

Alpharetta

GEORGIA ♦ USA

Annual Operating & Capital Budget Budget Narrative

for Fiscal Year 2012

(July 1, 2011 through June 30, 2012)



City of Alpharetta, GA

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City Council



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City Council (Post 1)**
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**Arthur G. Letchas,
Mayor**
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**Mike Kennedy,
City Council (Post 2)**
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**Chris Owens,
City Council (Post 3)**
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**Cheryl Oakes,
City Council (Post 4)**
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**Jim Paine,
City Council (Post 5)**
jpaine@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.



**D.C. Aiken,
City Council (Post 6)**
dcaiken@alpharetta.ga.us

Vision

To maintain Alpharetta's Signature City reputation in the region, the Mayor and City Council have established the following strategic priorities to guide the long-term planning of our city. The City of Alpharetta is distinguished by the following characteristics.



Safe, Secure and Livable City for our Residents, Businesses and Visitors



Recreational, Educational and Cultural Opportunities for All Ages



Proactive, Environmentally Sensitive Community with a Focus on our Future



Responsive, Open Government to Meet the Needs of our Citizens and Stakeholders



Strong Economic Base to Minimize Taxes and Provide a Secure Future for our Families



Small Town Feel with a Historic Past



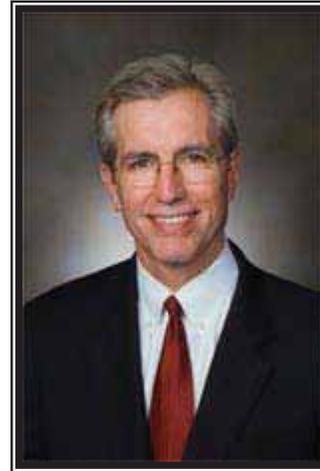
Strong Business Partnerships in a Corporate Campus Environment



Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail

The icons set forth above are used throughout the Fiscal Year 2012 Operating & Capital Budget Narrative to identify the link between the city's strategic priorities and the goals and objectives of our various programs/projects.

Executive Management Team



Bob Regus,
City Administrator
bregus@alpharetta.ga.us

Elected Official

Jim Matoney

Municipal Court Judge

Executive Staff

Randy Bundy

Director of Information Technology

James Drinkard

Assistant City Administrator and Acting
Director of Human Resources

Gary George

Director of Public Safety

Thomas G. Harris

Director of Finance

Carl S. Mays

Internal Auditor

Mike Perry

Director of Recreation and Parks

Sue Rainwater

City Clerk

Elizabeth Sahlin

Clerk of Courts

Pete Sewczwicz

Director of Engineering & Public Works

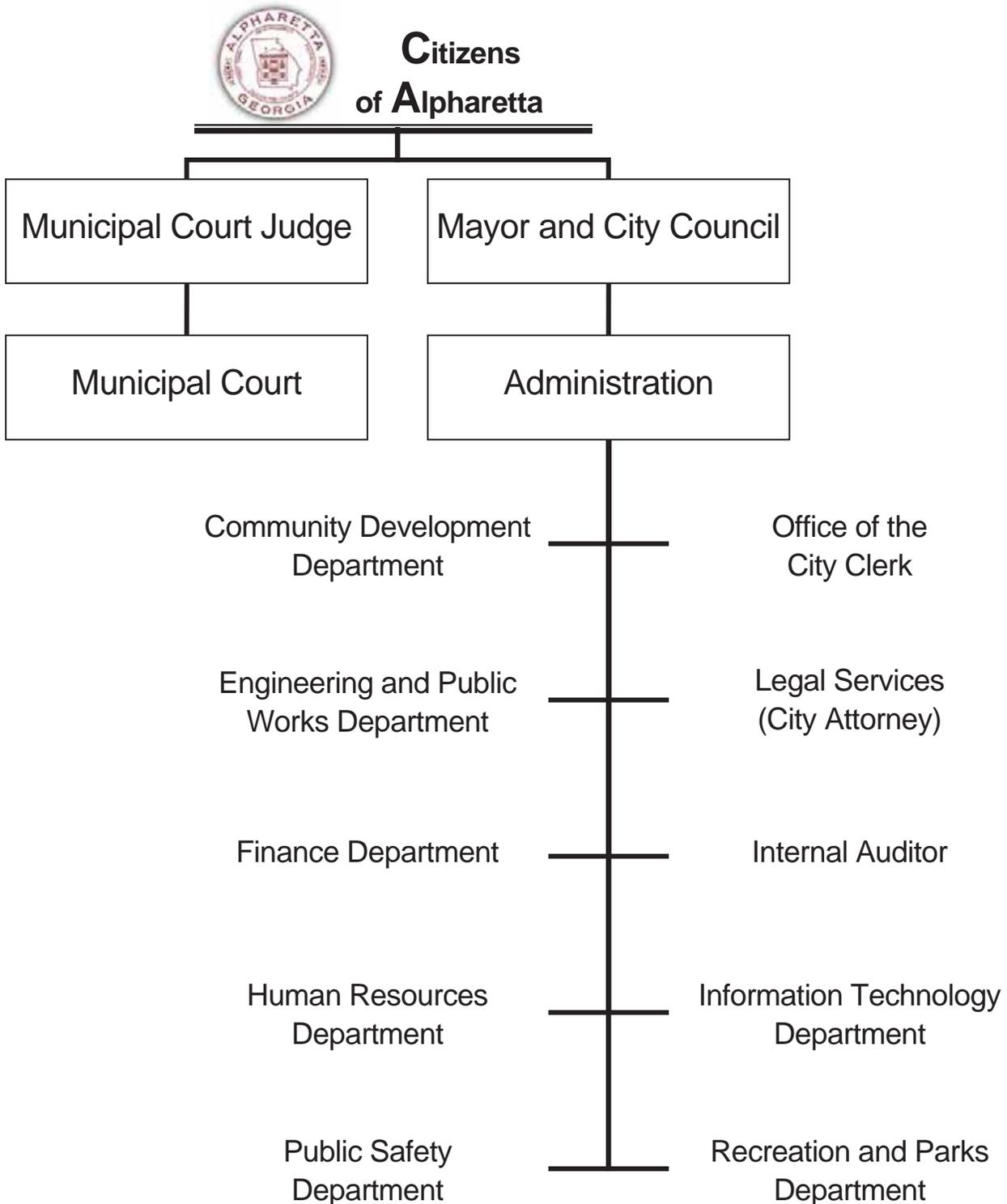
Sam Thomas

City Attorney

Diana Wheeler

Director of Community Development

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 2012 budget.

About Alpharetta

Brief history of our city and detail of our government structure, Mission, Vision, Core values, and 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 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.

Financial Summaries

Citywide Budget Summaries

Information on the overall (i.e. all appropriated funds) fiscal year 2012 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 2012 budget for the General Fund. Included are schedules that provide readers with revenue and expenditure summaries/narratives from several different perspectives including: fund summary; statement of budgetary comparisons (i.e. FY 2011 and FY 2012); statement of revenues, expenditures, and changes in fund balance (FY 2008 through the FY 2014 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 2012 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 2011 and FY 2012); and statements of revenues, expenditures, and changes in fund balance (FY 2008 through the FY 2014 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 strategic priorities; revenue and expenditure summary and fiscal year 2012 budget narrative; changes in personnel; and performance measurement.

Appendix

Community Profile

Demographic, economic, and statistical data of our city.

Glossary

Definition of the many terms used in city government (general) as well as the city's budget process (specific).

Acronyms/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
PS	Public Safety Department
PT	Part-Time
PY	Prior Year
R&M	Repair and Maintenance
R&R	Renewal & Replacement
SEC	Securities and Exchange Commission (Federal)
SWAT	Special Weapons and Tactics (team)
TV	Taxable Value



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, 2010. 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
Arthur G. Letchas

COUNCIL
D.C. Aiken
Douglas J. DeRito
Mike Kennedy
Cheryl Oakes
Chris Owens
Jim Paine

CITY ADMINISTRATOR
Robert Regus

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June 20, 2011

To the City Council and Citizens of Alpharetta:

We are pleased to present our Annual Operating and Capital Budget (narrative) for Fiscal Year 2012 (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.

The City of Alpharetta, like many cities in our region and throughout the United States, is facing fiscal challenges as a result of the recent national and global recession. The economic downturn includes challenges in the form of falling real estate values, reductions in investment values, limited consumer/business credit availability, job losses, etc.

All of these factors have combined to limit revenue growth and in many cases reduce revenues below prior year levels (e.g. property taxes, investment earnings, etc.). In addition to stagnant or falling revenues, certain costs such as fuel, utilities, and healthcare are rising significantly - for the most part outside of our control (see section entitled *Sustainability of Existing Services* for information on healthcare cost mitigation).

In light of the economic challenges and its impact on city resources, we have compiled a budget in line with our guiding principles that accomplishes the following:

- ✓ Tax-burden reductions for our homeowners and business owners including:
 - Maintenance of the city’s millage rate at 5.750 mills which represents a tax reduction for many property owners as the value of property within the city has declined; and

- Increase of the homestead exemption to \$40,000 which is estimated to save our homeowners \$260,000 annually in property taxes (see section entitled *Taxpayer Savings* for more information).
- ✓ Continuation of the same high service levels our citizenry and stakeholders deserve and have come to expect from our city; and
- ✓ Alignment of departmental operating budgets to the city's short-term revenue outlook while also covering the primary cost drivers (e.g. healthcare, city election, fuel, and utilities).

BUDGET PROCESS AND OVERVIEW

In response to the economic challenges, our businesses and citizens have tightened their budgets and are doing more with less; and so too has the City of Alpharetta.

The city has been proactive in realigning its spending to match the current economic reality. Spending during FY 2011 has been limited to essential items only and vacancies are filled on a priority basis with emphasis on public safety officers on the street and 911 operators. Proactive fiscal management has positioned us to more effectively approach the challenges in the FY 2012 budget.

The Fiscal Year 2012 Budget process began with an update of the city's financial condition, which was presented to the Mayor and City Council during the City Council retreat (February 3, 2011). 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 2012 to compensate for reduced property tax collections and expenditure increases (e.g. healthcare, fuel, and utilities). Accordingly, the Finance Department analyzed departmental spending needs and calculated target budget reductions 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 (e.g. healthcare, city election, fuel, and utilities).

The FY 2012 Budget is balanced for all funds and totals \$84,040,252 with the breakdown by fund type as follows:

– General Fund:	\$ 52,531,591
– Special Revenue Funds:	6,450,159 (1)
– Debt Service Fund:	11,520,045
– Capital Project Funds:	9,313,797 (1)
– Solid Waste Fund:	3,063,160
– Risk Management Fund:	<u>1,161,500</u>
Total	\$84,040,252

(1) Amounts contained herein represent new appropriations for FY 2012. Unexpended FY 2011 appropriations for Council approved projects are re-appropriated annually pursuant to city policy.

Several of the major points of the FY 2012 Budget are as follows:

- ✓ Operating expenditures of the General Fund up only 2.2% over FY 2011 (including a 57% increase in Contingency¹);
- ✓ Management of personnel and compensation program to align with current market environment:

- Base Budget

Continuation of a reduced workforce:

- 425 full-time equivalents (funded; down 1.0 FTE from 2011); and
- 13 full-time equivalents (un-funded; budgetary savings of \$600,000) – positions to remain vacant pending an identified funding source and workload justification.

The 1.0 FTE reduction in personnel represents the elimination of an Administrative Assistant I position effective July 1, 2011 (incumbent is retiring and the Public Safety Department will reorganize operations to absorb the job duties).

- Operating Initiative (E-911 Fund)

Three new positions are included in the FY 2012 E-911 Fund budget to augment service levels (two Communication Officer positions; one Communication Shift Supervisor position). Specifically, the new positions will provide multiple benefits

¹ Contingency totals \$706,061 in FY 2012 (\$450,000 in FY 2011) and is intended to insulate the city's budget from unforeseen revenue declines (e.g. property tax appeals), emergency expenditures, etc.

including: improved tactical communications for both police and fire; improved GCIC compliance; alleviate staffing shortages and reduce overtime costs; etc. Funding is split between Alpharetta and the City of Milton per Intergovernmental Agreement.

- Implementation of a performance-based merit program of 2% on April 1, 2012, per authorized/funded position (estimated cost of \$138,000 citywide²). This merit program is contingent upon a mid-year review of revenue trends to determine if sufficient funding is available.
- Coverage of major growth drivers, including group insurance (a.k.a. healthcare) costs (3% increase citywide or \$157,184). The actual premium growth for FY 2012 is estimated between 9-15% due to claims patterns that are trending at 90% of premiums (industry standard is 80-85%) and medical cost inflation. During the FY 2011 budget process, assumptions were made about group insurance premium growth as negotiations with our insurance carrier (CIGNA) were ongoing. The Finance Department was able to negotiate a contract with CIGNA that resulted in a 0% increase in premiums for FY 2011. From a budget-to-budget perspective, the excess group insurance funding from FY 2011 is being used to offset FY 2012 estimated premium growth.

The Finance Department, in conjunction with Bryant Wharton (insurance advisor), is working with our insurance carrier (CIGNA) to lower the premium growth while still ensuring a competitive insurance package for our employees. Alternatives being discussed include providing our employees the option of an HSA (Health Savings Account) healthcare plan that includes many of the HRA benefits but also allows for portability of unspent funds. The HSA will facilitate healthcare cost management and result in lower premium growth in the future while still providing top level healthcare to employees and their families.

- ✓ Targeted growth (2% or \$222,521) in departmental maintenance and operations budgets (General Fund) that is primarily attributable to the following:
 - Increase in professional fees of \$138,000 due to costs associated with the upcoming municipal election (November 2011).
 - Increase in professional fees of \$60,000 due primarily to fees associated with the GBI system (fingerprint-based background

² This represents the financial impact in FY 2012 (i.e. April-June 2012).

checks) which was instituted during FY 2011. The system is operationally self sufficient with an estimated \$60,000 increase in both revenues (service fees) and expenditures (professional fees).

- Increase in vehicle repair and maintenance of \$71,051 due primarily to rising fuel costs and general fleet maintenance requirements.
 - Increase in maintenance contracts of \$119,244 due primarily to estimated cost increases for landscaping, tornado siren (a.k.a. Early Warning System), and red light camera program maintenance (additional red light citation revenue offsets this increase) coupled with the reallocation of Code Red Alert system and Public Safety radio system maintenance costs (Fulton County and Motorola) to the E-911 Fund pursuant to HB 280³. Additionally, funding totaling \$36,000 is allocated for maintenance expenses related to properties acquired within the City Center area that have active leases. The activity is self supportive with lease revenues covering anticipated expenditures (unspent revenues will be reserved for future initiatives).
 - Decrease in professional services (Information Technology "IT") of -\$177,891 due primarily to the reallocation of OSSI software⁴ maintenance costs to the E-911 Fund pursuant to HB 280.
 - Increase in utilities of \$183,722, based on current year-to-date expenditures and the GA Power rate increase (est. at 8-10%) that occurred in the first quarter of 2011 (electricity costs are estimated at \$1.4 million in FY 2012). Additional rate increases are scheduled for January 1, 2012 and 2013.
 - Increase in legal services funding of \$80,000, based on current year-to-date expenditures, that more accurately reflects service requirements and usage.
 - Decrease of -\$251,605 (total) in all other departmental maintenance and operations accounts.
- ✓ Significant reduction (-25% or -\$152,923) in departmental recurring-capital/lease budgets (General Fund) due primarily to non-recurring costs (\$296,828) in FY 2011 related to the payoff of the remaining two years of the OSSI software lease. Additionally, this category includes funding for operating initiatives which are discussed further in the *Expansion of Departmental Service Levels* section of this transmittal letter).
 - ✓ Continuation of prior-year funding initiatives including:

³ House Bill 280 was signed into law during the 2011 Legislative Session and expands the uses for emergency telephone system fund money (i.e. E-911 Fund).

⁴ OSSI is the main software application used by our Public Safety Department to support law enforcement and emergency 911 activities.

- Rural Metro: \$140,000;
- *Police Athletic League* contribution: \$35,000; and
- *Friends of the Library* contribution: \$10,000.

Please refer to the *Financial Summaries* tab for (1) multi-year revenue/expense statements on both a citywide and individual fund (e.g. Special Revenue Fund, Enterprise Fund, etc.) basis 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 2011.

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:

- April 25, 2011: Public Hearing
distribute FY 2012 Recommended Budget
- May 2, 2011: Council Meeting
- May 16, 2011: Council Meeting
- June 13, 2011: Public Hearing and Council Meeting
1st reading of Budget Ordinance
1st reading of Millage Rate Ordinance
E-911 Resolution
- June 20, 2011: Public Hearing and Council Meeting
2nd reading of Budget Ordinance
2nd reading of Millage Rate Ordinance

BUDGET ISSUES AND PRIORITIES

The FY 2012 Budget formalizes numerous key financial factors which have been themes for several years within the government.

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

Bond Ratings

The city's AAA bond rating was reaffirmed by *Moody's* and *Standard & Poor's* during April 2009 in conjunction with the sale of \$8.6 million (par) of General

Obligation Refunding Bonds, Series 2009, and \$5.9 million (par) of Development Authority Revenue Refunding Bonds, Series 2009.

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. The refundings identified above save our taxpayers over \$125,000 annually in reduced interest costs.

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 2012 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 economic recession 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. 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, city election, fuel, and utilities).

As with many employers, one item that is affecting the sustainability of services is healthcare costs. To mitigate the rising costs of healthcare, the city is embarking on the following initiatives:

- Continuation with our consumer driven HRA (Health Reimbursement Account) healthcare plan 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 will result in the application of a material surcharge to the medical premium paid by the employee.
- Increasing the tobacco surcharge (added to employee's premium) to \$35 per pay period.
- Offering our employees the option of an HSA healthcare plan that more fully engages the participant in the decisions of healthcare purchases while providing more flexibility to the participant than the HRA.

Cost of Government

The city has historically acknowledged the need to provide a taxation rate commensurate with the government's level of service. The following table illustrates the annual millage rates levied by the city for the last 10 years.

Fiscal Year	Operating Millage Levy	Debt Service Millage Levy	Total Millage Levy	% Increase/ Decrease
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%

The FY 2012 Budget is based on maintenance of the city's millage rate at 5.750 mills which represents a tax reduction for many property owners as the value of property within the city has declined over the last several years and is anticipated to decline further in FY 2012.

The Fulton County Board of Assessors (the "BOA") has indicated that digest values for North Fulton, including the City of Alpharetta, may experience declines in 2011. Recently adopted property tax reform legislation requires all Georgia counties to mail an annual assessment notice to all of their taxable real estate properties every year. This is anticipated to increase appeal activity which will erode digest values. As of the date of this letter, we have not received the 2011 Digest from the BOA.

Taxpayer Savings

The FY 2012 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 Mayor and City Council provided voters the option in the Nov. 2009 election to increase the homestead exemption from \$30,000 to \$40,000; further reducing the tax burden on our homeowners. The voters overwhelmingly passed this tax relief measure. The homestead exemption for calendar year 2010 (FY 2011) increased \$5,000 to a total of \$35,000 (\$260,000 savings to homeowners) and increases to \$40,000 (additional \$260,000 savings to homeowners) in calendar year 2011 (FY 2012). Additional tax savings to our homeowners from this measure is estimated at over \$520,000 annually and is reflected in the FY 2012 revenue figure. It should be noted that the \$40,000 Homestead Exemption our city offers is equivalent to a 1.5 mill reduction for the average homeowner.

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 fiscal year 2012 are budgeted at \$7,215,045 with the following forecast:

2013: \$2,164,026	2015: \$2,157,586
2014: \$2,164,465	2016: \$2,142,102
2017 - 2026 ⁵ : \$2,034,341 (annual average)	

Property tax revenues (as adjusted for full rollback) combined with fund balance reserve (Debt Service Fund), investment earnings, and impact fees are anticipated to generate sufficient funding for the debt service requirements identified above. Beginning in FY 2013, property tax revenues levied for debt service will decline significantly in accordance with the underlying debt service requirements.

⁵ Represents final maturity of the city's existing debt (General Obligation Bonds, Series 2006).

Expansion of Departmental Service Levels (Operating Initiatives)

Recommended operating initiative funding for FY 2012 totals \$320,000 and is included within the appropriate departmental budget. Initiatives include the following:

- General Fund:
 - ✓ Finance Department Request: \$50,000

This request is for the purchase, installation, and maintenance of the Munis Enterprise Resource Planning (“ERP”) solution that provides the city with a fully-integrated and technologically advanced system for its financial management, human resource information system (“HRIS”), and payroll functions.

The current ERP system is outdated and no longer provides the necessary functionality to meet the city’s goals.

On July 29, 2010 the city issued RFP# 11-102 for an ERP solution. Specifically, the city sought a fully-integrated system that fulfills functional needs for financial management, HRIS, and payroll. Additionally, the RFP required the system to be programmed in technology that is not only current, but also regarded as the standard for the near future (e.g. “.NET” framework). After careful consideration, the evaluation committee recommends Tyler Technologies as the city’s ERP solution provider.

Tyler Munis ERP solution

One-time Costs:

Software	\$230,000
Conversion and Implementation	<u>650,000</u>
Total:	\$880,000

Available Project Funding:

Operating	(\$ 75,000)
Capital	<u>(\$ 80,000)</u>
Net:	\$725,000

Financing

Enter into a lease through the Georgia Management Association (GMA) to fund the net one-time costs (\$725,000) of the Tyler Munis ERP solution. The lease terms include: 7-year term; 3.19% fixed interest rate; No closing costs; and a \$125,000 annual payment.

The Finance Department currently has appropriations totaling \$75,000 (approved in the FY 2011 budget for HRIS improvements) to fund the lease payment associated with an ERP system. This request is for the remaining \$50,000 needed to fully fund the annual lease payment.

The Finance Department has reprioritized its operations and found cost reductions totaling \$50,000 which means the overall Finance Department budget for maintenance and operations will remain flat with FY 2011.

Annual Maintenance

Annual maintenance costs for the Tyler Munis ERP system are similar to what the city is currently paying for H.T.E. As such, no additional appropriations are required to fund annual maintenance costs.

✓ Public Safety Department Request: \$60,000

This request is for the funding of an annual lease payment for the replacement of Fire Engine #2. Engine #2 was acquired in 2003 and has over 70,000 miles. Upon replacement, Engine 2 will become a reserve engine (required by the Insurance Services Office⁶), replacing the current reserve Engine #11 which will be surplus. Engine #11 was acquired in 1993, has over 145,000 miles, and has experienced increasing maintenance requirements due to its age.

The new Fire Engine is estimated to cost \$500,000. The lease has a 10-year term with estimated annual payments of \$60,000.

– E-911 Fund:

✓ Public Safety Department Request: \$160,000

Represents funding for the addition of three new positions to augment service levels (two Communication Officer positions; one Communication Shift Supervisor position). Specifically, the new positions will provide multiple benefits including: improved tactical communications for both police and fire; improved GCIC compliance; alleviate staffing shortages and reduce overtime costs. Funding is split between Alpharetta and the City of Milton

⁶ ISO is a leading source of information about property/casualty insurance risk. Through the Public Protection Classification Program (“PPC”), ISO evaluates municipal fire-protection efforts in communities throughout the United States. Insurance companies use PPC information to help establish fair premiums for fire insurance – generally offering lower premiums in communities with better protection.

per Intergovernmental Agreement.

- Solid Waste Fund:
 - ✓ Finance Department Request: \$50,000

Represents funding for a Recycling/Hazardous 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 dangerous items. This event is a component of the city's Green Initiative.

Maintaining an Effective Capital Improvement Program (Capital Initiatives)

The city's capital improvement program ("CIP") has the most visible and long-term effect on the quality of life for our stakeholders. Through an aggressive CIP, 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. As part of the capital planning process for FY 2012, departments submitted capital/one-time initiative funding requests totaling \$6.8 million with another \$2.6 million currently set aside for future capital initiatives.

FY 2012 Capital Improvement Program			
Source and Use			
	General Fund	Alpharetta Business Community	Total
Sources:			
Available Fund Balance	\$ 4,423,797	\$ -	\$ 4,423,797
(1) Debt Service Fund	4,300,000	-	4,300,000
ABC Contribution	-	640,000	640,000
	\$ 8,723,797	\$ 640,000	\$ 9,363,797
Uses:			
(2) Capital	\$ 6,141,500	\$ 640,000	\$ 6,781,500
	\$ 6,141,500	\$ 640,000	\$ 6,781,500
Reserve:			
Future Capital/one-time Initiatives	\$ 2,582,297	\$ -	\$ 2,582,297

(1) Represents the repayment of monies to the General Fund that were advanced to stabilize the required debt service millage rates over the past several years.

(2) All Capital Initiative funding will be transferred and accounted for within one of the City's capital project funds.

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, 2010, the city's unreserved fund balance was \$18.8 million. Of this amount, approximately \$3.6 million was appropriated in the FY 2011 Budget for capital/one-time initiatives, \$750,000 was designated for future OPEB⁷ costs, and \$10.0 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 2012 totals \$4.4 million.

Debt Service Fund – The city's General Fund has transferred over \$6.0 million into the Debt Service Fund to smooth the tax levy necessary to support escalating debt service requirements from 2007-2011. The FY 2012 budget includes repayment (from available fund balance) to the General Fund of \$4.3 million. This funding is being transferred directly to the Capital Project Fund to be used for one-time capital initiatives.

ABC Contribution

The FY 2012 budget includes a \$640,000 contribution from the Alpharetta Business Community for sidewalk improvement projects that meet the entity's goals of connecting hotels to historic or business districts within the city through bicycle or pedestrian greenways, trails, walkways, etc.

Funding Recurring Capital from Operating Budget

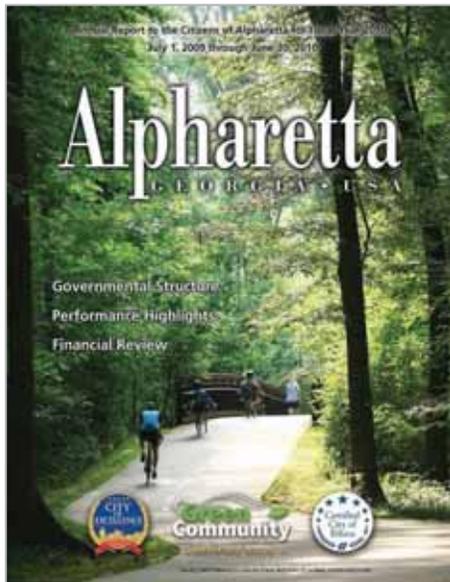
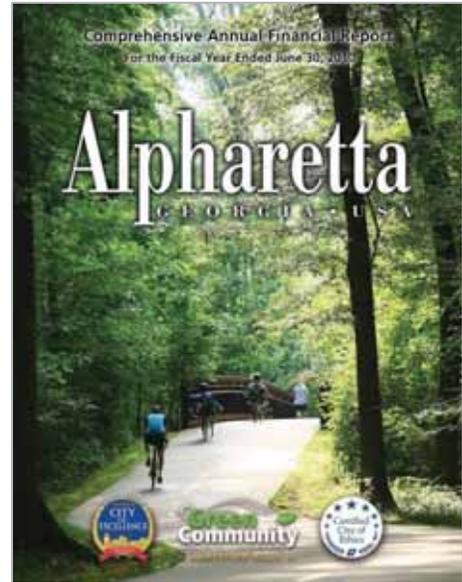
The city has historically used available fund balance to pay for recurring capital initiatives. While this is an acceptable practice, it is more fiscally prudent to program appropriations in the operating budget for on-going renewal & replacement of capital initiatives.

FY 2010 included appropriations within the operating budget (i.e. General Fund) for a milling and resurfacing program. As a temporary measure, the FY 2012 budget funds the milling and resurfacing program through available fund balance in an effort to reduce operating expenditures (i.e. General Fund) and increase operational budget flexibility. The city intends to reprogram appropriations in the FY 2013 operating budget for recurring capital renewal and replacement including milling and resurfacing.

⁷ Other Post-Employment Benefits (OPEB) are benefits that 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 \$750,000 reserve fully funds the OPEB liability at September 30, 2010. The city will establish an OPEB trust for these monies in the near future.

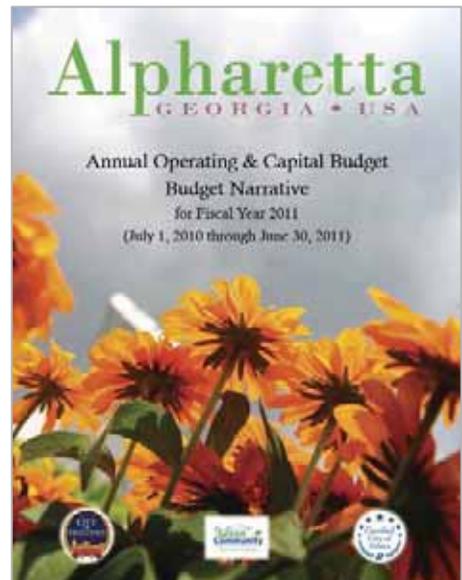
Awards and Acknowledgements

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, 2010. 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 22nd consecutive year that the city has received this prestigious award.



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, 2010. 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 8th 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, 2011. 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 8th 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.

Special recognition is given to the following individuals for their efforts in coordinating and preparing the Fiscal Year 2012 Budget Narrative:

- ✓ Finance Department Representatives (in alphabetical order)
 - Kristen Brown, Office Manager
 - John Hunt, Payroll Coordinator
 - Shawn Mitchell, Budget & Procurement Manager
 - Abby Shipp, Senior Budget & Procurement Analyst
 - Debora Westbrook, Senior Budget & Procurement Analyst
 - Stephanie Williams, Budget & Procurement Analyst
- ✓ Assistant City Administrator
- ✓ Department Heads and their staff

Respectfully Submitted,



Arthur G. Letchas
Mayor



Robert J. Regus
City Administrator



Thomas G. Harris
Finance Director

About Alpharetta



History⁸

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

⁸ The information contained within this section is based upon original research by Anne Rogers Ferguson and accessed via the City of Alpharetta website.

landmark 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.

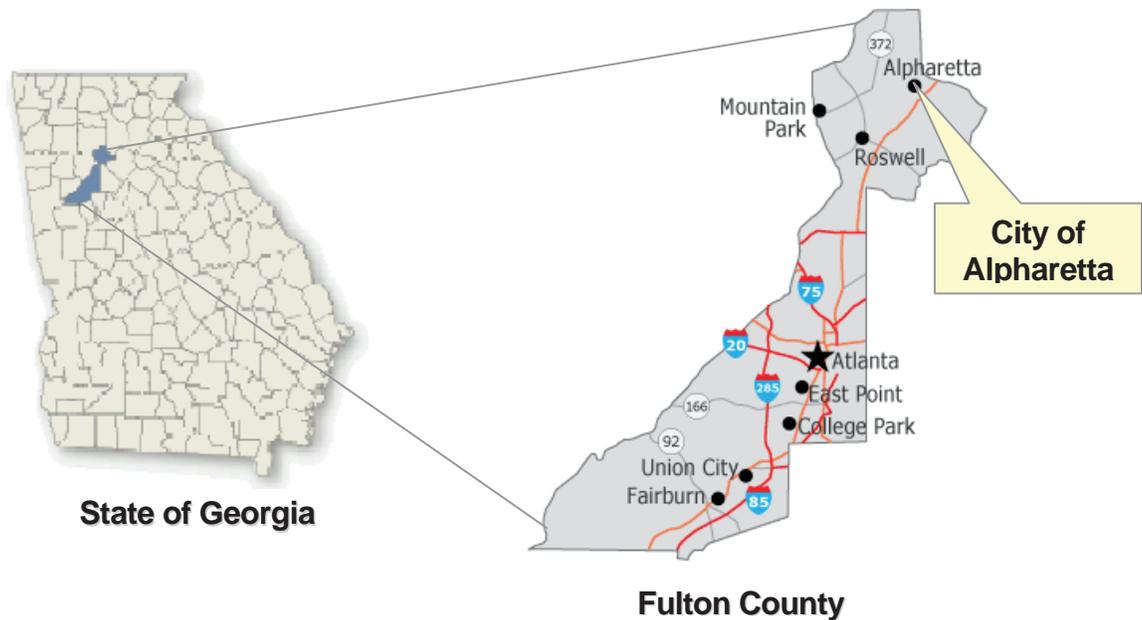
As the Civil War drew to a close, Alpharetta, along with the rest of the South, suffered a period of economic hardship. These "hard times" tended to draw folks together and a sense of community identity began to grow. As hard as these times were, Milton County fared better than many areas. Since the 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.

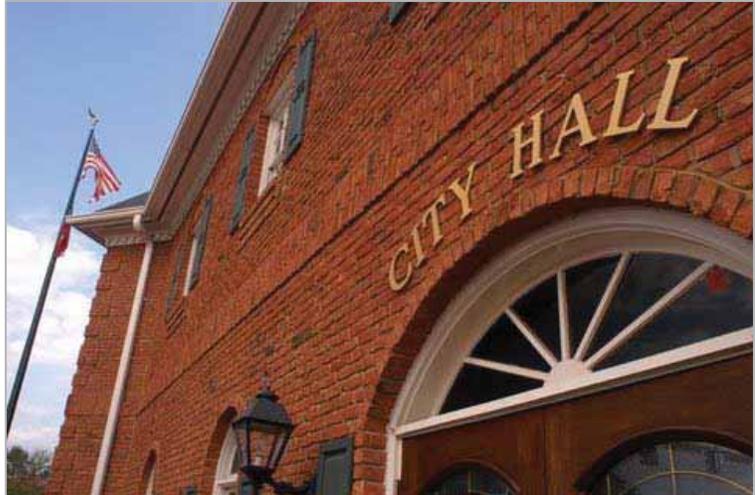
Located approximately 25 miles north of the City of Atlanta, Alpharetta occupies a land area of approximately 27 square miles and serves an estimated population of 57,551. Population growth has been fueled in part by the city's strong economic base as well as the annexation of surrounding communities. 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. 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 open to the public and city residents and stakeholders are encouraged to attend.

- ✓ City Council Meetings (location: City Hall Council Chambers)
 - 1st Monday of each month (7:30pm, business meeting)
 - 3rd Monday of each month (7:30pm, business meeting)
 - 4th Monday of each month (7:30pm, public hearing)
- ✓ Natural Resources Commission Meetings (location: City Hall Council Chambers)
 - 3rd Tuesday of each month (7:00pm)
- ✓ Planning Commission Meetings (location: City Hall Council Chambers)
 - 1st Thursday of each month (7:30pm)
- ✓ Recreation Commission Meetings (location: City Hall Council Chambers)
 - 4th Thursday of each month (7:30pm)
- ✓ Board of Zoning Appeals Meetings (location: City Hall Council Chambers)
 - 3rd Thursday of each month (5:30pm)
- ✓ Code Enforcement Board Meetings (location: City Hall Council Chambers)
 - 4th Thursday of each month (3:30pm)
- ✓ Design Review Board Meetings (location: City Hall Council Chambers)
 - 3rd Friday of each month (8:30am)

Mission⁹

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.

Vision¹⁰

Alpharetta will be the Signature City in the Region, distinguished by the following strategic priorities:

- ✓ Safe, Secure and Livable City for our Residents, Businesses and Visitors;
- ✓ Recreational, Educational and Cultural Opportunities for All Ages;
- ✓ Proactive, Environmentally Sensitive Community with a Focus on our Future;
- ✓ Responsive, Open Government to Meet the Needs of our Citizens and Stakeholders;
- ✓ Strong Economic Base to Minimize Taxes and Provide a Secure Future for our Families;
- ✓ Small Town Feel with a Historic Past;
- ✓ Strong Business Partnerships in a Corporate Campus Environment; and a
- ✓ Comprehensive Transportation system, Balancing Greenways and Walkways with Road and Rail.



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 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 strategic priorities and by extension, the city's vision for the future. The City Council reviews the strategic priorities annually at a Council Retreat and amends as necessary to ensure alignment with the city's strategic vision for the future.

⁹ The Mission Statement details our City's reason for existence and embodies our philosophies, goals, ambitions, and character.

¹⁰ 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

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

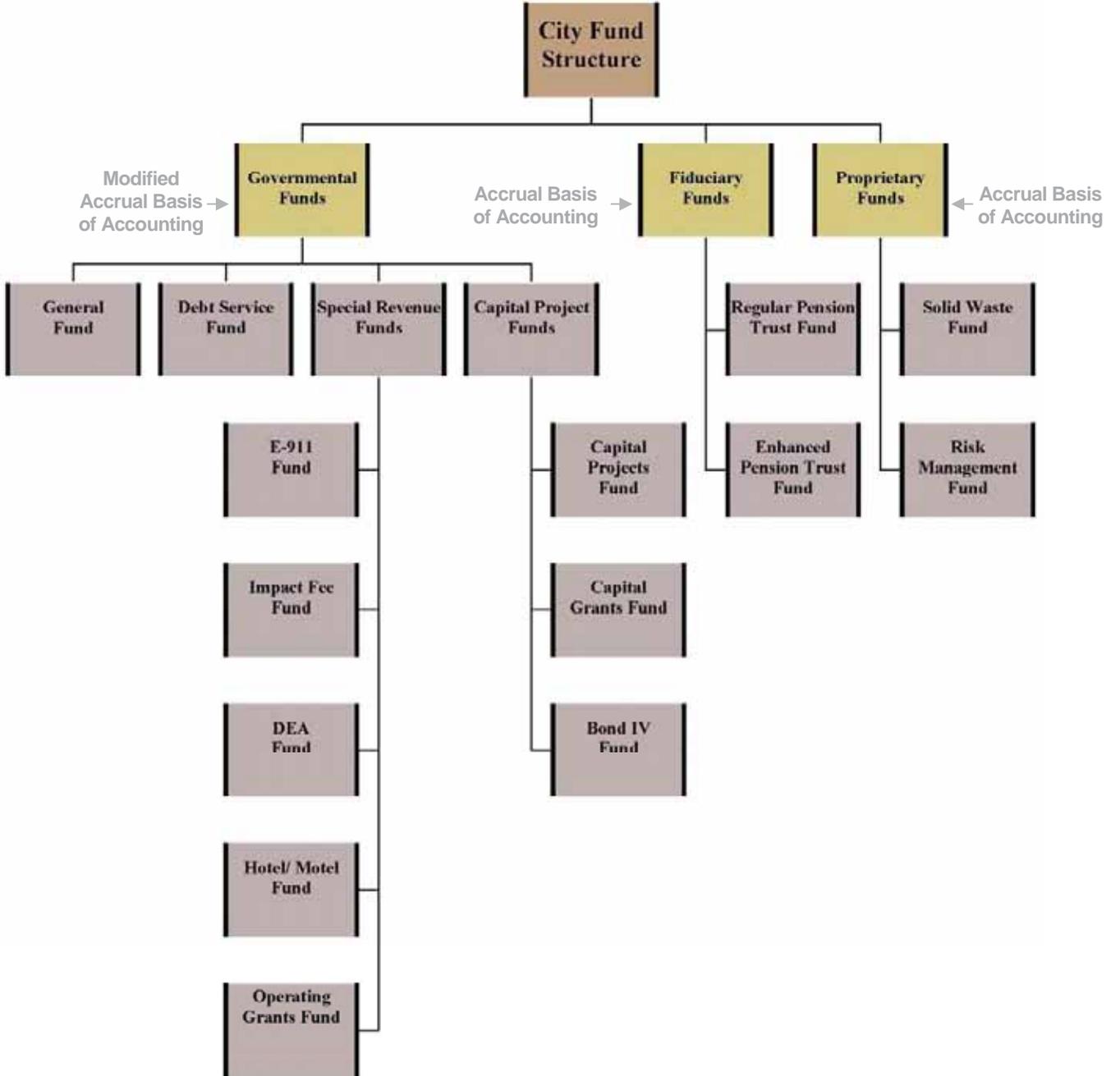
The city’s accounting system is organized and operated on a “fund” basis and each fund is classified in one of three categories:

<u>Classification</u>	<u>Fund Type</u>
Governmental Funds	General Fund Special Revenue Funds Debt Service Fund Capital Project Funds
Proprietary Fund	Enterprise Fund Internal Service Fund
Fiduciary Fund	Pension Trust Fund

- **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 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. 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 Fund**: 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.

Fund Structure

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



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 \$10.0 million as of audited fiscal-year-ending September 30, 2010). 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 2012 budget includes a carryforward of excess fund balance totaling \$4.4 million for capital investment and other one-time initiatives.

The city has historically used available fund balance to pay for recurring capital initiatives. While this is an acceptable practice, it is more fiscally prudent to program appropriations in the operating budget for on-going renewal & replacement of capital initiatives. FY 2010 included appropriations within the operating budget (i.e. General Fund) for a milling and resurfacing program. The FY 2012 budget funds the milling and resurfacing program through available fund balance in an effort to reduce expenditures and increase operational budget flexibility. The city intends to reprogram appropriations in the FY 2013 operating budget for on-going renewal and replacement of capital initiatives including milling and resurfacing.

Special Revenue Funds (Governmental 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.

- **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 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. Specifically, impact fee monies are transferred to the Debt Service Fund to offset debt service on general obligation bonds issued to fund the improvements discussed above. 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 resulting revenue is distributed as follows:

✓ City of Alpharetta	40.00%
✓ Alpharetta Convention & Visitors' Bureau	43.33%
✓ Alpharetta Business Community	16.67%

- **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 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 Refunding Bonds, Series 2003
- ✓ General Obligation Bonds, Series 2006
- ✓ General Obligation Refunding Bonds, Series 2009

- ✓ 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 Bond IV Fund (account for proceeds from GO Bonds, Series 2006). 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 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.
- **Bond IV Fund**: This fund accounts for the proceeds and associated expenditures resulting from the issuance of voter approved general obligation bonds, series 2006. Fund appropriations are perpetual with only new appropriations recognized in the annual budget.

Proprietary Fund: 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.

Regular Pension Trust Fund and Enhanced Pension Trust Fund (Fiduciary Funds): These funds account for assets of the city's pension plan(s). The assets in these funds cannot be used to support government programs or activities. The 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.alphairetta.ga.us.

Taste of Alpharetta event



Fiscal Year 2012 Operating & Capital Budget Narrative

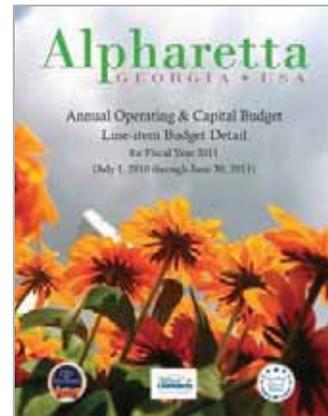
Financial Reporting

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.

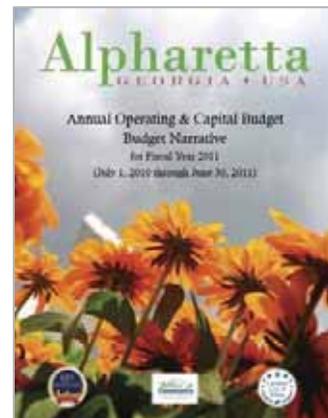
Operating and Capital Budget Documents¹¹ (June - August)

The city annually prepares and publishes three (3) related budget documents.

(1) 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.



(2) 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.



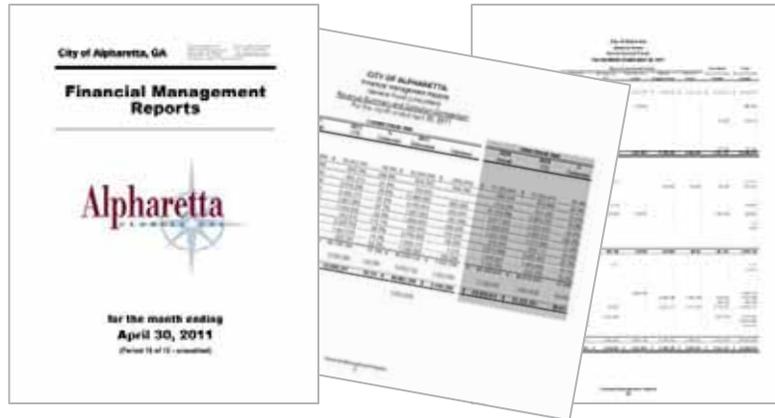
(3) The *Operating and Capital Budget (summary pamphlet)* is prepared as a companion to the line-item budget and provides our elected officials, citizenry, and stakeholders with a concise reference guide that answers some of the most frequently asked questions about the annual budget.



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

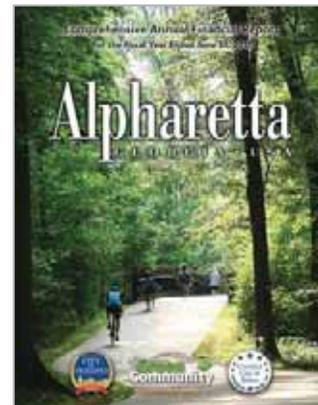
Financial Reporting to the City Council¹² (monthly)

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.



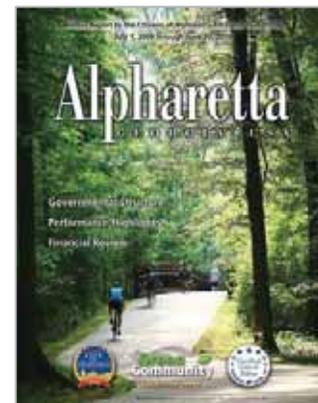
Comprehensive Annual Financial Report⁸ (November - December)

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 Report⁸ (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.



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

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 2012 Budget Narrative is prepared for the fiscal year commencing July 1, 2011 and ending June 30, 2012.

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.
- *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. Accordingly, the city is a member of the International City/County Management Association’s (“ICMA”) performance measurement consortium which tracks data from various service units (e.g. code enforcement, police service, fire service, etc.) and allows for the comparison and exchange of data with other local governments within the consortium as well as nationwide.

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.

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 2012 Update

General Fund operating expenditures are up 2.2% over FY 2011 due primarily to salary growth (2% performance-based merit program based on revenue availability) and coverage of major growth drives (e.g. healthcare, city election, fuel, utilities, etc.).

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.

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 2012 Update

New program requests were limited to those initiatives that improved the safety of our public (fire truck replacement, augmenting E-911 communication staff, and hazardous waste removal event) or increased staff efficiency (finance ERP system).

Fiscal Year 2012 Update

Revenue collections are forecasted to grow by 2.7% due primarily to increases in local option sales taxes, franchise fees, licenses and permits, and charges for services.

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. From this point, department directors are scheduled for a discussion period with the BRC. 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

Fiscal Year 2012 Update

Recurring capital is funded from available fund balance (one-time funding) in FY 2012 in an effort to reduce expenditures and increase operational budget flexibility.

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) as well as the companion capital project budget (one-time funding from excess fund 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.

FY 2012 Budget Calendar



City of Alpharetta Fiscal Year 2012 Budget Calendar

February 3	City Council Retreat
February 7-8	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 2010 actual vs. target (results)• FY 2011 year-to-date actual• FY 2011 target• FY 2012 target- Departmental organizational charts- Departmental goals and objectives
February 25	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 25	Public Hearing <ul style="list-style-type: none">- Distribute Mayor's Recommended FY 2012 Operating and Capital Budget (line-item detail)
May 2	City Council Meeting <ul style="list-style-type: none">- Finance Department presentation<ul style="list-style-type: none">• FY 2012 Budget overview (operating and capital)
May 16	City Council Meeting <ul style="list-style-type: none">- Finance Department presentation<ul style="list-style-type: none">• FY 2012 Budget overview (capital)
June 13	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 20	Public Hearing #2 City Council Meeting <ul style="list-style-type: none">2nd reading of Budget Ordinance2nd reading of Millage Rate Ordinance

Budget Basis and Structure

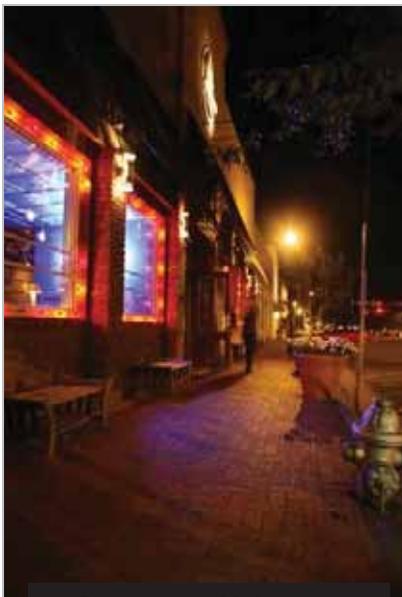
The city's budget is developed on a modified accrual basis. State law requires that the city's budget be balanced – revenues equal expenditures.

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.



Downtown Alpharetta



Wills Park



North Point Mall

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 Department¹³.

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

¹³ City of Alpharetta – Finance Department: 2970 Webb Bridge Road, Alpharetta, Georgia 30009. Phone (678) 297-6094. Fax (678) 297-6063.

short-term borrowing to meet cash flow requirements. However, the city may enter into short-term borrowing should a critical need arise.

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.

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 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 expenditures¹⁴.

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 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 expenditures, must first be met before utilizing the excess fund balance as a funding source for the budget.

¹⁴ 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%.

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.

The Finance Department implemented an on-demand financial reporting system to assist departments in managing their budgets. The system features a user friendly interface with preformatted financial statements that can be accessed on-demand.

The screenshot shows a web-based financial reporting interface. At the top, it says "Current Year Daily Financials" with a "Back" button. Below this, there are navigation links for "CIP & Bond Monthly Report", "Monthly Financial Management Reports", and "Prior Year Daily Financials". A table lists various departments with links for "Project Report", "Account Report", "Encumbrance Report", and "Revenue".

Below the department list is an "Internal Audit Daily Budget Report by Account" table. The table has columns for Account, Object, Appropriations, Expenditures, Encumbrances, Balance, and Balance %.

Account	Object	Appropriations	Expenditures	Encumbrances	Balance	Balance %
PROFESSIONAL DEVELOPMENT		\$2,098.00	\$1,758.34	\$0.00	\$339.66	16.19%
PROFESSIONAL FEES		\$0.00	\$0.00	\$0.00	\$0.00	
REPAIR & MAINTENANCE	EQUIPMENT	\$104.00	\$0.00	\$0.00	\$104.00	100.00%
COMMUNICATIONS		\$11.00	\$0.00	\$0.00	\$11.00	100.00%
ADVERTISING		\$0.00	\$0.00	\$0.00	\$0.00	
PRINTING		\$0.00	\$0.00	\$0.00	\$0.00	
TRAVEL		\$3,000.00	\$381.24	\$0.00	\$2,618.76	87.29%
PURCHASED-PROPERTY SRVC	MAINTENANCE CONTRACTS	\$0.00	\$0.00	\$0.00	\$0.00	
IT Professional Services		\$0.00	\$0.00	\$0.00	\$0.00	
GENERAL SUPPLIES		\$216.00	\$164.06	\$0.00	\$51.94	24.05%
SMALL EQUIPMENT		\$0.00	\$0.00	\$0.00	\$0.00	
SMALL EQUIPMENT	IT Computer Refresh	\$0.00	\$0.00	\$0.00	\$0.00	
MACHINERY		\$0.00	\$0.00	\$0.00	\$0.00	
		\$5,429.00	\$2,303.64	\$0.00	\$3,125.36	

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-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 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.

C. 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.

The graphic to the right depicts the city's monthly CIP financial management report. Project information is segmented by department and provides life-to-date financial information.

D. Authorization of Budget Adjustments and Amendments

Department heads must submit budget amendment requests, transferring appropriations from one line item to another within the same project. The Director of Finance and the City Administrator shall review and approve all requests for budget adjustments. Adjustments from appropriations that have been obligated, committed, or reserved for a designated purpose shall not be transferred until a formal de-obligation occurs. The de-obligation of budget dollars to a specific project will only occur after the completion of the project or when a project was identified and budget and funding is no longer necessary.

E. Appropriations at Year End

Capital project appropriations shall carry forward to the subsequent budget period an equal amount of any encumbrances/purchase orders issued as of the close of the fiscal year. Purchases encumbered in the current year, but not received until the following year, must be charged against each department's subsequent year carry-over appropriation. Any remaining appropriation available by project at year-end must be re-appropriated.

F. Contingency

The city shall include an appropriated contingency of three percent of the total annual expenditure appropriation in the Capital Project Fund in order to 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, 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.

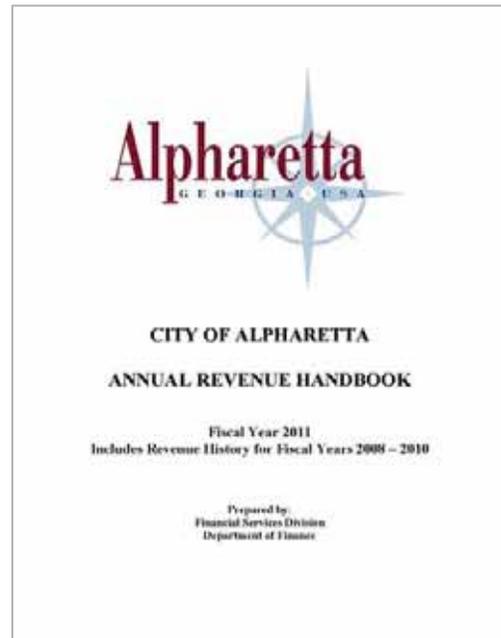
F. Rates and Charges

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.

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 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.

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, 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 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
- 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 Principals (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.

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 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 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

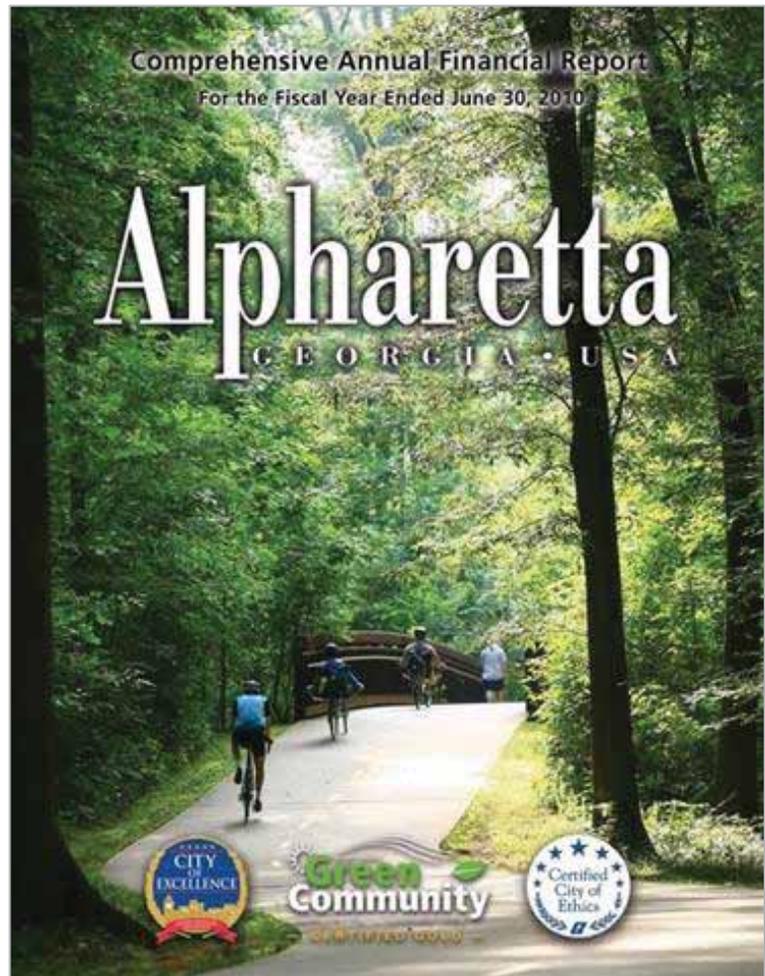
The Department of Finance shall develop and maintain an ongoing system of financial reporting to meet the information needs of the government, authorities, and regulatory agencies. In addition, the City Administrator, Mayor, Council, Department Heads, and the public shall have access to reports to allow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

A. Comprehensive Annual Financial Report (CAFR)¹⁵

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

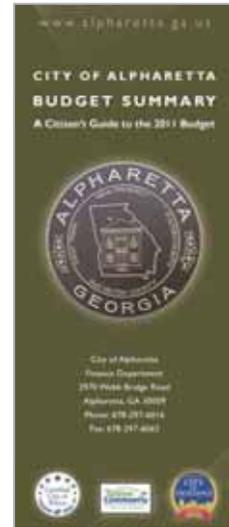
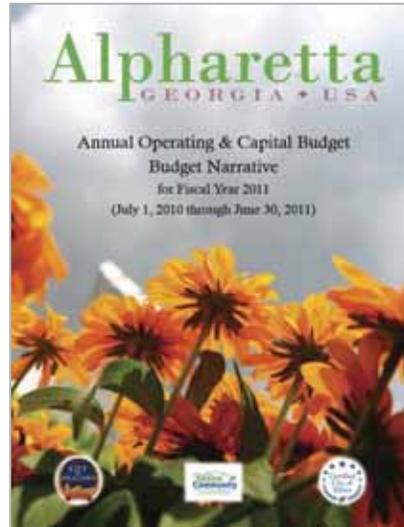
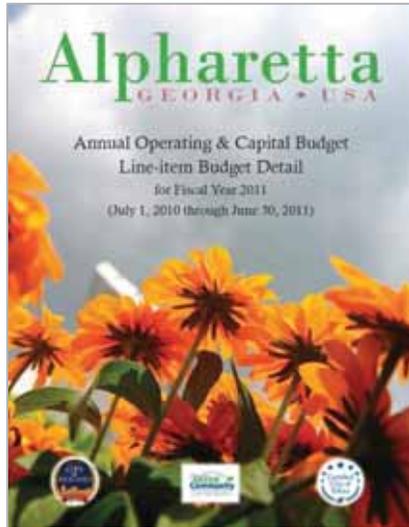
financial statements and schedules contained within the CAFR shall be audited with the purpose to effectively communicate the complete financial affairs of the city to all interested readers.



¹⁵ Available for download from the City's website: www.alpharetta.ga.us.

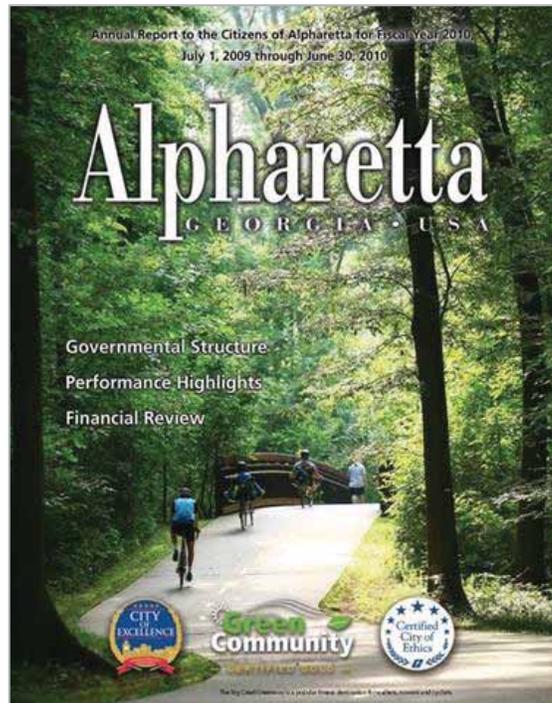
B. Annual Budget Document¹⁶

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.



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.



¹⁶ Available for download from the City's website: www.alpharetta.ga.us.

D. Financial Reporting to the City Council¹⁷

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.



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.



The City of Alpharetta	Period Report Year				2011	2010	%
	2011	2010	2011	2010			
Revenues							
Property Tax	\$ 2,000,000	\$ 2,000,000	100.0%	\$ 2,000,000	\$ 2,000,000	100.0%	
Franchise Tax	100,000	100,000	100.0%	100,000	100,000	100.0%	
Local Option Sales Tax	100,000	100,000	100.0%	100,000	100,000	100.0%	
Special Storage District Tax	100,000	100,000	100.0%	100,000	100,000	100.0%	
Business and Commercial Tax	100,000	100,000	100.0%	100,000	100,000	100.0%	
Investment Tax (City parking)	100,000	100,000	100.0%	100,000	100,000	100.0%	
Business District Fees	100,000	100,000	100.0%	100,000	100,000	100.0%	
Real Estate	100,000	100,000	100.0%	100,000	100,000	100.0%	
Other	100,000	100,000	100.0%	100,000	100,000	100.0%	
Total Revenues	\$ 3,000,000	\$ 3,000,000	100.0%	\$ 3,000,000	\$ 3,000,000	100.0%	
Expenditures							
Personnel Costs	1,000,000	1,000,000	100.0%	1,000,000	1,000,000	100.0%	
Materials	100,000	100,000	100.0%	100,000	100,000	100.0%	
Other	100,000	100,000	100.0%	100,000	100,000	100.0%	
Total Expenditures	\$ 1,200,000	\$ 1,200,000	100.0%	\$ 1,200,000	\$ 1,200,000	100.0%	

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.

¹⁷ Available for download from the City’s website: www.alpharetta.ga.us.

Section IX: Debt Management Policies

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 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, 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 service payments (interest and principal) and reserve requirements for all debt currently 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 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

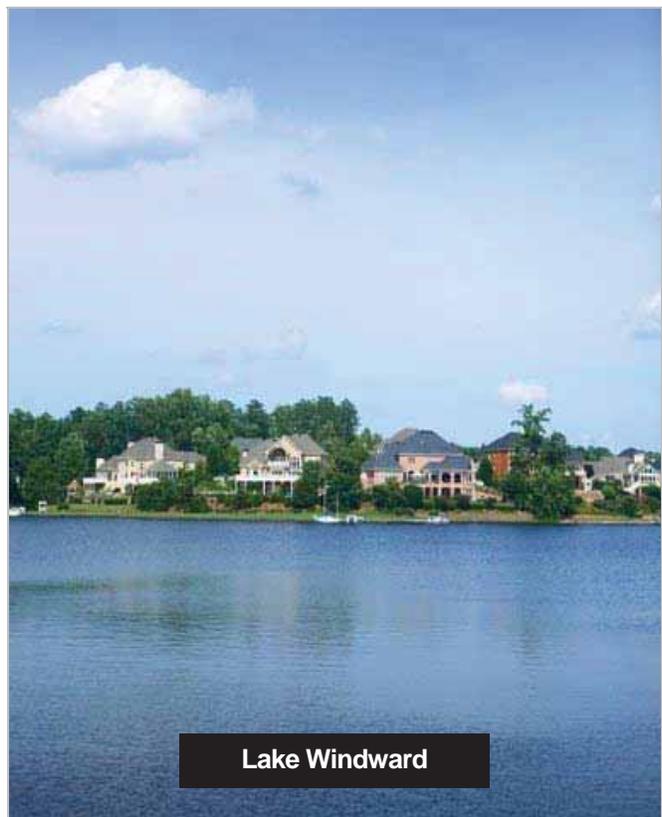
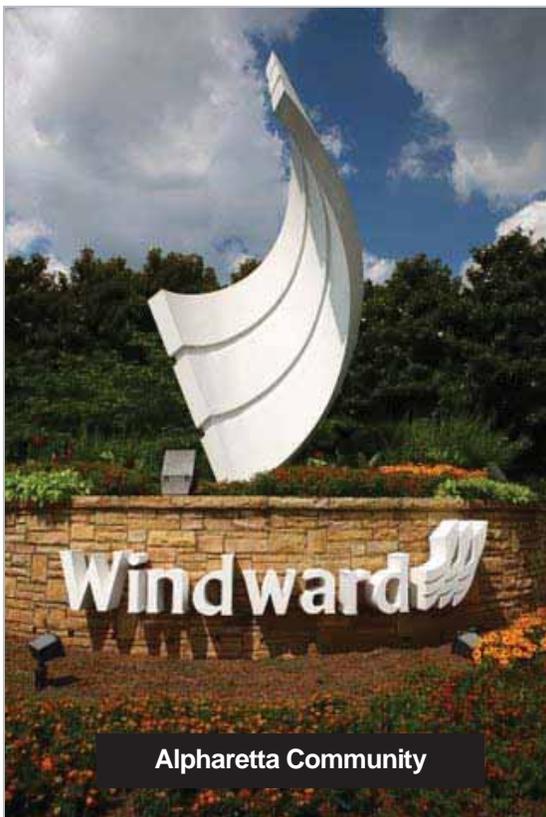
Principles (GAAP).

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.



Citywide Budget Summaries

Overview

The *Citywide Budget Summaries* section is intended to provide readers with an overall understanding of the city's fiscal year 2012 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 2012 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 2012 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 2012 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**

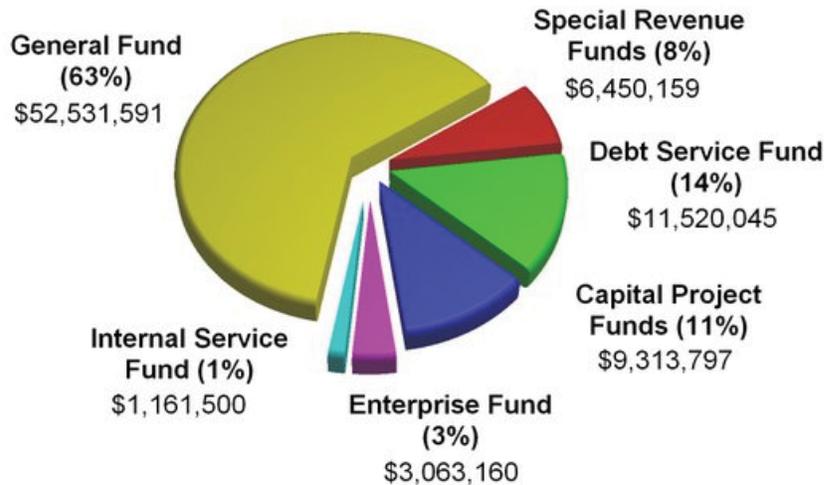
This section provides a summary/narrative of FY 2012 budget data by expenditure category (e.g. Personnel Services, Maintenance & Operations, etc.).

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

This schedule provides citywide (all funds) revenue and expenditure data for fiscal years 2008-2012 including changes in fund balance.

Citywide Budget Summary by Fund

FY 2012 Citywide Budget = \$84,040,252



The Fiscal Year 2012 budget for all funds totals \$84.0 million. The overall 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 2012 is from fund balance and transfers from other funds. Unspent appropriations from fiscal year 2011 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.

**City of Alpharetta
FY 2012 Budget
Citywide Detail Fund Statement**

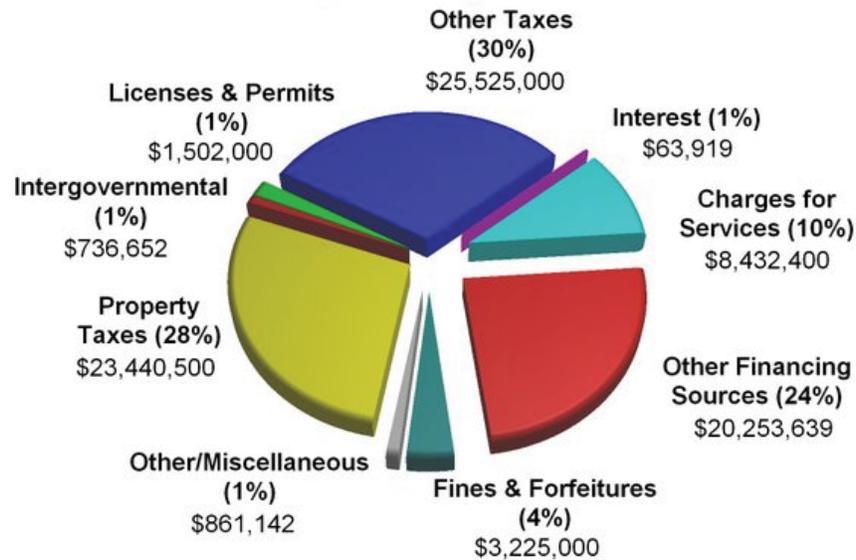
	Revenues	Expenditures	Balanced Budget
General Fund	\$ 52,531,591	\$ 52,531,591	√
Special Revenue Funds:			
E-911 Fund	\$ 2,777,659	\$ 2,777,659	√
Impact Fee Fund	272,500	272,500	√
Drug Enforcement Agency Fund	250,000	250,000	√
Hotel/Motel Fund	3,100,000	3,100,000	√
Operating Grant Fund	50,000	50,000	√
	\$ 6,450,159	\$ 6,450,159	√
Debt Service Fund	\$ 11,520,045	\$ 11,520,045	√
Capital Project Funds:			
Capital Projects Fund	\$ 9,313,797	\$ 9,313,797	√
Enterprise Fund:			
Solid Waste Fund	\$ 3,063,160	\$ 3,063,160	√
Internal Service Fund:			
Risk Management Fund	\$ 1,161,500	\$ 1,161,500	√
FY 2012 Budget	\$ 84,040,252	\$ 84,040,252	√



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Citywide Budget Summary by Revenue Source

FY 2012 Citywide Budget = \$84,040,252



The chart above segments the FY 2012 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 2012 totals 5.750 mills and is composed of the following: Operating Millage Rate of 4.215 mills (used to fund general city operations); and a Debt Service Millage Rate of 1.535 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 & 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 & Forfeitures – Includes municipal court fines, red light camera fines, etc.

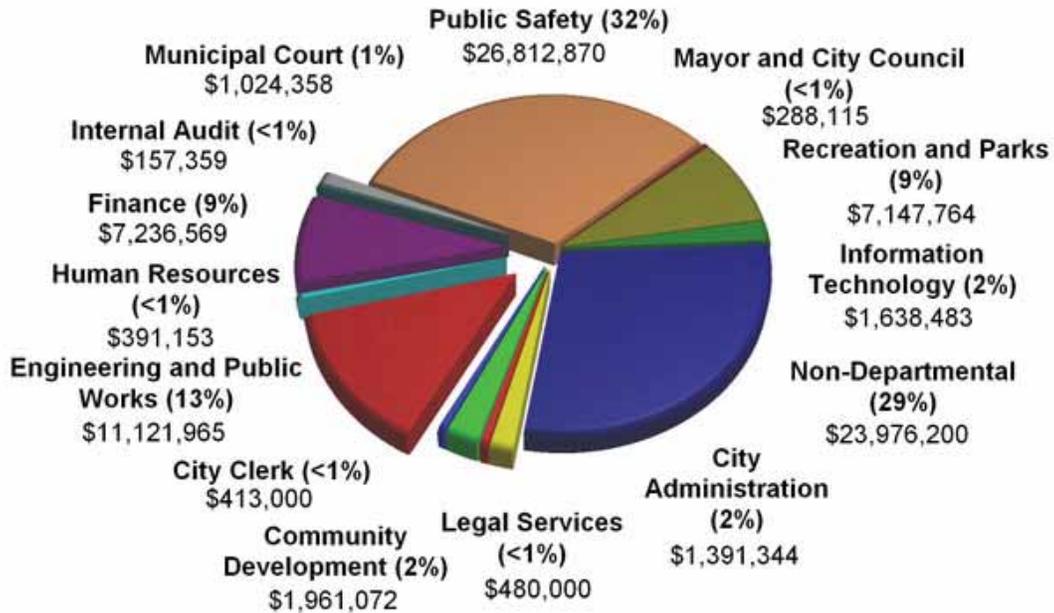
Interest – Includes investment earnings on city funds.

Other/Miscellaneous – Includes contributions from the Alpharetta Business Community (“ABC”) for sidewalk improvements, donations, and other miscellaneous revenues.

Other Financing Sources – Includes inter-fund transfers, sale of surplus assets, and budgeted fund balance.

Citywide Budget Summary by Department Expenditures

FY 2012 Citywide Budget = \$84,040,252



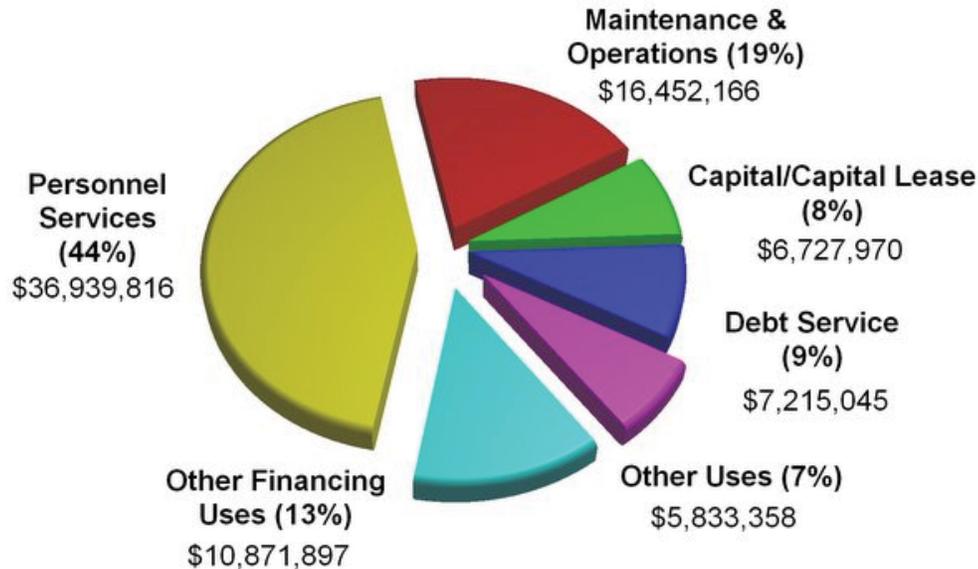
The chart above segments the FY 2012 budget by department/functional unit and includes the following:

- Mayor and City Council**
- City Administration**
- City Clerk**
- Community Development**
- Engineering and Public Works**
- Finance**
- Human Resources**
- Information Technology**
- Internal Audit**
- Legal Services**
- Municipal Court**
- Public Safety**
- Recreation and Parks**

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 Summary by Expenditure Category

FY 2012 Citywide Budget = \$84,040,252



The chart above segments the FY 2012 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, 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.

Fiscal Year 2012 - Citywide Budget Summary

Revenues by Source/Expenditures by Department

	Special Revenue Funds					
	General Fund	E-911 Fund	Impact Fee Fund	DEA Fund	Hotel/Motel Fund	Operating Grants Fund
REVENUES:						
Property Taxes	\$ 16,732,500	\$ -	\$ -	\$ -	\$ -	\$ -
Local Option Sales Taxes	11,350,000	-	-	-	-	-
Other Taxes	11,075,000	-	-	-	3,100,000	-
Licenses and Permits	1,502,000	-	-	-	-	-
Intergovernmental Revenue	76,252	660,400	-	-	-	-
Charges for Services	2,705,900	2,115,000	30,000	-	-	-
Fines and Forfeitures	3,175,000	-	-	50,000	-	-
Interest Earnings	30,000	2,259	2,500	2,500	-	-
Other/Miscellaneous	221,142	-	-	-	-	-
<i>subtotal</i>	\$ 46,867,794	\$ 2,777,659	\$ 32,500	\$ 52,500	\$ 3,100,000	\$ -
Other Financing Sources						
Interfund Transfer from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Interfund Transfer from Hotel/Motel Fund	1,240,000	-	-	-	-	-
Interfund Transfer from Impact Fee Fund	-	-	-	-	-	-
Interfund Transfer from Debt Service Fund	-	-	-	-	-	-
Budgeted Fund Balance	4,423,797	-	240,000	197,500	-	-
<i>subtotal</i>	\$ 5,663,797	\$ -	\$ 240,000	\$ 197,500	\$ -	\$ 50,000
Total Revenues	\$ 52,531,591	\$ 2,777,659	\$ 272,500	\$ 250,000	\$ 3,100,000	\$ 50,000
EXPENDITURES:						
Mayor and City Council	\$ 288,115	\$ -	\$ -	\$ -	\$ -	\$ -
City Administration	1,391,344	-	-	-	-	-
Legal Services	480,000	-	-	-	-	-
City Clerk	413,000	-	-	-	-	-
Community Development	1,961,072	-	-	-	-	-
Engineering and Public Works	6,759,465	-	-	-	-	-
Finance	3,011,909	-	-	-	-	-
Public Safety	22,867,211	2,777,659	-	250,000	-	-
Human Resources	391,153	-	-	-	-	-
Municipal Court	1,024,358	-	-	-	-	-
Internal Audit	157,359	-	-	-	-	-
Recreation and Parks	6,683,764	-	-	-	-	-
Information Technology	1,291,483	-	-	-	-	-
Non-Departmental						
Contingency	706,061	-	-	-	-	-
Reserve for Future Operating/Capital Initiatives	-	-	-	-	-	-
Alpharetta Business Community (Sidewalks)	-	-	-	516,770	-	-
Alpharetta Convention and Visitors Bureau	-	-	-	1,343,230	-	-
Debt Service (Principal and Interest)	-	-	-	-	-	-
Other	45,000	-	900	-	-	50,000
<i>subtotal</i>	\$ 47,471,294	\$ 2,777,659	\$ 900	\$ 250,000	\$ 1,860,000	\$ 50,000
Other Financing Uses						
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,240,000	\$ -
Interfund Transfer to Special Revenue Funds	50,000	-	-	-	-	-
Interfund Transfer to Capital Project Funds	4,373,797	-	-	-	-	-
Interfund Transfer to Debt Service Fund	-	-	271,600	-	-	-
Interfund Transfer to Risk Management Fund	636,500	-	-	-	-	-
<i>subtotal</i>	\$ 5,060,297	\$ -	\$ 271,600	\$ -	\$ 1,240,000	\$ -
Total Expenditures	\$ 52,531,591	\$ 2,777,659	\$ 272,500	\$ 250,000	\$ 3,100,000	\$ 50,000

	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Internal Service Fund	TOTAL
			Solid Waste Fund	Risk Management Fund	
REVENUES:					
Property Taxes	\$ 6,708,000	\$ -	\$ -	\$ -	\$ 23,440,500
Local Option Sales Taxes	-	-	-	-	11,350,000
Other Taxes	-	-	-	-	14,175,000
Licenses and Permits	-	-	-	-	1,502,000
Intergovernmental Revenue	-	-	-	-	736,652
Charges for Services	-	-	3,056,500	525,000	8,432,400
Fines and Forfeitures	-	-	-	-	3,225,000
Interest Earnings	20,000	-	6,660	-	63,919
Other/Miscellaneous	-	640,000	-	-	861,142
<i>subtotal</i>	\$ 6,728,000	\$ 640,000	\$ 3,063,160	\$ 525,000	\$ 63,786,613
Other Financing Sources					
Interfund Transfer from General Fund	\$ -	\$ 4,373,797	\$ -	\$ 636,500	\$ 5,060,297
Interfund Transfer from Hotel/Motel Fund	-	-	-	-	1,240,000
Interfund Transfer from Impact Fee Fund	271,600	-	-	-	271,600
Interfund Transfer from Debt Service Fund	-	4,300,000	-	-	4,300,000
Budgeted Fund Balance	4,520,445	-	-	-	9,381,742
<i>subtotal</i>	\$ 4,792,045	\$ 8,673,797	\$ -	\$ 636,500	\$ 20,253,639
Total Revenues	\$ 11,520,045	\$ 9,313,797	\$ 3,063,160	\$ 1,161,500	\$ 84,040,252
EXPENDITURES:					
Mayor and City Council	\$ -	\$ -	\$ -	\$ -	\$ 288,115
City Administration	-	-	-	-	1,391,344
Legal Services	-	-	-	-	480,000
City Clerk	-	-	-	-	413,000
Community Development	-	-	-	-	1,961,072
Engineering and Public Works	-	4,362,500	-	-	11,121,965
Finance	-	-	3,063,160	1,161,500	7,236,569
Public Safety	-	918,000	-	-	26,812,870
Human Resources	-	-	-	-	391,153
Municipal Court	-	-	-	-	1,024,358
Internal Audit	-	-	-	-	157,359
Recreation and Parks	-	464,000	-	-	7,147,764
Information Technology	-	347,000	-	-	1,638,483
Non-Departmental					
Contingency	-	-	-	-	706,061
Reserve for Future Operating/Capital Initiatives	-	2,582,297	-	-	2,582,297
Alpharetta Business Community (Sidewalks)	-	640,000	-	-	1,156,770
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,343,230
Debt Service (Principal and Interest)	7,215,045	-	-	-	7,215,045
Other	5,000	-	-	-	100,900
<i>subtotal</i>	\$ 7,220,045	\$ 9,313,797	\$ 3,063,160	\$ 1,161,500	\$ 73,168,355
Other Financing Uses					
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,240,000
Interfund Transfer to Special Revenue Funds	-	-	-	-	50,000
Interfund Transfer to Capital Project Funds	4,300,000	-	-	-	8,673,797
Interfund Transfer to Debt Service Fund	-	-	-	-	271,600
Interfund Transfer to Risk Management Fund	-	-	-	-	636,500
<i>subtotal</i>	\$ 4,300,000	\$ -	\$ -	\$ -	\$ 10,871,897
Total Expenditures	\$ 11,520,045	\$ 9,313,797	\$ 3,063,160	\$ 1,161,500	\$ 84,040,252

Fiscal Year 2012 - Citywide Budget Summary

Revenues by Source/Expenditures by Category

	Special Revenue Funds					
	General Fund	E-911 Fund	Impact Fee Fund	DEA Fund	Hotel/Motel Fund	Operating Grants Fund
REVENUES:						
Property Taxes	\$ 16,732,500	\$ -	\$ -	\$ -	\$ -	-
Local Option Sales Taxes	11,350,000	-	-	-	-	-
Other Taxes	11,075,000	-	-	-	3,100,000	-
Licenses and Permits	1,502,000	-	-	-	-	-
Intergovernmental Revenue	76,252	660,400	-	-	-	-
Charges for Services	2,705,900	2,115,000	30,000	-	-	-
Fines and Forfeitures	3,175,000	-	-	50,000	-	-
Interest Earnings	30,000	2,259	2,500	2,500	-	-
Other/Miscellaneous	221,142	-	-	-	-	-
<i>subtotal</i>	\$ 46,867,794	\$ 2,777,659	\$ 32,500	\$ 52,500	\$ 3,100,000	\$ -
Other Financing Sources						
Interfund Transfer from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	50,000
Interfund Transfer from Hotel/Motel Fund	1,240,000	-	-	-	-	-
Interfund Transfer from Impact Fee Fund	-	-	-	-	-	-
Interfund Transfer from Debt Service Fund	-	-	-	-	-	-
Budgeted Fund Balance	4,423,797	-	240,000	197,500	-	-
<i>subtotal</i>	\$ 5,663,797	\$ -	\$ 240,000	\$ 197,500	\$ -	\$ 50,000
Total Revenues	\$ 52,531,591	\$ 2,777,659	\$ 272,500	\$ 250,000	\$ 3,100,000	\$ 50,000
EXPENDITURES:						
Personnel Services	\$ 35,036,615	\$ 1,847,615	\$ -	\$ -	-	-
Maintenance and Operations	11,213,148	905,044	900	159,000	-	-
Capital/Capital Lease	470,470	25,000	-	91,000	-	50,000
Other						
Contingency	706,061	-	-	-	-	-
Reserve for Future Operating/Capital Initiatives	-	-	-	-	-	-
Alpharetta Business Community (Sidewalks)	-	-	-	-	516,770	-
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,343,230	-
Debt Service (Principal and Interest)	-	-	-	-	-	-
Donations/Contributions	45,000	-	-	-	-	-
<i>subtotal</i>	\$ 47,471,294	\$ 2,777,659	\$ 900	\$ 250,000	\$ 1,860,000	\$ 50,000
Other Financing Uses						
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	1,240,000	-
Interfund Transfer to Special Revenue Funds	50,000	-	-	-	-	-
Interfund Transfer to Capital Project Funds	4,373,797	-	-	-	-	-
Interfund Transfer to Debt Service Fund	-	-	271,600	-	-	-
Interfund Transfer to Risk Management Fund	636,500	-	-	-	-	-
<i>subtotal</i>	\$ 5,060,297	\$ -	\$ 271,600	\$ -	\$ 1,240,000	\$ -
Total Expenditures	\$ 52,531,591	\$ 2,777,659	\$ 272,500	\$ 250,000	\$ 3,100,000	\$ 50,000

	Debt Service Fund	Capital Projects Fund	Enterprise Fund	Internal Service Fund	TOTAL
			Solid Waste Fund	Risk Management Fund	
REVENUES:					
Property Taxes	\$ 6,708,000	\$ -	\$ -	\$ -	\$ 23,440,500
Local Option Sales Taxes	-	-	-	-	11,350,000
Other Taxes	-	-	-	-	14,175,000
Licenses and Permits	-	-	-	-	1,502,000
Intergovernmental Revenue	-	-	-	-	736,652
Charges for Services	-	-	3,056,500	525,000	8,432,400
Fines and Forfeitures	-	-	-	-	3,225,000
Interest Earnings	20,000	-	6,660	-	63,919
Other/Miscellaneous	-	640,000	-	-	861,142
<i>subtotal</i>	\$ 6,728,000	\$ 640,000	\$ 3,063,160	\$ 525,000	\$ 63,786,613
Other Financing Sources					
Interfund Transfer from General Fund	\$ -	\$ 4,373,797	\$ -	\$ 636,500	\$ 5,060,297
Interfund Transfer from Hotel/Motel Fund	-	-	-	-	1,240,000
Interfund Transfer from Impact Fee Fund	271,600	-	-	-	271,600
Interfund Transfer from Debt Service Fund	-	4,300,000	-	-	4,300,000
Budgeted Fund Balance	4,520,445	-	-	-	9,381,742
<i>subtotal</i>	\$ 4,792,045	\$ 8,673,797	\$ -	\$ 636,500	\$ 20,253,639
Total Revenues	\$ 11,520,045	\$ 9,313,797	\$ 3,063,160	\$ 1,161,500	\$ 84,040,252
EXPENDITURES:					
Personnel Services	\$ -	\$ -	\$ 55,586	\$ -	\$ 36,939,816
Maintenance and Operations	5,000	-	3,007,574	1,161,500	16,452,166
Capital/Capital Lease	-	6,091,500	-	-	6,727,970
Other					
Contingency	-	-	-	-	706,061
Reserve for Future Operating/Capital Initiatives	-	2,582,297	-	-	2,582,297
Alpharetta Business Community (Sidewalks)	-	640,000	-	-	1,156,770
Alpharetta Convention and Visitors Bureau	-	-	-	-	1,343,230
Debt Service (Principal and Interest)	7,215,045	-	-	-	7,215,045
Donations/Contributions	-	-	-	-	45,000
<i>subtotal</i>	\$ 7,220,045	\$ 9,313,797	\$ 3,063,160	\$ 1,161,500	\$ 73,168,355
Other Financing Uses					
Interfund Transfer to General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,240,000
Interfund Transfer to Special Revenue Funds	-	-	-	-	50,000
Interfund Transfer to Capital Project Funds	4,300,000	-	-	-	8,673,797
Interfund Transfer to Debt Service Fund	-	-	-	-	271,600
Interfund Transfer to Risk Management Fund	-	-	-	-	636,500
<i>subtotal</i>	\$ 4,300,000	\$ -	\$ -	\$ -	\$ 10,871,897
Total Expenditures	\$ 11,520,045	\$ 9,313,797	\$ 3,063,160	\$ 1,161,500	\$ 84,040,252

Citywide Statement of Revenues, Expenditures and Changes in Fund Balance (all Funds)

	FY 2008 Actual		FY 2009 Actual	
Beginning Fund Balance: (1)	\$	55,345,308	\$	55,442,097
Revenues:				
Property Taxes	\$	25,276,979	\$	26,363,736
Local Option Sales Taxes		11,263,805		10,696,787
Other Taxes		14,033,302		13,849,941
Licenses and Permits		2,241,052		1,369,379
Intergovernmental		4,789,371		2,654,411
Charges for Services		7,506,513		7,872,603
Fines and Forfeitures		3,936,673		3,726,714
Interest		2,422,210		1,234,238
Other Revenue		2,175,139		1,662,098
	\$	73,645,044	\$	69,429,907
Expenditures:				
Mayor and City Council	\$	237,623	\$	245,974
City Administration		1,125,997		1,173,318
Legal Services		482,040		464,007
City Clerk		309,806		249,190
Community Development (3)		4,083,613		3,741,557
Engineering and Public Works		6,929,946		7,312,275
Finance (4)		4,490,014		5,038,608
Public Safety		21,953,956		24,026,148
Human Resources		723,575		333,715
Municipal Court		857,517		918,427
Internal Audit		136,794		145,657
Recreation and Parks		6,453,642		6,303,376
Information Technology		1,259,184		1,394,203
Capital Outlay (5)		16,246,727		9,724,389
Non-Departmental:		-		-
Contingency		22,749		-
Reserve for Future Capital		-		-
Debt Service		9,693,281		9,847,997
Other		80,971		65,755
	\$	75,087,435	\$	70,984,596
Other Financing Sources (Uses):				
Proceeds from the sale of Capital Assets	\$	53,396	\$	244,000
Proceeds from Bond/Capital Lease		2,427,366		8,768,326
Transfers In		8,532,651		7,867,835
Transfers Out		(9,474,233)		(17,383,575)
	\$	1,539,180	\$	(503,414)
Ending Fund Balance: (2)	\$	55,442,097	\$	53,383,994
<i>Changes in Fund Balance (actual/est.)</i>	\$	96,789	\$	(2,058,103)

(1) This schedule includes two distinct presentations of financial data. FYs 2008-2010 include actual financial activity for all City Funds. FYs 2011-2012 include budgeted appropriations for those city Funds that experienced new appropriations in the given year.

(2) 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 fiscal year 2011 and 2012 budgets represent amounts in excess of the city's 21% Fund Balance Reserve (General Fund). Additionally, the budgetary presentation for fiscal year 2011-2012 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).

	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget
Beginning Fund Balance: (1)	\$ 53,383,994	\$ 53,214,373	\$ 37,395,874
Revenues:			
Property Taxes	\$ 25,940,049	\$ 24,593,500	\$ 23,440,500
Local Option Sales Taxes	11,174,798	10,800,000	11,350,000
Other Taxes	13,830,636	13,215,000	14,175,000
Licenses and Permits	1,497,744	1,027,000	1,502,000
Intergovernmental	1,018,726	683,039	736,652
Charges for Services	7,815,142	7,703,259	8,432,400
Fines and Forfeitures	3,867,865	3,526,424	3,225,000
Interest	357,379	154,776	63,919
Other Revenue	1,333,340	254,092	799,822
	\$ 66,835,679	\$ 61,957,090	\$ 63,725,293
Expenditures:			
Mayor and City Council	\$ 226,706	\$ 301,165	\$ 288,115
City Administration	1,104,657	1,254,194	1,391,344
Legal Services	392,470	400,000	480,000
City Clerk	350,403	270,292	413,000
Community Development (3)	3,624,923	3,678,382	3,821,072
Engineering and Public Works	7,025,225	6,596,083	6,759,465
Finance (4)	7,033,298	7,149,985	7,236,569
Public Safety	24,260,518	25,778,861	25,894,870
Human Resources	263,708	401,177	391,153
Municipal Court	931,504	993,351	1,024,358
Internal Audit	147,360	153,634	157,359
Recreation and Parks	6,489,730	6,668,406	6,683,764
Information Technology	1,230,662	1,323,565	1,291,483
Capital Outlay (5)	4,408,372	12,693,229	6,731,500
Non-Departmental:	-	-	-
Contingency	-	450,000	706,061
Reserve for Future Capital	-	-	2,582,297
Debt Service	9,530,331	9,588,815	7,215,045
Other	58,532	100,900	100,900
	\$ 67,078,399	\$ 77,802,039	\$ 73,168,355
Other Financing Sources (Uses):			
Proceeds from the sale of Capital Assets	\$ 73,099	\$ 26,450	\$ 61,320
Proceeds from Bond/Capital Lease	-	-	-
Transfers In	9,393,322	7,410,654	10,871,897
Transfers Out	(9,393,322)	(7,410,654)	(10,871,897)
	\$ 73,099	\$ 26,450	\$ 61,320
Ending Fund Balance: (2)	\$ 53,214,373	\$ 37,395,874	\$ 28,014,132
<i>Changes in Fund Balance (actual/est.)</i>	\$ (169,621)	\$ (15,818,499)	\$ (9,381,742)

(3) This schedule assigns disbursements for Alpharetta Business Community and Alpharetta Convention & Visitor's Bureau to the Community Development Department.

(4) The Finance Department figure for FY 2010 is larger due to the creation of the Risk Management Fund. Prior risk management activity is included as a transfer-out for presentation purposes with FY 2010 also including the activity within the newly created Risk Management Fund (thereby grossing-up the total).

(5) This schedule assigns all capital outlay for FY's 2011 and 2012 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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Personnel Listing by Department

City of Alpharetta Positions by Department

						A	B	=B-A	C	=B+C		
						FY 2012						
						(1)	(2)					
						Base	Variance	Operating	Revised			
						FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Initiatives (3)	Total
Detail by Department:												
General Fund												
Mayor and City Council	7.0	7.0	7.0	7.0	7.0	7.0	-	-	-	7.0		
City Administration	6.5	6.5	7.0	7.0	7.0	8.0	1.0	-	-	8.0		
City Clerk	2.0	2.0	2.0	2.0	2.0	2.0	-	-	-	2.0		
Community Development	22.0	21.0	21.0	21.0	21.0	20.0	(1.0)	-	-	20.0		
Engineering and Public Works	57.0	60.0	62.0	62.0	62.0	62.0	-	-	-	62.0		
Finance Department	21.0	21.0	24.0	25.0	25.0	25.0	-	-	-	25.0		
Public Safety Department	215.0	217.0	218.0	218.0	218.0	217.0	(1.0)	-	-	217.0		
Human Resources	7.0	6.0	3.0	3.0	3.0	3.0	-	-	-	3.0		
Municipal Court	7.5	9.0	9.0	9.0	9.0	9.0	-	-	-	9.0		
Internal Audit	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-	1.0		
Recreation and Parks	51.0	51.0	51.0	51.0	51.0	51.0	-	-	-	51.0		
Information Technology	9.0	12.0	13.0	11.0	11.0	11.0	-	-	-	11.0		
subtotal	406.0	413.5	418.0	417.0	417.0	416.0	(1.0)			-	416.0	
E-911 Fund (Special Revenue Fund)												
Public Safety	20.0	20.0	20.0	20.0	20.0	20.0	-	3.0	3.0	23.0		
Information Technology	-	-	-	1.0	1.0	1.0	-	-	-	1.0		
subtotal	20.0	20.0	20.0	21.0	21.0	21.0	-			3.0	24.0	
Solid Waste Fund (Enterprise Fund)												
Finance	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-	1.0		
Full-Time-Equivalent (FTE) Positions	427.0	434.5	439.0	439.0	439.0	438.0	(1.0)			3.0	441.0	
City of Alpharetta Population	51,243	52,282	52,339	52,508	52,620	57,551					57,551	

Notes:

- (1) 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 an identified funding source and workload justification.
- (2) Includes the reduction of 1.0 FTE within the Public Safety Department (Administrative Assistant I position) and the transfer of 1.0 FTE (Economic Development Coordinator) from the Community Development Department to City Administration.
- (3) Includes the addition of 3.0 FTE within the E-911 Fund (Public Safety Department; 2.0 FTE Communications Officers/1.0 FTE Communications Shift Supervisor).

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.



General Fund Summary

Overview

The *General Fund Summary* section is intended to provide readers with an overall understanding of the city's fiscal year 2012 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 2011 and 2012. 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 Balance**

This statement provides a historical comparison of revenues and expenditures for fiscal years 2008-2012 as well as a forecast for fiscal years 2012-2013. 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**

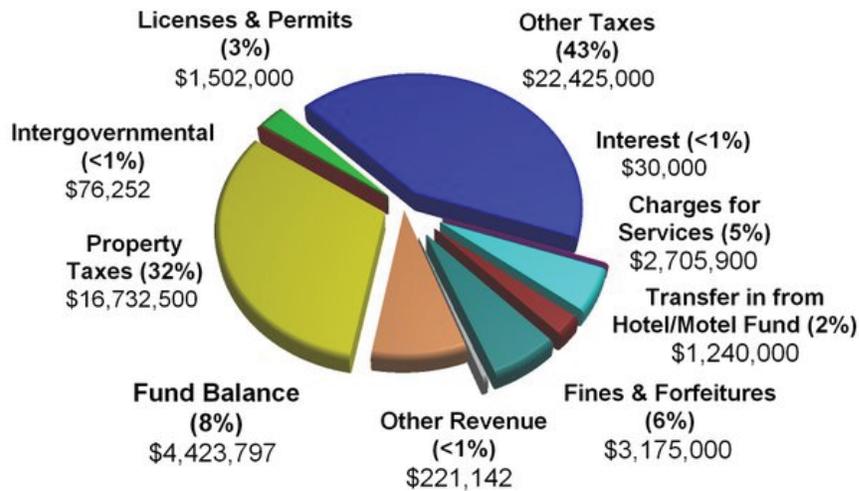
This section provides a narrative of General Fund revenue and expenditure trends including historical information.

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.

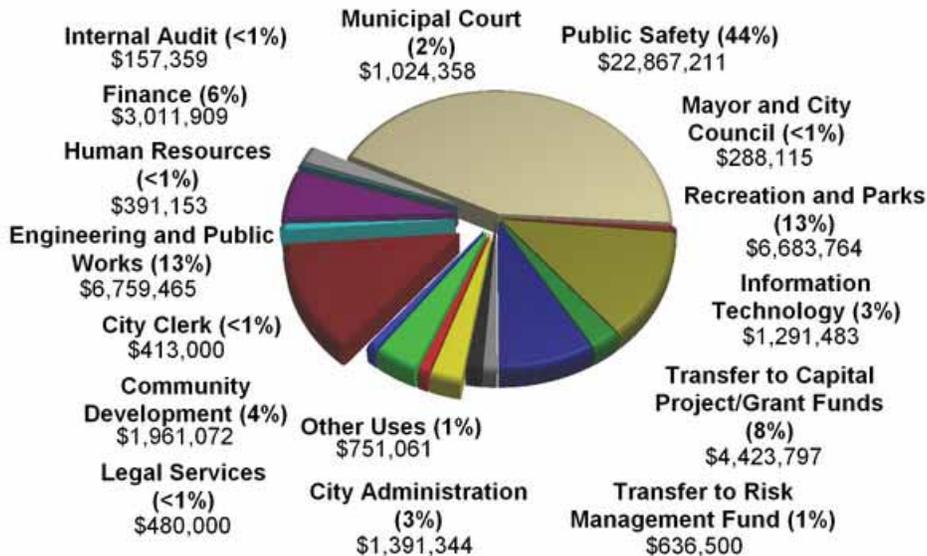
Revenues by Source

FY 2012 General Fund Budget = \$52,531,591



Expenditures by Department

FY 2012 General Fund Budget = \$52,531,591



City of Alpharetta
General Fund
Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 AMENDED BUDGET	FY 2012 RECOMMENDED BUDGET	\$ Variance	% Variance
Revenues:				
Property Taxes:				
Current Year	\$ 16,500,000	\$ 15,500,000	\$ (1,000,000)	-6.1%
Motor Vehicle	750,000	800,000	50,000	6.7%
Prior Year/Delinquent	280,500	432,500	152,000	54.2%
Local Option Sales Tax	10,800,000	11,350,000	550,000	5.1%
Other Taxes:				
Franchise Fees	5,800,000	6,300,000	500,000	8.6%
Insurance Premium Tax	1,925,000	1,875,000	(50,000)	-2.6%
Alcohol Beverage Excise Tax	1,400,000	1,450,000	50,000	3.6%
Other Taxes	1,340,000	1,450,000	110,000	8.2%
Licenses & Permits	1,027,000	1,502,000	475,000	46.3%
Intergovernmental	76,252	76,252	-	0.0%
Charges for Services	2,482,700	2,705,900	223,200	9.0%
Fines & Forfeitures	3,000,000	3,175,000	175,000	5.8%
Interest	115,000	30,000	(85,000)	-73.9%
Other Revenues	260,542	221,142	(39,400)	-15.1%
Other Financing Sources:				
Interfund Transfer (Hotel/Motel Fund)	1,100,000	1,240,000	140,000	12.7%
Total Operating Revenues	\$ 46,856,994	\$ 48,107,794	\$ 1,250,800	2.7%
Fund Balance Carryforward	3,622,808	4,423,797		
Total Revenues	\$ 50,479,802	\$ 52,531,591		
Expenditures (by Category):				
Personnel Services:				
Salaries and Wages	\$ 23,163,701	\$ 23,616,049	\$ 452,348	2.0%
Group Insurance	4,997,452	5,147,696	150,244	3.0%
Pension (Defined Benefit)	2,962,599	2,866,169	(96,430)	-3.3%
Pension (401A Contribution)	886,178	1,002,226	116,048	13.1%
Miscellaneous	2,325,241	2,404,475	79,234	3.4%
<i>subtotal</i>	\$ 34,335,171	\$ 35,036,615	\$ 701,444	2.0%
Maintenance and Operations:				
Professional Fees	\$ 1,967,646	\$ 1,968,467	\$ 821	0.0%
Vehicles (Fuel and Maintenance)	878,865	949,916	71,051	8.1%
Maintenance Contracts	1,510,190	1,629,434	119,244	7.9%
Professional Services (IT)	1,151,875	973,984	(177,891)	-15.4%
Utilities	1,990,453	2,174,175	183,722	9.2%
Legal Services	400,000	480,000	80,000	20.0%
Miscellaneous	3,091,598	3,037,172	(54,426)	-1.8%
<i>subtotal</i>	\$ 10,990,627	\$ 11,213,148	\$ 222,521	2.0%
Capital/Lease:				
Fire Truck Lease (current)	\$ 217,805	\$ 217,805	\$ -	0.0%
OSSI Lease Payoff	296,828	-	(296,828)	100.0%
New Initiatives (Fire Truck/ERP Lease)	75,000	185,000	110,000	146.7%
Miscellaneous	33,760	67,665	33,905	100.4%
<i>subtotal</i>	\$ 623,393	\$ 470,470	\$ (152,923)	-24.5%
Other Uses:				
Contingency	\$ 450,000	\$ 706,061	\$ 256,061	56.9%
Donations/Contributions	45,000	45,000	-	0.0%
<i>subtotal</i>	\$ 495,000	\$ 751,061	\$ 256,061	51.7%
Total Operating Expenditures	\$ 46,444,191	\$ 47,471,294	\$ 1,027,103	2.2%
Interfund Transfer:				
Capital Project Fund	3,259,311	4,373,797		
Grant Funds	50,000	50,000		
Risk Management	726,300	636,500		
Total Expenditures	\$ 50,479,802	\$ 52,531,591		
<i>Personnel (full-time-equivalent)</i>	417.0	416.0		

City of Alpharetta
General Fund
Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
Beginning Fund Balance:	\$19,846,379	\$22,883,207	\$21,295,481	\$18,879,353	\$ 15,256,545	\$10,832,748	\$10,832,748
Revenues:							
Property Taxes	\$18,214,162	\$18,914,265	\$18,603,559	\$17,530,500	\$ 16,732,500	\$17,067,150	\$17,408,493
Local Option Sales Taxes	11,263,805	10,696,787	11,174,798	10,800,000	11,350,000	11,804,000	12,276,160
Other Taxes	10,359,126	10,787,634	10,998,748	10,465,000	11,075,000	11,628,750	12,210,188
Licenses and Permits	2,241,052	1,369,379	1,497,744	1,027,000	1,502,000	1,531,890	1,562,376
Intergovernmental	91,447	73,516	76,348	76,252	76,252	76,252	76,252
Charges for Services	2,998,867	2,660,303	2,638,962	2,482,700	2,705,900	2,757,818	2,813,366
Fines and Forfeitures	3,733,499	3,327,621	3,360,576	3,000,000	3,175,000	3,238,500	3,303,270
Interest	749,391	280,382	57,365	115,000	30,000	31,200	31,200
Other Revenue	296,925	487,710	315,562	234,092	159,822	167,813	167,813
	\$49,948,274	\$48,597,597	\$48,723,662	\$45,730,544	\$ 46,806,474	\$48,303,373	\$49,849,118
Expenditures:							
Mayor and City Council	\$ 237,623	\$ 245,974	\$ 226,706	\$ 301,165	\$ 288,115	\$ 291,475	\$ 294,969
City Administration	1,125,997	1,173,318	1,104,657	1,254,194	1,391,344	1,412,399	1,433,898
Legal Services	482,040	464,007	392,470	400,000	480,000	483,600	487,227
City Clerk	309,806	249,190	350,403	270,292	413,000	285,819	430,331
Community Development	1,879,108	1,904,173	1,925,790	2,028,382	1,961,072	1,976,383	2,012,544
Engineering and Public Works	6,854,946	7,294,161	7,025,225	6,596,083	6,759,465	7,865,619	7,974,157
Finance	2,000,280	2,512,964	2,684,236	2,941,211	3,011,909	3,058,426	3,109,108
Public Safety	20,214,681	21,360,612	21,698,836	22,617,731	22,867,211	23,282,630	23,708,519
Human Resources	723,575	333,715	263,708	401,177	391,153	395,068	399,051
Municipal Court	857,517	918,427	931,504	993,351	1,024,358	1,040,142	1,056,279
Internal Audit	136,794	145,657	147,360	153,634	157,359	160,422	163,562
Recreation and Parks	6,353,547	6,298,065	6,159,360	6,668,406	6,683,764	6,775,904	6,870,068
Information Technology	1,259,184	1,394,203	1,230,662	1,323,565	1,291,483	1,314,028	1,337,098
Non-Departmental:	22,749	-	-	-	-	-	-
Contingency	-	-	-	450,000	706,061	480,000	490,000
Donations/Contributions	45,000	45,000	45,000	45,000	45,000	45,000	45,000
	\$42,502,847	\$44,339,466	\$44,185,917	\$46,444,191	\$ 47,471,294	\$48,866,915	\$49,811,811
Other Financing Sources (Uses):							
Proceeds from the sale of Capital Assets	\$ 53,396	\$ 244,000	\$ 73,099	\$ 26,450	\$ 61,320	\$ 63,773	\$ 66,324
Interfund Transfer:							
E-911 Fund	(340,344)	-	-	-	-	-	-
Bond IV Fund	-	-	-	-	-	-	-
Hotel/Motel Fund	1,469,671	1,224,923	1,132,755	1,100,000	1,240,000	1,302,000	1,354,080
Operating Grant Fund	(42,950)	(25,450)	-	-	(50,000)	-	-
Capital Grant Fund	(20,000)	(184,575)	(275,000)	(50,000)	-	-	-
Capital Project Fund	(4,586,184)	(6,213,887)	(6,634,830)	(3,259,311)	(4,373,797)	(165,731)	(821,211)
Debt Service Fund	-	-	-	-	-	-	-
Solid Waste Fund	(605)	-	-	-	-	-	-
(1) Risk Management Fund	(941,582)	(890,868)	(1,249,897)	(726,300)	(636,500)	(636,500)	(636,500)
	\$(4,408,598)	\$(5,845,857)	\$(6,953,873)	\$(2,909,161)	\$(3,758,977)	563,542	(37,307)
Ending Fund Balance: (2)	\$22,883,207	\$21,295,481	\$18,879,353	\$15,256,545	\$ 10,832,748	\$10,832,748	\$10,832,748
<i>Changes in Fund Balance (actual/est.)</i>	\$ 3,036,829	\$(1,587,726)	\$(2,416,128)	\$(3,622,808)	\$ (4,423,797)	\$ (0)	\$(0)
<i>Personnel (full-time-equivalent) (3)</i>	413.5	418.0	417.0	417.0	416.0		

Notes:

- (1) The Risk Management Fund was initially created in fiscal year 2010. Prior activity was recorded within the General Fund. For presentation purposes, all Risk Management activity has been included together.
- (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 2011 and 2012 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).

Budget Narrative

Revenues: FY 2012 General Fund revenues are forecasted to grow by 2.7%, or \$1.3 million, compared to Amended FY 2011. The following table compares major revenue categories within the General Fund:

	FY 2011 AMENDED BUDGET	FY 2012 RECOMMENDED BUDGET	\$ Variance	% Variance
Revenues:				
Property Taxes:				
Current Year	\$ 16,500,000	\$ 15,500,000	\$ (1,000,000)	-6.1%
Motor Vehicle	750,000	800,000	50,000	6.7%
Prior Year/Delinquent	280,500	432,500	152,000	54.2%
Local Option Sales Tax	10,800,000	11,350,000	550,000	5.1%
Other Taxes:				
Franchise Fees	5,800,000	6,300,000	500,000	8.6%
Insurance Premium Tax	1,925,000	1,875,000	(50,000)	-2.6%
Alcohol Beverage Excise Tax	1,400,000	1,450,000	50,000	3.6%
Other Taxes	1,340,000	1,450,000	110,000	8.2%
Licenses & Permits	1,027,000	1,502,000	475,000	46.3%
Intergovernmental	76,252	76,252	-	0.0%
Charges for Services	2,482,700	2,705,900	223,200	9.0%
Fines & Forfeitures	3,000,000	3,175,000	175,000	5.8%
Interest	115,000	30,000	(85,000)	-73.9%
Other Revenues	260,542	221,142	(39,400)	-15.1%
Other Financing Sources:				
Interfund Transfer (Hotel/Motel Fund)	1,100,000	1,240,000	140,000	12.7%
Total Operating Revenues	\$ 46,856,994	\$ 48,107,794	\$ 1,250,800	2.7%
Fund Balance Carryforward	3,622,808	4,423,797		
Total Revenues	\$ 50,479,802	\$ 52,531,591		

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 report¹⁸. 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.

MONTH	FY 2008 Actual	FY 2007 Actual	Change	FY 2008 Actual	%	FY 2009 Actual	%	FY 2010 Actual	%	FY 2011 Actual	%
July	926,880.00	914,811.74	12,068.26	1,013,471.88	109.33%	871,547.12	85.99%	871,547.12	85.99%	871,547.12	85.99%
August	448,686.18	792,759.32	-344,073.14	894,027.71	199.33%	878,302.75	98.23%	1,028,114.82	115.91%	898,832.89	86.45%
September	792,378.86	875,844.76	-83,465.90	878,522.22	100.65%	913,813.08	104.00%	871,789.00	96.45%	974,154.83	111.86%
October	710,750.80	578,848.71	131,902.09	687,131.86	96.73%	1,174,138.58	170.86%	848,765.68	123.51%	883,815.58	104.16%
November	845,040.00	549,702.87	295,337.13	506,488.15	59.83%	838,332.30	165.53%	943,765.17	185.77%	898,832.89	93.28%
December	878,242.50	712,857.04	165,385.46	878,242.50	100.00%	878,242.50	100.00%	978,242.50	111.39%	878,242.50	100.00%
January	830,842.75	868,863.58	-38,020.83	1,003,833.98	120.93%	1,137,708.80	113.36%	988,844.13	97.52%	898,832.89	90.89%
February	712,340.24	811,775.10	-99,434.86	795,848.20	111.74%	818,558.70	102.85%	811,775.10	99.15%	811,775.10	100.00%
March	748,454.74	748,265.31	189.43	868,852.37	116.13%	748,118.86	86.10%	811,775.10	107.16%	748,118.86	100.00%
April	735,174.84	871,844.34	-136,669.50	863,881.96	116.88%	1,170,112.52	135.43%	900,481.31	104.23%	898,832.89	100.00%
May	8,872,763.76	7,348,268.66	1,524,495.10	8,142,342.62	91.78%	8,748,884.75	106.22%	8,718,884.75	105.85%	8,270,104.20	94.89%
June	879,124.96	891,325.86	-12,200.90	899,732.26	102.33%	879,573.84	97.76%	879,573.84	100.00%	879,573.84	100.00%
July	1,436,124.20	1,712,127.80	-276,003.60	1,192,867.12	83.13%	1,129,594.62	94.73%	1,529,338.31	135.43%	1,129,594.62	100.00%
Aug. Period Total	2,296,349.21	2,718,874.58	-422,525.37	3,081,862.23	134.20%	3,380,832.60	109.70%	3,080,832.60	100.00%	3,080,832.60	100.00%
TOTAL	13,818,113.01	12,961,267.83	856,845.18	13,361,824.88	103.59%	13,669,542.36	102.25%	13,114,746.11	97.63%	14,114,746.11	107.60%
ORIGINAL BUDGET	7,484,720	8,202,000	717,280	8,685,000	116.06%	10,800,000	124.31%	11,100,000	126.83%	10,800,000	100.00%
AMENDED BUDGET	7,884,888	8,812,576	927,688	9,171,600	116.22%	9,300,000	101.41%	11,100,000	119.35%	10,800,000	97.27%
% OVER AMENDED BUDGET	7.84%	1.09%	1.75%	8.17%	8.79%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Period % to Actual	78.37%	72.84%	5.53%	72.84%	92.84%	81.88%	87.80%	87.80%	87.80%	87.80%	87.80%
Current Period % to Budget											
Variance Actual to Budget	1,103,844	5,819,308	4,715,464	865,174	10.78%	1,059,376	12.13%	74,799	0.64%	(1,329,844)	-12.13%

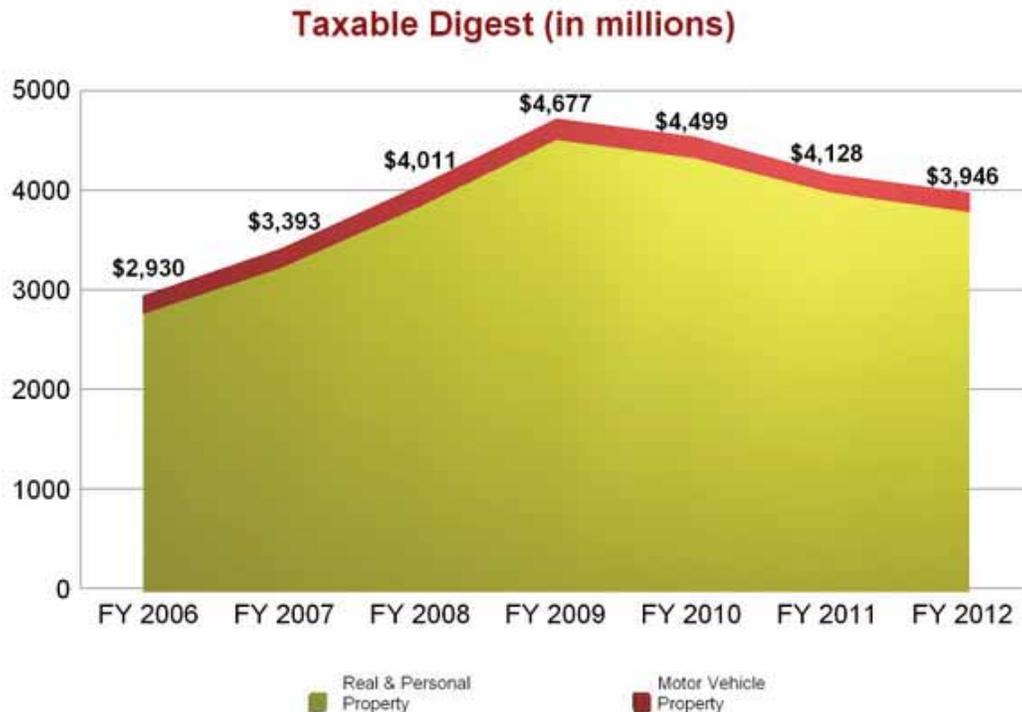
¹⁸ Please refer to the Financial Management Policies (Section III: Financial Reporting).

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.

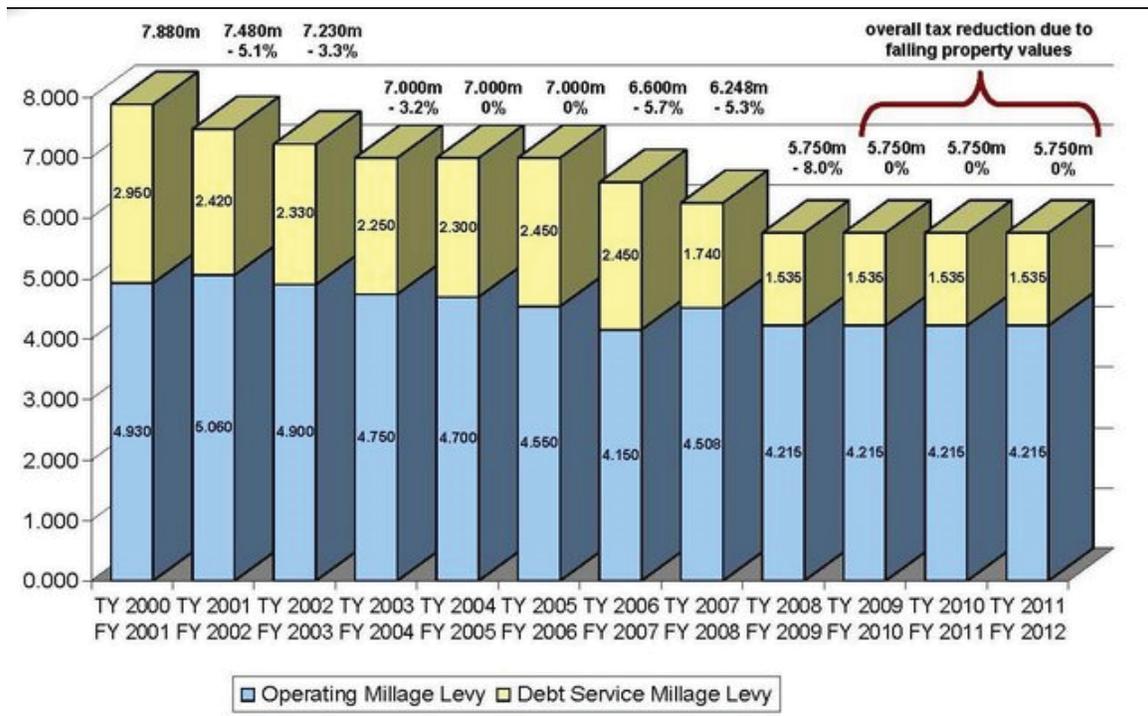
The BOA has indicated that digest values for North Fulton, including the City of Alpharetta, may experience declines in 2011 (FY 2012). Recently adopted property tax reform legislation requires all Georgia counties to mail an annual assessment notice to all of their taxable real estate properties every year. This is anticipated to increase appeal activity which will erode digest values. As of the date of this letter, we have not received the 2011 Digest from the BOA.

The chart below illustrates the tax base growth (net of exemptions) within the city for the last 6 years and the forecast for FY 2012.



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 12 years.



The FY 2012 Budget is based on maintenance of the city's millage rate at 5.750 mills which represents a tax reduction for many property owners as the value of property within the city has declined over the last several years and is anticipated to decline further in FY 2012. Specifically, the revenue figure for FY 2012 assumes a 6% reduction compared to FY 2011 (i.e. 3% reduction in existing property values coupled with a 3% reduction related to the increased homestead exemption discussed below).

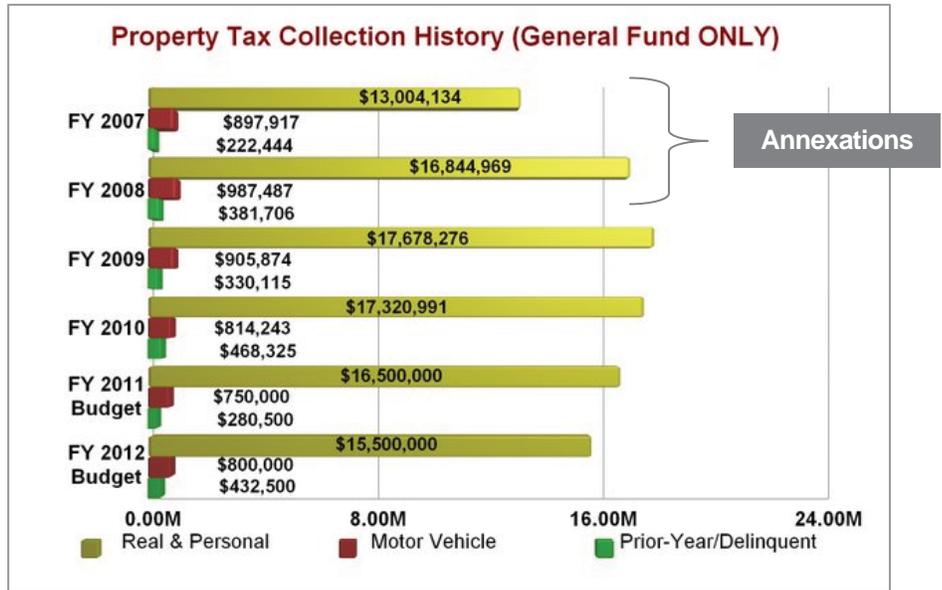
The operating millage levy for FY 2012 totals 4.215 mills and proceeds are recognized within the General Fund to be used for general city operations such as public safety, engineering & public works, etc. The debt service millage levy for FY 2012 totals 1.535 mills and proceeds are recognized within the Debt Service Fund to be used for repayment of voter approved general obligation bonds.

The Mayor and City Council provided voters the option in the Nov. 2009 election to increase the homestead exemption from \$30,000 to \$40,000; further reducing the tax burden on our homeowners. The voters overwhelmingly passed this tax relief measure. The homestead exemption for calendar year 2010 (FY 2011) increased \$5,000 to a total of \$35,000 (\$260,000 savings to homeowners) and increases to \$40,000 (additional \$260,000 savings to homeowners) in calendar year 2011 (FY 2012). Additional tax savings to our homeowners from this measure is estimated at over \$520,000 annually and is reflected in the FY 2012 revenue figure.

The FY 2012 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. It should be noted that the \$40,000 Homestead Exemption our city offers is equivalent to a 1.5 mill reduction for the average homeowner.

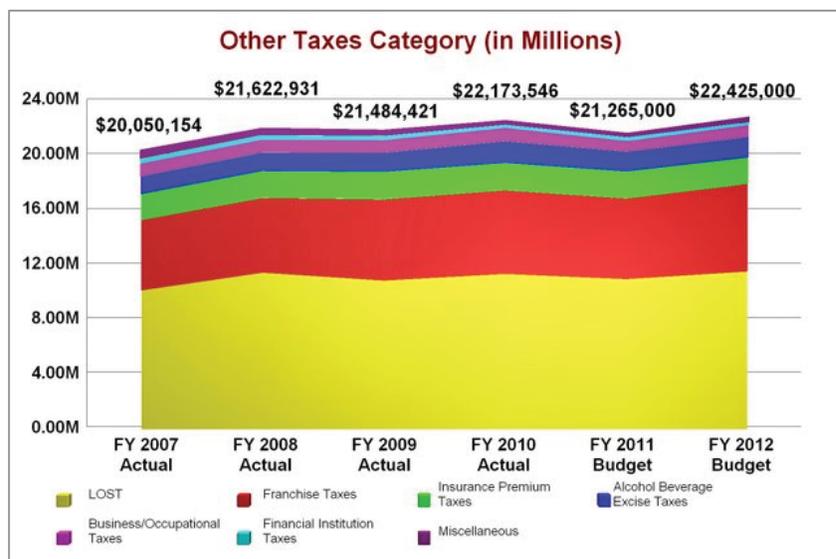
Property taxes represent approximately 32% of General Fund revenues. FY 2012 Property Taxes are estimated at \$23.4 million citywide with the breakdown as follows: General Fund (\$16.7 million); and Debt Service Fund (\$6.7 million). General

Fund Property Tax collections for FY 2012 include forecasted reductions of -6% to compensate for anticipated declines in property assessments coupled with the homestead exemption increase (i.e. from \$35,000 to \$40,000). The chart to the right depicts a 6-year history of General Fund property tax collections by type.



Other Taxes

Other taxes account for 43%, or \$22.4 million, of total General Fund revenue for FY 2012. 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 to the right provides a 6-year history of Other Tax collections by type.



- **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 \$11.4 million for FY 2012.

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). Upon receipt of final 2010 Census data, negotiations will begin between Fulton County and its municipalities on how to adjust the distribution to reflect the updated population figures.

Growth of 5.1% is forecasted for FY 2012 from a budget-to-budget standpoint. However, actual collections are estimated at \$11.4 million in FY 2011. It should be noted that the estimated figure for FY 2011 is net of audit adjustments by the Georgia Department of Revenue¹⁹ that reduced distributions by -\$310,000. Adding back the audit adjustments would net an estimated \$11.7 million in FY 2011. The city has included a -3.0% reduction in the FY 2012 Budget to insulate from further erosion in consumer/business spending.

- **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 2012 totals \$6.3 million. Growth of 8.6% is forecasted for FY 2012 from a budget-to-budget standpoint. Actual collections are estimated at \$6.1 million in FY 2011. GA Power, the largest contributor to this revenue source (68% of total franchise fees), has obtained approval from the Georgia Public Service Commission for three incremental rate increases beginning in calendar year 2011 and occurring annually thereafter through 2013. The 2011 rate adjustment will increase base rates between 8-10% and will be reflected in the city’s franchise fees for FY 2012 (est. to generate an additional

¹⁹ The Georgia DOR performed an audit on a large taxpayer’s account due to a refund request. The refund was requested for items and services that were exempt from sales tax but were paid at the time of purchase/service and covers periods from January 2004 through December 2007. The refund affected all sales tax distributions in Fulton County (Alpharetta’s portion totaled \$310,000).

\$300,000 annually. Franchise revenue in the short-term (1-2 years) is expected to grow over 4% annually due to announced utility company rate increases and increased development activity (albeit in very specific markets such as data centers and information management).

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 \$1.9 million in FY 2012 (reduction of -2.6% compared to FY 2011 with no growth forecasted over the short-term). 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 \$1.5 million in FY 2012. However, actual collections are estimated at \$1.6 million in FY 2011. The city has included a -6.7% reduction in the FY 2012 Budget to insulate from reduced alcoholic beverage sales (i.e. stagnation in consumer spending on alcohol).

Licenses & Permits

Licenses & permits account for 3%, or \$1.5 million, of total General Fund revenue for FY 2012. Licenses and permit revenues include alcoholic beverage permit fees, development permit and related fees, building permit fees, occupancy permit fees, sign permit fees, etc. The FY 2012 budget figure represents an increase of 46.3% compared to the FY 2011 budget based on current collection patterns and increased building permit activity. Data used in forecasting models (e.g. building permits, certificate of occupancy submissions, etc.) indicate that economic activity will sustain the current revenue forecasts but additional growth will be constrained in the short-term.

Intergovernmental

Intergovernmental sources account for <1%, or \$76,252, of total General Fund revenue for FY 2012. 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 9.0% is forecasted for FY 2012 due to current collection patterns and permit activity. Specific revenue sources include: Plan Review Fees (increased +\$170,000 to \$275,000); Police Reports and Services (increased +\$60,000 to \$140,000 due to fees associated with the GBI fingerprinting/background check program instituted during FY 2011); etc. It should be noted that the GBI fingerprinting/background check program impacts the expenditure budget through fees for system usage but is operationally self sufficient (i.e. fee revenues fund the program).

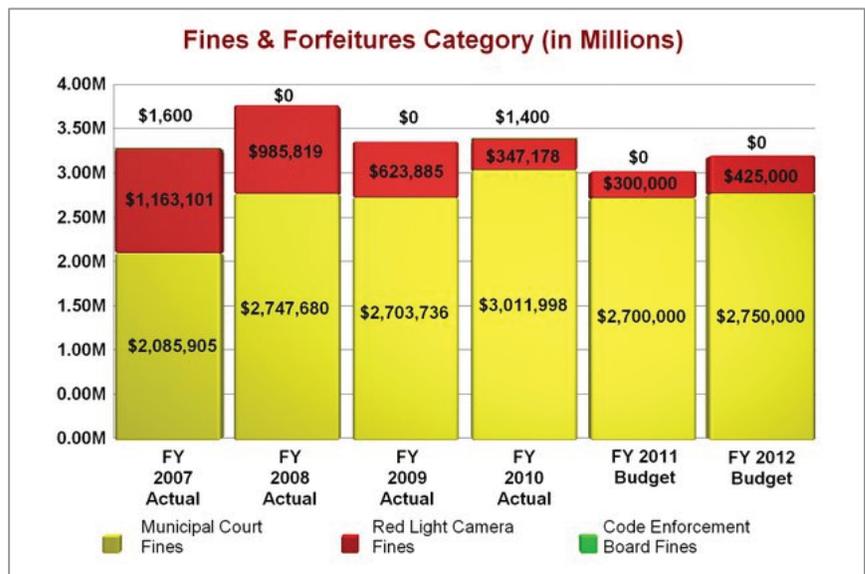


Charges for services include user fees for community development (plan review, planning and development fees, etc.), public safety (plan review, police reports and services, etc.), recreation and parks (program and activity fees, etc.), and special events (Taste of Alpharetta event fees, etc.).

Fines & Forfeitures

Fines & forfeitures account for 6.0%, or \$3.2 million, of total General Fund revenue for FY 2012. Growth of 5.8% is forecasted for FY 2012 due primarily to increases in Municipal Court fines (increased +\$50,000 to \$2.8 million) and Red Light Camera citations (increased +\$125,000 to \$425,000).

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



Interest

Interest earnings account for <1%, or \$30,000, of total General Fund revenue for FY 2012. Reduction of -73.9% is forecasted to more accurately reflect the earnings the city is currently receiving on its investments as governed by the city's investment management policy. Economic instability including deterioration of the financial sectors has resulted in a flow of investment funds into the safety of U.S. Treasury securities which has significantly lowered yields and negatively affected the city's investment return.

Other Financing Sources

Other Financing Sources account for 2%, or \$1.2 million, of total General Fund revenue for FY 2012 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 8%, or \$4.4 million, of total General Fund appropriations for FY 2012. 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.

Expenditures: FY 2012 General Fund operating expenditures have increased 2.2%, or \$1.0 million, compared to Amended FY 2011. The following table compares departmental appropriations within the General Fund (please refer to the departmental summaries included herein for detailed budgetary analysis).

	FY 2011 AMENDED BUDGET	FY 2012 RECOMMENDED BUDGET	\$ Variance	% Variance
Expenditures (by Department):				
Mayor and Council	\$ 301,165	\$ 288,115	\$ (13,050)	-4.3%
City Administration	1,254,194	1,391,344	137,150	10.9%
Legal Services	400,000	480,000	80,000	20.0%
City Clerk	270,292	275,000	4,708	1.7%
(1) Election Costs	-	138,000	138,000	100.0%
Community Development	2,028,382	1,961,072	(67,310)	-3.3%
Engineering and Public Works	6,596,083	6,759,465	163,382	2.5%
Finance	2,866,211	2,886,909	20,698	0.7%
(2) ERP System	75,000	125,000	50,000	100.0%
Public Safety	22,020,903	22,322,211	301,308	1.4%
(3) GBI Fingerprint/Background Check	-	60,000	60,000	100.0%
(4) OSSI Lease Payoff	296,828	-	(296,828)	-100.0%
(5) Red Light Camera Program	300,000	425,000	125,000	41.7%
(2) Fire Truck Lease (Engine 2)	-	60,000	60,000	100.0%
Human Resources	401,177	391,153	(10,024)	-2.5%
Municipal Court	993,351	1,024,358	31,007	3.1%
Internal Audit	153,634	157,359	3,725	2.4%
Recreation and Parks	6,668,406	6,683,764	15,358	0.2%
Information Technology	1,323,565	1,291,483	(32,082)	-2.4%
Non-Departmental:				
Contingency	450,000	706,061	256,061	56.9%
Donations/Contributions	45,000	45,000	-	0.0%
Total Operating Expenditures	\$ 46,444,191	\$ 47,471,294	\$ 1,027,103	2.2%
Interfund Transfer:				
Capital Project Fund	3,259,311	4,373,797		
Grant Funds	50,000	50,000		
Risk Management Fund	726,300	636,500		
Total Expenditures	\$ 50,479,802	\$ 52,531,591		

Notes:

- (1) Represents funding for the upcoming City election (November 2011).
- (2) Additional funding approved as an operating initiative during the FY 2012 budget process.
- (3) The GBI fingerprinting/background check program was instituted during FY 2011. This program is fee-based and operationally self sufficient (i.e. fee revenues fund the program).
- (4) Available fund balance in FY 2011 was used to payoff the remaining two years of the OSSI lease (public safety software). This transaction reduced the City's outstanding debt and interest expense.
- (5) Increase in anticipated Red Light Camera activity is offset with additional citation revenue.

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

	FY 2011 AMENDED BUDGET	FY 2012 RECOMMENDED BUDGET	\$ Variance	% Variance
Expenditures (by Category):				
Personnel Services:				
Salaries and Wages	\$ 23,163,701	\$ 23,616,049	\$ 452,348	2.0%
Group Insurance	4,997,452	5,147,696	150,244	3.0%
Pension (Defined Benefit)	2,962,599	2,866,169	(96,430)	-3.3%
Pension (401A Contribution)	886,178	1,002,226	116,048	13.1%
Miscellaneous	2,325,241	2,404,475	79,234	3.4%
<i>subtotal</i>	\$ 34,335,171	\$ 35,036,615	\$ 701,444	2.0%
Maintenance and Operations:				
Professional Fees	\$ 1,967,646	\$ 1,770,467	\$ (197,179)	-10.0%
(1) <i>Election Costs</i>	-	138,000	138,000	100.0%
(2) <i>GBI Fingerprint/Background Check</i>	-	60,000	60,000	100.0%
Vehicles (Fuel and Maintenance)	878,865	949,916	71,051	8.1%
Maintenance Contracts	1,510,190	1,629,434	119,244	7.9%
Professional Services (IT)	1,151,875	973,984	(177,891)	-15.4%
Utilities	1,990,453	2,174,175	183,722	9.2%
Legal Services	400,000	480,000	80,000	20.0%
Miscellaneous	3,091,598	3,037,172	(54,426)	-1.8%
<i>subtotal</i>	\$ 10,990,627	\$ 11,213,148	\$ 222,521	2.0%
Capital/Lease:				
Fire Truck Lease	\$ 217,805	\$ 217,805	\$ -	0.0%
(3) OSSI Lease Payoff	296,828	-	(296,828)	-100.0%
(4) New Initiatives (Fire Truck/ERP Lease)	75,000	185,000	110,000	146.7%
Miscellaneous	33,760	67,665	33,905	100.4%
<i>subtotal</i>	\$ 623,393	\$ 470,470	\$ (152,923)	-24.5%
Other Uses:				
Contingency	\$ 450,000	\$ 706,061	\$ 256,061	56.9%
Donations/Contributions	45,000	45,000	-	0.0%
<i>subtotal</i>	\$ 495,000	\$ 751,061	\$ 256,061	51.7%
Total Operating Expenditures	\$ 46,444,191	\$ 47,471,294	\$ 1,027,103	2.2%
Interfund Transfer:				
Capital Project Fund	3,259,311	4,373,797		
Grant Funds	50,000	50,000		
Risk Management	726,300	636,500		
Total Expenditures	\$ 50,479,802	\$ 52,531,591		

Notes:

- (1) Represents funding for the upcoming City election (November 2011).
- (2) The GBI fingerprinting/background check program was instituted during FY 2011. This program is fee-based and operationally self sufficient (i.e. fee revenues fund the program).
- (3) Available fund balance in FY 2011 was used to payoff the remaining two years of the OSSI lease (public safety software). This transaction reduced the City's outstanding debt and interest expense.
- (4) Additional funding approved as an operating initiative during the FY 2012 budget process.

Meeting the Internal Needs of Operating Departments

As provided monthly to the City Council through the Financial Management Reports, the Finance Department has closely monitored our revenue and expenditure trends and indicated that spending would need to continue to be focused on essential items for FY 2012 to compensate for declining property values and increased costs for group insurance premiums, fuel, and utilities. 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) in line with current revenue estimates that cover the city's major cost drivers (e.g. fuel and utilities).

Several of the major points of the FY 2012 Budget are as follows:

- Operating expenditures of the General Fund up only 2.2% over FY 2011 (including a 57% increase in Contingency²⁰).
- Management of personnel and compensation program to align with current market environment:

- Base Budget

Continuation of a reduced workforce:

- 425 full-time equivalents (funded; down 1.0 FTE from 2011); and
- 13 full-time equivalents (un-funded; budgetary savings of \$600,000) – positions to remain vacant pending an identified funding source and workload justification.

The 1.0 FTE reduction in personnel represents the elimination of an Administrative Assistant I position effective July 1, 2011 (incumbent is retiring and the Public Safety Department will reorganize operations to absorb the job duties).

- Operating Initiative (E-911 Fund)

Three new positions are included in the FY 2012 E-911 Fund budget to augment service levels (two Communication Officer positions; one Communication Shift Supervisor position). Specifically, the new positions will provide multiple benefits including: improved tactical communications for both police and fire; improved GCIC compliance; alleviate staffing shortages and reduce overtime costs; etc. Funding is

²⁰ Contingency totals \$706,061 in FY 2012 (\$450,000 in FY 2011) and is intended to insulate the city's budget from unforeseen revenue declines (e.g. property tax appeals), emergency expenditures, etc.

split between Alpharetta and the City of Milton per Intergovernmental Agreement.

- Implementation of a performance-based merit program of 2% on April 1, 2012, per authorized/funded position (estimated cost of \$138,000 citywide²¹). This merit program is contingent upon a mid-year review of revenue trends to determine if sufficient funding is available.
- Coverage of major growth drivers, including group insurance (a.k.a. healthcare) costs (3% increase citywide or \$157,184). The actual premium growth for FY 2012 is estimated between 9-15% due to claims patterns that are trending at 90% of premiums (industry standard is 80-85%) and medical cost inflation. During the FY 2011 budget process, assumptions were made about group insurance premium growth as negotiations with our insurance carrier (CIGNA) were ongoing. The Finance Department was able to negotiate a contract with CIGNA that resulted in a 0% increase in premiums for FY 2011. From a budget-to-budget perspective, the excess group insurance funding from FY 2011 is being used to offset FY 2012 estimated premium growth.

The Finance Department, in conjunction with Bryant Wharton (insurance advisor), is working with our insurance carrier (CIGNA) to lower the premium growth while still ensuring a competitive insurance package for our employees. Alternatives being discussed include providing our employees the option of an HSA (Health Savings Account) healthcare plan that includes many of the HRA benefits but also allows for portability of unspent funds. The HSA will facilitate healthcare cost management and result in lower premium growth in the future while still providing top level healthcare to employees and their families.

- Targeted growth (2% or \$222,521) in departmental maintenance and operations budgets (General Fund) that is primarily attributable to the following:
 - Increase in professional fees of \$138,000 due to costs associated with the upcoming municipal election (November 2011).
 - Increase in professional fees of \$60,000 due primarily to fees associated with the GBI system (fingerprint-based background checks) which was instituted during FY 2011. The system is operationally self sufficient with an estimated \$60,000 increase in both revenues (service fees) and expenditures (professional fees).

²¹ This represents the financial impact in FY 2012 (i.e. April-June 2012).

- Increase in vehicle repair and maintenance of \$71,051 due primarily to rising fuel costs and general fleet maintenance requirements.
- Increase in maintenance contracts of \$119,244 due primarily to estimated cost increases for landscaping, tornado siren (a.k.a. Early Warning System), and red light camera program maintenance (additional red light citation revenue offsets this increase) coupled with the reallocation of Code Red Alert system and Public Safety radio system maintenance costs (Fulton County and Motorola) to the E-911 Fund pursuant to HB 280²². Additionally, funding totaling \$36,000 is allocated for maintenance expenses related to properties acquired within the City Center area that have active leases. The activity is self supportive with lease revenues covering anticipated expenditures (unspent revenues will be reserved for future initiatives).
- Decrease in professional services (Information Technology “IT”) of -\$177,891 due primarily to the reallocation of OSSI software²³ maintenance costs to the E-911 Fund pursuant to HB 280.
- Increase in utilities of \$183,722, based on current year-to-date expenditures and the GA Power rate increase (est. at 8-10%) that occurred in the first quarter of 2011 (electricity costs are estimated at \$1.4 million in FY 2012). Additional rate increases are scheduled for January 1, 2012 and 2013.
- Increase in legal services funding of \$80,000, based on current year-to-date expenditures, that more accurately reflects service requirements and usage.
- Decrease of -\$251,605 (total) in all other departmental maintenance and operations accounts.
- Significant reduction (-25% or -\$152,923) in departmental recurring-capital/lease budgets due primarily to non-recurring costs (\$296,828) in FY 2011 related to the payoff of the remaining two years of the OSSI software lease. Additionally, this category includes funding for the following operating initiatives:
 - Finance Department Request: \$50,000
Lease funding for the acquisition of a technologically up-to-date Finance/HRIS enterprise resource planning software solution. Initiative is fully funded through reductions in the Finance Department’s FY 2012 operating budget.
 - Public Safety Department Request: \$60,000

²² House Bill 280 was signed into law during the 2011 Legislative Session and expands the uses for emergency telephone system fund money (i.e. E-911 Fund).

²³ OSSI is the main software application used by our Public Safety Department to support law enforcement and emergency 911 activities.

Lease funding for the replacement of Fire Engine #2.

- Continuation of prior-year funding initiatives including:
 - Rural Metro: \$138,300;
 - *Police Athletic League* contribution: \$35,000; and
 - *Friends of the Library* contribution: \$10,000.

The departmental budgets are detailed under the respective *Departmental Information* tab of this document.





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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 2012 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 department (e.g. Community Development, Public Safety, etc.).

- **Statement of Budgetary Comparisons**

This statement provides a detailed comparison of revenues and expenditures for fiscal years 2011 and 2012. 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 Balance**

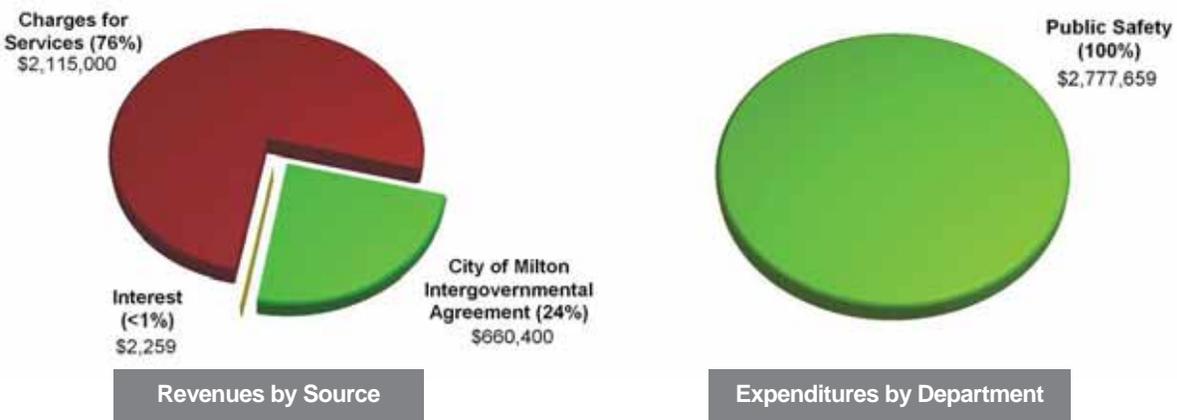
This statement provides a historical comparison of revenues and expenditures for fiscal years 2008-2012 as well as a forecast for fiscal years 2013-2014. Also included are changes in fund balance.

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

Emergency 911 Fund Summary

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.

FY 2012 Budget = \$2,777,659



Trends

The FY 2012 Budget for the E-911 Fund totals \$2,777,659 and represents a decrease of -41.9%, or -\$1,999,532, compared to FY 2011. The main driver of this variance was the General Fund repayment during FY 2011. The General Fund had contributed \$1,775,043 to the E-911 Fund since FY 2005. The contributions were made for budgeting purposes but were not needed as sufficient cash existed at the fund level. The FY 2011 Budget included repayment (from available fund balance) to the General Fund of the \$1.8 million contribution at 0% interest.

The Personnel Services category increased 11.4%, or \$189,450, due primarily to wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends), increases in group insurance costs, and the addition of three new positions as an operating initiative.

Authorized personnel for FY 2012 total 24.0 FTEs and include three new positions to augment service levels (two Communication Officer positions; one Communication Shift Supervisor position). Specifically, the new positions will provide multiple benefits including: improved tactical communications for both police and fire; improved GCIC compliance; alleviate staffing shortages and reduce overtime costs. Funding is split

between Alpharetta and the City of Milton per Intergovernmental Agreement.

	FTEs						
	FY 2009	FY 2010	FY 2011	FY 2012 Base	Operating Initiatives	FY 2012 Total	Variance
Communications Officer	12.0	12.0	12.0	12.0	2.0	14.0	2.0
Communications Shift Supervisor	4.0	4.0	4.0	4.0	1.0	5.0	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	-
	20.0	21.0	21.0	21.0	3.0	24.0	3.0

The Maintenance & Operations category increased 35.3%, or \$236,061, due primarily to the reallocation of radio equipment/system, Code Red Alert system, and OSSI software maintenance costs from the General Fund pursuant to HB 280.

The Capital category includes funding totaling \$25,000 for the replacement of one Netlock GPS time coordination device that is used to time sync all the computers, recorders, and telephone devices.



City of Alpharetta E-911 Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Charges for Services:				
E-911 Service Fees (land lines)	\$ 718,361	\$ 800,000	\$ 81,639	11.4%
E-911 Service Fees (cell phones)	1,000,000	1,315,000	315,000	31.5%
Intergovernmental:				
City of Milton	606,787	660,400	53,613	8.8%
Interest	2,000	2,259	259	13.0%
Other Financing Sources:				
Budgeted Fund Balance ("FB")	2,450,043	-	(2,450,043)	-100.0%
Total Revenues (All Sources):	\$ 4,777,191	\$ 2,777,659	\$ (1,999,532)	-41.9%
Personnel Services: (1)				
Salaries	\$ 1,161,693	\$ 1,312,562	\$ 150,869	13.0%
Benefits	496,472	535,053	38,581	7.8%
Maintenance and Operations:				
Communications	359,080	372,000	12,920	3.6%
Maintenance Contracts	63,682	170,843	107,161	168.3%
Professional Services (IT)	92,499	144,428	51,929	56.1%
Utilities	56,500	62,316	5,816	10.3%
Miscellaneous	97,222	155,457	58,235	59.9%
Capital:				
Miscellaneous	-	25,000	25,000	0.0%
Other Uses:				
Non-Allocated/Reserve	675,000	-	(675,000)	-100.0%
Transfer to Capital Project Fund (2)	1,775,043	-	(1,775,043)	100.0%
Total Expenditures (All Uses):	\$ 4,777,191	\$ 2,777,659	\$ (1,999,532)	-41.9%

Personnel (full-time-equivalent)	21.0	21.0	Base
	0.0	3.0	New Positions
	21.0	24.0	Total

Notes:

(1) FY 2012 includes funding for the addition of three new positions to augment service levels (two Communication Officer positions; one Communication Shift Supervisor position).

(2) 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. This figure assumes repayment to the General Fund in Fiscal Year 2011 at 0% interest.

City of Alpharetta
E-911 Fund
Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
Beginning Fund Balance:	\$ 1,618,430	\$ 2,280,174	\$ 2,470,588	\$ 2,921,114	\$ 1,146,071	\$ 1,146,071	\$ 1,146,071
Revenues:							
Charges for Services	\$ 1,864,280	\$ 1,986,479	\$ 2,001,326	\$ 1,718,361	\$ 2,115,000	\$ 2,136,150	\$ 2,157,512
Interest	93,277	34,693	11,147	2,000	2,259	2,282	2,304
City of Milton Agreement	-	393,675	551,065	606,787	660,400	667,004	673,674
Other	-	-	1,084	-	-	-	-
	<u>\$ 1,957,557</u>	<u>\$ 2,414,847</u>	<u>\$ 2,564,622</u>	<u>\$ 2,327,148</u>	<u>\$ 2,777,659</u>	<u>\$ 2,805,436</u>	<u>\$ 2,833,490</u>
Expenditures:							
Public Safety (3)	\$ 1,636,157	\$ 2,224,433	\$ 2,114,096	\$ 2,327,148	\$ 2,777,659	\$ 2,805,436	\$ 2,833,490
	<u>\$ 1,636,157</u>	<u>\$ 2,224,433</u>	<u>\$ 2,114,096</u>	<u>\$ 2,327,148</u>	<u>\$ 2,777,659</u>	<u>\$ 2,805,436</u>	<u>\$ 2,833,490</u>
Other Financing Sources (Uses):							
Interfund Transfer:							
(2) General Fund (subsidy/other)	\$ 340,344	\$ -	\$ -	\$ (1,775,043)	\$ -	\$ -	\$ -
Capital Project Fund	-	-	-	-	-	-	-
	<u>\$ 340,344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,775,043)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustments/Reconciliation:	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance: (1)	<u>\$ 2,280,174</u>	<u>\$ 2,470,588</u>	<u>\$ 2,921,114</u>	<u>\$ 1,146,071</u>	<u>\$ 1,146,071</u>	<u>\$ 1,146,071</u>	<u>\$ 1,146,071</u>
<i>Changes in Fund Balance (actual/est.)</i>	\$ 661,743	\$ 190,414	\$ 450,526	\$ (1,775,043)	\$ -	\$ -	\$ -

<i>Personnel (full-time-equivalent)</i>	20.0	20.0	21.0	21.0	21.0	Base
	0.0	0.0	0.0	0.0	3.0	New Positions
	20.0	20.0	21.0	21.0	24.0	Total

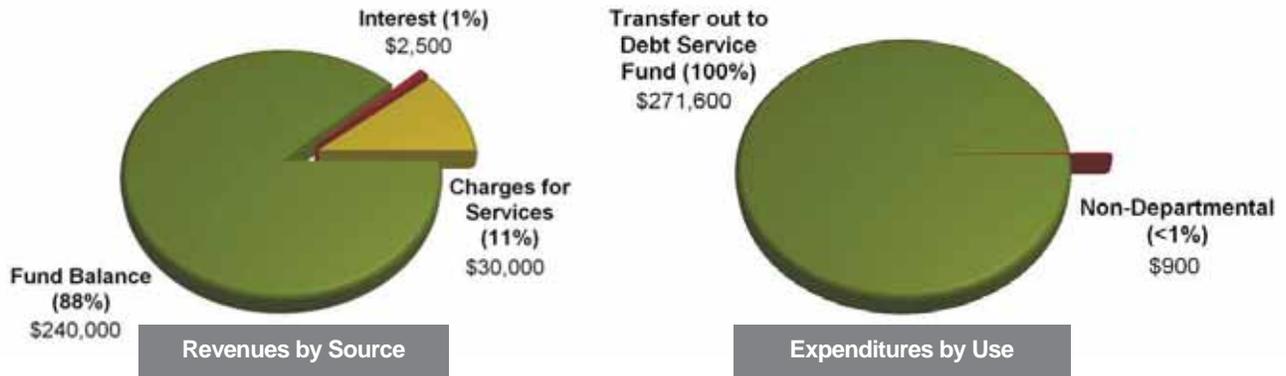
Notes:

- (1) In order to accurately measure anticipated fund balance usage, this schedule omits the Carryforward Fund Balance and Non-Allocated/Reserve accounts.
- (2) 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. This figure assumes repayment to the General Fund in Fiscal Year 2011 at 0% interest.
- (3) FY 2012 includes funding for the addition of three new positions to augment service levels (two Communication Officer positions; one Communication Shift Supervisor position).

Impact Fee Fund Summary

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. Specifically, impact fee monies are transferred to the Debt Service Fund to offset debt service on general obligation bonds issued to fund the improvements discussed above. The Community Development Department manages the Impact Fee Program.

FY 2012 Budget = \$272,500



Trends

Impact Fee revenues have declined due to the economic slowdown and growth is not forecasted to renew until the construction and real estate markets strengthen.



**City of Alpharetta
Impact Fee Fund
Statement of Budgetary Comparisons (FY 2011-2012)**

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Charges for Services:				
Impact Fees (streets/highways)	\$ 7,500	\$ 7,500	\$ -	0.00%
Impact Fees (recreation/parks)	7,500	7,500	-	0.00%
Impact Fees (public safety)	15,000	15,000	-	0.00%
Interest	2,500	2,500	-	0.00%
Other Financing Sources:				
Budgeted Fund Balance	713,108	240,000	(473,108)	-66.34%
Total Revenues (All Sources):	\$ 745,608	\$ 272,500	\$ (473,108)	-63.45%
Non-Departmental/Other Uses:				
Impact Fee Administration	900	900	-	0.00%
Interfund Transfer (Debt Svc Fund)	500,000	271,600	(228,400)	-45.68%
Non-Allocated/Reserve	244,708	-	(244,708)	-100.00%
Total Expenditures (All Uses):	\$ 745,608	\$ 272,500	\$ (473,108)	-63.45%

**City of Alpharetta
Impact Fee Fund
Statement of Revenues, Expenditures, and changes in Fund Balance**

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
Beginning Fund Balance:	\$ 1,845,310	\$ 341,180	\$ 710,515	\$ 713,108	\$ 244,708	\$ 4,708	\$ 4,708
Revenues:							
Charges for Services	\$ 455,355	\$ 591,847	\$ 104,486	\$ 30,000	\$ 30,000	\$ 42,000	\$ 58,800
Interest	55,239	14,243	2,593	2,500	2,500	2,500	2,500
	\$ 510,593	\$ 606,090	\$ 107,079	\$ 32,500	\$ 32,500	\$ 44,500	\$ 61,300
Expenditures:							
Non-Departmental	\$ 14,723	\$ 17,755	\$ 3,135	\$ 900	\$ 900	\$ 1,260	\$ 1,764
	\$ 14,723	\$ 17,755	\$ 3,135	\$ 900	\$ 900	\$ 1,260	\$ 1,764
Other Financing Sources (Uses):							
Interfund Transfer:							
Debt Service Fund	\$ (2,000,000)	\$ (219,000)	\$ (101,351)	\$ (500,000)	\$ (271,600)	\$ (43,240)	\$ (59,536)
	\$ (2,000,000)	\$ (219,000)	\$ (101,351)	\$ (500,000)	\$ (271,600)	\$ (43,240)	\$ (59,536)
Ending Fund Balance: (1)	\$ 341,180	\$ 710,515	\$ 713,108	\$ 244,708	\$ 4,708	\$ 4,708	\$ 4,708
<i>Changes in Fund Balance (actual/est.)</i>							
	\$ (1,504,130)	\$ 369,335	\$ 2,593	\$ (468,400)	\$ (240,000)	\$ -	\$ 0

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's 2008, 2011, and 2012 fund balance was transferred to the City's Debt Service Fund to offset debt service costs.

Drug Enforcement Agency (“DEA”) Fund Summary

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 normal operational budget. The Public Safety Department manages the DEA Program.

FY 2012 Budget = \$250,000



Trends

Forfeiture revenues are non-standard and not predictable. As such, revenue forecasts are conservative with expenditures funded through a combination of sources including fund balance (i.e. actual revenue collections from prior years).



City of Alpharetta Drug Enforcement Agency Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Fines and Forfeitures	\$ 50,000	\$ 50,000	\$ -	0.00%
Interest	2,500	2,500	-	0.00%
Other Financing Sources:				
Budgeted Fund Balance	781,482	197,500	(583,982)	-74.73%
Total Revenues (All Sources):	\$ 833,982	\$ 250,000	\$ (583,982)	-70.02%
Maintenance and Operations	\$ 241,755	\$ 159,000	\$ (82,755)	-34.23%
Capital	592,227	91,000	(501,227)	-84.63%
Other Uses:				
Non-Allocated/Reserve	-	-	-	0.00%
Total Expenditures (All Uses):	\$ 833,982	\$ 250,000	\$ (583,982)	-70.02%

City of Alpharetta Drug Enforcement Agency Fund Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimated Actual	FY 2012 Recommended Budget	FY 2012 Forecast	FY 2013 Forecast
Beginning Fund Balance:	\$ 305,866	\$ 433,413	\$ 572,678	\$ 804,469	\$ 501,911	\$ 304,411	\$ 304,411
Revenues:							
Fines and Forfeitures	\$ 203,174	\$ 399,093	\$ 507,289	\$ 526,424	\$ 50,000	\$ 60,000	\$ 72,000
Interest	11,595	11,826	3,142	5,000	2,500	2,525	2,550
Miscellaneous	-	-	1,064	-	-	-	-
	\$ 214,769	\$ 410,919	\$ 511,494	\$ 531,424	\$ 52,500	\$ 62,525	\$ 74,550
Expenditures:							
Public Safety	\$ 87,222	\$ 271,654	\$ 279,703	\$ 833,982	\$ 250,000	\$ 62,525	\$ 74,550
	\$ 87,222	\$ 271,654	\$ 279,703	\$ 833,982	\$ 250,000	\$ 62,525	\$ 74,550
Ending Fund Balance: (1),(2)	\$ 433,413	\$ 572,678	\$ 804,469	\$ 501,911	\$ 304,411	\$ 304,411	\$ 304,411
<i>Changes in Fund Balance (actual/est.)</i>	\$ 127,547	\$ 139,265	\$ 231,791	\$ (302,558)	\$ (197,500)	\$ -	\$ -

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 fund balance is being used for capital initiatives (SWAT Bus, Public Safety gym renovation, etc.).
FY 2012 fund balance is proposed to be used for operating/capital initiatives.

Hotel/Motel Fund Summary

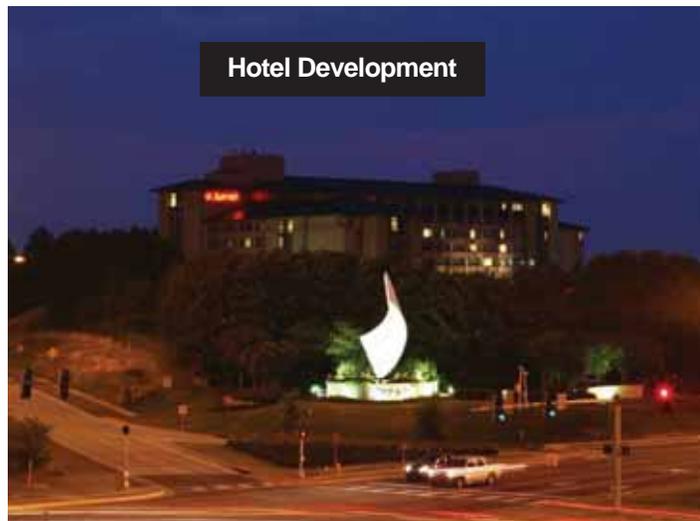
The Hotel/Motel Fund accounts for occupancy tax collections from area hotels and motels for the purpose of promoting conventions, tourism, and trade shows, while providing funds to facilitate economic vitality in downtown areas. Currently, the city levies a hotel/motel occupancy tax of 6% on total rental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

FY 2012 Budget = \$3,100,000



Trends

Hotel/Motel tax revenues are strengthening relative to FY 2010 due primarily to increases in corporate travel spending. Fiscal year 2011 collections are up 10% compared to fiscal year 2010. Hotel/Motel tax revenue for fiscal year 2012 is estimated to increase by \$350,000 to a total of \$3,100,000.



City of Alpharetta Hotel/Motel Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Other Taxes:				
Hotel/Motel Taxes	\$ 2,750,000	\$ 3,100,000	\$ 350,000	12.73%
Total Revenues (All Sources):	\$ 2,750,000	\$ 3,100,000	\$ 350,000	12.73%
Other Uses:				
Alpharetta Business Community	\$ 458,425	\$ 516,770	\$ 58,345	12.73%
Alpharetta Convention & Visitor's Bureau	1,191,575	1,343,230	151,655	12.73%
City of Alpharetta	1,100,000	1,240,000	140,000	12.73%
Total Expenditures (All Uses):	\$ 2,750,000	\$ 3,100,000	\$ 350,000	12.73%

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%).

City of Alpharetta Hotel/Motel Fund Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2012 Forecast	FY 2013 Forecast
Beginning Fund Balance:	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947
Revenues:							
Other Taxes	\$ 3,674,176	\$ 3,062,307	\$ 2,831,888	\$ 2,750,000	\$ 3,100,000	\$ 3,255,000	\$ 3,417,750
	<u>\$ 3,674,176</u>	<u>\$ 3,062,307</u>	<u>\$ 2,831,888</u>	<u>\$ 2,750,000</u>	<u>\$ 3,100,000</u>	<u>\$ 3,255,000</u>	<u>\$ 3,417,750</u>
Expenditures:							
Alpharetta Business Community	\$ 612,484	\$ 510,487	\$ 472,076	\$ 458,425	\$ 516,770	\$ 542,609	\$ 569,739
Alpharetta Convention & Visitor's Bureau	1,592,021	1,326,897	1,227,057	1,191,575	1,343,230	1,410,392	1,480,911
City of Alpharetta	1,469,671	1,224,923	1,132,755	1,100,000	1,240,000	1,302,000	1,367,100
	<u>\$ 3,674,176</u>	<u>\$ 3,062,307</u>	<u>\$ 2,831,888</u>	<u>\$ 2,750,000</u>	<u>\$ 3,100,000</u>	<u>\$ 3,255,000</u>	<u>\$ 3,417,750</u>
Ending Fund Balance: (1),(2)	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947	\$ 10,947
<i>Changes in Fund Balance (actual/est.)</i>	\$ -	\$ 0	\$ (0)	\$ -	\$ -	\$ -	\$ -

Notes:

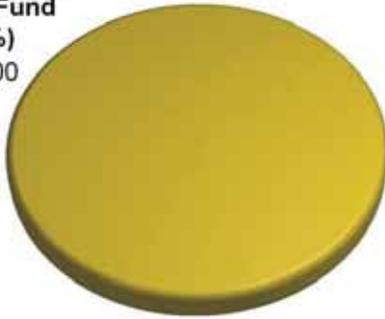
The City of Alpharetta levies a Hotel/Motel occupancy tax of 6% on total rental charges. The resulting revenue is distributed as follows: Alpharetta Business Community (16.67%); Alpharetta Convention & Visitor's Bureau (43.33%); and the City of Alpharetta (40.00%).

Operating Grants Fund Summary

The Operating Grants fund accounts for resources received from federal, state, and local grants awarded to the city. Matching funds, which represent the city's financial investment, are also recorded within this fund. This fund accounts for operational grants only. Capital grants are recorded within the Capital Grant Fund.

FY 2012 Budget = \$50,000

Transfer in from
General Fund
(100%)
\$50,000



Revenues by Source

Matching Funds
for City Grants
(100%)
\$50,000



Expenditures by Use

City of Alpharetta Operating Grant Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Adopted Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Other Financing Sources:				
General Fund Transfer	\$ 50,000	\$ 50,000	\$ -	100.00%
Budgeted Fund Balance	-	-	-	0.00%
Total Revenues (All Sources):	\$ 50,000	\$ 50,000	\$ -	100.00%
Capital:				
Community Development	\$ -	\$ -	\$ -	100.00%
Engineering and Public Works	-	-	-	0.00%
Finance	-	-	-	0.00%
Public Safety	-	-	-	0.00%
Recreation and Parks	-	-	-	0.00%
Information Technology	-	-	-	0.00%
Other Uses:				
Reserve for Future Capital/One-time Initiatives	50,000	50,000	-	100.00%
Total Expenditures (All Uses):	\$ 50,000	\$ 50,000	\$ -	100.00%

Enterprise Fund Summary

Overview

The *Enterprise Fund Summary* section is intended to provide readers with an overall understanding of the fiscal year 2012 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 department (i.e. Finance).

- **Statement of Budgetary Comparisons**

This statement provides a detailed comparison of revenues and expenditures for fiscal years 2011 and 2012. Revenues are presented by source and expenditures are presented by category (e.g. Personnel Services, Maintenance & Operations, Capital, etc.).

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

This statement provides a historical comparison of revenues and expenditures for fiscal years 2008-2012 as well as a forecast for fiscal years 2013-2014. Also included are changes in fund balance.

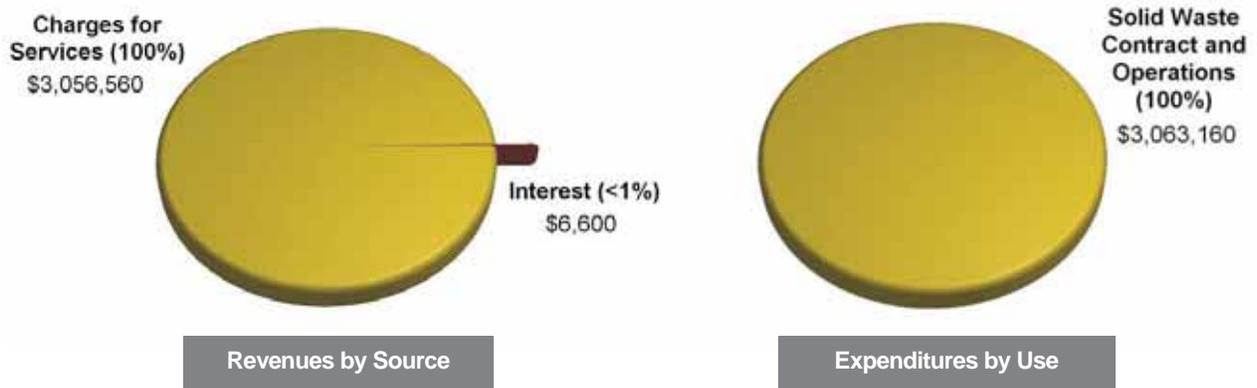
The financial forecast utilizes revenue collection patterns (historical and current patterns; as adjusted for seasonal fluctuations) adjusted to reflect the current economic slowdown as well as departmental expenditure mandates as provided by the City Council.

Solid Waste Fund Summary

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.

FY 2012 Budget = \$3,063,160



Trends

The FY 2012 Budget for the Solid Waste Fund totals \$3,063,160 and represents a decrease of -7.8%, or -\$258,616, compared to FY 2011.

The Personnel Services category increased 2.3%, or \$1,242, due primarily to wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends) and increases in group insurance costs.

Authorized personnel for FY 2012 total 1.0 FTE and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011	FY 2012	
Financial Services Representative*	1.0	1.0	1.0	-	(1.0)
Customer Account Representative*	-	-	-	1.0	1.0
	1.0	1.0	1.0	1.0	-

* Position reclassifications occurred during FY 2011.

The Maintenance & Operations category increased 2.0%, or \$60,142, due to an increase in estimated collection fees (variance due to customer base; not an increase

in rates) and operational initiative funding (\$50,000) for a Recycling/Hazardous 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 dangerous items. This event is a component of the city's Green Initiative.

City of Alpharetta Solid Waste Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Charges for Services:				
Refuse Collection Fees	\$ 2,625,000	\$ 2,685,000	\$ 60,000	2.29%
TAG Fees	1,000	1,000	-	0.00%
Commercial Hauler Fees	20,000	25,000	5,000	25.00%
Environmental Fees	335,000	335,000	-	0.00%
Penalties and Fees	10,000	10,000	-	0.00%
Bad Check Fees	500	500	-	0.00%
Interest	10,276	6,660	(3,616)	-35.19%
Other Financing Sources:				
Budgeted Fund Balance	320,000	-	(320,000)	-100.00%
Total Revenues (All Sources): (1)	\$ 3,321,776	\$ 3,063,160	\$ (258,616)	-7.79%
Personnel Services:				
Salaries	\$ 37,595	\$ 38,443	\$ 848	2.26%
Benefits	16,749	17,143	394	2.35%
Maintenance & Operations:				
Professional Fees	2,906,500	2,963,000	56,500	1.94%
Miscellaneous	40,932	44,574	3,642	8.90%
Other Uses:				
Non-Allocated/Reserve	320,000	-	(320,000)	-100.00%
Total Expenditures (All Uses): (1)	\$ 3,321,776	\$ 3,063,160	\$ (258,616)	-7.79%

<i>Personnel (full-time-equivalent)</i>	1.0	1.0
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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 2.0%.

**City of Alpharetta
Solid Waste Fund
Statement of Revenues, Expenditures, and changes in Fund Balance**

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
Beginning Fund Balance:	\$ 630,455	\$ 843,883	\$ 982,404	\$ 956,834	\$ 956,834	\$ 956,834	\$ 956,834
Revenues:							
Charges for Services	\$ 2,653,117	\$ 2,633,974	\$ 2,645,368	\$ 2,991,500	\$ 3,056,500	\$ 3,087,065	\$ 3,117,936
Interest	59,190	30,191	6,749	10,276	6,660	6,727	6,794
	<u>\$ 2,712,308</u>	<u>\$ 2,664,165</u>	<u>\$ 2,652,118</u>	<u>\$ 3,001,776</u>	<u>\$ 3,063,160</u>	<u>\$ 3,093,792</u>	<u>\$ 3,124,730</u>
Expenditures:							
Solid Waste Operations	\$ 2,499,485	\$ 2,525,644	\$ 2,677,689	\$ 3,001,776	\$ 3,063,160	\$ 3,093,792	\$ 3,124,730
	<u>\$ 2,499,485</u>	<u>\$ 2,525,644</u>	<u>\$ 2,677,689</u>	<u>\$ 3,001,776</u>	<u>\$ 3,063,160</u>	<u>\$ 3,093,792</u>	<u>\$ 3,124,730</u>
Other Financing Sources (Uses):							
Interfund Transfer:							
General Fund (subsidy/other)	\$ 605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ 605</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustments/Reconciliation:	-	-	2	-	-	-	-
Ending Fund Balance: (1)	<u><u>\$ 843,883</u></u>	<u><u>\$ 982,404</u></u>	<u><u>\$ 956,834</u></u>	<u><u>\$ 956,834</u></u>	<u><u>\$ 956,834</u></u>	<u><u>\$ 956,834</u></u>	<u><u>\$ 956,834</u></u>
<i>Changes in Fund Balance (actual/est)</i>	\$ 213,428	\$ 138,521	\$ (25,569)	\$ -	\$ -	\$ -	\$ -
<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.

Internal Service Fund Summary

Overview

The *Internal Service Fund Summary* section is intended to provide readers with an overall understanding of the fiscal year 2012 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 Internal Service Fund as well as charts segmenting revenues by source (e.g. Charges for Services, Interest, etc.) and expenditures by department (i.e. Finance).

- **Statement of Budgetary Comparisons**

This statement provides a detailed listing of revenues and expenditures for fiscal years 2011 and 2012. Revenues are presented by source and expenditures are presented by category (e.g. Maintenance & Operations, Other, etc.).

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

This statement provides a historical comparison of revenues and expenditures for fiscal years 2010-2012 as well as a forecast for fiscal years 2013-2014 (based on claims and loss data). Also included are changes in fund balance.

Risk Management Fund Summary

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 a 2% charge per employee (based on salary) for workers compensation coupled with an interfund transfer 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.

FY 2012 Budget = \$1,161,500



Trends

The FY 2012 Budget for Risk Management totals \$1,161,500 and represents a decrease of -2.4%, or -\$45,498, compared to the FY 2011 budget due primarily to effective risk management practices (including reductions in loss trends) that lowered insurance premiums.

City of Alpharetta Risk Management Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Charges for Services	\$ 480,698	\$ 525,000	\$ 44,302	9.22%
Other:				
General Fund Transfer	726,300	636,500	(89,800)	-12.36%
Budgeted Fund Balance	679,780	-		
Total Revenues (All Sources):	\$ 1,886,778	\$ 1,161,500	\$ (45,498)	-2.41%
Maintenance & Operations:				
(1) Professional Services	\$ 50,300	\$ 100,000	\$ 49,700	98.81%
Claims & Judgments (CY Reserve)	480,698	525,000	44,302	9.22%
Vehicle Liability	150,000	110,000	(40,000)	-26.67%
Property and Equipment Liability	50,000	50,000	-	0.00%
General Liability	90,000	80,000	(10,000)	-11.11%
Law Enforcement Liability	129,500	115,000	(14,500)	-11.20%
Public Entity Liability	55,000	35,000	(20,000)	-36.36%
Workers Comp. Excess Liability	70,000	60,000	(10,000)	-14.29%
Employee Benefits Liability	500	500	-	100.00%
Criminal Liability	6,000	6,000	-	0.00%
Umbrella and Excess Liability	125,000	80,000	(45,000)	-36.00%
Other Uses:				
Non-Allocated/Reserve	679,780			
Total Expenditures (All Uses):	\$ 1,886,778	\$ 1,161,500	\$ (45,498)	-2.41%

Notes:

The Risk Management Fund was established in FY 2010 and included the one-time transfer of \$550,000 from the General Fund for prior-year claims reserve.

(1) Variance is based on a change in how the city funds insurance brokerage fees. Previously, the fees were imbedded in the insurance premiums which resulted in limited transparency. Now the fees are paid directly from the professional services account.

City of Alpharetta
Risk Management Fund
Statement of Revenues, Expenditures, and changes in Fund Balance (1),(2)

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
Beginning Fund Balance:	\$ -	\$ -	\$ -	\$ 3,521	\$ 3,521	\$ 3,521	\$ 3,521
Revenues:							
Charges for Services	\$ -	\$ -	\$ 425,000	\$ 480,698	\$ 525,000	\$ 551,250	\$ 578,813
	\$ -	\$ -	\$ 425,000	\$ 480,698	\$ 525,000	\$ 551,250	\$ 578,813
Expenditures:							
Maintenance & Operations:							
Workers Compensation Admin.	\$ -	\$ -	\$ 16,542	\$ -	\$ -	\$ -	\$ -
(3) Professional Services	-	-	40,699	50,300	100,000	105,000	110,250
(4) Claims & Judgments	-	-	976,147	480,698	525,000	551,250	578,813
Vehicle Liability	-	-	143,013	150,000	110,000	115,500	121,275
Property and Equipment Liability	-	-	45,351	50,000	50,000	52,500	55,125
General Liability	-	-	79,650	90,000	80,000	84,000	88,200
Law Enforcement Liability	-	-	124,466	129,500	115,000	120,750	126,788
Public Entity Liability	-	-	50,091	55,000	35,000	36,750	38,588
Workers Comp. Excess Liability	-	-	67,271	70,000	60,000	63,000	66,150
Employee Benefits Liability	-	-	475	500	500	525	551
Criminal Liability	-	-	6,579	6,000	6,000	6,300	6,615
Umbrella and Excess Liability	-	-	120,581	125,000	80,000	84,000	88,200
	\$ -	\$ -	\$ 1,670,865	\$ 1,206,998	\$ 1,161,500	\$ 1,219,575	\$ 1,280,554
Other Financing Sources (Uses):							
Interfund Transfer:							
General Fund	\$ -	\$ -	\$ 1,249,386	\$ 726,300	\$ 636,500	\$ 668,325	\$ 701,741
	\$ -	\$ -	\$ 1,249,386	\$ 726,300	\$ 636,500	\$ 668,325	\$ 701,741
Ending Fund Balance: (1),(2)	\$ -	\$ -	\$ 3,521	\$ 3,521	\$ 3,521	\$ 3,521	\$ 3,521
<i>Changes in Fund Balance (actual/est.)</i>	\$ -	\$ -	\$ 3,521	\$ -	\$ -	\$ -	\$ -

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.
- (3) Variance is based on a change in how the city funds insurance brokerage fees. Previously, the fees were imbedded in the insurance premiums which resulted in limited transparency. Now the fees are paid directly from the professional services account.
- (4) FY 2010 includes an allocation of \$492,426 for Claims Payable (due in more than one year). This figure represents the funding of future claims liability. FY 2008-2009 financial activity was recorded within the General Fund.

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



Big Creek Greenway

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.



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.



Street lighting

The city has three (3) capital project funds: Capital Project Fund (general capital projects); Capital Grant Fund (account for capital grant proceeds); and Bond IV Fund (account for bond proceeds). For the purposes of this budget document, only the Capital Project Fund is presented as new appropriation activity was approved for FY 2012. 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 renewal and replacement of fleet and 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. Fund appropriations are perpetual with only new appropriations recognized in the annual budget.



Police Motorcycles

- **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.
- **Bond IV Fund:** This fund accounts for the proceeds and associated expenditures resulting from the issuance of voter approved general obligation bonds, series 2006. Fund appropriations are perpetual with only new/reallocated appropriations recognized in the annual budget.

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, 2010, the city's unreserved fund balance was \$18.8 million. Of this amount, approximately \$3.6 million was appropriated in the FY 2011 Budget for capital/one-time initiatives, \$750,000 was designated for future OPEB²⁴ costs, and \$10.0 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 2012 totals \$4.4 million.

Debt Service Fund: The city's General Fund has transferred over \$6.0 million into the Debt Service Fund to smooth the tax levy necessary to support escalating debt service requirements from 2007-2011. The FY 2012 budget includes repayment (from available fund balance) to the General Fund of \$4.3 million. This funding is being transferred directly to the Capital Project Fund to be used for one-time capital initiatives.

²⁴ Other Post-Employment Benefits (OPEB) are benefits that 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 \$750,000 reserve fully funds the OPEB liability at September 30, 2010. The city will establish an OPEB trust for these monies in the near future.

- **Funding from Strategic Partnerships**

The FY 2012 budget includes a \$640,000 contribution from the Alpharetta Business Community for sidewalk improvement projects that meet the entity's goals of connecting hotels to historic or business districts within the city through bicycle or pedestrian greenways, trails, walkways, etc.

- **Funding Recurring Capital from Operating Budget**

The city has historically used available fund balance to pay for recurring capital initiatives. While this is an acceptable practice, it is more fiscally prudent to program appropriations in the operating budget for on-going renewal & replacement of capital initiatives.

FY 2010 included appropriations within the operating budget (i.e. General Fund) for a milling and resurfacing program. As a temporary measure, the FY 2012 budget funds the milling and resurfacing program through available fund balance in an effort to reduce operating expenditures (i.e. General Fund) and increase operational budget flexibility. The city intends to reprogram appropriations in the FY 2013 operating budget for recurring capital renewal and replacement including milling and resurfacing.

- **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.



FY 2012 Capital Funding

As part of the capital planning process for FY 2012, departments submitted capital/one-time initiative funding requests totaling \$6.8 million with another \$2.6 million currently set aside for future capital initiatives.

FY 2012 Capital Improvement Program Source and Use			
	General Fund	Alpharetta Business Community	Total
Sources:			
Available Fund Balance	\$ 4,423,797	\$ -	\$ 4,423,797
(1) Debt Service Fund	4,300,000	-	4,300,000
ABC Contribution	-	640,000	640,000
	\$ 8,723,797	\$ 640,000	\$ 9,363,797
Uses:			
(2) Capital	\$ 6,141,500	\$ 640,000	\$ 6,781,500
	\$ 6,141,500	\$ 640,000	\$ 6,781,500
Reserve:			
Future Capital/one-time Initiatives	\$ 2,582,297	\$ -	\$ 2,582,297

(1) Represents the repayment of monies to the General Fund that were advanced to stabilize the required debt service millage rates over the past several years.

(2) All Capital Initiative funding will be transferred and accounted for within one of the City's capital project funds.

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
	2012	2013	2014	2015	2016	
Investment by Department/Entity						
General Government	\$ 50,000	\$ 101,047	\$ 101,047	\$ 25,262	\$ 25,262	\$ 302,617
Information Technology	347,000	199,158	199,158	49,790	49,790	844,896
Public Safety	918,000	186,842	185,286	46,322	46,322	1,382,771
Engineering & Public Works	4,362,500	6,020,543	2,378,324	594,581	594,581	13,950,529
Recreation & Parks	464,000	1,056,036	290,242	72,561	72,561	1,955,399
Community Development	-	434,413	434,413	108,603	108,603	1,086,033
Alpharetta Business Community	640,000	613,325	613,325	153,331	153,331	2,173,312
	\$ 6,781,500	\$ 8,611,364	\$ 4,201,795	\$ 1,050,449	\$ 1,050,449	\$ 21,695,557
Reserve for Future Capital	<u>2,582,297</u>					
Fiscal Year 2012 Capital Appropriations	\$ 9,363,797					
Net Impact to Operations Budget	\$ 9,100					

FY 2012 Capital Project Listing

The following section provides both a (1) summary list of FY 2012 capital investment and (2) a detailed narrative of each capital project. Please note: this listing represents the \$6.8 million in capital funding provided through the use of available fund balance with an additional \$2.6 million currently set aside for future capital initiatives.

	Operating Grant Fund	Capital Projects Fund	FY 2012 Budget
Engineering & Public Works			
Traffic Signal System Maintenance (recurring)	\$ -	\$ 75,000	\$ 75,000
Milling and Resurfacing (recurring)	-	250,000	250,000
Traffic Control Equipment (recurring)	-	100,000	100,000
Traffic Striping and Signage (recurring)	-	150,000	150,000
Traffic Calming & Intersection Safety Improvements (recurring)	-	37,500	37,500
Mast Arm Maintenance (recurring)	-	75,000	75,000
Bridge Maintenance (recurring)	-	300,000	300,000
Design Services (recurring)	-	50,000	50,000
Storm/Drainage Repair (recurring)	-	75,000	75,000
F-150 4x4 Extended Cab (replacement)	-	70,000	70,000
F-250 Crew Cab with Utility Bed (replacement/upgrade)	-	45,000	45,000
F-550 Crew Cab Bucket Truck (replacement/upgrade)	-	95,000	95,000
Vehicle LED Emergency Lighting upgrade	-	25,000	25,000
Skid Steer Loader (replacement)	-	50,000	50,000
Hazardous Tree Removal/Tree Care Program (recurring)	-	30,000	30,000
Haynes Bridge Road Realignment	-	2,405,000	2,405,000
Mayfield Rd Sidewalk/Drainage (design in FY 2012)	-	60,000	60,000
Bethany Road Curb and Gutter	-	70,000	70,000
Webb Bridge Park Drainage Study	-	75,000	75,000
Webb Bridge Park Erosion Control	-	300,000	300,000
Archive Filing and Scanning	-	25,000	25,000
Total	\$ -	\$ 4,362,500	\$ 4,362,500
Information Technology			
Enterprise Data Management and Disaster Recovery for Data Centers	\$ -	\$ 330,000	\$ 330,000
GIS Mobility Project	-	17,000	17,000
Total	\$ -	\$ 347,000	\$ 347,000

	<u>Operating Grant Fund</u>	<u>Capital Projects Fund</u>	<u>FY 2012 Budget</u>
Public Safety			
Fleet Replacement	\$ -	\$ 750,000	\$ 750,000
Fire Gear (replacement)	-	50,000	50,000
Server For Police In-Car Camera System (replacement)	-	25,000	25,000
Security Enhancements (Evidence & Property Building)	-	8,000	8,000
Security Camera System Expansion	-	50,000	50,000
Motorcycle Equipment (cameras/printers)	-	35,000	35,000
Total	\$ -	\$ 918,000	\$ 918,000
Recreation & Parks			
Athletic Scoreboards (maintenance/replacement)	\$ -	\$ 14,000	\$ 14,000
Ball Field Lights (Wills Park)	-	125,000	125,000
Equestrian Center Electrical Upgrade	-	50,000	50,000
North Park Bank Stabilization	-	50,000	50,000
Recreation and Parks Building Re-Roofing		72,000	72,000
North Park Tennis Courts Resurfacing		35,000	35,000
Fleet Replacement (various)		35,000	35,000
Parking Lot Paving (Wills Park)	-	83,000	83,000
Total	\$ -	\$ 464,000	\$ 464,000
Alpharetta Business Community			
Cumming St Sidewalk (Clairmonte Ave to Henderson Pkwy)	\$ -	\$ 290,000	\$ 290,000
Maxwell Rd Sidewalk (Hembree Rd to Encore Pkwy)	-	350,000	350,000
Total	\$ -	\$ 640,000	\$ 640,000
Non-Departmental (General Government)			
Reserve for Future Capital/One-Time Initiatives	\$ -	\$ 2,582,297	\$ 2,582,297
Matching Funds for City Grants	50,000	-	50,000
Total	\$ 50,000	\$ 2,582,297	\$ 2,632,297
Total by Fund	\$ 50,000	\$ 9,313,797	\$ 9,363,797

The capital projects include direct linkages with the city’s 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 strategic priorities and by extension, the city’s vision for the future.

Capital Project Narratives

Project: Recurring Traffic Signal System Maintenance
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



<i>Scope</i>	
Description:	This request is for the continual maintenance and repair of vehicle detectors and traffic signal communications throughout the city. Vehicle detectors are required to be repaired and/or replaced in order to maintain traffic signal responsiveness.
\$ Impact on Operations:	Routine capital - maintenance is negligible and included in base operating budget.
<i>Financial Status</i>	
Funding Source:	
Local:	\$ 75,000
Bond:	\$ -
Grant:	\$ -
Total Appropriations:	\$ 75,000

Project: Recurring Milling and Resurfacing
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



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.

This request is for reconstructive pavement repair projects using soil cement. Projects include the repair of pavement along Maxwell Road between Hembree Road and Westside Parkway. The sub-grade beneath the existing pavement is in poor condition due to excessive heavy truck traffic.

The city funds \$1 million annually for Milling and Resurfacing. The \$1 million allocation for FY 2012 includes the \$250,000 requested herein with the remaining \$750,000 representing bond funds. The bond funds were put out to bid in early 2011 to take advantage of historically low construction costs

\$ 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:	\$	250,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	250,000

Project: Recurring Traffic Control Equipment
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



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:	\$	100,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	100,000

Project: Recurring Traffic Striping and Signage
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



Scope

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.

\$ 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: Recurring Traffic Calming & Intersection Safety Improvements
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



Scope

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.

Financial Status

Funding Source:	Local:	\$	37,500
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	37,500

Project: Recurring Mast Arm Maintenance
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



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 \$8,000 to \$10,000. Painting the fixtures will improve the overall aesthetic of the city and provide a uniform appearance.

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

Financial Status

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

Project: Recurring Bridge Maintenance
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



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; cleaning and sealing deck joints; and replacement of failed wing walls. Failure to address these items can lead to further deterioration of bridge conditions.

Work items are based on 2010 GDOT Inspections and include Waters Road at Long Indian Creek (\$220,000) 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 Design Services
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



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:	\$	50,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	50,000

Project: Recurring Storm/Drainage Repair
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the continual maintenance and repair of small drainage work within the city. We are required by the State to maintain our 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). Smaller repairs such as grouting, paving inverts, and replacing tops will be handled through this account. Funds in this account will also go towards the annual maintenance on the city's 10 stormceptor units, 8 oil/water separators, and city-owned detention ponds (as required by EPD).

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

Financial Status

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

Project: F-150 4x4 Extended Cab (replacement; Qty: 2)
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the replacement of one 2001 F-150 (10-years old) and one 2003 F-150 (8-years old). The 2001 F-150 has 85,344 miles and warrants replacement based on age, mileage, and repair costs. The 2003 F-150 (on-call vehicle) has 91,622 miles and warrants replacement based on age, mileage, and repair costs. Repair costs for these vehicles are escalating and replacement parts can be difficult to locate.

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

Financial Status

Funding Source:	Local:	\$	70,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	70,000

Project: F-250 Crew Cab with Utility Bed (replacement/upgrade)
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the replacement/upgrade of a 2000 F-250 (11-years old). The 2000 F-250 has 91,965 miles and warrants replacement based on age, mileage, and repair costs. The current vehicle carries a maximum of two individuals which forces a crew to utilize two vehicles for the majority of tasks. The upgrade to an F-250 Crew Cab accommodates the entire crew thereby reducing trips in the field.

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

Financial Status

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

Project: F-550 Crew Cab Bucket Truck (replacement/upgrade)
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the replacement/upgrade of a 1996 F-350 Bucket Truck (15-years old). The 1996 F-350 Bucket Truck has 42,087 miles and warrants replacement based on age and repair costs. This vehicle enables staff to safely work on traffic signals and install banners and decorations on light posts throughout downtown. Upgrading to an F-550 Bucket Truck provides a longer boom (i.e. reach) while also increasing stability.

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

Financial Status

Funding Source:	Local:	\$	95,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	95,000

Project: Vehicle LED Emergency Lighting Upgrade
Department: Engineering & Public Works
Strategic Priority: Proactive, Environmentally Sensitive Community with a focus on our Future



Scope

Description: This request is for the upgrade of emergency lighting currently in use on Engineering/Public Works vehicles. Existing strobe and halogen lighting will be replaced with more efficient, lower maintenance LED systems. Costs per vehicle average from \$3,500 to \$4,500. The total cost is being spread over a four-year period which began in FY 2011. The fleet's current lighting systems require that vehicles remain running while the emergency lighting is activated in order to prevent the battery drain. LED lighting reduces the strain on a vehicle's electrical system which will increase the vehicle's useful life and reduce maintenance costs. This request will also allow the fleet to comply with the city's no idle policy, which is part of the city's Green initiative.

\$ Impact on Operations: Capital upgrade - operating costs (fuel, vehicle maintenance, etc.) to decrease due to LED's low energy requirements.

Financial Status

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

Project: Skid Steer Loader (replacement)
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the replacement of a 1996 New Holland LX 885 Skid Steer Loader (15-years old). The current equipment warrants replacement based on age and repair costs. Specifically, the current equipment needs an engine replacement at an estimated \$12,000-\$15,000. This equipment allows staff to perform various digging, hauling, and lifting tasks on jobsites as well as loading/unloading cargo at EPW headquarters.

\$ 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: Hazardous Tree Removal/Tree Care Program
Department: Engineering & Public Works
Strategic Priority: Proactive, Environmentally Sensitive Community with a focus on our Future



Scope

Description: Trees are a valuable environmental resource to the city. They are protected through our Unified Development Code (UDC) ordinances and are considered in design of public and private improvements. The recent years of drought followed by a very wet fall and winter have had an impact on the tree health and survival. In order to preserve specimen and significant trees and help their longevity it is recommended by the International Society of Arboriculture (ISA) that a tree care program for each city notable tree be implemented. This care can include specialized tree pruning, mulching, fertilization, root treatment, and lightning protection. Additionally, the Engineering/ Public Works Department on occasion must remove hazard trees located in city right-of-way or on non-park city property. This funding will allow for the safe removal of those trees. Tree Bank funding is not eligible to be used for these activities.

\$ Impact on Operations: Routing maintenance capital - operating costs to decrease as this funding will cover tree removal (in ROW) and tree maintenance (e.g. pruning).

Financial Status

Funding Source:	Local:	\$	30,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	30,000

Project: Haynes Bridge Rd. Realignment
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



Scope

Description: The proposed roadway will consist of a travel lane in each direction, bike lanes, landscape median, 8' wide brick paver sidewalk, vehicular and pedestrian lighting. The cost breakdown is as follows:

- Design: \$400,000
- Pavement: \$300,000
- 8' Brick Paver Sidewalk: \$200,000
- Curb and Gutter: \$55,000
- Granite Median: \$150,000
- Sod and Landscape: \$100,000
- Grading /Demo/Walls: \$950,000
- Lighting (fixtures/street lights): \$250,000

Realigning Haynes Bridge Road will enable the City Center Project to have a contiguous 20 plus acre development, instead of having the development separated by a roadway.

\$ Impact on Operations: \$2,500 (FY 2012) to \$5,000 (future years) annually for maintenance (e.g. landscaping) and energy (e.g. streetlights) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	2,405,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	2,405,000

Project: Mayfield Rd. Sidewalk/Drainage (design only)
Department: Engineering & Public Works
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



Scope

Description: This request is for design costs including a survey, geotechnical review, and retaining wall design. EPW staff will perform the necessary design work to construct the project.

The project includes construction of a sidewalk and bike-route along the south side of Mayfield Road: Mayfield Manor Drive to Bates Road, Bates Road to Sherry Drive, and Sherry Drive to Bethany Road. Also included within the scope of work is the installation of curb and gutter, drainage structures and pipe, and possible retaining walls. This project consists of approximately 6,200 linear feet of sidewalk. Approximately twelve utility poles and two utility cabinets will require relocation. The project would provide connectivity to Downtown.

Future project costs are anticipated to be structured in phases with total costs estimated at \$300,000 for utility relocations and \$1.6 million for construction. Additional right-of-way may be required for construction of the proposed improvements.

\$ Impact on Operations: N/A

		<i>Financial Status</i>	
Funding Source:	Local:	\$	60,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	60,000

Project: Bethany Rd. Curb and Gutter
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the installation of 700 linear feet of curb and gutter and associated drainage structures along the north side of Mid-Broadwell Road from Brierfield Road to Bethany Road and along the east side of Bethany Road from Mid-Broadwell Road to Chelsea Lane. This project will fill a gap in curb and gutter between Chelsea Subdivision and Brierfield Subdivision. The purposes of this project are to alleviate erosion problems adjacent to the Chelsea Subdivision pond caused by water run-off from Bethany Road and to increase the safety of pedestrians utilizing the existing sidewalk in the area.

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

Financial Status

Funding Source:	Local:	\$	70,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	70,000

Project: Webb Bridge Park Drainage Study
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: The Recreation and Parks Department has indicated that the gravel parking lots and pathways in Webb Bridge Park require considerable upkeep and maintenance. The gravel washes into the existing pond requiring repeated pond dredging. Future plans call for more turf fields that will also require drainage analysis. Neighboring properties including the Windward Association have raised concerns over the erosion and drainage runoff from the park. In order to properly plan for the expansion and paving of the gravel pervious pavement and to evaluate needs for providing erosion control, a comprehensive drainage study of the park and downstream areas is necessary. The study would provide recommendations for future capital stormwater projects including cost estimates to detain water, provide water quality, and minimize erosion.

\$ Impact on Operations: N/A

Financial Status

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

Project: Webb Bridge Park Erosion Control
Department: Engineering & Public Works
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: The Recreation and Parks Department has indicated that there are various areas of erosion concern within Webb Bridge Park, particularly on the northeast side. Neighboring properties including the Windward Association have raised concerns over the erosion and drainage runoff from the park. This project would work in conjunction with the Drainage Study proposed for FY 2012. The estimate may be modified as more information is provided with the drainage study. Current known needs include repairs to the trail and adjacent areas to prevent headwall and pedestal inlet clogging, stream bank stabilization, flume repair, and adding river rock channels to stabilize slope rilling.

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

<i>Financial Status</i>			
Funding Source:	Local:	\$	300,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	300,000

Project: Archive Filing and Scanning
Department: Engineering & Public Works
Strategic Priority: Responsive, Open Government to Meet the Needs of our Citizens and Stakeholders



Scope

Description: The Engineering/Public Works archive files need to be sorted, scanned, and archived in the off-site records center to be consistent with citywide records retention procedures. The current onsite archive files have reached their capacity. New projects are unable to be properly filed. Completed project files are accessed by staff in response to open records requests and are used in review of proposed construction projects. This process will scan all files and make them readily available electronically and will take the hard copies off-site for proper storage.

\$ Impact on Operations: N/A

<i>Financial Status</i>			
Funding Source:	Local:	\$	25,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	25,000

Project: Enterprise Data Mgmt and Disaster Recovery for Data Ctr.
Department: Information Technology
Strategic Priority: Responsive, Open Government to Meet the Needs of our Citizens and Stakeholders



Scope

Description: This project will provide Site-to-Site recoverability ranging from critical system functionality and restoration for the Public Safety virtualized data environment located at the 911 Center and the City Data Center located at Engineering and Public Works. The upgrading and expansion of our existing VMware licensing and storage systems will also provide the foundation for securing a geographically remote disaster recovery site. This site can be secured via interagency/intergovernmental agreements, usually involving a mutual hosting and recoverability capacity for each entity.

\$ Impact on Operations: Annual costs for programming, maintenance and support, etc. (est. \$22,000) will begin in FY 2013.

Financial Status

Funding Source:	Local:	\$	330,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	330,000

Project: GIS Mobility Project
Department: Information Technology
Strategic Priority: Responsive, Open Government to Meet the Needs of our Citizens and Stakeholders



Scope

Description: This request is for the acquisition of Geographic Information Systems ("GIS") hardware and software to test and develop mobile application capability using the ESRI GIS enterprise system. GIS hardware is for the Department of Information Technology to test and ready this software for enterprise use on various platforms (tablet technology, data phones, GIS portable devices, etc.).

\$ Impact on Operations: Annual costs for programming, maintenance and support, etc. (est. \$2,000) will begin in FY 2013.

Financial Status

Funding Source:	Local:	\$	17,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	17,000

Project: Fleet Replacement (Qty: 23)
Department: Public Safety
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



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 100,000 miles; administrative vehicles are run somewhat longer.

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.

The forecast need is 23 vehicles (primarily Chevrolet Police Impalas and one motorcycle).

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

<i>Financial Status</i>			
Funding Source:	Local:	\$	750,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	750,000

Project: Fire Gear (replacement)
Department: Public Safety
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for replacement of fire/rescue/hazmat equipment. All of these items have a finite service life and must be replaced when this is reached. Trying to extend this life puts the firefighters using the equipment at considerable risk of injury from sudden and traumatic equipment failure, e.g. an old air bottle failing under pressure. Replacement will be prioritized based on the funding allocation provided.

Equipment to be replaced includes turnout gear, hazmat suits, fire hoses, air bottles, etc.

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

<i>Financial Status</i>			
Funding Source:	Local:	\$	50,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	50,000

Project: Server for Police In-Car Camera System (replacement)
Department: Public Safety
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for replacement of the fleet camera system server. The department's digital, in-vehicle cameras upload video footage from hard drives in each vehicle to a server at headquarters. The server is the legal storage location of images for evidence purposes, and the source of material for discovery and Open Record Act requests. The current server is at the end of its useful life and must be replaced to sustain the fleet camera system.

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

<i>Financial Status</i>			
Funding Source:	Local:	\$	25,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	25,000

Project: Security Enhancements (Evidence & Property Bldg.)
Department: Public Safety
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: The request is for the purchase of two enhancements to the Department's Evidence and Property Building. Approximately \$2,500 is earmarked for a security camera inside that will record and allow monitoring of all activity in the building. An additional \$5,500 is for a keypad access control system to supplement the current card-reader system. Both enhancements are intended to better secure expensive equipment that is stored in the bay of the building, and evidence items secured in the evidence room.

\$ Impact on Operations: Annual costs for programming, maintenance and support, etc. (est. \$800) will begin in FY 2013.

<i>Financial Status</i>			
Funding Source:	Local:	\$	8,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	8,000

Project: Security Camera System Expansion
Department: Public Safety
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: This request is for the purchase and installation of security cameras in additional public locations such as parks and around city buildings and parking lots. The cameras would be tied into an existing pilot system and could be monitored from the 911-Center to improve the safety of people and property.

\$ Impact on Operations: \$2,500 annually for programming, maintenance and support - added to operating budget.

Financial Status

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

Project: Motorcycle Equipment (cameras/printers)
Department: Public Safety
Strategic Priority: Safe, Secure and Livable City for our Residents, Businesses and Visitors



Scope

Description: The request is for the purchase of cameras and hand-held computer/ticket writers for Police motorcycles. The cameras are the same make as those mounted on Police car dashboards, adapted for motorcycles. They hold the same value for motor officers as for other officers, providing both evidence of offenses and documentation of citizen encounters.

The computer/ticket writers would automate the process of running drivers license and tag information and generating citations. These functions have been available in patrol cars for some time, but the equipment used in cars does not adapt easily to motorcycles. The department has been testing various approaches to meeting these needs and concluded that hand-held devices, as opposed to various compact computer-printer combinations, are the most durable and cost-effective.

The camera system (\$5,000) and hand-held computer/ticket writer (\$5,000) will cost \$10,000 for each motorcycle and there are seven motorcycles. One is already equipped with a camera (i.e. \$70,000 investment - \$5,000 current camera = \$65,000 request). The Department's intent is to spread this capital investment over FY's 2012 (\$35,000) and 2013 (\$30,000).

\$ Impact on Operations: Annual costs for programming, maintenance and support, etc. (est. \$1,000) will begin in FY 2013.

Financial Status

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

Project: Athletic Scoreboards (maintenance/replacement)
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: As a component of the city's renegotiated contract with Atlanta Coca Cola Bottling Company to be the exclusive beverage provider for city facilities and functions, the city will take over ownership and maintenance of thirty-one athletic and equestrian scoreboards.

Ten of these scoreboards have been identified for replacement. The replacement cost is estimated at \$6,000 per scoreboard (includes shipping and installation) with replacement scheduled as follows: two scoreboards in FY 2012 and two scoreboards annually in FY's 2013-2016. Maintenance/refurbishment of scoreboards is estimated at an additional \$2,000 annually.

Total expenses for FY 2012 are estimated at \$14,000 (\$12,000 for the replacement of two scoreboards and \$2,000 for general maintenance). Scoreboards to be replaced during FY 2012 include field 3 and either field A or B at Wills Park (depending on condition). Recreation and Parks is developing a plan for systematic replacement of the older scoreboards.

Staff has developed a sponsorship program to generate revenue for the city to offset expenses associated with maintaining and/or replacing scoreboards. This program will also provide advertising for local businesses along with showing community spirit and support of our youth programs.

Staff is planning on submitting the sponsorship program to the Recreation and Park Commission for approval in the near future.

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

Financial Status

Funding Source:	Local:	\$	14,000
	Beverage Agreement:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	14,000

Project: Ball Field Lights (Wills Park)
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for upgrading the electrical infrastructure and adding approximately 50 additional light fixtures (1500 watt metal halide) to fields 1, 2, and 4 at Wills Park. The poles and fixtures were installed by Fulton County prior to the city purchasing Wills Park and the fields do not have the amount of fixtures needed to provide adequate lighting.

\$ Impact on Operations: \$2,000 (FY 2012) to \$4,000 (future years) annually for energy, maintenance, etc. - added to operating budget.

Financial Status

Funding Source:	Local:	\$	125,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	125,000

Project: Equestrian Center Electrical Upgrade
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for upgrading the electrical service to Barns A-G at Wills Park Equestrian Center. The wiring outlets and fixtures do not support the electrical needs of the facility. Replacing the wiring and adding GFI outlets will both increase the functionality of the facility and bring it into compliance with city code.

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

Financial Status

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

Project: North Park Bank Stabilization
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for funding to stabilize the bank that is adjacent to football field #1 at North Park. This bank is eroding and washing down onto the artificial turf field. The bank needs to be secured by a retaining wall. Staff has seeded the bank multiple times and has planted shrubbery to aid in the erosion process. However, park visitors tend to travel along this bank and ultimately damage the shrubbery and grass. When it rains the dirt is washed down the bank and onto the artificial turf field which could result in damage to the field. The bank will be tiered and landscaped to discourage its appeal for children to climb and slide down and will include the installation of required drainage infrastructure.

\$ Impact on Operations: Routine maintenance capital - operating costs to decrease due to decline in erosion remediation.

Financial Status

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

Project: Recreation and Parks Building Re-Roofing
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for the removal and replacement of roofing materials at seven facilities including the: Adult Activity Center main building; Crabapple Government Center (shingled and metal roof); Wills Park Pool Building; Administration Office; Park Services/Equestrian Office Building; lower Equestrian Bath House; and the lower Equestrian Center show office. The lower show office and the Park Services/Equestrian Office Building were last re-roofed in 1997. The Administration Office was re-roofed prior to 1997. The Crabapple Government Center has had minor repairs but no major roof repairs since the city purchased the building. The Adult Activity Center has had minor repairs to the roof but no replacements since it was constructed in 1988. The Equestrian Bath House has not had its roof replaced since it was built in the early 1990's. The estimated cost for all roof replacements totals \$144,000 with the replacements phased in over a two-year period (\$72,000 for FY 2012; \$72,000 for FY 2013). Roof replacements will be prioritized based on condition.

\$ Impact on Operations: This program decreases facility maintenance costs as the roof structures will be less susceptible to water intrusion.

Financial Status

Funding Source:	Local:	\$	72,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	72,000

Project: North Park Tennis Courts Resurfacing
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for the repair/resurfacing/recoating of courts 1-7 (including the repair of several divots, re-asphalt, re-set net posts, improve court drainage, etc). The last recoat was completed in September 2006 (courts 1-3) and August 2007 (courts 4-7). Courts 2 and 3 are in especially poor shape and both have divots within the lines of play which are a safety risk for players. These courts were originally built around 1995. Staff no longer rents court 3 because it is not suitable for matches. The surface of courts 4-7 has turned orange and faded due to water/clay washing onto the court. Parks Services staff installed a drainage system for erosion control in summer 2010 to alleviate this issue.

\$ 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

Project: Fleet Replacement (Qty: 2)
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for the replacement of one 1999 F-250 (12-years old) and one 2001 F-250 (10-years old). The 1999 F-250 has 97,000 miles and warrants replacement based on age and repair costs. The 2001 F-250 has 102,000 miles and warrants replacement based on age, mileage, 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 100,000 miles or 10-years of service; 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:	\$	35,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	35,000

Project: Parking Lot Paving (Wills Park)
Department: Recreation & Parks
Strategic Priority: Recreational, Educational and Cultural Opportunities for All Ages



Scope

Description: This request is for repaving at Wills Park (parking lot at Wacky World, pool, and fields A-D is pervious asphalt and is cracking and eroding away). This project includes removing loose gravel on 66,000 square feet and milling 46,100 square feet then repaving with a 1.5" thickness of Type-E asphalt and re-striping. The resurfacing material would improve the structural adequacy of existing paving and provide a like new appearance for striping. This would enhance the appearance of the park and minimize maintenance costs.

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

Financial Status

Funding Source:	Local:	\$	83,000
	Bond:	\$	-
	Grant:	\$	-
Total Appropriations:		\$	83,000

Project: Cumming St. Sidewalk (Clairmonte Ave. to Henderson Pkwy)
Department: Alpharetta Business Community (ABC)
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



Scope

Description: This request is for the construction of an 8' wide sidewalk along the south side of Cumming Street from Clairmonte Avenue to Henderson Parkway. This project consists of approximately 2,400 linear feet of sidewalk. The project will provide Clairmonte Subdivision, Sterling Heights, and Lake Union Hill Apartments connectivity to Manning Oaks Elementary School. This project was submitted to Georgia Department of Transportation for construction as part of their Safe Routes to School program.

EPW staff will perform the necessary design work to construct the project. Design costs included herein are for items such as a survey, geotechnical review, and retaining wall design. This is an allowable use of ABC funding.

\$ Impact on Operations: \$1,450 (FY 2012) to \$2,900 (future years) annually for maintenance (landscaping) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	-
	Bond:	\$	-
	ABC Funding:	\$	290,000
Total Appropriations:		\$	290,000

Project: Maxwell Rd. Sidewalk (Hembree Rd. to Encore Pkwy)
Department: Alpharetta Business Community (ABC)
Strategic Priority: Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail



Scope

Description: This request is for the construction of a sidewalk along the east and west side of Maxwell Road from Hembree Road to Encore Parkway. This project consists of approximately 650 linear feet of sidewalk on the west side of Maxwell Road and 400 linear feet of sidewalk on the east side of Maxwell Road. Also included within the scope of work is the installation of curb and gutter, drainage structures and pipe, utility relocations, and a retaining wall along the east side. The project will provide uninterrupted connectivity between Hembree Road, Westside Parkway, and Encore Parkway.

EPW staff will perform the necessary design work to construct the project. Design costs included herein are for items such as a survey, geotechnical review, and retaining wall design. This is an allowable use of ABC funding.

\$ Impact on Operations: \$650 (FY 2012) to \$1,300 (future years) annually for maintenance (landscaping) - added to operating budget.

Financial Status

Funding Source:	Local:	\$	-
	Bond:	\$	-
	ABC Funding:	\$	350,000
Total Appropriations:		\$	350,000

Department: Multiple Departments
Strategic Priority: Proactive, Environmentally Sensitive Community with a focus on our Future



Scope

Description: This request is to provide available funding to serve as matching funds for grant opportunities as they arise throughout the year. Operating grants, such as the Bulletproof Vest Partnership Program, typically require matching funds in order to carry out the required grant activities. This funding will allow the City of Alpharetta to pursue a multitude of grant opportunities.

\$ Impact on Operations: N/A

Financial Status

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

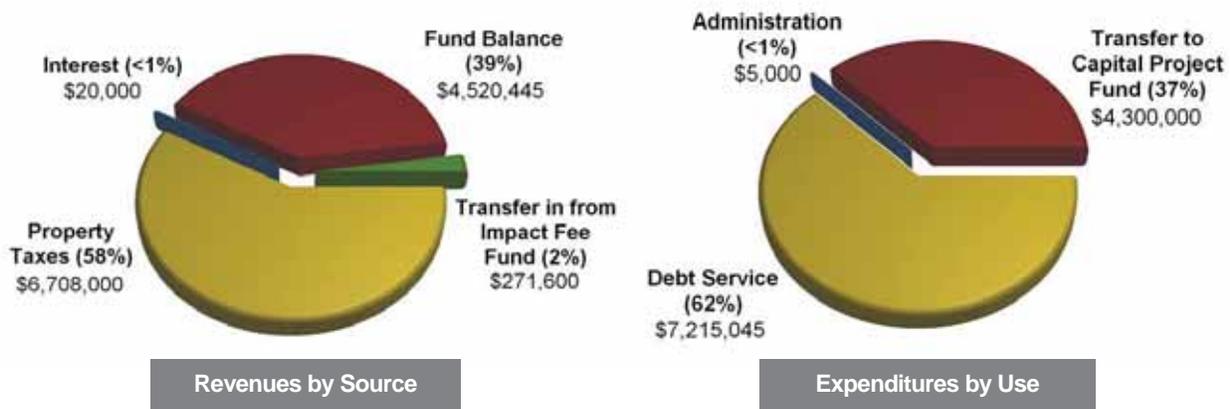
Fiscal Year 2012 Operating & Capital Budget Narrative

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 2012 Budget = \$11,520,045



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, 2011):

• General Obligation Refunding Bonds, Series 2003	\$ 3,535,000
• General Obligation Bonds, Series 2006	21,355,000
• General Obligation Refunding Bonds, Series 2009	<u>1,330,000</u>
Total General Obligation Debt:	\$ 26,220,000
• Development Authority Revenue Refunding Bonds, Series 2009 ²⁵	<u>839,850</u>
Total Debt Outstanding:	\$ 27,059,850

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.

Refunding Activity

Due to favorable market conditions for AAA rated municipal bonds, the city issued the following refunding bonds during the 2nd qtr of 2009:

- General Obligations Refunding Bonds, Series 2009 – the Series 2009 GO bonds were issued in a par amount of \$8.6 million with the proceeds utilized to refund the Series 1998 General Obligation Bonds which were issued to pay for certain parks (Wills, North Park, Webb), roads (Westside pkwy), and public facilities (police headquarters). The Series 2009 GO bonds have the same maturity date (2012) and lower interest rates that provide net present value savings (after issuance costs) of approximately \$360,000 (average of \$120,000 annually); and
- Development Authority Revenue Refunding Bonds, Series 2009 - the Series 2009 bonds were issued in a par amount of \$5.9 million with the proceeds utilized to refund the Series 1998 Development Authority Revenue Bonds which were issued for the purpose of constructing an educational facility to be used (leased) by Georgia State University Foundation, Inc (“GSU”). The Series 2009 bonds have the same maturity date (2018) and lower interest rates that providing net present value savings (after issuance costs) of approximately \$560,000 (average of \$66,000 annually). GSU is obligated under the lease to pay 83.5% of the payments with the city obligated for the remainder. Therefore the city will realize 16.5% of the savings or \$92,400 (\$10,980 annually over the remaining life).

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.

Bond Smoothing

The city's primary method of funding large scale capital projects is through the issuance of general obligation bonds ("GO Bonds"). 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 in which to work and live.

The Debt Service Fund currently includes a fund balance reserve that when augmented with a base level of property tax revenues, investment earnings, and impact fees, is forecasted to be sufficient to cover annual debt service on the underlying bonds through maturity. Principal and interest payments for fiscal year 2012 are budgeted at \$7,215,045 with the following forecast:

2013: \$2,164,026

2014: \$2,164,465

2015: \$2,157,586

2016: \$2,142,102

2017 - 2026²⁶: \$2,034,341 (annual average)

Property tax revenues (as adjusted for full rollback) combined with fund balance reserve (Debt Service Fund), investment earnings, and impact fees are anticipated to generate sufficient funding for the debt service requirements identified above. Beginning in FY 2013, property tax revenues will decline significantly in accordance with the underlying debt service requirements.

Real estate values are forecasted to erode in the short-term but the fund balance reserve will enable the city to continue to lower its debt service millage over the next several years. The table below illustrates the annual millage rates levied by the city for the last 10 years.

Fiscal Year	Operating Millage Levy	Debt Service Millage Levy	Total Millage Levy	%Increase/Decrease
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%

²⁶ Represents final maturity of the City's existing debt (General Obligation Bonds, Series 2006).

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 25-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.

General Obligation Bonds (All Series)

	Principal	Interest	Total Debt Service
FY 2012	\$ 5,940,000	\$ 1,149,281	\$ 7,089,281
FY 2013	1,100,000	937,850	2,037,850
FY 2014	1,145,000	893,850	2,038,850
FY 2015	1,195,000	836,600	2,031,600
FY 2016	1,240,000	776,850	2,016,850
FY 2017	1,285,000	727,250	2,012,250
FY 2018	1,335,000	675,850	2,010,850
FY 2019	1,390,000	621,115	2,011,115
FY 2020	1,450,000	560,650	2,010,650
FY 2021	1,510,000	497,575	2,007,575
FY 2022	1,575,000	422,075	1,997,075
FY 2023	1,645,000	343,325	1,988,325
FY 2024	1,725,000	261,075	1,986,075
FY 2025	1,800,000	174,825	1,974,825
FY 2026	1,885,000	84,825	1,969,825
	\$ 26,220,000	\$ 8,962,996	\$ 35,182,996

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 2009²⁷.

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.

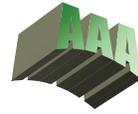
Development Authority Revenue Bonds (City Portion)

	Principal	Interest	Total Debt Service
FY 2012	\$ 90,750	\$ 35,013	\$ 125,763
FY 2013	94,875	31,301	126,176
FY 2014	98,175	27,440	125,615
FY 2015	102,300	23,686	125,986
FY 2016	105,600	19,652	125,252
FY 2017	110,550	14,644	125,194
FY 2018	115,500	8,993	124,493
FY 2019	122,100	3,053	125,153
	\$ 839,850	\$ 163,779	\$ 1,003,629

²⁷ Please refer to the section entitled *Refunding Activity* for more detailed information.

Bond Ratings

The city's AAA bond rating was reaffirmed by Moody's and Standard & Poor's during April 2009 in conjunction with the sale of \$8.6 million (par) of General Obligation Revenue Refunding Bonds, Series 2009, and \$5.9 million (par) of Development Authority Revenue Refunding Bonds, Series 2009.



Alpharetta is one of only 199 cities in the United States (and one of two in Georgia) to earn an AAA bond rating (*Moody's*). The AAA bond rating represents the highest rating available to municipalities and translates to significant savings to our citizens and stakeholders through reduced borrowing costs. The refundings identified above will save taxpayers over \$125,000 annually in reduced interest costs.

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 2012 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 2012, the debt limit is estimated at \$446 million with currently outstanding general obligation debt representing 5% of capacity.

City Of Alpharetta					
Legal Debt Margin (last five fiscal years)					
	2011	2010	2009	2008	2007
Debt limit	\$ 467,511,649	\$ 498,525,167	\$ 515,651,527	\$ 444,632,135	\$ 375,083,691
Total net debt applicable to limit	21,521,865	27,458,890	33,174,763	38,571,506	45,435,910
Legal Debt Margin	\$ 445,989,784	\$ 471,066,277	\$ 482,476,764	\$ 406,060,629	\$ 329,647,781
Total net debt applicable to the limit as a percentage of debt limit	5%	6%	6%	9%	12%
Legal Debt Margin Calculation for Fiscal Year 2011					
Taxable Assessed Value	\$ 4,127,600,000				
Add back: Exemptions	547,516,492				
Total assessed value	4,675,116,492				
Debt limit (10% of total assessed value)	\$ 467,511,649				
Debt applicable to limit:					
General obligation bonds	26,220,000				
Less: Amount set aside for repayment of general obligation debt	(4,698,135)				
Total net debt applicable to limit	\$ 21,521,865				
Legal Debt Margin	\$ 445,989,784				

Source: City of Alpharetta Finance Department

* FY 2011 data represents estimates.

City of Alpharetta Debt Service Fund Statement of Budgetary Comparisons (FY 2011-2012)

	FY 2011 Amended Budget	FY 2012 Recommended Budget	\$ Variance	% Variance
Property Taxes:				
Property Taxes	\$ 6,621,000	\$ 6,431,000	\$ (190,000)	-2.87%
Motor Vehicle Taxes	225,900	277,000	51,100	22.62%
Interest	50,000	20,000	(30,000)	-60.00%
Other Financing Sources:				
Transfer-In from Impact Fee Fund	500,000	271,600	(228,400)	-45.68%
Budgeted Fund Balance (1)	2,196,915	4,520,445	2,323,530	105.76%
Total Revenues (All Sources)	\$ 9,593,815	\$ 11,520,045	\$ 1,926,230	20.08%
Maintenance & Operations:				
Professional Services	\$ 5,000	\$ 5,000	\$ -	0.00%
Debt Service (Principal and Interest):				
City of Alpharetta				
GO Refunding Bonds, Series 2003	3,618,619	3,667,494	48,875	1.35%
GO Bonds, Series 2006	2,067,738	2,058,538	(9,200)	-0.44%
GO Refunding Bonds, Series 2009	3,776,650	1,363,250	(2,413,400)	-63.90%
Development Authority of Alpharetta				
Revenue Refunding Bonds, Series 2009	125,808	125,763	(45)	-0.04%
Other Uses:				
Transfer to Capital Project Fund (2)	-	4,300,000	4,300,000	100.00%
Total Expenditures (All Uses)	\$ 9,593,815	\$ 11,520,045	\$ 1,926,230	20.08%

Notes:

(1) The Debt Service Fund includes a fund balance reserve that when augmented with a base level of property tax revenues, investment earnings, and impact fees, is forecasted to be sufficient to cover annual debt services on the underlying bonds through maturity.

(2) The city's General Fund transferred over \$6.0M to smooth the tax levy necessary to support escalating debt service requirements from 2007-2011. The figure represents the available balance that can be utilized for capital initiatives.

City of Alpharetta Debt Service Fund

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Est.	FY 2012 Recommended Budget	FY 2011 Forecast	FY 2012 Forecast
Beginning Fund Balance:	\$ 10,709,090	\$ 10,648,494	\$ 8,875,237	\$ 6,811,110	\$ 4,800,295	\$ 279,850	\$ 279,850
Revenues:							
Property Taxes (incl. Motor Vehicle)	\$ 7,062,818	\$ 7,449,471	\$ 7,336,490	\$ 7,063,000	\$ 6,708,000	\$ 2,132,426	\$ 2,132,465
Interest	565,381	265,630	35,432	20,000	20,000	5,000	5,000
Other	(2)	185	-	-	-	-	-
	\$ 7,628,197	\$ 7,715,286	\$ 7,371,922	\$ 7,083,000	\$ 6,728,000	\$ 2,137,426	\$ 2,137,465
Expenditures:							
Professional Services	\$ 3,175	\$ 3,000	\$ 7,069	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Non-Departmental:							
Debt Service	9,693,281	9,694,484	9,530,331	9,588,815	7,215,045	2,164,026	2,164,465
	\$ 9,696,456	\$ 9,697,484	\$ 9,537,400	\$ 9,593,815	\$ 7,220,045	\$ 2,169,026	\$ 2,169,465
Other Financing Sources (Uses):							
Interfund Transfer:							
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Impact Fee Fund	2,000,000	219,000	101,351	500,000	271,600	31,600	32,000
(2) Capital Project Fund	-	-	-	-	(4,300,000)	-	-
Bond IV Fund	7,662	-	-	-	-	-	-
Refunding Bonds (net)	-	(10,059)	-	-	-	-	-
	\$ 2,007,662	\$ 208,941	\$ 101,351	\$ 500,000	\$ (4,028,400)	\$ 31,600	\$ 32,000
Ending Fund Balance: (1)	\$ 10,648,494	\$ 8,875,237	\$ 6,811,110	\$ 4,800,295	\$ 279,850	\$ 279,850	\$ 279,850
<i>Changes in Fund Balance (actual/est.)</i>	\$ (60,596)	\$ (1,773,257)	\$ (2,064,127)	\$ (2,010,815)	\$ (4,520,445)	\$ -	\$ -

Notes:

(1) The Debt Service Fund includes a fund balance reserve that when augmented with a base level of property tax revenues, investment earnings, and impact fees, is forecasted to be sufficient to cover annual debt services on the underlying bonds through maturity.

(2) The city's General Fund transferred over \$6.0M to smooth the tax levy necessary to support escalating debt service requirements from 2007-2011. The figure represents the available balance that can be utilized for capital initiatives.



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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 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



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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.

Goals and Objectives

Alpharetta is the Signature City in the Region, distinguished by the following characteristics:

-  ✓ Safe, Secure and Livable City for our Residents, Businesses and Visitors;
-  ✓ Recreational, Educational and Cultural Opportunities for All Ages;
-  ✓ Proactive, Environmentally Sensitive Community with a Focus on our Future;
-  ✓ Responsive, Open Government to Meet the Needs of our Citizens and Stakeholders;
-  ✓ Strong Economic Base to Minimize Taxes and Provide a Secure Future for our Families;
-  ✓ Small Town Feel with a Historic Past;
-  ✓ Strong Business Partnerships in a Corporate Campus Environment; and
-  ✓ Comprehensive Transportation System, Balancing Greenways and Walkways with Road and Rail.

Statement of Revenues, Expenditures, and changes in Personnel

Mayor and City Council General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 120,489	\$ 120,000	\$ 117,500	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Group Insurance	65,297	66,992	63,878	95,143	82,607	85,911	89,348
FICA	8,406	8,035	7,860	9,455	9,455	9,455	9,455
Pension	13,572	14,095	15,833	13,355	10,995	10,995	10,995
Pension (401A Contribution)	1,951	1,773	3,750	9,000	10,500	10,500	10,500
Workers Compensation	829	1,629	2,277	2,612	2,795	2,851	2,908
Miscellaneous	3,600	3,600	3,600	3,600	3,763	3,763	3,763
<i>subtotal</i>	\$ 214,145	\$ 216,124	\$ 214,698	\$ 253,165	\$ 240,115	\$ 243,475	\$ 246,969
Maintenance & Operations:							
Mayor - Arthur Letchas	\$ 2,053	\$ 8,150	\$ 2,379	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
* Post 1 - Doug DeRito	4,152	3,264	1,721	5,000	5,000	5,000	5,000
* Post 2 - Mike Kennedy	4,418	4,195	2,593	5,000	5,000	5,000	5,000
* Post 3 - Chris Owens	3,345	4,775	2,462	5,000	5,000	5,000	5,000
* Post 4 - Cheryl Oakes	2,376	2,546	2,049	5,000	5,000	5,000	5,000
* Post 5 - Jim Paine	2,709	2,775	310	5,000	5,000	5,000	5,000
* Post 6 - D.C. Aiken	721	2,324	466	5,000	5,000	5,000	5,000
Miscellaneous	3,705	1,820	29	9,000	9,000	9,000	9,000
<i>subtotal</i>	\$ 23,479	\$ 29,850	\$ 12,008	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 237,623	\$ 245,974	\$ 226,706	\$ 301,165	\$ 288,115	\$ 291,475	\$ 294,969
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 City Council Post and not the necessarily the current incumbent.

Budget Narrative

The Fiscal Year 2012 Budget for Mayor and City Council totals \$288,115 and represents a decrease of -4.3%, or -\$13,050, compared to the FY 2011 budget, and primarily represents decreased group insurance costs (pursuant to current medical insurance enrollment).

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 for FY 2012 total 7.0 full-time-equivalents (“FTE”) and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011	FY 2012	
Mayor	1.0	1.0	1.0	1.0	-
Councilperson Post 1	1.0	1.0	1.0	1.0	-
Councilperson Post 2	1.0	1.0	1.0	1.0	-
Councilperson Post 3	1.0	1.0	1.0	1.0	-
Councilperson Post 4	1.0	1.0	1.0	1.0	-
Councilperson Post 5	1.0	1.0	1.0	1.0	-
Councilperson Post 6	1.0	1.0	1.0	1.0	-
	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.

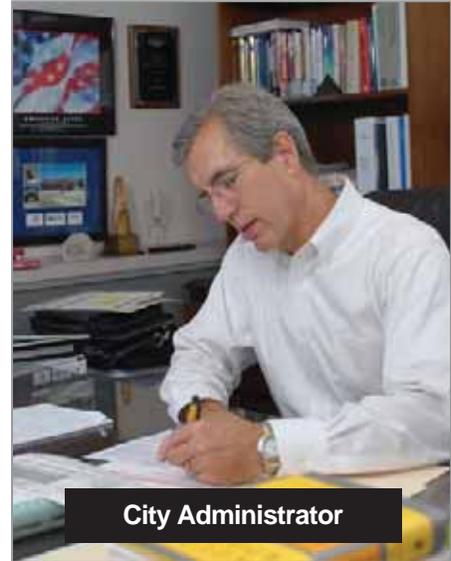
The City Council adopted the Alpharetta Green City Program in early 2009 as a comprehensive document for all the city’s sustainable policies and practices. A variety of measures are incorporated in the Green City Program, including LEED or EnergyStar certification for all new local government buildings, 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.

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.

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.



Statement of Revenues, Expenditures, and changes in Personnel (City Administration)

City Administration/Public Information/Special Events/Grants Administration/Economic Development General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
Charges for Services:							
Taste of Alpharetta	\$ 83,632	\$ 149,385	\$ 141,357	\$ 150,000	\$ 140,000	\$ 144,200	\$ 148,526
Other	106,199	103,115	92,761	57,500	52,500	52,500	52,500
Other Revenue	-	-	-	-	36,000	-	-
TOTAL	\$ 189,832	\$ 252,500	\$ 234,118	\$ 207,500	\$ 228,500	\$ 196,700	\$ 201,026
EXPENDITURES							
Personnel Services:							
Salaries	\$ 567,370	\$ 580,095	\$ 594,627	\$ 585,471	\$ 666,364	\$ 679,691	\$ 693,285
Overtime	3,378	14,051	-	50,000	25,000	25,000	25,000
Group Insurance	58,926	51,324	65,872	71,498	78,635	81,780	85,052
FICA	39,022	38,498	36,920	49,165	53,440	54,509	55,599
Pension	52,160	57,379	64,337	73,571	84,167	84,167	84,167
Pension (401A Contribution)	23,449	27,956	22,715	30,370	32,069	32,069	32,069
Workers Compensation	3,871	7,619	10,296	11,771	14,445	14,734	15,029
Miscellaneous	7,200	7,200	7,282	7,350	7,282	7,282	7,282
<i>subtotal</i>	\$ 755,375	\$ 784,123	\$ 802,048	\$ 879,196	\$ 961,402	\$ 979,232	\$ 997,482
Maintenance & Operations:							
Professional Fees	\$ 140,001	\$ 197,413	\$ 172,404	\$ 210,389	\$ 202,300	\$ 203,817	\$ 205,346
Rental Equipment	30,715	24,927	25,801	29,445	32,285	32,527	32,771
Advertising	26,314	24,720	17,531	20,236	24,505	24,689	24,874
Printing	69,672	72,326	18,154	25,344	23,504	23,680	23,858
General Supplies	41,287	24,894	12,786	16,564	17,197	17,326	17,456
Utilities	8,802	8,284	7,608	10,099	10,099	10,175	10,251
Promotions	11,679	7,986	4,053	6,552	7,452	7,508	7,564
Miscellaneous	29,912	28,645	37,131	56,369	112,600	113,445	114,295
<i>subtotal</i>	\$ 358,382	\$ 389,195	\$ 295,468	\$ 374,998	\$ 429,942	\$ 433,167	\$ 436,415
Capital	\$ 12,240	\$ -	\$ 7,140	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,125,997	\$ 1,173,318	\$ 1,104,657	\$ 1,254,194	\$ 1,391,344	\$ 1,412,399	\$ 1,433,898
Authorized Personnel	6.5	7.0	7.0	7.0	8.0		



Administration



Grant Administration

Budget Narrative

The FY 2012 Budget for City Administration totals \$1,391,344 and represents an increase of 10.9%, or \$137,150, compared to the FY 2011 budget.

The Personnel Services category increased 9.4%, or \$82,206, due primarily to: the reorganization of the Economic Development function (1.0 FTE Economic Development Coordinator position) from the Community Development Department to City Administration; wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); increases in group insurance costs; and the reallocation of overtime appropriations from special events to the Public Safety Department (-\$25,000).

Base level personnel for FY 2012 total 8.0 FTEs and represent the following:

	FTEs				
	FY 2009	FY 2010	FY 2011	FY 2012	Variance
City Administrator	1.0	1.0	1.0	1.0	-
Assistant City Administrator	1.0	1.0	1.0	1.0	-
Economic Development Coordinator	-	-	-	1.0	1.0
Executive Assistant	1.0	-	-	-	-
Executive Office Coordinator	-	1.0	1.0	1.0	-
Grants Administrator	1.0	1.0	1.0	1.0	-
Special Events Coordinator (2PT)	1.0	1.0	1.0	1.0	-
Special Events Manager	1.0	1.0	1.0	1.0	-
Web Administrator	1.0	1.0	1.0	1.0	-
	7.0	7.0	7.0	8.0	1.0

* Economic Development Coordinator position is being transferred from the Community Development Department to City Administration (effective FY 2012).

The Maintenance & Operations category increased 14.7%, or \$54,944, due primarily to the following activity:

- Increase in costs relating to the reorganization of the Economic Development function from the Community Development Department to City Administration (\$20,000 allocated between the professional development, advertising, printing, and promotions accounts);
- Addition of \$36,000 in maintenance contracts to fund property maintenance expenses related to properties acquired within the City Center area that have active leases. The activity is self supportive with lease revenues covering anticipated expenditures (unspent revenues will be reserved for future initiatives);
- Decreases in professional fees for the *Taste of Alpharetta* of -\$9,518 due primarily to reduced vendor payout estimates (based on activity over the last several events); and
- Increases in professional services (IT) of \$5,454 due primarily to growth in the following costs: Adobe licensing; Microsoft licensing; telephony support services.

Statement of Revenues, Expenditures, and changes in Personnel (Legal Services)

Legal Services

Statement of Revenues, Expenditures, and changes in Fund Balance

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Maintenance & Operations:							
Professional Fees	\$ 436,454	\$ 464,007	\$ 391,365	\$ 400,000	\$ 480,000	\$ 483,600	\$ 487,227
Miscellaneous	45,586	-	1,105	-	-	-	-
Adjustments/Reconciliation	-	-	-	-	-	-	-
TOTAL	\$ 482,040	\$ 464,007	\$ 392,470	\$ 400,000	\$ 480,000	\$ 483,600	\$ 487,227
PERSONNEL*	-	-	-	-	-	-	-

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

Statement of Revenues, Expenditures, and changes in Personnel (Internal Audit)

Internal Audit General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 92,081	\$ 99,100	\$ 100,873	\$ 100,483	\$ 102,748	\$ 104,803	\$ 106,899
Group Insurance	17,258	16,819	17,161	18,173	19,108	19,872	20,667
FICA	7,257	7,600	7,687	7,687	7,860	8,017	8,178
Pension	10,246	11,399	12,997	14,684	14,835	14,835	14,835
Pension (401A Contribution)	3,985	5,113	5,025	5,024	5,137	5,137	5,137
Workers Compensation	643	1,318	1,869	2,154	2,357	2,404	2,452
Miscellaneous	-	-	-	-	-	-	-
<i>sub total</i>	\$ 131,471	\$ 141,347	\$ 145,613	\$ 148,205	\$ 152,045	\$ 155,069	\$ 158,168
Maintenance & Operations:							
Professional Development	\$ 1,900	\$ 1,650	\$ 1,318	\$ 2,098	\$ 2,098	\$ 2,114	\$ 2,130
Travel	3,242	2,486	265	3,000	3,000	3,023	3,045
Miscellaneous	180	173	164	331	216	218	219
<i>sub total</i>	\$ 5,323	\$ 4,309	\$ 1,747	\$ 5,429	\$ 5,314	\$ 5,354	\$ 5,394
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 136,794	\$ 145,657	\$ 147,360	\$ 153,634	\$ 157,359	\$ 160,422	\$ 163,562
Authorized Personnel	1.0	1.0	1.0	1.0	1.0		

Budget Narrative

The FY 2012 Budget for Internal Audit totals \$157,359 and represents an increase of 2.4%, or \$3,725, compared to FY 2011.

The Personnel Services category increased 2.6%, or \$3,840, due primarily to wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends) and increases in group insurance.

Base level personnel for FY 2012 total 1.0 FTEs and represent the following:

	FTEs				
	FY 2009	FY 2010	FY 2011	FY 2012	Variance
Internal Auditor	1.0	1.0	1.0	1.0	-

The Maintenance & Operations category decreased -2.1%, or -\$115, compared to prior year.



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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
City Administration Department						
annual turnover percentage	10.0%	10.0%	0.0%	0.0%	0.0%	0.0%
# of Public meetings held	50	52	44		40	32
Number of website hits	4,693,023	4,800,962	4,923,592	N/A	5,000,000	N/A
Website Unique Visitors	N/A	N/A	380,366	213,659	N/A	373,308
Website Page Views	N/A	N/A	1,956,813	1,111,139	N/A	1,930,800
% of Website New Visits	N/A	N/A	64.67%	62.46%	N/A	65%
Number of newsletters distributed	54,000	52,000	N/A	N/A	N/A	N/A
# of Grant applications prepared	15	15	13	8	13	15
# of Grants received	6	7	9	6	7	7
% of successful grant applications	40%	47%	69%	75%	54%	47%
Total value of grants received	\$120,516	\$60,000	\$7,193,802	\$82,557	\$100,000	\$100,000
# of Grants managed	34	28	42	38	35	35
Personnel Assigned:	5.0 FTE	5.0 FTE	5.0 FTE	5.0 FTE	5.0 FTE	5.0 FTE
	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
	Executive Assistant	Executive Assistant	Executive Office Coord.	Executive Office Coord.	Executive Office Coord.	Executive Office Coord.
	Grants Manager	Grants Manager	Grants Administrator	Grants Administrator	Grants Administrator	Grants Administrator
	Webmaster	Webmaster	Web Administrator	Web Administrator	Web Administrator	Web Administrator

Economic Development

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

Performance Measurements	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Existing business contacts	225	208	215	200	200	210
# of New projects	5	4	4	3	4	4
# of Major business prospects recruited	5	3	3	2	3	3
Personnel Assigned:						1.0 FTE*
						Economic Dev Coordinator

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

Special Events

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

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Total approved events:						
Exclusive City Events	37	38	35	23	12	36
City Partnered Events	12	12	50	18	32	50
Other Events	13	43	42	16	26	42
Approximate attendance for:						
Alpharetta Marathon	3,000	300	N/A	N/A	N/A	N/A
Taste of Alpharetta	85,000	60,000	64,000		64,000	64,000
Mayor's Challenge	1,000	1,000	1,000		1,000	1,000
Old Soldier's Day Parade	10,000	9,500	9,500	9,500	9,500	9,500
Annual Tree Lighting	4,500	4,500	3,500	3,500	3,000	3,500
Alpharetta Arts Street Fest Spring	15,000	15,000	15,000		15,000	15,000
Alpharetta Arts Street Fest Fall	N/A	N/A	N/A	N/A	N/A	N/A
Scarecrow Harvest		3,000	3,500	3,500	3,000	3,500
Lazy Log Cabin Days	5,000	4,000	750	700	N/A	750
# of Special events applications processed	2,100	2,250	2,260			
# of Volunteers recruited	375	420	750	500	250	750
# of Special event sponsors	25	32	38	9	28	39
# of Event vendors managed	260	240	600	200	400	600
Personnel Assigned:	1.5 FTE	2.0 FTE				
Special Events Manager	Special Events Manager	Special Events Manager	Special Events Manager	Special Events Manager	Special Events Manager	Special Events Manager
Special Events Coordinator (.5)	Special Events Coordinator (2 PT)					



City Clerk

Mission Statement

The City Clerk's Office pledges to be the professional link between the citizens and city government. The City Clerk's office is ever mindful of neutrality and impartiality, rendering equal service to everyone. In addition, the City Clerk's office is committed to maintaining accurate records and quality record retention.

Goals and Objectives



✓ Continued efforts to improve records retention processes through document imaging;



✓ Continue to improve meeting agenda reports and updates, using Internet and document imaging technology; and



✓ Encourage improved efficiency on consent agenda items to allow adequate time on primary agenda items.

Statement of Revenues, Expenditures, and changes in Personnel

City Clerk General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
Licenses & Permits:							
Alcohol Beverage Permit Fees	\$ 436,142	\$ 421,262	\$ 412,692	\$ 400,000	\$ 400,000	\$ 408,000	\$ 416,160
Other	18,197	12,658	14,280	7,000	7,000	7,140	7,283
TOTAL	\$ 454,338	\$ 433,919	\$ 426,972	\$ 407,000	\$ 407,000	\$ 415,140	\$ 423,443
EXPENDITURES							
Personnel Services:							
Salaries	\$ 150,717	\$ 160,306	\$ 156,297	\$ 156,627	\$ 160,157	\$ 163,360	\$ 166,627
Group Insurance	10,676	10,814	11,777	12,300	12,623	13,128	13,653
FICA	12,089	12,386	12,016	11,400	11,657	11,890	12,128
Pension	15,558	17,069	19,274	21,777	22,000	22,000	22,000
Pension (401A Contribution)	5,485	7,159	6,957	6,935	7,091	7,091	7,091
Workers Compensation	954	2,114	3,048	3,194	3,495	3,565	3,636
Miscellaneous	-	-	-	-	-	-	-
<i>subtotal</i>	\$ 195,480	\$ 209,847	\$ 209,369	\$ 212,233	\$ 217,023	\$ 221,034	\$ 225,136
Maintenance & Operations:							
Professional Fees	\$ 75,608	\$ 5,987	\$ 95,682	\$ 3,600	\$ 141,600	\$ 10,000	\$ 150,000
Advertising	6,503	3,042	12,684	9,800	10,000	10,075	10,151
Maintenance Contracts/IT Svcs.	8,150	9,251	19,040	17,556	16,293	16,415	16,538
General Supplies	2,288	7,518	1,401	10,500	11,300	11,385	11,470
Utilities	7,366	6,946	6,669	7,378	7,456	7,512	7,568
Miscellaneous	5,220	6,599	5,558	9,225	9,328	9,398	9,468
<i>subtotal</i>	\$ 105,135	\$ 39,343	\$ 141,034	\$ 58,059	\$ 195,977	\$ 64,785	\$ 205,196
Capital	\$ 9,192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 309,806	\$ 249,190	\$ 350,403	\$ 270,292	\$ 413,000	\$ 285,819	\$ 430,331
Authorized Personnel	2.0	2.0	2.0	2.0	2.0		

Budget Narrative

The FY 2012 Budget for the City Clerk totals \$413,000 and represents an increase of 52.8%, or \$142,708, compared to the FY 2011 budget.

The Personnel Services category increased 2.3%, or \$4,790, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); and increases in group insurance costs.

Base level personnel for FY 2012 total 2.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011	FY 2012	
City Clerk	1.0	1.0	1.0	1.0	-
Administrative Assistant I	1.0	-	-	-	-
Assistant City Clerk	-	1.0	1.0	1.0	-
	2.0	2.0	2.0	2.0	-

The Maintenance & Operations category increased 237.5%, or \$137,918, due to costs associated with the upcoming municipal election (November 2011).



Performance Measurement

The following section provides detailed information on City Clerk 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.

Legislative Support

Statement of Service: To serve the citizens and employee of the City of Alpharetta by effectively and efficiently maintaining accurate and accessible records and responding to requests for records. Additionally, the City Clerk issues and collects alcohol beverage licenses and revenues.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
City Clerk annual turnover percentage	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%
# of Ordinances prepared	35	35	35	1	35	35
# of Open records requests processed	30	30	15	5	15	15
# of New alcohol license applications	25	15	24	1	20	20
Personnel Assigned:	2.0 FTE	2.0 FTE	2.0 FTE		2.0 FTE	2.0 FTE
	City Clerk	City Clerk	City Clerk		City Clerk	City Clerk
	Admin Asst. I	Admin Asst. I	Asst. City Clerk		Asst. City Clerk	Asst. City Clerk





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Community Development

Administration, Planning & Zoning, and Code Enforcement

Mission Statement

To protect and enhance the lives of Alpharetta citizens by protecting property values, 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; and
-   ✓ Maintain and process business licenses for the city.



Statement of Revenues, Expenditures, and changes in Personnel

Community Development General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES (1)							
Licenses & Permits:							
Development Permits & related Fees	\$ 328,903	\$ 139,445	\$ 40,932	\$ 50,000	\$ 70,000	\$ 71,400	\$ 72,828
Building Permit Fees	1,138,439	613,194	900,010	450,000	900,000	918,000	936,360
Occupancy Permit Fees	190,004	107,766	84,554	65,000	75,000	76,500	78,030
Other	53,252	40,251	33,610	30,000	30,000	30,600	31,212
Charges for Services:							
Planning and Development Fees	145,616	76,581	78,727	55,000	65,000	66,300	67,626
Plan Review Fees	327,112	150,565	278,562	105,000	275,000	280,500	286,110
Other	14,723	17,755	3,135	900	900	918	936
Fines & Forfeitures							
	-	-	-	-	-	-	-
TOTAL	\$ 2,198,050	\$ 1,145,558	\$ 1,419,529	\$ 755,900	\$ 1,415,900	\$ 1,444,218	\$ 1,473,102
EXPENDITURES							
Personnel Services:							
Salaries	\$ 1,125,073	\$ 1,164,753	\$ 1,175,097	\$ 1,174,151	\$ 1,128,095	\$ 1,150,657	\$ 1,173,670
Overtime	-	-	250	-	-	-	-
Group Insurance	189,492	189,846	190,129	215,043	210,991	219,431	228,208
FICA	84,298	84,142	84,888	89,822	85,790	87,506	89,256
Pension	130,093	144,444	161,910	171,919	155,485	155,485	155,485
Pension (401A Contribution)	38,315	49,671	49,201	52,032	56,639	56,639	56,639
Workers Compensation	7,927	16,694	23,282	25,215	25,761	26,276	26,802
Miscellaneous	-	-	245	200	1,142	1,142	1,142
<i>subtotal</i>	\$ 1,575,199	\$ 1,649,549	\$ 1,685,002	\$ 1,728,382	\$ 1,663,903	\$ 1,697,136	\$ 1,731,202
Maintenance & Operations:							
Professional Fees	\$ 49,008	\$ 40,303	\$ 14,862	\$ 25,444	\$ 13,421	\$ 13,522	\$ 13,623
Board Member Fees	14,359	11,300	11,850	11,250	11,250	11,334	11,419
Repair & Maintenance (Vehicles)	20,584	11,807	12,426	14,706	19,800	19,949	20,098
Building Lease	79,862	81,464	82,824	84,774	86,000	86,645	87,295
Advertising	12,599	9,392	7,298	6,750	7,000	7,053	7,105
Printing	14,396	2,861	4,806	6,175	4,050	4,080	4,111
Maintenance Contracts/IT Svcs.	31,354	42,547	64,613	84,110	74,195	74,751	75,312
General Supplies	25,999	16,590	14,348	19,213	21,678	21,841	22,004
Utilities	12,662	11,571	11,950	13,434	14,119	14,225	14,332
Miscellaneous	35,041	26,789	15,810	34,144	25,656	25,848	26,042
<i>subtotal</i>	\$ 295,864	\$ 254,624	\$ 240,788	\$ 300,000	\$ 277,169	\$ 279,248	\$ 281,342
Capital	\$ 8,045	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,879,108	\$ 1,904,173	\$ 1,925,790	\$ 2,028,382	\$ 1,961,072	\$ 1,976,383	\$ 2,012,544
Authorized Personnel	21.0	21.0	21.0	21.0	20.0		

(1) Represents revenue directly associated with department operations. Please note: departmental operations often impact numerous revenue sources that are accounted elsewhere within the City's budget. For example, the enforcement and collection of Business and Occupation Taxes are a significant departmental priority and the Community Development Department is instrumental in the collection of these revenues. These revenues are accounted for in non-departmental operations (much like property taxes, franchise fees, etc.) but are reliant on the work of the Community Development Department.

Budget Narrative

The FY 2012 Budget for Community Development totals \$1,961,072 and represents a decrease of -3.3%, or -\$67,310 compared to FY 2011.

The Personnel Services category decreased -3.7%, or -\$64,479, due primarily to: the reorganization of the Economic Development function (1.0 FTE Economic Development Coordinator position) from the Community Development Department to City Administration; wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); and increases in group insurance costs. The Department has two Building Inspector positions that were not funded in FY 2011 and are not funded in FY 2012. These positions will remain vacant pending an identified funding source and workload justification.

Base level personnel for FY 2012 total 20.0 FTEs and represent the following:

	FTEs				
	FY 2009	FY 2010	FY 2011*	FY 2012*	Variance
Administrative Assistant II***	3.0	3.0	3.0	2.0	(1.0)
Boards Administrator	1.0	1.0	1.0	1.0	-
Building Inspector	5.0	5.0	5.0	5.0	-
Building Official	1.0	1.0	1.0	1.0	-
Building Plans Examiner	2.0	2.0	2.0	2.0	-
Code Enforcement Officer	4.0	4.0	4.0	4.0	-
Director	1.0	1.0	1.0	1.0	-
Economic Development Coordinator**	1.0	1.0	1.0	-	(1.0)
GIS Specialist	-	1.0	1.0	1.0	-
Planning Technician	1.0	-	-	-	-
Recording Secretary	1.0	1.0	1.0	1.0	-
Specialized Assistant - Permits Plus***	-	-	-	1.0	1.0
Planning & Zoning Administrator	1.0	1.0	1.0	1.0	-
	21.0	21.0	21.0	20.0	(1.0)

* Includes 2.0 FTE not-funded in the FY 2012 Budget. Those positions are as follows: Building Inspector (2.0 FTE).

** Economic Development Coordinator position is being transferred from the Community Development Department to City Administration (effective FY 2012).

*** Position reclassifications occurred during FY 2011.

The Maintenance & Operations category decreased -7.6%, or -\$22,831, due primarily to the following activity:

- Decrease in costs relating to the reorganization of the Economic Development function from the Community Development Department to City Administration (-\$8,724 allocated between professional fees, travel, general supplies, and food/meals accounts);
- Decrease in professional services (IT) and maintenance contracts (combined) of -\$9,915 due primarily to a reduction in offsite records storage fees/records management initiatives;

- Decrease in computer replacement costs of -\$9,650. Computer replacement is based on years-of-service as well as current condition. The replacement schedule is not standard and will vary from year-to-year.

The Capital/Lease category totals \$20,000 and includes funding for the replacement of two copiers (\$12,000) and a computer server/other hardware (\$8,000). The copiers have reached the end of their useful lives and are in constant need of servicing.



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.

Community Development 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.

Planning and Zoning

Statement of Service: The Planning and Zoning division guides the growth and development of the city in a manner that enhances the quality of life and recognizes the city's historic & natural features.

Performance Measurements	Actual FY 2008	Actual FY 2009	Actual FY 2010	Target FY 2011	Target FY 2012
Community Development annual turnover percentage	5%	5%	0%	16%	0%
# of Special projects managed	4	3	2	2	2
# of Community image enhancement projects	2	2	2	2	2
# of New public hearings filed	64	56	66	70	80
Total # of public hearings processed	135	112	87	100	110
# of parcels annexed	1	1	0	0	0
Personnel Assigned:	6.0 FTE				
	Director of Comm Development				
	Admin Asst. II				
	Plans Technician	Plans Technician	GIS Specialist	GIS Specialist	GIS Specialist
	Boards Administrator				
	Recording Secretary				
	Planning & Zoning Administrator				

Code Enforcement

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 2008	Actual FY 2009	Actual FY 2010	Target FY 2011	Target FY 2012
# of New building permits issued	3,456	3,478	2,516	3,000	3,200
# of Building inspections completed	15,249	13,505	7,776	8,200	8,500
# of Code enforcement inspections completed	3,622	2,707	4,210	4,200	4,200
Personnel Assigned:	14.0 FTE				
	Building Official				
	Admin Asst. II (2)	Admin Asst. II			
					Specialized Assistant (Permits Plus)
	Plans Inspector (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)*
	Code Enforcement Officer (4)				

* Includes 2.0 FTE (Building Inspector positions) not-funded in the FY 2012 Budget.



Code Enforcement/Inspections

Engineering and Public Works

Administration, Conservation, Engineering, and Public Works

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, conservation, protection of trees and records management.

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 customer's service is minimal.



Statement of Revenues, Expenditures, and changes in Personnel

Engineering and Public Works General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
Licenses & Permits:							
Tree Removal Permit	\$ 9,290	\$ 6,218	\$ 1,612	\$ 5,000	\$ 5,000	\$ 5,050	\$ 5,101
Soil Erosion Permit	54,085	21,581	5,642	15,000	10,000	10,100	10,201
Charges for Services:							
Tree Replacement Fund	1,500	-	-	-	-	-	-
Other Revenue							
	-	261	1,635	-	-	-	-
TOTAL	\$ 64,875	\$ 28,060	\$ 8,889	\$ 20,000	\$ 15,000	\$ 15,150	\$ 15,302
EXPENDITURES							
Personnel Services:							
Salaries	\$ 2,750,700	\$ 2,824,979	\$ 2,732,807	\$ 2,837,466	\$ 2,886,059	\$ 2,943,780	\$ 3,002,656
Overtime	57,565	43,202	60,911	50,000	50,000	50,000	50,000
Group Insurance	514,890	518,940	527,421	606,183	611,476	635,935	661,372
FICA	213,432	211,633	205,869	219,035	222,712	227,166	231,710
Pension	327,784	338,813	382,298	386,367	339,964	339,964	339,964
Pension (401A Contribution)	77,870	87,251	99,259	122,350	154,631	154,631	154,631
Workers Compensation	19,651	39,966	54,972	60,446	65,788	67,104	68,446
Miscellaneous	2,630	1,377	4,449	700	1,712	1,712	1,712
<i>subtotal</i>	\$ 3,964,522	\$ 4,066,160	\$ 4,067,987	\$ 4,282,547	\$ 4,332,342	\$ 4,420,292	\$ 4,510,491
Maintenance & Operations:							
Professional Fees	\$ 59,836	\$ 66,090	\$ 40,350	\$ 47,900	\$ 38,350	\$ 38,638	\$ 38,927
Repair & Maintenance (Vehicles)	159,501	114,853	121,663	120,000	135,000	136,013	137,033
Repair & Maintenance (Facilities)	126,209	125,699	110,434	146,690	115,000	115,863	116,731
Maintenance Contracts/IT Svcs.	393,774	475,202	546,839	573,230	570,589	574,868	579,180
General Supplies	206,005	203,132	166,954	169,495	154,750	155,911	157,080
Utilities	1,077,666	1,149,663	1,160,894	1,120,826	1,280,443	1,290,046	1,299,722
Miscellaneous	123,397	179,811	124,782	135,395	132,991	133,988	134,993
<i>subtotal</i>	\$ 2,146,389	\$ 2,314,450	\$ 2,271,916	\$ 2,313,536	\$ 2,427,123	\$ 2,445,326	\$ 2,463,666
Capital							
Milling & Resurfacing	\$ 710,188	\$ 913,551	\$ 682,923	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
Miscellaneous	33,848	-	2,400	-	-	-	-
<i>subtotal</i>	\$ 744,036	\$ 913,551	\$ 685,323	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
Adjustments/Reconciliation							
	-	-	-	-	-	-	-
TOTAL	\$ 6,854,946	\$ 7,294,161	\$ 7,025,225	\$ 6,596,083	\$ 6,759,465	\$ 7,865,619	\$ 7,974,157
Authorized Personnel	60.0	62.0	62.0	62.0	62.0		

Budget Narrative

The FY 2012 Budget for Engineering and Public Works totals \$6,759,465 and represents an increase of 2.5%, or \$163,382, compared to FY 2011.

The Personnel Services category increased 1.2%, or \$49,795, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); and increases in group insurance costs. 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 2011 and are not funded in FY 2012. These positions will remain vacant pending an identified funding source and workload justification.

Base level personnel for FY 2012 total 62.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011*	FY 2012*	
Administrative Assistant I	1.0	1.0	-	-	-
Administrative Assistant II	1.0	1.0	2.0	2.0	-
Arborist	1.0	1.0	1.0	1.0	-
Civil Engineer	4.0	3.0	3.0	3.0	-
Construction Inspector**	2.0	2.0	2.0	-	(2.0)
Construction Manager	1.0	1.0	1.0	1.0	-
Deputy Director of Engineering/PW	1.0	1.0	1.0	1.0	-
Director of Engineering/PW	1.0	1.0	1.0	1.0	-
Engineering Technician**	5.0	5.0	5.0	7.0	2.0
Environmental Program Coordinator**	-	-	-	1.0	1.0
Environmental Education Coordinator**	1.0	1.0	1.0	-	(1.0)
Fleet Coordinator	1.0	1.0	1.0	1.0	-
GIS Specialist	1.0	1.0	1.0	1.0	-
Inspector**	-	-	-	4.0	4.0
Land Disturbance Activity Inspector**	3.0	3.0	3.0	-	(3.0)
Office Manager	1.0	1.0	-	-	-
Project Administrator	-	-	1.0	1.0	-
Public Works Crew Leader	7.0	7.0	7.0	7.0	-
Public Works Supervisor	3.0	3.0	3.0	3.0	-
Public Works Technician**	7.0	7.0	7.0	6.0	(1.0)
Public Works Technician I	7.0	7.0	7.0	7.0	-
Public Works Technician II	9.0	9.0	9.0	9.0	-
Senior Engineer	2.0	3.0	3.0	3.0	-
Senior Operations Manager-PW	1.0	1.0	1.0	1.0	-
Senior Engineering Technician	1.0	1.0	1.0	1.0	-
Water Resources Technician	1.0	1.0	1.0	1.0	-
	62.0	62.0	62.0	62.0	-

* Includes 4.0 FTE not-funded in the FY 2012 Budget. Those positions are as follows: Deputy Director of Engineering/PW (1.0 FTE); GIS Specialist (1.0 FTE); and Public Works Technician (2.0 FTE).

** Position reclassifications occurred during FY 2011.

The Maintenance & Operations category increased 4.9%, or \$113,587, due primarily to the following activity:

- Increase in utilities of \$159,617, based on current year-to-date expenditures and the GA Power rate increase (est. at 8-10%) that occurred in the first quarter of 2011. Additional rate increases are scheduled for January 1, 2012 and 2013;
- Decrease in professional fees of -\$9,550 due primarily to a reduction in consulting fees;
- Decrease in equipment/facility repair and maintenance costs of -\$32,690 (combined), based on current year-to-date expenditures at the time of the budget preparation;
- Increase in vehicle repair and maintenance of \$15,000 due primarily to rising fuel costs;
- Increase in maintenance contracts of \$17,949 due primarily to estimated cost increases for landscape and tornado siren maintenance;
- Decrease in professional services (IT) of -\$20,590 due to cost reductions in multiple line-items including cell phone service, Microsoft licensing, voice/data circuit maintenance, etc.;
- Decrease in general supplies of -\$14,745 due to cost reductions in office supplies, postage, construction supplies, etc.; and
- Decrease in uniforms of -\$10,874 due primarily to the non-standard structure of the Department's uniform replacement cycle. Depending on usage, existing uniform inventories grow and offset needs for the following fiscal year (as is the case for FY 2012).



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.



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.

Engineering and Public Works Administration

Statement of Service: Engineering/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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Engineering/PW Department annual turnover percentage	10%	10%	10%	11%	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
	Deputy Director	Deputy Director	Deputy Director		Deputy Director	Deputy Director *
	PW Sr. Operations Manager	Senior Operations Manager - PW	Senior Operations Manager - PW		Senior Operations Manager - PW	Senior Operations Manager - PW
	Office Manager	Office Manager	Office Manager		Project Administrator	Project Administrator
	Admin Asst. II	Admin Asst. II	Admin Asst. II		Admin Asst. II (2)	Admin Asst. II (2)
	Admin Asst. I	Admin Asst. I	Admin Asst. I			
	Engineering Tech	Fleet Coordinator	Fleet Coordinator		Fleet Coordinator	Fleet Coordinator

* Deputy Director position is not funded in the FY 2012 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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Events coordinated	26	18	23	11	17	17
# of Students reached	1230	343	896	374	500	500
# of Volunteers	811	885	677	496	600	600
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.

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 2008	Actual FY 2009	Actual FY 2010	YTD (feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Stormwater plans reviewed	258	198	103	68	120	120
% of Stormwater plans reviewed within 10 calendar days	90%	88%	93%	98%	80%	80%
# of capital/bond contracts managed	58	36	35	46	30	36
Total amount of capital/bond projects under contract	\$20,858,539	\$10,506,285	\$10,516,222	\$16,163,655	\$15,800,000	\$20,000,000
Contract expenditures on capital/bond projects *	\$6,685,959	\$4,306,522	\$4,167,114	\$4,349,047	\$6,000,000	\$4,500,000
% of contracts completed within 10% of original budget contract	97%	85%	86%	87%	80%	80%
% of contracts completed within 10% of original contract time	83%	62%	61%	83%	80%	80%
# of Water quality samples analyzed	122	330	316	232	366	366
# of Land disturbance inspections	6995	5856	4099	2869	4000	4000
# of traffic/signal projects inspected	96	40	40	37	50	50
# of traffic signals timed	89	60	43	68	50	50
# of Traffic complaint responses	225	250	250	210	250	250
* Capital contracts include traffic, stormwater, sidewalks, infrastructure, community development, and facilities projects.						
Personnel Assigned:	21.0 FTE					
Arborist	Arborist	Arborist	Arborist	Arborist	Arborist	Arborist
Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)	Civil Engineer (3)
Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)	Sr. Engineer (3)
Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.	Construction Mgr.
Construction Inspector (2)	Construction Inspector (2)	Construction Inspector (2)	Construction Inspector (2)	Construction Inspector (2)	Construction Inspector (2)	Construction Inspector (2)
Sr. Engineering Technician	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 (5)	Engineering Technician (5)	Engineering Technician (5)	Engineering Technician (5)	Engineering Technician (5)
Land Disturbance Inspector (3)	Land Disturbance Inspector (3)	Land Disturbance Inspector (3)	Land Disturbance Inspector (3)	Land Disturbance Inspector (3)	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	Water Resources Technician
Fleet Coordinator	GIS Specialist	GIS Specialist	GIS Specialist	GIS Specialist	GIS Specialist*	GIS Specialist*

* GIS Specialist position is not funded in the FY 2012 Budget.



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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Average # of days to complete sidewalk work order	6.3	10.0	10.4	16.2	12.0	12.0
Average # of days to complete pothole & curb/gutter work order	1.1	1.0	1.1	1.0	1.0	1.0
Average # of days to complete curb and gutter work order	7.0	2.5	16.8	21.2	7.0	7.0
Average # of days to complete ROW, mowing, limb work order	6.0	2.7	2.3	1.8	2.5	2.5
Average # of days to complete drainage sink hole work order	5.0	6.5	1.1	5.7	7.0	7.0
Average # of days to complete sign replacement/upgrade work order	3.6	4.0	3.5	4.0	4.5	4.5
Average # of days to complete signal light maintenance work order	1.5	2.2	2.5	2.3	3.0	3.0
Average # of days to complete striping work order	3.6	3.6	1.9	1.2	3.0	3.0
Average # of days to complete catch basin work order	6.6	8.4	6.1	13.0	8.0	8.0
Average # of days to complete storm drain work order	13.2	10.2	19.5	24.4	12.0	12.0
Average # of days to complete facilities work order	3.3	3.2	4.9	2.2	3.0	3.0
Personnel Assigned:	33.0 FTE	33.0 FTE	33.0 FTE	33.0 FTE	33.0 FTE	33.0 FTE
	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 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 (7)	PW Tech (7)	PW Tech (7)	PW Tech (7)	PW Tech (7)	PW Tech (7)*

* 2 PW Tech. positions are not funded in the FY 2012 Budget.





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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



- ✓ Securing Financing Team (e.g. bond attorney, financial advisor, etc.) for the analysis and recommendation of financing alternatives for the City Center/City Hall project;



- ✓ Preparation of informative marketing materials for rating agencies that highlight the city's competitive economic and demographic statistics (e.g. strong credit rating);



- ✓ 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.

Statement of Revenues, Expenditures, and changes in Personnel

Finance General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
Other Revenue:							
Rent from Suite 675 Sublease	\$ 28,254	\$ 14,127	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 28,254	\$ 14,127	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 993,766	\$ 1,342,923	\$ 1,447,735	\$ 1,425,529	\$ 1,464,914	\$ 1,494,212	\$ 1,524,097
Overtime	1,736	577	65	-	-	-	-
Group Insurance	178,995	223,361	271,805	280,383	300,949	312,987	325,506
FICA	75,003	99,021	103,681	108,194	111,187	113,411	115,679
Pension	126,893	161,047	184,206	202,618	204,700	204,700	204,700
Pension (401A Contribution)	26,419	51,878	60,782	60,518	63,203	63,203	63,203
Workers Compensation	6,912	18,613	27,553	30,469	33,466	34,135	34,818
Miscellaneous	915	3,638	4,033	500	490	490	490
<i>subtotal</i>	\$ 1,410,640	\$ 1,901,058	\$ 2,099,862	\$ 2,108,211	\$ 2,178,909	\$ 2,223,138	\$ 2,268,493
Maintenance & Operations:							
Professional Development	\$ 17,202	\$ 19,931	\$ 13,619	\$ 27,734	\$ 24,734	\$ 24,920	\$ 25,106
Professional Fees	190,892	236,332	223,419	263,410	201,692	203,205	204,729
Building Lease	129,139	108,838	47,243	-	-	-	-
Printing	51,070	37,107	41,275	47,300	40,800	41,106	41,414
Maintenance Contracts/IT Svcs.	78,007	114,445	145,643	139,363	157,005	158,183	159,369
General Supplies	72,107	47,714	44,643	98,986	87,200	87,854	88,513
Wellness Programs	-	6,021	5,600	120,000	127,500	128,456	129,420
Miscellaneous	29,780	41,510	62,933	58,207	66,069	66,565	67,064
<i>subtotal</i>	\$ 568,198	\$ 611,898	\$ 584,375	\$ 755,000	\$ 705,000	\$ 710,288	\$ 715,615
Capital/Lease:							
Capital	\$ 21,441	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ -	\$ -
Capital Lease (Principal)	-	-	-	75,000	125,000	125,000	125,000
Capital Lease (Interest)	-	-	-	-	-	-	-
<i>subtotal</i>	\$ 21,441	\$ -	\$ -	\$ 78,000	\$ 128,000	\$ 125,000	\$ 125,000
Adjustments/Reconciliation							
	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 2,000,280	\$ 2,512,964	\$ 2,684,236	\$ 2,941,211	\$ 3,011,909	\$ 3,058,426	\$ 3,109,108
Authorized Personnel	21.0	24.0	25.0	25.0	25.0		

Budget Narrative

The FY 2012 Budget for Finance totals \$3,011,909 and represents an increase of 2.4%, or \$70,698, compared to FY 2011.

The Personnel Services category increased 3.4%, or \$70,698, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); and increases in group insurance costs. 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 2011 and are not funded in FY 2012. These positions will remain vacant pending an identified funding source and workload justification.

Base level personnel for FY 2012 total 25.0 FTEs and represent the following:

	FTEs				
	FY 2009	FY 2010	FY 2011*	FY 2012*	Variance
Accountant (3FT; 2PT)	4.0	4.0	4.0	4.0	-
Accounting & Operations Manager	1.0	1.0	1.0	1.0	-
Accounts Payable Technician	1.0	1.0	1.0	1.0	-
Accounts Receivable/Collections Rep.	1.0	1.0	1.0	1.0	-
Administrative Assistant II	1.0	-	-	-	-
Billing Coordinator**	-	-	-	1.0	1.0
Budget & Procurement Analyst	1.0	1.0	1.0	1.0	-
Budget & Procurement Manager	1.0	1.0	1.0	1.0	-
Cash Management Coordinator**	-	-	-	1.0	1.0
Chief Accountant	1.0	1.0	1.0	1.0	-
Controller	1.0	1.0	1.0	1.0	-
Customer Account Coordinator**	-	-	-	1.0	1.0
Customer Account Representative**	-	-	-	1.0	1.0
Customer Service Coordinator**	1.0	1.0	1.0	-	(1.0)
Director of Finance	1.0	1.0	1.0	1.0	-
Financial Services Manager**	1.0	1.0	1.0	-	(1.0)
Financial Services Representative**	1.0	1.0	1.0	-	(1.0)
Office Manager	-	1.0	1.0	1.0	-
Payroll Coordinator	1.0	1.0	1.0	1.0	-
Records Manager	-	1.0	1.0	1.0	-
Senior Budget & Procurement Analyst	2.0	2.0	2.0	2.0	-
Tax Billing Coordinator**	1.0	1.0	1.0	-	(1.0)
Treasury/Deposit Program Coordinator**	1.0	1.0	1.0	-	(1.0)
Treasury Services Manager**	-	-	-	1.0	1.0
HRIS/Compensation Administrator	1.0	1.0	1.0	1.0	-
Safety/Risk Administrator	1.0	1.0	1.0	1.0	-
Benefits Manager	1.0	1.0	1.0	1.0	-
	24.0	25.0	25.0	25.0	-

* Includes 2.5 FTE not-funded in the FY 2012 Budget. Those positions are as follows: Accountant (0.5 FTE - part time); Accounts Receivable/Collections Representative (1.0 FTE); and Controller (1.0 FTE).

** Position reclassifications occurred during FY 2011.

The Maintenance & Operations category decreased -6.6%, or -\$50,000, due primarily to the following activity:

- Decrease in professional fees, printing, and general supplies of -\$80,004 (combined) due to: a reduction in annual independent audit fees (Finance Department's competitive solicitation resulted in a greatly reduced contract amount); elimination of temporary staffing appropriations; and a reduction in the number of Popular Annual Financial Reports (PAFR) printed. Before FY 2011, the city would send every address within the corporate limits a printed PAFR. In an effort to be more environmentally sensitive, electronic distribution is now the focus (city website) although a smaller number of copies are still printed and distributed to city facilities for our citizenry and stakeholders;
- Increase in professional services (IT) and maintenance contracts of \$17,642 (combined) due primarily to 1st year maintenance costs on the recently acquired fleet management system;
- Increase in funding for wellness initiatives of \$7,500 (wellness coach, biometric screenings, etc.); and
- Increase in computer replacement costs of \$5,150. Computer replacement is based on years-of-service as well as current condition. The replacement schedule is not standard and will vary from year-to-year.

The Capital/Lease category increased 64.1%, or \$50,000, due to additional operational initiative funding for lease funding for the acquisition of a technologically up-to-date Finance/HRIS enterprise resource planning software solution. Initiative is fully funded through reductions in the maintenance and operations budget.

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.

Finance 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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of New GAAP/GASB financial requirements implemented	2	2	2	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)	\$2,422,210	\$1,078,236	\$357,380	\$44,449	\$182,276	\$62,858
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
	Director of Finance	Director of Finance	Director of Finance		Director of Finance	Director of Finance
	Controller	Controller	Controller		Controller	Controller *
	Admin. Assist. II	Admin. Assist. II	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
		Safety/Risk Administrator	Safety/Risk Administrator		Safety/Risk Administrator	Safety/Risk Administrator
Total Personnel Assigned						
Finance Administration:	3.0 FTE	4.0 FTE	4.0 FTE		4.0 FTE	4.0 FTE

* The Controller position is not funded in FY 2012 Budget.

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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Audited CAFR to be published within 180 days of fiscal year end	11/15/2007	12/28/2008	12/6/2010	N/A	11/15/2011	11/15/2012
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	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	93%	93%	96%	96%	96%	96%
Average # of vendor responses to Bids/Requests for Proposals	6	5	8	7	5	5
Percentage of re-bids	3%	9%	4%	8%	3%	4%
Average # of days from Council approval to notice to proceed	30	33	23	7	30	20
	Accounting Services 8 FTE	Accounting Services 8 FTE	Accounting Services 8 FTE		Accounting Services 8 FTE	Accounting Services 8 FTE
Acct/Ops Manager	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
Accountant II (3)	Accountant (4)	Accountant (4)	Accountant (4)		Accountant (4)	Accountant (4) *
GIS Tech	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
Capital Assets						
	Budget/Procurement 4 FTE	Budget/Procurement 4 FTE	Budget/Procurement 5 FTE		Budget/Procurement 5 FTE	Budget/Procurement 5 FTE
Sr. Budget Analyst (2)	Budget & Procurement Mgr.	Budget & Procurement Mgr.	Budget & Procurement Mgr.		Budget & Procurement Mgr.	Budget & Procurement Mgr.
Budget Analyst (2)	Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (2)		Sr. Budget & Procurement Analyst (2)	Sr. Budget & Procurement Analyst (2)
	Budget & Procurement Analyst	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:	12.0 FTE	12.0 FTE	13.0 FTE		13.0 FTE	13.0 FTE

* Includes 0.5 FTE (part-time Accountant position) not funded in the FY 2012 Budget.

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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
% 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	19,412	18,205	19,121	19,227	19,323	19,420
# of Personal property tax bills	2,944	2,347	2,832	2,817	2,831	2,845
# of Liens processed	226	302	391	350	352	354
# of Sanitation customers	13,804	13,780	14,020	14,562	14,635	14,708
% of Delinquent sanitation Accts	<10%	<10%	<10%	<10%	<10%	<10%
Personnel Assigned:	6.5 FTE	6.0 FTE	6.0 FTE		6.0 FTE	6.0 FTE
	Financial Services Manager	Financial Services Manager	Financial Services Manager		Treasury Services Manager	Treasury Services Manager
	Tax Billing Coord	Tax Billing Coord	Tax Billing Coord		Billing Coordinator	Billing Coordinator
	Customer Service Coord	Customer Service Coord	Customer Service Coord		Customer Account Coordinator	Customer Account Coordinator
		Treasury/ Deposit Project Coord.	Treasury/ Deposit Project Coord.		Cash Management Coordinator	Cash Management Coordinator
		Accounts Rec/ Collections Rep.	Accounts Rec/ Collections Rep.		Accounts Rec/ Collections Rep.	Accounts Rec/ Collections Rep.
	Financial Services Rep (3)	Financial Services Rep	Financial Services Rep		Customer Account Representative	Customer Account Representative

* The Accounts Rec./Collections Rep. position is not funded in FY 2012 Budget.

Benefits/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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Annual City Paygrade review conducted	1/1/08	9/1/2008	11/1/2009	12/1/2010	9/1/2010	9/1/2011
% of Employees enrolled in group insurance	96%	93%	93%	90%	95%	95%
% of Employees enrolled in deferred compensation	74%	72%	78%	76%	85%	80%
Personnel Assigned:	2.0 FTE	2.0 FTE	2.0 FTE		2.0 FTE	2.0 FTE
	Benefits Coord	Benefits Manager	Benefits Manager		Benefits Manager	Benefits Manager
		HRIS/Comp Administrator	HRIS/Comp Administrator		HRIS/Comp Administrator	HRIS/Comp Administrator



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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.



**Assistant City Administrator and
Acting Director of Human Resources**

Goals and Objectives

The core goals of the Human Resources Department are:



- ✓ 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;



- ✓ 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 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 341,772	\$ 149,947	\$ 112,652	\$ 112,692	\$ 115,233	\$ 117,538	\$ 119,888
Group Insurance	57,313	18,731	11,816	16,517	6,021	6,262	6,512
FICA	25,615	10,690	8,522	8,621	8,815	8,991	9,171
Pension	39,832	19,454	21,719	16,514	16,684	16,684	16,684
Pension (401A Contribution)	11,705	5,862	4,378	4,411	4,510	4,510	4,510
Workers Compensation	2,363	2,248	3,123	2,422	2,650	2,703	2,757
(1) Citywide Educational Programs	893	-	-	85,000	85,000	85,000	85,000
Miscellaneous	-	-	-	-	245	245	245
<i>subtotal</i>	\$ 479,492	\$ 206,932	\$ 162,210	\$ 246,177	\$ 239,158	\$ 241,933	\$ 244,768
Maintenance & Operations:							
Professional Development	\$ 24,050	\$ 9,095	\$ 2,126	\$ 2,030	\$ 2,030	\$ 2,045	\$ 2,061
Professional Fees	75,615	21,894	12,821	46,200	46,200	46,547	46,896
Advertising	3,338	2,328	-	6,000	5,303	5,343	5,383
Maintenance Contracts/IT Svcs.	17,067	6,836	9,710	10,464	6,810	6,861	6,913
General Supplies	13,832	4,327	3,917	8,400	7,900	7,959	8,019
Employee Recognition	67,858	68,235	65,658	72,186	70,326	70,853	71,385
Miscellaneous	39,132	14,068	7,265	9,720	13,426	13,527	13,628
<i>subtotal</i>	\$ 240,893	\$ 126,783	\$ 101,498	\$ 155,000	\$ 151,995	\$ 153,135	\$ 154,283
Capital	\$ 3,190	-	-	-	-	-	-
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 723,575	\$ 333,715	\$ 263,708	\$ 401,177	\$ 391,153	\$ 395,068	\$ 399,051
Authorized Personnel	6.0	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 program.

Budget Narrative

The FY 2012 Budget for Human Resources totals \$391,153 and represents a decrease of -2.5%, or -\$10,024, compared to FY 2011.

The Personnel Services category decreased -2.9%, or -\$7,019, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); coupled with decreased group insurance costs (pursuant to current medical insurance enrollment). The Department has one position (1.0 FTE Senior HR Administrator) that was not funded in FY 2011 and is not funded in FY 2012. This position will remain vacant pending an identified funding source and workload justification.

Base level personnel for FY 2012 total 3.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011*	FY 2012*	
Administrative Assistant II	1.0	1.0	1.0	1.0	-
Employment/Recruitment Manager	1.0	1.0	1.0	1.0	-
Senior HR Administrator	1.0	1.0	1.0	1.0	-
	3.0	3.0	3.0	3.0	-

* Includes 1.0 FTE not-funded in the FY 2012 Budget (Senior HR Administrator).

* Assistant City Administrator (acting HR Director) is funded within the City Administration budget.

The Maintenance & Operations category decreased -1.9%, or -\$3,005, due to the following activity:

- Reduction in professional services (IT) of -\$4,617 due primarily to a reduction in software maintenance costs for HTE SunGard (module is currently not used for HRIS processes); and
- Increase in computer replacement costs of \$4,450. Computer replacement is based on years-of-service as well as current condition. The replacement schedule is not standard and will vary from year-to-year.

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.

Human Resources 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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Human Resources annual turnover percentage	0.0%	36.4%	0.0%	0.0%	0.0%	0.0%
City-wide turnover percentage	12.03%	6.45%	2.90%	3.41%	5.00%	7.00%
Total # full-time equivalents (full-time, part-time, seasonal, and elected)	491	493	542	487	540	550
HR staff to total full-time equivalent employee ratio	1 to 81	1 to 164	1 to 271	1 to 243	1 to 270	1 to 275
Personnel Assigned:	2.0 FTE	1.0 FTE	1.0 FTE		1.0 FTE	1.0 FTE
	Admin Assistant II Risk Manager **	Admin Assistant II	Admin Assistant II		Admin Assistant II	Admin Assistant II
*The Human Resources Department is directed by the Assistant City Administrator.						
** Risk Manager position transferred to the Finance Department in FY 2009.						

Recruitment & 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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
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	1100	900	576	592	700	900
# of Qualified applications processed	325	270	150	142	250	300
# of New hires - Permanent	28	17	13	10	19	25
# of New hires - Seasonal	32	16	51	0	51	55
# of Internal promotions	31	9	8	6	8	10
# of separations	94	78	75	80	65	75
% of Employees rated "Exceeds" on annual merit review	42%	11.9%	4.7%	4.7%	4.7%	8%
% of Employees rated "Meets" on annual merit review	55%	83.2%	95%	95%	95%	88%
% of Employees underperforming on annual performance review	2%	5%	.5%	.5%	.5%	4%
% of Employees on "Performance Improvement Plan"	0%	0%	2%	1%	1%	1%
Total # of employees enrolled in Education Programs						
Doctorate Degree	0	0	0	1	1	1
Master's Degree	7	11	6	3	3	2
Bachelor's Degree	10	13	11	8	11	11
Associate's Degree	7	10	12	10	11	13
Certificate Programs	9	5	0	1	2	2
Total # of employees receiving tuition reimbursement	33	39	26	17	25	27
Total dollar amount of reimbursement	\$46,935	\$62,000	\$42,023	\$24,854	\$40,800	\$44,000
* Employee review percentage not 100% due to the impact of new hires, vacancies, turnover, and leaves of absence.						
Personnel Assigned:	2.0 FTE	2.0 FTE	2.0 FTE		2.0 FTE	2.0 FTE
	Employment Specialist Train/Dev Supervisor	Sr. HR Administrator Employment/Recruitment Manager	Sr. HR Administrator Employment/Recruitment Manager		Sr. HR Administrator* Employment/Recruitment Manager	Sr. HR Administrator* Employment/Recruitment Manager

* Not funded in the budget for FY's 2011-2012.



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Municipal Court

Administration and Court Services

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.

Statement of Revenues, Expenditures, and changes in Personnel

Municipal Court General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 387,591	\$ 404,216	\$ 406,906	\$ 401,526	\$ 427,225	\$ 435,770	\$ 444,485
Seasonal	-	-	-	39,960	12,750	12,750	12,750
Overtime	4,579	856	457	-	-	-	-
Group Insurance	61,398	60,345	58,862	82,961	89,558	93,140	96,866
FICA	29,352	29,360	29,040	33,526	33,419	34,087	34,769
Pension	44,285	48,122	54,191	62,175	57,012	57,012	57,012
Pension (401A Contribution)	13,371	17,191	17,724	18,662	21,645	21,645	21,645
Workers Compensation	2,723	5,731	8,029	9,391	10,017	10,217	10,422
Miscellaneous	-	-	-	150	897	897	897
<i>subtotal</i>	\$ 543,299	\$ 565,821	\$ 575,209	\$ 648,351	\$ 652,523	\$ 665,519	\$ 678,846
Maintenance & Operations:							
Professional Fees	\$ 213,533	\$ 248,611	\$ 245,061	\$ 239,623	\$ 244,523	\$ 246,357	\$ 248,205
Maintenance Contracts/IT Svcs.	6,764	24,686	35,941	40,759	43,207	43,531	43,858
General Supplies	19,945	12,287	13,311	19,704	19,704	19,852	20,001
Utilities	23,235	24,422	25,118	24,154	30,099	30,325	30,552
Miscellaneous	38,407	42,600	36,864	20,760	34,302	34,559	34,818
<i>subtotal</i>	\$ 301,884	\$ 352,607	\$ 356,295	\$ 345,000	\$ 371,835	\$ 374,624	\$ 377,433
Capital	\$ 12,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 857,517	\$ 918,427	\$ 931,504	\$ 993,351	\$ 1,024,358	\$ 1,040,142	\$ 1,056,279
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 2012 Budget for Municipal Court totals \$1,024,358 and represents an increase of 3.1%, or \$31,007, compared to FY 2011.

The Personnel Services category increased 0.6%, or \$4,172, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); increases in group insurance costs; and decreases in seasonal wage costs.

Base level personnel for FY 2012 total 9.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011	FY 2012	
Court Clerk/Director of Court Services	1.0	1.0	1.0	1.0	-
Deputy Clerk I	2.0	1.0	1.0	1.0	-
Deputy Clerk II	4.0	5.0	5.0	5.0	-
Deputy Clerk III	1.0	1.0	1.0	1.0	-
Judge	1.0	1.0	1.0	1.0	-
	9.0	9.0	9.0	9.0	-

The Maintenance & Operations category increased 7.8%, or \$26,835, due primarily to the following activity:

- Increase in professional fees of \$4,900, based on current year-to-date expenditures at the time of the budget preparation (substitute solicitor fees, credit card/revenue processing fees, etc.);
- Increase in printing of \$10,000, based on current year-to-date expenditures at the time of the budget preparation as well as additional printed folder requirements (court records) attributable to an increase in court cases;
- Increase in utilities of \$5,945, based on current year-to-date expenditures and the GA Power rate increase (est. at 8-10%) that occurred in the first quarter of 2011. Additional rate increases are scheduled for January 1, 2012 and 2013; and
- Increase in computer replacement costs of \$2,886. Computer replacement is based on years-of-service as well as current condition. The replacement schedule is not standard and will vary from year-to-year.

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.

	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) 2011	Target 2011	Target 2012
Municipal Court annual turnover percentage	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
# of Citations received to process	18,814	22,572	20,773	3,127	21,000	21,000
Total # of cases disposed	16,068	21,562	23,356	3,301	24,000	24,000
# of Court sessions	224	256	226	40	234	234
Annual deposits (Court Fines)	\$2,747,680	\$2,703,736	\$3,011,998	\$1,836,425	\$2,700,000	\$2,750,000
Personnel Assigned:	9.0 FTE					
Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge	Municipal Judge
Court Clerk/	Court Clerk /					
Director of Court Services	Director of Court Services	Director of Court Services	Director of Court Services	Director of Court Services	Director of Court Services	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 (3)	Deputy Clerk II (4)	Deputy Clerk II (5)				
Deputy Clerk I (3)	Deputy Clerk I (2)	Deputy Clerk I				

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.



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.

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.



Statement of Revenues, Expenditures, and changes in Personnel

Public Safety General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
Licenses & Permits	\$ 12,741	\$ 7,004	\$ 4,413	\$ 5,000	\$ 5,000	\$ 5,100	\$ 5,202
Intergovernmental:							
City of Milton	91,447	73,516	59,695	76,252	76,252	77,777	79,333
Charges for Services:							
Reports	47,054	48,620	45,085	40,000	40,000	40,800	41,616
Services	70,915	69,270	60,614	40,000	100,000	102,000	104,040
False Alarms	28,056	15,593	15,357	10,000	10,000	10,200	10,404
Plan Review	59,827	30,572	53,347	30,000	30,000	30,600	31,212
Other	49,039	27,594	24,497	15,000	15,000	15,300	15,606
Fines & Forfeitures:							
Municipal Court Fines	2,747,680	2,703,736	3,011,998	2,700,000	2,750,000	2,805,000	2,861,100
Red Light Camera Fines	985,951	624,033	348,578	300,000	425,000	433,500	442,170
Other Revenue	3,869	44,752	40,313	20,500	20,500	-	-
TOTAL	\$ 4,096,579	\$ 3,644,690	\$ 3,663,897	\$ 3,236,752	\$ 3,471,752	\$ 3,520,277	\$ 3,590,683
EXPENDITURES							
Personnel Services:							
Salaries	\$ 10,915,332	\$ 11,558,633	\$ 11,710,786	\$ 12,048,573	\$ 12,271,713	\$ 12,517,147	\$ 12,767,490
Overtime	810,388	915,603	963,688	800,000	885,000	885,000	885,000
Group Insurance	2,559,552	2,611,745	2,769,134	2,935,283	3,053,787	3,175,938	3,302,976
FICA	892,296	913,892	918,456	977,672	999,056	1,019,037	1,039,418
Pension	1,135,426	1,270,524	1,432,579	1,593,330	1,569,354	1,569,354	1,569,354
Pension (401A Contribution)	352,254	441,074	468,965	457,485	510,751	510,751	510,751
Workers Compensation	78,909	150,164	210,088	242,302	263,094	268,356	273,723
Miscellaneous	26,894	35,633	48,263	4,250	7,581	7,581	7,581
<i>subtotal</i>	\$ 16,771,051	\$ 17,897,267	\$ 18,521,959	\$ 19,058,895	\$ 19,560,336	\$ 19,953,165	\$ 20,356,293
Maintenance & Operations:							
Professional Development	\$ 126,758	\$ 47,657	\$ 51,316	\$ 138,150	\$ 58,716	\$ 59,156	\$ 59,600
Professional Fees	96,669	189,150	196,074	237,100	306,311	308,608	310,923
Repair & Maintenance (Vehicles)	752,404	683,893	704,672	679,043	730,000	735,475	740,991
Communications	195,074	175,752	-	-	-	-	-
Travel	38,810	49,203	40,740	34,000	36,500	36,774	37,050
Maintenance Contracts/IT Svcs.	869,517	1,052,276	1,019,836	1,124,256	1,067,578	1,075,585	1,083,652
General Supplies	177,346	189,392	197,604	198,938	190,993	192,425	193,869
Uniforms	257,731	185,873	197,362	180,975	180,975	182,332	183,700
Utilities	181,678	189,384	203,770	196,950	213,450	215,051	216,664
Miscellaneous	88,071	263,579	196,320	244,791	227,547	229,254	230,973
<i>subtotal</i>	\$ 2,784,059	\$ 3,026,159	\$ 2,807,693	\$ 3,034,203	\$ 3,012,070	\$ 3,034,661	\$ 3,057,420
Capital/Leases:							
Capital	\$ 290,386	\$ 68,002	\$ -	\$ 10,000	\$ 17,000	\$ 17,000	\$ 17,000
Capital Lease (Principal)	308,493	273,312	285,329	443,325	225,533	233,280	241,390
Capital Lease (Interest)	60,692	95,873	83,856	71,308	52,272	44,525	36,415
<i>subtotal</i>	\$ 659,570	\$ 437,186	\$ 369,184	\$ 524,633	\$ 294,805	\$ 294,805	\$ 294,805
Adjustments/Reconciliation							
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 20,214,681	\$ 21,360,612	\$ 21,698,836	\$ 22,617,731	\$ 22,867,211	\$ 23,282,630	\$ 23,708,519
Authorized Personnel	217.0	218.0	218.0	218.0	217.0		

Budget Narrative

The FY 2012 Budget for Public Safety totals \$22,867,211 and represents an increase of 1.1%, or \$249,480, compared to FY 2011.

The Personnel Services category increased 2.6%, or \$501,441, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); increases in group insurance and overtime costs. The Department has one part-time position (0.5 FTE part-time Administrative Assistant I) that was not funded in FY 2011 and is not funded in FY 2012. This position will remain vacant pending an identified funding source and workload justification. Additionally, one full-time Administrative Assistant I position is being eliminated effective July 1, 2011 (incumbent is retiring and department will reorganize operations to absorb the duties).

Base level personnel for FY 2012 total 217.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011*	FY 2012*	
Sworn Police Officers					
Director of Public Safety	1.0	1.0	1.0	1.0	-
Captain	6.0	6.0	6.0	6.0	-
Training Coordinator (Captain)	1.0	1.0	1.0	1.0	-
Lieutenant	14.0	14.0	14.0	14.0	-
Emergency Mgmt Program Coordinator (Lt.)	1.0	1.0	1.0	1.0	-
Field Training Officer	10.0	10.0	10.0	10.0	-
Officer**	70.0	70.0	70.0	71.0	1.0
Public Information Officer	1.0	1.0	1.0	1.0	-
	104.0	104.0	104.0	105.0	1.0
Certified Firefighters					
Deputy Director of Public Safety	1.0	1.0	1.0	1.0	-
Battalion Chief	4.0	4.0	4.0	4.0	-
Communications Training Coord. (Captain)**	-	-	-	1.0	1.0
Public Safety Administrator (Battalion Chief)	-	1.0	1.0	1.0	-
Public Safety Deputy Administrator	1.0	-	-	-	-
Captain**	26.0	26.0	26.0	25.0	(1.0)
Fire Apparatus Engineer	23.0	23.0	23.0	23.0	-
Firefighter/Paramedic	17.0	17.0	17.0	17.0	-
Firefighter II	19.0	19.0	19.0	19.0	-
Fire Logistics Officer	1.0	1.0	1.0	1.0	-
Fire Marshal (Battalion Chief)	1.0	1.0	1.0	1.0	-
Fire Prevention Officer (2FT; 2PT)	3.0	3.0	3.0	3.0	-
	96.0	96.0	96.0	96.0	-
Civilian Positions					
Accreditation Manager	1.0	1.0	1.0	1.0	-
Administrative Assistant I (1FT; 1PT)***	2.5	2.5	1.5	0.5	(1.0)
Administrative Assistant II (2FT; 1PT)	2.5	2.5	2.5	2.5	-
CERT Program Manager**	1.0	1.0	1.0	-	(1.0)
Data Entry Clerk (1PT)	0.5	0.5	0.5	0.5	-
Evidence Technician**	2.0	2.0	2.0	1.0	(1.0)
Fingerprint Technician (1PT)	0.5	0.5	0.5	0.5	-
Jail/Court Liaison	1.0	1.0	-	-	-
Public Safety Volunteer Manager**	-	-	-	1.0	1.0
Records Clerk	1.0	1.0	3.0	3.0	-
Records Supervisor	1.0	1.0	1.0	1.0	-
Research Analyst	1.0	1.0	1.0	1.0	-
School Crossing Guard (8PT)	4.0	4.0	4.0	4.0	-
	18.0	18.0	18.0	16.0	(2.0)
	218.0	218.0	218.0	217.0	(1.0)

* Includes 0.5 FTE not-funded in the FY 2012 Budget (Administrative Assistant I - part time).

** Position reclassifications occurred during FY 2011.

*** Position to be eliminated on July 1, 2011 (incumbent is retiring).

The Maintenance & Operations category decreased -0.7%, or -\$22,133, due primarily to the following activity:

- Increase in professional fees of \$69,211 due primarily to fees associated with the GBI system (fingerprint-based background checks) which was instituted during FY 2011. The system is operationally self sufficient with an estimated \$60,000 increase in both revenues (service fees) and expenditures (professional fees);
- Increase in vehicle repair and maintenance of \$50,957 due primarily to rising fuel costs and general fleet maintenance requirements;
- Increase in utilities of \$16,500, based on current year-to-date expenditures and the GA Power rate increase (est. at 8-10%) that occurred in the first quarter of 2011. Additional rate increases are scheduled for January 1, 2012 and 2013;
- Increase in small equipment of \$18,716 due primarily to cell phone replacements (\$13,950), printer replacements/repair (\$2,966), and data card equipment (\$600);
- Increase in computer replacement costs of \$19,800. Computer replacement is based on years-of-service as well as current condition. The replacement schedule is not standard and will vary from year-to-year;
- Decrease in professional development costs of -\$79,434 due primarily to a non-recurring training course (School of Public Safety and Command training course; Northwestern University Center for Public Safety) hosted by the city in FY 2011. Public safety personnel from numerous agencies across the state attended. As host, the city was the lead agency. Class participants paid all course fees to the city which in turn submitted those fee revenues to Northwestern University. This was a one-time event and will not continue in FY 2012;
- Decrease in equipment repair/maintenance and professional services (IT) of -\$130,054 (combined) due primarily to the reallocation of radio repair/maintenance and OSSI software maintenance costs to the E-911 Fund pursuant to HB 280; and
- Decrease in non-recurring costs of -\$15,000 due primarily to a K-9 replacement during FY 2011.

The Capital/Lease category decreased -43.8%, or -\$229,828, due primarily to: non-recurring costs (\$296,828) in FY 2011 related to the payoff of the remaining two years of the OSSI lease (public safety software); and FY 2012 funding for the replacement of one copier (\$6,000) on the first floor of Public Safety Headquarters and the addition of one copier (\$6,000) for the evidence and property office.

Currently, staff in the evidence and property office have no copying/printing equipment and must leave (and lock) the office to bring work to Headquarters to print/copy which is time consuming and inefficient. Also included in this category is operational initiative funding totaling \$60,000 to fund a lease payment for the replacement of Fire Engine #2.

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.

Public Safety 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.

Police Services

Statement of Service: Alpharetta's Police Services include criminal investigations, uniform patrol, traffic patrol, and training activities.

	Actual 2009	Actual 2010	ICMA/ Department Target	Results	YTD (Feb.) 2011
Uniform Crime Reports - Part 1					
Reported					
No.	1,829	1,637	N/A	N/A	907
No. reported per 1,000 population	35.17	31.28	39.29	A	17.44
Arrests					
No. (total)	476	397.00	N/A	N/A	279
% arrested of Part 1 Crimes	26.03%	24.25%	N/A	N/A	30.76%
No. (juvenile only)	68	127	N/A	N/A	63
% juvenile arrests per total UCR Part 1 arrests	14.29%	31.99%	20.02%	C	22.58%
No. arrests per 1,000 population	9.15	7.59%	9.72	A	5.31
No. arrests per sworn FTE	4.58	3.82	5.16	A	2.68
Assigned					
No.	846	563	N/A	N/A	288
% assigned	43.34%	34.39%	N/A	N/A	31.75%
Cleared					
No.	557	561	N/A	N/A	213
% assigned	65.84%	34.27%	N/A	N/A	23.48%
No. cleared per sworn FTE	5.36	5.39	N/A	N/A	2.05
Uniform Crime Reports - Part 2					
No. drug arrests	285	155	N/A	N/A	92
No. drug arrests per 1,000 population	5.48	2.96	5.88	A	1.75
No. juvenile drug arrests	24	10	N/A	N/A	5
% juvenile drug arrests	8.42%	6.45%	13.00%	A	5.43%
Arrests - General					
No. total arrests	913	1,331	N/A	N/A	911
No. total arrests per 1,000 population	17.56	25.43	68.52	A	17.35
No. DUI arrests	335	356	N/A	N/A	241
No. DUI arrests per 1,000 population	6.44	6.80	6.96	A	4.59
Traffic Accidents					
No. fatal traffic accidents	5	1	N/A	N/A	1
No. fatal traffic accidents per 1,000 population	0.01	0.01	N/A	N/A	0.01
911 Calls					
No. incoming calls	7,500	42,559	N/A	N/A	21,347
Avg. ring time in seconds	0.89	5.17	5.00	B	5.00

Alpharetta is a member of ICMA's (International City/County Management Association) performance measurement consortium which tracks data from various service units (e.g. police, fire, etc.) and allows for the comparison and exchange of data with other local governments within the consortium as well as nationwide. Many of the Targets included above represent ICMA averages.

LEGEND

- A = met or exceeded target
- B = within 15% of target
- C = missed target by more than 15%

Fire and Emergency Services

Statement of Service: Alpharetta's Fire and Emergency Services division includes fire suppression, fire prevention, and training activities.

	Actual 2009	Actual 2010	ICMA/ Department Target	Results	YTD (Feb.) 2011
FTEs					
No. Fire FTE per 1,000 population	1.85	1.85	< 2.51	A	1.85
Fires					
Residential					
No. structure fires	17	22	N/A	N/A	41
Structure fires per 1,000 structures	0.81	1.05	< 3.06	A	1.96
Structure fires per 1,000 population	0.32	0.42	< 1	A	0.78
1&2 family structure fires	7	15		N/A	16
1&2 family structure fires contained to room of origin	4	8		N/A	13
1&2 family fires contained per total 1&2 family fires	57.14%	53.33%	> 62%	B	81.25%
Commercial/Industrial					
No. structure fires	1	2		N/A	14
Structure fires per 1,000 Comm./Ind. structures	0.56	1.11	< 6.48	A	3.78
Non-Structure					
No. non-structure fires	48	85		N/A	54
No. non-structure fires per 1,000 population	0.92	1.62	< 2.23	A	1.03
Totals					
Total fire incidents	133	109		N/A	109
Total fire incidents per 1,000 population	2.54	2.08	< 3.66	A	2.08
Response Time					
Fire Total Customer Time in minutes	6.40	6.46	7	A	6.22
Non-Fires					
No. non-fire incidents	4,171	4,271		N/A	2,295
No. non-fire incidents per 1,000 population	79.70	81.48	< 80.21	C	43.71
False Alarms					
No. false alarms & good intent calls	1,465	1,756		N/A	822
False alarms & good intent calls per total calls	25.00%	28.62%	> 18.02%	A	34.19%
Arson					
No. residential arson incidents	0	1	1	N/A	1
No. residential arson incidents per 10,000 population	0.00	0.19	< 0.82	A	0.19
Total arson incidents	0	2		N/A	1
Total arson incidents per 10,000 population	0.00	0.38	< 1.33	A	0.19
Total arson cases cleared	N/A	1		N/A	0
Arson case clearance rate	N/A	50.00%	> 52.83%	B	0.00%
Rescue/Recovery					
No. rescue/recovery incidents	73	69		N/A	50
No. rescue/recovery incidents per 10,000 population	13.95	13.18	< 4.20	C	9.52
EMS					
No. EMS responses	2,960	3,289		N/A	1,763
No. EMS responses per 1,000 population	56.56	62.84	< 87.00	A	33.58
No. patients with cardiac arrest/defib.	25	15		N/A	13
Hazmat					
No. Hazmat incidents	50	57		N/A	28
No. Hazmat incidents per 10,000 population	9.55	10.89	< 13.32	A	5.33

Alpharetta is a member of ICMA's (International City/County Management Association) performance measurement consortium which tracks data from various service units (e.g. police, fire, etc.) and allows for the comparison and exchange of data with other local governments within the consortium as well as nationwide. Many of the Targets included above represent ICMA averages.

LEGEND

A = met or exceeded target

B = within 15% of target

C = missed target by more than 15%

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 is dedicated to providing the highest quality recreational opportunities through the development of both active and passive programs and facilities to promote the physical, social and mental wellness of its citizens.



Goals and Objectives

-  ✓ Offer a wider variety of programs to citizens; athletic, art and general programs;
-  ✓ Improve the amenities to the Greenway system;
-  ✓ Expand Cultural Arts programming;
-  ✓ Hire and retain the highest quality staff to serve the public;
-  ✓ Provide the safest grounds and facilities possible;
-  ✓ Provide the highest quality of play surfaces and playgrounds;
-  ✓ Provide each staff person with Professional growth and training;
-  ✓ Identify and design additional park sites;
-  ✓ Review and improve accreditation standards; and
-  ✓ Work with Council and Recreation Commission to identify program deficiencies.

Statement of Revenues, Expenditures, and changes in Personnel

Recreation and Parks General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services:							
Aquatics Activity Fees	121,318	120,154	110,571	115,000	115,000	117,300	119,646
Athletics Activity Fees	463,827	483,455	440,744	425,000	450,000	459,000	468,180
Fulton County Arts	81,715	69,599	62,904	70,000	55,000	56,100	57,222
Community Center Activity Fees	476,456	434,219	401,704	445,800	415,000	423,300	431,766
Senior Center Activity Fees	115,734	69,276	81,291	81,000	45,000	45,900	46,818
Equestrian Center Activity Fees	290,410	276,668	312,458	312,000	340,000	346,800	353,736
Wills Park Rec. Center Activity Fees	256,665	216,836	188,041	230,000	200,000	204,000	208,080
Non-Resident Fees	253,927	296,350	238,396	300,000	355,000	362,100	369,342
Other	1,138	2,322	3,919	-	-	-	-
Other Revenue	7,300	18,250	31,156	7,165	-	-	-
TOTAL	\$ 2,068,488	\$ 1,987,129	\$ 1,871,182	\$ 1,985,965	\$ 1,975,000	\$ 2,014,500	\$ 2,054,790
EXPENDITURES							
Personnel Services:							
Salaries	\$ 2,018,037	\$ 2,087,301	\$ 2,079,605	\$ 2,104,196	\$ 2,146,430	\$ 2,189,359	\$ 2,233,146
Seasonal	403,347	405,557	379,227	438,000	423,000	423,000	423,000
Overtime	7,305	8,332	10,958	-	-	-	-
Group Insurance	496,965	490,999	498,193	552,050	563,155	585,681	609,108
FICA	187,245	183,560	179,446	193,655	195,720	199,634	203,627
Pension	225,847	250,135	282,207	301,626	285,798	285,798	285,798
Pension (401A Contribution)	62,533	74,793	72,327	83,724	101,908	101,908	101,908
Workers Compensation	14,142	35,370	49,076	54,462	58,888	60,066	61,267
Miscellaneous	-	-	734	900	2,121	2,121	2,121
<i>subtotal</i>	\$ 3,415,421	\$ 3,536,046	\$ 3,551,773	\$ 3,728,613	\$ 3,777,020	\$ 3,847,567	\$ 3,919,975
Maintenance & Operations:							
Professional Fees	\$ 832,816	\$ 724,177	\$ 661,501	\$ 887,880	\$ 763,970	\$ 769,700	\$ 775,473
Repair & Maintenance (Grounds)	271,094	274,073	323,938	240,000	293,900	296,104	298,325
Repair & Maintenance (Facilities)	167,158	173,562	122,965	99,311	114,160	115,016	115,879
Maintenance Contracts/IT Svcs.	341,143	372,478	419,548	489,877	480,694	484,299	487,931
General Supplies	257,009	227,993	207,832	245,701	255,973	257,893	259,827
Uniforms	88,403	81,216	80,235	89,964	88,493	89,157	89,825
Utilities	523,880	552,250	531,655	582,915	582,915	587,287	591,692
Miscellaneous	328,543	339,272	250,819	291,365	298,974	301,216	303,475
<i>subtotal</i>	\$ 2,810,047	\$ 2,745,021	\$ 2,598,492	\$ 2,927,013	\$ 2,879,079	\$ 2,900,672	\$ 2,922,427
Capital	\$ 128,079	\$ 16,998	\$ 9,095	\$ 12,780	\$ 27,665	\$ 27,665	\$ 27,665
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 6,353,547	\$ 6,298,065	\$ 6,159,360	\$ 6,668,406	\$ 6,683,764	\$ 6,775,904	\$ 6,870,068
Authorized Personnel	51.0	51.0	51.0	51.0	51.0		

Budget Narrative

The FY 2012 Budget for Recreation and Parks totals \$6,683,764 and represents an increase of 0.2%, or \$15,358, compared to FY 2011.

The Personnel Services category increased 1.3%, or \$48,407, due primarily to: wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends); decreases in seasonal wage costs; and increases in group insurance costs. The Department has two positions (1.0 FTE Athletic Coordinator and 1.0 FTE Program Coordinator) that were not funded in FY 2011 and are not funded in FY 2012. These positions will remain vacant pending an identified funding source and workload justification.

Authorized personnel for FY 2012 total 51.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011*	FY 2012*	
Administrative Assistant I	2.0	2.0	2.0	2.0	-
Administrative Assistant II	1.0	1.0	1.0	1.0	-
Athletic Coordinator	4.0	4.0	4.0	4.0	-
Arts Coordinator	1.0	1.0	1.0	1.0	-
Customer Service Representative	5.0	5.0	5.0	5.0	-
Deputy Director of Recreation/Parks	1.0	1.0	1.0	1.0	-
Director	1.0	1.0	1.0	1.0	-
Equestrian Center Manager	1.0	1.0	1.0	1.0	-
Facility Technician**	3.0	3.0	3.0	4.0	1.0
Office Manager	1.0	1.0	1.0	1.0	-
Park Services Manager	1.0	1.0	1.0	1.0	-
Parks Maintenance Technician**	11.0	11.0	11.0	10.0	(1.0)
Parks Maintenance Technician I	2.0	2.0	2.0	2.0	-
Parks Maintenance Technician II	5.0	5.0	5.0	5.0	-
Parks Supervisor II	4.0	4.0	4.0	4.0	-
Program Coordinator	4.0	4.0	4.0	4.0	-
Recreation Supervisor II	4.0	4.0	4.0	4.0	-
	51.0	51.0	51.0	51.0	-

* Includes 2.0 FTE not-funded in the FY 2012 Budget. Those positions include an Athletic Coordinator (1.0 FTE) and Recreation Supervisor II (1.0 FTE).

** Position reclassifications occurred during FY 2011.

The Maintenance & Operations category decreased -1.6%, or -\$47,934, due primarily to the following activity:

- Decrease in professional fees of -\$123,910, based on current year-to-date expenditures at the time of the budget preparation as well as a reconciliation of forecasted program attendance and associated instructor requirements;
- Increase in grounds repair and maintenance of \$53,900 due primarily to walking trail repairs (asphalt topping, gravel, etc.), tree removal in city parks, ball-field maintenance, etc.;

- Increase in facility repair and maintenance of \$14,849 due primarily to general facility repairs, electrical repairs at Wills Park fields 1-4;
- Decrease in professional services (IT) of -\$10,854 due primarily to cost reductions in GIS tools, voice/data circuit maintenance, etc.;
- Increase in small equipment of \$23,066 due primarily to cell phone replacement, batting cages for North Park (fields 5/6), fitness equipment for the Adult Activity Center (wellness initiative for staff), replacement of water fountain at North Park (fields 1-4), etc.; and
- Decrease in computer replacement costs of -\$12,500. Computer replacement is based on years-of-service as well as current condition. The replacement schedule is not standard and will vary from year-to-year.

The Capital category increased 116.5%, or \$14,885 (to a total of \$27,665), due primarily to a server replacement (\$8,000); replacement equipment for the Parks Maintenance crew (e.g. pull-behind blower, equipment trailer, etc.); and equipment for the pool (e.g. ADA lift, ramp into baby pool, etc.).



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.

Recreation 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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Recreation & Parks turnover percentage	1.53%	2.00%	4.00%	1%	2.00%	2%
Maintain CAPRA accreditation *	Yes	yes	yes	yes	yes	yes
Semi-Annual Leisure Guide distribution (per season)	20,000	20,000	2,500	2,500	2,500	2,500
Annual Activity Enrollments as in RecWare	14,729	13,373	15,255	8,096	13,000	13,000
# of Part-time hours used	0	0	45,340.25	29,098.75		
# of purchase orders managed	165	185	203	122	175	175
* CAPRA = Commission for Accreditation of Parks and Recreation Agencies.						
Personnel Assigned:	7.0 FTE	7.0 FTE	7.0 FTE	6.0 FTE	6.0 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	Admin Asst. I	Admin Asst. I	Admin Asst. I	Facility Tech	Facility Tech	Facility Tech
Facility Tech	Facility Tech	Facility Tech	Facility Tech			

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	YTD (Thru Jan 2011)					
	Actual FY 2008	Actual FY 2009	Actual FY 2010	FY 2011	Target FY 2011	Target FY 2012
Total # of Participants per year* (Res / Non-Res)	35,000 NA	36,000 NA	13,555 3166 / 10,389	7,468 2178 / 5290	13,000 4000 / 9000	13,000 5000 / 8000
# of Computer classes offered	12	20	7	3	7	7
Total # of Building rentals	78	75	37	29	48	48
Total # of Day trips taken	359	325	173	71	144	144
Total # of Overnight trips taken using City buses	11	12	6	4	6	6
<i>*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.</i>						
Personnel Assigned:	4.0 FTE	4.0 FTE	4.0 FTE	5.0 FTE	5.0 FTE	
	Recreation Supervisor II	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	Program Coord
	Admin Asst. I	Admin Asst. I	Admin Asst. I	Admin Asst. I	Admin Asst. I	Admin Asst. I
				Customer Service Representative	Customer Service Representative	Customer Service Representative
	Facility Technician	Facility Technician	Facility Technician	Facility Technician	Facility Technician	Facility Technician

* 1.0 FTE Recreation Supervisor II position is not funded in the FY 2012 Budget.

Aquatics

Statement of Service: Aquatics provides accessible and safe recreation opportunities through water-related training, events, and facilities.

Performance Measurements	YTD (Feb. 2011)					
	Actual FY 2008	Actual FY 2009	Actual FY 2010	FY 2011	Target FY 2011	Target FY 2012
% of Days pool facilities were open during pool season (89 days)	98%	100%	99%	100%	98%	98%
Average daily attendance at City pool	230	230	230	230	230	230
Hours of lifeguard training per person	20	20	20	8	20	20
# of Swim lessons held	90	118	116	51	120	120
# of Swim lessons participants	595	733	692	317	700	700
(resident / non-resident)	376 / 219	543 / 190	528/164	221/96	515/185	500/200
Swim teams participants	295	274	278	0	249	275
(resident / non-resident)	190 / 105	183 / 91	187/91	0/0	159/90	185/90
# of Non-competitive special events held	3	3	2	1	2	2
# of Swim competitions hosted at City pool	3	3	2	0	3	3
Total attendance at non-competitive special events	825	651	493	81	500	350
# of Pool passes sold	241	226	220	0	175	175
(resident / non-resident)	115 / 126	123 / 103	188/32	0	130 / 45	130 / 45
<i>* Pool season spans two fiscal years</i>						
Personnel Assigned:	Employees are hired seasonally. Aquatics is overseen by Recreation Supervisor II at Community Ctr.					

Athletics

Statement of Service: Athletics provides accessible and safe recreation opportunities through athletic-related training and events.

Performance Measurements	Actual FY 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Participants - Adult Basketball						
2 Seasons-25 teams	185	230	173	108	200	220
(resident / non-resident)	69 / 116	140/89	115 / 58	72 / 36	120 / 80	130 / 90
# of Participants - Adult Roller Hockey						
2 Seasons-10 teams	251	323	239	112	250	275
(resident / non-resident)	86 / 165	92/231	69/170	28/84	100/150	100/175
# of Participants - Adult Softball						
3 Seasons-170 teams	2848	2874	2425	653	2600	2700
(resident / non-resident)	562 / 2286	572/2302	696 / 1729	215 / 438	800 / 1800	900 / 1800
# of Participants - Teen Basketball						
2 Season-12 teams	187	197	243	128	250	275
(resident / non-resident)	90 / 97	101/97	116/27	49/79	125/125	150/125
# of Participants - Youth Baseball						
2 Seasons-44 teams	319	320	271	144	300	315
(resident / non-resident)	193 / 126	243/77	234/37	116/28	250/50	275/40
# of Participants - Youth Travel						
Baseball 7 Teams	58	66	104	69	110	115
(resident / non-resident)	32 / 26	40/26	54/50	40/29	60/50	65/50
# of Participants - Youth Basketball						
75 Teams	545	503	521	598	610	615
(resident / non-resident)	369 / 176	325/178	332/189	413/182	425/185	435/180
# of Participants - Youth Lacrosse						
8 Teams	100	142	209	86	225	240
(resident / non-resident)	46 / 54	73/69	149/160	45/41	165/60	180/60
# of Participants - Youth Roller Hockey						
20 Teams	280	285	97	0	140	160
(resident / non-resident)	118 / 162	109/176	41/56		45/905	50/110
# of Participants - Youth Soccer						
70 Teams	871	637	670	317	695	710
(resident / non-resident)	590 / 281	491/146	533/137	252/65	500/195	510/200
# of Participants - Youth Travel Soccer						
40 Teams (2 seasons)	605	486	454	253	500	525
(resident / non-resident)	242 / 363	221/265	252/202	135/118	275/225	300/225
# of Participants - Adult Volleyball						
130	130	120	59	N/A	70	80
(resident / non-resident)	45 / 85	45/75	40/19		50/20	55/25
Adult Programs - % of City resident participation *	23%	24%	31%	34%	35%	33%
Youth Programs - % of City resident participation	70%	61%	67%	66%	65%	68%
Personnel Assigned:	5.0 FTE	5.0 FTE	5.0 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
	Athletic Coord (4)	Athletic Coord (4)	Athletic Coord (4)		Athletic Coord (4)	Athletic Coord (4)*

* 1.0 FTE Athletic Coordinator position is not funded in the FY 2012 Budget.

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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Participants in dance (resident / non-resident)	700 515 / 185	787 570 / 217	489 353/136	202 141/61	350 300/50	440 330/110
# of Participants in gymnastics (resident / non-resident)	2119 1,437 / 682	2321 1,648 / 673	1852 1209/643	760 501/259	1700 1150/550	1850 1220/630
# of Participants in instructional sports, including camps (resident / non-resident)	940 620 / 320	1215 841 / 374	954 640/314	480 314/166	920 590/330	980 640/340
# of Special events	7	5	5	4	5	3
Total attendance at special events	3,100	2,015	2,115	1,035	2,050	600
# of Part-time hours used	3,000	3,720	3,720	2,170	3,720	3,720
Personnel Assigned:	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
	Program Coord (2)	Program Coord (2)	Program Coord (2)		Program Coord (2)	Program Coord (2)
	Customer Service Representative (2)	Customer Service Representative (2)	Customer Service Representative (2)		Customer Service Representative	Customer Service Representative
	Facilities Technician	Facility Technician	Facility Technician		Facility Technician	Facility Technician
					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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Participants in youth art (resident / non-resident)	175 114 / 61	145 99/46	188 116/72	42 22/20	200 145/55	225 150/75
# of Participants in adult art classes (resident / non-resident)	150 75 / 75	142 79/63	143 64/79	28 17/11	165 75/90	200 100/100
# of Participants in summer camp (resident / non-resident)	345 180 / 165	est 282 est 185/97	247 130/117	124 66/38	275 150/125	300 175/125
# of Cultural arts special events	6	6	4	1	5	6
Total attendance at special events	2,000	2,000	2,200	50	3,000	3500
Personnel Assigned:	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

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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
Total # of Equestrian event dates	80	83	144	64	144	145
Total # dog show events	38	36	31	16	30	60
Total # other event dates hosted at equestrian center	24	16	12	6	15	15
Total attendance at events	75,000	75,000	80,000	50,000	85,000	90,000
# of Arenas/rings maintained	7	6	6	6	7	7
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	Parks	Parks	Parks	Parks	Parks	Parks
Maintenance Tech II	Maintenance Tech II	Maintenance Tech II	Maintenance Tech II	Maintenance Tech II	Maintenance Tech II	Maintenance Tech II
Parks	Parks	Parks	Parks	Parks	Parks	Parks
Maintenance Tech (2)	Maintenance Tech (2)	Maintenance Tech (2)	Maintenance Tech (2)	Maintenance Tech (2)	Maintenance Tech (2)	Maintenance Tech (2)



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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Athletic fields maintained	28	29	29	29	29	29
# of Park acres maintained	311	313	313	313	313	313
# of Greenway acres maintained	250	250	250	250	250	250
# of Playground inspections	84	84	84	53	96	96
# of Park/playground injuries	2	1	2	0	0	0
# of Athletic field preparations	7,094	7,100		3,930	6,735	6,735
# of Park mowings	40	40	40	20	40	40
# of Athletic field mowings	70	80	80	36	80	80
# of Buildings maintained	34	35	35	35	35	35
# of Restrooms maintained	48	50	50	50	50	50
# of Pavilions maintained	11	4	14	14	14	14
# of Hours utilized for trash	9,360	9,760	9,425	5,498	9,425	9,425
# of Part-time hours used	3,180	5,984	4,480	4,653	6,000	6,000
# of Vehicles maintained	14	16	14	14	14	14
# of Vehicle-related accidents	0	0	2	1	0	0
# of Work days missed due to accidents	0	0	0	0	0	0
Personnel Assigned:	21.0 FTE	21.0 FTE	21.0 FTE	20.0 FTE	20.0 FTE	
Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager	Park Services Manager	
Park Supervisor II	Park Supervisor II (4)					
Park Supervisor						
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 (3)	Park Maintenance Tech I (2)					
Park Maintenance Tech (9)	Park Maintenance Tech (9)	Park Maintenance Tech (9)	Park Maintenance Tech (9)	Park Maintenance Tech (8)	Park Maintenance Tech (8)	
Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II	Admin Asst. II	

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 2008	Actual FY 2009	Actual FY 2010	YTD (Feb. 2011) FY 2011	Target FY 2011	Target FY 2012
# of Participants in aerobics	586	500	464	280	480	455
(resident / non-resident)	442 / 144	360/140	330/134	220/60	360/120	330/125
# of Participants in summer camp	1191	960	950	485	1200	980
(resident / non-resident)	1,102 / 89	890/70	860/90	445/40	1100/100	910/70
# of Participants in Extreme	118	72	70	N/A	N/A	N/A
(resident / non-resident)	101 / 17	65/7	63/7			
# of Participants in tennis	637	520	515	225	515	420
(resident / non-resident)	537 / 100	400/120	400/115	175/50	400/115	330/90
# of Participants in karate	322	270	205	160	210	250
(resident / non-resident)	216 / 106	200/70	165/40	130/30	170/40	200/50
# of Wills Park special events	3	4	4	4	4	5
Estimated attendance at July 4th	40,000	40,000	40,000	40,000	40,000	40,000
Total attendance at special events	6,610	6,825	6,400	6,485	6,500	6,850
Personnel Assigned:	3.0 FTE	3.0 FTE	3.0 FTE		3.0 FTE	3.0 FTE
	Recreation Center Supervisor II	Recreation Center Supervisor II	Recreation Center Supervisor II		Recreation Supervisor II	Recreation Supervisor II
	Program Coord	Program Coord	Program Coord		Program Coord	Program Coord
	Customer Service Rep	Customer Service Rep	Customer Service Rep		Customer Service Representative	Customer Service Representative





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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.

Statement of Revenues, Expenditures, and changes in Personnel

Information Technology General Fund

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Amended Budget	FY 2012 Recommended Budget	FY 2013 Forecast	FY 2014 Forecast
REVENUES							
N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES							
Personnel Services:							
Salaries	\$ 662,373	\$ 797,205	\$ 716,667	\$ 719,027	\$ 731,361	\$ 745,988	\$ 760,908
Group Insurance	87,820	107,853	98,072	111,918	118,786	123,537	128,479
FICA	50,387	59,211	53,384	54,571	55,504	56,614	57,746
Pension	65,792	94,441	92,634	104,663	105,175	105,175	105,175
Pension (401A Contribution)	16,887	31,727	32,738	35,667	34,142	34,142	34,142
Workers Compensation	4,400	10,916	13,320	15,350	16,708	17,042	17,383
Miscellaneous	6,000	-	571	-	163	163	163
<i>subtotal</i>	\$ 893,659	\$ 1,101,353	\$ 1,007,385	\$ 1,041,196	\$ 1,061,839	\$ 1,082,662	\$ 1,103,996
Maintenance & Operations:							
Communications	\$ 82,284	\$ 46,653	\$ -	\$ 100	\$ 100	\$ 101	\$ 102
Maintenance Contracts/IT Svcs.	130,165	68,542	100,721	156,534	113,130	113,978	114,833
General Supplies	6,997	15,321	34,357	19,350	20,150	20,301	20,453
Small Equipment	-	37,107	22,823	18,500	28,617	28,832	29,048
Miscellaneous	63,962	50,215	50,277	79,905	67,647	68,154	68,666
<i>subtotal</i>	\$ 283,408	\$ 217,837	\$ 208,177	\$ 274,389	\$ 229,644	\$ 231,366	\$ 233,102
Capital	\$ 82,117	\$ 75,014	\$ 15,100	\$ 7,980	\$ -	\$ -	\$ -
Adjustments/Reconciliation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 1,259,184	\$ 1,394,203	\$ 1,230,662	\$ 1,323,565	\$ 1,291,483	\$ 1,314,028	\$ 1,337,098
Authorized Personnel	12.0	13.0	11.0	11.0	11.0		



Budget Narrative

The FY 2012 Budget for Information Technology totals \$1,291,483 and represents a decrease of -2.4%, or \$32,082, compared to FY 2011.

The Personnel Services category increased 2.0%, or \$20,643, due primarily to wage increases associated with the 2% performance-based merit program scheduled for April 1, 2012 (contingent upon a mid-year review of revenue trends) and increases in group insurance costs. The Department has one position (1.0 FTE Network Analyst II position) that was not funded in FY 2011 and is not funded in FY 2012. This position will remain vacant pending an identified funding source and workload justification.

Authorized personnel for FY 2012 total 11.0 FTEs and represent the following:

	FTEs				Variance
	FY 2009	FY 2010	FY 2011*	FY 2012*	
Director	1.0	1.0	1.0	1.0	-
GIS Coordinator	1.0	1.0	1.0	1.0	-
GIS Manager	1.0	1.0	1.0	1.0	-
IT Project Manager	1.0	1.0	1.0	1.0	-
Network Analyst I	1.0	1.0	1.0	1.0	-
Network Analyst II	2.0	1.0	1.0	1.0	-
IT Systems Administrator	-	1.0	1.0	1.0	-
Network Manager	1.0	1.0	1.0	1.0	-
Records Manager	1.0	-	-	-	-
Systems Analyst II	3.0	2.0	2.0	2.0	-
Systems Manager	1.0	1.0	1.0	1.0	-
	13.0	11.0	11.0	11.0	-

* Includes 1.0 FTE not-funded in the budget (Network Analyst II).

The Maintenance & Operations category decreased -16.3%, or -\$44,745, due primarily to the following activity:

- Decrease in professional services (IT) of -\$44,472 due primarily to the reallocation of various maintenance costs (e.g. voice and data circuits) to other departments based on updated allocation methodologies (e.g. user licenses, etc.);
- Increase in professional development of \$6,000 due to additional staff training requirements, including VMWare meeting support;
- Increase in professional fees of \$4,000 due primarily to additional funding for temporary contractual labor (e.g. to cleanup GIS data, addresses, etc.); and
- Decrease in computer replacement costs of -\$22,955 due primarily to a reduction in server replacement needs.

The Capital category decreased -100%, or -\$7,980 due primarily to technology hardware purchases in FY 2011 that are not anticipated to continue in FY 2012.

Performance Measurement

The following section provides detailed information on Information Technology programs including performance measures and personnel. Please refer to the *About Alharetta* 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.

	Actual 2009	Actual 2010	ICMA/ Department Target	Results	(7 Months) YTD (Feb) 2011	ICMA/ Department Target
WEB						
Number online payments	19,880	21,105		N/A	12,841	
Amount online payments	\$2,704,328.28	\$2,964,924.53		N/A	2,353,499.21	
External Web number user sessions	383,674	530,369		N/A	293,523	
Internal Web number user sessions	10,606	8,621		N/A	4,908	
Viruses blocked	409			N/A		
Spyware blocked	385,134			N/A		
Telephone						
Repairs						
Number	133	148		N/A	79	
Number resolved w/in 24 hours	69	88		N/A	49.00	
% resolved w/in 24 hours	51.88%	59.46%	40.00%	A	62.03%	40.00%
Service Requests						
Number	122	116		N/A	55	
Number resolved on time	107	110		N/A	51	
% resolved on time	87.70%	94.83%	90.00%	B	92.73%	90.00%
Network						
Repairs						
Number	175	173		N/A	139	
Number resolved w/in 24 hours	132	140		N/A	102	
% resolved w/in 24 hours	75.43%	80.92%	80.00%	B	73.38%	80.00%
Service Requests						
Number	130	121		N/A	105	
Number resolved on time	122	119		N/A	99	
% resolved on time	93.85%	98.35%	90.00%	A	94.29%	90.00%
Outages						
Number (including maintenance)	113	41	120	A	7	120
Avg. duration in hours	7.22	3.70			0.30	
Applications						
Repairs						
Number	484	537		N/A	308	
Number resolved w/in 24 hours	334	366		N/A	211	
% resolved w/in 24 hours	69.01%	68.16%	70.00%	B	68.51%	70.00%

	Actual 2009	Actual 2010	ICMA/ Department Target	Results	(7 Months) YTD (Feb) 2011	ICMA/ Department Target
Desktop						
Repairs						
Number	1,417	1,380		N/A	967	
Number resolved w/in 24 hours	900	874		N/A	556	
% resolved w/in 24 hours	63.51%	63.33%	60.00%	A	57.50%	60.00%
Service Requests						
Number	952	879		N/A	525	
Number resolved on time	880	834		N/A	494	
% resolved on time	92.44%	94.88%	90.00%	A	94.10%	90.00%
Helpdesk						
Number total calls	4,165	4,099		N/A	2,575	
Number resolved w/in 4 hours	1,880	1,856		N/A	1,110	
Number resolved w/in 8 hours	268	264		N/A	152	
% resolved w/in 8 hours	51.57%	51.72%	40.00%	A	49.01%	40.00%
GIS						
Number total cases	178	276		N/A	163	
Number resolved on time	161	257		N/A	158.00	
% resolved on time	90.45%	93.12%	80.00%	A	96.93%	80.00%
Project Management						
Avg. number IT projects (greater than 40 hours effort)	13	13		N/A	7	
% on track	93.92%	93.83%	90.00%	A	65.00%	90.00%
Emails						
Number	8,312,179	9,024,850		N/A	3,924,005	
SPAM blocked	7,250,855	7,890,426		N/A	3,386,482	
Viruses blocked	207,606	320,180		N/A	115,996	
% SPAM	87.23%	87.43%		N/A	86.30%	
% viruses	2.50%	3.55%		N/A	2.96%	
Servers						
Avg. number	60	63		N/A	67.00	
% availability (including maintenance)	99.15%	99.75%	99.00%	A	99.80%	99.00%

Alpharetta is a member of ICMA's (International City/County Management Association) performance measurement consortium which tracks data from various service units (e.g. police, fire, etc.) and allows for the comparison and exchange of data with other local governments within the consortium as well as nationwide. Many of the Targets included above represent ICMA averages.

LEGEND
A = met or exceeded target
B = within 15% of target
C = missed target by more than 15%



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Fiscal Year 2012 Operating & Capital Budget Narrative

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:	57,551
Median Age:	36.3 years
Per Capita Personal Income:	\$38,893
Area:	27 square miles
Bond Rating:	
Moody's Investor Service	Aaa
Standard & Poor's	AAA

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 ²
2001	35,406	1,435,465,458	40,543	33.3	16.0	18,723	2.9
2002	36,079	1,445,649,451	40,069	35.0	16.0	19,592	4.4
2003	37,090	1,462,532,880	39,432	33.0	16.0	19,154	2.4
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	3.6
2010	52,508	2,042,193,644	38,893	36.3	16.0	11,417	3.2

Data sources:

1. Bureau of the Census/Country 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	2010			2001		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
ADP	2,000	1	3.93%	-	-	-%
McKesson HBOC	1,800	2	3.54	1,722	4	1.48
LexisNexis	1,076	3	2.12	-	-	-
Hewlett Packard	953	4	1.87	-	-	-
Verizon	817	5	1.61	1,500	5	1.29
AT&T Mobility	751	6	1.48	2,700	1	2.32
Comcast Cable	729	7	1.43	-	-	-
Cox Communications	676	8	1.33	-	-	-
Equifax	675	9	1.33	-	-	-
E Trade Financial	587	10	1.15	-	-	-
Nortel Networks	-	-	-	2,700	2	2.32
Compaq	-	-	-	1,810	3	1.55
Lucent Technologies	-	-	-	1,119	6	0.96
WorldCom	-	-	-	1,000	7	0.86
Radiant Systems	-	-	-	1,000	8	0.86
MetLife	-	-	-	800	9	0.69
Choice Point	-	-	-	650	10	0.56
	10,064		19.79%	15,001		12.89%

Source: City of Alpharetta Community Development Department

Note: Data for periods prior to 2001 is not available

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					
2001	734,164,270	1,384,443,620	105,730,867	180	130,818,443	2,093,520,494	7.88	5,560,847,343	40.00%
2002	824,109,741	1,555,238,056	125,069,600	—	134,442,791	2,369,974,606	7.48	6,261,043,493	40.00%
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%

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 \$20,000 per household in fiscal year 2001.

Homestead exemption was increased to \$30,000 per household in fiscal year 2008.

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		
2001	2000	4.930	2.950	7.880	13.310	0.380	13.690	19.350	0.800	20.150	0.250	41.970
2002	2001	5.060	2.420	7.480	13.040	0.300	13.340	18.260	0.760	19.020	0.250	40.090
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	4.508	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

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.

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
2001	2000	\$15,595,664	\$15,143,169	97.10%	\$445,714	\$15,588,883	99.96%
2002	2001	16,653,908	16,279,679	97.75	341,534	16,621,213	99.80
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	18,188,422	18,188,800	100.00	(16,486) ¹	18,172,314	99.91
2006	2005	19,556,666	19,227,210	98.32	301,344	19,528,554	99.86
2007	2006	21,347,934	20,926,995	98.03	393,885	21,320,880	99.87
2008	2007	23,630,835	23,144,721	97.94	439,941	23,584,662	99.80
2009	2008	25,103,413	24,170,200	96.28	726,509	24,896,709	99.18
2010	2009	24,619,309	24,113,565	97.95	-	24,113,565	97.95

1. There was a change to the 2004 digest which resulted in refunds.

City of Alpharetta
PRINCIPAL PROPERTY TAXPAYERS
Current and Nine Years Ago

Taxpayer	2009			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
GGP North Point Inc	\$82,692,920	1	1.84%	\$29,091,320	2	1.24%
Sanctuary Park Realty Holding	77,579,520	2	1.72	14,335,490	10	0.61
Duke Realty	62,588,110	3	1.39	-	-	-
Cousins Properties	40,581,990	4	0.90	-	-	-
CH Realty IV Royal Centre LLC	36,000,000	5	0.80	-	-	-
Amlis Residential LP	28,274,940	6	0.63	-	-	-
ADP Inc	26,253,050	7	0.58	-	-	-
Gardner Drive	26,000,000	8	0.58	-	-	-
Metropolitan Life Insurance Co	25,161,780	9	0.56	-	-	-
CP Venture Two LLC	23,647,310	10	0.53	-	-	-
AT&T ¹	-	-	-	18,230,160	6	0.78
IBM Credit Corporation	-	-	-	30,695,250	1	1.31
AT&T ¹	-	-	-	19,162,470	5	0.82
HBO & CO of GA	-	-	-	17,935,970	8	0.77
E*Trade Group Inc.	-	-	-	19,442,040	4	0.83
State Farm Mutual Auto. ¹	-	-	-	28,459,480	3	1.22
State Farm Mutual Auto. ¹	-	-	-	18,137,590	7	0.78
Governors Point Properties	-	-	-	15,617,150	9	0.67
	\$428,779,620		9.53%	\$211,106,920		9.03%

Source: Fulton County Board of Assessors

1. In 2001 there were two locations for the AT&T and State Farm Mutual Auto, each of which were individually a top ten taxpayer.

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
2001	4	1	1	1	7
2002	4	1	1	1	7
2003	4	1	1	1	7
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

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

Operating Indicators by Function

City of Alpharetta OPERATING INDICATORS BY FUNCTION Last Eight Fiscal Years

<i>Function</i>	2010	2009	2008	2007	2006	2005	2004	2003
General government								
Ordinances approved	20	35	40	30	30	25	30	22
Special events held	62	65	61	35	38	39	38	38
Court cases heard	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-AA+	Aa1-AA+	Aa1-AA+	Aa1-AA+
Software applications supported	172	179	80	70	68	66	60	55
Grants managed	40	30	34	34	26	17	16	-
Police								
Calls for service	82,499	74,966	98,223	80,229	52,056	45,731	52,056	50,266
Part 1 crimes reported	1,676	1,126	1,899	2,077	1,922	1,445	1,727	1,661
Traffic citations issued	23,621	18,727	17,519	19,197	16,100	15,290	22,860	24,757
Fire								
Incident responses	6,143	6,197	5,939	5,590	5,113	5,119	4,909	4,472
Average response time	6:46	6:24	4:23	5:24	5:29	12:04	12:04	12:04
Fire safety programs conducted	145	126	100	395	203	299	203	321
Inspections conducted	7,216	7,404	5,093	6,456	4,646	5,753	4,646	3,619
Highways and streets								
Traffic signals timed	40	56	N/A	82	N/A	41	N/A	N/A
Average days to repair pothole	1	2	1	2	25	2	25	N/A
Stormwater plans reviewed	103	161	260	224	68	60	68	82
Community development								
New building permits issued	2,360	3,352	3,692	4,821	3,855	3,800	3,855	3,794
Parcels annexed	1	-	2	36	352	352	352	91
Culture and recreation								
Park acres maintained	311	311	306	306	300	306	300	300
Greenway acres maintained	205	205	200	200	200	200	200	200
Annual program registrants	20,132	21,135	23,597	23,777	23,500	23,791	23,500	23,612

Source: Various City departments

Note: Indicators are not available prior to 2003

Capital Asset Statistics by Function

City of Alpharetta CAPITAL ASSET STATISTICS BY FUNCTION Last Ten Fiscal Years

<i>Function</i>	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Parrol units and support vehicles	139	145	138	115	110	97	89	86	72	75
Police motorcycles	7	7	6	5	6	6	4	6	6	2
Fire										
Fire stations	6	6	6	6	6	4	5	5	5	5
Ladder units - in service	1	1	1	2	2	3	2	2	2	2
Ladder units - reserve	1	1	1	-	-	1	1	1	1	1
Pumper units - in service	6	6	6	6	6	5	5	5	5	5
Pumper units - reserve	2	2	2	2	2	2	2	2	2	2
Highways and streets										
Streets - paved (miles)*	218	270	270	270	257	217	211	206	200	194
Streets - unpaved (miles)	1	1	2	2	2	1	2	2	2	2
Sidewalk (miles)	205	202	204	170	143	116	N/A	N/A	N/A	N/A
Drainage - piped (miles)	100	100	99	99	90	40	40	40	35	34
Drainage - open (miles)*	40	165	165	165	157	140	140	140	143	143
Culture and recreation										
Parks - active and passive	14	11	9	9	9	9	7	7	7	7
Park acreage	762	762	757	760	769	769	769	764	537	537
Greenway and walking trails (miles)	11	11	11	11	11	11	10	6	6	6
Adaptive athletic fields	1	1	1	1	1	1	-	-	-	-
Athletic fields	29	28	29	29	29	29	29	28	28	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	2	2	2	2	2	2	1	1
Tennis courts	17	17	17	17	17	17	17	17	11	11
Recreation buildings	20	18	18	11	11	11	11	11	7	7
Playgrounds	7	7	7	7	6	6	5	4	4	4
Picnic shelters/restrooms	31	31	29	24	23	23	23	21	15	15

Sources: Various government departments

Note: Capital asset indicators are not available for the general government function

* Change due to update of GIS records



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Fiscal Year 2012 Operating & Capital Budget Narrative

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).
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.
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.
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”).
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.
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.
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.
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.
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.
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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