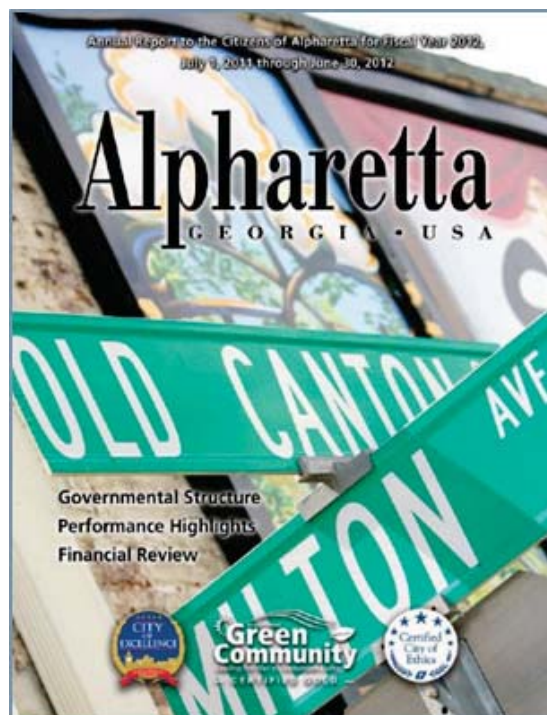
²⁹ Available for download from the City's website: www.alpharetta.ga.us.

³⁰ Available for download from the City's website: www.alpharetta.ga.us.

FINANCIAL MANAGEMENT POLICIES

C. Annual Citizens Report¹⁰

In order to provide citizens with financial information that is easily disseminated, the Finance Department shall coordinate the publication of an annual report to the citizen's (e.g., a popular report). This report is in addition to the CAFR. This report shall be in conformance with GAAP and follow the recommendations of the GFOA's "Popular Annual Financial Report" (PAFR) program guidelines. The city shall submit the Annual Citizen's Report to the PAFR program to determine if it is eligible to receive the award.



D. Financial Reporting to the City Council³¹

On a monthly basis, the Finance Department shall prepare and present a summarized "Statement of Revenues and Expenditures" to the City Council for all of the city's operating funds. This report shall detail prior year comparisons to provide data for analysis. In addition, this report shall include all checks issued in dollar amounts over \$5,000, and all purchase orders with an estimated cost of over \$5,000 but less than \$25,000. The city also shall prepare a "Capital Project" report outlining appropriations (if any), expenses, outstanding encumbrances, and available appropriable balances.

City of Alpharetta, GA

Accounting Period: June 1 - June 30, 2013
 Fiscal Year: 2013
 Period: 12 of 12 - unaudited

Financial Management Reports

for the month ending

June 30, 2013

(Period 12 of 12 - unaudited)

CITY OF ALPHARETTA

Financial Management Reports

General Fund (Unaudited)

(Revenue Sources and Collection Comparison)

For the month ending June 30, 2013

Current Fiscal Year					Prior Fiscal Year				
2013	2012	2011	2010	2009	2012	2011	2010	2009	2008
Budget	YTD	Collected	Estimated	Variance	Actual	YTD	Collected		
Revenue	\$ 11,525,512	\$ 11,525,512	100.0%	\$ 17,500,000	\$ 9,750,000	\$ 10,989,000	\$ 10,989,000	89.7%	
Tax	350,000	373,864	121.1%	373,864	358,864	282,572	271,178	96.0%	
General Fund	80,000	5,258,586	657.2%	5,338,586	277,500	5,670,512	78,517	92.2%	
Sales Tax	12,070,000	11,196,868	92.7%	12,000,000	9,472,500	5,238,900	16,096,153	162.4%	
Interest Tax	5,750,000	2,487,107	43.3%	2,487,107	107,107	2,000,000	2,498,364	124.9%	
Special Tax	1,500,000	5,000,000	333.3%	5,000,000	2,000,000	1,400,000	2,500,000	178.6%	
Licenses/Fees	1,500,000	888,346	59.2%	888,346	153,713	1,462,231	1,365,019	93.4%	
Unexpended Tax	80,000	888,346	111.0%	888,346	153,713	888,346	888,346	100.0%	
Totals	2,425,000	11,588,307	478.0%	11,588,307	254,763	1,849,048	2,494,462	134.9%	
Transfers	1,125,000	1,488,227	132.2%	1,488,227	153,866	1,838,819	1,125,000	89.5%	
City of Georgia	1,500,000	1,500,000	100.0%	1,500,000	1,428,428	1,500,000	1,500,000	100.0%	
City of Georgia - other	1,500,000	1,500,000	100.0%	1,500,000	1,428,428	1,500,000	1,500,000	100.0%	
Totals	1,500,000	1,500,000	100.0%	1,500,000	1,428,428	1,500,000	1,500,000	100.0%	
Totals	2,625,000	3,988,527	151.9%	3,988,527	982,291	3,338,847	3,298,866	98.8%	
Totals	2,625,000	3,988,527	151.9%	3,988,527	982,291	3,338,847	3,298,866	98.8%	

4,670,000

Financial Management Reports

City of Alpharetta Balance Sheet Governmental Funds June 30, 2013				
	Assets Current Assets Capital Assets Other Assets Liabilities Current Liabilities Long-Term Liabilities Equity Unassigned Assigned Reserve for Contingencies Reserve for Encumbrances Reserve for Capital Projects Reserve for Debt Service Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve for Other Purposes Reserve 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³¹ Available for download from the City's website: www.alpharetta.ga.us.

FINANCIAL MANAGEMENT POLICIES

E. Financial Reporting to City Administration

In addition to the external reporting detailed above, the Finance Department shall coordinate the reporting needs of each department in order to design and implement those reports which the departments need to make sound business decisions. At a minimum, departments will receive reports detailing monthly department financial activity including expenses, any personnel costs in excess of the approved budget, and recommended budget line-item re-allocations.

F. External Financial Reporting

The city shall report in conformity with O.C.G.A Section 36-81-7. A copy of the city's annual audit (i.e., the CAFR) shall be submitted to the Georgia Department of Audits and Accounts within 180 days of year-end as required.

Section IX: Debt Management Reporting

The goal of the city's debt policy is to maintain a sound fiscal position; thereby only utilizing long-term debt to provide resources to finance needed capital improvements, while accumulating adequate resources to repay the debt. In addition, it is the city's goal to maintain and improve its credit rating through strong financial administration. The city acknowledges that failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that excess outstanding debt may have detrimental effects on the ability of the city to meet its continuing operational needs. Issuing debt commits the city's revenues several years into the future and may limit its flexibility to respond to changing service priorities, revenue inflows, or cost structures. Adherence to this debt policy helps ensure that the city issues and manages its debt prudently in order to maintain a sound financial position and protect its credit rating. Credit ratings are the rating agencies' assessment of the city's ability and willingness to repay debt on a timely basis. Credit ratings are an important indicator in the credit markets and can influence interest rates a borrower must pay. Implementing debt management practices will be viewed positively by the rating agencies and could influence the city's credit rating and ultimately lower borrowing costs.

A. Conditions for Issuing Long-term Debt

Debt financing for capital improvements and equipment will be generally used when at least one of the following conditions exist:

- When one-time, non-continuous projects (those not requiring annual appropriations) are desired;
- When the city determines that future users will receive a benefit from the

FINANCIAL MANAGEMENT POLICIES

capital improvement that the debt financed;

- When the project is necessary to provide basic services to the city residents;
- When total debt, including debt issued by overlapping governments (e.g., the county), does not constitute an unreasonable burden to the taxpayers; and
- Exhaustion of the use of all other possible revenue sources provides no alternative funding for capital projects.

B. Sound Financing of Debt

When the city utilizes debt financing, the following will occur to ensure that the debt is soundly financed:

- Analysis of the financial impact, both short-term and long-term, of issuing the debt;
- Conservatively projecting the revenue sources that the city will use to repay the debt;
- Insuring that the term of any long-term debt the city incurs shall not exceed the expected useful life of the asset the debt financed;
- Maintaining a debt service coverage ratio (i.e., for revenue secured debt) that ensures that the revenues pledged for the repayment of the outstanding debt will be adequate to make the required debt service payments.

C. Debt Retirement

Generally, borrowings by the city should be of a duration that does not exceed the economic life of the capital improvement that it finances and, where feasible, should be shorter than the projected economic life. To the extent possible, the city should design the repayment of debt to recapture rapidly its credit capacity for future use.

D. Disclosure

The city shall follow a policy of full disclosure in financial reporting and in the preparation of a bond prospectus.

E. Legal Compliance

When issuing debt, the city shall comply with all legal and regulatory requirements, including the continuing disclosure requirements. This compliance includes adherence to local, state, and federal legislation as well as bond covenants. More specifically, the Director of Finance is responsible for maintaining a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort includes tracking investment earnings on bond proceeds,

FINANCIAL MANAGEMENT POLICIES

calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the city's outstanding debt issues. Additionally, general financial reporting and certification requirements embodied in bond covenants are monitored to ensure compliance that all covenants. The city will comply with Amended SEC Rule 15c2-12 (the "Rule") by providing secondary market disclosure for all long-term debt obligations which are subject to the Rule. As required, the city will submit annual financial information to all nationally recognized municipal securities repositories.

F. Credit Ratings

The Director of Finance is responsible for maintaining relationships with the rating agencies that assign ratings to the city's various debt obligations. This effort includes providing periodic updates on the city's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

G. Other Policies

All bond issue requests shall be coordinated by the Department of Finance. Requests for new bonds must be identified during the Capital Improvement Program (CIP) process. Opportunities for refunding outstanding bonds shall be communicated by the Department of Finance. Annual budget appropriations shall include debt payments (interest and principal) and reserve requirements for all debt outstanding. Long-term borrowing shall be incorporated into the city's capital improvement plan.

Section X: Grant Management Policies

This policy provides direction in the application, acceptance and administration of funds awarded through grants to the city from other local governments, the state or federal government, non-profit agencies, philanthropic organizations, and the private sector.

A. Grant Applications

The city's Grants Administrator is responsible for the submission of all grant applications on behalf of the City of Alpharetta. Departments who wish to submit grant applications must work in conjunction with the Grants Administrator. Once a grant opportunity has been identified, the Grants Administrator must notify the Department of Finance of the application, the financial reporting requirements, and any required matching funds or other city resources needed to meet the grant requirements. Prior to the acceptance of the grant, the Finance Department, in cooperation with the submitting/receiving department shall complete an analysis of financial requirements to ensure the city can meet the grant program's financial

FINANCIAL MANAGEMENT POLICIES

requirements and the city can fulfill the applicable obligations required by the grant. All grant revenues and expenditures, including matching requirements, must be appropriated, either in the current budget or included for appropriation in the subsequent budget. The Mayor and City Council shall approve grant applications and submissions by adopting an official resolution, certified by the City Clerk that will allow both the submission of the grant application and the acceptance of the grant award.

B. Grant Administration

The Grants Administrator is responsible for fulfilling the financial reporting and accountability requirements of each grant the city accepts. The Grants Administrator and receiving departments are responsible for adhering to the grant program requirements and tracking all applicable expenditures for reporting purposes. The Department of Finance is responsible for accounting for grant transactions according to the Accounting, Auditing, and Financial Reporting Policy and in compliance with Generally Accepted Accounting Principles (GAAP).

The Grants Administrator is responsible for maintaining the following records for each grant award.

- Copy of Grant Application;
- Resolutions authorizing application and acceptance;
- Notification of Grant Award;
- Financial reporting and accounting requirements
- Schedule of funding needs

C. Auditing

The Finance Department shall comply with all local, state, and federal requirements with respect to the auditing of information as they pertain to the acceptance of grant funds. This includes the Single Audit Act with any future revisions or additional that may be applicable to city grant projects.

COMMUNITY PROFILE

Community Profile

Demographic, Economic, and Statistical Data

The following section provides detailed information about Alpharetta's demographic and economic makeup including information on principal employers, property values, tax rates, principle taxpayers and much more.

Alpharetta At-A-Glance

Date of Incorporation:	1858
Date First Charter Adopted:	1858
Date Present Charter Adopted:	1981
Form of Government:	Mayor and City Council
Population:	61,981
Median Age:	36.8 years
Median Household Income:	\$92,149
Area:	27 square miles
Bond Rating:	
Moody's Investor Service	Aaa
Standard & Poor's	AAA

COMMUNITY PROFILE

Population, Personal Income, and Employment

City of Alpharetta DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Fiscal Years							
Fiscal Year	Population ¹	Personal Income	Per Capita Personal Income ²	Median Age ³	Education Levels in Years of Formal Schooling ⁴	School Enrollment ⁴	Unemployment Rate ⁴
2003	37,090	\$1,462,532,880	\$39,432	33.0	16.0	19,154	2.49%
2004	37,124	1,463,873,568	39,432	33.3	16.0	19,536	2.1
2005	38,274	1,509,220,368	39,432	33.0	16.0	19,567	4.5
2006	48,240	1,902,199,680	39,432	33.0	16.0	19,598	3.5
2007	51,243	2,393,048,100	46,700	35.6	16.0	18,966	3.0
2008	52,282	2,441,569,400	46,700	35.7	16.0	18,354	3.7
2009	52,334	2,470,060,132	47,198	36.3	16.0	11,639	8.1
2010	52,508	2,042,193,644	38,893	36.3	16.0	11,417	7.9
2011	57,571	2,442,795,101	42,431	36.8	16.0	11,022	7.8
2012	59,397	2,642,513,133	44,489	36.8	16.0	12,033	6.9

Data sources:

1. Bureau of the Census/County Regional Planning Commission
2. State Department of Labor
3. State Department of Commerce
4. School District, with school enrollment for fiscal year 2006 estimated based upon trend data. Reduction in school enrollment in 2009 due to adjustment for incorporation of City of Milton

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

City of Alpharetta PRINCIPAL EMPLOYERS Current Year and Nine Years Ago As of December 31						
Employer	2012			2005*		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
McKesson	2,050	1	2.44%	1,400	4	1.38%
ADP	1,463	2	1.74	1,700	3	1.68
LexisNexis	1,289	3	1.54	-	-	-
Comcast of Georgia	1,000	4	1.19	-	-	-
UPS Supply Chain Solutions	941	5	1.12	850	10	0.84
Hewlett Packard	906	6	1.08	1,000	7	0.99
Verizon	823	7	0.98	-	-	-
E Trade Financial	765	8	0.91	-	-	-
Cox Communications	726	9	0.87	-	-	-
Red Prairie Corporation	672	10	0.80	-	-	-
AT&T	-	-	-	2,600	1	2.57
Cingular Wireless	-	-	-	1,800	2	1.78
Lucent Technologies	-	-	-	1,359	5	1.34
Equifax	-	-	-	1,195	6	1.18
Radiant Systems	-	-	-	925	8	0.91
MCI	-	-	-	900	9	0.89
	10,635		12.68%	13,729		13.56%

Source: City of Alpharetta Community Development Department

*Note: Information for top 10 employers was not available for 2002 through 2004.

COMMUNITY PROFILE

Property Tax Base, Tax Rates, and Principal Taxpayers

City of Alpharetta ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY Last Ten Fiscal Years									
Fiscal Year	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial	Motor Vehicles	Other					
2003	950,097,600	1,655,525,492	149,126,970	180	193,552,450	2,561,197,792	7.23	6,886,875,605	40.00%
2004	1,039,727,230	1,719,450,312	162,044,513	45,870	287,138,088	2,634,129,837	7.00	7,303,169,813	40.00%
2005	1,101,782,470	1,852,175,974	166,615,420	18,563	291,445,159	2,829,147,268	7.00	7,801,481,068	40.00%
2006	1,240,207,540	1,825,547,513	180,951,120	72,799	317,149,382	2,929,629,590	7.00	8,116,947,430	40.00%
2007	1,518,944,750	2,040,496,402	191,384,580	11,180	357,722,090	3,393,114,822	6.60	9,377,092,280	40.00%
2008	2,014,574,410	2,223,045,288	208,677,560	24,087	436,052,018	4,010,269,327	6.25	11,115,803,363	40.00%
2009	2,073,091,570	2,873,418,525	209,980,220	24,950	479,617,470	4,676,897,795	5.75	12,891,288,163	40.00%
2010	2,050,816,880	2,721,978,449	212,426,680	29,658	486,085,608	4,499,166,059	5.75	12,463,129,168	40.00%
2011	1,966,548,340	2,634,434,718	193,069,470	85,922	546,731,438	4,247,407,012	5.75	11,985,346,125	40.00%
2012	1,900,633,180	2,603,970,058	198,495,280	29,308	541,498,910	4,161,628,916	5.75	11,757,819,565	40.00%

Source: Georgia Department of Revenue, Property Tax Division

Notes:

Property in the County is assessed annually. The County assesses property at approximately 40 percent of actual value for all types of real and personal property.

Estimated actual value is calculated by dividing the assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

Real property values include tax-exempt property.

Homestead exemption was increased to \$30,000 per household in fiscal year 2008.

Homestead exemption was increased to \$35,000 per household in fiscal year 2011.

Homestead exemption was increased to \$40,000 per household in fiscal year 2012.

City of Alpharetta

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS

Per \$1,000 of Assessed Value

Last Ten Fiscal Years

Fiscal Year	Tax Year	City of Alpharetta			Fulton County			School District			State	Direct & Overlapping Rates
		General Obligation			General Obligation			General Obligation				
		Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2003	2002	4.900	2.330	7.230	12.527	0.280	12.807	18.460	0.310	18.770	0.250	39.057
2004	2003	4.750	2.250	7.000	12.052	0.270	12.322	17.758	0.298	18.056	0.250	37.628
2005	2004	4.700	2.300	7.000	11.581	0.066	11.647	17.315	0.291	17.606	0.250	36.503
2006	2005	4.550	2.450	7.000	11.581	0.064	11.645	17.825	0.282	18.107	0.250	37.002
2007	2006	4.150	2.450	6.600	11.407	0.063	11.470	17.825	0.282	18.107	0.250	36.427
2008	2007	4.308	1.740	6.248	10.281	0.000	10.281	16.904	1.189	18.093	0.250	34.872
2009	2008	4.215	1.535	5.750	10.281	0.000	10.281	16.403	1.099	17.502	0.250	33.783
2010	2009	4.215	1.535	5.750	10.281	0.000	10.281	17.502	0.000	17.502	0.250	33.783
2011	2010	4.215	1.535	5.750	10.281	0.000	10.281	18.502	0.000	18.502	0.250	34.783
2012	2011	4.215	1.535	5.750	10.281	0.270	10.551	18.502	0.000	18.502	0.250	35.053

Source: Georgia Department of Revenue, Property Tax Division

Overlapping rates are those of local and county governments that apply to property owners within the City of Alpharetta.

COMMUNITY PROFILE

City of Alpharetta PRINCIPAL PROPERTY TAXPAYERS Current and Nine Years Ago

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
BRE COH GA LLC	\$81,188,640	1	1.95%	—	—	—
Sanctuary Park Realty Holding	74,956,840	2	1.80	—	—	—
GGP North Point Inc	56,513,390	3	1.36	30,456,480	1	1.19%
CH Realty IV Royal Centre LLC	30,549,440	4	0.73	—	—	—
Metropolitan Life Insurance Co	27,172,240	5	0.65	—	—	—
Gardner Drive	26,000,000	6	0.62	16,101,990	3	0.63
Northside Ventures Inc	22,202,280	7	0.53	—	—	—
CP Venture Two LLC	21,877,600	8	0.53	9,491,610	8	0.37
Imperatum Georgia Corp	21,309,830	9	0.51	9,318,080	9	0.36
AT & T Resource Mgmt Corp	20,020,680	10	0.48	14,606,710	4	0.57
HBO & CO of GA	—	—	—	18,137,590	2	0.71
Allianz Life Insurance	—	—	—	14,265,680	5	0.56
Digital Equipment Corp	—	—	—	11,310,720	6	0.44
State Farm Mutual Inc.	—	—	—	10,013,800	7	0.39
Highwoods Forsyth LTD Partnership	—	—	—	9,169,840	10	0.36
	\$ 381,790,940		9.17%	\$142,872,500		5.58 %

Source: Fulton County Board of Assessors

City of Alpharetta PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Fiscal Years

Fiscal Year	Tax Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Pct. of Levy		Amount	Pct. of Levy
2003	2002	17,449,433	17,136,171	98.20 %	285,801	17,421,972	99.84%
2004	2003	17,211,439	16,935,962	98.40	257,172	17,193,134	99.89
2005	2004	18,188,180	18,188,800	100.00	(16,486) ¹	18,172,314	99.91
2006	2005	19,556,666	19,227,210	98.32	302,259	19,529,469	99.86
2007	2006	21,345,278	20,926,995	98.04	395,199	21,322,194	99.89
2008	2007	23,626,058	23,144,721	97.96	446,659	23,591,380	99.85
2009	2008	25,158,928	24,170,200	96.07	929,707	25,099,907	99.77
2010	2009	24,787,156	24,113,565	97.28	552,995	24,666,560	99.51
2011	2010	23,238,644	22,902,145	98.55	182,995	23,085,140	99.34
2012	2011	21,922,802	21,691,376	98.94	—	21,691,376	98.94

1. There was a change to the 2004 digest which resulted in refunds.

COMMUNITY PROFILE

City of Alpharetta SALES TAX RATES - ALL OVERLAPPING GOVERNMENTS Last Ten Fiscal Years

Fiscal Year	State of Georgia	Local Option Sales Tax	Metropolitan Atlanta Regional Transportation	Fulton County Board of Education	Total Overlapping Rates
2003	4.9%	1.9%	1.9%	1.9%	7.9%
2004	4	1	1	1	7
2005	4	1	1	1	7
2006	4	1	1	1	7
2007	4	1	1	1	7
2008	4	1	1	1	7
2009	4	1	1	1	7
2010	4	1	1	1	7
2011	4	1	1	1	7
2012	4	1	1	1	7

Source: Georgia Department of Revenue, Property Tax Division

Overlapping rates are those of local and county governments that apply to property owners within the City of Alpharetta.

The City of Alpharetta received 5.2% of the Local Option Sales Tax collected on a county-wide basis.

Downtown



COMMUNITY PROFILE

Operating Indicators by Function

City of Alpharetta OPERATING INDICATORS BY FUNCTION Last Ten Fiscal Years										
Function	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government										
Ordinances approved	13	12	20	35	40	30	30	25	30	22
Special events held	90	62	62	63	61	35	38	39	38	38
Court cases heard	18,946	21,336 ¹	9,859	12,449	12,428	12,527	12,342	12,499	12,342	11,733
Bond rating	Aa1-AAA	Aa1-AAA	Aa1-AAA	Aa1-AAA	Aa1-AAA	Aa1-AAA	Aa1-AA+	Aa1-AA+	Aa1-AA+	Aa1-AA+
Software applications supported	164	173	172	179	80	70	68	66	60	55
Grants managed	40	43	40	30	34	34	26	17	16	-
Police										
Calls for service	70,711	74,773	82,499	74,966	98,223	80,229	52,056	45,731	52,056	50,266
Part 1 crimes reported	1,797	1,486	1,676	1,126	1,899	2,077	1,922	1,445	1,727	1,661
Traffic citations issued	22,517	21,561	23,621	18,727	17,519	19,197	16,100	15,290	22,860	24,757
Fire										
Incident responses	5,268	5,410	6,143	6,197	5,939	5,590	5,113	5,119	4,909	4,472
Average response time	6:18	6:18	6:46	6:24	4:23	5:24	5:29	12:04	12:04	12:04
Fire safety programs conducted	176	146	145	126	100	395	203	299	203	321
Inspections conducted	7,215	7,269	7,216	7,404	5,093	6,456	4,646	5,753	4,646	3,619
Highways and streets										
Traffic signals timed	51	50	40	56	N/A	82	N/A	41	N/A	N/A
Average days to repair pothole	1	1	1	2	1	1	25	2	25	N/A
Stormwater plans reviewed	133	133	103	161	260	224	68	60	68	82
Community development										
New building permits issued	2,995	2,516	2,360	3,352	3,692	4,821	3,855	3,800	3,855	3,794
Parcels annexed	-	-	1	-	2	36	352	352	-	91
Culture and recreation										
Park acres maintained	312	312	311	311	306	306	300	306	300	300
Greenway acres maintained	206	206	205	205	200	200	200	200	200	200
Annual program registrants	26,366	20,106	20,132	21,133	23,597	23,777	23,500	23,791	23,500	23,612
<i>Source: Various City departments</i>										
<i>1. The City purchased new court management software which allowed them to process court cases more efficiently.</i>										

COMMUNITY PROFILE

Capital Asset Statistics by Function

City of Alpharetta CAPITAL ASSET STATISTICS BY FUNCTION Last Ten Fiscal Years										
<i>Function</i>	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units and support vehicles	135	146	139	145	138	115	110	97	89	86
Police motorcycles	8	7	7	7	6	5	6	6	4	6
Fire										
Fire stations	6	6	6	6	6	6	6	4	5	5
Ladder units - in service	1	1	1	1	1	2	2	3	2	2
Ladder units - reserve	1	1	1	1	1	-	-	1	1	1
Pumper units - in service	6	6	6	6	6	6	6	5	5	5
Pumper units - reserve	2	2	2	2	2	2	2	2	2	2
Highways and streets										
Streets - paved (miles)*	214	214	218	270	270	270	257	217	211	206
Streets - unpaved (miles)	1	1	1	1	2	2	2	1	2	2
Sidewalk (miles)	211	205	205	202	204	170	143	116	N/A	N/A
Drainage - piped (miles)	100	100	100	100	99	99	90	40	40	40
Drainage - open (miles)*	40	40	40	165	165	165	157	140	140	140
Culture and recreation										
Parks - active and passive	14	15	14	11	9	9	9	9	7	7
Park acreage	764	764	762	762	757	760	769	769	769	764
Greenway and walking trails (miles)	12	12	11	11	11	11	11	11	10	6
Adaptive athletic fields	1	1	1	1	1	1	1	1	-	-
Athletic fields	28	28	29	28	29	29	29	29	29	28
Equestrian facilities	1	1	1	1	1	1	1	1	1	1
Hockey rinks	2	2	2	2	2	2	2	2	2	2
Swimming pools	1	1	1	1	2	2	2	2	2	2
Tennis courts	17	17	17	17	17	17	17	17	17	17
Recreation buildings	20	20	20	18	18	11	11	11	11	11
Playgrounds	8	8	7	7	7	7	6	6	5	4
Picnic shelters/restrooms	24	33	31	31	29	24	23	23	23	21
<i>Sources: Various government departments</i> <i>Note: Capital asset indicators are not available for the general government function</i> <i>* Change due to update of GIS records</i>										



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GLOSSARY OF TERMS

Glossary of Terms

The Glossary section is included to assist readers with understanding the many terms used in city government (general) as well as the city's budget process (specific). Please refer to the *Acronyms/Abbreviations* section for a complete listing of the acronyms used throughout this document.

Account Number:	A system of numbering used to categorize a "group" of accounting transactions into common areas, such as salaries, utilities, etc. Account numbers are the numerical equivalent of descriptive terms (e.g. 511.01 represents the account number for salaries and wages).
Accounting Period:	A period at the end of which financial statements, budgets, and other reports are prepared. Typically an annual period within governmental finance. The city's fiscal year reporting period begins on July 1 st and ends of June 30 th .
Accounting Procedures:	All processes that identify, record, classify and summarize financial information to produce financial reports.
Accrual Basis of Accounting:	The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time).
Acronyms:	Please see the section entitled <i>Acronyms/Abbreviations</i> for a complete listing of the acronyms used throughout this document.
Adopted Budget:	The funds appropriated by the City Council at the beginning of the year.
Ad Valorem Tax:	Property taxes computed as a percentage of the value of real or personal property expressed in mills (1/100 th of a dollar or \$1.00 per \$1,000 of taxable property value).

GLOSSARY OF TERMS

Amortization:	The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.
Appropriation:	A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.
Assessed Valuation:	The Fulton County Board of Assessor's estimation of the fair market value of real and personal property.
Balanced Budget:	A budget in which planned revenues available equals planned expenditures.
Basis of Accounting:	A system used by an individual government to determine when revenues have been realized and when expenditures have been incurred.
Basis of Budgeting:	A system used by an individual government to determine when budgetary revenues have been realized and when budgetary expenditures have been incurred.
Bond:	A written promise to pay a designated sum of money (i.e. principal) at a specified date in the future, together with periodic interest payments at a specified rate. In the budget, these payments are identified as debt service. Bonds are typically used to obtain long-term financing for major capital improvements.
Bond Rating:	A rating provided by an independent professional credit rating agency indicating the credit worthiness of the entity.
Budget:	A statement of financial position of an entity for a definite period of time based on estimates of expenditures during the period and proposals for financing them. The financial plan for the operation of a department, program or project for the current year or for the duration of the project.

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Budget Amendment:	The transfer of funds from one appropriation account to another (within a department within a fund), requiring approval of City Administrator, Finance Director, and Department Director. Amendments between departments and between funds require City Council approval.
Budget Calendar:	The schedule of key dates or milestones which the city follows in the preparation, adoption, and administration of the budget.
Budget Officer:	The local government officials charged with budget preparation and administration for the local government. The official title of the local government budget officer shall be as provided by local law, charter, ordinance, or appropriate resolution of the governing authority.
Budget Ordinance:	“Ordinance” or “Resolution” means that governmental action which appropriates revenues and fund balances for specified purposes, functions, or activities for a budget period.
Budget Period:	Budget period, means the period for which a budget is proposed or a budget ordinance or resolution is adopted.
Budget Transfer:	A procedure utilized by city departments to revise budget appropriations within the departmental operating budget accounts. They transfer monies from one account to another account and does not increase or decrease the overall budget appropriation for the department.
Budgetary Control:	The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

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CAFR:	The Comprehensive Annual Financial Report summarizes financial data for the previous fiscal year in a standardized format.
Capital Assets:	Assets of significant value and having a useful life of several years. Capital assets for the City of Alpharetta have a purchase cost of \$5,000 or more, and a useful life of three years or longer.
Capital Budget:	A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget which includes both operating and capital outlays. The capital budget is based in a capital improvement plan ("CIP").
Capital Outlay:	An expenditure for the acquisition of, or addition to, a capital asset. Items acquired for less than \$5,000 are not considered capital outlay.
Capital Projects:	Projects that result in the acquisition or construction of capital assets of a local government which are of a long-term and permanent nature. Such assets include land, buildings, and related improvements, streets and highways, bridges, sewers and parks.
Capital Projects Fund:	A fund used to account for the financial resources to be used for the acquisition or construction of major capital facilities other than those financed by resources from enterprise fund activities.
Cash Basis of Accounting:	A basis of accounting under which transactions are recognized only when cash is received or disbursed.
Chart of Accounts:	A numbering system that assigns a unique number to each type of transaction and to each budgetary unit in the organization. The City of Alpharetta utilizes the Uniform Chart of Accounts for Local Governments in Georgia as mandated by the Georgia Department of Community Affairs ("DCA").

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Consumer Price Index ("CPI")	A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e. inflation).
Contingency:	A budgetary reserve set aside for emergency, revenue shortfalls, and unanticipated expenditures. The City Council must approve all contingency expenditures.
Debt:	An obligation resulting from the borrowing of money or from the purchase of goods and services over a period of time. Debts of government include bonds, time warrants, notes, and floating debts. Examples include: General Obligation Bonds and Revenue Bonds.
Debt Service:	The payment of principal and interest on borrowed funds such as bonds.
Debt Service Fund:	A fund that is used to account for the accumulation of resources for the payment of general long-term debt principal and interest.
Deficit:	The excess of an entity's liabilities over its assets or the excess of expenditure or expenses over revenues during a single accounting period.
Department:	A major administrative division of the city with indicated overall management responsibility for an operation or a group of related operations within a functional area.
Depreciation:	(1) Expiration of the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a capital asset which is charged as an expense during a particular period. In accounting, the cost of a fixed asset, less any salvage value, is pro-rated over the estimated service life of said asset, and each period charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

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Effectiveness:	Depicts the degree to which performance objectives are being achieved or otherwise reflects the quality of local government performance.
Efficiency:	Reflects the relationship between work performed and the resources required performing it. Compares outputs to inputs.
Encumbrance:	A commitment of funds against appropriations in which the expenditure has not actually been made at the time of recording. It may be in the form of a purchase order, purchase requisition, or a contract for goods and services.
Enterprise Fund:	A fund in which the activities are supported wholly or primarily by charges and fees paid by the users of the services.
Expenditures:	The cost of goods delivered or services rendered including operating expenses, capital outlays and debt service.
Fiduciary Fund:	A fund used to account for assets held by the city in a trustee capacity or as an agent for other governmental units and/or other funds.
Fiscal Year:	The time period designated by the city signifying the beginning and ending period for recording financial transactions. The city has specified July 1 st to June 30 th as its fiscal year.
Fund:	An independent fiscal and accounting entity with a self-balancing set of accounts. These accounts record cash and other assets together with all related liabilities, obligations, reserves and equities. Funds are segregated so that revenues will be used only for the purpose of carrying out specific activities in accordance with special regulations, restrictions or limitations.

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Fund Balance	Fund equity for governmental funds and trust funds which reflects the accumulated excess of revenues and other financing sources over expenditures and other uses for governmental functions.
GASB:	Governmental Accounting Standards Board - The body that sets accounting standards, specifically for governmental entities at the state and local levels.
General Fund:	The government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, state & federal distributions, grants, and other intergovernmental revenue.
GAAP:	Generally Accepted Accounting Principles - Uniform minimum, standards used by state and local governments for financial accounting, recording and reporting, encompassing the conventions, rules and procedures that define accepted accounting principles; established by the Governmental Accounting Standards Board (GASB).
General Obligation ("GO") Bonds:	Upon voter approval at a general referendum, a project will be financed through a millage increase in ad valorem taxes for a specified period of time. This source of revenue is especially appropriate when the life of project or an improvement is expected to exceed 20 years, and is citywide in nature or benefit.
Georgia Municipal Association:	Organization representing municipal governments in Georgia.
GFOA:	Government Finance Officers Association - Professional association of state/ provincial and local finance officers in the United States and Canada, dedicated to the sound management of government financial resources.

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Goals:	A measurable statement of desired conditions to be maintained or achieved.
Governing Authority:	Governing authority means that official or group of officials responsible for governance of the unit of local government.
Grants:	A financial gifts, donation, or award that is made from a funding source, usually a governmental entity, to the city for the acquisition of goods, services, or land. The grant award agreement defines the city's responsibilities and duties to be exchanged for the grant. Grants are often earmarked for a specific purpose of program.
Infrastructure:	The basic installation and facilities on which the continuance and growth of the city depends, such as roads, schools, and water and sewer systems.
Inter-fund Transfer:	Payments made from one operating fund to another as a contribution to defray a portion of the recipient fund's costs.
Investments:	Securities and real estate held for the production of revenue in the form of interest, dividend, rental or lease payments. The term does not include fixed assets used in governmental operations.
Legal Level of Control:	Legal level of control is the lowest level of budgetary detail at which a local government's management or budget officer may not reassign resources without approval of the governing authority. The legal level of control shall be, at a minimum, expenditures for each department for each fund for which a budget is required.
Levy:	(Verb) To impose taxes, special assessments or service charges for the support of government activities. (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

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Liability:	Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date.
Liquidity (of investments):	The ability to convert an investment to cash promptly with a minimum of risk to principal and accrued interest.
Millage Rate:	The amount of property tax stated in terms of a unit of the tax base; for example each mill generates \$1.00 of tax for every \$1000 of taxable assessed valuation on real or personal property. The millage rate is the total number of mills assessed against this value.
Mission:	The reason or purpose for the organizational unit's existence.
Modified Accrual Basis of Accounting:	The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues which should be accrued to reflect properly the taxes levied and revenue earned.
Objectives:	Unambiguous statements of performance intentions expressed in measurable terms.
Operating Budget:	The portion of the budget pertaining to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personal services, fringe benefits, commodities, services and capital outlay.
Proprietary Fund:	These funds are sometimes referred to as "income determination," "non-expendable" or "commercial type" funds and are used to account for a government's on-going organizations and activities which are similar to those often found in the private sector.

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Retained Earnings:	A fund equity account that reflects accumulated net earnings (or losses) in a proprietary fund. As in the case of fund balance, retained earnings may include certain reservations of fund equity.
Reserve:	An account to indicate that a portion of funds have been legally restricted for a specific purpose, or not available for appropriation and subsequent spending. A reserve for working capital is a budgetary reserve set aside for cash flow needs, emergencies, or unforeseen expenditure/revenue shortfalls.
Revenue:	Additions to assets which (a) do not increase any liability; (b) do not represent the recovery of an expenditure; (c) do not represent the cancellation of certain liabilities or decrease in assets; and (d) do not represent contributions of fund capital in enterprise and internal service funds.
Rolled-Back Millage Rate:	The millage rate necessary to raise the same amount of Ad Valorem tax revenue as the previous year, excluding taxes for new growth.
Sinking Fund:	A reserve fund accumulated over a period of time for retirement of a debt.
Special Revenue Fund:	A fund in which the revenues are designated for use for specific purposes or activities.
Tax Digest:	Official list of all property owners, the assessed value, and the tax due on their property.
Taxes:	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. Taxes levied by the City of Alpharetta are approved by the City Council and are within limits determined by the State.
User Fee:	Charges for specific services rendered only to those people paying such charges as, for example, sewer service charges.

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