LAWRENCEVILLE
GEORGIA

FINANCIAL REVIEW CITIZEN COMMITTEE

AGENDA

Thursday, October 07, 2021	Third Floor Conference Room
7:00 PM	70 S. Clayton St, GA 30046

Call to Order

Approval of Prior Meeting Minutes

Discussion Items

1. FY 2022 Budget and Budget Process

Adjournment

LAWRENCEVILLE
GEORGIA

AGENDA REPORT
MEETING: FINANCIAL REVIEW CITIZEN COMMITTEE
AGENDA CATEGORY: DISCUSSION

Item:	FY 2022 Budget and Budget Process
Department:	Finance
Date of Meeting:	Thursday, October 7, 2021
Fiscal Impact:	N/A
Presented By:	Keith Lee, Finance Director
Action Requested:	N/A

Summary: Fiscal Year 2022 budget discussion

Attachments/Exhibits:
Budget Committee PowerPoint

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1821-2021

Budget Committee
10.7.2021

LAWRENCEVILLE, GEORGIA

Topics

- Budget Process
- Fund Types
- FY 2022 Budget Overview
- Federal Funding
- Questions

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BICENTENNIAL

What is a Budget?

- City of Lawrenceville budgets are adopted on a basis consistent with Generally Accepted Accounting Principals (GAAP). Our budget is a balance budget where current revenue is equal to or greater than operating expenses and maintenance capital.

- Unassigned fund balance is used for one-time capital/or/ one-time operational needs such as new programming.

Budget Process

Development & Preparation

Review & Adoption

Execution

Development & Preparation

- City Retreat: Goal setting retreat held to help departments think strategically about what is to be accomplished in the coming year. Discussion on budget and budget priorities based upon citywide goals, concerns and issues.
- Departments submit initial budget requests to Budget Staff.
  - Operating Budget
  - Capital Request
  - New Staff Request
- Budget Staff meet with Citizen Finance Committee to review Department Request.
- Budget Staff work with City Manager to compare projected revenues against requested expenditures by Fund.
- City Manager refines request and develops the Manager’s Proposed Budget which is presented to Mayor and City Council.

Review & Adoption

- Mayor and City Council review proposed budget.
- Hold Public Meetings
  - Public hearings are advertised
- City Council Adopts budget for upcoming fiscal year.

Execution

- City Manager, City Departments and Financial Services work throughout the year to execute & monitor the City's Budget.
  - Services, Programs and Projects in the Approved Budget are carried out by City Departments.
- Financial Services Department reviews and approves all requisitions and check requests for accuracy. Departments are not allowed to exceed expenditures at the department fund level by Georgia law.
- Monthly budget reports are submitted to the City Manager and Mayor and Council to provide status reports on revenues and expenditures.

Fiscal Year 2023 Schedule

January -March 2022
Meet with each Department Director to go over operational needs, business plan and review 5-year capital budget.

Wednesday, February 9, 2022- (Work Session 5:00pm)
Discuss Capital with Mayor and Council.

Friday, February 18, 2022
Budgets due from Departments.

Friday, March 4, 2022
Provide Management with Preliminary Budget Document.

March 9-April 6, 2022
Meetings with Management and Departments to review Budget submissions.

February 28-April 1, 2022
Meetings with Citizens Finance Committee to review Department Requests.

April 13, 2022 (Work Session 5:00pm)
Submit Budget to Council.

Monday, April 25, 2022
1st Council Budget work Day **(5:00 pm before Council Meeting)**

Wednesday May 11, 2022
Advertise Public Hearings on Budget

Wednesday, May 11, 2022
2nd Council Budget work Day **(3:00 pm prior to Work Session)**

Wednesday, May 11, 2022 (Work Session 5:00pm)
Discuss Millage as necessary

Monday, May 23, 2022
1st Public Hearing on Budget (7:00pm)

Wednesday, May 25, 2022
Advertise 2nd Public Hearing on Budget

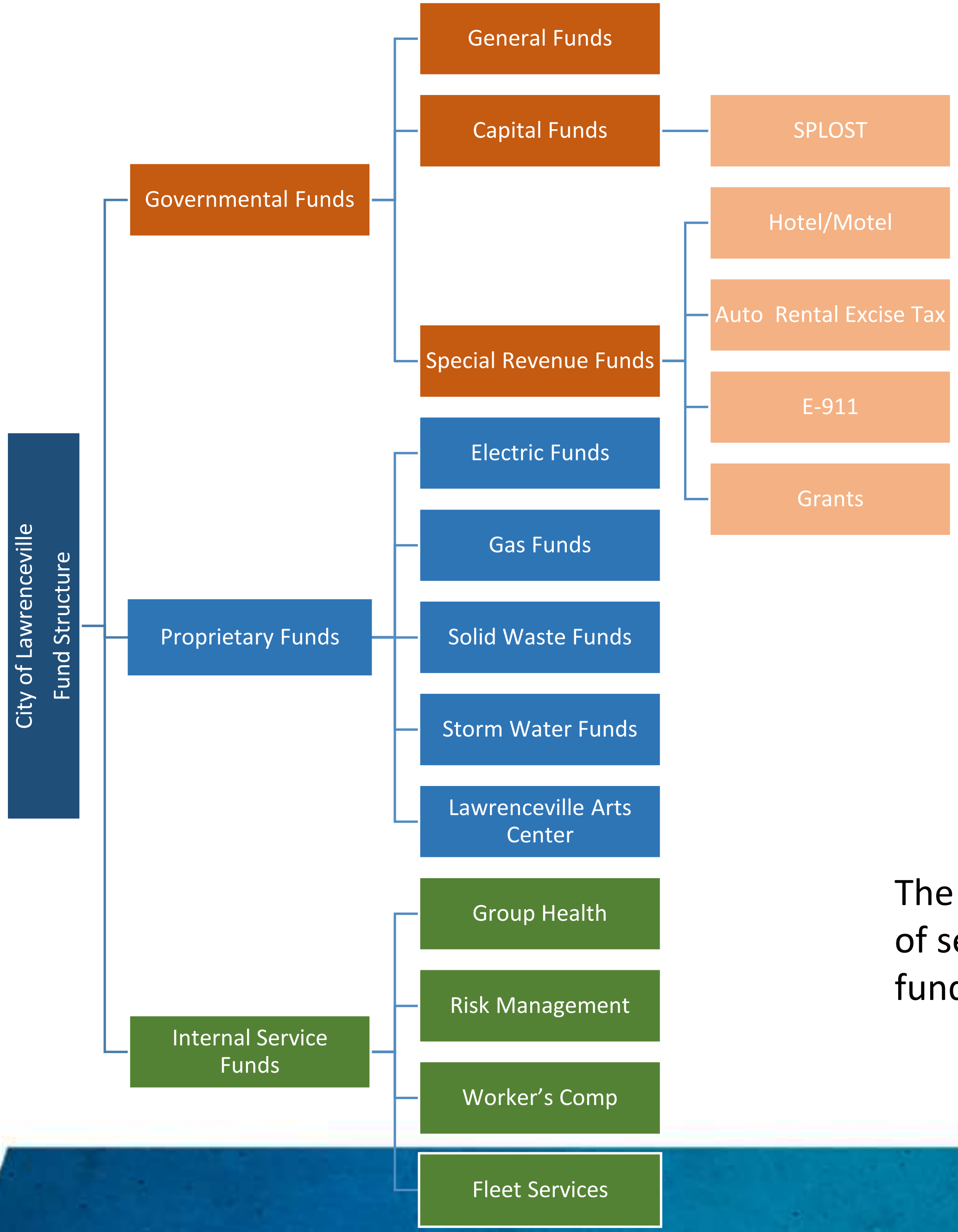
Wednesday, June 8, 2022
3rd Council Budget work Day (3:00 pm prior to Work Session)

Wednesday, June 8, 2022-(Work Session, 5:00pm)

2nd Public Hearing on Budget

Mid-June 2022 (Projected)
Anticipated date for digest from the County

Monday, June 20, 2022
Adopt Budget at regular Council Meeting (7:00pm)



The operation of each fund is accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, fund equities, revenues, and expenditures or expenses.

1.

General Fund (100) accounts for all resources except those requiring accounting for in another fund.

Special Revenue Funds used to account for the proceeds from specific revenue sources that are restricted to expenditures for specific purposes.

Confiscated Assets (210/211) used by law enforcement to be used in seizure of assets

E-911 Fund (215) works in conjunction with police services to receive and dispatch emergency calls

Hotel/ Motel (275) use to help support Community Relations department

Capital Projects Fund (355) to account for financial resources used for the acquisition and construction of major capital projects.

SPLOST is Special Purpose Local Option Sales Tax used for capital projects

Proprietary Funds

Electric (510) accounts activities to the City’s electrical system.

Gas (515) accounts activities to the City’s gas system.

Solid Waste (540) accounts for activities to the City’s garbage, recycling and yard waste collections.

Storm Water (560) accounts for expanses relating storm water drainage system.

- **Internal Service Funds**
  - Group Health (610) accounts for cost of health insurance benefits
  - Worker’s Compensation (615) accounts for cost for worker’s compensation insurance
  - Fleet Services (620) accounts for cost of maintenance and repair of City vehicles
  - Risk Management (625) accounts for property and liability insurance cost

1.

	Department Funding Sources														
	General Fund	Confiscated Assets Fund	E-911 Fund	Hotel / Motel Fund	Vehicle Rental Fund	Electric Fund	Gas Fund	Solid Waste Fund	LPAC	Stormwater Fund	Health Insurance Fund	Worker's Comp Fund	Fleet Fund	Risk Management Fund	Capital Improvement Fund
Departments	100	210/211	215	275	280	510	515	540	555	560	610	615	620	625	355
MAYOR & CITY COUNCIL	0														
CITY MANAGER	0				0							0			0
COMMUNITY RELATIONS	0			0											
COURT	0														
DAMAGE PREVENTION	0														
E-911			0												
ELECTIONS	0														
ELECTRIC						0									0
ENGINEERING	0														0
FACILITIES & RISK MANAGEMENT	0													0	0
FINACIAL SERVICES	0														0
FLEET SERVICES													0		0
GAS DISTRIBUTION							0								0
HUMAN RESOURCES	0										0				
IT/DATA PROCESSING	0														0
PERFORMING ARTS THEATRE									0						
PLANNING & ZONING	0														
POLICE	0	0	0												0
PUBLIC WORKS	0														
PURCHASING	0														
SOLID WASTE								0							
STORMWATER										0					0
STREET	0														0

FY 2022 Highlights

- Personnel:
  - New Positions
    - 4 Police Officers (part-time)
      - Support Court Operations
      - Free up full-time officers
    - 1 Planner
  - Salary Adjustments 5.5%
    - Based on the Atlanta MSA Wage and Salary increases over the last 12 months as reported by the US Department of Labor and Statistics
    - Implementation January 1, 2022
- Capital Improvements Include:
  - New Funding for Lawrenceville Performing Arts Center (New Fund)
  - New Funding for Art Commission Projects
  - Increase in Funding for Maintenance and Upgrades for Gas System
  - Increase in Funding for Maintenance and Upgrades for Electric System
  - Increase in Funding to Maintain or Improve City Services
    - IT Funding for Software and Network improvements
    - Equipment for Fleet Services
    - Maintenance and Repair of City Facilities

FY2022 Overview

Fund	Revenue	Expense	Net
100 - GENERAL FUND	($33,923,428)	$33,923,428	$0
210 - CONFISCATED ASSETS-FEDERAL	($51,100)	$0	($51,100)
211 - CONFISCATED ASSETS-LOCAL	($31,000)	$337,821	$306,821
215 - 911 FUND	($1,159,757)	$1,159,757	$0
275 - HOTEL/MOTEL TAX FUND	($275,000)	$275,000	$0
280 - RENTAL MV EXCISE TAX FUND	($90,000)	$90,000	$0
355 - CAPITAL PROJECTS FUND	($4,206,864)	$4,206,864	$0
510 - ELECTRIC FUND OPERATING	($38,307,400)	$38,307,400	$0
511 - ELECTRIC FUND CAPITAL	($3,080,000)	$3,080,000	$0
515 - GAS FUND OPERATING	($45,456,500)	$46,941,830	$1,485,330
516 - GAS FUND CAPITAL	($3,107,700)	$3,107,700	$0
540 - SOLID WASTE FUND OPERATING	($2,515,860)	$2,515,860	0
541 - SOLID WASTE FUND CAPITAL	$0	$0	$0
555 – LAWRENCEVILLE ARTS CENTER (new)	($750,000)	$750,000	$0
560 - STORMWATER FUND OPERATING	($2,360,675)	$2,360,675	$0
561 - STORMWATER FUND CAPITAL	($1,827,469)	$1,827,469	$0
610 - GROUP HEALTH FUND	($7,500,000)	$7,500,000	$0
615 - WORKERS COMPENSATION FUND	($342,100)	$342,100	$0
620 - FLEET SERVICE FUND	($1,910,432)	$1,910,432	$0
625 - RISK MANAGEMENT FUND	($693,890)	$693,890	$0
Grand Total	**($147,589,175)**	**$149,330,226**	**$1,741,051**

General Fund

	Revenue	Expense	
31 - Taxes	8,284,500	15,246,058	51 - Personal Services
32 - Licenses & Permits	926,200	6,275,660	52 - Contracted Services
33 - Intergov Revenues	11,000	1,533,495	53 - Supplies
34 - Charges for Services	7,444,835	7,953,166	55 - Interfund Charges
35 - Fines & Forfeitures	1,484,600	2,511,992	57 - Other Costs
36 - Investment Income	175,000	93,550	58 - Debt Service
37 - Contributions	0	309,507	61 - Other Financing Uses
38 - Miscellaneous	426,633		
39 - Other Financing	15,170,660		
	$33,923,428	$33,923,428	

Electric Fund

- $38,307,400 Proposed Budget
  - Final year of Base Rate Changes
    - Additional $3 per month on the base rate – January 2022
- Fund Transfers Out
  - $3,080,000 Electric Capital
  - $7,227,890 General Fund (Operating)
    - Does not include Indirect Costs

Gas Fund

- $46,941,830 Approved Budget
  - Second Year of Increase to Base Rate $1 per month – September 2021
- Fund Transfers Out
  - $3,107,700 Gas Capital
  - $3,906,864 General Fund Capital
  - $7,592,770 General Fund Operating
    - Does not include Indirect Costs
  - $1,000,330 Solid Waste Fund

Storm Water Fund

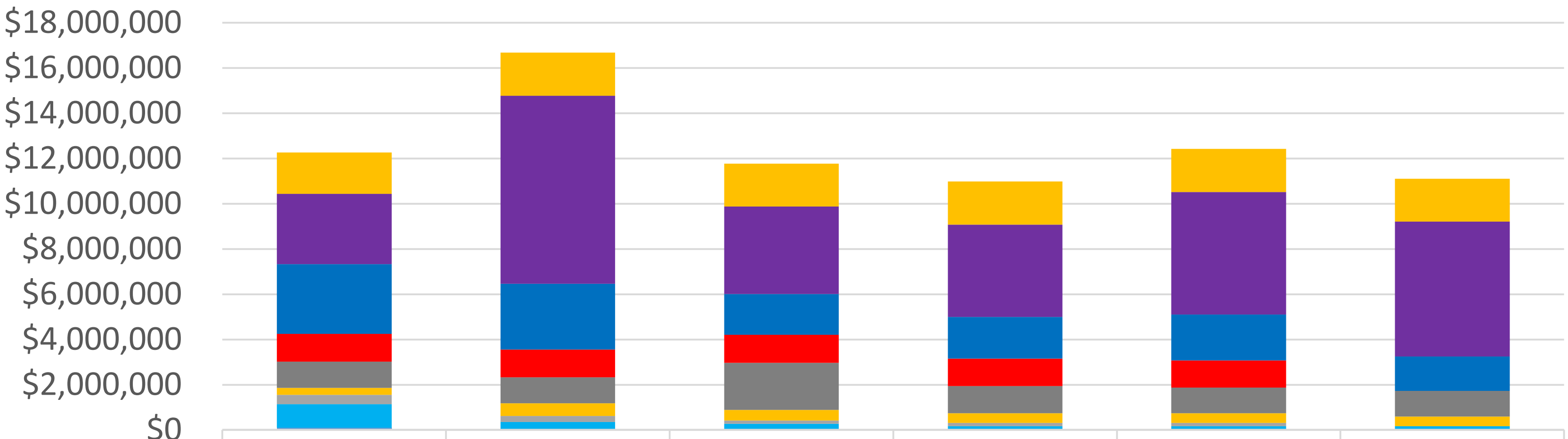
- $2,360,675 Approved Budget
- Fund Transfers Out
  - $1,827,469 for Stormwater Capital

Capital Projects

$12,222,033 Approved Budget

- Highlights
  - $1,130,000 Street Resurfacing
  - $1,045,322 for IT Projects
    (Network Upgrade, ERP System, etc.)
  - $250,000 Arts Commission Projects
  - $3,080,000 for Electric Projects
    (Overhead & Underground Maintenance, Improvements, etc.)
  - $3,107,700 for Gas Projects
    (New Mains and Services, Meter Replacement, etc.)
  - $1,827,469 Storm Water
    (Storm Water Maintenance)

Approved Budgets- Capital



	FY 2022	FY 2023 *	FY 2024	FY 2025	FY 2026	FY 2027
Stormwater	$1,827,469	$1,900,000	$1,900,000	$1,900,000	$1,900,000	$1,900,000
Gas	$3,107,700	$8,317,400	$3,871,400	$4,082,700	$5,419,100	$5,962,200
Electric	$3,080,000	$2,910,000	$1,805,000	$1,840,000	$2,025,000	$1,525,000
Fleet	$1,226,400	$1,224,000	$1,236,000	$1,220,000	$1,202,000	$0
Streets	$1,155,000	$1,146,000	$2,080,000	$1,195,000	$1,130,000	$1,130,000
PW	$309,000	$554,500	$462,000	$430,000	$430,000	$430,000
Police	$408,963	$268,179	$152,124	$152,124	$152,124	$0
IT	$1,045,322	$355,816	$271,971	$160,184	$161,457	$162,794
Admin	$100,000	$0	$0	$0	$0	$0

* 2 Large Gas Improvements Due to SR 316 GDOT Projects – anticipate funding from GDOT

Federal Funding

American Rescue Plan

- Funding from Federal Government to State and Local Governments to respond to COVID-19 public health emergency and its economic impacts.

- Bill provides four eligible areas for use of funds:
  - Eligible
    - Category A) To respond to the public health emergency or its negative economic impacts
    - Category B) To respond to workers performing essential work
    - Category C) For the recovery of lost general revenue
      - Funds must be used to fund general government operations or projects
    - Category D) To make necessary investments in water, sewer, or broadband infrastructure

- City of Lawrenceville to receive $11,514,536 over two years
  - $5,757,268 was received in July 2021

City Proposed Plan

- To respond to the public health emergency or its negative economic impacts
  - Recover added costs associated with Lawrenceville Arts Center Construction $2,126,651 to address COVID concerns
  - Recover costs and improve downtown facilities for outdoor dining $554,021
  - Recover costs associated with blight $350,000
  - Recover costs and pay for future costs associated with Lawrenceville Response Center $567,583
    - Utility assistance and Family relocations
  - Fund costs for Police Co-responder program $600,000 (4 years)
  - Implement a Neighborhood Stabilization program $1,600,000

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City Proposed Plan

- To respond to workers performing essential work
  - Recover One-Time Premium Pay for employees (June 2021) $684,116
- For the recovery of lost general revenue
  - Recover Revenue declines for non-utility and non-special revenue funds $1,363,207
  - Funds must be spent on General Fund Operations or Capital
    - IT improvements
    - Repaving projects
- To make necessary investments in water, sewer, or broadband infrastructure $2,500,000
  - Sanitary Sewer Improvements
    - SR 316 | SR 20 and College Corridor Area
    - Gwinnett Drive and Scenic Hwy Area
  - Undefined - $1,168,958

City Proposed Plan

Project		General Fund FY 2021	General Fund Post FY 2021
LPAC Expansion	Category A	$65,072	
LPAC/Bobby Sikes Improv.	Category A		$2,061,579
LRC - COVID/Utiltiy Assistance	Category A	$314,583	$105,000
LRC - Villa Lodge	Category A	$100,000	
LRC - North Clayton	Category A	$48,000	
N. Clayton Blight	Category A	$350,000	
Downtown Outdoor Dining	Category A	$54,021	$500,000
Neighborhood Stabilization	Category A		$1,600,000
Police Co-responder Program	Category A		$600,000
Premium Pay- Essential Workers	Category B	$684,116	
Revenue Replacement**	Category C		$1,363,207
Sanitary Sewer Improvements	Category A & D		$2,500,000
Undefined			$1,168,958
Total		$1,615,792	$9,898,744
Grand Total			**$11,514,536**

Georgia ReCAST Grant

- Federal Grant provides $5M funding over five years
- Addresses the City's resource needs to serve At-Risk Youth in Lawrenceville by:
  - Hosting training/workshops to increase leadership opportunities for youth involvement.
  - Continue with possible expansion of Summer of Impact Internship Program
  - Create referral process to improve/remove barriers of success (homelessness, food insecurities, childcare needs, mental health)

Questions