



**FY20 BUDGET REVIEW
WORK SESSION NOTES
OF THE MAYOR AND COUNCIL
CITY OF DULUTH, GA
MAY 6, 2019**

PRESENT: Mayor Harris, Council members Bomar, Carden, Jones, Kelkenberg, and Whitlock, City Manager, Department Directors, City Attorney

5:30 PM – Mayor Harris called the FY20 Budget Review to order.

City Manager Mr. Riker presented to the Council an overview of the proposed FY20 budget, highlighting revenues and expenditures of Department. Staff provided responses to Councilmember Jones’s budget questions.

Revenues:

1. Property tax revenue increased by \$750,000
2. Motor Vehicle Title Ad Valorem or TAVT revenue increase by \$400,000
3. The Insurance Premium Tax budget increased by \$130,000
4. Combined permit revenues, commercial and residential increased by \$50,000
5. Intergovernmental Revenue (SDS) decreased by \$323,110
6. Garbage Bag Rebate revenue decrease by \$197,000
7. Municipal Court Fine revenue increased by \$300,000
8. Investment Income (checking, CDs and Capital Reserve) increased by \$65,100
9. Transfer from Tax Allocation District (TAD Resolution #1 repayment) increased by \$71,800

Expenditures:

1. The draft budget includes an overall increase of \$196,054 in employer health insurance cost. Medical cost increased \$189,801 and dental increased by \$6,252.
2. The draft budget contemplates a 3% Merit for all full-time and permanent part-time (effective 7-1-2019).
3. The draft budget contemplates the implementation of the annual salary survey effective January 1, 2020.
4. Building and maintenance costs for the individual departments are now in the budgets for those departments (City Hall, Public Safety, and Parks & Recreation). No longer consolidated in the Public Works department budget.
5. Proposed personnel changes:
 - a. Converting 3 part-time Parks & Recreation Maintenance Worker positions into 1 fulltime position
 - b. Converting 1 part-time Administrative Assistant/Special Projects Coordinator position to fulltime
 - c. Adding 1 fulltime Camera Monitoring Technician position
 - d. Adding 1 fulltime Code Enforcement Officer position
6. The draft budget proposes the replacement of a Public Works crew cab truck. In the Planning Department, the replacement of the Building Inspectors truck, and the License Compliance Inspectors vehicle and a new truck for the Code Enforcement Officer. Total cost \$82,000.

FY2020 Proposed General Funds Budget:

Revenues	\$21,436,329
Expenditures	<u>22,406,144</u>
Reserves to Balance	\$ 969,815

FY2020 Capitol Reserves:

City Cash Reserves Deposits	\$15,325,382
Designated Reserves	\$ 1,234,620
Capital Reserve Fund	\$ 753,594
Four Months Operating Reserves	<u>\$ 7,468,715</u>
Funds to Balance Budget	\$ 969,815
Balance of Unobligated Reserves	<u>\$ 4,924,638</u>

Mr. Riker and Mr. Sakmar Highlighted Each Departmental Budget:

1. Mayor & Council – 10% budget increase
2. Boards & Committees – No change to budget
3. City Manager – 5% budget increase
4. City Clerk – 8% budget increase
5. General Government – 10% budget increase
6. Marketing/Public Information – 10% budget increase
7. Courts – 2% budget increase
8. Public Safety – 5% budget increase
9. Public Works – 7% budget increase
10. Parks & Recreation – 5% budget increase
11. Planning & Development – 9% budget increase
12. Economic Development – 6% budget increase

Other Departments:

1. Council and staff discussed the preparation of a list of maintenance and budget needs for the following locations.
 - a. Town Green
 - b. Cross walk at Hill St & W. Lawrenceville
 - c. Intersections with cross walks
 - d. Cross walk at the Post Office area
2. Council and staff discussed the improvement needs of Town Green.

Directives:

1. Staff directed to maintain stats on revenues/expenditures for all PIO events.
2. Council and staff discussed the contract renewal with EOP. Staff will revisit a strategy with the DDA before July 1st.
3. Council discussed with staff the need to schedule events in the FY20 budget to recognize Veteran's, examples are Memorial Day and Veterans Day. Following discussion the mayor and council directed the funds budgeted in the amount of \$10,500 be re-named Patriotic events and funds be used for events to recognize Veteran's on Memorial Day and Veterans Day.
4. Staff to prepare letters to be sent to the Principals in the Duluth Cluster when the annual payment is distributed.

Adjournment:

Mayor Harris adjourned the meeting at 8:15 p.m.