



City of Roswell

Budget Process

January 22, 2018

Overview

- State Laws
- City of Roswell Budget Policies & Principles
- GFOA Best Practices
- Major Fund Types
- Revenues & Expenditures
- Budget Process
- Calendar
- Questions

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State Laws

- **Balanced Budget – State Definition**
 - Sum of Estimated Revenues and Appropriated Fund Balances is equal to appropriations
 - For Each Department for each fund
 - Budget Amendments

City of Roswell

Budget Policies & Principles

Reserve Policy

- Maintain reserve of ≥ 3 months operating expenditures in General Fund
- Enterprise Funds are required to maintain a reserve of 10% of unrestricted fund balance from prior fiscal year
- Revenues in the enterprise funds shall be 101% of projected expenses, unless fund has an outstanding debt

Principles

- General Fund is structurally balanced – current year operating expenditures are funded with current year revenues
- Reserves used only for one-time expenses

GFOA Recommended Budget Practices

- Establish Broad Goals to Guide Government Decision Making
- Develop Approaches to Achieve Goals
- Develop a Budget Consistent with Approaches to Achieve Goals
- Evaluate Performance and Make Adjustments

Major Fund Types

General Fund

- General operating fund of the City. All revenue belongs to the General Fund unless specifically earmarked for another fund.
- Major sources of revenue include Sales Tax, Property Tax, Business Taxes
- Largest fund and accounts for 52% of the total expenditure budget.

Enterprise Funds

- Used for services which charge a fee. Fund handled like a business organization.
- Includes 4 funds, Water & Sewer, Solid Waste, Storm water and Recreation Participation Fund

Capital Projects Fund

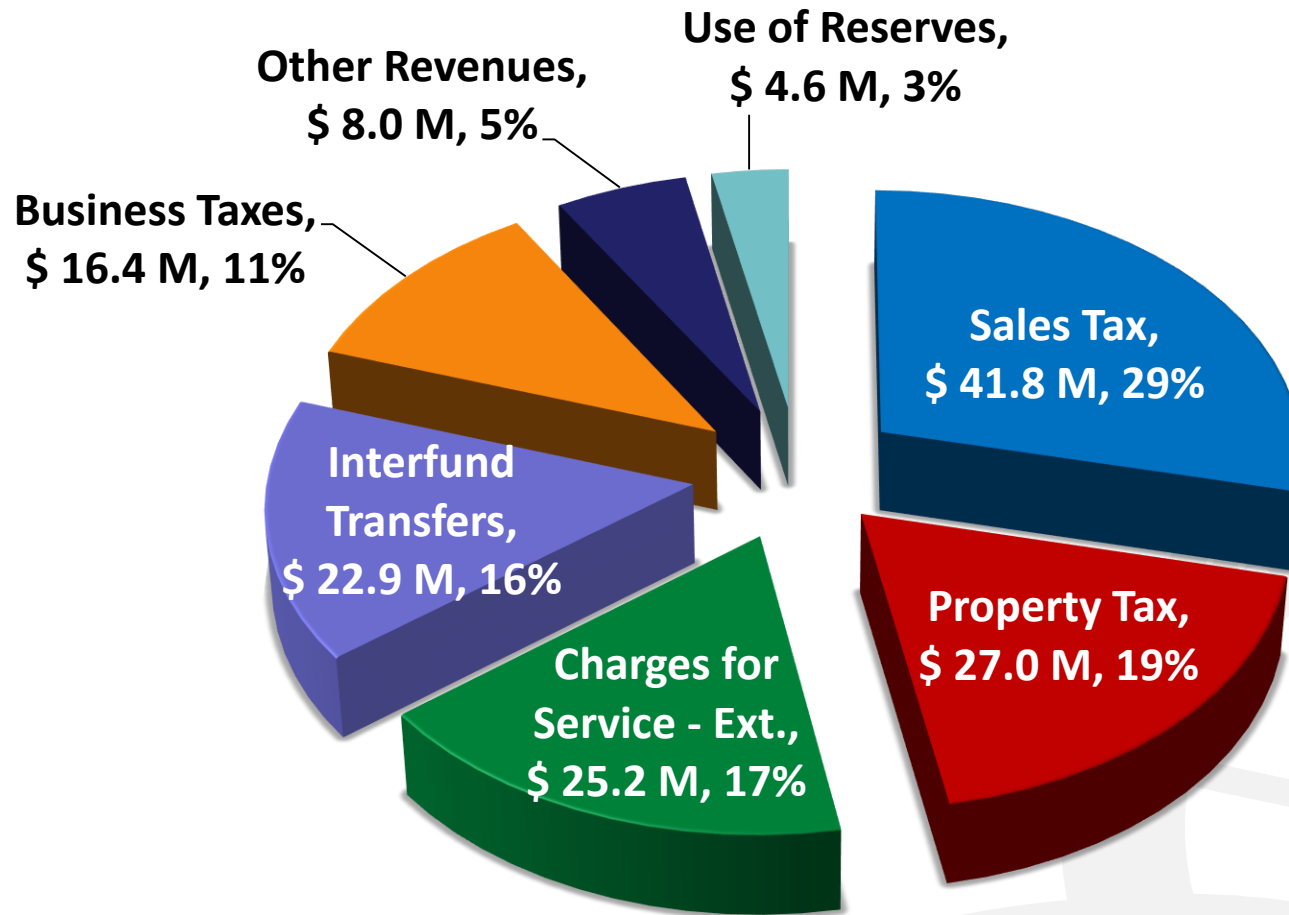
- Accounts for financial resources to be used for the acquisition or construction of major capital facilities or capital outlay.

Special Revenue Funds

- Account for specific revenue sources that are legally restricted to expenditures for specified purposes.
- Include E-911 Fund, Confiscated Assets Fund, Hotel/Motel Fund etc.

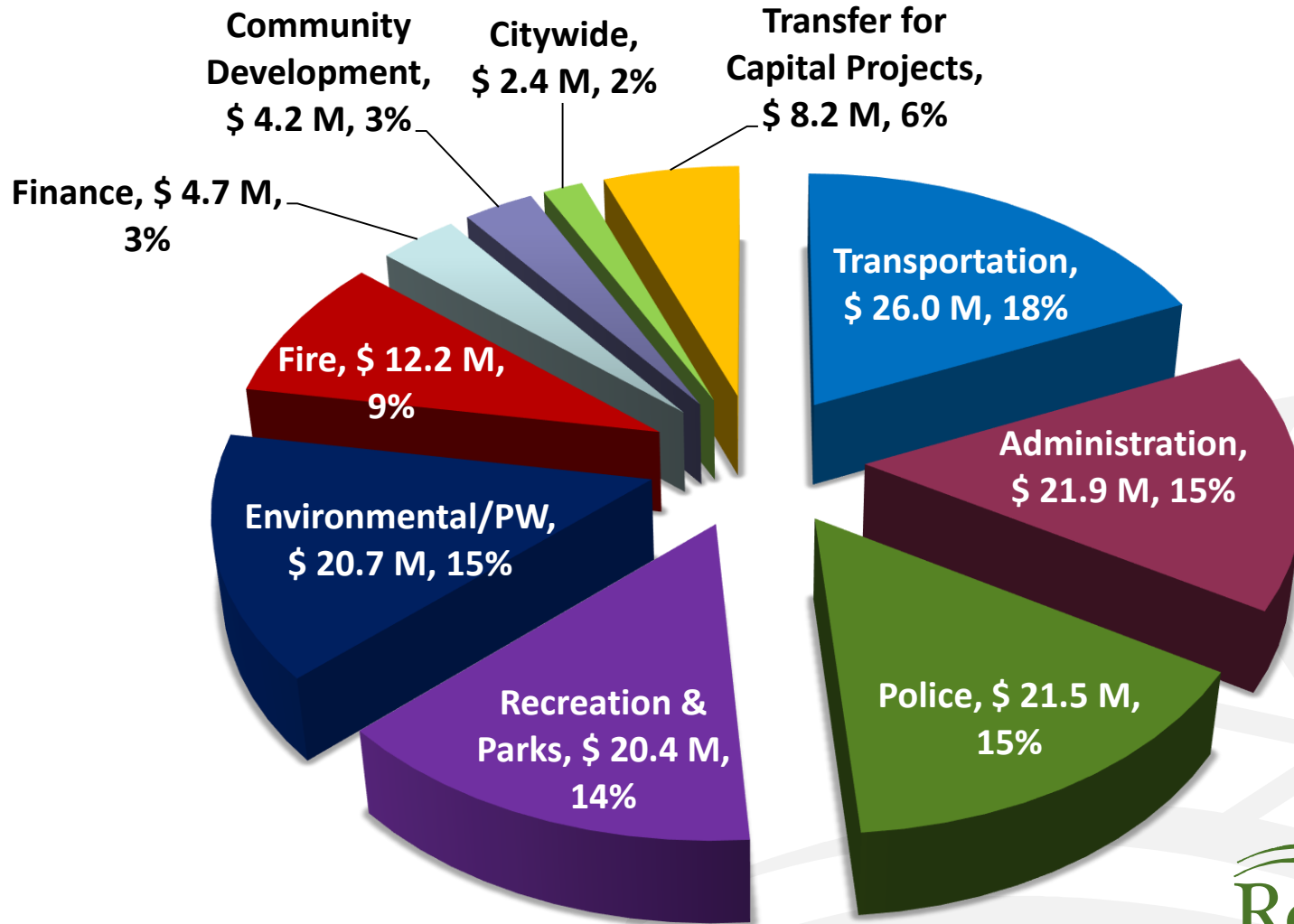
Revenue Summary – All Funds

FY 2018 Source of Funds (\$145.9 M)

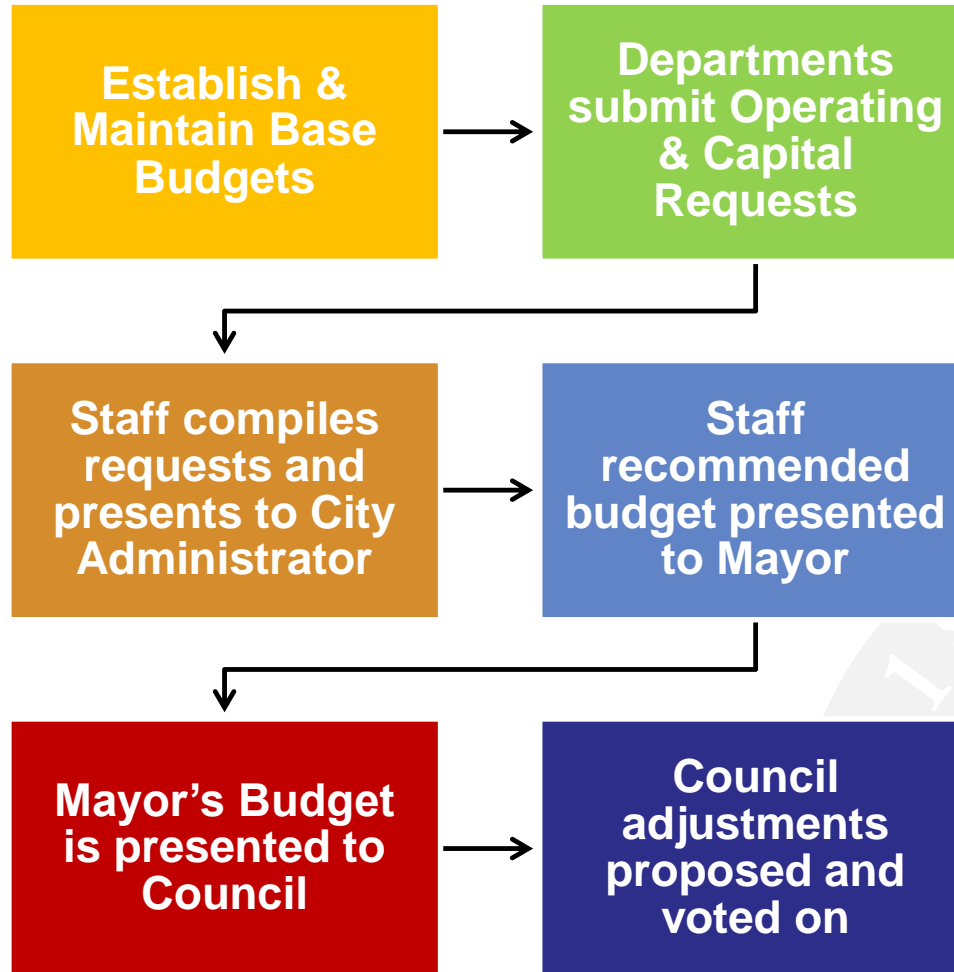


Expenditure Summary – All Funds

FY 2018 Use of Funds (\$142.2 M)



Budget Process



Base Budgets

- Base budgets begin with current year's approved budget:
 - Deduction of one-time initiatives from the prior year
 - Addition of any mid-year approvals that have an ongoing, operating impact
 - Salary and benefit adjustments based on the current roster
 - Internal Service Fund adjustments

FY 2017 TOTAL Approved Budget	\$9,700,461
Adjustments to Beginning Base	\$25,970
Salary and Benefit Adjustments	\$238,654
Budgeted Vacancy Savings	(\$2,065)
Net change from zero based repairs & maint, repairs & maint-grounds	(\$3,590)
Retirement Adjustments	\$100,163
Fleet Services Rate Adjustment	\$26,554
Utilities Adjustment	(\$7,067)
Gasoline / Oil / Bottled Gas Adjustment	(\$4,666)
Dell Lease Adjustment	\$22,977
Department Changes	\$0
FY 2018 Approved Base Budget	\$10,097,391

Operating Requests

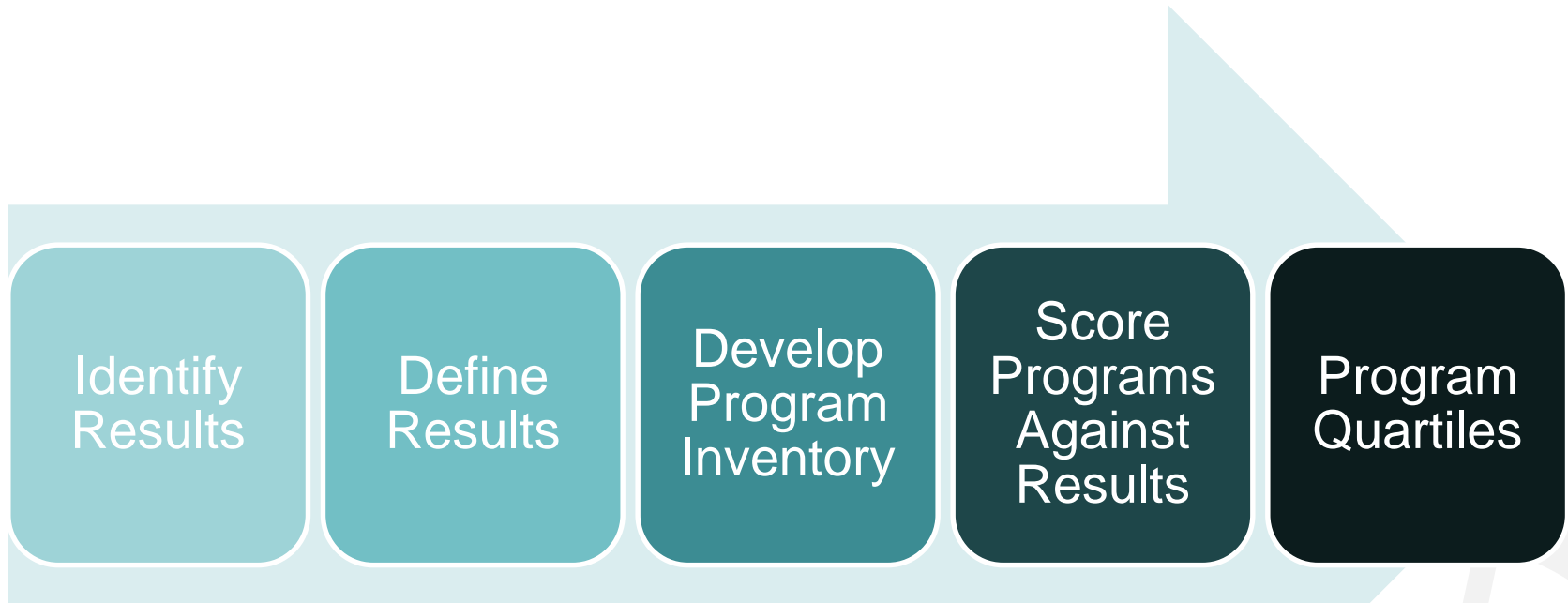
- Departments can submit operating requests under three categories:
 - Program Enhancement – request to increase level of service for existing program
 - New Program – request for funding for an activity/program not currently provided
 - Cost of Doing Business change – request to increase funding for an activity associated with providing the same level of service the city currently provides
- Operating Requests, if approved, are funded using current year's revenues

Capital Requests

- What is a Capital Asset?
- Capital requests can be either Maintenance or One-time
- Maintenance requests funded with current year revenues
- One-time requests can be funded using fund balance over reserve by policy
 - Specific, one-time improvements associated with master plans or additional building, vehicles or facilities
- 5 Year CIP



Priority-Based Budgeting



FY 2019 Budget Calendar

JANUARY, 2018						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY, 2018						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

- **01/22 - Budget Work Session (5:30 pm)**
 - Introduction to Budget Process and Budget Calendar
- **01/23 – Community Budget Meeting (BJCAB – 6:30 pm)**
- **01/29 - Budget Work Session (5:30 pm)**
 - Economic Outlook and Five Year Forecast
- **02/01 – Community Budget Meeting (East Roswell – 6:30 pm)**
- **02/12 – Budget Work Session (5:30 pm)**
 - Priority Based Budgeting and Community Budget Meeting Results
- **02/26 – Budget Work Session (5:30 pm)**
 - Mayor & Council feedback on Community Budget Meeting Results and Priorities



FY 2019 Budget Calendar

MARCH, 2018						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- **03/12 – Budget Work Session (5:30 pm)**
 - Personnel/Benefits, Revenues
- **03/26 – Budget Work Session (5:30 pm)**
 - Maintenance Capital & One-Time Capital

APRIL, 2018						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

- **04/09 – Budget Work Session (5:30 pm)**
 - Partner Organizations Presentation (Tentative)
- **04/30 – FY 2019 Proposed Budget Presentation to Council**

FY 2019 Budget Calendar

MAY, 2018						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

- **05/02 – Mayor & City Council Work Session: FY 2019 Budget – Department Presentations**
- **05/14 – 1st Budget Reading and Millage Rate Hearing (7:00 pm)**
- **05/30 – Millage Rate Public Hearing (6:30 pm)**

JUNE, 2018						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

- **06/11 – 2nd Budget Reading and Millage Rate Hearing (7:00 pm)**

JULY, 2018						
S	M	T	W	T	F	S
1	2	3	4	5	6	7

- **07/1 – START of FY 2019**



Next Steps

- Jan 29 Budget Work session (5:30 pm)
 - Economic Update
 - Five-Year Forecast

Thank you!

