CITY OF SOUTH FULTON, GEORGIA
South Fulton Service Center Auditorium, 5600 Stonewall Tell Road
Tuesday, July 18, 2017, 5:00PM

The Honorable William "Bill" Edwards, Mayor
The Honorable Catherine F. Rowell, District 1, Mayor Pro Tem
The Honorable Carmalitha Gumbs, District 2 Councilmember
The Honorable Helen Z. Willis, District 3 Councilmember
The Honorable Naeema Gilyard, District 4 Councilmember
The Honorable Rosie Jackson, District 5 Councilmember
The Honorable khalid kamau, District 6 Councilmember
The Honorable Mark Baker, District 7 Councilmember

REVISED

WORK SESSION AGENDA

5:00PM

1. Peoples Campaign Branding Committee
2. Presentation by American Medical Response (AMR) regarding Ambulance Services
3. Update on Strategic Planning & Budget Workshop processes

4 City Attorney's proposal to establish an internal Protocol (Best Practices)

THE CITY OF SOUTH FULTON

SERVICE AREA:
BRANDING AND NAMING

PRESENTED TO:
MAYOR AND COUNCIL

by:
The People's Campaign
Branding Committee

Presenters: Harold Reid
and Richard Washington

July 18th, 2017

OVERVIEW

- PREFACE
- Goal
- Branding Overview
- Branding Methodology
- Vision and Mission – 2 options
- City Name and Process
- Recommendation of Team
- Chair and Co-Chairs
- Committee Members

PREFACE

This Branding Committee Action Plan of the People's was developed through a collaborative process between civic, business, religious, community activist, and other stakeholders who live throughout the City of South Fulton.

We would like to thank the City of South Fulton area volunteers and others who devoted many hours to the process of making this plan a reality by participating on the Brand Development Team, as well as the many residents who owned businesses, property owners, and others who contributed their time and valuable input of ideas, resources, and feedback.

The recommendations made in this Plan are based on the information provided by *many* caring and concerned citizens, research, best practices in other locations.

The results from implementation of this Branding Plan are dependent upon many factors, including the time, effort, funding availability, and cooperation of those involved in its Implementation.

THE **PRIMARY** GOALS OF THIS EFFORT

Creating a brand and marketing strategy around a "new city name" that positions the City in a positive light that is memorable which will make the City stand out among the competition. The Brand Development Team set forth the following goals for the City of South Fulton's branding effort:

- To provide the listing of possible city names that puts the city on the "map" as a terrific place to live, raise a family, own a business, and to visit.
- Selection of a city name and a marketing strategy that differentiate the city from the other cities throughout the metro-Atlanta area, the state, the nation..
- The development of a name and marketing and branding strategy which encourages families to move to the new city.
- The development of a name, marketing and branding strategy that identifies that markets specific industries for the development of a sustainable economy.
- Economic Development – To increase awareness of the City and increase the number of requests for information and, in turn, the number of successful relocations and expansions in targeted industries of hi-tech bio-medical, aviation/aerospace, advanced manufacturing, small and larges businesses, data processing, film/new media, headquarters and IT.
- Live, Work, & Play Community – To position the City as the choice for all age groups, young adults starting families, particularly those who place a high value on education.
- Community Cohesiveness – To help foster community and sense of place by creating a brand that can be used across many sectors and target audiences.

Branding OVERVIEW

What is branding?
Branding is the term for the identity – built through marketing and messaging – of a product, service, organization, individual and yes, even a community. Scott Cook, co-founder of Intuit pointed out, *"A brand is no longer what we tell the consumer it is – it is what consumers tell each other it is."* For a community, Cook's statement means the brand message must be authentic, believable and reflect the culture and characteristics of that community.

The Branding Committee was tasked with examining the following three areas:

- City Vision
- Mission Statement
- Naming Concepts

City Vision

The Vision statement for the City is meant to provide a clear image of where the community is heading over the next decade or two. It is meant to capture the spirit of the community and to inspire its residents and business partners to work towards a vibrant future. The vision reflects the hopes for the City for the future.

Mission Statement

The City's Mission statement serves as the City's broadest public policy directive. It should define the major impetus behind all municipal actions.

Naming Concepts

The process of selecting a new city name, identifying with it, and using it as a label isn't simple. Yet, it is a critical tool in achieving neighborhood stability and it should be approached carefully. The focus of the Branding Committee was to examine names the group thought was a reflection of the community in bringing people and the business community together to work under a shared identity.

BRANDING METHODOLOGY

July 18th, 2017

BUILDING THE CITIZEN TEAM

- Invitations were sent to the voter list used during the referendum phase.
- Citizens signed up for the group through the website
- The only requirements were name, address, email
- Citizens were asked to select one of 14 groups in which they would like to participate
- Over forty (40) residents and citizens of the City of South Fulton signed-up and volunteered.

VISIONS & MISSION OPTIONS

July 18th, 2017

VISION & MISSION
OPTION #1

Mission Statement

The City of South Fulton's mission is to provide municipal governance for its citizens and businesses that will be transparent in its operation, efficient in its execution and customer focused in its delivery of services.

Vision Statement

Our Vision is to provide services in a coordinated and seamless manner that will enhance the life, business and work experience of all who dwell therein. quality of life, stability and sustainability will be the keystones of the foundation upon which the municipality will be managed.

VISION & MISSION OPTION #1 cont.

We, the citizens and administration, will strive to advance these principles by pursuing the following goals:

- Be inclusive across generations
- Preservation of natural resources and landscapes
- Create a climate that encourages a vibrant business environment
- Respect for the law among the citizenry and the Law Enforcement Community
- Foster a sense of community through enhanced recreational opportunities for all
- Create an environment that encourages citizen participation in the Municipal Governance process
- Maintain a fiscally Responsible environment that respects the taxes provided to maintain the City
- Appreciation for those workers who insure the continued efficient operation of the Municipality

VISION & MISSION OPTION #2

Mission Statement

To provide municipal governance for its citizens and businesses that will be transparent in its operation, efficient in its execution and customer focused in its delivery of services.

Vision Statement

Our Vision is to provide services in a coordinated and seamless manner that will enhance the life/business/work experience of all who dwell therein.

VISION & MISSION OPTION #2 cont.

Quality of Life Statement

To become a safe, clean, healthy, productive city where communities are revitalized, history is preserved and the natural environment is protected and respected.

VISION & MISSION OPTION #2 cont.

These principles will be accomplished through:

- City Services - To deliver effective and efficient services to all citizens, without bias or prejudice
- Our Employees - To provide our employees with safe, clean, productive, and technologically friendly workplaces where we encourage pride, productivity and accountability for the quality of their work and where they are given meaningful opportunities for professional growth
- Communications - To be accessible to all people in our diverse community, to answer their questions promptly, to listen respectfully, and in all of our communications, to be truthful, responsive, and professional and create an environment that encourages citizen’s participation in the municipal process

VISION & MISSION OPTION #2 cont.

- Financial Management - To be effective and responsible stewards of public resources, to wisely and prudently use these resources for the public good, and to be accountable to those who have placed their trust in us.
- The Law - To respect the law by word, in external and internal communications, and by deed, by enforcing and abiding by all applicable federal, state, and local laws
- Economic Development – To create a climate that encourages a vibrant business environment and encourages a service array that provides a wide range of resources for sustainable development of the community
- Recreation – To foster a sense of community through enhanced recreation and activities for all Inclusive across generations

CITY NAME & PROCESS

July 18th, 2017

OVERVIEW & METHODOLOGY

- Data Collection Strategy – Over 130 names were collected through southfultonliving.com, nextdoor.com, facebook and committee submissions.
- Name Concept Development – Names were categorized as 1) Historical, 2) Aspirational, 3) Religious, 4) Geographical and 5) Other.
- Committee Meetings – Break out sessions and exercises were conducted to allow participants to debate and develop name selections.
- Participant Submissions - Participants were asked to defend their name submission in order to weigh its significance and gain support for it.

NAME CONCEPTS

Of the 100 + names that were discussed the following names made “the short list”

- CAMP CREEK
- WESTHAVEN
- PROSPER
- SOUTH HAVEN
- TRIBUTARY HILLS
- WOLF CREEK
- **(See Attached List)**

RECOMMENDATIONS

- Qualified, professional consulting firm should be hired
- Chosen name should reflect ALL seven districts
- Conduct a controlled survey to gather input from citizens
- Create a public information program for citizens about the historical inhabitants, geographical significance and future potential that impact the name selection

BRANDING COMMITTEE

July 18th, 2017

BRANDING CHAIRS & CO-CHAIRS

Chairs:
Richard (Ric) Washington – Chair/Facilitator
Harold Reid – Chair/Facilitator
Marcus Coleman – Chair/Alternate

Co-Chairs:
Kimberly King –Co-Chair/Coordinator
Kym Dove – Co-Chair/Coordinator
Cynthia Ross – Co-Chair/Coordinator

BRANDING COMMITTEE

Alicia Jones
Alma Hill
Andre Ray
Arthurline Taylor
Barbara Atwater
Beverly Isom
Brian Beane
Broderick Talley
Deidra Matthews
Diane Osby
Edward Gilmore
Evette Alfred
Gerard Sanders

Heather Ancrum
JoAnn Depp
Kimberly Reid
LaSonya Bourquin
Latangela Hill
LeTonya Williams
Madge Willis
Marcus Garner
Margaret Vaughn
Micah Hines
Michael McCoy
Micheal Gales
Nakisha Garner

Nichole Orogun-Thomas
Pauline Wilkins
Priscilla Lewis
Richard White
Robert Dow
Samuel Ball
Sandra Phillips
Shaneice White
Sheree Pate
Ty Mays-Kelty
Virginia McCoy
William Wilkins
Zaundra Brown

QUESTIONS & ANSWERS

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City of South Fulton

City Attorney Policy and Guidelines

The Office of City Attorney is one created by the City's Charter.[1] The City is nominated by the Mayor and confirmed by the City Council.[2] The City Attorney reports directly to the Mayor and City Council and not to the City Manager.[3] And, the City Attorney serves at the pleasure of the City Council.[4] The City Charter defines the City Attorney's role as: (1) being responsible for representing and defending the city in all litigation in which the city is a party; (2) empowered to prosecute in municipal court; (3) attending meetings of the council; (4) advising the city council, mayor and other officers and employees of the city concerning legal aspects of the city's affairs "as directed;" (5) performing other duties that may be required; and (6) reviewing and signing all city contracts.[5]

Georgia Bar rules further define the role of city attorneys. The Bar Rules acknowledge that an organization, like a municipal government, may only act through its members (here, the City Council). Ga. Bar R. 1.13 (Comment 1). And while there are various theories about who is the ultimate client of a city attorney – the public, the city council, individual members of the city council – the City of South Fulton's Charter appears to show that the City Attorney responds to the will of the City Council. Under this framework, we suggest the following policies to assist with workflow, determining responsiveness, and raising matters before the City Council.

I. Legislative Drafting

The City Attorney is and should be called upon to draft and/or review ordinances for members of the City Council. Drafting can be as simple as an amendment or as complex as a multi-page code. Response times should vary accordingly.

a. Code Chapters:

i. *Scope*: Drafting Code chapters includes measures like adopting a zoning code, building permit code, nuisance code, and other multi-topic areas.

ii. *Method of Request*: The request should come in the form of a resolution or motion from the City Council. The City Clerk will confirm the approved request by sending the City Attorney draft minutes showing the text of the motion or resolution.

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[1] City Charter, Section 4.12.
[2] City Charter, Section 3.22(b)(10).
[3] *See generally*, Section 4.10 (establishing that department heads report to the City Manager but that the City Attorney consults with the City Manager).
[4] City Charter, Section 4.12.
[5] City Charter, Sections 4.12, 6.30(2) (addressing city contracts).

iii. *Time to Respond*: The City Attorney should be permitted up to three weeks to draft the chapter given the legal research and comparisons that should be completed. The City Attorney should inform the City Council of any need for additional time to respond.

b. Significant Amendments to Chapters:

i. *Scope*: Significant amendments to chapters would include things like adding a new means of enforcement, or other substantive (but not total) rewriting of a chapter.

ii. *Method of Request*:

1. City Councilmembers and City Staff may request such drafting directly without a vote.

2. Requests should be sent to the City Attorney, by email, and the City Manager and City Clerk should be copied on the email.

3. The City Clerk will distribute requests for significant amendments to the City Council on at least a weekly basis.

iii. *Time to Respond*: The City Attorney should have two weeks to complete significant amendments to chapters and should inform the City Council and requesting person if more time is needed.

c. Amendments to Proposed Ordinances:

i. *Scope*: Amendments to ordinances may be proposed before an ordinance is adopted, and they include adoption of smaller amendments and tweaks to enacted ordinances.

ii. *Method of Request*:

1. City Councilmembers and City Staff may request such drafting directly without a vote.

2. Requests should be sent to the City Attorney, by email, and the City Manager and City Clerk should be carbon copied on the email.

3. The City Clerk will distribute requests for amendments to proposed ordinances (first or second reader) on the Monday before City Council meetings.

iii. *Time of Response*: The City Attorney shall have at least 48 hours to draft smaller amendments and tweaks to existing ordinances or proposed ordinances. If a longer time is needed, the City Attorney should notify the requesting person as soon as possible.

II. Legal Opinions

Drafting and revising legal opinions is often a significant task. Some questions can be answered quickly and easily, but most require an examination of the Charter, existing ordinances, state and federal law and the cases that interpret those provisions. Because they also provide a basis for the City to act or not act, they are critically important.

a. Requests by the City:

i. *Scope*: In some cases, the City may formally request a legal opinion. This has the benefit of showing the City's interest in the issue, and it can provide a defense in certain legal disputes.

ii. *Method of Request*: Requests for a legal opinion on the part of the City should be made by resolution or motion of the Council.

iii. *Time*: The City Attorney should have at least two weeks to complete a legal opinion requested by the City Council, but this time may be shortened or extended depending on the topic.

b. Requests by City Councilmembers:

i. *Scope*: City councilmembers should be able to obtain legal opinions from the City Attorney. The opinions can be significant or minor, and the time needed to complete them vary depending on the scope and complexity.

ii. *Method of Request*:

1. Requests for a legal opinion on the part of an individual City Councilmember, Mayor, or City staff should come in the form of an email to the City Attorney.

2. The City Attorney should notify the City Manager of (a) the number of requests (not the topics) and (b) requesting person on a weekly basis, and the City Manager should have that information available for the City Council to review.

iii. *Time*: The City Attorney should have at least one week to complete a legal opinion at the request of an elected official or staff.

III. **Contract Review**

A. Per the Charter, all City contracts must be reviewed and approved by the City Attorney.

B. The City Attorney should have at least one week to review contracts.

CITY OF SOUTH FULTON

GMA HAND BOOK

FINANCE AND REVENUES

Handbook

for Georgia Mayors and Councilmembers

FIFTH EDITION

Part Five: FINANCING and REVENUES

Operations Budgeting

Operations Budgeting

In developing and adopting a balanced operating budget, municipalities are creating far more than a legal document. A budget serves as a planning tool, an allocation of resources, a description of governmental activities, and proof of the commitment to the efficient use of taxpayers' dollars. A budget is the product of revenue estimation, expenditure plans, policies, and procedures. A budget becomes the framework to determine the number of employees, organizational structure and other day-to-day functions. A budget and its development is as unique to each municipality as political, economic, and geographical factors are to the operations of, Albany, Dillard, Roswell and all other cities across the state.

A budget facilitates the Administration's task of delivering reliable service, assists in dealing with changing conditions, becomes a tool for reporting governmental activities and measures the government's performance. While the adopted budget is a legal document, created by ordinance or resolution, it provides the public with a record that describes the activities to be undertaken during the upcoming fiscal year. In communicating a budget's many functions, a reliable system of procedures, data, and information will help foster the public's trust in government. When used correctly, a budget is a means to promote future growth, forecast revenues, estimate expenditures, reveal the status of the government's long range plans and serves as a cohesive policy document over time.

State Legal Requirements

The Official Code of Georgia identifies the legal requirements for a balanced budget, outlines the steps in the approval process, and clarifies the legal level of budgetary control. Chapter 36-81 is dedicated exclusively to the local government budgetary process and imposes the following requirements:

- Local governments must establish an official fiscal year for the municipality's operations by resolution, ordinance or local law;
- Each municipality must prepare a proposed budget for submission to Mayor and Council;
- Notify the public that the budget proposal is available for public review;
- Conduct a public hearing at least one week prior to the adoption of the budget resolution or ordinance;
- Adopt a budget resolution or ordinance, which can contain dollar amounts different from the amounts contained in the proposed budget;
- Adoption of a balanced budget for governmental funds such as the general fund, special revenue funds, debt service funds and permanent funds. Municipalities are not required to adopt annual budgets for fiduciary funds, internal service funds or enterprise funds such as water and sewer funds. Capital project funds are required to operate under a project length balanced budget;
- Adopt budget amendments by ordinance or resolution;

- Provide for an audit of the financial affairs and transactions of all funds and activities in accordance with generally accepted accounting practices (GAAP); and
- Submit a copy of the audit report to the Georgia state auditor within 180 days after the close of the fiscal year, or the close of each second fiscal year in the case of cities not required to be audited annually.

Additionally, the legal level of control is identified as the departmental level within each fund unless a more detailed level of control is established. Overspending at the level of budgetary control adopted by the Mayor and Council or commission would result in a violation of the law. Transfers of appropriations within any fund below the legal level of control (department) only require the approval of the budget officer; however, the law does not define departments. Also, any transfers above the legal level of control will require Mayor and Council or commission approval.

The Budget Process

The budget includes three distinct phases: **1) development and preparation, 2) implementation and execution, and 3) audit and review**. Based on this process, staff is responsible for developing the budget for the following year, implementing the current budget, and at the same time reviewing and preparing for the audit the previous year's budget. Due to the array of tasks associated with the budget cycle it is vital that staff has an comprehensive understanding of the elements of the budget cycle.

To accomplish the **development and preparation** phase of the annual budget, Georgia Code § 36-81-5 provides an outline of the process; however, the first phase is focused on developing revenue projections, expenditure plans, goals, objectives, and the adoption of the budget among other things. During this initial phase of the budget process the governing authority sets policy parameters that determine revenue and expenditure levels, conducts public hearings, and adopts a balanced budget.

As the budget is developed and prepared for public review, revenue projections and the identification of new revenue should be completed in accordance with the policies outlined by the governing authority. During recent years as economic conditions have changed, the importance of accurate revenue estimates has increased as municipalities are challenged to use limited resources more effectively. Also, the demand for more services can strain scarce resources as new requests impact available funding for existing programs. The economy and service demands have placed additional importance on the forecasting of revenue and expenditures, and to ensure the jurisdiction's fiscal well-being, forecasts should also include an evaluation of the medium and long range.

In order to complete the various tasks associated with the development of an annual budget, a budget development action plan should be generated to efficiently outline the activities of the budget process. This action plan should be developed in conjunction with a budget calendar to include due dates, activities and responsible parties. Utilizing the budget calendar as a budget action plan should be similar to the following and have a timeline of four to six months in length:

Due Date	Activity	Responsible Party
August 1	Mayor and Council evaluate policies and goals	Mayor and Council
August 15	Budget preparation forms prepared for distribution	Budget Officer
September 1	Kick-off meeting with staff; Distribution of budget information manual; Revenue estimates are complete	Administration Budget Officer
October 1	Budget requests returned	Management Team
October 2 – 15	Analyze department requests	Administration and Budget Officer
October 16 – 30	Assemble budget requests, compare with revenue estimates and compile the budget document	Budget Officer
November 1	Proposed Budget to Mayor and Council	Budget Officer
November 15	Advertise for Public Hearing	Clerk or Budget Officer
December 1	Conduct Public Hearing	Mayor and Council
December 15	Final Review and Adoption	Mayor and Council
January 1	Budget is effective	Budget Officer

After the budget development action plan and the budget calendar are developed, staff should create and prepare to disseminate the budget information manual. The budget information manual helps ensure the budget is consistently prepared in accordance with the government policies and the desires of the administration. It is critical for the guidelines in the manual to communicate any constraints or assumptions that will guide the decision-making process. The manual will be used to prepare departmental budget requests and should include the following:

- The budget calendar;
- A statement of the budget policy;
- Cost factor guidelines, such as pay increase levels and inflationary factors;
- Price lists and commonly used vendor web sites which may be used to determine costs associated with products purchased by the government;
- Request forms, expenditure forms and detailed instructions for completing the forms and budget estimates;
- Revenue and expenditure guidelines; and
- Uniform Chart of Accounts.

To facilitate the collection of data, a systematic approach may include expenditure request forms as a method to engage department heads in the budget process. Expenditure request forms should encompass the various components of the expense categories including salaries and benefits, contracted services, purchased services, supplies and capital outlay. Combining the forms with detailed instructions and guidelines will provide staff with a streamlined method to guide the budget development in a standard format.

While the expenditure request forms will help identify service modifications due to shifting geographic or economic conditions, many expenditure changes are associated with maintaining the government's infrastructure. Evaluating the impact of new facilities, maintaining existing capital, assessing changes to state or federal regulations, quantifying matching grant funds and anticipating legal judgments is essential in determining the jurisdiction's minimum expenditures for the upcoming year. Also, compiling the cost of payroll, including any changes, should be made in accordance with market standards.

When the revenue projections are finalized and expenditure plans completed, the next step is to begin the approval process. This is the responsibility of the Mayor and Council. As the budget is presented to the Mayor and Council, a copy must be made available to the public, and a notice identifying the location of the available budget document must be placed in a newspaper. Prior to the adoption of the budget, the Mayor and Council must conduct at least one public hearing. After the hearing and any modifications, the budget is adopted by ordinance or resolution.

After the adoption of the annual budget, local governments begin to **implement and execute** the expenditure plans by controlling expenditures in a way that is consistent with the adopted budget, continuously assessing revenue collection and monitoring resource use. Budget implementation invariably requires adjustments to adapt to changing economic conditions or to respond to citizen demands. Ensuring sufficient cash is available when demands are placed on public resources is critical in the execution of government services.

As departments execute the operating budget, monitoring activity is essential for ensuring compliance with budgeted expenditures. As a result of maintaining conformity with state law, an encumbrance system of accounting should be employed. An encumbrance identifies commitments for services or products that have yet to be performed or delivered. Allocating an encumbrance against budgetary accounts helps guarantee that total actual expenditures plus related commitments do not exceed appropriations. Without encumbering funds, future services or purchases could result in overspending. Encumbrance accounting facilitates effective cash planning, control, and management of government funds. Finally, encumbrance accounting ensures sufficient balances to cover expenditures.

While encumbrances exert some control over the day-to-day activities of local government, city governments face changes or challenges every day, thus amendments to the existing budget may be necessary. Amendments above the legal level of control require Mayor and Council approval and may occur when the municipality experiences shortfalls in revenue, expenditures associated with unexpected events such as severe weather or a capital purchase not originally considered in the initial budget. Budgetary changes are not objectionable; however, sufficient information is important for accountability, decision making that is based on the original budget, and management of resources.

The final stage of the budget process is the **audit and review phase**. State law requires cities have their financial statements audited on an annual basis by an independent auditor unless otherwise authorized under state law. Further, these audited statements must be submitted to the Georgia Department of Audits within 180 days of the end of the fiscal year. Staff prepares for the audit in compliance with the Generally Accepted Accounting Principles (GAAP) developed by The Governmental Accounting Standards Board (GASB).

To prepare for the audit, staff will gather documents such as minutes of council meetings, bank statements and reconciliations, bank accounts, invoices, agreements, bid documents, financial reports and other items of importance. While documents are gathered, schedules of activity will be developed and include fixed-asset acquisitions and disposals, inventory balances, adjusting entries and investment balances. These documents and files are used to provide feedback to the Mayor and Council regarding the integrity of financial transactions, efficiencies of programs, and effectiveness of policies and programs. The annual financial report will also include a letter from the auditor containing its judgment on the financial statements, results of operations, and cash flows of proprietary funds.

Budget Formats

Jurisdictions should develop a budget policy which encompasses two sections. The first should address long-term needs and the second should outline goals, objectives, and priorities for the coming year. Identifying the long-term needs will assist in developing a financial plan, capital improvement plan, and budget options. The long-term financial plan will ensure programs will be maintained within the municipality's means and will allow decision makers to better understand the long term implications of policies, programs, and assumptions. Cities should develop an annual budget policy statement, which is consistent with the long range plans, by outlining its goals, objectives, and priorities for the coming year. The policy statement is the Mayor and Council's directive to administration, department heads, and staff regarding the jurisdiction's financial outlook, economic factors, itemization of priorities, and guidelines to follow in preparing budget requests.

In order to achieve the goals outlined in the budget policy, information is required to be quantified and shared. The budget document becomes the venue for this exchange of ideas and information. As a result of the differing goals and data requirements, budgeting may take on many formats. Some budget formats include Line-Item Budgeting, Program Budgeting, Performance Budgeting, Zero-Based Budgeting and others. The chosen format will depend on the philosophy of the jurisdiction's Mayor and Council.

A line-item budget is a control based budget which takes the form of detailed line-item descriptions of expenditures. The line-item budget is a list of the municipality's revenues and expenditures in vertical columns. The line-item budget is widely used and offers many advantages such as:

- Easily prepared;
- Straightforward;
- Simple to administer;
- Easily understood by Mayor and Council, employees and citizens; and
- Easy to monitor.

When adopted as the legal level of control, a line-item budget becomes inflexible for minor adjustments and is not as responsive to unanticipated issues as other budgeting formats. If utilizing broad categories, the format may provide no method for determining the cost of a particular service or if priorities are being achieved.

Program budgeting focuses attention on results and activities as opposed to what a municipality buys. In a program budget, revenues and expenditures are linked to a municipality's goals and objectives and identify the anticipated results and outputs of associated investments. The benefits of program budgeting include:

- Presents budget investments in a format that enhances the community's understanding of services;
- Focuses attention on goals, needs and capabilities; and
- Establishes an informed basis upon which cities make decisions.

Program budgeting will assist municipalities in making sound stable financial decisions; however the system requires a significant amount of time to establish and maintain. Also, data collection is difficult as programs will overlap between and within departments.

Performance budgeting is similar to program budgeting except budget indicators are used to measure performance which is tied to expenditures. When a municipality employs performance budgeting methodology, it would allocate funding to conduct a certain number of court calendar calls a year. Performance budgeting provides the Mayor and Council with spending data related to the amount of service delivered by any given program. Also, the exact cost of the service can be determined. One issue with performance budgeting is it can be difficult to determine a quantitative measure for services such as Fire and Rescue or Administration.

Zero-based budgeting is a comprehensive review of all departmental functions, whereby all expenditures must be approved rather than only incremental increases. To accomplish a zero-based budget, department heads complete a budget information package that details each of the department's programs. The department head would identify the level of service that could be provided based on different levels of funding, including a zero funding level. After completing a package on each service, the department head then expresses an opinion on each of the programs and prioritizes each service. The advantages of a zero based budgeting approach are:

- Cutbacks can be made based on lowest priorities;
- Requires a thorough evaluation of all programs on a continuing basis;
- Detects inflated budgets;
- Identifies opportunities for outsourcing; and
- Drives managers to find cost effective ways to improve operations.

Zero-based budgets can be time-consuming, making it difficult to define decision units and candor of the managers must be reliable and uniform. The process can also be costly, requiring a level of staff expertise that is not always available.

State law does not provide a specific method a municipality must follow; rather a municipality must identify its budgetary focus and detail to include within its budget document. The philosophical decision should be evaluated against community priorities and an appropriate level of expertise and staffing associated with the process.

Budget Policies

In carrying out the budget-making responsibilities the Mayor and Council must address numerous issues and questions on a recurring basis (at least annually). A sensible solution is to develop policies to repeat questions and formalize policy statements as guidance regarding Mayor and Council expectations. Those questions include how to manage the stabilization funds, debt management, and use of prior year unused appropriations.

Stabilization funds are a coat of many colors carrying names such as reserves, rainy day funds, undesignated fund balance or contingency funds. These funds provide flexibility for municipalities to address economic downturns, emergencies, one-time expenditures or cash flow issues. In developing a policy to guide the creation, maintenance, and use of this resource for fiscal stabilization, it is important recognize that these financial resources help protect against reducing service levels or raising taxes due to a temporary shortfall in revenue. A policy on building and maintaining fund balance should include the process to accumulate a fund balance, the purpose for which they may be used, and the minimum and maximum level of funds retained. Recently the Government Accounting Standards Board (GASB) issued a statement regarding the classification of constraints placed on stabilization funds. The classifications include:

- Non-spendable – generally meaning that it is not expected to be converted to cash;
- Restricted – constraints are imposed by creditors, grantors, contributors, or laws or regulations of other governments;
- Committed—constraints are imposed by formal action of the government's highest level of decision making authority;
- Assigned – constraints placed as a result of the municipality's intent to use for a specific purpose but is not classified as committed or restricted; and
- Unassigned – The residual amount for the General Fund and represents the fund balance that has not been restricted, committed or assigned. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

Cities should adopt debt policies which would integrate with other financial policies including operating and capital budget policies. The policy should reflect regulatory requirements and the government's financial condition. Issuing debt commits a municipality's revenues, thus flexibility to respond to changing conditions may be limited, therefore debt should be managed to maintain a sound fiscal position and to protect credit quality. The policy should outline the following:

- Purposes for which debt may be issued;
- Identifying the limitations for debt supported by revenues of enterprise funds;
- Matching the life of the capital asset with the maturity of the debt;
- Short-term debt program;
- Types of permissible debt;
- Refunding of debt; and
- Limitations resulting from legal provisions or financial constraints.

At the end of most fiscal years a municipality will have a portion of the budget which is unspent. Georgia law does not address the use of unspent budgets specifically. A Mayor and Council may determine the appropriate use of these funds in a number of methods including:

- Allow the unspent appropriations to lapse at the end of the year and not roll forward;
- Any appropriation that is encumbered is added to the subsequent budget; or
- Allow all unspent funds to be carried forward.

Adopting a financial policy will clarify whether an item approved in a previous budget is carried over to subsequent budgets or not. Further it may provide a mechanism to develop a funding source for capital projects, debt financing, or accumulation of appropriations for future departmental activities.

Uniform Chart of Accounts

The Georgia General Assembly passed the Local Government Uniform Chart of Accounts and Reporting Act in 1997. The Georgia Department of Community Affairs developed the chart of accounts for all units of local government which was approved by the Georgia Department of Audits in 1998. Local governments were required to begin using the uniform chart of accounts no later than the fiscal year ending 2001. The uniform chart of accounts lists the account titles that an accounting system will use. The chart also introduced a numbering system which is recommended but not required. The list and numbering system is not comprehensive and local governments should evaluate the classification system as needed. The account code includes the fund number, account class, function, activity, department, and account information (balance sheet account, revenue source, and expenditure object). Local governments are required to utilize the uniform chart of accounts in accounting reports, financial reports, and reports to the state.

Rules and Resources

The **Government Finance Officers Association (GFOA)** established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality. The Budget Awards Program encourages both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's recommended practices on budgeting. The program then recognizes individual governments that succeed in achieving that goal. Documents submitted to the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting

While GFOA provides an excellent opportunity to improve budgeting practices, The Governmental Accounting Standards Board (GASB) was established in 1984 by agreement with the Financial Accounting Foundation and 10 national associations of state and local government officials, and is recognized as the official source of generally accepted accounting principles (GAAP) for state and local governments. The organization establishes and improves financial reporting for governments, as governments are fundamentally different from for-profit businesses; the needs of the users of governmental financial statements are different from the needs of the users for private company financial statements.

GASB does not have enforcement authority, and its standards are not laws or regulations. Compliance with GASB's standards is typically evaluated through the audit process, as auditors render opinions on the fairness of financial statement presentations in conformity with GAAP.

Audited financial statements are required by the Official Code of Georgia Annotated, Section 36-81-7. The State of Georgia has approximately 538 cities which submit audited financial statements to the **Georgia Department of Audits and Accounts (State Auditor)**. This code section also requires the State Auditor to review these financial statements to ensure compliance with generally accepted accounting principles, generally accepted government auditing standards, and federal and state regulations.

Municipalities failing to submit acceptable audit reports to the State Auditor are subject to state law restricting state funds for local governments. The law states: "No state agency shall make or transmit any state grant funds to any local government which has failed to provide all the audits required by law within the preceding five years." The State Auditor has produced a set of documents which assist cities in satisfying financial reporting requirements. Georgia law identifies financial reporting requirements based on the government's level of annual expenditures.

Municipalities having annual expenditures of $300,000, or more are required to have an annual audit. If expenditures are less than $300,000 then a municipality may elect to provide for a biennial audit covering both years. Either the audit report or report of agreed-upon procedures is required to be submitted to the State Auditor. Should the annual audit or report contain findings or recommendations, the municipality is required to submit a corrective action plan and comments on the findings and recommendations.

Summary

The Official Code of Georgia requires local governments to adopt a balanced operating budget by ordinance or resolution. The law also provides for an outline of the budget process, the establishment of the legal level of control, and required financial reporting of the Mayor and Council's activities. While the law offers an outline of the budget activities, local governments should establish a budget development action plan that includes a calendar of activities, budget information packets, expenditure request forms, and information related to the municipality's procurement activities. The budget information manual should be developed based on the budget format selected as the most appropriate for achieving the community's goals and objectives. Regardless of the budget format, state law requires the use of the Uniform Chart of Accounts established by the Department of Community Affairs (DCA) in accounting reports, financial reports and reports to the state. The information provided in reports to the State is consistent as a result of the Uniform Chart of Accounts. While the accounts are similar across the state it is imperative that local governments adopt budget policies related to stabilization funds, debt, prior year appropriations, and other budgetary issues to ensure the municipality's responsiveness if economic conditions change. Finally, these policies should reflect the guidance provided by the professional organizations established to improve the budget and reporting process. By utilizing the outline established in the Official Code of Georgia, identifying a budget format that helps achieve community goals, and utilizing the professional guidance in establishing budgetary policy, city leaders can improve the financial flexibility necessary to respond to changing demands.

CITY OF SOUTH FULTON

2018 BUDGET
PROCESS AND APPLICABLE LAWS

CITY OF SOUTH FULTON, GEORGIA
2018 BUDGET PROCESS CALENDAR

Date	**Day**	**Action**
June 15 departments	Wed.	Finance Department prepares budget form for distribution to
June 15	Wed.	Finance Department enters prior years actual and YTD estimates for Revenues and expenditures for departments
June 29	Thur.	Finance Department distributes forms to department heads
July 6	Thur.	Finance Department prepares preliminary revenue estimates
July 17	Mon.	Departments return budget request forms to Finance Departments
July 24	Mon.	Finance Department reviews budgets and adjusts departments' budget and prepares revenue and expenditure plan.
Aug 2	Wed.	Department heads discuss their 2018 budget with Mayor and Council
Aug 3	Thur.	Department heads discuss their 2018 budget with Mayor and Council
Aug 4	Fri.	Begin executive review and development of tentative budget (Finance Department, City Manager and Department heads)
Aug 10	Tue.	Work sessions with Finance, City Manager and Department heads
Aug 11	Fri.	City Manager submits budget to the Mayor and Council
Aug 16	Wed.	Budget work session and advertise for public hearing
Aug 22	Tue.	Conduct first budget public hearing and first reading of budget ordinance
Aug 29	Tue.	Last budget work session
Sept 5	Tue.	Advertise for second budget public hearing and second reading of budget ordinances
Sept 12	Tue.	Mayor and City Council adopts the millage rate and budge ordinances
Sept. 19	Tue	Special Call City Council Meeting – Adoption of 2018 Budget
Oct 1		2018 Fiscal year begins

CITY OF SOUTH FULTON, GA FY 2018 BUDGET

THE BUDGET PROCESS

The budget has several major purposes. It converts City of South Fulton Georgia's long-range plans and policies into services and programs; serves as a vehicle to communicate these plans to the public; details costs of the City of South Fulton's services and programs; and outlines the revenues (taxes and fees) that support City of South Fulton Georgia's services, including the rate of taxation for the coming fiscal year. Once the budget has been adopted by the City Council, it becomes a work plan of objectives to be accomplished during the next fiscal year.

Departments and agencies will submit detailed operating budget requests to the Finance Department on July 14, 2017 in accordance with procedures established by the Budget Calendar. The budget requests of agencies and departments included basic and additional funding requests. Basic requests are currently mandated or authorized services within guidelines, or ongoing expenditures. Expanded level program requests are over and above the basic 2017 service levels.

After analyzing the budget requests, Finance staff will meet with the City Managers and department heads during the month of August for review of their request. The City Manager's proposed FY 2018 budget reflects the consideration of these recommendations in light of revenue projections and real property assessments, and the top priority initiatives are reflected in the Budget Message. The ranking of supplemental requests in the budget document generally reflects the department or agency head's priority ranking as submitted to the Finance Department.

As presented to the City of South Fulton Council, the Proposed Budget is intended to provide the resources necessary to continue current services. In the Budget Message, the City Manager may also recommend adjustments to the general property tax rates and user fees necessary to finance these services as well as identify high priority needs, new initiatives and program changes that the City of South Fulton Georgia Council may wish to consider during its deliberations on the budget. These and other issues brought forward will be addressed during Council budget work sessions on August 16th and 29th. After careful deliberation, the Proposed Budget, as modified for additions and deletions, will be adopted by the Council during the September 12, 2017 Council meeting.

BUDGETS AND BUDGETARY ACCOUNTING

City of South Fulton Georgia follows these procedures in establishing the budgetary process and data reflected in this report.

1. Departments submit detailed budget requests to the Finance Department, which reviews and compiles the requests and makes recommendations to the City Manager.

2. The City Manager submits a proposed budget to the City of South Fulton, Georgia Council in August.

3. The City of South Fulton, Georgia Council hold such public workshops as it deems necessary and holds an advertised public hearing on the proposed budget at which the first reading of the budget resolution occurs. The budget is adopted at a regular Council meeting, advertised in accordance with State law prior to September 12th.

4. Formal budgetary integration is employed for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

5. Budgets for governmental fund types are maintained on a basis consistent with generally accepted accounting principles.

6. The City Manager and Finance Director are authorized to transfer budgeted amounts within departments, with the exception of transfers which increase salary appropriations. The City of South Fulton, Georgia Council may transfer amounts between departments and approve appropriations of additional resources.

ENCUMBRANCES AND APPROPRIATIONS

Appropriations are encumbered as a result of purchase orders, contracts or other forms of legal commitments. Encumbrances outstanding at year-end will be reported as a reservation of fund balance. Appropriations lapse at year end; however, reappropriations of amounts to cover significant encumbrances are made by the City of South Fulton Georgia Council, during the subsequent fiscal year as an amendment to the budget. The level of control (level at which expenditures may not legally exceed the budget) is exercised by the City of South Fulton, Georgia Council on a departmental level.

BASIC SERVICES

In this year's budget process, the service level and associated funding level will be used to try to hold increases in operating costs to a minimum. "Basic Services" used in the development of FY 2018 budgeting will include the following activities:

1. Activities that are mandated or required by law or ordinance

   Example: Department functions that are required by ordinance to assure compliance with Municipal codes.

2. Activities that affect the public health and safety

Example: Many Public Safety activities, such as routine patrol, affect the general public safety.

3. Activities that are necessary to preserve capital asset value

Example: In order to preserve the capital asset value of a historical building, the Recreation department would be required to at least staff it to be open, rather than let it sit idle

BUDGETS AND AUDITS – LEGAL REQUIREMENTS:

Georgia Law Chapter 81 Budgets and Audits – Article 1 – Local Government Budgets and audits provide for the legal framework and legal compliance for budget adoption, budget amendment and audits. The intent of this code section is to provide minimum budget and auditing requirements for local governments so as to provide local taxpayers with an opportunity to gain information concerning the purpose for which local revenues are proposed to be spent and are actually spent and to assist local governments in generally improving local financial management practices, while maintaining, preserving, and encouraging the principle of home rule over local matters. It is also the intent to provide a mechanism through which appropriate information may be collected to assist state and local policy makers in carrying out their lawful responsibilities.

O.C.G.A. 36-81-3 Establishment of fiscal year; requirement of annual balanced budget; adoption of budget ordinances or resolutions generally; budget amendments; uniform chart of accounts

(a) The governing authority shall establish by ordinance, local law, or appropriate resolution a fiscal year for the operations of the local government.

(b) (1) Each unit of local government shall adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article.

(2) Each unit of local government shall adopt and operate under a project-length balanced budget for each capital projects fund in use by the government. The project-length balanced budget shall be adopted by ordinance or resolution in the year that the project initially begins and shall be administered in accordance with this article. The project-length balanced budget shall appropriate total expenditures for the duration of the capital project.

(3) A budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

(4) Nothing contained in this Code section shall preclude a local government from adopting a budget for any funds used by the local government other than those specifically identified in

paragraphs (1) and (2) of this subsection, including enterprise funds, internal service funds, and fiduciary funds.

(c) For each fiscal year beginning on or after January 1, 1982, each unit of local government shall adopt and utilize a budget ordinance or resolution as provided in this article.

(d) Nothing contained in this Code section shall preclude a local government from amending its budget so as to adapt to changing governmental needs during the budget period. Amendments shall be made as follows, unless otherwise provided by charter or local law:

(1)Any increase in appropriation at the legal level of control of the local government, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the governing authority. Such amendment shall be adopted by ordinance or resolution;

(2) Transfers of appropriations within any fund below the local government's legal level of control shall require only the approval of the budget officer; and

(3) The governing authority of a local government may amend the legal level of control to establish a more detailed level of budgetary control at any time during the budget period. Said amendment shall be adopted by ordinance or resolution.

(e) The Department of Community Affairs, in cooperation with the Georgia Municipal Association, shall develop local government uniform charts of accounts. The uniform charts of accounts, including any subsequent revisions thereto, shall require approval of the state auditor prior to final adoption by the Department of Community Affairs. All units of local government shall adopt and use such initial uniform charts of accounts within 18 months following adoption of the uniform charts of accounts by the Department of Community Affairs. The department shall adopt the initial local government uniform charts of accounts no later than December 31, 1998. The department shall be authorized to grant a waiver delaying adoption of the initial uniform charts of accounts for a period of time not to exceed two years upon a clear demonstration that conversion of the accounting system of the requesting local government, within the time period specified in this subsection, would be unduly burdensome.

(f) The department's implementation of subsection (e) of this Code section shall be subject to Chapter 13 of Title 50, the "Georgia Administrative Procedure Act".

O.C.G.A. 36-81-6 Adoption of budget ordinance or resolution; form of budget

(a)On a date after the conclusion of the hearing required in subsection (f) of Code Section 36-81-5, the governing authority shall adopt a budget ordinance or resolution making appropriations in such sums as the governing authority may deem sufficient, whether greater or less than the sums presented in the proposed budget. The budget ordinance or resolution shall be adopted at a public meeting which shall be advertised in accordance with the procedures set forth in subsection (e) of Code Section 36-81-5 at least one week prior to the meeting.

(b) The budget may be prepared in any form that the governing authority deems most efficient in enabling it to make the fiscal policy decisions embodied in the budget, but such budget shall be subject to the provisions of this article.

O.C.G.A. 36-81-7 Requirement of audits; conduct of audits; audits reports; forwarding of audits to state auditor; failure to file or correct deficiencies; public inspection

(a)(1) Beginning with the local government fiscal year which ends between July 1, 1994, and June 30, 1995, the governing authority of each unit of local government having a population in excess of 1,500 persons according to the latest estimate of population by the United States Bureau of the Census or its successor agency or expenditures of $300,000 or more shall provide for and cause to be made an annual audit of the financial affairs and transactions of all funds and activities of the local government for each fiscal year of the local government.

(2) The governing authority of each local unit of government not included in paragraph (1) of this subsection shall provide for and cause to be made the audit required pursuant to paragraph (1) of this subsection not less often than once every two fiscal years. Audits performed pursuant to this paragraph shall be for both fiscal years.

(3) The governing authority of each local unit of government having expenditures of less than $300,000 in that government's most recently ended fiscal year may elect to provide for and cause to be made, in lieu of the biennial audit otherwise required under paragraph (2) of this subsection, an annual report of agreed upon procedures for that fiscal year. The agreed upon procedures shall include as a minimum: proof and reconciliation of cash, confirmation of cash balances, a listing of bank balances by bank, a statement of cash receipts and cash disbursements, a review of compliance with state law, and a report of agreed upon procedures. This agreed upon procedures report shall be in a format prescribed by the state auditor and shall constitute an annual audit report for purposes of and within the meaning of the requirements of subsections (d) through (g) of this Code section. The Department of Community Affairs is authorized to assist requesting local governments in preparing agreed upon procedures reports required under this paragraph and in establishing record-keeping procedures needed in preparing those reports and is further authorized to charge those local governments reasonable fees for that assistance. To the extent that the state auditor is able to perform the agreed upon procedures, the governing body may contract with the state auditor.

(4) At the option of the governing authority, an audit may be made at a lesser interval than one year.

(b) The audits of each local government shall be conducted in accordance with generally accepted government auditing standards. Each audit shall also contain a statement of any agreement or arrangement under which the local unit of government has assumed any actual or potential liability for the obligations of any governmental or private agency, authority, or instrumentality. Such statement shall include the purpose of the agreement or arrangement, shall identify the agency, authority, or instrumentality upon whose obligations the unit of local government is or may become liable, and shall state the amount of actual liability and the maximum amount of potential liability of the local government under the agreement or arrangement. To the extent that the state auditor is able to provide comparable auditing services, the governing body may contract with the state auditor.

(c) All annual audit reports of local units of government shall contain at least the following:

(1) Financial statements prepared in conformity with generally accepted governmental accounting principles, setting forth the financial condition and results of operation of each fund and activity of the local government and such financial statements shall be the representation of the local government; and

(2) The opinion of the performing auditor with respect to the financial statement; in addition to an explanation of any qualification or disclaimers contained in the opinion, such opinion shall also disclose, in accordance with generally accepted government auditing standards, any apparent material violation of state or local law discovered during the audit.

(d) (1) Each annual audit report of a local unit of government shall be completed and a copy of the report forwarded to the state auditor within 180 days after the close of the unit's fiscal year. In addition to the audit report, the local unit of government shall forward to the state auditor, within 30 days after the audit report due date, written comments on the findings and recommendations in the report, including a plan for corrective action taken on prior findings. If corrective action is not necessary, the written comments should include a statement describing the reason it is not. In the case of units provided for in paragraph (2) of subsection (a) of this Code section, the audit reports for both fiscal periods shall be submitted within 180 days after the close of each second fiscal year and the written comments shall be submitted within 30 days after the report due date.

(2) The state auditor shall review the audit report and written comments submitted to the auditor's office to ensure that it meets the requirements for audits of local governments. If the state auditor finds the requirements for audits of local governments have not been complied with, the state auditor shall within 60 days of receipt of the audit or the written comments notify the governing authority and the auditor who performed the audit and shall submit to them a list of deficiencies to be corrected. A copy of this notification shall also be sent by the state auditor to each member of the General Assembly whose senatorial or representative district includes any part of the unit of local government.

(3) If the state auditor has not received any required audit or written comments by the date specified in paragraph (1) of this subsection, the state auditor shall within 30 days of such date notify the unit of local government that the audit has not been received as required by law. A copy of this notification shall also be sent by the state auditor to each member of the General Assembly whose senatorial or representative district includes any part of the unit of local government.

(4) The state auditor, for good cause shown by those local units in which an audit is in the process of being conducted or will promptly be conducted may waive the requirement for completion of

the audit within 180 days. Such waiver shall be for an additional period of not more than 180 days and no such waiver shall be granted for more than two successive years to the same unit of local government.

(5) No state agency shall make or transmit any state grant funds to any local government which has failed to provide all the audits required by law within the preceding five years.

(e) A copy of the report and of any comments made by the state auditor pursuant to paragraph (2) of subsection (d) of this Code section shall be maintained as a public record for public inspection during the regular working hours at the principal office of the local government. Those units of local government not having a principal office shall provide a notification to the public as to the location of and times during which the public may inspect the report.

(f) Upon a failure, refusal, or neglect to have an annual audit made, or a failure to file a copy of the annual audit report with the state auditor, or a failure to correct auditing deficiencies noted by the state auditor, the state auditor shall cause a prominent notice to be published in the legal organ of, and any other newspapers of general circulation within, the unit of local government. Such notice shall be a prominently displayed advertisement or news article and shall not be placed in that section of the newspaper where legal notices appear. Such notice shall be published twice and shall state that the governing authority of the unit of local government has failed or refused, as the case may be, to file an audit report or to correct auditing deficiencies, as the case may be, for the fiscal year or years in question. Such notice shall further state that such failure or refusal is in violation of state law.

(g) The state auditor may waive the requirement of correction of auditing deficiencies for a period of one year from the required audit filing date, provided evidence is presented that substantial progress is being made towards removing the cause of the need for the waiver. No such waiver for the same set of deficiencies shall be granted for more than two successive years to the same local government.

CITY OF SOUTH FULTON

CHART OF ACCOUNTS

Account Number	Account Description	Account Type	FY 17 Adopt	Request	Admin Recm	FY 18 Draft Bud
100-1110-00-0000	Governing Body	Header	0.00	0.00	0.00	0.00
100-1110-51-0000	Personnel Services & Employee Be	Control	0.00	0.00	0.00	0.00
100-1110-51-1000	Personal services–salaries and wa	Sub Account	47,500.00	0.00	0.00	47,500.00
100-1110-51-1100	Regular employees	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-1200	Temporary employees	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-1300	Overtime	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-1302	Stipends	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-2000	Personal services–employee bene	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-205	Insurance-Vision	Sub Account	112.00	0.00	0.00	112.00
100-1110-51-2100	Group insurance	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-2101	Insurance-Disability	Sub Account	393.80	0.00	0.00	393.80
100-1110-51-2102	Insurance-Health	Sub Account	12,825.00	0.00	0.00	12,825.00
100-1110-51-2103	Insurance-Life	Sub Account	57.00	0.00	0.00	57.00
100-1110-51-2104	Insurance-Dental	Sub Account	291.00	0.00	0.00	291.00
100-1110-51-2200	Social Security	Sub Account	4,882.50	0.00	0.00	4,882.50
100-1110-51-2300	Medicare	Sub Account	1,141.90	0.00	0.00	1,141.90
100-1110-51-2400	Retirement contributions	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-2401	Pension-Employees	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-2402	Employer Contribution	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-2403	2% Employer Contribution	Sub Account	0.00	0.00	0.00	0.00
100-1110-51-2600	Unemployment insurance	Sub Account	206.30	0.00	0.00	206.30
100-1110-51-2700	Workers' compensation Coverage	Sub Account	850.00	0.00	0.00	850.00
100-1110-51-2800	Termination benefits	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-0000	Purchased Contracted Services:	Control	0.00	0.00	0.00	0.00
100-1110-52-1100	Official/administrative	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-1200	Professional	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-1300	Technical	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-1301	Software License	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-3300	Advertising	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-3402	Printing	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-3500	Travel	Sub Account	5,000.00	0.00	0.00	5,000.00
100-1110-52-3501	Mileage Payments	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-3502	Conference	Sub Account	0.00	0.00	0.00	0.00
100-1110-52-3600	Dues and fees	Sub Account	2,000.00	0.00	0.00	2,000.00
100-1110-52-3700	Education and Training	Sub Account	10,000.00	0.00	0.00	10,000.00
100-1110-53-0000	Supplies:	Control	0.00	0.00	0.00	0.00
100-1110-53-1101	Office Supplies	Sub Account	2,000.00	0.00	0.00	2,000.00
100-1110-53-1102	Postage	Sub Account	0.00	0.00	0.00	0.00
100-1110-53-1301	Hospitality	Sub Account	0.00	0.00	0.00	0.00
100-1110-53-1400	Books and periodicals	Sub Account	0.00	0.00	0.00	0.00
	Totals		**87,259.50**	**0.00**	**0.00**	**0.00**

CITY OF SOUTH FULTON

STRATEGIC BUDGETING

Navigating the Budget Process

The budget process can often prove to be an arduous task, especially during difficult economic times. While there is a limited amount of money that cities use within the state budget, a large majority of the funds that are used by cities is received at the local level. These funds must be budgeted annually according to O.C.G.A. § 36-81-3 and used as prescribed as much as possible. Though amendments can be made to the annual budget, city leaders should attempt as realistically as possible to anticipate the revenues to be generated and specifically budget them for the year. This article, containing multiple citations from publications of the Government Finance Officers Association (GFOA), will help to answer questions about how best to create a budget that can provide the greatest benefit to the residents of your city.

What are the first steps to creating a successful budget?
The first step to creating a successful budget is determining what goals the city has for the future. In order to determine these goals, the city leaders must first know the condition of the city currently. According to a National Advisory Council on State and Local Budgeting (NACSLB) document entitled, "Best Practices in Public Budgeting," "Goals are developed after undertaking an assessment of community conditions and other external factors and a review of the internal operations of the government, including its services, capital assets and management practices" (Principle 1)."

This assessment must include a realistic examination of the needs of the residents and stakeholders of the city. Once these evaluative measures have been completed, city leaders must then work to set broad ranging goals for all aspects of the city. This process is made easier through effective community planning, but the objectives of comprehensive community plans must be reviewed at the beginning of each budget cycle to ensure that the goals of the plan continue to coincide with the goals of the stakeholders, residents and city leaders.

Once my city's goals are reviewed and established, what is the next step in the process?
Following the establishment of long-term, broad goals, it is important to create opportunities for the city to reach these goals. This can be done by establishing a framework of policies and procedures that will lead to the completion of the objectives that have been set forth. The NACSLB document referenced above makes these statements regarding this step of the budgeting process,

While broad goals set the general direction of a government, it is the policies, plans, and programs that define how the government will go about accomplishing these goals. As such, the development of policies and programs must explicitly consider how they contribute to the achievement of the government's broad goals. Policy and program goals should relate, where appropriate, to broad goals. Measures should be developed to determine the progress being made by the government in achieving goals (Principle 2).

During this stage of the process, it is important to begin looking at ways to take long-term, broad goals and create from them a number of smaller objectives that can be realized quickly along the path to the larger goals. This diffusion will allow city staff members to be able to more easily create measures to ensure that the city stays on the path to reaching its goals.

How does my city financially plan for these goals?

The next step in the budgeting process is the creation of financial plans that align with the goals that were established within step one. These financial plans should be long ranging to ensure that the city will be able to stay on track with meeting its goals. This is a difficult process for some government leaders due to terms in offices. These plans often look forward up to 20 years while city officials serve terms of office that are on average four years in length. Elected officials must be able to look beyond their term and see the investments that they can make in the future of their city.

Principle 3 of the "Best Practices in Budgeting" document states, "A financial plan and budget that moves toward achievement of goals, within the constraints of available resources, should be prepared and adopted." It continues by explaining that, "Development of a long-range financial plan is essential to ensure that the programs, services and capital assets are affordable over the long run. Through the financial planning process, decision makers are able to better understand the long-term financial implications of current and proposed policies, programs and assumptions and decide on a course of action to achieve its goals."

The creation of these long-term financial plans makes annual budgeting easier because a guiding framework has already been established. While fiscal conditions over the short-term may vary, it is unlikely that the long-term fiscal outlook will differ dramatically except is cases of major changes in the composition of the city. These major changes can most likely be avoided through proper comprehensive planning.

How does my city develop our required annual budget?

Annual budget development should be based upon policies that are established prior to work of the budget document. These policies should be reviewed from time to time to ensure that they prescribe the efficient and effective processes; however, they should remain a source of long-term guidance for the budgetary process. The NACSLB document states,

A government should establish an administrative structure that facilitates the preparation and approval of a budget in a timely manner. Procedures should be established for ensuring coordination of the budget process. A process is also needed to develop and communicate the policies and guidelines that will guide budget preparation. In order for the budget to be adopted in a timely manner, processes should be developed to assist stakeholders in understanding tradeoffs and to help decision-makers make choices among available options. The processes should include reporting to, communicating with, involving and obtaining the support of stakeholders (Element 8).

The government leaders who approve a final annual budget have an enormous responsibility to many different stakeholders of the city. City leaders must accurately anticipate revenues and appropriate those scarce resources in such a way to ensure to the greatest benefit possible for all the stakeholders. This can only be done by following objective policies that are in place prior to the budgeting cycle. These policies should include interactive meetings with all stakeholder groups to ensure that long-term goals are being pursued through the short-term budget.

How should we go about evaluating our progress toward our long-term goals?
Once the budget document is approved, the process is far from complete. The budget must be administered in such a way to ensure that objectives are being attained. This requires diligent work on the part of city staff and leaders every day to monitor the use of funds. Principle 4 of the NACSLB document states, "Program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals." This monitoring will lead to the preparation of the budget for the next fiscal year as well as to the development of other long-term goals.

CITY OF SOUTH FULTON, GEORGIA
2018 BUDGET PROCESS CALENDAR

Date	Day	Action
June 15 departments	Wed.	Finance Department prepares budget form for distribution to
June 15	Wed.	Finance Department enters prior years actual and YTD estimates for Revenues and expenditures for departments
June 29	Thur.	Finance Department distributes forms to department heads
July 6	Thur.	Finance Department prepares preliminary revenue estimates
July 17	Mon.	Departments return budget request forms to Finance Departments
July 24	Mon.	Finance Department reviews budgets and adjusts departments' budget and prepares revenue and expenditure plan.
Aug 2	Wed.	Department heads discuss their 2018 budget with Mayor and Council
Aug 3	Thur.	Department heads discuss their 2018 budget with Mayor and Council
Aug 4	Fri.	Begin executive review and development of tentative budget (Finance Department, City Manager and Department heads)
Aug 10	Tue.	Work sessions with Finance, City Manager and Department heads
Aug 11	Fri.	City Manager submits budget to the Mayor and Council
Aug 16	Wed.	Budget work session and advertise for public hearing
Aug 22	Tue.	Conduct first budget public hearing and first reading of budget ordinance
Aug 29	Tue.	Last budget work session
Sept 5 Sept 12	Tue. Tue.	Advertise for second budget public hearing and second reading of budget ordinances Mayor and City Council adopts the millage rate and budge ordinances
Sept. 19	Tue	Special Call City Council Meeting – Adoption of 2018 Budget
Oct 1		2018 Fiscal year begins

MOTION for 2-DAY BUDGET PROCESS
2 Consecutive Days, 8 hours each

DAY ONE (Public)

1) Presentations by Every City Department on their budget priorities & residents

2) Presentations of White Papers from People's Campaign as related to the Budget

3) Create an Exhaustive List of Every Department, Position & Program Desired by CouncilMembers

4) Create a Master List of Items 1-3

HOMEWORK

5) Each Councilperson will Number all the Departments, Positions & Programs from 1-Whatever, in order of priority; then enter that ranking into Poll Everywhere (used at retreat; or some similar electronic voting system) by Midnight of Day One

DAY TWO (Public)

6) City Clerk will synthesize our "ballots" into one list that shows collective priorities of the Council

7) Council will discuss/debate these priorities for one hour.

8) Councilmembers can adjust their individual lists and cast their "ballots" again.

9) City Clerk will synthesize our "ballots" into one list that shows collective priorities of the Council This final list, and council's final "ballots," will be part of the Public Record.

10) This Final List of our Priorities will Represent the Order in which we discuss the funding of each department.

11) As Council completes the funding of each item on the list, in order of priority, the City Clerk will create a Pie Chart that shows the amount of our Total Budget ($92 million) that has been used up by each item, and the total amount that is left for the items on the list.

12) When the money runs out, the Remaining Items on the list will be unfunded.

    (Council should proabably work out budgets for 4-5 items on the list beyond funding, in case of a surplus. Beyond this, Council or Community members can continue, on their own, to work out budgets for remaining items and look for grants or private funding for those programs/positions)

13) The final Pie Chart and Budget will become public record