

To: Mayor and Members of
Dunwoody City Council

From: Richard Platto, Finance Director

Re: Fiscal Year 2023 Budget Amendment

Date: February 26, 2024

Action

To approve a resolution and authorize the mayor, city manager, or designee to execute all documents necessary and proper to amend the Fiscal Year 2023 Budget.

Summary

The attached resolution is the final amendment to the budget for FY 2023. The resolution reflects current unaudited final revenue numbers along with budget amendments reflecting current expenditure and/or previously passed Council actions.

Overall, the anticipated revenues of the General Fund are increasing \$1.1 million (3%) over the current budget and expenses are increasing \$606,200 (2%) over the current budget. Most of the increase in revenue is due to higher insurance tax premium, building permit figures, and interest revenue. Operating expenses within the General Fund require minimal adjustment, as unaudited 2023 actual results came in within 2% of budget.

These changes mean that the previous budgeted use of fund balance of \$508,838 will not be needed. Currently budgeted actual expenses are projected to fall into the 97% range after this budget amendment, meaning that unreserved fund balance should grow by \$1.6 million bringing the city to 10 months of fund balance. Please note that all numbers are unaudited and subject to change.

At a subsequent Council meeting, staff plans to bring an amendment to adjust revenues to reflect newer projections for FY24. While revenues have exceeded current budgetary projections, staff wants a chance to review details, in case the increased numbers from FY23 are not sustainable.

Detail

Budget Adjustments to revenue for the General Fund are as follows (as shown in Exhibit A):

- 1) The following revenue sources exceeded budgeted projections.
 - Increase of \$535,038 in Insurance Premium Tax due.
 - Increase of \$300,000 in Building Structures and Equipment Fees.
 - Increase of \$280,000 in Interest Revenue.

Budget Adjustments to expenditures for the General Fund are as follows (as shown in Exhibit A):

- A) \$34,500 increase in City Council due to an additional Council member participating in the City's health insurance plan than budgeted. Health care can change each year and individuals can elect in or out each year.
- B) \$25,200 increase in City Clerk due to higher than budgeted election fees.
- C) \$110,000 increase in Facilities, within \$90,000 being used to address the backlog of identified repairs and maintenance such as air conditioning, elevator, and plumbing repairs at both City Hall and the Annex, and \$20,000 for higher-than-expected utilities costs.
- D) \$75,000 increase in Police to fund the costs of the Berry Dunn study that were completed this year.
- E) \$61,500 increase in Public Works to fund the Deputy Public Works Director position that was approved at the June 12, 2023, Council meeting.
- F) \$300,000 increase in the contract costs of our Community Development service provider due to the increase in permitting activity. By contract, 65% of fees go to this firm.

Budget Adjustments for other funds are as follows (as shown in Exhibit A):

- G) Budget Adjustments for the State Confiscated Fund were \$29,575, in order to align actual expenditures with budget for the current fiscal year.
- H) The Georgia Uniform Chart of Accounts was amended in April 2023 to require the proceeds received from any Opioid settlement, and related expenditures, be accounted for in a separate fund. This budget adjustment will accomplish this new requirement.
- I) Two Bridges Park was completed in 2023 using funding from the American Rescue Plan Act (ARPA). This budget adjustment is needed to align the budget with actual expenditures.
- J) Budget Adjustments are needed in the amount of \$29,287 from the HIDTA State and Local Task Force, for reimbursing overtime costs and repairs and maintenance.
- K) The City was awarded a \$20,000 Safety Grant from GMA's Safety and Liability Management Grant Program. Budget adjustments are needed to account for the revenue and corresponding expenditures related to this grant.
- L) The Georgetown Gateway project is a grant with GDOT where the funds are spent and then reimbursed. The City uses Lewallen as the contractor and will receive 80% of the funds spent as reimbursement for the expenses.
- M) This grant funding was awarded to the City as part of the Westside Connector project through the Georgia Transportation Infrastructure Bank (GTIB). This budget adjustment is part of the second amendment to the grant that was approved by Council in October 2021 and was used to identify a project that would improve congestion and benefit Ashford Dunwoody Road.
- N) This grant came from the Governor's Office of Planning and Budget, under the program area of improving neighborhood outcomes in disproportionately impacted communities. The project that was awarded is a multi-use trail that will create a formal bike and pedestrian connection between Cherry Hill Lane and Eidson Road on existing city right-of-way. The total amount of the grant is \$110,000, with no City match required.
- O) Due to the City collecting more Hotel/Motel funds than expected so far this fiscal year, revenue Budget Adjustments of \$1,322,100 are included within that fund as well. The difference will be distributed to the General Fund (\$546,500) and Discover Dunwoody (\$637,500), with a percentage staying within the Hotel/Motel Fund.
- P) Budget Adjustments for the Motor Vehicle Excise Tax Fund of \$10,000 are due to higher-than-expected collections.
- Q) Budget Adjustments for the Municipal Court Fund were needed to reflect the activity within the fund for FY2023. The Court funds should have been budgeted in the custodial

fund for the receipt of all court funds. The funds will then be disbursed to the General Fund, State Agency Funds and the payment of the bonds when adjudicated.

Recommendation

Staff recommends approval of the Fiscal Year 2023 Budget Amendments.

RESOLUTION 2024-02-XX

**A RESOLUTION AMENDING THE BUDGET FOR THE FISCAL YEAR 2023 FOR THE
GENERAL, STATE CONFISCATED, OPIOID SETTLEMENT, ARPA, GRANT,
HOTEL/MOTEL, MOTOR VEHICLE, AND MUNICIPAL COURT FUNDS, OF THE CITY OF
DUNWOODY, GEORGIA, PURSUANT TO ARTICLE V, SECTION 5 OF THE CHARTER OF
THE CITY, BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023,
APPROPRIATING THE AMOUNTS SHOWN IN EACH BUDGET AS EXPENDITURES,
ADOPTING THE ITEM OF ANTICIPATED FUNDING SOURCES, PROHIBITING
EXPENDITURES TO EXCEED APPROPRIATIONS, AND PROHIBITING EXPENDITURES
FROM EXCEEDING ACTUAL FUNDING SOURCES**

WHEREAS, a proposed amended budget for the General, State Confiscated, Opioid Settlement, ARPA, Grant, Hotel Motel, Motor Vehicle, and Municipal Court Funds of the City has been presented to the Mayor and City Council; and

WHEREAS, the Mayor and City Council have reviewed the proposed amendment; and

WHEREAS, the fund has a balanced budget, such that anticipated funding sources equal or exceed proposed expenditures; and

WHEREAS, This Budget Amendment and the Budget Message pursuant to Section 5.03(a) of the City Charter have been filed in the office of the City Clerk and open for public inspection; and

WHEREAS, the Mayor and City Council intend to amend the annual budget for the Fiscal Year 2023.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Dunwoody, pursuant to their authority, as follows:

Section 1. That the City of Dunwoody, Georgia hereby amends the budget for the Fiscal Year 2023, said budget amendments being described below in Exhibit A.

Section 2. That any increase or decrease in appropriations of the General, State Confiscated, Opioid Settlement, ARPA, Grant, Hotel Motel, Motor Vehicle, and Municipal Court funds for any department; other than those exceptions provided for herein, shall require approval of the City Council; and

Section 3. That the City Manager and his/her designee may promulgate all necessary internal rules, regulations, and policies to ensure that this Budget Resolution is followed.

**SO RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DUNWOODY,
GEORGIA** this the 26th day of February, 2024.

Approved:

Lynn P. Deutsch, Mayor

Attest:

Sharon Lowery, City Clerk
Seal

Approved as to Form and Content

City Attorney

City of Dunwoody				EXHIBIT A
Fiscal Year 2023 Budget Amendments - General Fund, State Confiscated, Opioid Settlement, ARPA, Grant Fund, Hotel Motel, Motor Vehicle, and Municipal Court Fund				

FUND	Department	Account	Account Name	Proposed Budget Change
SOURCE - Revenue				
General Fund (100)	Insurance Premium Tax	316200.00	Insurance Premium Tax	1 (\$535,038)
General Fund (100)	Building Structures & Equipment	323100.00	Building Structures & Equipment	1 (\$300,000)
General Fund (100)	Interest Revenue	361000.00	Interest Revenue	1 (\$280,000)
	Fund Balance			\$508,838
	Total SOURCE - Revenue			(\$606,200)
USE - Expenditure				
General Fund (100)	1110 - City Council	512100.00	Group Insurance	A \$34,500
General Fund (100)	1330 - City Clerk	521200.00	Professional Services	B \$25,200
General Fund (100)	1565 - Facilities	522200.00	Repairs & Maintenance	C \$90,000
General Fund (100)	1565 - Facilities	531230.00	Utilities	C \$20,000
General Fund (100)	3200 - Police	521200.00	Professional Services	D \$75,000
General Fund (100)	4100 - Public Works	511100.00	Regular Salaries	E \$45,000
General Fund (100)	4100 - Public Works	512100.00	Group Insurance	E \$10,000
General Fund (100)	4100 - Public Works	512400.00	Retirement	E \$6,500
General Fund (100)	7000 - Community Development	521100.01	Official / Admin Services	F \$300,000
	Total USE - Expenditure			\$606,200
State Confiscated (212)	3200 - Police	351320.00	Cash Confiscation	G (\$29,575)
	Total SOURCE - Revenue			(\$29,575)
State Confiscated (212)	3200 - Police	521200.00	Professional Services	G \$13,100
State Confiscated (212)	3200 - Police	522200.01	R&M - Software	G \$4,850
State Confiscated (212)	3200 - Police	523300.00	Advertising	G \$9,500
State Confiscated (212)	3200 - Police	531600.00	Small Equipment	G \$2,125
	Total USE - Expenditure			\$29,575
Opioid Settlement (213)	Opioid Settlement	351920.00	Opioid Settlement	H (\$3,700)
	Total SOURCE - Revenue			(\$3,700)
Opioid Settlement (213)	3200 - Police	531100.00	Supplies	H \$3,700
	Total USE - Expenditure			\$3,700
ARPA Fund (230)	Reserves	399999.00	Reserves	I (\$855,000)
	Total SOURCE - Revenue			(\$855,000)
ARPA Fund (230)	6200 - Parks	541400.00	ARPA Parks Infrastructure	I \$855,000
	Total USE - Expenditure			\$855,000

City of Dunwoody				EXHIBIT A
Fiscal Year 2023 Budget Amendments - General Fund, State Confiscated, Opioid Settlement, ARPA, Grant Fund, Hotel Motel, Motor Vehicle, and Municipal Court Fund				

FUND	Department	Account	Account Name	Proposed Budget Change
Grant Fund (250)	3001 - Police	331100.15	HIDTA - Overtime	J (\$29,287)
Grant Fund (250)	3003 - Police	336000.15	Local - GMA Safety Grant	K (\$19,540)
Grant Fund (250)	4002 - Public Works	331300.21	Georgetown Gateway	L (\$1,757,305)
Grant Fund (250)	4003 - Public Works	334300.14	GTIB/REBC-State Cap Funding	M (\$105,000)
Grant Fund (250)	4006 - Public Works	334100.15	Multi-Use Trail-OPB State Grant	N (\$5,270)
Grant Fund (250)	Reserves	399999.00	Reserves	(\$5,605)
Total SOURCE - Revenue				(\$1,922,007)
Grant Fund (250)	3001 - Police	511300.15	HIDTA - Overtime	J \$22,787
Grant Fund (250)	3001 - Police	522200.15	HIDTA - Repairs & Maintenance	J \$6,500
Grant Fund (250)	3003 - Police	531610.15	GMA Safety - Small Equipment	K \$25,145
Grant Fund (250)	4002 - Public Works	541400.21	Georgetown Gateway	L \$1,757,305
Grant Fund (250)	4003 - Public Works	541402.14	GTIB-Infrastructure	M \$105,000
Grant Fund (250)	4006 - Public Works	541400.15	Multi-Use Trail-Infrastructure	N \$5,270
Total USE - Expenditure				\$1,922,007
Hotel / Motel (275)	Hotel Tax Revenue	314100.00	Hotel Tax Revenue	O (\$1,265,360)
Hotel / Motel (275)	Hotel Tax Revenue	314100.01	Short Term Vacation Rental	O (\$56,740)
Total SOURCE - Revenue				(\$1,322,100)
Hotel / Motel (275)	1511 - Transfer Out to General Fund	611000.02	General Fund	O \$546,500
Hotel / Motel (275)	1511 - Transfer Out to Component Unit	612000.00	Component Unit	O \$637,500
Hotel / Motel (275)	4200 - Public Works	541400.00	Infrastructure	O \$132,775
Hotel / Motel (275)	6200 - Parks and Recreation	541200.00	Site Improvements	O \$5,325
Total USE - Expenditure				\$1,322,100
Motor Vehicle Fund (280)	Motor Vehicle Tax Revenue	314400.00	Motor Vehicle Tax Revenue	P (\$10,000)
Total SOURCE - Revenue				(\$10,000)
Motor Vehicle Fund (280)	1511 - Transfer Out to General Fund	611000.02	General Fund	P \$10,000
Total USE - Expenditure				\$10,000
Municipal Court Fund (745)	Fines and Fees	351170.00	Fines and Fees	Q (\$1,910,145)
Total SOURCE - Revenue				(\$1,910,145)
Municipal Court Fund (745)	2650 - Municipal Court	571000.00	Payments to the General Fund	Q \$1,279,360
Municipal Court Fund (745)	2650 - Municipal Court	572000.00	Payments to State Agencies	Q \$472,825
Municipal Court Fund (745)	2650 - Municipal Court	573000.00	Jail Bond Payments	Q \$157,960
Total USE - Expenditure				\$1,910,145