

To: Mayor and Members of
Dunwoody City Council

From: Richard Platto, Finance Director

Re: First Quarter 2024 Budget Amendment

Date: April 29, 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 2024 Budget.

Summary

The attached resolution is the first quarter amendment to the budget for FY 2024. The resolution reflects current unaudited final revenue numbers along with budget amendments reflecting current expenditure and/or previously passed Council actions.

Overall, the budgeted revenues of the General Fund are increasing \$2.6 million (8.2%) over the currently adopted budget and expenses are increasing \$280,000 (0.8%) over the currently adopted budget. Most of the increase in General Fund revenue is to align the FY2024 budget with the actual results of FY2023. Please note that no adjustments to Property Tax revenue are being proposed at this time. The determination for adjustments will be made after the City receives the preliminary Property Tax Digest from DeKalb County in late May 2024. Adjustments to operating expenses within the General Fund are being made to budget for the 4.25% market adjustment city employees are receiving effective May 30, 2024.

These changes mean that the adopted budgeted use of fund balance of \$3,036,320 will be lowered to \$734,695 for FY2024. Assuming actual revenue and expenditures within the General Fund for FY2024 are similar to the adjusted FY2024 budget, months reserved of fund balance will go from 10 months at the end of FY2023 to 9 months at the end of FY2024. Please note that all numbers are unaudited and subject to change.

Detail

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

- 1) The following revenue sources are being adjusted in the FY2024 budget to align with FY2023 actual results:
 - Increase of \$270,000 in Motor Vehicle Title Ad Valorem Tax True Up.
 - Increase of \$180,000 in Franchise Fees – Electric.
 - Increase of \$30,000 in Franchise Fees – Gas.
 - Increase of \$275,000 in Alcoholic Beverage Excise Tax.
 - Increase of \$25,000 in Excise Tax on Energy.
 - Increase of \$250,000 in Business & Occupation Tax.
 - Increase of \$530,000 in Insurance Premium Tax due.
 - Increase of \$50,000 in Alcoholic Beverage Licenses.

- Increase of \$300,000 in Building Structures and Equipment Fees.
- Increase of \$50,000 in Field Rental Fees.
- Increase of \$75,000 in Municipal Court Fines and Forfeitures.
- Increase of \$250,000 in Interest Revenue.
- Increase of \$55,000 in Reimbursement for Damaged Property.
- Increase of \$40,000 in Miscellaneous Revenue.
- Increase of \$10,000 in the Transfer in from the Motor Vehicle Excise Tax Fund.
- Increase of \$191,625 in the Transfer in from the Hotel/Motel Fund.

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

- A) \$280,000 increase in all departments based on the approved 4.25% market adjustment, effective May 30, 2024.

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

- B) Budget Adjustment to the Grant Fund in the amount of \$604,408 for the additional Local Maintenance and Improvement Grant (LIMG) funding the City was awarded from the Georgia Department of Transportation.
- C) Due to continued strong collections in the Hotel/Motel fund, revenue Budget Adjustments of \$511,000 are included within that fund as well. The difference will be distributed to the General Fund (\$191,625) and Discover Dunwoody (\$223,563), with a percentage staying within the Hotel/Motel Fund (\$95,812).
- D) As part of the contract award for the Shade Structures at Two Bridges Park, \$130,000 of funding from the Water Feature project (Project #21F) will be transferred to the Two Bridges Park Improvements project (Project #P2E) within the Hotel/Motel Fund. This will close out the Water Feature project. Additionally, these funds in project #P2E plus the remaining funds from the Two Bridges Park construction project within the ARPA Fund will be used to fund the \$277,442 contract to manufacture and install the shade structures.
- E) Budget Adjustments for the Motor Vehicle Excise Tax Fund of \$10,000 are due to higher-than-expected collections.

Based on the above adjustments, the FY2024 General Fund Budget would be as follows:

	FY2023	FY2024			FY2024
	Unaudited	Original Budget	Adj #1 - Add'l PD Personnel	Adj #2 - Q1 Adjustments	Proposed Budget
Revenue:					
Taxes	24,102,462	24,131,000		1,560,000	25,691,000
Licenses & Permits	2,094,637	1,630,000		350,000	1,980,000
Other Charges for Services	971,374	1,000,000		50,000	1,050,000
Fines & Forfeitures	1,291,301	1,200,000		75,000	1,275,000
Investment Income	381,480	100,000		250,000	350,000
Miscellaneous Revenue	487,605	307,000		95,000	402,000
Other Financing Sources	2,177,902	1,976,000		201,625	2,177,625
Total Recurring Revenue	31,506,762	30,344,000	0	2,581,625	32,925,625
One Time Revenue					
- Proceeds from sale of Shallowford Rd	7,407,988				
- Transfer From ARPA II (fund PD positions)			1,035,585		1,035,585
Use of Fund Balance		3,036,320		(2,301,625)	734,695
Total Revenue	38,914,750	33,380,320	1,035,585	280,000	34,695,905
Expenses:					
Council (1110)	344,337	369,240			369,240
City Manager (1320)	637,307	658,715		13,310	672,025
City Clerk (1330)	520,234	445,865		8,410	454,275
Finance (1500)	2,121,780	2,259,730		19,000	2,278,730
Legal (1530)	426,543	420,000			420,000
Information Technology (1535)	2,297,269	2,815,185		7,670	2,822,855
Human Resources (1540)	477,116	575,370		9,540	584,910
Facilities (1565)	526,034	413,930			413,930
Communications (1570)	505,851	495,880		7,280	503,160
Court (2650)	648,607	772,360		7,980	780,340
Police (3200)	11,024,401	12,215,885	362,685	177,920	12,756,490
Public Works (4100)	3,148,042	3,116,515		8,760	3,125,275
Parks & Recreation (6200)	3,483,278	4,714,300		4,570	4,718,870
Community Development (7000)	2,025,316	1,549,000		8,320	1,557,320
Economic Development (7500)	416,548	456,760		7,240	464,000
Debt Service & Contingency (9000)	1,284,315	1,401,585			1,401,585
Total Recurring Expenses	29,886,977	32,680,320	362,685	280,000	33,323,005
One Time Expense					
- Transfer to Capital - Shallowford Rd Proceeds	7,287,233				
- Transfer to Capital - IT		200,000			200,000
- Comp Plan Rewrite/Code Update		500,000			500,000
- Funding for Year 2 of Add'l PD positions			672,900		672,900
Total Expenses	37,174,210	33,380,320	1,035,585	280,000	34,695,905

Recommendation

Staff recommends approval of the First Quarter Fiscal Year 2024 Budget Amendments.

RESOLUTION 2024-04-XX

A RESOLUTION AMENDING THE BUDGET FOR THE FISCAL YEAR 2024 FOR THE GENERAL, GRANT, HOTEL/MOTEL, AND MOTOR VEHICLE FUNDS, OF THE CITY OF DUNWOODY, GEORGIA, PURSUANT TO ARTICLE V, SECTION 5 OF THE CHARTER OF THE CITY, BEGINNING JANUARY 1, 2024, AND ENDING DECEMBER 31, 2024, 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, Grant, Hotel Motel, and Motor Vehicle 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 2024.

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 2024, said budget amendments being described below in Exhibit A.

Section 2. That any increase or decrease in appropriations of the General, Grant, Hotel Motel, and Motor Vehicle 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 29th day of April, 2024.

Approved:

Lynn P. Deutsch, Mayor

Attest:

Sharon Lowery, City Clerk
Seal

Approved as to Form and Content

City Attorney

City of Dunwoody Fiscal Year 2024 Budget Amendments - General Fund, Grant Fund, Hotel Motel, and Motor Vehicle	EXHIBIT A
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FUND	Department	Account	Account Name	Proposed Budget Change
SOURCE - Revenue				
General Fund (100)	MV Title Ad Valorem Tax True Up	311315.02	MV Title Ad Valorem Tax True Up	1 (\$270,000)
General Fund (100)	Franchise Fees - Electric	311710.01	Franchise Fees - Electric	1 (\$180,000)
General Fund (100)	Franchise Fees - Gas	311730.00	Franchise Fees - Gas	1 (\$30,000)
General Fund (100)	Alcoholic Beverage Excise Tax	314200.00	Alcoholic Beverage Excise Tax	1 (\$275,000)
General Fund (100)	Excise Tax on Energy	314500.00	Excise Tax on Energy	1 (\$25,000)
General Fund (100)	Business & Occupation Tax	316100.00	Business & Occupation Tax	1 (\$250,000)
General Fund (100)	Insurance Premium Tax	316200.00	Insurance Premium Tax	1 (\$530,000)
General Fund (100)	Alcoholic Beverage Licenses	321100.00	Alcoholic Beverage Licenses	1 (\$50,000)
General Fund (100)	Building Structures & Equipment	323100.00	Building Structures & Equipment	1 (\$300,000)
General Fund (100)	Field Rental	347200.00	Field Rental	1 (\$50,000)
General Fund (100)	Municipal Court Fines & Forfeitures	351170.00	Municipal Court Fines & Forfeitures	1 (\$75,000)
General Fund (100)	Interest Revenue	361000.00	Interest Revenue	1 (\$250,000)
General Fund (100)	Reimbursement for Damaged Prop	383000.00	Reimbursement for Damaged Prop	1 (\$55,000)
General Fund (100)	Micellaneous Revenue	389100.00	Micellaneous Revenue	1 (\$40,000)
General Fund (100)	Transfer In - MVR Tax Fund	391200.04	Transfer In - MVR Tax Fund	1 (\$10,000)
General Fund (100)	Trnasfer In - Hotel/Motel Fund	391200.06	Trnasfer In - Hotel/Motel Fund	1 (\$191,625)
	Fund Balance			\$2,301,625
	Total SOURCE - Revenue			(\$280,000)
USE - Expenditure				
General Fund (100)	1320 - City Manager	511100.00	Regular Salaries	A \$10,840
General Fund (100)	1320 - City Manager	512300.00	Medicare	A \$160
General Fund (100)	1320 - City Manager	512400.00	Retirement	A \$1,870
General Fund (100)	1320 - City Manager	512400.01	401a Match	A \$440
General Fund (100)	1330 - City Clerk	511100.00	Regular Salaries	A \$6,850
General Fund (100)	1330 - City Clerk	512300.00	Medicare	A \$100
General Fund (100)	1330 - City Clerk	512400.00	Retirement	A \$1,180
General Fund (100)	1330 - City Clerk	512400.01	401a Match	A \$280
General Fund (100)	1511 - Finance	511100.00	Regular Salaries	A \$15,480
General Fund (100)	1511 - Finance	512300.00	Medicare	A \$230
General Fund (100)	1511 - Finance	512400.00	Retirement	A \$2,670
General Fund (100)	1511 - Finance	512400.01	401a Match	A \$620
General Fund (100)	1535 - Information Technology	511100.00	Regular Salaries	A \$6,240
General Fund (100)	1535 - Information Technology	512300.00	Medicare	A \$100
General Fund (100)	1535 - Information Technology	512400.00	Retirement	A \$1,080
General Fund (100)	1535 - Information Technology	512400.01	401a Match	A \$250
General Fund (100)	1540 - Human Resources	511100.00	Regular Salaries	A \$7,760
General Fund (100)	1540 - Human Resources	512300.00	Medicare	A \$120
General Fund (100)	1540 - Human Resources	512400.00	Retirement	A \$1,340
General Fund (100)	1540 - Human Resources	512400.01	401a Match	A \$320
General Fund (100)	1570 - Communications	511100.00	Regular Salaries	A \$5,930
General Fund (100)	1570 - Communications	512300.00	Medicare	A \$90
General Fund (100)	1570 - Communications	512400.00	Retirement	A \$1,020
General Fund (100)	1570 - Communications	512400.01	401a Match	A \$240

City of Dunwoody Fiscal Year 2024 Budget Amendments - General Fund, Grant Fund, Hotel Motel, and Motor Vehicle	EXHIBIT A
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FUND	Department	Account	Account Name	Proposed Budget Change
General Fund (100)	2650 - Municipal Court	511100.00	Regular Salaries	A \$6,500
General Fund (100)	2650 - Municipal Court	512300.00	Medicare	A \$100
General Fund (100)	2650 - Municipal Court	512400.00	Retirement	A \$1,120
General Fund (100)	2650 - Municipal Court	512400.01	401a Match	A \$260
General Fund (100)	3200 - Police	511100.00	Regular Salaries	A \$145,050
General Fund (100)	3200 - Police	512300.00	Medicare	A \$2,110
General Fund (100)	3200 - Police	512400.00	Retirement	A \$24,950
General Fund (100)	3200 - Police	512400.01	401a Match	A \$5,810
General Fund (100)	4100 - Public Works	511100.00	Regular Salaries	A \$7,130
General Fund (100)	4100 - Public Works	512300.00	Medicare	A \$110
General Fund (100)	4100 - Public Works	512400.00	Retirement	A \$1,230
General Fund (100)	4100 - Public Works	512400.01	401a Match	A \$290
General Fund (100)	6200 - Parks	511100.00	Regular Salaries	A \$3,720
General Fund (100)	6200 - Parks	512300.00	Medicare	A \$60
General Fund (100)	6200 - Parks	512400.00	Retirement	A \$640
General Fund (100)	6200 - Parks	512400.01	401a Match	A \$150
General Fund (100)	7000 - Community Development	511100.00	Regular Salaries	A \$6,770
General Fund (100)	7000 - Community Development	512300.00	Medicare	A \$100
General Fund (100)	7000 - Community Development	512400.00	Retirement	A \$1,170
General Fund (100)	7000 - Community Development	512400.01	401a Match	A \$280
General Fund (100)	7500 - Economic Development	511100.00	Regular Salaries	A \$5,890
General Fund (100)	7500 - Economic Development	512300.00	Medicare	A \$90
General Fund (100)	7500 - Economic Development	512400.00	Retirement	A \$1,020
General Fund (100)	7500 - Economic Development	512400.01	401a Match	A \$240
Total USE - Expenditure				\$280,000
Grant Fund (250)	4001 - Public Works	334100.19	LMIG-State Operating	B (\$604,408)
Total SOURCE - Revenue				(\$604,408)
Grant Fund (250)	4001 - Public Works	522200.19	LMIG-Repairs & Maintenance	B \$604,408
Total USE - Expenditure				\$604,408
Hotel / Motel (275)	Hotel Tax Revenue	314100.00	Hotel Tax Revenue	C (\$436,000)
Hotel / Motel (275)	Hotel Tax Revenue	314100.01	Short Term Vacation Rental	C (\$75,000)
Total SOURCE - Revenue				(\$511,000)
Hotel / Motel (275)	1511 - Transfer Out to General Fund	611000.02	General Fund	C \$191,625
Hotel / Motel (275)	1511 - Transfer Out to Component Unit	612000.00	Component Unit	C \$223,563
Hotel / Motel (275)	4200 - Public Works	541400.00	Infrastructure	C \$95,812
Hotel / Motel (275)	21F - Water Feature	541400.00	21F - Water Feature	D (\$130,000)
Hotel / Motel (275)	P2E - Two Bridges Park Improvements	541400.00	P2E - Two Bridges Park Improvements	D \$130,000
Total USE - Expenditure				\$511,000
Motor Vehicle Fund (280)	Motor Vehicle Tax Revenue	314400.00	Motor Vehicle Tax Revenue	E (\$10,000)
Total SOURCE - Revenue				(\$10,000)
Motor Vehicle Fund (280)	1511 - Transfer Out to General Fund	611000.02	General Fund	E \$10,000
Total USE - Expenditure				\$10,000