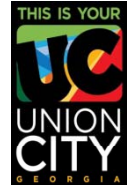
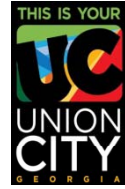


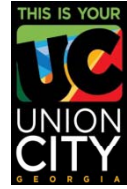
FY2013 Budget Presentation





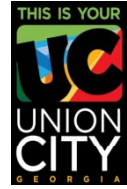
FY2013 Budget Calendar

- July Departmental Budget Review
- Aug 7th City Council Budget Presentation (5:30 p.m.)
- Aug 7th 1st Public Millage Rate Hearing & Budget Workshop (7:00 p.m.)
- Aug 13th 2nd Public Millage Rate Hearing & Budget Workshop (6:30 p.m.)
- Aug 21st Final Millage Rate Hearing (7:30 a.m.)
- Aug 21st Final Millage Rate, Public Hearing & Budget Adoption (7:00 p.m.)
- Aug 28th Final Late Date Public Hearing & Budget Adoption (7:00 p.m.)



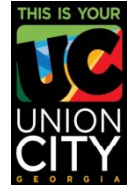
Economic Outlook – Union City

- The nation continues to exhibit a high degree of risk avoidance for a recovery that is over three years old.
- Cautious behavior is evident in the number of major corporations sitting on large cash reserves, in the reluctance of small businesses to hire or grow, and that consumers are saving more and borrowing less.
- Even with interest rates being at historical lows - banks are not beginning to lend.
- Georgia's economy tends to recover more sluggishly in comparison to our neighboring states.



Economic Outlook – Union City

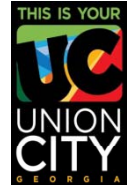
- Consumers' tightfisted attitudes won't change quickly and lack of spending reflects the impact on household finances.
- The government stimulus and inventory building is behind us and growth will be based primarily on consumer demand.
- The slow pace is reflective of weak job growth, and is almost certain to continue at a painfully slow pace.
- The economic outlook is not forecasted to improve materially over the next budget year.
- Recovery, however slowly, is starting to show...



Economic Outlook/Recovery – Union City

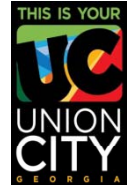
- **Survey State/Local Governments Results:**
 - 68% Workforce shrunk since 2008 downturn economy
 - 51% Shift Healthcare costs to employees
 - 51% Pay Freezes
 - 42% Hiring Freezes
 - 28% Layoffs
 - 27% Employee Contribution Retirement Plan
 - 26% Creation Wellness Program Differentials

 - 31% Fourth Year of Hiring & Pay Freeze



Budget Principles

- Conservatively determine revenue and expenses.
 - Detailed trending and financial analysis effectively neutralizes pressures to inflate revenue and expense estimates
- Do not use one-time revenue sources for ongoing expenses.
 - When a non-recurring source of revenue is used to fund an ongoing expense, an "automatic unfunded increase" is built into the budget for the following year.
- Balance current year revenues with current year expenses.
 - Using fund balance to finance a program creates a "built-in increase" in the future -- creating the bad practice of using one-time funding for ongoing expenses.

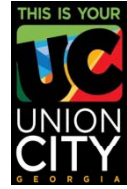


How will Union City ensure a sound future?

- Continue to follow budget principles, implement best practices and innovative financial strategies to remain fiscally sound.
- Continue developing as an economic hub and preferred location for business, residential investment and tourism.
- Maximize our location advantages, such as our proximity to downtown Atlanta, the interstate freeway system and Hartsfield-Jackson International Airport.
- Market our unique designations as an opportunity zone and foreign trade zone.

Economy is in a “Reset Mode”

- **Following Retreat actions were implemented:**
 - Halt Discretionary Spending
 - Hiring Freeze
 - Table Pending Capital Projects
 - Evaluations:
 - Department reorganizations
 - Workforce reduction
 - Furlough days
 - Reduction municipal services
 - Increased Economic Development Efforts



FY2013 Budget –Considerations

■ Primary Decision Metrics Outstanding

- Local Option Sales Tax Negotiations
- Jail Solutions and Ongoing Negotiations
- Water Authority Debt Service
- Healthcare Contribution
- Defined Benefit/Contribution Retirement
- Pending New Development
- 2012 Tax Digest
- Availability Grant Funding
- Impact of Stormwater Utility & Sewer Bond Program
- Privatization City Services

Google “municipal deficits” – you get 15,800,000 hits



Proposed FY2013 Budget

2012 Estimated Gross Digest Computation Sheet

COUNTY	FULTON		TAXING JURISDICTION	UNION CITY - M&O	
INFORMATION FOR THE SHADED PORTIONS OF THIS SECTION MUST BE ENTERED					
This information will be the actual values and millage rates certified to the Department of Revenue for the applicable tax years.					
DESCRIPTION	2011 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2012 DIGEST	
REAL	475,595,570	-19,203,690	6,834,600	463,226,480	
PERSONAL	316,103,257		16,417,839	332,521,096	
MOTOR VEHICLES	25,604,340		1,082,820	26,687,160	
MOBILE HOMES	0		522,313	522,313	
TIMBER -100%	0		0	0	
HEAVY DUTY EQUIP	0		0	0	
GROSS DIGEST	817,303,167	-19,203,690	24,857,572	822,957,049	
EXEMPTIONS	249,054,854		26,674,529	275,729,383	
NET DIGEST	568,248,313	-19,203,690	-1,816,957	547,227,666	
	(PYD)	(RVA)	(NAG)	(CYD)	
2009 MILLAGE RATE >>>	10.238	2010 PROPOSED MILLAGE RATE >>>		10.238	

THIS SECTION WILL CALCULATE AUTOMATICALLY UPON ENTRY OF INFORMATION ABOVE			
DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA
2009 Net Digest	PYD	568,248,313	
Net Value Added-Reassessment of Existing Real Property	RVA	-19,203,690	
Other Net Changes to Taxable Digest	NAG	-1,816,957	
2010 Net Digest	CYD	547,227,666	(PYD+RVA+NAG)
2010 Millage Rate	PYM	10.238	
Millage Equivalent of Reassessed Value Added	ME	-0.360	(RVA/CYD) * PYM
Rollback Millage Rate for 2010	RR	10.598	PYM - ME

COMPUTATION OF PERCENTAGE INCREASE IN PROPERTY TAXES		
If the 2010 Proposed Millage Rate for this Taxing Jurisdiction exceeds the Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. Section 48-5-32.1(c) (2)	Rollback Millage Rate	10.598
	2010 Millage Rate	10.238
	Percentage Increase	-3.40%

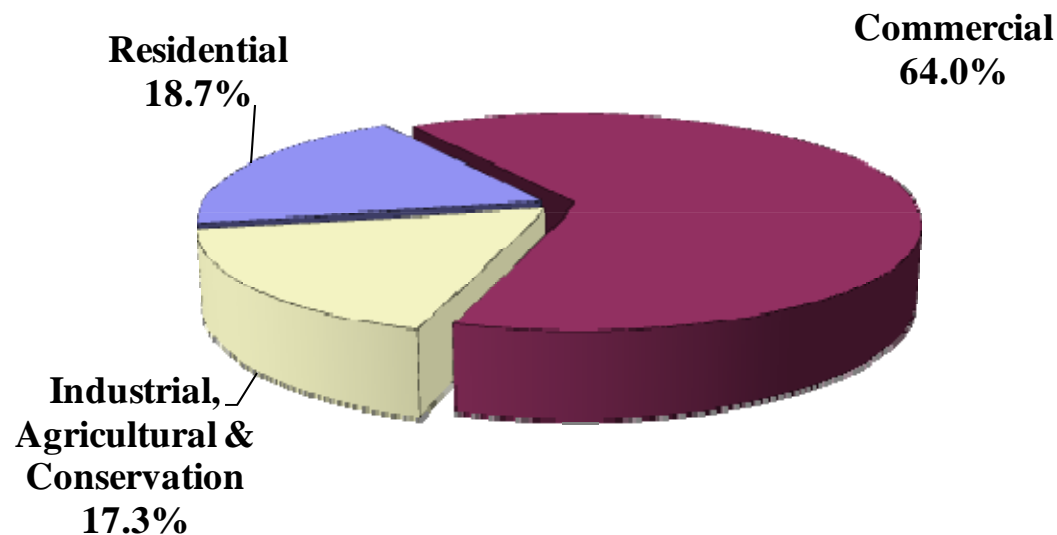


Proposed FY2013 Budget

FY2012 Estimated Gross Digest Distribution

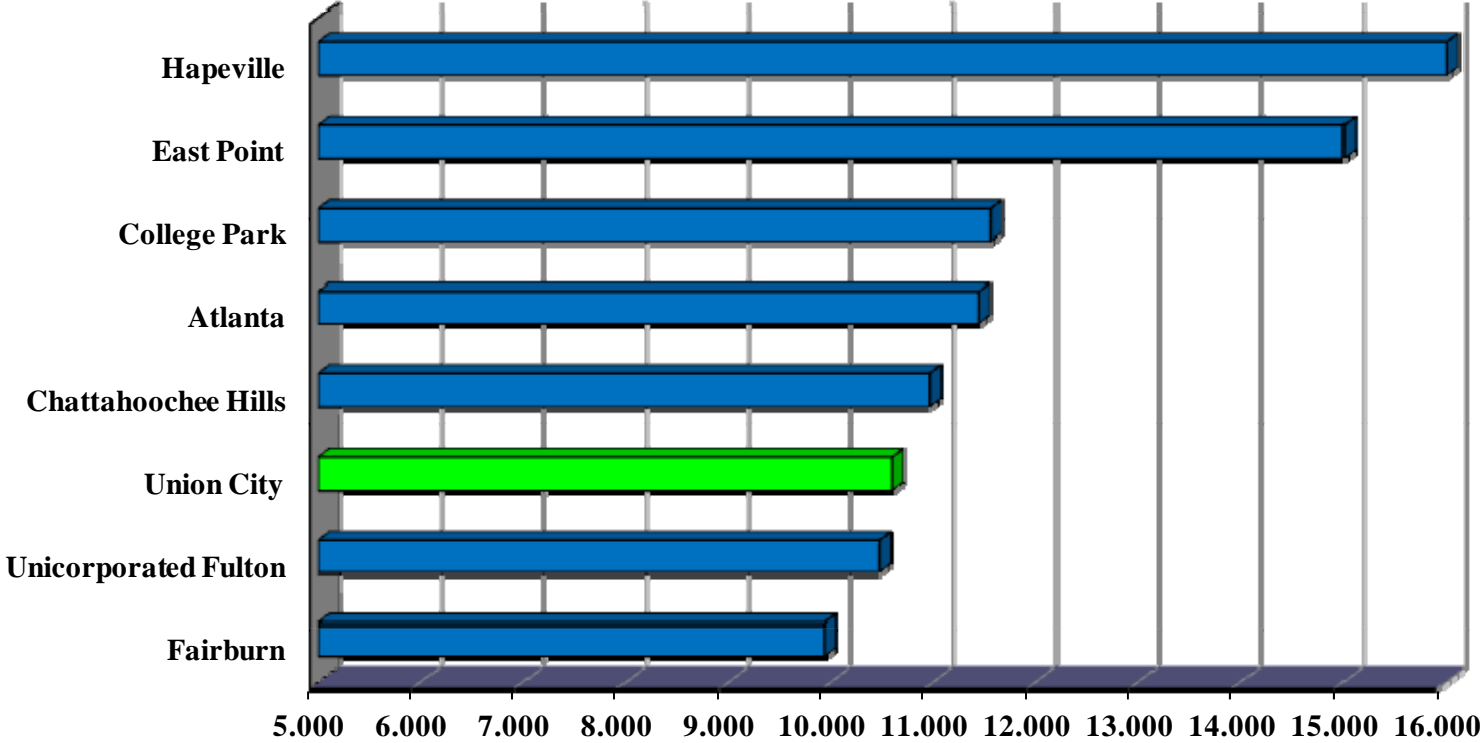
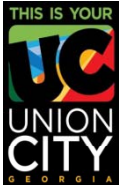
	Reassessment	Percent	Growth	Percent	Total	Percent
Digest Increase	(\$19,203,690)	-3.38%	(\$3,422,090)	-0.60%	(\$22,625,780)	-3.98%

	Reassessment	Percent	Growth	Percent	Total	Percent
Residential	(\$64,439,341)	-11.34%	(\$11,483,065)	-2.02%	(\$75,922,406)	-13.36%
Commercial & Industrial	\$34,336,744	6.04%	\$6,118,794	1.08%	\$40,455,538	7.12%
All other	\$10,898,907	1.92%	\$1,942,181	0.34%	\$12,841,088	2.26%
	(\$19,203,690)	-3.38%	(\$3,422,090)	-0.60%	(\$22,625,780)	-3.98%



Proposed FY2013 Budget

Millage Rate Comparison





Proposed FY2013 Budget

Where does my Union City tax dollar go?

Where does my tax dollar go?

	<u>Step1</u>	<u>Step2</u>	<u>Step3</u>	<u>Step4</u>	<u>Step5</u>	<u>Step6</u>	<u>Step7</u>	<u>Step8</u>
	Obtain Appraised Value (Fair Market Value)	Calculate 40% (Assessed Value)	Deduct applicable Homestead Exemption ¹	Calculate Remaining Applicable assessment	Apply applicable Millage Rates	Calculate taxes owed prior to State Homestead Credit ⁴	Deduct State Homestead Credit ⁵	Calculate taxes owed
Fulton County General ^{1,2}	\$150,000	\$60,000	\$30,000	\$30,000	10.2810	\$616.86	\$308.43	\$308.43
Fulton County Bond ²	150,000	60,000		60,000	0.2700	16.20		16.20
Fulton County School General ³	150,000	60,000	2,000	58,000	18.5020	1,110.12	37.00	1,073.12
Fulton County School Bond ³	150,000	60,000		60,000	0.0000	0.00		0.00
State of Georgia	150,000	60,000	2,000	58,000	0.2500	15.00	0.50	14.50
Union City ^{Bond}	150,000	60,000	0	60,000	2.2675	136.05		136.05
Union City ¹	150,000	60,000	0	60,000	8.3305	499.83		499.83
Total					39.9010	\$2,394.06	\$345.93	\$2,048.13

¹ Fulton County General and Union City homestead

² 2012 Millage Rate used

² Millage Rates proposed as part of the 2013 budget

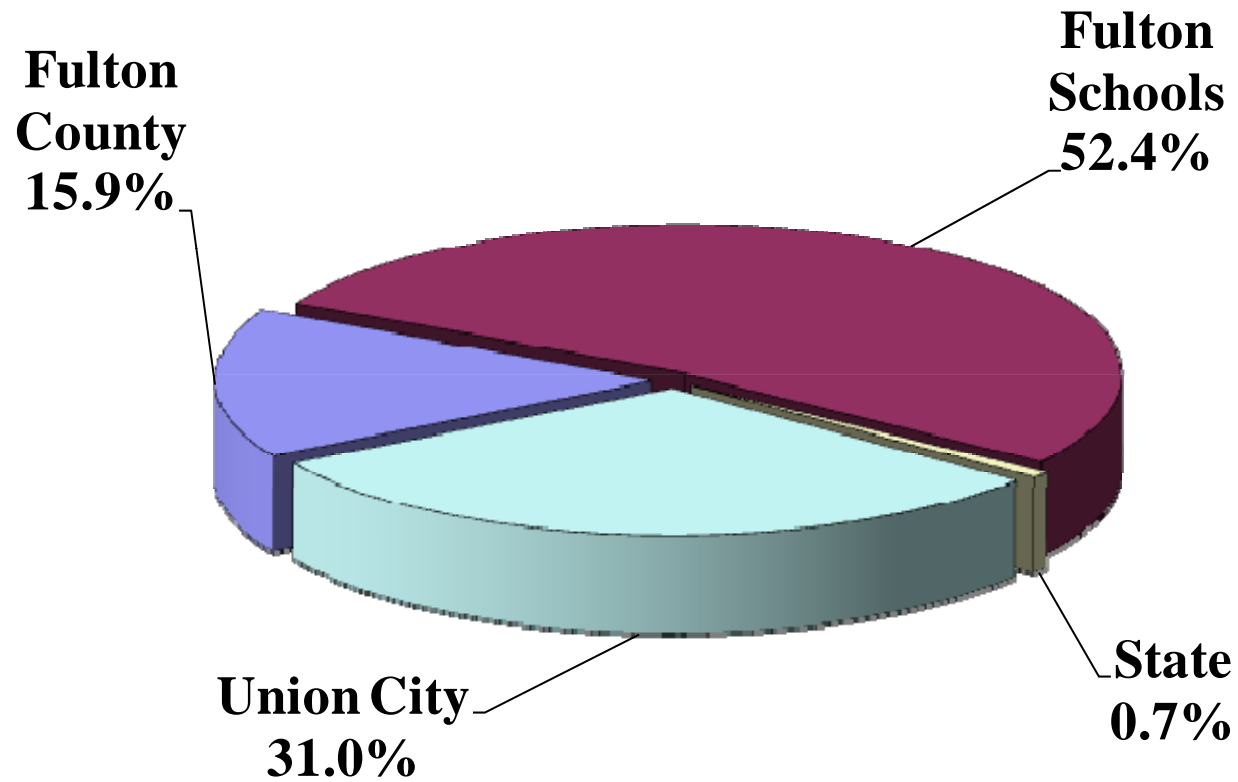
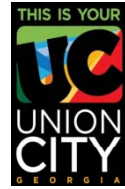
⁴ Divide Millage Rate by 1,000 prior to multiplying by Remaining Applicable assessment

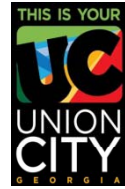
⁵ Represents applicable Homestead assessed value multiplied by the applicable millage rate.

Jurisdiction	Percent	Factor
Fulton County	15.85%	51.1%
Fulton Schools	52.40%	168.8%
State	0.71%	2.3%
Union City	<u>31.05%</u>	
	100.00%	

Proposed FY2013 Budget

Where does my Union City tax dollar go?

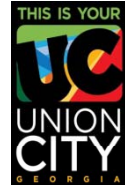




Proposed FY2013 Budget Highlights

Employment Related Statistics and Amendments

- Funding for 259 FTEs (230 full-time and 29 part-time).
- Funding for Police services consisting of 79 FTEs (75 sworn; including 3 COPS officers; 3 part-time officers & 16 part-time reserve officers).
- Funding for Fire/EMS services consisting of 49 FTEs (48 sworn).
- Proposed reductions do not impact service delivery.



Proposed FY2013 Budget Highlights

Position Control Amendments

General Fund

Transfer Public Services – one (1) Labor I to Recreation.

Emergency 911 Fund

Unfunded Position:

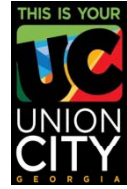
One (1) Part-time Communications Operator I

Water & Sewer Fund

None proposed.

Corrections Fund

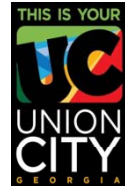
None proposed.



Proposed FY2013 Budget Highlights

Proposed Budget – Retreat Item Actions

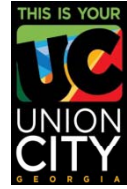
- First Responder Vehicle #3 \$52,000 - Funded
- Fire Marshal Vehicle Replacement \$24,500 - Funded
- Mayor & City Council Salary Analysis - Funded
- Revenue Enhancement Project – Underway
- Stormwater Utility Program – Implementation Underway
- MJCC Renovation Project – Placed on Hold
- Jail Operations – Detailed later in presentation



Proposed FY2013 Budget Highlights

Employee Benefit Improvements

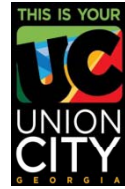
- FlexHR EmployeeUniverse™ (City Employee Self-Service Website) fully operational to assist 24/7 with any questions regarding benefits, pay, policies and procedures, etc.
- Maintain same healthcare employees rates as last year.
- Continuing short-term disability plan and enhanced long-term disability plan at no cost to employees. (Disability payments).
- Enrolled employees electronically using I-Enroller to ensure employee benefit selections are accurate. (Ascension)
- Provided employees with an Employee Benefit Summary detailing healthcare and retirement benefits. (Ascension)
- Implemented Preventive Care and Non-Tobacco User Discounts.



Proposed FY2013 Budget Highlights

Planning Assumptions

- Commitment to Outstanding Customer Service
- Provide for no property tax increase
- Include Holiday pay program for city employees
- Continue Internship Program
- Fund Debt service payments
- Professional Outsourced Services
- Property & Liability insurance
- Fund local match Transportation Enhancement projects
- Maintain Define Benefit/Contribution Plan elections



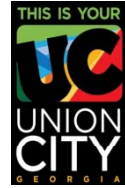
Proposed FY2013 Budget Highlights

Proposed Funding Highlights

- Info. Tech. Microsoft Exchange & Disaster Recovery Plan
- Code Enforcement Clean & Lien program
- E911 System Enhancement Improvements
- Ronald Bridges Park & Ball-field Improvements
- Employee Christmas Party & Event
- Public Arts Funding
- Enhanced Recreational programming
- Community Development includes costs of providing building inspection for one major business opening during year
- Provides 2% base salary one-time payment for city employees

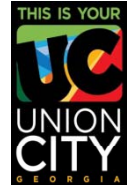
Proposed FY2013 Budget

Major Considerations



- Local Option Sales Tax distribution assumed allocated primarily upon municipal 2010 census population
- Change Millage Rate to the Rollback Rate (10.238 to 10.598) to recapture the declining digest. State Law does not consider this a property tax increase.
- Refunding/refinancing/realignment¹ of Jail debt service as follows:
 - Refunding and refinancing existing Jail Authority Revenue Bond
 - Realign existing Jail Authority COPS to General Fund
 - Merging outstanding General Fund loans into refinance
 - Absorbing operational shortfalls into refinancing
 - Combining all debt and extending financing term

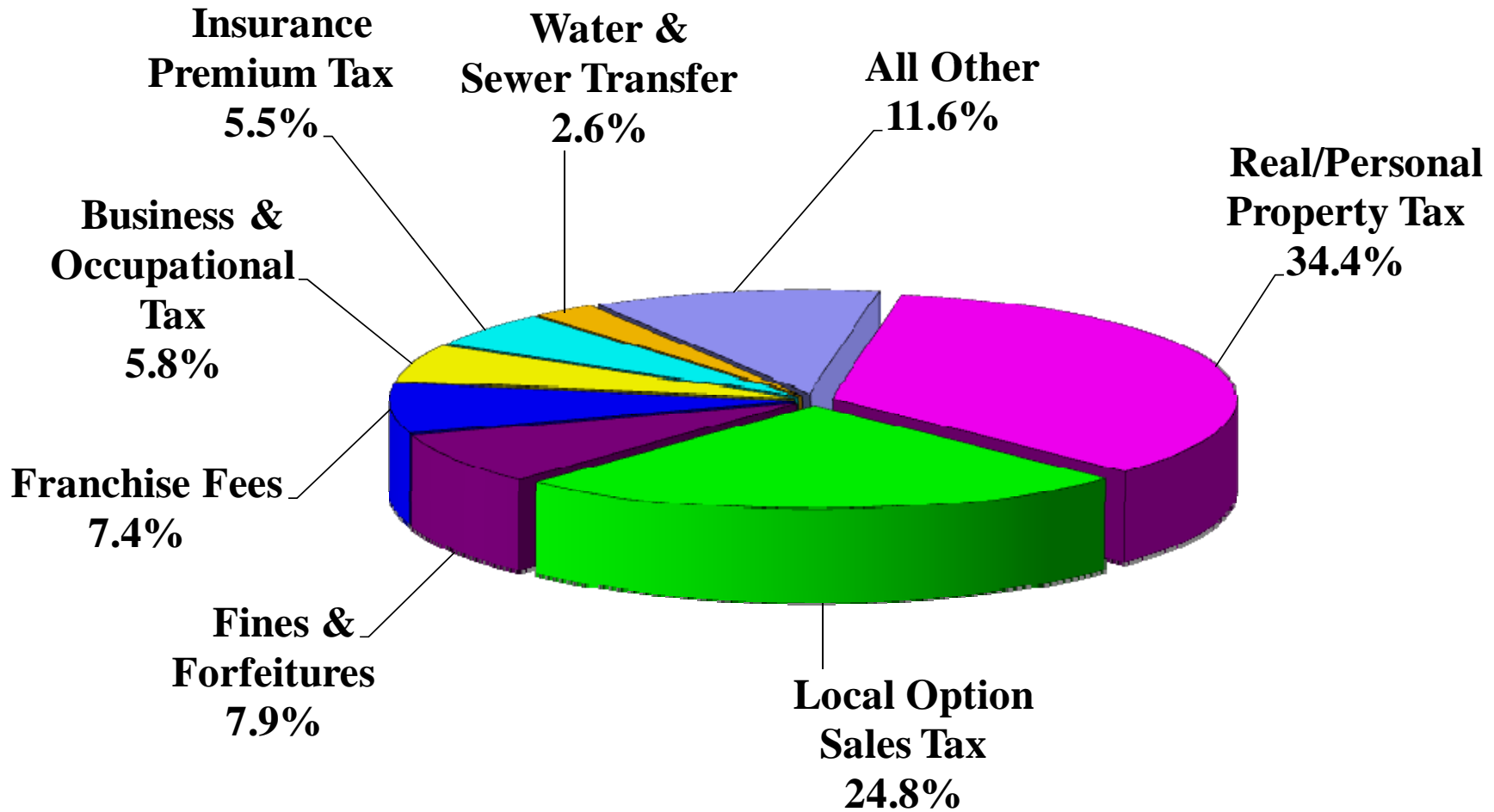
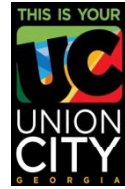
¹Explained in greater detail later in presentation



General Fund Budget Highlights

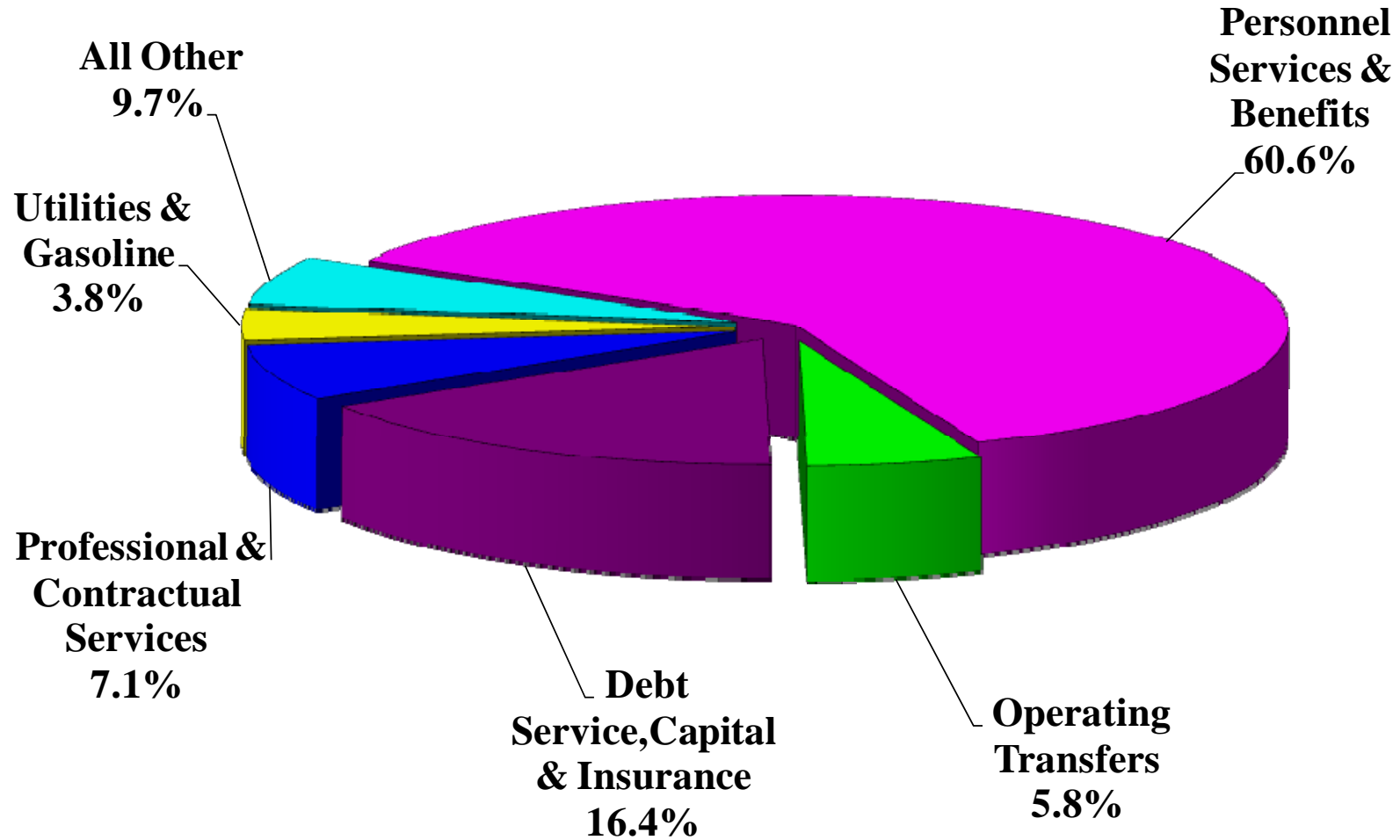
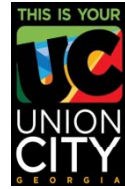
- General Fund sustainability rests primarily upon the outcome of LOST negotiations and final distribution modeling.
- Capital Improvement Program is temporally being placed on hold pending this outcome and to allow fund balance time to rebuild to sufficient levels for ongoing concerns.
- The variety and strength of our diverse commercial and industrial tax digest continue to help offset residential reassessment losses and contradict our neighboring municipalities.
- Creative refunding/refinancing of Jail Authority debt to settle inter-fund loans establishes a sound financial foundation for future cash flow and ability to fund future infrastructure needs.
- Incentives such as the Tax Allocation District (TAD), Opportunity Zone, Georgia Foreign Trade Zone (GFTZ) coupled with our geographical location - help keep the city viable and our businesses remaining competitive.

Union City FY2013 General Fund Proposed Budget Major Revenue Categories



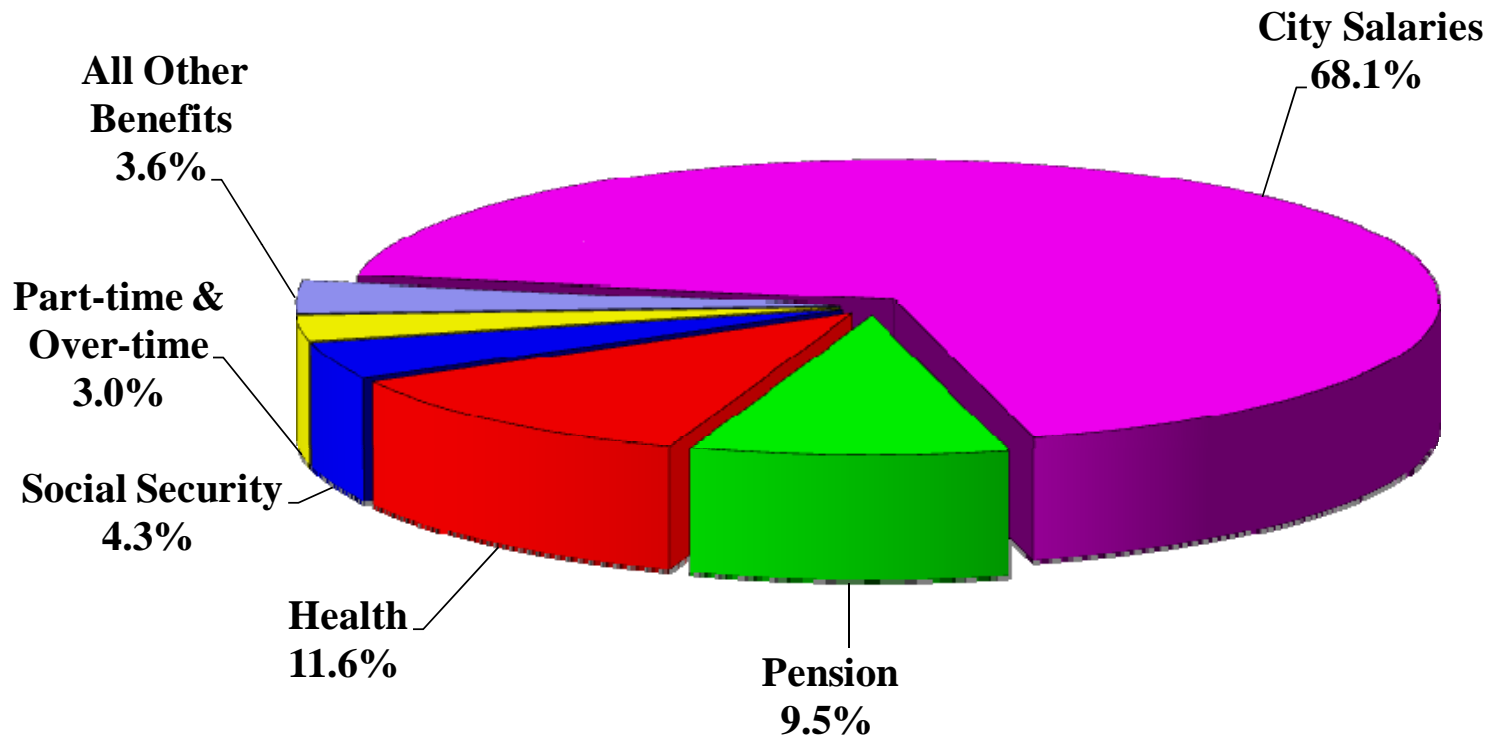
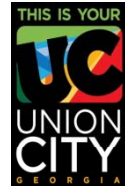
Union City FY2013 General Fund Proposed Budget

Major Expenditure Categories



Union City FY2013 General Fund Proposed Budget

Personnel Categories



Proposed FY2013 Budget Highlights

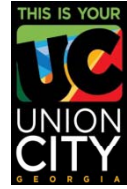
Inter-Fund Transfers



2013 Inter-Fund Operating Transfers

	100 General Fund	215 E911 Fund	240 Federal Grant	254 Multiple Grant	255 Motor Veh Fund	343 T-E Grant	410 2006 G.O. Debt	419 2010 G.O. Debt	420 2010 COPS Debt	505 W & S Fund	540 Sanitation Fund	700 Stormwater Fund
General Operations	(\$375,000)	\$375,000										
General Operations	(\$47,631)		\$47,631									
General Operations	(\$25,000)			\$25,000								
General Operations	(\$547,573)					\$547,573						
General Operations	(\$930,000)						\$930,000					
General Operations	(\$313,000)							\$313,000				
General Operations	(\$389,000)							\$389,000				
Finance	\$435,000									(\$435,000)		
Finance	\$263,000										(\$263,000)	
Finance	\$165,000				(\$165,000)							
Finance	\$75,000											(\$75,000)
Grand Total	(\$1,689,204)	\$375,000	\$47,631	\$25,000	(\$165,000)	\$547,573	\$930,000	\$313,000	\$389,000	(\$435,000)	(\$263,000)	(\$75,000)

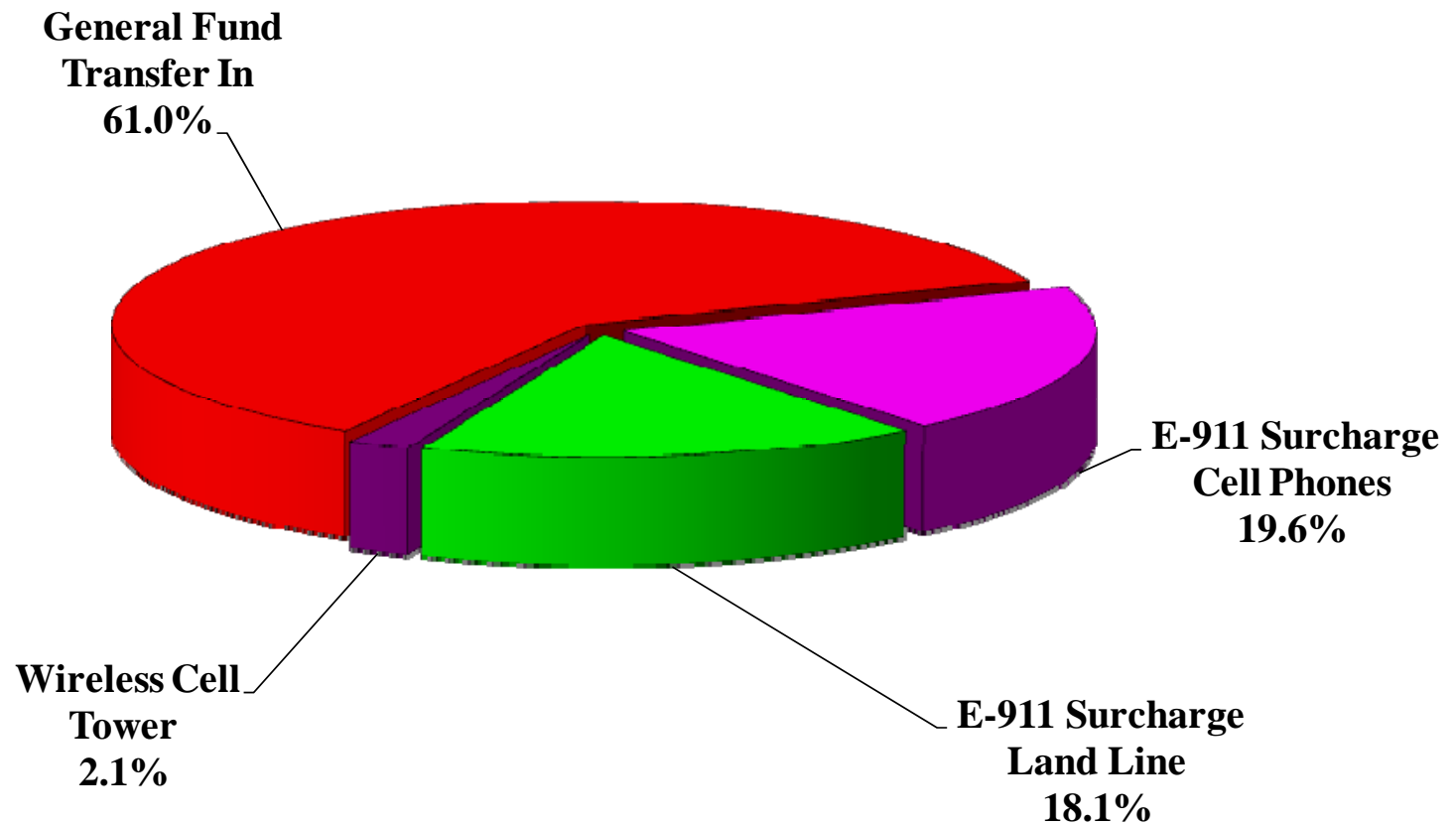
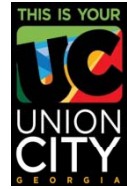
	900 Jail Authority	420 2010 COPS Debt	Jail Auth 2012 G.O. Debt	555 Corrections Fund
Detention Complex	(\$3,421,468)			\$3,421,468
Detention Complex	(\$601,500)		\$601,500	
Jail Authority	\$0	\$0		
Grand Total	(\$4,022,968)	\$0	\$601,500	\$3,421,468



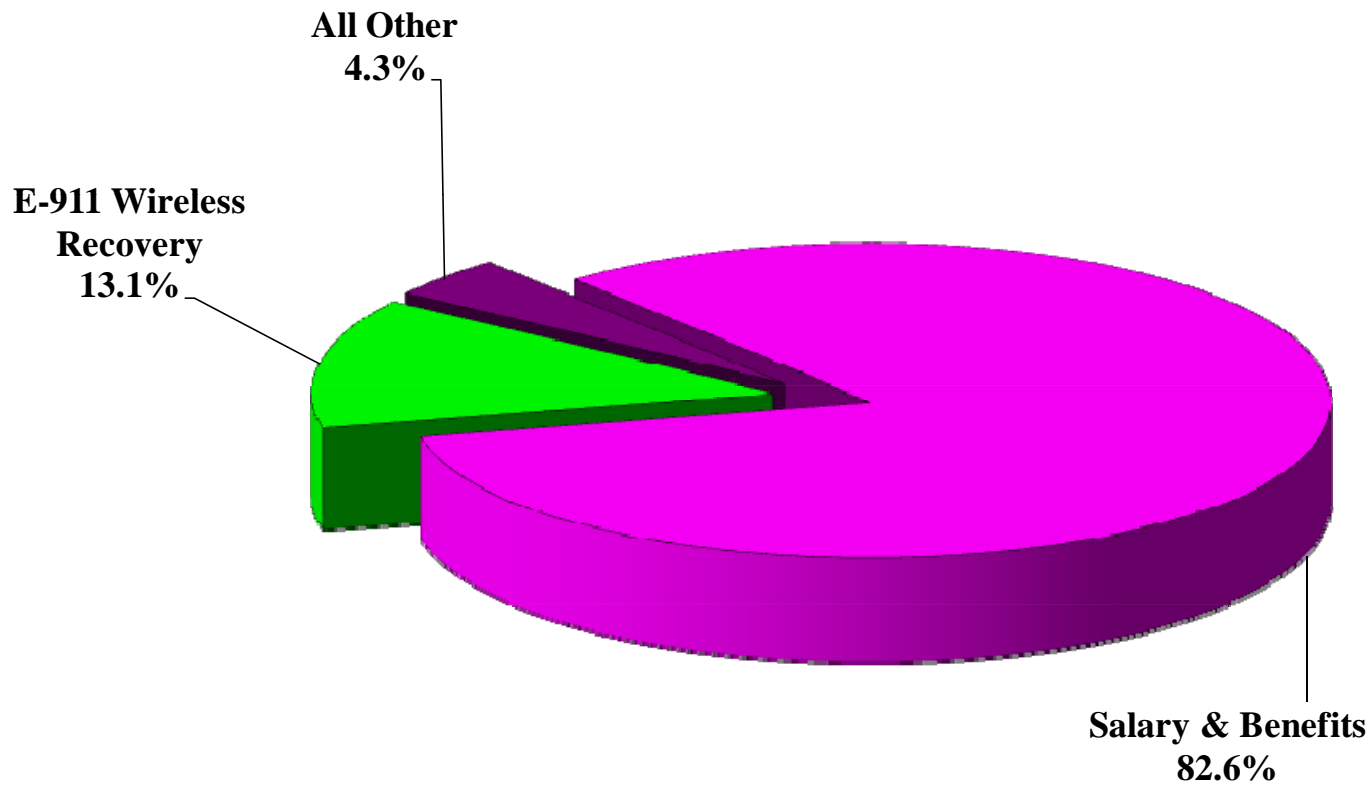
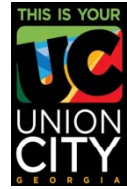
Emergency Services Budget Highlights

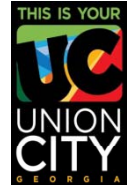
- Emergency Services continues to operate as expected with the exception of the range and effectiveness of the existing public safety communication infrastructure – upgrade underway.
- Capital Improvement Program includes E911 Enhancement funding for addressing the E911 communication issues.
 - Ware Street Tower – The FAA approved 30’ increase in cell tower height, and two 9’ dipole UHF antennas should be fully operational by year end.
 - Derrick Street Tower – Enhanced public safety antennas and cable drop for the 220’ tower was installed as part of the tower agreement to ensure overall system functionality.
 - Design and engineering of the Radio System - Trunking system, E911 consoles, UHF-400 mhz radios, that will provide potential growth capacity for 25 years is being implemented and should become operational by year end.
 - Radio System – Police vehicles were procured moving the city into a fully digital radios capability and enabling direct integration into this new trunking system.

Union City FY2013 E-911 Emergency Services Fund Proposed Budget Major Revenue Categories



Union City FY2013 E-911 Emergency Services Fund Proposed Budget Major Expenditure Categories

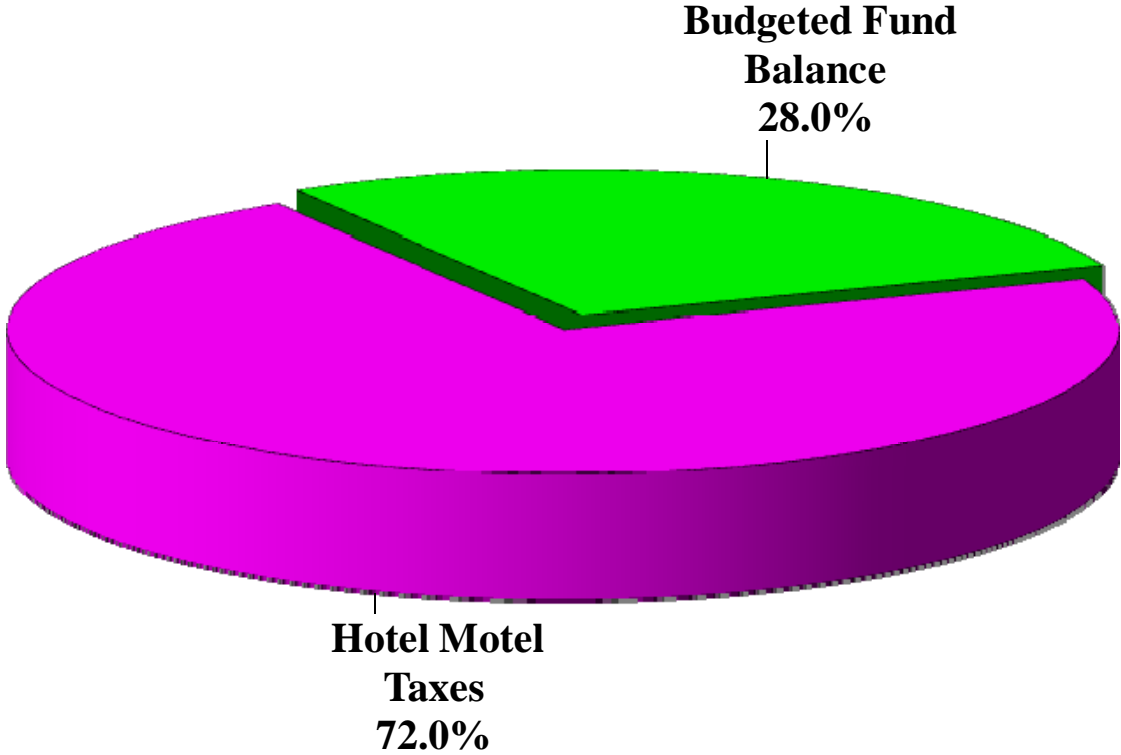
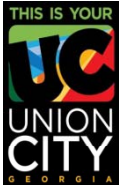




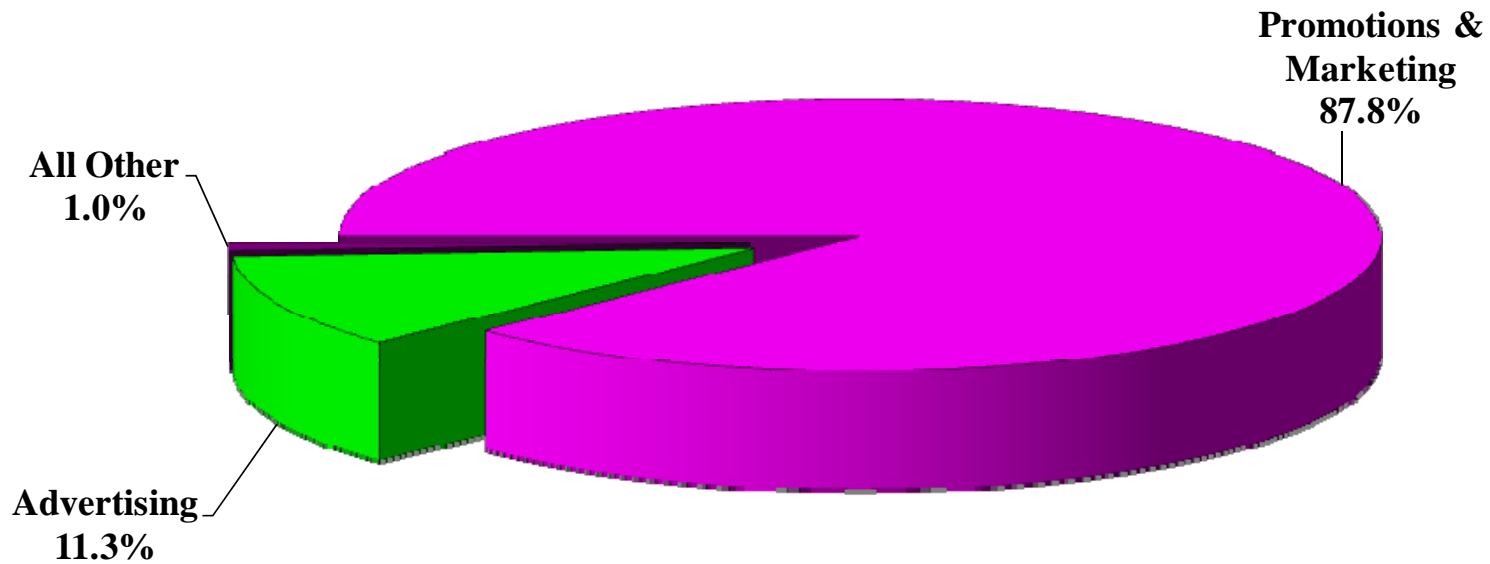
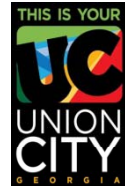
Hotel Motel Tax Fund Budget Highlights

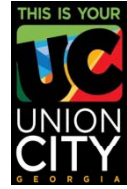
- Operating Budget was further decreased to ensure sustainability of future events over the next two years assuming no sponsorship dollars
- Promotions and marketing includes turn-key services for:
 - Mayor's Annual Bike race
 - Independence Day & Labor Day Concert Series
 - Two (2) Movies by Moonlight events at Ronald Bridges Park
- TSB "The Show Business" duties handle:
 - Provides full stage production w/ Sound, Lighting, Stage, Roof, Backline and Video
 - Researches and proposes talent roster and negotiates/manages all Artist contract riders and details
 - Provides and manages non-talent related event extra items - DJ, Tents, Generators, Video, Fireworks Opener, Gate and lot assembly
- Public Relations & Marketing Manager duties handle:
 - Advertising, marketing and promotions of concerts & movie series
 - Implementation of a sponsorship program
 - Assisting city with tourism and economic development related activity

Union City FY2013 Hotel Motel Fund Proposed Budget Major Revenue Categories



Union City FY2013 Hotel Motel Fund Proposed Budget Major Expenditure Categories

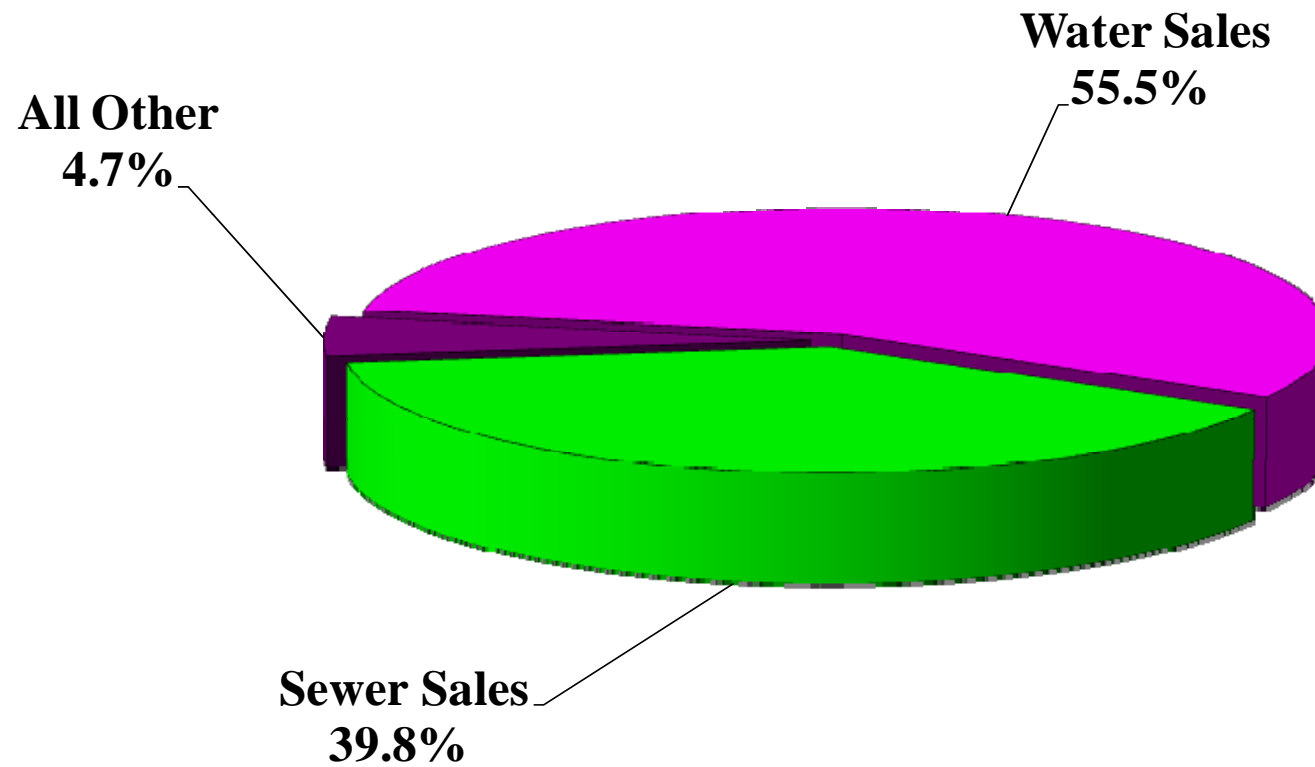
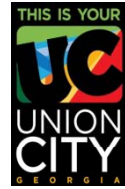




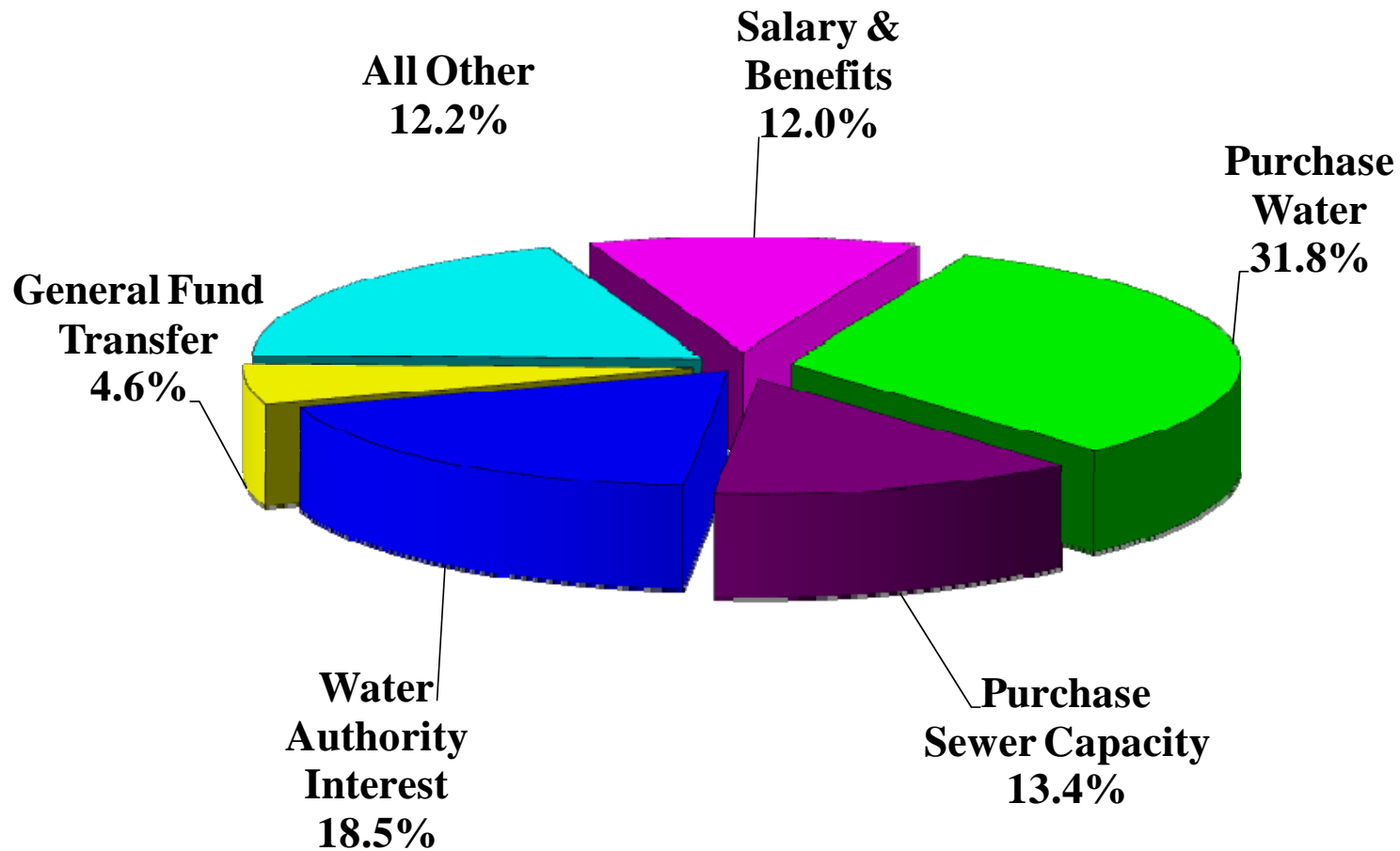
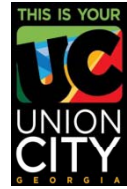
Water & Sewer Fund Budget Highlights

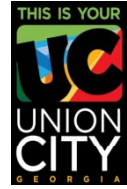
- Sustainability in future years may be an issue, primary drivers are:
 - Water purchased from City of Atlanta – budget \$2.5M
 - Sewer treated by Fulton County – budget \$1.05M (Contract still pending)
 - Pending water reservoir Debt service to Water Authority – budget \$1.45M
- No anticipated shortfall forecasted.
- No major business development incorporated in budget.
- Revenues reflects impact of a fundamental reduction of water consumption.
- Ending Fund Balance is estimated to be less than 3%.
- Future water & sewer rates may need to be adjusted depending upon the primary drivers referenced above.

Union City FY2013 Water & Sewer Service Fund Proposed Budget Major Revenue Categories



Union City FY2013 Water & Sewer Fund Proposed Budget Major Expenditure Categories

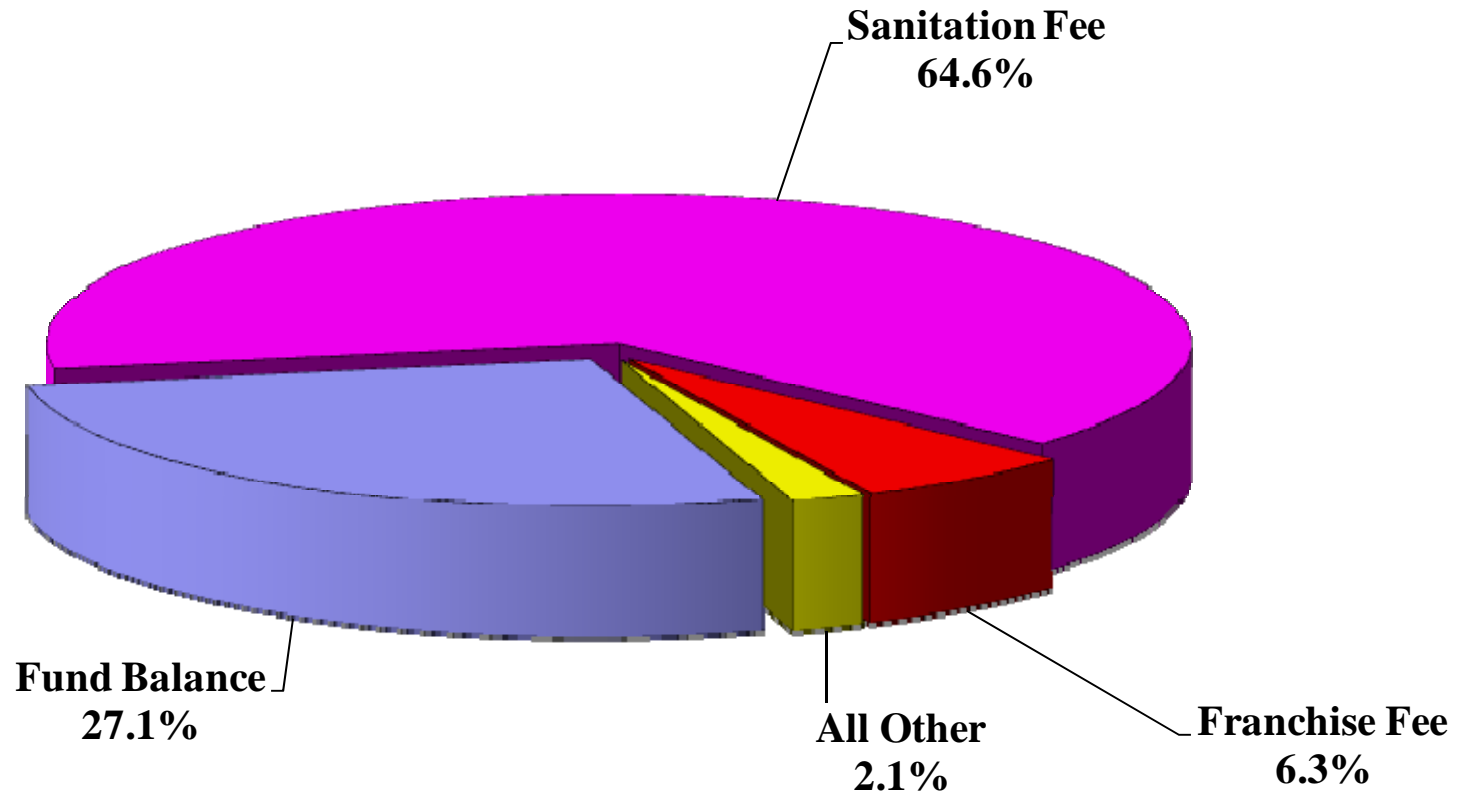
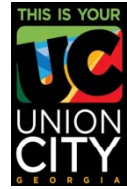




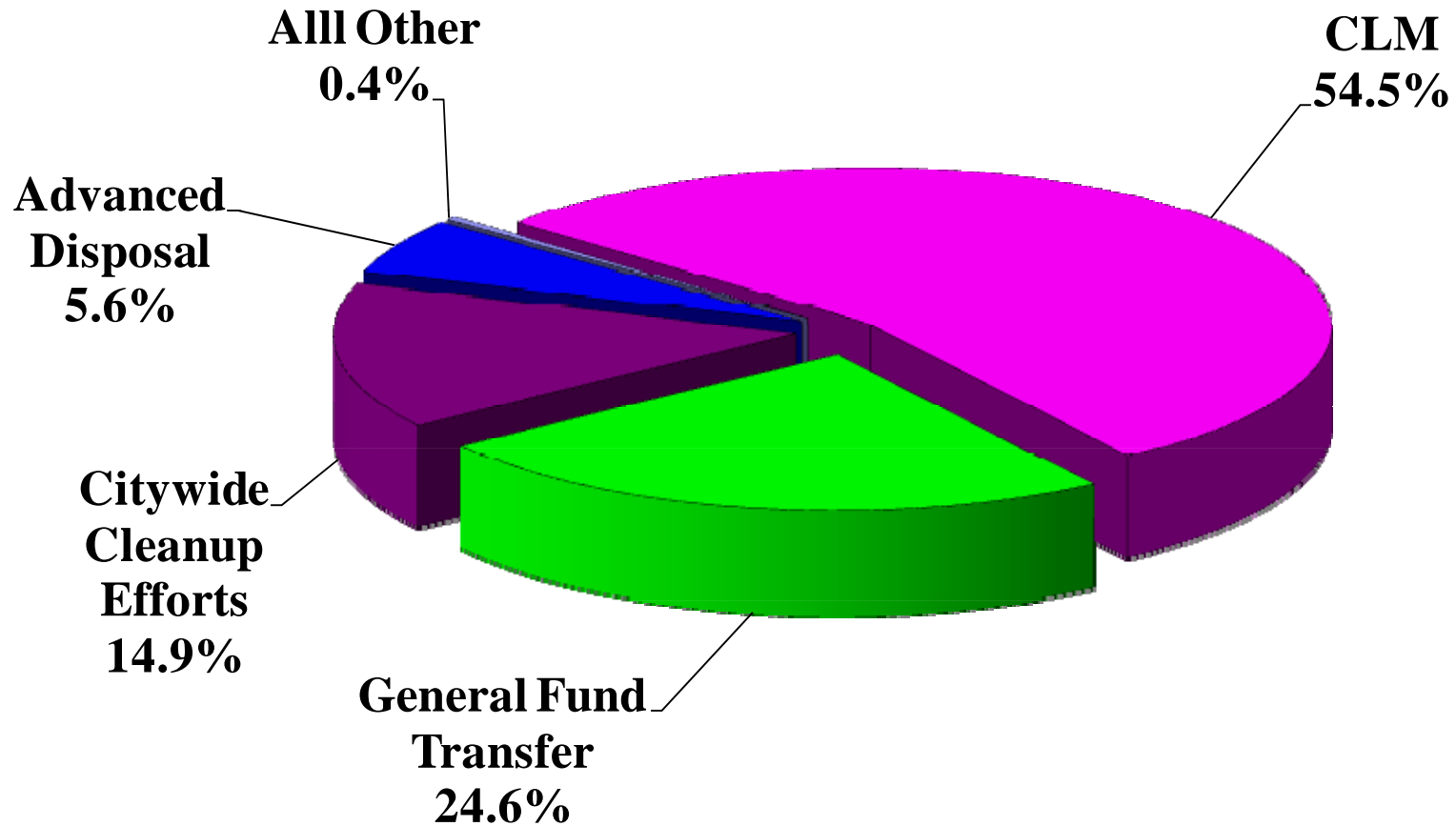
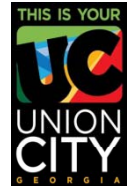
Sanitation Fund Budget Highlights

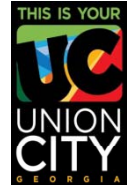
- Sanitation continues to operate as expected without operational concerns or challenges.
- Advanced Disposal and CLM continue to substantiate their commitment in our public/private partnership with tangible benefits to the business community and our tourism events.
- Franchise fee and billing spin-off with Advanced Disposal is fully operational and functioning as intended.
- Fund balance remains healthy.
- Program enhancements include:
 - Stormwater budgetary items - redirected to new Stormwater Utility Fund
 - Enhanced Street Sweeping services
 - Clean & Lien, stormwater clean-up, demolition and citywide clean-up program all funded in this fund

Union City FY2013 Sanitation Fund Proposed Budget Major Revenue Categories



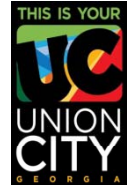
Union City FY2013 Sanitation Fund Proposed Budget Major Expenditure Categories





Stormwater Utility Budget Highlights

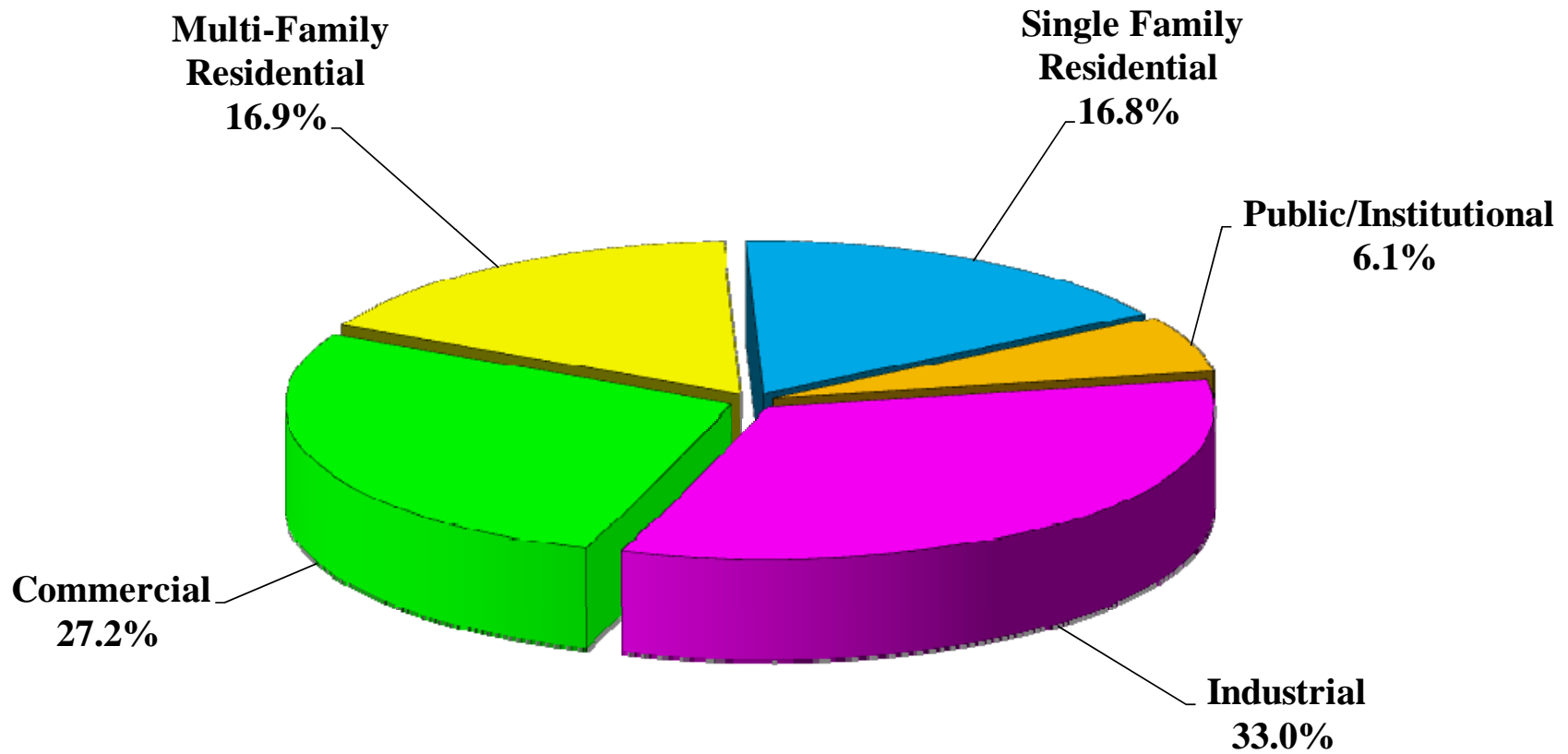
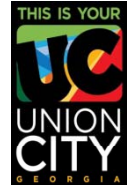
- Federal Storm Water requires local governments to develop Storm Water Management Programs – the following ordinances and policies supports this mandated requirements:
 - Adopted Stormwater Management Ordinance; Soil Erosion and Sedimentation Control Ordinance; Post-Development Stormwater for New Developments and Redevelopment; Floodplain Management/Flood Damage Prevention; Illicit Discharge and Illegal Connection; Litter Control; Stream Buffer Protection and on site inspections.
- Stormwater Utility provides the mechanism to fund the administration of these ordinances and policies as well as stormwater infrastructure improvements.
- Stormwater utility user fee is a monthly fee proportional to the amount of impervious area compared to an ERU (Equivalent Residential Unit).



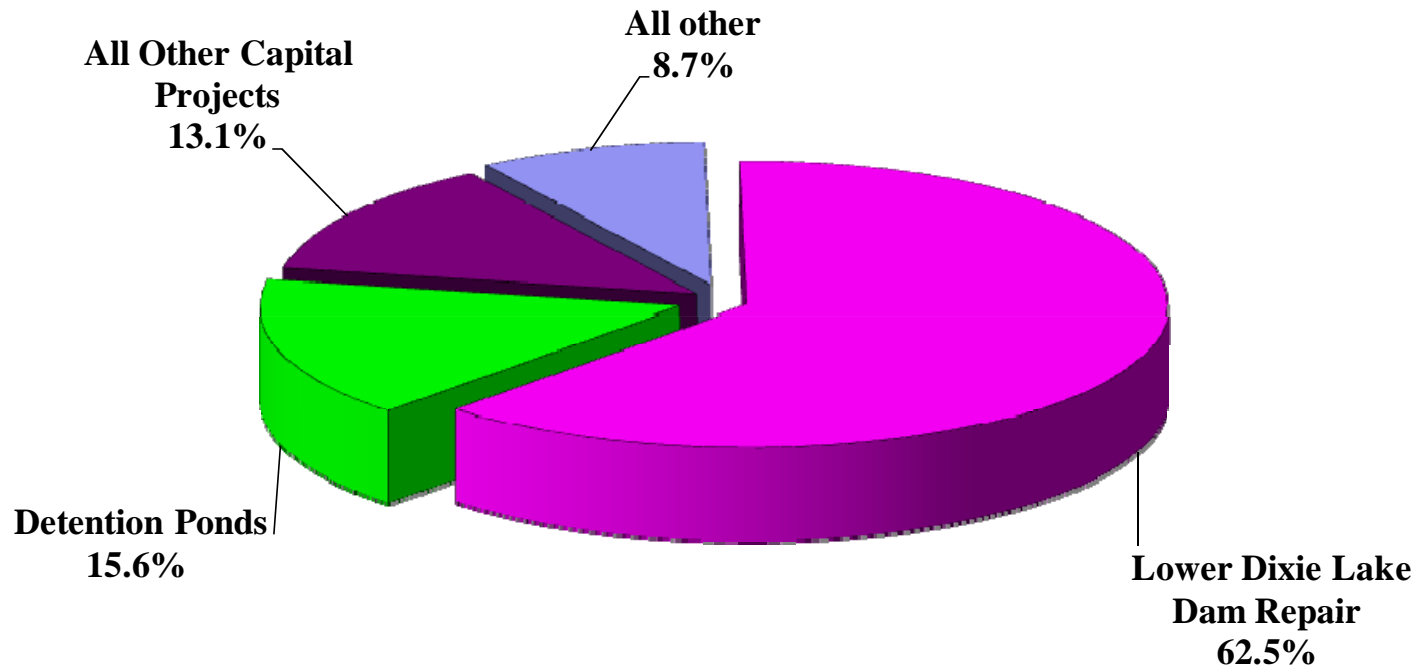
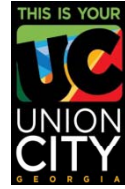
Stormwater Utility Budget Highlights

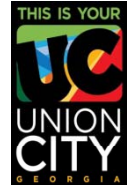
- The average impervious area for Union City residential districts is 2,800 square feet and includes house area, driveway, sidewalks and patios.
 - Residential single family dwellings will be billed one ERU regardless of lot size or house size.
 - Multifamily developments will be billed as multiples of ERU based on the number of units or amount of impervious area.
 - Commercial and Industrial entities will be bill as multiples of ERU based on impervious area.
- Proposed capital improvement projects include:
 - Restoration of Lower Dixie Lake Dam,
 - Repair and restoration of Retention Ponds,
 - Stormwater related capital improvements – such as Culvert Replacements, Storm Drain Replacements, Area Drains, Catch-basins, Flared End Sections, Headwalls, and Junction Boxes.

Union City FY2013 Stormwater Utility Fund Proposed Budget Major Revenue Categories



Union City FY2013 Stormwater Utility Fund Proposed Budget Major Expenditure Categories

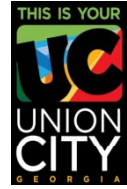




FY2013 Restricted Fund Budget Summary

Confiscated Assets Fund (210) – Restricted special purpose funds reflecting forfeitures from the sale of seized property as a result of drug-related arrests. Funds are for expenses over and above existing police services operations.

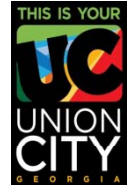
State Grant Funds (230) - Funds awarded by the State of Georgia for a particular use as specified in the grant application and award. Funds typically represent a program, service, or small operating-type of purchase by department. LMIG (Local Maintenance & Improvement Grant) for street repaving projects is an example of an initiative supported via this fund.



FY2013 Restricted Fund Budget Summary

Federal Grants Fund (240) - Funds awarded from the Federal government for a particular use as specified in the grant application and award.

- i. COPS Grant – Covers 100% of salaries and benefits for three full-time police officers for three years.
- ii. ARC LCI Grant – Supplemental study of the Mall and surrounding property.
- iii. DNR Trail Grant – Creation of new trail system around old Dixie Lake or Highway 29 Ball-fields. (TBD)
- iv. BJA Grant – Supports the purchase of police bullet proof vests that are utilized for community policing.
- v. AFG Grant - Fireman equipment reimbursement grant.

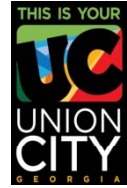


FY2013 Restricted Fund Budget Summary

ARRA Federal Grants Fund (246) - Funds awarded from the Federal government for a particular use as specified in the grant application and award.

- i. ARRA JAG Grant – Supports the purchase of police vehicles that are utilized for community policing.

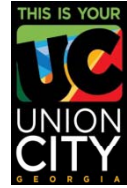
Multiple Grants Fund (254) - Funds awarded from various contributions and donations received from individuals, businesses, and philanthropic organizations, for both restricted and unrestricted purposes and is deposited into the applicable department.



FY2013 Restricted Fund Budget Summary

Vehicle Rental Excise Tax Fund (255) – Special tax assessed on rental vehicles for the purpose of maintaining roads and related infrastructure throughout the city.

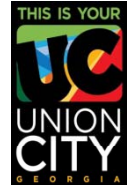
Inmate Welfare Fund (287) - Restricted special purpose funds dedicated to provide monies to benefit the general inmate population and enhance inmate activities and programs, including education programs.



FY2013 Restricted Fund Budget Summary

Tax Allocation District Fund (291) – Tax allocation district supports construction of the infrastructure necessary to make an underutilized area attractive to development. The TAD captures the incremental financing of real estate improvements to pay the present cost of street, greenway trail, lighting etc improvements. (Shannon Parkway)

CDBG (Community Development Block Grant) Fund (345) – Restricted special purpose funds from HUD dedicated to providing affordable housing, eliminating community blight, and establishing critical services for low-moderate income residents. (Highway 29 Ball-fields)

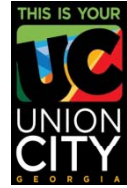


FY2013 Restricted Fund Budget Summary

Capital Improvement Program Fund (310) – Residual 2006 General Obligation Bond proceeds for street related projects and Fire Station #3. Remaining streets funding is allocated based upon the street rating and condition.

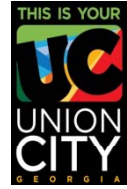
Capital TE (Transportation Enhancement) Program Fund (343) – Federal TE Projects requiring multiple years and local matching to implement. (Detailed Later)

Capital Improvement Program Fund (350) – Residual General Fund Capital projects. Primarily MJCC Renovation, MARTA, E911 Enhancements, PCID Oakley Road contribution and Park improvements.



FY2013 Restricted Fund Budget Summary

**2006 GO (General Obligation) Debt Service Fund (410);
2010 GO (General Obligation) Debt Service Fund (419);
2010 COPS (Certificate of Participation) Debt Service
Fund (420)** – Funds designated for the purpose of recording principle and interest debt service payments funding from General Fund and Jail Authority debt service allocations.



Capital Budget Highlights (Fund 310 & 350)

- Bond Fund 310 (Residual 2006 General Obligation Bond proceeds)
 - Proceeds for street related projects and Fire Station #3.
 - Fire Station #3 is complete and fully operational.
 - Remaining streets funding is allocated based upon the street rating and condition.
 - Ronald Bridges Park including parking, drainage, utility, sidewalk and grading improvements substantially completed.
 - The bond program should be substantially complete by the end of the FY2013 budget year.

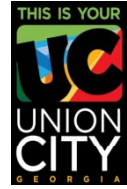
- Capital Fund 350 (Carryover funds for multiyear capital projects)
 - The capital program should be substantially complete by the end of the FY2013 budget year with the exception of residual MJCC Renovation.



Capital Budget –Project Listings (Fund 310 & 350)

Fund 310 Bond - Project Name	FY2013 Proposed Budget
Fire Equipment	\$76,500
Fire Station Renovation	\$7,500
Sewer Line/Sink Hole Repairs	\$71,155
College Street	\$84,485
Baker Street	\$94,490
Dodson Road	\$259,490
Dixie Lake Road	\$139,083
Forrest Avenue	\$180,810
Simpson Avenue	\$38,680
Union Street	\$89,420
Stonewall Tell Turn Lane (GDOT)	\$5,300
Contingency	\$50,165
TOTALS	\$1,097,078

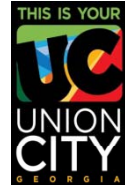
Fund 350 Capital - Project Name	FY2013 Proposed Budget
E911 System	\$164,753
MJCC Renovation	\$866,741
MARTA Improvements	\$340,579
Oakley Road (PCID IGA ROW)	\$87,500
Land Acquisition-Marguis Field	\$25,303
Ronald Bridges Improvements	\$75,000
Etris Renovation	\$10,000
BigBelly Solar Project	\$30,000
Highway 29 Ball-Fields	\$75,000
Contingency	\$34,156
TOTALS	\$1,709,032



TE Capital Projects - Budget Highlights (Fund 343)

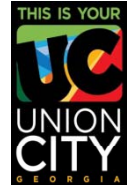
- High Point Pedestrian Bridge – Building a pedestrian bridge on Highpoint Road to allow for passage between a local neighborhood and Liberty Point Elementary School.
 - Project underway – Clark Patterson Lee consultant firm
 - Acquiring right-of-way two parcels – awaiting ROW Certification letter
 - Environmental complete and awaiting utility certification
 - CST FY 2012

- Pedestrian Sidewalk Phase I – SR 138 from Gresham to Highway 29; Highway 29 from SR 138 to Dixie Lake Road and Pedestrian Sidewalk at Lester Road by Christian City.
 - Project underway – SEI consultant firm
 - Concept approved working on survey and environmental.
 - Let schedule, December 2013
 - CST FY 2013



TE and CMAQ Capital - Budget Highlights (Fund 343)

- Shannon Parkway CMAQ Project – Proposed project consists of approximately 1.5 miles of sidewalk and replacement of corrugated metal pipe with concrete pipe under sidewalk and improving intersection cross-walks.
 - Project underway – POND consultant firm
 - Working Preliminary plans and environmental
 - Let schedule, August 2013
 - CST FY 2014
- Pedestrian Sidewalk Phase II – Dodson Road, College Street, Baker Street, Goodson Street and Union Street sidewalk project.
 - Project underway – Griffin & Davis consultant firm
 - Eliminated sidewalks along Gresham Street per homeowner request
 - Eliminated sidewalks along Park Street & Jackson Street because they're dead-ends and along Church Street
 - Requested design variance eliminate landscape strip – reduce ROW cost
 - Environmental re-evaluation due to aged plans



TE and CMAQ Capital - Budget Highlights (Fund 343)

- Buffington Road – Road improvements and bridge replacement.
 - ROW and hydraulic study underway
 - Let schedule, February 2013
 - CST FY 2013

- Oakley Industrial Boulevard – PCID Arterial Collector Upgrade
 - Upgrade 1.69 miles of Oakley Industrial Boulevard between Fayetteville Road and Jonesboro Road/State Road 138 by widening the existing two lane road to three lanes, with two twelve-foot travel lanes and a fourteen-foot center two-way left turn lane, in addition to shoulder and sidewalk improvements.
 - ROW and Utility certification – Pending final approval
 - Project underway – Fairburn providing over-sight per SFCID
 - Let schedule, FY2013



TE Capital - Budget Highlights (Fund 343)

- Pedestrian Sidewalk Phase III – Various sidewalk projects
 - Lower Dixie Lake Road - US 29 to Park Avenue, Oakley Road - Flat Shoals to Shannon Blvd, Shannon Blvd - Shannon Parkway to Oakley Road, Lakeside Drive - Stonewall Drive to Alexander Avenue, Buffington Road - Carriage Lane south to existing sidewalk and Highway 92 - US 29 to South Fulton Parkway sidewalk project.
 - Project VE to GDOT Approval
 - Advertising RFP – August 2012
 - CST FY 2014
- Trails Grant – Developing a recreational trail system adjacent to the Etris Building at Ronald Bridges Park that connects Ronald Bridges Park Phase I to Phase II.
 - Project underway – AEC consultant firm
 - Final plans approved with RFP being released this week
 - CST FY 2012



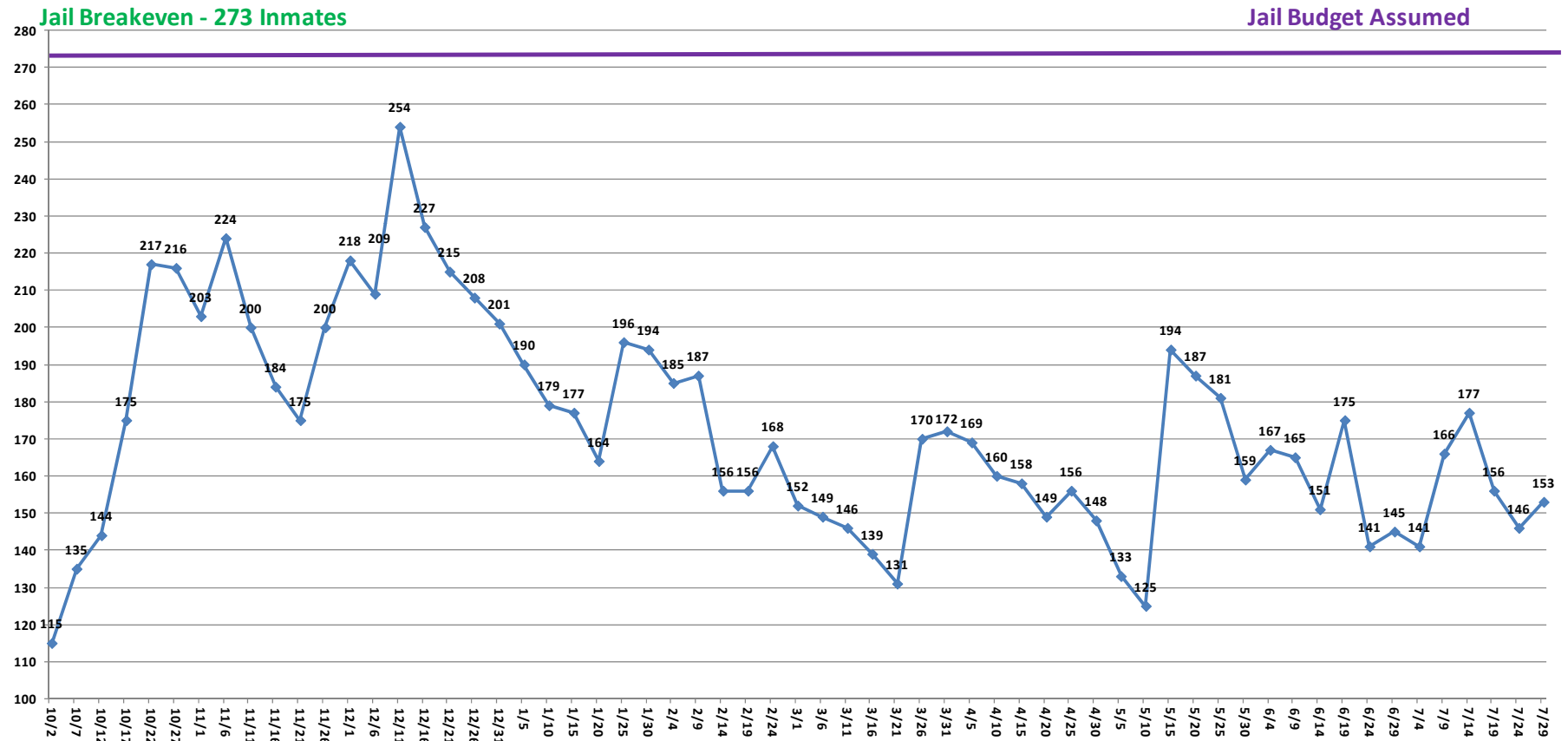
Jail Authority & Correction Budgets

- Jail Authority budget consists primarily of the following two line items account for 95.2% of their budget :
 - Jail Management Contract = Correctional Services Budget \$3,421,468
 - Debt Service payments \$601,500
 - 2008 Revenue Bonds

- The Corrections budget consists primarily of the following three line items account for 95.9% of their budget :
 - Salaries & Benefits \$2,449,457
 - Professional Services & Utilities \$916,685
 - Jail Medical Services
 - Food Services (feed inmates)
 - Utilities



Jail Authority Population Trend



Operating & Selling Impediments

- Outstanding General Fund loan to Jail Authority of \$3,010,691 over the past two years.
- Combined Operating losses of Jail Authority and Corrections of \$2,034,557 over the past two years.
- Revenue Bond provision contain a “Make Whole Provision” of \$1,188,200 – bank will not waive.
- COPS (Certificate of Participation) for Police and Court facility/equipment is included in outstanding debt.
- Fulton County and City of Atlanta not ready to make a decision in foreseeable future.

Limited Options and Outcomes

■ Option #1 – Close Jail

- Fifty (50) Union City Correction employees lose their jobs;
- Creates outsourcing issue for where Police take Union City Inmates for jail purposes;
- Doesn't resolve debt outstanding or the \$1.5M of debt service requiring to be paid next year.

■ Option #2 – Sell Jail

- Impediments to selling remain as outlined earlier.

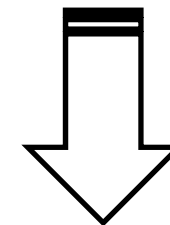
■ Option #3 – Operate Jail (Refund & Refinance Balance Sheet)

- Union City would retain ownership and still seek same solutions as outlined for the past two budget cycles;
- “True Up” loans, shortfalls and lower threshold required to keep facility at a “breakeven” position.

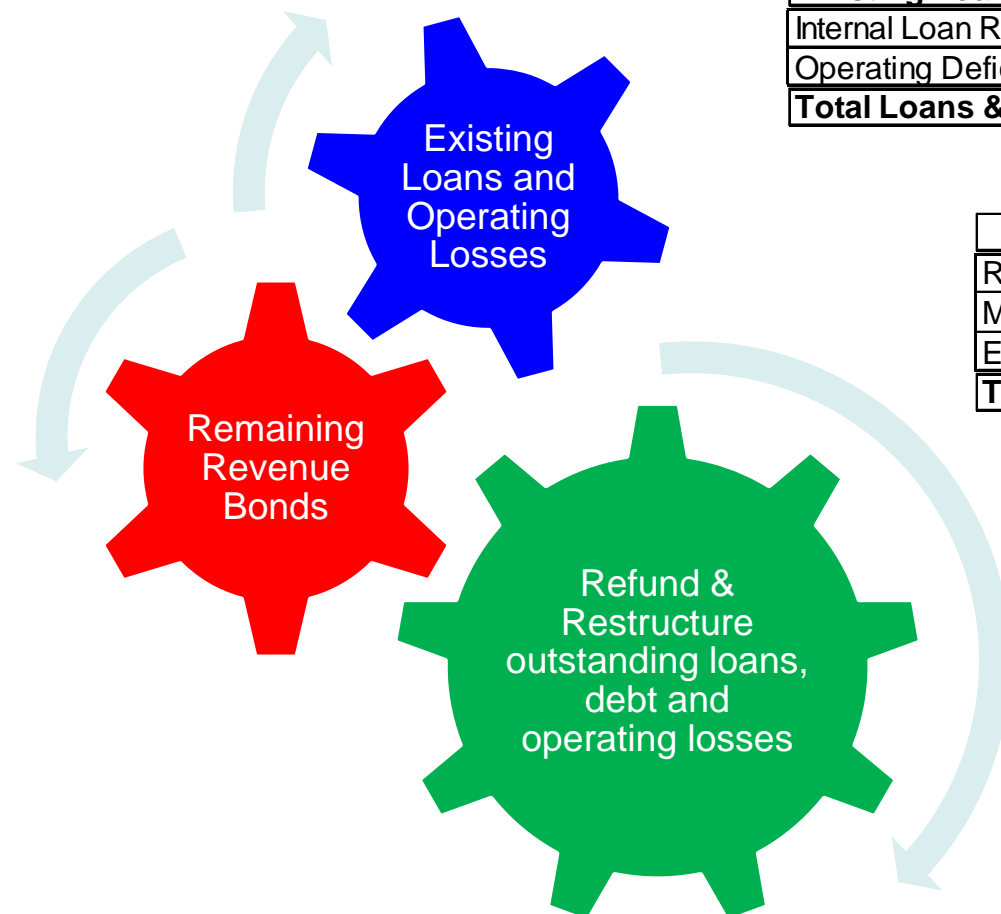
Proposed Solution – Option #3

Existing Loans & Operating Losses	Budget
Internal Loan Repayment	\$3,010,691
Operating Deficits	\$2,061,375
Total Loans & Operating Losses	\$5,072,066

Remaining Revenue Bonds	Budget
Refund Revenue Bonds	\$6,873,903
Make Whole Provision	\$1,188,200
Estimated Closing Costs	\$235,831
Total Revenue Bonds	\$8,297,934

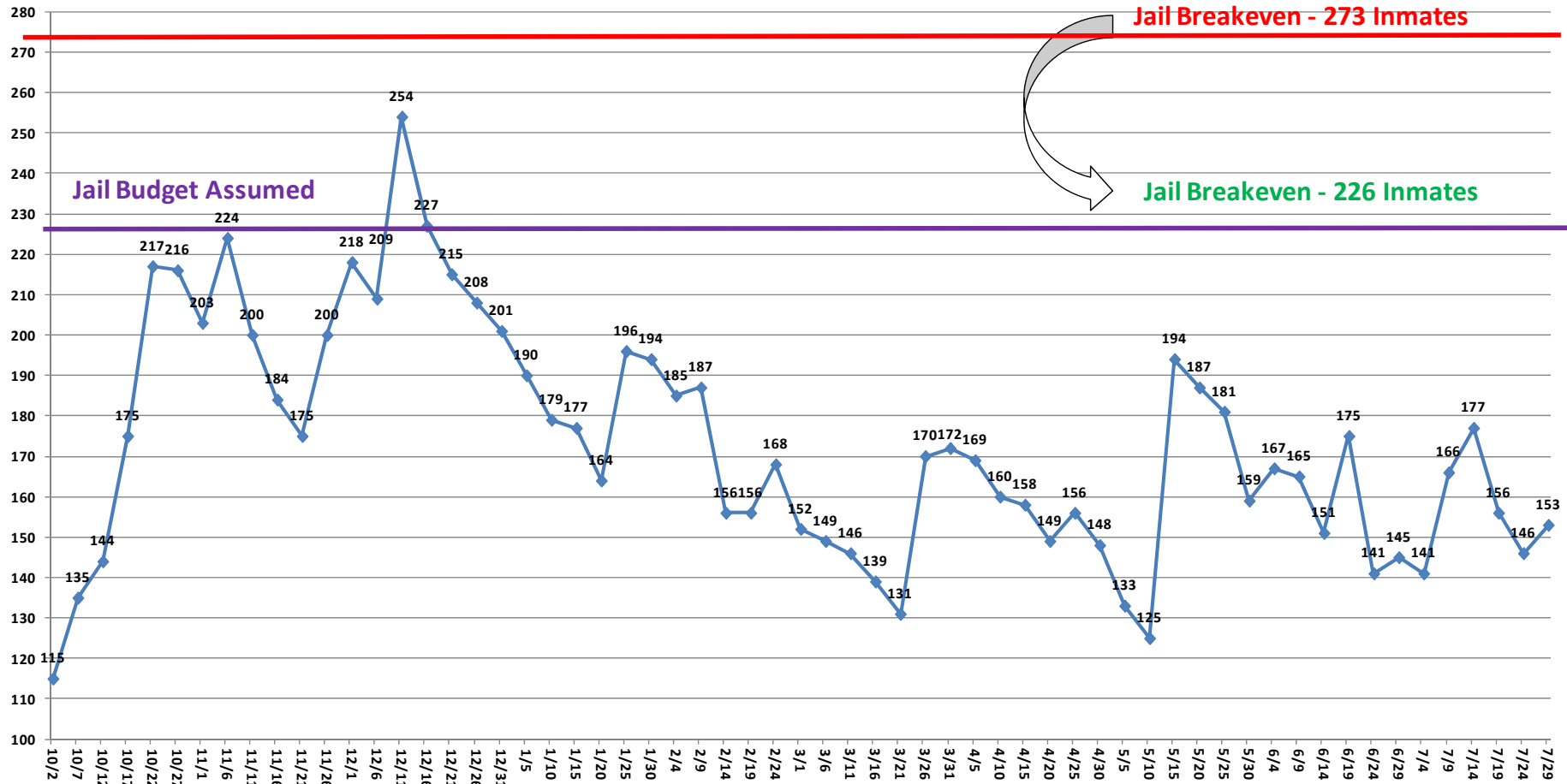


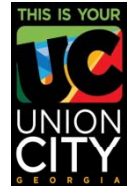
Total Refund & Refinancing
\$13,370,000





Jail Authority Population Trend

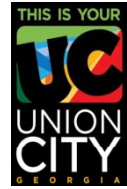


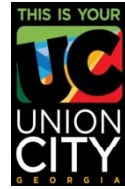


Additional Jail Operations Recommendations

- In tandem with implementing Option #3 the following actions would be implemented as part of the proposed budget:
 - Renegotiation of the existing Medical Service Contract staffing and hours of operation achieving a (\$263,815), or -52.6% reduction.
 - Redirecting \$389,000 COPS debt service from Jail Authority to the General Fund. (Police & Court)
 - Remain at minimum jail staffing and operations until we have obtained the needed inmates – currently there are eight (8) jail positions vacant.
 - Aggressively pursue long-term housing with all other jurisdictions.
 - Continue discussions to sell the jail but without the previous impediments on the table.

Jail Solution - Option #4

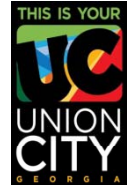




Budget Summary for FY2013

- Budget calls for no property tax increase.
- Budget reductions do not impact existing service delivery
- Budget reflects a fundamental correction to balance current year revenues with current year expenses.
- Budget continues emphasis of Community Appearance:
 - a. Leveraging the community service program with existing public services staffing to combat litter and graffiti;
 - b. Code Enforcement Clean & Lien program & citywide Clean-ups;
 - c. Enhancing the Street Sweeping program;
- Budget continues to leverage the efficiencies of the public-private partnership model with outsourcing information technology, human resources, sanitation, jail services and Community Dev. services.
- Budget provides breathing room for achieving a long-term solution for jail operations while paying back loans and resolving shortfalls.

Thank you for your attention



This Is Your Union City