



# CITY OF COLLEGE PARK

P. O. BOX 87137 • COLLEGE PARK, GA. 30337 • 404/767-1537

April 10, 2012

The Honorable Mayor  
Members of the City Council  
City of College Park, Georgia

RE: FISCAL YEAR 2012-2013 BUDGET MESSAGE

Dear Mayor and Council:

I am pleased to present to you this budget document and supporting information/data. The budget directive was to address the request of Mayor and Council and balance the budget without using budget carry forward or fund balance. Fund balance was used in two of the funds: General Fund and the Georgia International Convention Center.

The current economic condition of our County and State governments presented challenges for our city:

- to properly control the utilization of the resources entrusted to local government by its citizens
- to meet Council priorities
- to maximize the public services provided with these resources
- to eliminate the use of fund balance in the general fund to balance the budget

The recommended FY 2012-2013 Budget represents, in my judgment, a sincere effort to meet these challenges. This budget will maintain the level of quality municipal services and programs which meet the needs, desires, and resources of our community.

The proposed budget reflects not only a commitment to our citizens and a commitment to our employees. This budget does not reflect a salary increase for employees nor does it reflect an increase in our millage rate. The millage rate is recommended to remain the same for the FY 2012-13 budget. This budget does include a 20% increase in Water and Sewer rates; also a 10 mils Power Cost Adjustment. The city pension contribution will remain flat at 17%; however, there will be a 5% increase in health insurance costs.

In this budget we will continue to seek to utilize other means of funding such as federal and state grants, enlisting the services of our federal and state lobbyist.

## SUMMARY OF THE FY 2012-2013 BUDGET

The adopted FY 2012-13 General Fund Budget may be summarized as follows:

<b>Revenues</b>	
Taxes	\$18,232,100
Fee, Licenses & Permits	2,710,200
Leases and Other Rents	35,000
Intergovernmental	1,986,380
Other Income	1,691,000
Operating transfers In	3,242,482
Budget Carry Forward	<u>1,566,881</u>
<b>Total Revenue</b>	<u><u>\$29,464,043</u></u>
<b>Expenditures</b>	
Personnel Services *	\$19,048,736
Operating Expenses**	5,967,987
Material & Supplies	1,098,638
Capital Outlay	2,330,735
Cost of Sales	24,700
Non-Operating***	<u>993,247</u>
<b>Total Appropriations</b>	<u><u>\$29,464,043</u></u>

\*Personnel Services include salaries and employee benefits.

\*\*Operating Expenses include communications/utilities, rentals, repairs and maintenance, training and education, and other services and charges.

\*\*\*Non-Operating Expenses include transfers from the General Fund to the FAA, Main Street and E911 funds.

### Budget Format

The College Park budget worksheet format has been structured to address Council's requests from previous years' budget meetings. The FY 2011 Actual Expenses are shown, 2012 Amended Budget, 2012 Actual expenses (year to date through March 2012), Percent Used (percentage of 2012 Actual expenses over 2012 Amended Budget), 2012 Estimated Column (comprised of Department head entries on the Logos .Net system), 2013 Department Head Requested, 2013 City Manager Recommended, and Percentage (2013 City Manager Recommended to 2012 Amended Budget). Also, in response to Council's requests is a summary for Department Directors with budgets comprised of multiple departments. The College Park Budget is prepared to conform to the modified accrual accounting basis which is also used in our accounting system and procedures.

### Budget

The presented budget for FY 2012-13 is \$116,851,328. This represents a 1% net decrease and \$968,593 less than the amended FY 2011-12 budget of \$117,819,921. Below is the summary of the total All Funds Budget:

	Amended Budget 2011-2012	Proposed Budget 2012-2013	Increase (Decrease)	%
General	\$28,080,941	\$29,464,043	\$1,383,102	5%
Confiscated Drugs	76,450	55,475	(20,975)	-27%
State Drug	16,800	-	(16,800)	-100%
Emergency 911	813,720	818,274	4,554	1%
Power	28,048,019	31,501,000	3,452,981	12%
Water and Sewer	11,564,297	11,831,609	267,312	2%
Sanitation	2,752,902	2,750,000	(2,902)	0%
Convention Center	14,740,891	15,254,650	513,759	3%
Hospitality Fund	9,057,000	8,518,970	(538,030)	-6%
GICC Special District	125,200	105,200	(20,000)	-16%
FAA Facility	6,351,233	5,874,051	(477,182)	-8%
BIDA	8,942,092	6,375,182	(2,566,910)	-29%
Car Rental Tax	2,487,927	2,501,150	13,223	1%
Main Street	120,122	122,877	2,755	2%
SPLOST	426,000	436,000	10,000	2%
Storm Water	832,912	855,000	22,088	3%
Golf	46,400	54,152	7,752	17%
CDBG	108,355	-	(108,355)	-100%
Grants	3,228,660	333,695	(2,894,965)	-90%
	<u>\$117,819,921</u>	<u>\$116,851,328</u>	<u>(\$968,593)</u>	-1%

### GENERAL FUND

The General Fund is a service organization involved with providing services to the entire citizenry; and simply stated, it represents the expenditures for governmental operations. The expenditures, largely personnel services, are susceptible to inflationary increase and the revenues for the upcoming fiscal year look to not be increasing (specifically building permits and business license).

The General Fund balance has decreased from \$16.0 million in FY 2010-11 to \$13.1 million in FY 2011-12. The fund balance has been used to fund basic services. In this presented budget projected expenditures for FY 2012-13 are balanced by General Fund Revenues and a fund balance appropriation of \$1,566,881. During FY 2010-11 the Mayor and Council adopted a Governmental Accounting Standards Board (GASB) 54 Fund Balance Policy. The City will strive to maintain an unassigned fund balance in the General Fund between 30%-60% based upon annual expenditures. As of June 30, 2011 the City's unassigned fund balance was 31% of total General Fund expenditures.

The General Fund has the following transfers: (1) transfer to Main Street of \$122,827 for salaries and operating expenditures (2) transfer to FAA to of \$392,266 to cover bond payments (3) transfer to E911 of \$478,154 for salaries and operating expenditures.

Included in General Fund Revenues is Operating Transfers In–Hospitality Fund in the amount of \$1,200,000. This amount is dedicated to economic development efforts in the City (the costs of the Business Development and Main Street Departments) as well as an appropriation to further the general purposes of the City government. The funds are included in the General Fund Revenues for the following reasons:

- The combination of the Hotel/Motel Tax and the Special District Tax when added to operating revenues from the GICC, are more than sufficient to cover all of the debt service on the existing and adopted bonds as well as all other costs.
- The expenditures necessary to continue with the new developments are a valid use of the Hotel/Motel Taxes.

Also included in revenues is an operating transfer from the Power Fund of \$2,000,000, which represents that funds allocated costs for shared computer services, administrative costs and payment in lieu of taxes. In addition, an operating transfer from the Golf Course Fund of \$42,482 is included in revenues to cover operating expenses.

**REVENUES**

**Ad Valorem (Property Tax)**

The FY 2012-13 General Fund (Operating Budget) proposes a continued millage rate of 11.56 mills same as the adopted FY 2011-12 budget.

	<u>2011-12</u>	<u>2012-13</u>	<u>+ or –</u>
General Fund (mills) (General Operating)	11.56	11.56	0%

The Proposed tax rate levied against the City’s new assessed valuation (taking into consideration the application of Homestead Exemption and the assessment ratio of 40% of taxable value for all properties) is expected to yield a flat amount of revenues for FY 2012-13 over the amended budget for FY 2011-12. This anticipated neutrality of the tax digest is predominantly due to an estimation of the reevaluations of existing properties throughout the City.

The City’s total assessed valuation of properties of all types, residential and commercial throughout the City has increased from \$867,750,222 in 2010 to \$899,544,656 in 2011, primarily due to an increase in commercial property values. The Car Rental Facility was added to the 2011 tax digest as requested of Fulton County

The Flight Equipment Tax, computed on the value of the airplanes and related equipment parked on the airport concourses within College Park's jurisdiction as of January 1st, is projected at \$1,800,000 in the FY 2012-13 Budget, an increase of \$200,000 from the previous year's budget. The increased collections are based on actual billings for the calendar year 2011.

The Special District Tax is presently a 14.5 mills tax rate applied to hotels operating in the defined Special District. This tax was imposed to recover amounts from the economic benefits enjoyed by the hotels provided by the Convention Center. All of the tax collections are used to supplement facility-generated revenues and to provide for debt service. This revenue is projected to be the same as last year's budgeted amount.

A review of the history of the General Fund millage rates are as follows:

<u>Year</u>	<u>Millage Rate</u>
2012 - 13	11.56
2011 - 12	11.56
2009 - 10	9.56
2008 - 09	9.56
2007 - 08	9.56
2006 - 07	9.56
2005 - 06	9.56
2004 - 05	9.56
2003 - 04	9.56
2002 - 03	9.56

### **Ad Valorem (Vehicles)**

The assessed valuation of vehicles has increased from \$33 million in FY 2010-11 to \$202 million in FY 2011-12. The significant increase is attributable to the inclusion of the valuations for the Rental Car Facility's vehicles. The 2010 tax digest did not reflect such assessments. The car rental companies remit taxes on their inventory based on an alphabet/ month schedule, i.e. Alamo would submit taxes in January (A-B), Enterprise in March (E-H), Hertz in May and so on.

### **Other Revenues**

The economy is experiencing a gradual recovery, several revenue sources such as fees, licenses, and other income (fines, forfeitures and probation) are anticipated to increase slightly by \$48,000. The actual sales tax revenues collected in FY 2010-11 totaled \$4,897,269 and the sales tax revenue collections for FY 2011-12 are projected to be \$5,150,000; an increase in revenue of \$252,731. Any significant increase in consumer spending in the local area equates to increased sales tax dollars to the local municipalities.

Business expansion and construction are improving. Departmental revenues such as business license, building, planning and zoning fees/permits anticipate an increase of

\$399,268 for FY 2012-13. Continued economic development throughout the City of College Park, specifically targeted toward the designated redevelopment areas, continues to be in the forefront of the City's goals for FY 2012-13.

Other projected revenues are expected to remain relatively flat in the FY 2012-13 presented budget year as compared to the FY 2011-12 amended budget with exceptions in the following areas:

- **Mixed Drink Tax:** Decrease \$4,000 anticipated. Collections projected at \$300,000.
- **Tax on Spirituous Liquor:** Increase of \$50,000 anticipated. Collections projected at \$510,000.
- **Recreation Fees:** Increase of \$7,200 anticipated. Collections projected at \$400,000.
- **Fines and Forfeitures:** Increase of \$48,000 anticipated. Collections projected at \$1,548,000.
- **Administrative Fee-Hospitality:** Transfer decreased by \$1,822 from FY 2011-12.

In summary, the total revenue schedule is one that we feel is diversified, equitable and realistic in the terms of services offered. The revenues are expected to grow slowly as the development projects are completed.

## **EXPENDITURES**

The budgeted expenditures for FY 2012-13 will be \$1,383,102 greater than the amended FY 2011-12 Budget, representing an increase of 5%. In general, Operating Expenses increased 2%, Personnel Costs decreased by 4%, Materials/Supplies increased 9%, and Cost of Sales remained flat. Capital Outlay increased 363% and Operating Transfers decreased by 34%.

### **Personnel Costs**

The Personnel Costs (salaries, wages and employee benefits) in the proposed FY 2012-13 Budget Year will equal approximately 67% of the General Fund (Operating Budget) net Operating Transfers. This budget will sustain the current level of municipal services to the City of College Park

There is a request to fund two new positions in the General Fund, one part-time Office Clerk position in the Inspections Department. Also, one full-time Administrative Coordinator position in the Economic Development Department. The total personnel count for the overall budget program (All Funds) for FY 2012-13 is 476 positions; 20 positions less than the FY 2011-2012. For the General Fund Budget, the total personnel count is 316 positions; a change of 14 positions from FY 2011-12. For the Other Funds Budget the total personnel count is 160 positions; a change of 6 positions from FY 2011-

12. A more comprehensive listing on personnel is outlined at the end of this budget message.

There is a 5% increase in health insurance costs and the city pension contribution will remain flat at 17%. For FY 2012-13 the City will continue its Healthy City Initiative Program for City employees.

### **Operating Expenditures**

The total cost of Operating Expenditures shows a net increase in the FY 2012-13 presented General Fund budget over that of the FY 2011-12 amended budget of \$88,557.

The increase is comprised of the following object accounts:

Communications and Utilities	\$42,415
Rentals	21,140
Repairs and Maintenance	(64,487)
Building Maintenance	35,280
Training and Education	27,613
Other Services and Charges	<u>26,596</u>
 Total Net Change in Expenditures	 <u>\$88,557</u>

### **Materials and Supplies**

The total cost of Materials and Supplies reflects an increase in the adopted FY 2012-13 General Fund budget of \$88,569 over that of the FY 2011-12 amended budget.

### **Capital Outlay**

Overall, the cost of Capital Improvements increased from \$503,512 in the Amended FY 2011-12 General Fund budget to \$2,330,735 in the proposed FY 2012-13 Budget, an increase of \$1,827,223 primarily due to capital projects of \$1,819,800 in the Engineering budget that will be funded by grants.

A comprehensive listing and explanation of these Capital Improvement items appropriated under All Funds FY 2012-13 are provided in the Capital Improvement listing.

It is advisable, as well as extremely important for a City, to undertake and maintain an on-going viable Capital Improvement Program yearly because these costs in total are usually the heaviest faced in any budget. Proper scheduling of Capital Improvement Projects, as well as a level appropriation (i.e., an equal dollar allocation each fiscal year), prevents excessive costs in any one budget year.

### **Debt Service**

There is currently no debt service obligation in the General Fund budget.

### **Summary**

To summarize the General Fund, the budget basically maintains the current level of municipal services and programs. There is no increase of the millage rate. The FY 2012-2013 budget proposes a staff reduction for 11 positions and request to fund two new positions. There was an increase of 5% for health care cost to the city and the city's pension contribution remained flat at 17%

Various projects were scaled back in the prior fiscal year's budget. The budget for FY 2012-2013 reflects the inclusion of those delayed projects.

Several of the projects and activities/programs include the following:

- Convention Center - Refurbish/Renovation Upgrade
- Sanitation- Container Replacement Program
- Power- Phoenix Blvd Re-Conductor
- Godby Road Rebuild
- Substation Voltage
- Bucket Truck Vehicle Replacement Program
- Police-8
- Cars-Vehicle Replacement Program

These noted projects and activities/programs, as well as others, are progressive and necessary ones and will serve and benefit the residents of the community. Thus, we should provide the necessary resources for their completion and continued implementation.

## **ENTERPRISE FUNDS**

### **POWER FUND**

Until approximately 1998, College Park was legally limited in the ability to sell or trade this excess generating capacity. However, beginning in 1998, federal and state laws governing such sales changed so that energy could now be traded as a commodity, allowing College Park to more effectively address the excess capacity cost obligation by selling it to other MEAG cities (i.e., Inter-participant Transfers or IPT's) and into the open market, as well as seeking other opportunities to this asset such as competing for "off-system" competitive loads. This effort continues as evidenced by the agreement in FY 2008 between College Park and two of its sister electric cities for the long term sale of 21MW of excess capacity.

In order to continue the City's efforts to maximize the opportunities available as a result of excess power supply position, the Power Department has completed or is contemplating the following measures:

- College Park Power in conjunction with MEAG has established the above-mentioned "Municipal Competitive Trust Fund" which is administered by MEAG for the benefit of each MEAG participant. The purpose of this fund is to offset future wholesale power cost increases, which allow each MEAG participant to stabilize rates and become increasingly competitive with surrounding public and private utilities.
- A Comprehensive Cost of Service Study was completed based on data collected for Fiscal Year End June 30, 2009 and showed that overall rates are continuing to adequately recover all operating costs plus a reasonable margin. It also showed that College Park Power has some of the lowest rates in the State of Georgia and is 25-35% below the surrounding municipalities.
- All City departments contribute to the revenue stream by paying for their actual costs of electricity. The estimated revenue from Other City Sales for FY 2012-13 is \$300,000.
- The Georgia International Convention Center (GICC) power is estimated to be \$1.3 million FY 2012-13. An increase of \$300,000 from FY 2011-12.

The Power Fund has a 10 mil Power Cost Adjustment (PCA) for FY 2012-13. The increase is due an anticipated increase in power cost to be passed on to the City by MEAG. The increase in PCA is necessary for the Power Fund to continue to generate sufficient revenues necessary to contribute to cash reserves.

Power Fund operating transfers for FY 2012-13 are as follows:

- Operating Transfers to the General Fund is \$2,000,000, for FY 2012-2013, which represents a decrease of \$500,000 over prior year budgeted transfer amount of \$2,500,000.
- Operating transfers to the BIDA Fund is \$2,000,000, which represents an increase of \$358,294 over the prior year budgeted transfer amount of \$1,641,706.

### **WATER AND SEWER FUND**

The Water and Sewer fund accounts for all operating and capital cost that are required to provide efficient water/wastewater services to the public. Revenues are provided from user charges for services and interest on investments.

The City of College Park owns and operates a Water Distribution System and a Sanitary Sewer Conveyance System. The City of East Point provides approximately 3 million gallons of potable water to College Park per day. The City of Atlanta and Fulton County provides treatment of the City's waste water. During FY 2009-10 the City of College Park began to purchase an estimated .5 to 1.5 million gallons of potable water per day from the Clayton County Water Authority as a secondary source of water supply.

An estimated 20% increase for water and sewer sales have been built into the FY 2012-2013 budget. This increase is necessary to recover wholesale supply increases. In addition, the increase is necessary to cover debt service payments for the Georgia Environmental Finance Authority (GEFA) loan, whose funds will be used for Water and Sewer capital projects.

The City is planning to use groundwater wells in College Park to supplement their existing water supply. The City groundwater wells has been through the development process by, disinfecting the well and conducting a yield test. Well development has been complete by removing fine sediment and drilling fluid from the area immediately surrounding the perforations. This increases the well's ability to produce water and maximize production from the aquifer. To date the flow rate is around 106 gallons per minute or 152,640 gallons per day or 4,579,200 per month.

Estimated construction cost is at \$180,000 which has been requested in the Water and Sewer Fund FY 2012-13 budget. Also, Public Works and Engineering departments has requested financial assistance by making application to GEFA on a low interest loan to help offset some of the upfront cost of construction over future periods.

### **STORM WATER UTILITY FUND**

The Storm Water Fund accounts for the repair and maintenance of the city's storm sewer collection system.

On July 1, 2007, Mayor and Council approved the City of College Park's Storm Water Utility Program. This program allows the City to collect a monthly fee from residential and commercial utility customers for the amount of impervious surface that allows storm water run-off from their property into the City's storm water sewer system. Fees are based on single family units (SFU) and each customer is charged a fixed rate per unit depending upon category. Revenues from this fee are allocated to improve the City's overall storm sewer infrastructure and enhance the existing (CPM) comprehensive preventive maintenance program, construction and general maintenance.

This is the fifth year of the program and we are addressing infrastructure needs; cost effective design and construction of the necessary improvements; providing leadership through implementation of Best Management Practices (BPMs) that will enhance water quality throughout the City improving the overall quality of life for our citizens. During FY 2012-2013 the Storm Water Utility fund will continue making debt service payments on the \$2,000,000 of stimulus funds received from GEFA. There is no proposed increase in the storm water fee for FY 2012-2013. A recommended budget of \$206,600 is for storm sewer improvements and for equipment replacement.

### **SANITATION FUND**

The Sanitation Fund is for residential and commercial trash-pick-up, the city's recycling program, animal control and yard waste curbside pick-up.

The current cost for solid waste collection is \$16.50 per household or unit. College Park also provides commercial collection within the corporate limits. Revenues collected for providing these services fund operations and capital expenditures within this division. In 2006 Mayor and Council authorized a \$1.00 increase to establish a Capital Improvement Plan for Sanitation. This amount is \$36,000 per year.

There is no proposed increase in the solid waste management fee for FY 2012-2013. Capital Expenses recommended budget of \$130,000 for vehicle and equipment purchases should insure continued effective and efficient collection services for the citizens of College Park.

### **CONVENTION CENTER FUND**

The Georgia International Convention Center (GICC) opened at its new location in April 2003. The GICC is a premier facility in the Southeast covering 400,000 square feet; which includes a 40,000 square foot ballroom (the largest in the State of Georgia) and a 150,000 square foot exhibition hall.

The Revenue Budget for the GICC reflects an increase in anticipated revenues from the FY 2012-13 amended budget of \$513,759 (proposed budget FY 2012-13 over amended budgeted FY 2011-12). The increase in revenues reflects the transfer of Hotel Special District Tax and GICC Special District Fund taxes to the GICC for bonded indebtedness for the Convention Center and infrastructure as well as the budget carry-forward.

Adopted budget expenditures for FY 2012-13 indicate an overall increase net of capital expenditures and debt service of \$513,759 or 3%. This increase is comprised of the following object accounts:

	<u>Increase (Decrease)</u>
<b>Convention Center - Change in Revenues</b>	
Sales Food and Beverage	\$189,000
Security	5,000
Parking	50,000
Exhibit Hall	(50,000)
Meeting Rooms	100,000
Electrical Rental	25,000
Audio Visuals	3,000
Interest	(12,400)
Miscellaneous Income	4,000
Administrative/Hospitality	(886,208)
Transfers - GICC	8,613
Budget Carryforward	<u>1,077,754</u>
 Total Net Change in Revenues	 <u><u>\$513,759</u></u>

	<u>Increase (Decrease)</u>
<b>Convention Center - Change in Expenses</b>	
Personnel Services	\$99,848
Employee Benefits	(3,405)
Cost of Sales	242,500
General Operating Expenses	350,691
Capital Outlay	(174,100)
Change in Debt Service	<u>(1,775)</u>
 Total Net Change in Expenses	 <u><u>\$513,759</u></u>

Major Capital Outlay projects include:

- Wi-Fi Controller and Security
- HVAC Work Platform
- HVAC DDC Control System
- Riding/Vacuum/Sweeper

### **FEDERAL AVIATION ADMINISTRATION FUND**

The Federal Aviation Administration (FAA) Fund is used to account for the lease of office buildings to the General Services Administration of the federal government regional headquarters. This fund also accounts for the operating activities of these buildings as

well. Its revenue sources are derived from projected Facility Rental Income of \$5,480,800 and Operating Transfer In from the General Fund of \$392,266.

### **BUSINESS INDUSTRIAL AND DEVELOPMENT AUTHORITY**

The Business Industrial and Development Authority (BIDA) work to encourage business relocation and expansion by offering access to BIDA owned property and BIDA funding initiatives. The purpose of BIDA, according to Georgia Senate Resolution No. 348, is to attain development and promote for the public good, general welfare, trade commerce, industry and employment opportunities. BIDA revenue sources are derived from sales of land, rental income and property tax income.

BIDA's Budget decreased from \$8,942,092 in the Amended FY 2011-12 to \$6,375,182 in the adopted FY 2012-13 Budget, a decrease of \$2,566,910 primarily due to a lack of sales of land.

### **GOLF COURSE FUND**

The Golf Course Fund is used to report the revenues and expenses generated or incurred through golf course activities. Its revenue sources are derived from fees and equipment rental. The Golf Course Budget for FY 2012-2013 is \$54,152.

### **SPECIAL REVENUE FUNDS**

#### **HOSPITALITY FUND**

This fund accounts for \$8,518,970 in anticipated collections of the Hotel/Motel and Special District Taxes.

With the passing of the 2% increase in the Hotel/Motel excise tax we created a College Park Destination Management Organization (CP-DMO), a non-profit, non-sectarian corporation. The general purpose of the CP-DMO is to operate exclusively for the purpose of promoting tourism, attracting groups, conventions and trade shows to the City of College Park's convention venue and local hotels and restaurants.

Mayor and Council ratified the 2% Hotel/Motel tax increase that became effective on July 1, 2011. 1.5 % of the Hotel/Motel tax increase will be used for the CP-DMO and .5% may be used for tourist/convention product development (CP-TPD). A Destination Marketing Organization line item was established in the Hospitality Fund for FY 2012-2013 budget.

The distribution of these tax collections is as follows:

- General Fund – \$1,200,000

- 2 This transfer covers the costs of the Main Street and Business Development departments, as well as the portion of collections not necessary for bond debt or other purposes from funds other than the General Fund.
- GICC – \$5,548,970  
This amount is transferred to pay principal and interest on bond debt as well as to cover operational costs associated with the GICC facility. \$20,000 is budgeted for legal fees related to the Hospitality Fund as well.
  - CP-DMO – \$1,312,500  
This amount is distributed to the CP-DMO to promote tourism, conventions, and trade shows by the CP-DMO.
  - CP-TPD – \$437,500  
This amount is allocated for tourism/convention product development.

### **GICC SPECIAL DISTRICT FUND**

This Fund is set up to pay the bond interest and principal expenses for the Gateway Development (including the GICC) and the Global Gateway Connector infrastructure through a transfer to the GICC fund. A special district tax was established in late 2001 for the entire Gateway Development in anticipation that the tax revenues generated from new development within the redevelopment area (7.5 mills) would pay the annual debt service. Due to a lack of development an infusion of funds from the Hospitality Fund will need to occur to make up the balance due on the annual payment. The Automated People Mover (APM) and hotel development opened in this tax district in December 2009. We anticipate that sufficient revenues would be collected to pay the annual debt service. The primary revenue source for the GICC Special District Fund in FY 2012-13 is fund income of Special District Taxes estimated at \$105,000.

### **COMMUNICATIONS (E911) FUND**

The E-911 Fund accounts for monthly user charges on telephone service for operation and maintenance of the E-911 System, as well as for capital equipment purchases. This Fund contains the Police Dispatchers as well as E911 Operators and the costs of providing those services to the community. Its revenue sources are derived as an Operating Transfer In from the General Fund of \$478,154 as well as the projected E911 collections and interest of \$340,000.

### **CAR RENTAL FUND**

Car Rental Funds are used to account for revenue and expenditure of taxes collected from the excise tax levied on rental cars in the City.

Car Rental Tax collections for the FY 2012-13 have been budgeted upon the settlement of the funding formula litigation. This fund is projected to receive \$2,501,150 in FY 2012-13. Collections for prior years are as follows:

2002	\$2,301,327
2003	2,083,252
2004	2,198,593
2005	2,548,311
2006	2,703,314
2007	2,748,648
2008	2,681,445
2009	2,622,351
2010	2,454,827
2011	2,467,323

The annual allocations are added to the existing fund balance, less expenses for projects. The Car Rental Tax may only be expended for public safety projects, parks and recreation projects, and convention center/tourism uses.

Projected disbursements from this fund for FY 2012-13 are for costs associated with bonded indebtedness and operating expenditures.

### GRANT FUNDS

This fund accounts for activities carried out by the City under the terms of various intergovernmental grants. Numerous federal and state grants comprise the Grants Funds. Most grants require either local match funds or soft (in-kind) contributions. The grants anticipated for FY 2012-13 are as follows:

Source	Title	FY 2012-2013 Project Costs	Match \$'s	Match Ratio
Federal Grant	Department of Justice - Justice Assistance Grant	\$36,380	\$0	0%
Federal Grant	Safer Grant	130,200	\$0	0%
Federal Grant	Small Business Admin	97,695	\$0	0%
State Grant	GDOT/ARC Grant Phoenix Trail	879,000	\$0	0%
State Grant	Godby Road and Old National Parkway TE Project	440,800	\$0	0%
State Grant	Main Street TE Project	500,000	\$0	0%
State Grant	Old National Bus Shelters - MARTA	236,000	\$0	0%
		<u>\$2,320,075</u>		

**Community Development Block Grant (CDBG) Fund \$0** – This Fund reports the Grant Income from the CDBG and the expenditure of those funds. There are no monies budgeted for CDBG funds for FY 2012-13.

**Confiscated Drug Funds \$55,745** - This Fund records the proceeds from confiscated drug funds and the expenditures of those funds on Police-related operations, supplies and/or capital items.

**State Drug Fund \$0** – This Fund reports the City share of State Drug monies that are confiscated by the City. There are no monies budgeted for State Drug funds for FY 2012-13.

### CAPITAL PROJECT FUNDS

**Main Street Fund** \$122,877 – This fund accounts for the purpose of redevelopment of the City’s Main Street. Mayor and Council have appropriated fund for the purchase of properties and the renovation of those structures for ultimate resale to new businesses. Proceeds from sales are then reinvested in additional properties.

**Special Local Option Sales Tax Fund (SPLOST) Fund** \$436,000 – This fund accounts for proceeds of a sales tax levied in Clayton County, which will be used by the City for the exclusive purpose of capital outlay projects.

### **AGENCY FUND**

**Municipal Court Fund** \$0 – This fund accounts for the receipt and disbursement of bonds (posted to secure release of individuals charged with various crimes) and court-ordered fines and fees made on behalf of third parties. There are no monies budgeted for Municipal Court funds for FY 2012-13.

### **DEBT**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Also, to account for lease purchases from commercial paper loans for shorter-term financing.

All of the long-term debt owed by the City is in the form of Revenue Bonds. Revenue Bonds are repaid with proceeds of revenues paid by users of that service, as opposed to General Obligation Bonds, which are tax supported. By using this form of debt, pressures on the General Fund are minimized.

**Convention Center** - \$20,375,000. These revenue bonds, Series 2001, were issued for the purpose of constructing the new Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2011 was \$16,250,000.

**Convention Center** - \$53,475,000. These revenue bonds, Series 2005, were issued for the purpose of refunding a portion of the City’s Civic Center Project Revenue Bonds, series 2000, in order to refinance a portion of the costs of the convention center facility leased by BIDA to the City of College Park. The outstanding balance of these revenue bonds at June 30, 2011 was \$53,375,000.

**BIDA** - \$11,250,000. These revenue bonds, Series 2004, relates to the construction of the Public Safety Complex completed in November 2005. The outstanding balance of these revenue bonds at June 30, 2011 was \$8,715,000.

**BIDA** - \$25,875,000. These revenue bonds, Series 2006, were issued for the purpose of financing the costs of acquiring land to be used as a site for a new hotel, retail, and office complex near the convention center facility, which land will be

leased by BIDA to the City of College Park. The outstanding balance of these revenue bonds at June 30, 2011 was \$24,660,000.

**BIDA - \$34,060,000.** These revenue bonds, Series 2008, were issued for the purpose of financing the costs of acquiring, construction, and opening of a 402-key first class headquarters hotel and a 148-key select service hotel, on a site owned by the Authority which is adjacent to Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2011 was \$34,060,000.

**BIDA - \$7,445,000.** These revenue bonds, Series 2008A, were issued for the purpose of financing the costs of acquiring and construction of a 138,000 gross square foot, four story office building and related parking, on a site owned by the Authority which is adjacent to Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2011 was \$7,180,000.

**FAA Projects I and II -** The amounts borrowed in two separate issues (Series 1993 and 1999) were used to construct and equip the Regional Offices of the Federal Aviation Administration (FAA) and secured by a non-cancelable lease from the General Services Administration (GSA). Under the lease with the City, the City is obligated to make up the difference of rental payments received by the FAA to ensure amounts are sufficient to make principal and interest payments on the bonds. A management company runs the facilities and disbursements are authorized at that level.

**FAA - \$8,500,000.** Series 1993. The outstanding balance of these revenue bonds at June 30, 2011 was \$2,955,000.

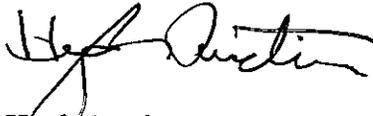
**FAA - \$28,995,000.** Series 1998. The outstanding balance of these revenue bonds at June 30, 2011 was \$8,680,000.

## CONCLUSION

In conclusion, the programs outlined in the following pages of this budget document are attainable, reasonable, and worthy of your serious consideration. Although again this has been another difficult budget process, this budget will allow the City to continue to provide outstanding services to our citizens. The City will also be able to continue our efforts in economic development and continued development of the GICC Gateway Project. Finally, College Park is committed to improving our process and procedures and becoming a more efficient organization. My sincere appreciation goes to all the Department Heads and all other City staff members for their careful effort put forth in the planning and implementation of this budget. Also special thanks to Finance Director Richard D. Chess and his staff for their professional attention to detail during this first phase of this year's budget process.

The 5 year financial forecast that was developed during FY 2011-12 will be used as a strategic financial planning tool to address the fiscal challenges and opportunities as we continue to grow and prosper in College Park.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Hugh Austin". The signature is fluid and cursive, with a prominent initial "H" and a long, sweeping underline.

Hugh Austin  
Interim City Manager

**CITY OF COLLEGE PARK, GEORGIA  
PERSONNEL SUMMARY**

<b>Fund</b>	<b>Department</b>	<b>FY 2011-2012 Positions</b>	<b>Vacant Positions</b>	<b>FY 2012-2013 City Manager Recommended</b>
General	Legislative	10	1	10
	Executive	5.5	0.5	5.5
	Financial Admin.	3		3
	Accounting	5	1	5
	Public Information	3		3
	Business License	1		1
	Purchasing	2	1	2
	Information Technology	6	1	6
	Human Resources	3		3
	Buildings/Grounds	11		11
	Engineering	3		3
	Municipal Court	9	1	9
	Police Admin.	15		13
	Police Patrol	86	1	86
	Police Investigations	12		12
	Corrections (Jail)	6		6
	Fire Admin.	8	2	7
	Fire Suppression	70	8	70
	EMS	1		1
	Public Works Admin.	4		4
	Highways/Streets	12		12
	Recreation Admin.	3	1	2
	Recreation Programs	16		16
	Recreation Facilities	8		6
	Parks	13		9
	Inspection	6	1	7
Business Development	2.5	0.5	3.5	
<b>Total General Fund</b>		<b>324</b>	<b>19</b>	<b>316</b>
Power	Line Section	14		14
	Warehouse	1		1
	Meter Reading	5	1	5
	Account Maintenance (Customer Service)	11	1	11
	Main Street	1		1
Water and Sewer	18		18	
Sanitation	36		35	
Convention Center	54	1	54	
Communications (E911)	17		17	
Storm Water Utility	4		4	
<b>Total Other Funds</b>		<b>161</b>	<b>3</b>	<b>160</b>
<b>TOTAL ALL FUNDS</b>		<b>485</b>	<b>22</b>	<b>476</b>

**CITY OF COLLEGE PARK, GEORGIA**  
**NEW POSITIONS REQUESTED**

<b>Department</b>	<b>Request</b>	<b># Requested</b>	<b>City Manager Recommended</b>
Inspections	Part-time Office Clerk	1	1
Economic Development	Administrative Coordinator	1	1
<b>Total New Positions General</b>		<b>2</b>	<b>2</b>