Mastering the Fundamentals
Budgeting 101

Andrea Arnold, Meredith Roark, Jenny Payne-Simpkins
ICMA Conference Presenters
Budgeting 101 Objective

To provide the key elements of an effective budget that are accomplished in two drastically different annual budget processes.
Today’s Panelists

Andrea Arnold
Decatur, GA

Meredith Roark
Decatur, GA

Jenny Payne-Simpkins
Gwinnett Co, GA
Gwinnett County
880,787 residents
437 square miles
$1.4 billion budget

City of Decatur
20,086 residents
4.3 square miles
$51.9 million budget
Why do we need a budget?

- Required by law
- To prioritize projects with taxpayers’ interest in mind
- To ensure accountability
Key Elements of an Effective Budget

Operations Guide
Financial Plan
Policy Document
Communications Device

Source: Government Finance Officers Association
The budget as an operations guide
## Board of Commissioner priorities are the foundation

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<tbody>
<tr>
<td>Board of Commissioners Strategic Planning Meeting</td>
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<td>Departmental Strategic Planning Meetings</td>
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<td>Millage rate adoption for current year</td>
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## Budget Development

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<tr>
<td>Departments prepare draft Capital Budgets</td>
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<td>Capital Review Team Meetings</td>
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<td>Departments prepare draft Operating Budgets</td>
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<tr>
<td>Chairman convenes Chairman’s Budget Review Team</td>
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<tr>
<td>Departments present business plans to Review Team</td>
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## Finalize and Adopt

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<td>Chairman finalizes recommendations</td>
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<td>Chairman's proposed budget presented to Board of Commissioners</td>
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<tr>
<td>Chairman's proposed budget published</td>
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<td>Budget availability advertised</td>
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<td>Board of Commissioners' review and input</td>
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<td>Public Hearing</td>
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<td>Budget adoption</td>
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Operating budgets are business plans

All departments create business plans

Business plans include budget requests

Business plans presented to Chairman’s Budget Review Committee

Department/Agency Presentations September 2014
Excerpt from 2015 Adopted Budget

Planning and Development

Goals, Performance Measurements, Accomplishments, Issues and Initiatives, and Budgets

Departmental Goals
1. To process zoning and special use permits within 90 days to ensure that property is developed in accordance with the comprehensive plan.

2. To process plan review of all submitted project plans within eight days of receipt to avoid delaying projects.

3. To process building permits within one day of request to ensure a responsive level of customer service.

4. To conduct building inspections within two business days to ensure safe construction.

5. To provide outstanding customer service by monitoring customer feedback.

Operations Guide – Gwinnett County

Current Wait Times

Thursday, August 20, 2015 10:55:48 AM

Legend:
- 0.30 Minutes
- 31-60 Minutes
- +60 Minutes

Customers Waiting for Initial Meeting / Review

<table>
<thead>
<tr>
<th>Customer Name</th>
<th>Customer Number</th>
<th>Check-in Time</th>
<th>Time Customer has Been Waiting</th>
</tr>
</thead>
<tbody>
<tr>
<td>MATTHEW COOK</td>
<td>CUSTOMER # 0822015-076</td>
<td>10:43:41</td>
<td>10</td>
</tr>
<tr>
<td>BRUCE SEINER</td>
<td>CUSTOMER # 0837015-070</td>
<td>10:56:12</td>
<td>8</td>
</tr>
<tr>
<td>ROCHELL MCCOT</td>
<td>CUSTOMER # 0822015-087</td>
<td>10:37:28</td>
<td>10</td>
</tr>
<tr>
<td>CHARLES PHILLIPS</td>
<td>CUSTOMER # 0822015-075</td>
<td>10:14:52</td>
<td>11</td>
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<tr>
<td>WILLIAM KELLEY</td>
<td>CUSTOMER # 0822015-085</td>
<td>10:24:03</td>
<td>2</td>
</tr>
<tr>
<td>patrick stanton</td>
<td>CUSTOMER # 0822015-085</td>
<td>10:17:15</td>
<td>38</td>
</tr>
</tbody>
</table>

Welcome to the E-Services Homepage

Gwinnett County
Dept. of Planning and Development
Police Quality of Life Unit
Fire Marshal’s Office

All E-Services are available 24 hours a day, seven days a week.

ELECTRONIC PLAN SUBMITTAL FOR CONCEPT PLAN PERMITS IS NOT AVAILABLE:

Gwinnett County is pleased to announce the rollout of Online Plans Submittal. Beginning April 15th, registered users will be able to submit Concept Plans online.

To read and download the “How To” guide for Online Plans Submittal, click here.

More plan types will be available for electronic submittal in the coming weeks.
Accomplishments

FY 2014-2015 Accomplishments:

• Installed a concrete chess table in the downtown district and will install one in Harmony Park when the Oakhurst Streetscape program is completed (Task 1D and 1E)
• Expanded role of the PALS staff to become more active downtown ambassadors (Task 1E)
• Revised the calendar of city-sponsored festivals and special events to replace older events with new activities (like the Maker’s Faire) in partnership with local residents and expanded festivals and events to different areas of the commercial district as with the dance Dance DANCE event (Task 2E)

FY 2015-2016 New Projects, Programs and Policies:

• Place the Parkwood Local Historic District on the National Register of Historic Places (Goal 4)
• Facilitate the redevelopment of the Callaway Property, Avondale MARTA south parking lot, East Decatur Station area and other surface parking lots in commercial areas (Goal 3)
• Provide expanded amenities for the square and Oakhurst Village including plantings, way finding signage, holiday lights, bicycle racks, umbrellas, shade structures and outdoor furniture (Task 1D)
• Implement pop-up retail recruitment strategy (Goal 2)
POLICE DEPARTMENT
ADOPTED 2015-2016 BUDGET ESTIMATE

The Police department ensures the safety of Decatur residents and visitors through proactive patrolling, crime prevention and investigation. Employees of the Police Department also provide information and general assistance to the public.

Mission Statement:

The mission of the City of Decatur Police Department is to promote the quality of life in Decatur by providing police services with integrity and a spirit of excellence, in cooperation with the community.

<table>
<thead>
<tr>
<th>Citizen Satisfaction Survey responses:</th>
<th>Performance Measures:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Police services</td>
<td>Number of alarms responded to</td>
</tr>
<tr>
<td>2006: 84% rated as excellent/good</td>
<td>FY 2011: 2,167</td>
</tr>
<tr>
<td>2008: 91% rated as excellent/good</td>
<td>FY 2012: 2,220</td>
</tr>
<tr>
<td>2010: 90% rated as excellent/good</td>
<td>FY 2013: 2,931</td>
</tr>
<tr>
<td>2012: 89% rated as excellent/good</td>
<td>FY 2014: 2,966</td>
</tr>
<tr>
<td>2014: 92% rated as excellent/good</td>
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<tr>
<td>Feeling of safety in your neighborhood during the day</td>
<td>Number of out of town house check forms received via the web</td>
</tr>
<tr>
<td>2006: 97% felt feeling “very” or “somewhat” safe</td>
<td>FY 2011: 438</td>
</tr>
<tr>
<td>2008: 96% felt feeling “very” or “somewhat” safe</td>
<td>FY 2012: 658</td>
</tr>
<tr>
<td>2010: 97% felt feeling “very” or “somewhat” safe</td>
<td>FY 2013: 773</td>
</tr>
<tr>
<td>2012: 98% felt feeling “very” or “somewhat” safe</td>
<td>FY 2014: 1,220</td>
</tr>
<tr>
<td>2014: 96% felt feeling “very” or “somewhat” safe</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Quality of Police Services</th>
<th>No. of Alarms Responded To</th>
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<tbody>
<tr>
<td>% rated excellent/good</td>
<td>2011 2012 2013 2014</td>
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<tr>
<td>80%</td>
<td>82% 84% 86% 88%</td>
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<tr>
<td>82%</td>
<td>84% 86% 88% 90%</td>
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<td>84%</td>
<td>86% 88% 90% 92%</td>
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<td>86%</td>
<td>88% 90% 92% 94%</td>
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<td>88%</td>
<td>90% 92% 94% 96%</td>
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<td>90%</td>
<td>92% 94% 96% 98%</td>
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<td>92%</td>
<td>94% 96% 98% 100%</td>
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<td>94%</td>
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</table>
The budget as a financial plan
A balanced budget

- Appropriated Fund Balances
- Estimated Revenues
- Appropriations
2015 Gwinnett County Budget

How much do we need to provide services?

### FY 2015 Appropriations

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>General Government</td>
<td>$100,780,378</td>
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<tr>
<td>Judicial</td>
<td>$141,034,076</td>
</tr>
<tr>
<td>Public Safety</td>
<td>$249,309,685</td>
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<tr>
<td>Public Works</td>
<td>$423,810,072</td>
</tr>
<tr>
<td>Health and Welfare</td>
<td>$7,655,559</td>
</tr>
<tr>
<td>Culture and Recreation</td>
<td>$84,641,847</td>
</tr>
<tr>
<td>Housing and Development</td>
<td>$29,589,605</td>
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<tr>
<td>Debt Service</td>
<td>$104,566,954</td>
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<tr>
<td>Other Financing Uses</td>
<td>$200,000</td>
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<tr>
<td><strong>Total 2015 Appropriations</strong></td>
<td><strong>$1,141,588,176</strong></td>
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### FY 2015 Revenues

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<tr>
<th>Source</th>
<th>Amount</th>
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<tr>
<td>Taxes</td>
<td>$558,061,120</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>$7,722,250</td>
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<tr>
<td>Intergovernmental</td>
<td>$31,600,886</td>
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<tr>
<td>Charges for Services</td>
<td>$442,119,631</td>
</tr>
<tr>
<td>Fines and Forfeitures</td>
<td>$16,316,325</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$6,438,912</td>
</tr>
<tr>
<td>Contributions and Donations</td>
<td>$17,685,715</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$4,605,858</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>$59,795</td>
</tr>
<tr>
<td><strong>Total 2015 Revenues</strong></td>
<td><strong>$1,084,610,492</strong></td>
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*Use of Fund Balance/Net Position*  

### Total Budgeted Appropriations  

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<th>Amount</th>
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<td>$1,172,946,753</td>
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### Total Budgeted Revenues  

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<tr>
<th>Amount</th>
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<tbody>
<tr>
<td>$1,172,946,753</td>
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How will we fund operations?

Operating

- Tax Related Funds
- Special Revenue Funds
- Enterprise Funds
- Internal Service Funds
How will we fund capital needs?

- General
- SPLOST
- Vehicle & Fleet Equipment
- Water & Sewer Renewal & Extension
SPLOST

- $2.5B since 1985
- 2009 SPLOST $671M over five years
- 2014 SPLOST $453M over three years
What’s the Impact?

Financial impact of each principle was added to the budget narratives

“...I was especially pleased to see the new inclusion in the budget this year of detailed expenditures from every City department categorized by the goals detailed in the plan. I believe it really allows one to identify the way in which all city staff is pursuing the goals expressed by the community.”

2012 Community Meeting participant

<table>
<thead>
<tr>
<th>Principle E Financial Support:</th>
<th>All Departments Involved In</th>
<th>Amount</th>
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<tbody>
<tr>
<td>ADP HR &amp; Payroll system</td>
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<td>89,000</td>
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<tr>
<td>Participation in ICMA Center for Performance Analytics</td>
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<td>8,300</td>
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<tr>
<td>IT Support &amp; Equipment</td>
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<td>725,340</td>
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<tr>
<td>Utilities</td>
<td></td>
<td>971,300</td>
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<tr>
<td>Audit &amp; other financial services</td>
<td></td>
<td>125,000</td>
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<tr>
<td>Janitorial supplies</td>
<td></td>
<td>53,100</td>
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<tr>
<td>Postage</td>
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<td>56,750</td>
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<tr>
<td>Telephones</td>
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<td>235,600</td>
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<tr>
<td>GIS</td>
<td></td>
<td>90,000</td>
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<tr>
<td>Insurance Premiums</td>
<td></td>
<td>257,200</td>
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<tr>
<td>Administrative Duties</td>
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<td>4,222,340</td>
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<tr>
<td>Training</td>
<td></td>
<td>299,650</td>
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<td><strong>TOTAL:</strong></td>
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<td><strong>$7,133,580</strong></td>
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The budget as a policy document
Policy=Vision Based Budget

- Strategic plan guides the budget process
- Measure strategic plan achievements
- Guiding principles
How do we do this?

• Team Approach
• Collaborative Foundation
• Creative Liberties
• Citizen Engagement
Benefits

- Engage employees in budget process
- Employees understand their role in strategic plan
- Strategic plan influences department work plans
- Public resources target plan priorities
- Community confidence that plan is being followed
The budget as a communications device
Communications Device

- Budget Document
- Traditional Public Meetings
- Citizen Engagement Opportunities

Communications Device– City of Decatur

ICMA
Budget Expo

Communications Device– City of Decatur
Communications Device– City of Decatur
Communications Device– City of Decatur

Principle A: Manage Growth While Retaining Character

Assessable commercial and residential growth while retaining Decatur's unique sense of place within an urban environment.

The preservation of Decatur's strong sense of community and unique character is an important goal for residents, business owners, and property owners. This goal is to make sure that development occurs in a manner that respects the heritage and tradition of the community. The City encourages new development that respects the historical and architectural values of existing commercial districts and meets the community's desire for charming commercial and retail spaces. This focus on enhancing the City's built environment is one that Decatur residents desire to see more of in their community.

Your key goals are centered on achieving this objective successfully.

During the 2010 strategic planning process, city residents and staff identified as a priority the enhancement of the quality of life in the City of Decatur. Over 80% of the citizens were respondents to the survey survey, with 75% of the community respondents indicating that they would like to see more commercial development in the community. Many of the residents indicated that a lack of commercial development is a gap in the community's economic development. This is an important goal for the City to pursue, as it will enhance the quality of life for current and future residents.

Community discussions indicate that commercial districts are an important economic development tool for Decatur's unique sense of community and character. Over the past five years, the City has taken steps to improve the air quality in the City. In the downtown area, there has been much needed rental property development, and these improvements have been important steps towards enhancing the quality of life for those who live and work in the City. In summary, the City of Decatur is making good progress towards achieving its goal of retaining and enhancing its unique sense of community and character. It is important that the City continues to make progress towards achieving this goal, as it will enhance the quality of life for all residents of the City.
Budgeting & Citizen Engagement

- Simple Technology
- Timely Feedback
- Low Cost

Proposed Budget » The City of Decatur’s Revised fiscal year 2014-2015 and Proposed fiscal year 2015-2016 budgets have been presented to the City Commission and are available to the public for review. The City’s budget is scheduled to be voted upon by the City Commission on June 15, 2015. Do you support the adoption of this budget by the City Commission?

www.peakdemocracy.com
Success Factors
Other Communications Ideas

The list on the left displays taxes and fees you pay to various taxing authorities (schools, community improvement districts, and state, city and county governments) to more closely represent your property tax bill. The pie chart and list on the right show the services your county government property taxes fund. To learn more, click on the links below.

### Taxes

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
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<tbody>
<tr>
<td>School Taxes</td>
<td>$653.70</td>
</tr>
<tr>
<td>City of Lawrenceville Taxes</td>
<td>$29.06</td>
</tr>
<tr>
<td>STATE OF GEORGIA TAXES</td>
<td>$3.20</td>
</tr>
<tr>
<td>County Government Taxes</td>
<td>$288.21</td>
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<tr>
<td>County General Fund</td>
<td>$177.60</td>
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<tr>
<td>Fire EMS</td>
<td>$76.80</td>
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<tr>
<td>Recreation</td>
<td>$25.66</td>
</tr>
<tr>
<td>Voter Approved Debt</td>
<td>$8.16</td>
</tr>
<tr>
<td>Police</td>
<td>$0.00</td>
</tr>
<tr>
<td>Development and Enforcement</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### County Government Taxes: $288.21

There are other important funding sources for County government in addition to property taxes. SPLOST is a major source of revenue for the County's capital improvement program. Click here to learn about the significant investment in infrastructure and facilities made possible by the penny sales tax program.
Other things to consider

• Budget laws and Truth in Taxation
• Revenue projections
• Forecasting
• Creative cost saving strategies
• Financial Policies-Fund Balance, Debt Service
• Performance Measures
• Fee Schedule
• Capital Improvements Plan
• Benchmarking-Decatur’s Dozen
Budget Exercise

• How would you spend $500 if you were:
  – An environmentalist?
  – Looking to add or maintain diversity?
  – A public education advocate?
  – Only interested in reducing taxes?
Budget Exercise

• The session will resume in about 10 minutes.

• Virtual Conference Attendees – Your resident type is based on your community’s population size.
  – Group A: 0-50,000
  – Group B: 50,001-250,000
  – Group B: 250,001-500,000
  – Group D: 500,001+
Questions/Comments?

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Jennifer.Payne@gwinnettccounty.com
770-822-8730