

MINUTES
UNION CITY COUNCIL
BUDGET PRESENTATION
MONDAY, AUGUST 12, 2014
5:30 P.M.

Present: Mayor Pro-Tem Brian Jones, Councilmembers Angelette Mealing, Shayla Nealy and Joyce Robinson, City Manager Sonja Fillingame and City Clerk Jacqueline R. Cossey

Absent: Mayor Vince Williams and Assistant City Clerk Ricky Clark

The meeting was called to order at approximately 5:35 p.m. by Mayor Pro-Tem Jones.

At this time Mayor Pro-Tem Jones turned the meeting over to Finance Director Tarsha Calloway.

1. 2015 Fiscal Year Budget Presentation to the Mayor and Council.

Mrs. Calloway led this discussion and presented the Council with the following information:

Property Tax and Budget Calendar

Departmental Budget Review (July)

Budget Book Available to Public and Council (August 5th)

City Council Budget Presentation (August 12th @ 5:30 p.m.)

Budget Public Hearing (August 12th @ 6:30 p.m.)

Public Meeting, Adoption of Millage Rate and Budget (August 19th @ 7:00 p.m.)

How Will Union City Ensure a Sound Future?

Continue to follow financial best practices and utilize innovative financial strategies
Continue developing as an evolving hub and destination for business, residential investment and tourism

Maximize business incentives (Opportunity Zone and Foreign Trade Zone)

Maximize location and proximity to downtown Atlanta and Hartsfield Atlanta Jackson Airport

Property Taxes

The past six year have resulted in a decrease in property values:

2008 net tax digest (722,672,920)

2014 anticipated net tax digest (500,148,863)

Computation of Millage Rate Rollback & Percentage Increase in Property Taxes for 2014

Description

Real

Personal

Motor Vehicles

Mobile Homes
 Timer – 100%
 Heavy Duty Equip
 Gross Digest
 Exemptions
 Net Digest
 FLPA Reimbursement Value
 Adjusted NET Digest
 2013 Millage Rate
 2013 Net Digest
 Net Value Added-Reassessment of Existing Real Property
 Other Net Changes to Taxable Digest
 2014 Net Digest
 2013 Millage Rate
 Millage Equivalent of Reassessed Value Added
 Rollback Millage Rate for 2010

Where Do My Tax Dollars Go?

Fulton County General
 Fulton County Bond
 Fulton County School General
 Fulton County School Bond
 State of Georgia
 Union City Bond
 Union City General

Where Do My Tax Dollars Go?

Union City, 39.35%
 Fulton County, 15.45%
 State, 0.36%
 Fulton County Schools, 44.84%

How Are Taxes Computed?

Assessed Value	100,000
Homestead Exemption	-30,000
Assessed Value	70,000
Assessed Value	70,000
X 40%	0.40
Taxable Value	28,000
Taxable Value	28,000
X Millage Rate	0.015692
City Property Taxes	\$439.38

FY 2015 Budget Highlights

Employment and Position Control

General Fund

Total Full-Time Employee Count: 170 Total: 159 Full-Time, 11 Part-Time
(COPS Grant ends August 31, 2014)

Additions: 2-Fire Fighter/EMTs due to staffing requirements
1-Parks and Rec (conversion of existing Part-Time to Full-Time)

Employment and Position Control

E911

Total Full-Time Employee Count: 12 Total; 10 Full-Time, 2 Part-Time

No Proposed Changes

Water & Sewer Fund

Total Full-Time Employee Count: 13 Total: 13 Full-Time, 0 Part-Time

Elimination: 1 – Utility Billing Manager
1 – Assistant Public Services Director

Corrections Fund

Total Full-Time Employee Count: 1 Total: 1 Full-Time, 0 Part-Time

No Proposed Changes

Employee Benefits

Blue Cross Blue Shield Increase

Define Benefit Contributions

Proposed Amount approved by Plan and will not put plan in jeopardy

Employee Benefits

FlexHR EmployeeUniverse (City Employee Self-Service Website) to assist 24/7 with any questions regarding benefits, pay, policies, and procedures

Enrolled employees electronically using Employee Navigator to ensure employee benefit selections are accurate (Ascension)

Continued Preventive Care and Non-Tobacco User Discounts

Additional Items

E911 Upgrade

Phased approach to replacing XP computers (No longer supported by Microsoft in 2014)

Salary adjustment patrol officers and master patrol officers

Renewed lease agreement with Fulton County (Jail Operations)

Continue Internship Program

Public Arts Funding

Code Enforcement Clean & Lien

Change Millage Rate to Rollup Rate (15.598 to 15.692) to recapture the declining digest

Councilmember Robinson expressed concerns with paid interns as we are experiencing budget restraints.

Councilmember Mealing stated that she did not have an issue with it because it is a way the City gives by to the youth in the community.

Councilmember Robinson stated that she does not have a problem with the program, but she does take issue with the pay.

Finance Director Calloway stated that the entire amount allocated for the internship program is \$7,500.

Councilmember Nealy stated that she does not have a problem with the interns being paid as they are making minimum wage.

Mayor Pro-Tem Jones stated that he was inclined to agree with Councilmember Robinson due to the fact that we have lost employees.

Councilmember Robinson stated that she would just like for the Council to take this under advisement.

FY 2015 Framework

Balance Budget Based on Prior Year Revenue Trends

Limit Discretionary Spending

Reduction through Attrition

Increase Fund Balance

Proposed Budgets

Fund 100 General Fund

Anticipated Revenues/Description

Real/Personal Property Tax

Water & Sewer Transfer

Sanitation Fund Transfer

Stormwater Fund Transfer

Hotel/Motel Fund Transfer

Motor Vehicle Fund Transfer

Local Options Sales Tax

Fines & Forfeitures

Business & Occupational Tax

Franchise Fee

Insurance Premium Tax

All Other

Fund Balance

Major Revenue Categories

Real /Personal Property Tax, 38%

Transfer In, 3%

Local Option Sales Tax, 26%

Fines & Forfeitures, 6%

Business & Occupational Tax, 5%
Franchise Fees, 7%
All Other, 9%

Anticipated Expenditures

City Council
City Manager
General Operations
Finance
Legal Services
Human Resources
Facilities and Buildings
City Clerk
Municipal Court
Police
Fire Department
Public Services
Recreation
Community Development
Contingency
Other Financing Uses

Major Expenditure Categories

Personnel Services & Benefits, 59%
Operating Transfers, 6%
Debt Service, Capital & Insurance, 18%
Professional & Contractual Services, 7%
Utilities & Gasoline, 4%
All Other, 6%

Personnel and Benefits

City Salaries, 67%
Other Salaries, 2%
Pension, 10%
Health, 13%
Social Security, 4%
All Other Benefits, 4%

Fund 210/Restricted

Anticipated Revenues

Interest Income
Seized Funds
Budgeted Fund Balance

Anticipated Expenditures

Police

Fund 215/E911 Fund

Anticipated Revenues

E-911 Surcharge Cell Phones

E-911 Surcharge Land Line

Wireless Cell Tower

General Fund Transfer In

Budgeted Fund Balance

Anticipated Expenditures

Police

Fund Balance

Fund 215/Revenue

E-911 Surcharge Cell Phones, 23.8%

E-911 Surcharge Land Line, 18.1%

Wireless Cell Tower, 2.1%

General Fund Transfer In, 57.4%

Expenditures

Salary & Benefits, 79.8%

E-911 Wireless recovery, 16.2%

All Other, 4.0%

Fund 230/State Grant Fund

Anticipated Revenues

Gate Way Grant

LMIG Grant

Transfer In

Budgeted Fund Balance

Anticipated Expenditures

General Operating

Fund Balance Analysis

Fund 240/Federal Grant Fund

Anticipated Revenues

Fire Grant

Police – Highway Safety Grant

BJA Bulletproof Vest Grant

JAG Grant

JAG Grant - Mobile Video

AFG Grant

COPS Grant

ARC – LCI Grant

HEAT Grant

Fire Prevention Grant

Transfer In General

Transfer In Seized

Interest Income

Budgeted Fund Balance
Anticipated Expenditures
General Operating
Fund Balance Analysis

Fund 254/Multiple Grants Fund

Anticipated Revenues
Fire Misc. Donations
Police Misc. Donations
Recreation Misc. Donations
KaBoom Grant
GIRMA Safety Grant
GIRMA Workers Comp Grant
Georgia Power Rebate Grant
Transfer In General
Budgeted Fund Balance
Anticipated Expenditures
General Operating
Fund Balance Analysis

Fund 255/Motor Vehicle

Anticipated Revenues
Motor Vehicle Taxes
Budgeted Fund Balance
Anticipated Expenditures
Fund Balance Analysis

Fund 275/Hotel/Motel Forecast

Anticipated Revenues
Hotel Motel Taxes
Sponsorship Donations
Budgeted Fund Balance
Anticipated Expenditures
Hotel Motel Expenditures
Fund Balance Analysis

Fund 291/Tax Allocation District

Anticipated Revenues
TAD Revenue
Interest Income
Budgeted Fund Balance
Anticipated Expenditures
291-TAD Fund
Fund Balance Analysis

Fund 310/2006 GO Bond Fund

Anticipated Revenues

Interest Earned
Transfer in GF
Fund Balance

Anticipated Expenditures

Fund Balance Analysis

Fund 343/Capital TE Grant Fund

Anticipated Revenues

Federal Grant
Transfer In General
Fund Balance

Anticipated Expenditures

Public Services
Fund Balance Analysis

Fund 343/Capital TE Grant Fund

Pedestrian Sidewalk Phase II
Project underway – SEI consultant firm
Let schedule, August 2015
CST FY 2016

Shannon Parkway CMAQ Project
Project underway – C&S Construction
Finance Finalizing Contract
CST FY 2015

Fund 343/Capital TE Grant Fund

Pedestrian Sidewalk Phase I
Project underway – Keck and Wood Engineering
Let schedule, Jan 2017
CST FY 2017

Pedestrian Sidewalk Phase III
Project underway – Keck and Wood Consultant Firm
Let schedule, August 2015
CST FY2016

Fund 345/CDBG Fund

Anticipated Revenues

2013 CDBG Grant
2014 CDBG Grant
Transfer in General

Interest Income

Budgeted Fund Balance

Anticipated Expenditures

Public Services
Fund Balance Analysis

Fund 350/Capital Projects Fund

Anticipated Revenues

Interest Earned
MARTA Offset Allocation
Transfer In General
Land Proceeds
Insurance Settlement
MJCC Lease Proceeds
Budget Fund Balance

Anticipated Expenditures

Capital Projects
Fund Balance Analysis

Debt Service Funds

Designated for recording principle and interest debt service payments
Fund 410-2006 GO (General Obligation) Debt Service Fund – currently refinancing
Fund 419 - 210 GO (General Obligation) Debt Service Fund
Fund 420 – 210 COPS (Certificate of Participation) Debt Service Fund

Fund 505/Water & Sewer Fund

Anticipated Revenues

Service Charges
Penalty on late pay
Water Sales
Water Tap Fees
Water meter Sales
Sewer Sales
Sewer Tap Fees
Interest Income
Other Revenue
Sewer Connection Permits
Transfer in from General Fund
Fund Balance

Anticipated Expenditures

Public Service & Finance
Fund Balance Analysis

Fund 505/Water & Sewer Fund

Revenue

Water Sales, 54.3%
Sewer Sales, 39.2%
All Other, 6.5%

Fund 505/Water & Sewer Fund

Expenditures

Salary & Benefits, 11.4%
Purchase Water, 33.6%
Purchase Sewer Capacity, 16.2%
Water Authority Debt, 23.4%
General Fund Transfer, 0%
All Other, 15.4%

At this time Councilmember Robinson express that she was confused as to how fund 505 was not generating money as it should because she was sure that cut-offs were almost immediate if payments were not made timely.

Mrs. Calloway stated that there were other elements such as not collecting penalties and late fees, not collecting non-payment as well as people cutting locks off to resume their water services. She then informed the Council that she will be looking into contracting with a firm to collect on the non-payments accounts. She added that this should help this fund to begin to generate funds; however, if this does not work, she may come before the Council again with other alternatives.

Mayor Pro-tem Jones asked if the agreement with the collection firm would be to retain a percentage of what they collected.

Mrs. Calloway responded, "Yes".

Fund 506/Water & Sewer Capital Fund

Anticipated Revenues

Interest Earned
MARTA Offset Allocation
Transfer In General
Land Proceeds
Bond Proceeds
Budgeted Fund Balance

Anticipated Expenditures

Capital Projects
Fund Balance Analysis

Fund 540/Sanitation Fund

Anticipated Revenues

Sanitation Fee
Franchise Fee
Penalty Late Payment
All Other
Budgeted Fund Balance

Anticipated Expenditures

Sanitation

Fund Balance Analysis

Fund 555/Corrections Fund

Anticipated Revenues

Jail Management Contract
Transport of Inmate
Inmate Medical
Fingerprint Fees
Rent Revenue-Fulton County Jail
Interest
Transfer in Jail Authority
Fund Balance

Anticipated Expenditures

Corrections
Fund Balance Analysis

Fund 900/Jail Authority

Anticipated Revenues

Jail Agreement
Transfer in from Corrections
Budgeted Fund Balance

Anticipated Expenditures

Debt Service
Fund Balance Analysis

Fund 700/Storm Water Fund

Anticipated Revenues

Industrial
Commercial
Residential
Budgeted Fund Balance

Anticipated Expenditures

Capital Projects
Fund Balance Analysis

Budget Summary

No Property Tax Increase
Limited Personnel Changes
Emphasis on Community Appearance:

- Community Service Program with Public Services Staffing
- Code Enforcement Clean & Lien program & Citywide Clean-ups

On motion of Councilmember Mealing seconded by Councilmember Nealy and carried, the meeting was adjourned.