



To: Honorable City Council

From: Michael E. Bodker, Mayor
Ed Densmore, City Manager

Date: September 13, 2021

Subject: **Fiscal Year 2022 Budget Message**

We are pleased to present the proposed Fiscal Year (FY) 2022 Budget to the City Council for review and consideration. We anticipate Work Session discussions throughout the summer and have planned an initial Public Hearing for July 12, 2021. Additionally, feedback from our residents will be encouraged via the city's website, e-mail, and city social media vehicles and copies of the proposed FY2022 Budget will be available at City Hall and Park Place.

The FY2022 Budget has many similarities to last year's budget. Created amidst evolving impacts of the global pandemic, the FY2022 Budget revenue estimates have been informed by monthly data, insights from relevant industry professionals, and historical trends but are tempered by current realities as we emerge from the pandemic. Comparable to the last budget, property tax revenue remains the largest revenue assumption within the budget. The current millage rate of 3.986 mills (or \$3.986 for every \$1,000 of net assessed value) is carried forward in the proposed FY2022 Budget. When the 2021 property tax digest is received, Council will have an opportunity to adjust but any decrease from 3.986 will create a revenue shortfall in FY2021 and in FY2022.

Overall, the proposed FY2022 Budget provides for balanced and efficient support of fundamental city services like public safety and infrastructure maintenance while providing resiliency for a gradual post-pandemic recovery and stabilization.

Highlights

- General Fund revenues / expenditures are balanced at \$61,968,619
- Largest General Fund revenues streams are Local Option Sales Tax (34.5% of budgeted revenues) and property taxes (32.0% of budgeted revenues)
- Personnel expenditures remain the largest General Fund expenditure (63% of budgeted expenditures) followed by operational expenditures (37% of budgeted expenditures)
- Maintenance Accruals (including the Infrastructure Maintenance Accrual, the Vehicle Replacement Accrual, and the Equipment Accrual) dedicate 20% of General Fund revenue towards current and future maintenance and replacement needs of critical assets and infrastructure

Continuing Forward, Collectively Improving

As our community emerges from the global health crisis and economic unease of the past year, the FY2022 Budget will propel the city forward. Important themes of the FY2022 Budget are reviewed below. The highlighted projects demonstrate how these themes resonate within the funded services and assets to guide our community toward continued rejuvenation.

1. Advancing Our Community's Safety

The global pandemic changed the way we look at safety and reminded us of the value of our first responders. The FY2022 Budget places a primary importance on the safety and security of our residents by fully funding the operational needs of the Fire and Police Departments and thoughtfully adding training and personnel and replacing aging vehicles and apparatus as needed. The proper tools and equipment not only show our support of our first responders but advance our community's safety. The FY2022 Budget adds a four-person Georgia Crime Information Center (GCIC) unit to the Police Department to provide 24/7 services related to serving warrants and processing the needs of the Police Department and Municipal Court as they serve our community. The FY2022 Budget provides paramedic training for additional Fire Department personnel to become cross-trained paramedics. With this paramedic class, the Fire Department is anticipated to reach their target milestone of having 50 percent of the city's fire personnel cross-trained as paramedics making them best prepared to serve the community in addressing medical calls across the city. The FY2022 Budget replaces aging public safety fleet vehicles including 13 police vehicles, two Quick Response Vehicles (used to respond to emergency medical calls), and the Self Contained Breathing Apparatus Air Truck (for refilling air bottles utilized in active structure fires).

2. Proactively Addressing Stormwater Infrastructure Needs

Over the past few years, the City has shifted various aspects of government to more proactively approach community infrastructure needs. For example, in FY2019 the City shifted its approach to managing traffic congestion by optimizing the traffic signal system and adding a dedicated traffic signal engineer. In FY2021, the Council reached consensus to pivot its approach to managing the stormwater system by shifting to a more proactive approach to repairing and maintaining the system. Dedicated personnel, focused on stormwater repairs and maintenance, have been added to the team and steady funding for current and future repair needs could be ensured through the dedicated Stormwater Utility Fund which is currently under discussion with Council. The FY2022 Budget includes a Stormwater Utility Fund which anticipates \$3.2M of expenditures towards repair and maintenance of stormwater assets and infrastructure. There will be an estimated \$5.0M in accumulated fund balance (\$3.4M previously accrued in the stormwater component of the Infrastructure Maintenance Accrual and \$1.6M from FY2021 Assessments) at the end of FY2021. Repair and maintenance projects will be prioritized based on the citywide inventory of stormwater structures and conveyances completed in FY2020 (which considered both the siltation and functionality of assets within the stormwater system) as well as field condition assessments to verify the current conditions and needs.

3. Continuing High-Quality Asset and Infrastructure Governance

The FY2022 Budget reiterates the city's commitment to continue watchful maintenance over assets while ensuring the city's infrastructure is maintained to stand the test of time. The FY2022 Budget dedicates \$7,075,000 to the Infrastructure Maintenance Accrual Fund for current and future

maintenance and replacement needs. In addition to \$3M of road resurfacing in neighborhoods and main roads and park maintenance projects and materials totaling \$1.4M, the Infrastructure Maintenance Accrual sets aside funds for repair and maintenance of sidewalks and trails, the traffic signal system, bridges, tunnels, dams, fire stations, and City Hall. In addition to the Infrastructure Maintenance Accrual, funding through the Local Maintenance and Improvement Grant (LMIG) Program, administered by the Georgia Department of Transportation (GDOT), is combined with General Fund funding, to provide \$500,000 for new Sidewalks and Trails and \$200,000 for an intersection improvement engineering study to tackle the next intersection prioritized by the Intersection Improvement Policy.

4. Enhancing our Park System

In November 2016, the voters approved a \$40M Parks Bond issuance for improvements to existing parks and the build-out of new parks. Many improvements have been completed since the issuance of the bond – from turf fields in Newtown Park and Shakerag Park to opening of new recreation areas like Morton Road Park and State Bridge Pocket Park. In FY2022, the last three major projects funded by the Parks Bond will be in the construction stage.

- Rogers Bridge - the construction of a replica replacement of the existing 1900s pin-truss bridge over the Chattahoochee River held a celebratory groundbreaking in 2021. The replacement bridge is currently being constructed off-site. The existing bridge will be removed in late 2021. Approaches to the bridge and installation will continue in 2022. The new bridge is anticipated to be opened to pedestrians and cyclists in the fall of 2022.
- Lakes Behind City Hall – an important part of the Town Center Master Plan (anticipated adoption in late summer 2021), activates the lakes behind City Hall with an enhanced trailway around both lakes and walkways over the northern lake connecting to a floating stage. Improvements to activate the lakes will create gathering areas and provide room for multiple activities. The investments will offer an invitation to a unique destination which will anchor the developing Town Center and once constructed will help forward a vibrant atmosphere and an exceptional experience.
- Cauley Creek Park - the 200-acre Cauley Creek Park construction will begin in FY2022 on the heels of completing construction documents, required environmental permitting, and acquisition of the final 10-acre piece of parkland. The construction contract for Cauley Creek Park is anticipated to be awarded in early FY2022. Major park elements include the signature 14-foot-wide, pervious rubber multi-use trail which forms a perimeter loop around the Cauley Creek Park (a distance of 3.107 miles or 5 kilometers) providing a connection to Rogers Bridge as well as two river overlooks; active elements include four multi-purpose rectangular fields (two of which have a cricket overlay and can be used as one full-sized cricket field); a courts area with futsal, pickleball, basketball, and volleyball; and open meadows for passive play and bird watching.

5. Addressing Traffic Congestion

The current TSPLOST (Transportation Special Purpose Local Option Sales Tax) was approved by Johns Creek voters in November 2016. The three-quarters of a penny sales tax has been implemented across Fulton County (outside the City of Atlanta) and will be collected through April

2022. Several major TSP/OST projects will reach critical milestones in FY2022 in an effort to provide traffic congestion relief to Johns Creek motorists.

- Barnwell Road at Holcomb Bridge Road (intersection improvement) improves the alignment elevation of Barnwell (as it approaches Holcomb Bridge) and adds dual left turn lanes, a through lane, and a right turn lane on Barnwell. The construction is anticipated to begin in the fall of 2021 and continue in 2022.
- Haynes Bridge Road improvements, which include intersection improvements and widening the commercial portion of Haynes Bridge, will progress through right of way acquisition in FY2022
- Medlock Bridge corridor improvements include intersection improvements at Medlock Bridge at State Bridge as well as five additional intersections and three pedestrian connectivity projects. Each project is in the engineering stage and collectively they are anticipated to alleviate traffic congestion and improve pedestrian connectivity.

Additional projects funded in the FY2022 Budget, like the third phase of the Enterprise Resource Planning system replacement and continued investment in body worn cameras for the Police Department, forward the City's efforts to continue to provide excellent customer service in the customer-facing interactions that are an integral part of the daily routine of city employees.

Overall, the proposed FY2022 Budget provides the resources to serve our community, improve our infrastructure, maintain our assets, and improve overall quality of life. As the City ramps back up to what is expected to be the new normal, plans for FY2022 consist of a steady and consistent approach to focus on vital investments and help provide for equitable recovery and growth for residents and businesses across the city.

Respectfully,



Michael E. Bodker
Mayor



Ed Densmore
City Manager