The City of Fayetteville, Georgia

OPERATING BUDGET



FISCAL YEAR ENDED JULY 31, 2013



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Fayetteville

Georgia

For the Fiscal Year Beginning

August 1, 2011

Linda C. Dawson Jeffrey P. Ervin

President Executive Director

CITY OF FAYETTEVILLE, GEORGIA
OPERATING BUDGET
FISCAL YEAR ENDED JULY 31, 2013

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OFFICIALS OF THE CITY OF FAYETTEVILLE

MAYOR AND CITY COUNCIL

Greg Clifton, Mayor

Paul Oddo, Jr, Mayor Pro Tem
Larry Dell, Council Member
Mickey Edwards, Council Member
Edward Johnson., Council Member
Walt White, Council Member

LEGAL

David Winkle, City Attorney

AUDITOR

Mauldin and Jenkins, LLC

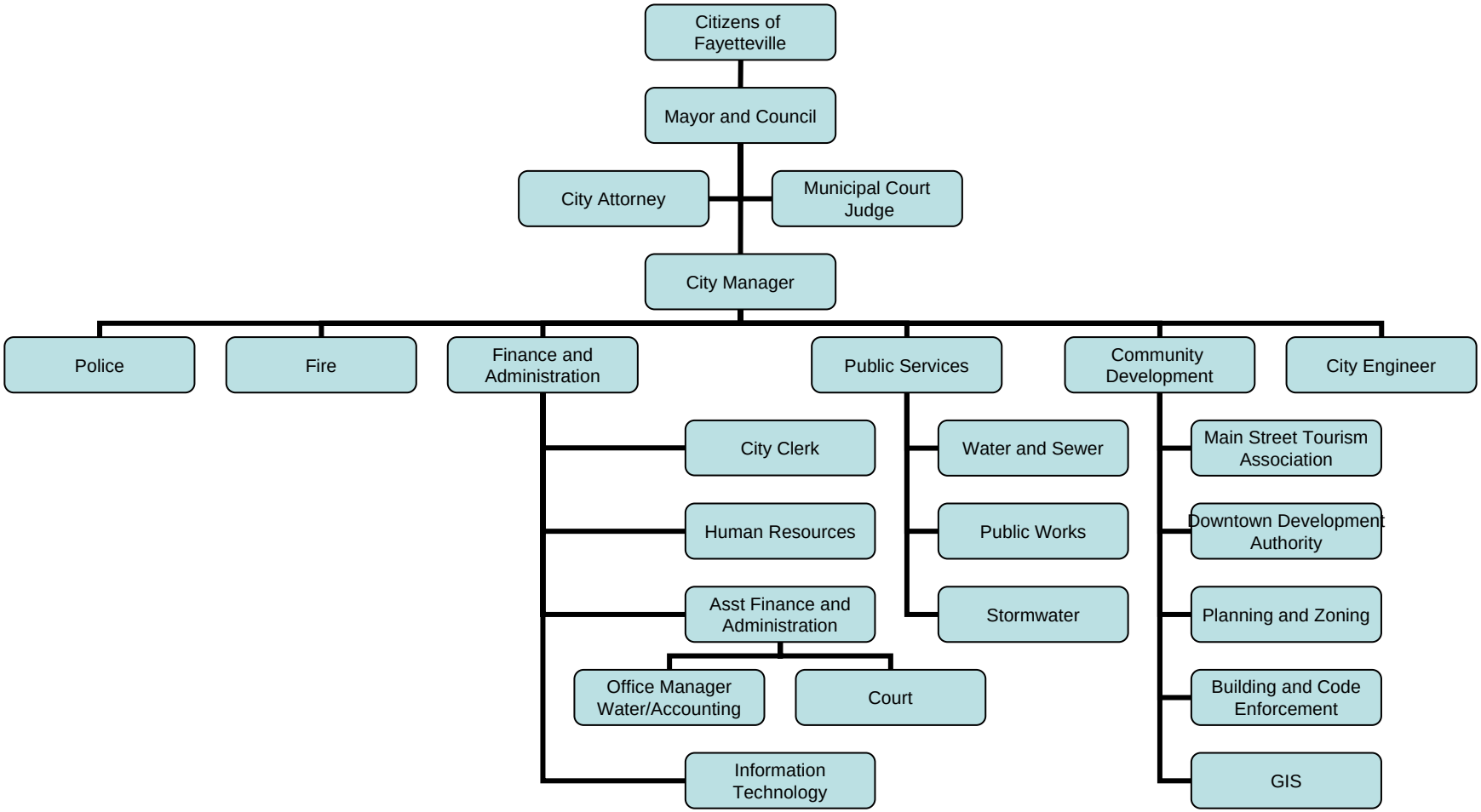
JUDICIAL

Michael Martin, Municipal Court Judge
James Dalton, Municipal Court Judge Pro Tem
Ross Burris, City Solicitor
Julie Kert, City Solicitor

ADMINISTRATION

Joe Morton, City Manager
Chris Hindman, Public Services Director
Brian Wismer, Director of Community Services
Steve Heaton, Chief of Police
Alan Jones, Fire Chief
Lynn Robinson, Director of Finance and Administrative Services
Anne Barnard, City Clerk

City of Fayetteville
Organizational Chart FY 2013



Government Structure. A mayor and five (5) City Council members serve the City of Fayetteville. The Mayor and City Council are elected at large and serve four (4) year staggered terms. The Mayor and City Council serves as the legislative body responsible for enacting City ordinances, resolutions, appropriating funds, and providing policy direction to City staff. The City Council appoints a City Manager, City Attorney, Municipal Court Judge and various Boards, Commissions and Authorities. The City Council annually adopts a balanced budget and establishes a tax rate for the support of the City programs. The City Manager and Department Directors have the responsibility of administering these programs in accordance with policies and the annual budget adopted by the City Council.

General Information. The City of Fayetteville is named for General Marquis de Lafayette of France, who aided the American colonists during the Revolutionary War. Fayetteville was named as the county seat in 1823 and the present-day courthouse in the town square was built in 1825. Listed on the National Register, it remains the oldest courthouse in Georgia and boasts the longest court bench in the world.

There was more or less a city/county government until the 1880's. The first mayor elected in Fayetteville was W. P. Redwine in 1889.

Downtown Fayetteville is rich in history with the preservation of many notable places of interest. Most of the store buildings that exist today around the courthouse square were built in the late 1890s and early 1900s.

In 1900, the first gas lamps and telephones were installed. The Fayette County news that began in 1886 is still in operations. Electricity lit up Fayetteville in the 1920s. In 1926, the first public water system was installed with a 60,000-gallon tank above the city well. In 1953, the water system was upgraded with the construction of a new water plant just northwest of the City. A sewer system was installed in the early 1960s.

The history of Fayetteville remains in the downtown area, the historic district, through a program that initially was created in 1994 to bring businesses and activities into the historic district. Development standards have been developed just for the historic district. Fayetteville was designated Georgia's 37th Main Street City by the Georgia Department of Community Affairs in 1996.

West of the square, one of Fayetteville's finest historical attractions, The Holliday-Dorsey-Fife house was built in 1855, an antebellum structure with large white columns considered by many to be one of the most refined of the Greek revival houses in Fayette County. The house derives its name from the three main owners that dwelled there: Dr. John Stiles Holliday, whom built the house, and was the uncle of the "Doc" Holliday of Western fame; Solomon Dawson Dorsey, a Colonel of the State Militia during the war Between the States who helped enlist volunteers for the confederacy; and Robert E. Lee Fife, a former Fayetteville city council member related to the last family to occupy the house as a residence. The house has ties with well known personalities such as Margaret Mitchell of *Gone with the Wind* fame, former Georgia Governor Hugh M.



Dorsey, and abounds in confederate history. Today, the City of Fayetteville Downtown Development Authority owns the Holliday-Dorsey-Fife house and is operating it as a museum

Across, the street lays the city's historic cemetery circa 1823. The Fitzgerald's, great-grandparents of Margaret Mitchell, as well as the Holliday's, Dorsey's and Fife's are laid to rest. A recently constructed entranceway, long-term project for refurbishing and repairing headstones and designing a self-guided, walking tour brochure are many projects underway for preserving Fayetteville's history.

East of the square is the historic Train Depot, which serves as Fayetteville's Welcome Center, used as a special events facility and functions as the Main Street offices. The Train Depot was originally built in 1902 along the railroad that ran from Atlanta to Fort Valley via Fayetteville. The railroad ceased to run through Fayetteville and the tracks were lifted in 1939.

South of the square, The Fayetteville Academy or Seminary was built in 1857, which later became a public school, Glynn Street School, and later in 1994 was renovated and is where the Fayetteville City Hall resides.

In May 2006, a Georgia Historical Marker was unveiled at City Hall honoring former Georgia Governor Hugh M. Dorsey. He was born in Fayetteville and served as governor for two terms from 1917 to 1921.

In 2007, First Lady Laura Bush awarded the City of Fayetteville the Preserve America Designation in recognition of the continuing commitment to preserving and using its cultural and natural resources for the benefit and enjoyment of the public.

Fayetteville has a strong historical preservation ethic that is evident throughout the downtown district. At present there is an effort underway by the Main Street program to revitalize the downtown area. The city limits have been extended far beyond the courthouse and the city business district now runs from a couple of miles south of the courthouse to almost three miles north for a total of about 5 miles of business area. There are now seven schools in Fayetteville, an outdoor shopping center (the Pavilion), the Villages Amphitheater, two hotels, specialty shops of all descriptions, and a developing west side, that includes the Fayette Piedmont Hospital and medical complexes, all which make Fayetteville an attractive community. Numerous festivals and events are held on the square during the calendar year which brings thousands of people to downtown to participate in fellowship and community. Additionally the Villages Amphitheater plays host to a wide array of concerts, films, and dramatic events.

Economic Condition and Outlook. Located approximately 21 miles south of Atlanta, the City of Fayetteville continues to benefit economically by being an integral part of Metropolitan Atlanta. The City of Fayetteville is well positioned geographically to Atlanta and to the Hartsfield-Jackson Atlanta International Airport, which makes it convenient for the residents to travel for business and/or pleasure. The City of Fayetteville has a wealth of natural, cultural, historical, and commercial resources that provides an amenity for residents, a destination for tourists, and an attractive location for commercial businesses.



Fayette County Courthouse

The population of Fayetteville is 15,945; a 43% increase since 2000. The median housing value in Fayetteville is $188,000. Renters make up about 30% of the City's population; while 70% own homes. 5% of the homes and apartments are vacant in the City. The City remains affordable to residents as the per capita income is $39,748.

The unemployment rate for Fayetteville is 8.7% compared to the United States average of 9.1%. Sales and office type jobs are the most prominent jobs in Fayetteville, followed by, professional and management, business, and financial operation.

Financial Planning. The annual budget(s) serves as the current foundation for the City of Fayetteville's financial planning and control. Financial policies and procedures have also been implemented to ensure balance, control, and stability to maintain and oversee the finances within and throughout the City. These policies and procedures address fund balances, reserve fund policy, purchasing, contract administration, debt administration, accounting, auditing, financial reporting, budget, capital outlay, investment, revenue administration, fixed assets, strategic planning, and grant administration.

The Mayor and City Council have set the goals that our financial planning adheres to by providing the necessary and available resources. The overall goals are (1) Achieve all goals while striving for the lowest total cost for public services. (2) Maintain a managed growth policy that requires quality development in concert with our economic development strategy. (3) Provide for the public safety and welfare by committing appropriate resources to police, fire, streets, recreation, water and sewer, and support services. (4) Continue cooperative efforts with other governments and government agencies. (5) Preserve our historic and cultural heritage and encourage revitalization of downtown through support of Main Street initiatives.

The financial position of the City of Fayetteville continues to be effected by the recession, which has resulted in reduced revenues, mostly in sales taxes and building permits and fees. During fiscal year 2013 budgets, measures were implemented to reduce the effected revenues and expenditures. Major expenditure reductions involved, but not limited to, continuation of a hiring freeze, limited purchasing on new or replacement capital items or projects, continuing an employee voluntarily reduction in work hours, no out of state training and travel, limited in state training, and fuel conservation policy. These measures and conservative spending did meet our revenue deficit in fiscal year 2013. Transportation projects, including highways and streets and sidewalks, that were funded via special local option sales tax, grants, and/or impact fees were to continue as planned in the capital project fund budgets.

The City has continued to maintain adequate fund balances consistent with our reserve fund policy. With continued monitoring of our revenues and expenditures, the City can meet goals and objectives in the public service area; police and fire protection, street and drainage improvements, and infrastructure.

Personnel. No new personnel were added for fiscal year 2013. As mentioned above, a hiring freeze was implemented in mid fiscal year 2008 and continues thru fiscal year 2013. a percentage increase of 2.1% was allocated to continue our pay for performance salary plan, retention plan, wellness and safety program, and employee benefits, including but not limited to,



Fayetteville Depot and Welcome Center

health, dental, vision, life, and retirement. Aetna administered the health insurance program. The health insurance program includes health and vision. The dental, life, short and long term disability programs are administered by Assurant. The City, also, participates in the Georgia Municipal Association Workers' Compensation Self-Insurance Fund for worker's compensation coverage. The employee's life insurance costs will increase as salaries increase because coverage is based on annual income with a limit of $50,000.

Contracted Services and Supplies. A percentage increase of 2.1% was included in the fiscal year 2013 budgets to cover the continued increase in services and supplies; mostly, in the area of fuel cost and utilities.

Capital Improvement Program. Within the SPLOST Funds several major transportation, sidewalk, and pedestrian projects were completed and/or under construction. These projects are listed below in the table along with the funding source and if they were completed are still in progress to continue next fiscal year.

TRANSPORTATION PROJECTS	IN PROGRESS OR COMPLETED	FUNDING SOURCE
HWY 54 SAFETEA-LU SIDEWALK	IN PROGRESS	SPLOST & DOT
CEMETERY SIDEWALK PROJECT	IN PROGRESS	SPLOST, GRANT & CTF
UNDESIGNATED SIDEWALKS AND MULTI-USE PATHS	IN PROGRESS	SPLOST
HOOD AVENUE CONNECTOR/SR 92 REALIGNMENT PROJECT	IN PROGRESS	SPLOST & IFF
HOSPITAL AT GRADE CROSSING	IN PROGRESS	SPLOST

Budgetary control. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The level of budgetary control is on a departmental basis. A budget is legally adopted for all Governmental Fund types and Proprietary Fund types. Formal budgetary integration is employed as a management control device during the year. The budget is based on the same method of accounting as the fund it represents. Transfers of appropriations within a department budget or within a non departmental expenditures category require the approval of the finance director. Increase or decrease (change) in appropriations within a departmental budget or in a non departmental expense category requires approval of the governing body in the form of amendments to the budget ordinance.

Proposed Ordinance No. 0-12-12
Subject Matter: 2013 Fiscal Year Budget
Date First Presented at Council Public Meeting: 6-21-2012
Date of Public Hearing Before City Council: 6-21-2012
Date of Second Reading and Adoption: 7-19-2012
Date of Public Notice Published in *Fayette News*: 6-13-2012, 6-20-2012, 7-11-2012

CITY OF FAYETTEVILLE
COUNTY OF FAYETTE
STATE OF GEORGIA

ORDINANCE NUMBER 0-12-12

CITY OF FAYETTEVILLE, GEORGIA

PREAMBLE/FINDINGS OF FACTS

An Ordinance To provide For Adoption Of A Budget Containing Estimates Of Revenue And Expenditure For The City Of Fayetteville, Georgia For The Fiscal Year Beginning August 1, 2012 And Ending July 31, 2013.

Be It Ordained By The Mayor And Council Of The City Of Fayetteville, Georgia:

Section 1. That For The Revenues And Expenditures Of The Government And Its Activities For The Fiscal Year, Beginning August 1, 2012 And Ending July 31, 2013 The Amounts In the Following Sections Are Hereby Adopted.

Section 2. That For The Said Fiscal Year The General Fund, The Water and Sewer Fund, The Solid Waste And Recycling Fund, The Capital Projects Fund, The Impact Fee Fund The SPLOST Fund, The Cemetery Trust Fund, The Confiscated Assets Fund, The Hotel/Motel Tax Fund, The Vehicle Rental Excise Tax Fund, The Downtown Development Authority, and The Main Street Tourism Fund Is Hereby Adopted As Follows:

Section 3. This Ordinance Shall Become Effective Upon Its Passage And Adoption.

All Ordinances, Or Parts Of Ordinances, Inconsistent With This Ordinance Are Hereby Repealed.

GENERAL FUND		
REVENUES	$	9,359,102
EXPENDITURES AND OTHER:		
General Government	$	1,007,569
Judicial	$	680,711
Public Safety	$	6,081,969
Public Works	$	958,013
Housing and Development	$	390,119
Other Uses	$	240,721
TOTAL GENERAL FUND EXPENDITURES	$	9,359,102
WATER AND SEWER FUND		
REVENUES	$	5,620,575
EXPENSES	$	5,620,575
CAPITAL PROJECTS FUND		
REVENUES	$	748,130
EXPENDITURES	$	748,130
IMPACT FEE FUND		
REVENUES	$	68,083
EXPENDITURES	$	68,083
SPLOST FUND		
REVENUES	$	150,000
EXPENDITURES	$	150,000
CONFISCATED ASSETS FUND		
REVENUES	$	45,500
EXPENDITURES	$	45,500
HOTEL/MOTEL TAX FUND		
REVENUES	$	89,096
EXPENDITURES	$	89,096
VEHICLE EXCISE TAX FUND		
REVENUES	$	62,424
EXPENDITURES	$	62,424
CEMETERY TRUST FUND		
REVENUES	$	6,103
EXPENDITURES	$	6,103
SOLID WASTE FUND		
REVENUES	$	650,250
EXPENDITURES	$	650,250
DOWNTOWN DEVELOPMENT AUTHORITY		
REVENUES	$	226,777
EXPENDITURES	$	226,777
MAIN STREET TOURISM ASSOCIATION		
REVENUES	$	427,953
EXPENDITURES	$	427,953

APPROVED BY THE MAYOR AND COUNCIL OF THE CITY OF FAYETTEVILLE, at a regular meeting of the Mayor and Council on the 19th day of July, 2012, by the following voting for adoption:

ATTEST:

Gregory C. Clifton, Mayor

Anne Barnard, City Clerk

Paul C. Oddo, Jr., Mayor Pro-Tem

Larry Dell, Councilman

Mickey Edwards, Councilman

Edward Johnson, Councilman

Walt White, Councilman

	GOVERNMENTAL FUNDS								
	GENERAL FUND	CONFISCATED ASSETS	HOTEL/ MOTEL TAXES	VEH EXCISE TAXES	CEMETERY TRUST FUND	CAPITAL PROJECTS	IMPACT FEE FUND	SPLOST FUND	TOTAL GOVERNMENTAL
REVENUES AND EXPENDITURES									
REVENUES									
PROPERTY TAXES	$ 3,438,430					$ 565,508			$ 4,003,938
LOCAL OPTION SALES TAX	$ 2,373,211								$ 2,373,211
OCCUPATIONAL TAX	$ 1,623,100								$ 1,623,100
OTHER TAXES	$ 358,497		$ 89,096	$ 62,424					$ 510,017
LICENSE & PERMITS	$ 225,412								$ 225,412
INTERGOVERNMENTAL	$ 66,000							$ -	$ 66,000
CHARGES FOR SERVICES	$ 58,050								$ 58,050
IMPACT FEES							$ 35,880		$ 35,880
FINES & FORFEITURES	$ 1,150,000	$ 45,000							$ 1,195,000
INTEREST REVENUES	$ 7,140	$ 500			$ 103	$ 144	$ 4,203	$ -	$ 12,090
CONTRIB & DONATIONS	$ 5,500				$ 6,000				$ 11,500
MISCELLANEOUS	$ 40,718								$ 40,718
PROC OF GEN FIXED ASSETS									$ -
PROC OF GEN LONG TRM LEASES									$ -
OTHER FINANCING SOURCE	$ 13,044				$ -	$ 182,478	$ 28,000	$ 150,000	$ 373,522
									$ -
TOTAL REVENUES	**$ 9,359,102**	**$ 45,500**	**$ 89,096**	**$ 62,424**	**$ 6,103**	**$ 748,130**	**$ 68,083**	**$ 150,000**	**$ 10,528,438**
EXPENDITURES AND OTHER USES									
EXPENDITURES BY FUNCTIONS									
GENERAL GOVERNMENT	$ 1,007,569					$ 36,000	$ 5,281		$ 1,048,850
JUDICIAL	$ 680,711								$ 680,711
PUBLIC SAFETY	$ 6,081,969	$ 45,500				$ 262,990	$ 22,841		$ 6,413,300
PUBLIC WORKS	$ 958,013				$ 6,103	$ -	$ 39,961	$ 150,000	$ 1,154,077
HOUSING AND DEVELOPMENT	$ 390,119		$ 89,096	$ 62,424					$ 541,639
DEBT SERVICE	$ -					$ 354,913			$ 354,913
OTHER USES	$ 240,721					$ 94,227			$ 334,948
TOTAL EXPENDITURES & OTHER USES	**$ 9,359,102**	**$ 45,500**	**$ 89,096**	**$ 62,424**	**$ 6,103**	**$ 748,130**	**$ 68,083**	**$ 150,000**	**$ 10,528,438**

	PROPRIETARY FUNDS		COMPONENT UNITS				
	WATER & SEWER	SOLID WASTE	MAIN ST TOURISM	DDA	TOTAL OTHER	TOTAL ALL FUNDS	% OF TOTAL
REVENUES AND EXPENDITURES							
REVENUES							
PROPERTY TAXES					$ -	$ 4,003,938	22.86%
LOCAL OPTION SALES TAX					$ -	$ 2,373,211	13.55%
OCCUPATIONAL TAX					$ -	$ 1,623,100	9.27%
OTHER TAXES					$ -	$ 510,017	2.91%
LICENSE & PERMITS					$ -	$ 225,412	1.29%
INTERGOVERNMENTAL					$ -	$ 66,000	0.38%
CHARGES FOR SERVICES	$ 5,588,075	$ 650,000	$ 187,318	$ 4,500	$ 6,490,893	$ 6,548,943	37.39%
IMPACT FEES					$ -	$ 35,880	0.20%
FINES & FORFEITURES					$ -	$ 1,195,000	6.82%
INTEREST REVENUES	$ 2,500	$ 250		$ 967	$ 3,717	$ 15,807	0.09%
CONTRIB & DONATIONS	$ 25,000		$ 73,508	$ -	$ 98,508	$ 110,008	0.63%
MISCELLANEOUS			$ 7,500	$ 1,995	$ 9,495	$ 50,213	0.29%
PROC OF GEN FIXED ASSETS					$ -	$ -	0.00%
PROC OF GEN LONG TRM LEASES					$ -	$ -	0.00%
OTHER FINANCING SOURCE	$ 5,000		$ 159,627	$ 219,315	$ 383,942	$ 757,464	4.32%
TOTAL REVENUES	$ 5,620,575	$ 650,250	$ 427,953	$ 226,777	$ 6,986,555	$ 17,514,993	100.00%
EXPENDITURES AND OTHER USES							
EXPENDITURES BY FUNCTIONS							
GENERAL GOVERNMENT	$ 734,022				$ 734,022	$ 1,782,872	9.51%
JUDICIAL					$ -	$ 680,711	3.63%
PUBLIC SAFETY					$ -	$ 6,413,300	34.23%
PUBLIC WORKS					$ -	$ 1,154,077	6.16%
HOUSING AND DEVELOPMENT			$ 427,953	$ 109,840	$ 537,793	$ 1,079,432	5.76%
DEBT SERVICE				$ 116,937	$ 116,937	$ 471,850	2.52%
OTHER USES	$ -				$ 61,000	$ 395,948	2.11%
WATER	$ 1,607,243				$ 1,607,243	$ 1,607,243	8.58%
WASTEWATER	$ 3,127,683				$ 3,127,683	$ 3,127,683	16.69%
DEPRECIATION	$ 1,375,000				$ 1,375,000	$ 1,375,000	7.34%
SANITATION		$ 650,250			$ 650,250	$ 650,250	3.47%
TOTAL EXPENDITURES & OTHER USES	$ 6,843,948	$ 650,250	$ 427,953	$ 226,777	$ 8,209,928	$ 18,738,366	100.00%
						$ -	
REVENUES OVER EXPENDITURES	$ (1,223,373)	$ -	$ -	$ -		$ (1,223,373)	
						$ -	
BEFORE DEPRECIATION:	$ 151,627					$ 151,627	

FUND BALANCES FISCAL YEAR 2013				
FUND		BEGINNING FUND BALANCE		ENDING FUND BALANCE
General Fund	$	808,930	$	808,930
Water and Sewer Fund	$	277,556	$	429,183
Solid Waste Fund	$	80,988	$	80,988
Capital Projects Fund	$	271,099	$	99,173
SPLOST Fund	$	85,629	$	52,371
Cemetery Perpetual Care Fund	$	-	$	-
Main Street Tourism Fund	$	25,686	$	34,468
Downtown Development Authority	$	311,919	$	266,902
Total All Funds	**$**	**1,861,807**	**$**	**1,772,015**

General Fund - Budgeted in fiscal year 2013 no appropriation of fund balance; projecting to maintain current fund balance.
Water and Sewer Fund - rate increase for sewer charges; rate increase for water conservation
Solid Waste Fund - Maintain current rates to offset expenses
Capital Projects Fund - Budgeted in fiscal year 2013 appropriation of fund balance for purchase of replacement capital items.
SPLOST Fund - Budgeted in fiscal year 2013 appropriation of fund balance for construction of SPLOST projects.
Main Street Tourism Fund - This fund is seeing some stability which has reflected in a net increase of revenues over expenses.
Downtown Development Authority - Renovating an old building on the downtown square which has resulted in appropriating fund balance.

ANALYSIS OF THE FUND BALANCE

The Governmental Accounting, Auditing and Financial Reporting (GAAFR) published by the government Finance Officers Association (GFOA) define the term fund balance as "the difference between fund assets and fund liabilities of governmental and similar trust funds". In simple terms, the fund balance is the excess of current assets over current liabilities utilizing the flow of current financial resources measurement focus and the modified accrual basis of accounting. To express in layman's terms, it might best be described as funds or idle cash that can serve a s financial safety net in the event of a "rainy day" or unexpected expenditures, can be used to liquidate existing long-term liabilities, or can be utilized to pay for expenditures incurred in future periods.

PERSONNEL SCHEDULE

POSITION	NUMBER OF EMPLOYEES FY 2011	FY 2012	FY 2013
MAYOR AND COUNCIL	6	6	6
GENERAL GOVERNMENT			
CITY CLERK	0	1	1
CITY MANAGER	1	1	1
FINANCE & ADMINISTRATION	9	9	5
INFORMATION TECHNOLOGY	1	1	1
MUNICIPAL COURT	2	2	2
POLICE SERVICES	46	45	41
FIRE SERVICES	36	36	27
PUBLIC WORKS	12	11	10
HOUSING AND DEVELOPMENT	5	5	4
WATER AND SEWER			
WASTEWATER SERVICES	12	11	6
WATER SERVICES	8	8	9
COMPONENT UNITS			
MAIN STREET TOURISM FUND	2	2	1
TOTAL FULL-TIME PERSONNEL	**134**	**132**	**108**
PART-TIME PERSONNEL			
MUNICIPAL COURT	1	1	1
CITY CLERK	1	1	1
HOUSING AND DEVELOPMENT	2	1	3
FINANCIAL	5	5	9
POLICE SERVICES	2	2	6
FIRE SERVICES	0	0	2
WASTEWATER SERVICES	0	0	1
TOTAL PART-TIME PERSONNEL	**11**	**10**	**23**


DIRECTORY
Welcome to Fayetteville

City of Fayetteville

2012



Strategic Plan
Goals and Objectives

Summary

The City of Fayetteville conducts an Annual Strategic Planning Retreat to review and establish goals and an action plan for the coming year. The retreat is also instrumental in establishing the budget priorities. This year's planning retreat was held in Fayetteville on March 9, 2012.

This document addresses the following issues:

- Vision Statement
- Mission Statement
- City Slogan
- Core Values
- Strategic Goals
- Action Plan

Vision Statement

“The City of Fayetteville is a premier community where we treasure our past and the promise of our future. We are community where citizens and businesses grow and succeed together.”

Mission Statement

“To ensure a superior quality of life for its citizens by providing the most cost effective municipal services while preserving the cultural, historical and natural resources of the City.”

City Slogan

“A History with a Future.”

Core Values

- Fiscal responsibility
- Public Safety and quality of life
- Openness and honesty
- Integrity and ethics
- Accountability
- Technological innovation
- Teamwork
- Customer service focus
- Excellence

Strategic Goals

- Achieve all goals while striving for the lowest total cost for public services;

- Provide for the public safety and welfare by committing appropriate resources to police, fire, streets, recreation, water and sewer and support services;

- Preserve our historic and cultural heritage and encourage revitalization of downtown through support of main street initiatives;

- Maintain a managed growth policy that requires quality development in concert with our economic development strategy;

- Continue cooperative efforts with other governments and agencies.

Budget and Finance Action Items

Action Item 1: Monitor Budgets/Budget Reduction Measures

Staff will continue to monitor budget and recommend to Council additional budget reduction measures as needed to ensure a balanced budget is maintained.

Responsible Party: City Manager and Director of Finance

Target Date: Monthly

Status Update: Staff will continue to monitor.

Action Item 2: FY 2012 Amended Budget

Staff will move forward with FY 2012 Amended Budget as presented at retreat

Responsible Party: City Manager and Director of Finance

Target Date: FY 2012 Amended Budget - April 19, 2012

Status Update: FY 2012 Amended Budget adopted on April 19, 2012.

Action Item 3: FY 2013 Budget

Staff will move forward with FY 2013 Budget as presented at retreat

Responsible Party: City Manager and Director of Finance

Target Date: FY 2013 Budget – July 19, 2012

Status Update: FY 2013 Budget adopted on July 19, 2012.

Action Item 4: Maintain Property Tax Revenue Base

The Council consensus was to adjust (roll-up) the ad valorem property tax millage rate accounting for any decrease in the digest to maintain the current revenue base and meet the budget needs of the City.

Responsible Party: City Manager and Director of Finance

Target Date: August 16, 2012

Status Update: The 2012 digest has decreased by 11.36% over the 2011 digest. Staff will present final recommendations when millage rate is set on August 16, 2012.

Action Item 5: Provide Funding for Capital Improvement Program (CIP)

Staff presented a five (5) year CIP that included necessary capital for all departments and debt service payments. No new or replacement capital was included in the FY 2012 Capital Projects Fund (CPF) with very limited replacement capital in previous years. Staff recommended a millage rate increase of .55 mills in the CPF which would increase the millage rate to 1.30 mills from the current .75 mills including the roll up in the tax digest to maintain the current revenue base. The Mayor and Council requested staff to investigate other budget balancing measures which could generate savings to assist in balancing the CPF and funding replacement capital. This information will be presented during the FY 2013 Budget process.

Responsible Party: City Manager and Director of Finance

Target Date: July 19, 2012

Status Update: Staff presented several budget reduction measures as part of the FY 2013 Budget. The reimbursement of the CPF from the Impact Fee Fund for a previously purchased fire apparatus provided approximately $400,000 which will fund the necessary replacement capital for FY 2013 and generate a small fund balance without an ad valorem tax increase. Additional funding for future budget years will need to be transferred from the General Fund based on budget savings generated in this fund from other budget reduction measures including the Fire Department Alternative Staffing Plan.

Action Item 6: Updated Five-Year Financial Forecast

Staff presented an updated five year forecast at the retreat and will further update along with the FY 2013 Budget process. Staff is currently projecting a millage increase in the CPF, use of unreserved fund balance in the GF and a rate increase in the W&S Fund.

Responsible Party: City Manager and Director of Finance

Target Date: Ongoing

Status Update: An updated Five Year Forecast was presented to Mayor and Council as part of the FY 2013 Budget process. The General Fund and Capital Projects Fund have been balanced for the next five years as a result of the reimbursement of a fire apparatus from the Impact Fee Fund to the Capital Projects Fund and with the implementation of the Fire Department Alternative Staffing plan. A cost of living sewer rate increase of 2.1% was approved by Mayor and Council with a corresponding reduction in the Sanitation rate. Additional cost savings will also be achieved from the Early Retirement Incentive Program and the Five Year Forecast will be updated after the final election date on August 8, 2012.

Action Item 7: Implement Changes to the Defined Benefit/Defined Contribution Retirement Plans to Produce a Sustainable Plan

Staff discussed retirement plan trends at the Retreat and recommended several changes to the Defined Benefit and Defined Contribution Retirement Plans that would better integrate the two (2) plans and produce a more sustainable retirement program. The changes are commonly referred to as a “Hybrid Plan” due to the better integrations between the DB and DC plans. Changes included requiring an employee contribution, reducing the benefit factor to 1.5% from 2.0%, increasing the vesting period from five (5) years to ten (10) years and increasing the retirement age from sixty two (62) to sixty five years of age. A matching program was also established in the Defined Contribution Plan encouraging employee responsibility in planning for retirement.

Responsible Party: City Manager and Director of Finance

Target Date: April 5, 2012

Status Update: Mayor and Council approved plan design changes in April 5, 2012.

Action Item 8: Implement Voluntary Early Retirement Incentive Program (ERIP)

Staff presented recommendations to implement Early Retirement Incentive Program (ERIP) to assist in balancing budgets in lieu of furloughs, layoffs or salary decreases. It was estimated that the program could generate savings of $200,000 - $400,000 annually. The Mayor and Council consensus was for staff to develop the program for adoption along with FY 2013 Budget.

Responsible Party: City Manager and Director of Finance

Target Date: July 31, 2012

Status Update: Staff along with assistance from GMEBS developed program. Resolution approved by City Council on June 7th and Ordinance adopted on June 21st. Seventeen (17) employees elected to participate in the program. The program is projected to generate savings of approximately $235,000 in FY 2013 and $430,000 in FY 2014.

Action Item 9: Water and Sewer Series 2003 Revenue Bond Refunding

Staff presented recommendation to research possible Water and Sewer Series 2003 Revenue Bond Refunding to reduce debt service costs due to current low interest rate environment. Council consensus was for staff to move forward on this.

Responsible Party: City Manager and Director of Finance

Target Date: July 31, 2012

Status Update: Staff reviewed refunding with bond underwriter and legal counsel and determined that refunding would not be possible until 2013 due to bond call provisions. Staff has scheduled follow up review for next year.

Action Item 10: Service Delivery Discussions

Council authorized staff to initiate service delivery discussions with Fayette County in the areas of Fire, Water and Building Inspections with the goals of achieving efficiencies and cost savings.

Responsible Party: City Manager and Director of Finance

Target Date: July 31, 2012

Status Update: City and County staffs met over a three (3) month period to review service delivery options in Fire, Water and Building Inspections. A Fire consolidation analysis along with an alternative plan for the city to continue to provide fire services to the community was presented to Mayor and Council at a called work session on June 21st. The long term savings of both plans was comparable. The consensus of Mayor and Council was to not move forward on consolidation, but instead to implement the alternative plan. It was also determined that a merger of the respective water systems could not occur due to the City's debt service requirements and bond covenants. The only option would be an outright purchase of the City's water system by the County and it was Council's decision to not continue forward with this process after the fire department decision. After a thorough review of the Building Department, staff concluded that it would not be in the best interest of the City at this time to contract these services with the County due to minimal cost savings and the critical role that the Building Department functions in the City's planning and development review process.

Action Item 11: Local Option Sales Tax (LOST) Negotiations

The Mayor and Council selected Mayor Pro Tem Paul Oddo and City Manager Joe Morton as primary negotiating team members and Mayor Greg Clifton and Director of Finance and Administrative Services Lynn Robinson as alternate negotiating team members.

Responsible Party: Negotiating Team Members

Target Date: December 31, 2012

Status Update: City negotiating team members along with representatives from the other municipalities and County were unsuccessful in the

negotiation and mediation process. The next step in the process is to continue with "Baseball Arbitration" which will be filed in the Superior Court in August. It is anticipated that this issue will be resolved by December 31, 2012.

Action Item 11: Continue with Proactive Public Information

Staff will continue to be proactive in disseminating information about the City and services to the community using the website, more frequent press releases, utility bill inserts, community channel and social media.

Responsible Party: City Manager and Staff

Target Date: Ongoing

Status Update: Staff has been much more active in posting information to our website and using utility bill inserts. Staff has continued to promote the City's Facebook page which is getting good results.

Engineering and Transportation Action Items

Action Item 1: Continue with SR Hwy 92/Hood Avenue Realignment Project

This project will realign State Route 92 (Forrest Ave.) at Hood Avenue and upgrade the intersection with S.R. 85. It will improve traffic circulation and safety, and provide alternative routes to relieve congestion for the S.R. 85 at S.R. 54 intersection (the courthouse square). This project will also provide congestion relief for the Post Office on Georgia Avenue and the office park and neighborhoods located off Habersham Parkway. The reconfigured intersection at SR 92/Hood Ave. and SR 85 will improve the level of service for this intersection and will maintain a satisfactory level of service for the 20 year study projection.

Responsible Party: Integrated Science and Engineer is providing Project Management Services

Target Date: Design and Permitting – December 30, 2011.
Right of Way Acquisition – January 1, 2012 to December 30, 2012.
Construction – January 1, 2013 to July 31, 2015

Status Update: Design and Right of Way acquisition in progress. Due to the Habersham neighborhood expressing concerns about the "Habersham Connection" creating a cut through in their neighborhood, it was the consensus of the Mayor and Council to eliminate this connection but maintain these funds in the project.

Action Item 2: Complete other SPLOST Projects as Scheduled

Responsible Party: Integrated Science and Engineer is providing Project Management Services

Target Date: Ongoing

Status Update: Lee Street complete. South Jeff Davis complete. 314/White Road/Banks complete. Connecting Sidewalks complete. Cemetery Sidewalk gravesite encroachment concerns addressed. Design continuing. Hwy 54 Sidewalks in easement acquisition phase. Hospital Area Paths and Crosswalk project design is underway.

Action Item 3: Coordinate Transportation Enhancement Act (TIA) of 2010 Process

The TIA provides an opportunity for voters to decide in August 2012 if a 1% sales tax should be levied for 10 years to pay for transportation projects. The vote will be on a regional basis, with the ARC region being our district. There will be a specific list of projects that will use 85% of the money in the region. The other 15% is discretionary spending for local governments.

Responsible Party: Public Services Director

Target Date: Financially unconstrained project list from DOT to roundtable Executive Committee by June 1, 2011.
Financially constrained list completed August 15, 2011.
Full Roundtable approve list on October 15, 2011.
Public vote is scheduled for July, 2012.

Status Update: Referendum did not pass. No further action required at this time.

Action Item 4: Deep Forest Stormwater Enhancement Project – Curb and Gutter

This project would address drainage problems by adding curb and gutter along Deep Forest Lane. A project cost is estimated at $100,000. Staff recommended including project in FY 2013 Budget. Council consensus was to move forward with project in FY 2013 Budget.

Responsible Party: Public Services Director

Target Date: June 30, 2013

Status Update: Staff has requested Task Order Form for project from consulting engineer.

Action Item 5: Future Projects

- Pye Lake Dredging – Funding options under review. Staff working with Hood Ave. lots owner and working on Forebay design.
- Hillsdale/Jefferson Culverts – No funding available at this time.

- Pye Lake creek rehabilitation behind 355 Sharon Drive. Construction is underway.

Responsible Party: Public Services Director

Target Date: Ongoing

Status Update: Staff will pursue projects when funds are available. Shifted priorities to smaller repair projects.

Planning and Zoning Action Items

Action Item 1: Complete Sale/Lease of 115 Building

The DDA and joint DDA/MSTA sub-committee have developed a comprehensive marketing program for the 115 Building. The committee's desire is to attract a restaurant that will compliment the other restaurants in the downtown area.

Responsible Party: DDA/MSTA Sub-Committee

Target Date: July 31, 2012 (Sale or Lease Contract)

Status Update: DDA was successful in signing a five (5) year lease with Twisted Taco. They have several franchise restaurants in the Atlanta area. They are projected to be open in late fall and they plan on offering roof top dining.

Action Item 2: Amendment to Sign Ordinance

Staff proposed several amendments to the sign ordinance to address variance trends, minimize confusing language and making it easier to administer by City staff. Some of the proposed changes included separating wall sign and ground sign calculations, allowing up to two (2) walls signs, encouraging landscaped monument signs, allowing for annual banner permits and allowing for permanent banner signs in planned centers. Council directed staff to move forward with changes.

Responsible Party: Director of Planning and Economic Development

Target Date: April 5, 2012

Status Update: The amendments to the Sign Ordinance were approved by Council on April 5, 2012.

Action Item 3: Amendment to Alcohol Ordinance

Staff proposed several amendments to the alcohol ordinance including changing the food/alcohol ratio from 75/25 to 60/40, extending hours of sales to 1:00 a.m. seven (7) days per week and

allowing wineries, wine bars and wine tastings in the downtown area. Council directed staff to move forward with changes.

Responsible Party: Director of Planning and Economic Development

Target Date: September 30, 2012

Status Update: Staff is currently drafting amendments to ordinance.

Action Item 4: Amendment to Gas Station Ordinance

Staff proposed several amendments to the gas station ordinance including eliminating building size which is regulated by other City ordinances, eliminating ban on operator booths as are used by Kroger and other businesses and eliminating additional restrictions adjacent to residential areas which are addressed through the Special Exception process. Council directed staff to move forward with changes.

Responsible Party: Director of Planning and Economic Development

Target Date: April 19, 2012

Status Update: The amendments to ordinance were approved by Council on April 19, 2012.

Action Item 5: Flea Markets

Staff discussed with Council several concerns that were being expressed by the community about a recently opened flea market and flea markets in general. Staff also discussed some of the concerns that staff had with the current flea market including fire, police and business license issues. Council directed staff to move forward with ordinance regulating flea markets to minimize the staff concerns and impact to community.

Responsible Party: Director of Planning and Economic Development

Target Date: September 30, 2012

Status Update: Staff has drafted ordinance for review by Council at the August 16, 2012 City Council Meeting.

Action Item 6: Residential Uses in C2/C3 Zoning Districts within the Main Street District

Staff presented recommendation allowing for residential uses in the C2/C3 Zoning Districts within the Main Street District as consistent with the City Comprehensive Goals of encouraging more residential uses in the Downtown District. Council directed staff to move forward changes to the ordinance allowing for this use.

Responsible Party: Director of Planning and Economic Development

Target Date: September 30, 2012

Status Update: Staff is currently drafting amendments to ordinance.

Action Item 7: Internet Sweepstakes Cafes

The City Manager briefed the Mayor and Council on this issue and that the City currently had a moratorium in place to prevent any businesses of this nature opening in the City pending the State legislature approval legislation making these types of businesses illegal. The moratorium is set to expire in June 30, 2012.

Responsible Party: City Manager
Police Chief

Target Date: June 30, 2012

Status Update: The State legislature approved legislation making these types of business illegal and the Governor signed the legislation. This issue has been resolved based on this action. The City's moratorium has lapsed.

Action Item 8: Atlanta Regional Commission (ARC) Plan 2040 Update

Director of Planning and Economic Development Brian Wismer updated Mayor and Council on the goals of Plan 2040. Plan 2040 is a regional vision for sustainable growth and includes five (5)

primary objectives with each objective having standards of compliance. Local governments are required to complete a self-assessment by June 30, 2012 with Documentation to support compliance submitted by December 31, 2013.

Responsible Party: Director of Planning and Economic Development
Target Date: December 31, 2013

Status Update: Staff submitted self-assessment in December 2011.

Action Item 9: P.K. Dixon Property

Develop Master Plan. Continue to pursue funding sources for project including grants and private funding.

Responsible Party: Director of Community Development
Director of Public Services

Target Date: Ongoing

Status Update: The City Council approved an agreement with the Southern Conservation Trust to manage the property and to work with City staff on a master plan for creating park and trail amenities. Staff will continue to seek the trails grant and alternative sources of funding to begin construction of a trail system on the property. A proposed trails system map has been finalized after recent site visits to confirm feasibility of lay out, etc. to be included in master plan for the project. DNR Trails Grant was not approved for 2011/2012 funding cycle.

Economic Development Action Items

Action Item 1: Sewer Proportionate Share Fee and Impact Fee Amendments

Staff recommended several changes to the Sewer Proportionate Share Fees and Impact Fees to consolidate categories, minimizing exemptions, reduce fees and simplify administration to help encourage economic development activity. The Council directed staff to move forward with changes.

Responsible Party: Director of Planning and Economic Development
Assistant Director of Finance and Administrative Services

Target Date: August 31, 2012

Status Update: Sewer Proportionate Share Fees amendments were approved on June 21, 2012. Impact Fees amendments were approved on August 16, 2012.

Action Item 2: Develop Public Information Campaign/Support for Redevelopment Authority Powers Referendum

Staff will develop public information/awareness information to garner support for referendum scheduled for November 6, 2012 granting the City of Fayetteville State Redevelopment Authority Powers. The public campaign will include public presentations to civic groups, chamber of commerce, homeowner groups and a town hall meeting. It will also include media releases, website and social media announcements and utility bill inserts.

Responsible Party: Director of Planning and Economic Development

Target Date: August 31, 2012

Status Update: Staff has developed draft public awareness campaign. Staff along with Mayor Clifton made a presentation to the Chamber Government Affairs Committee to request their support on promoting the positive aspects of the referendum. The public campaign will gear up in September 2012.

Other Action Items

Action Item 1: Encourage Civic Engagement Using "Town Hall" Meeting Format for Select Topics

Although, the Mayor and Council are pleased with the City's efforts in public information through traditional means such as public hearings, work sessions, press releases, utility bill inserts and social media, they would like to incorporate the "Town Hall" meeting approach to further encourage civic and community engagement. Mayor and Council have directed staff to incorporate the "Town Hall" meeting format in promoting the upcoming State Redevelopment Authority Powers Referendum on November 6, 2012.

Responsible Party: Mayor and City Council
City Manager
Staff

Target Date: October 15, 2012

Status Update: Staff has developed draft public awareness campaign incorporating the "Town Hall" meeting format.

Action Item 2: Patriot Park Veterans Memorial

Council Member Larry Dell updated the Mayor and Council on the status of the fund raising efforts for this project. He stated that fund raising efforts have been difficult given the current state of economy and that he had $10,000 in hand and another $2,000 pledged. He had revised the project and recommended moving forward (pending donations) with Phase I. Phase I would now consist of the obelisk, flag pole and granite benches for a total cost of approximately $22,000 - $25,000. The Council consensus was to pledge $5,000 in non-profit contributions in the FY 2013 Budget.

Responsible Party: Council Member Larry Dell

Target Date: Ongoing

Status Update: Fundraising is continuing.

Action Item 3: Holding Municipal Elections in Even Years in Conjunction with National Elections

Council Member Paul Oddo brought this forward as discussion item for Council to consider changing the City's current election cycle from odd to even years in conjunction with the national elections to encourage a higher voter turnout and possibly reduce costs. Council will provide direction to staff in the prior to the 2013 legislative session. A charter change and local legislation would be required.

Responsible Party: Mayor and Council
City Manager
City Attorney

Target Date: October 31, 2012

Status Update: Waiting on Council direction.

Action Item 4: Sewer Service Policy

Staff brought forward the issue of the City's long standing sewer service policy for discussion by Council. The current policy is that sewer service is not provided outside of the corporate city limits. The Council consensus was to not change standing policy. Staff will develop formal policy for Council consideration.

Responsible Party: City Manager
Director of Public Services
City Attorney

Target Date: October 31, 2012

Status Update: Staff will develop draft policy for review at 2013 Annual Retreat.

Action Item 5: Annexation Practices/Policy

Staff provided an overview of past annexation practices and stated that most annexations over the years were initiated by the property owner or developer. Staff advised that although the City does not have a formal annexation policy, all annexations have to meet state law and local ordinances and that there is a high level of review and public scrutiny of annexations. Staff further identified

potential future areas for annexation including some of the areas near the hospital as part of the Hospital/Hwy 54 joint City/County Master Plan and potential infill areas and some areas adjacent to the City limits. Staff also sought Council direction on how to respond to future annexation requests. The Council consensus was for staff to develop a formal annexation policy for consideration.

Responsible Party: City Manager
Director of Community Development

Target Date: October 31, 2012

Status Update: Staff will develop draft policy for review at 2013 Annual Retreat.

Action Item 6: RaceTrac Annexation Request

Staff updated Council on the annexation inquiry from RaceTrac located at Hwy 85 South and Ramah Road. The initial inquiry had been to provide sewer service to the property but the property is located in the unincorporated County and would not be consistent with the City's long-standing sewer extension policy. As such, RaceTrac was now inquiring about annexation into the City in order to access the City's sewerage system. There was also a discussion about possible septic system issues and that these issues could be eliminated by annexation and connection to sewer. The Council consensus was for staff to continue conversations with RaceTrac about annexation and to have additional conversations with Fayette County Environmental Health about the septic system. Council also suggested that a right turn lane be installed from Ramah to Hwy 85 as a condition to any annexation.

Responsible Party: City Manager
Director of Community Development
Director of Public Services

Target Date: October 31, 2012

Status Update: Staff met with Environmental Health and determined that there were no immediate septic system failure issues. There are occasional odor issues. RaceTrac would like to pursue annexation and connection to the sewerage system. RaceTrac is also working with adjacent property owners to annex as well. RaceTrac proposed a clarification to the City's Zoning Ordinance addressing non-conforming uses before they officially file annexation

application. Zoning Ordinance change will be considered by Council at the August 16, 2012 City Council Meeting.

Action Item 7: Hospital Area Planning

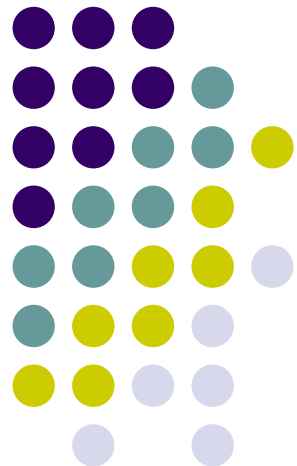
Staff provided a very brief overview (due to limited amount of time on schedule) of the Hospital Area Planning effort that has been underway for several years as part of the Hospital/Hwy 54 joint City/County Master Plan and advised that the Chamber of Commerce would be hosting an informational meeting on this issue as part of their Leadership Fayette Alumni Group and that all City/County elected officials would be invited to attend. No action taken on this item.

Responsible Party: Mayor and City Council
City Manager
Staff

Target Date: Ongoing

Status Update: Waiting on Council direction as to how they want to proceed. Staff continues to get inquiries from potential developers and from property owners.

FINANCIALTRENDS AND ANALYSIS WITH 5 YEAR FORECAST



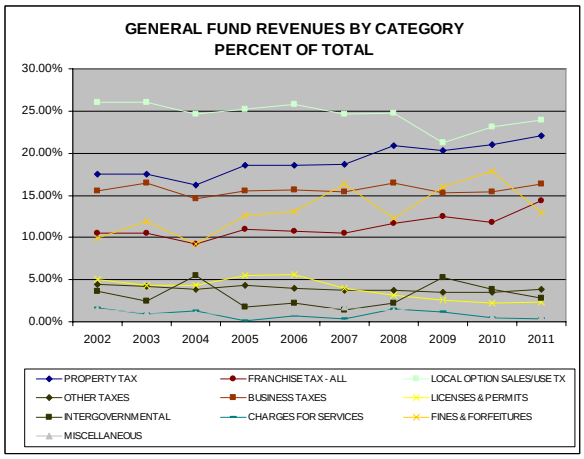
FINANCIAL TREND ANALYSIS

OVERVIEW

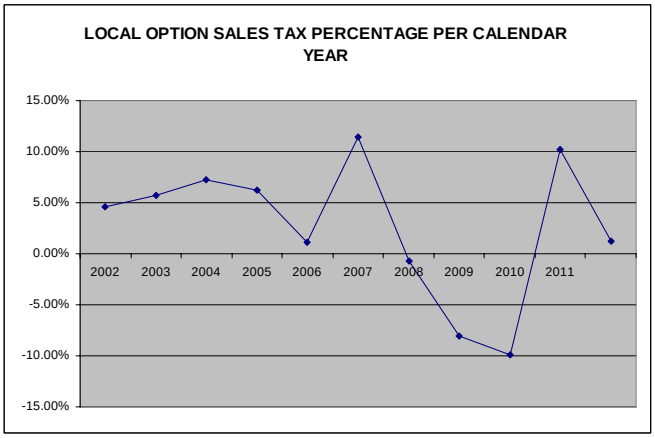
The first step in the financial planning process is to build the foundation. In the context of a long-term financial plan, the foundation consists of a minimum of a five-year trend analysis. Staff has chosen to present a ten-year trend analysis in an effort to fully understand the existing trends. This trend analysis is limited to the General Fund and the Water and Sewer Fund, the City's two (2) largest funds.

GENERAL FUND

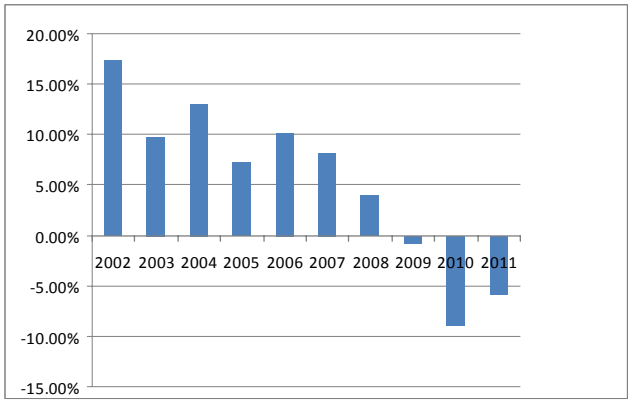
Analyzing financial trends can be extremely valuable in gauging a government's fiscal health. The chart below shows General Fund revenues by category as a percentage of total revenues over the last ten fiscal years. Local Option Sales Tax (LOST) is currently the greatest source of revenue at 24% of total revenues. Followed by property taxes, which is 22% at fiscal year end 2011. LOST has decreased over the past three years; which has caused the property taxes percentage of total revenues to increase therefore closing in on the LOST percentage of total revenues. Business Taxes is the third highest source of revenue at 16%; with the fourth highest being franchise taxes which is currently at 14% of total revenues. Followed by, fines and forfeitures this is at 13% of total revenues. The remaining sources of revenues are 5% or less of total revenues.



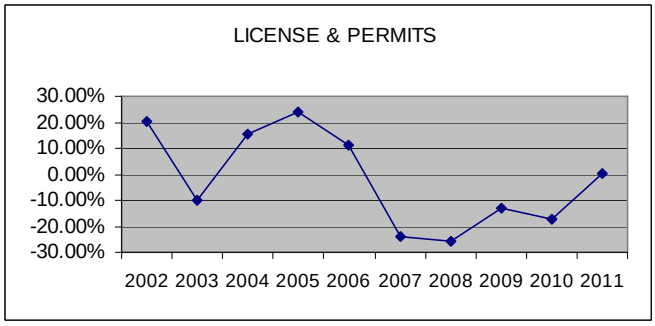
The City is affected by the distressed economy which is caused by many factors, but not limited to, the decrease in the housing market and the closing of major companies within the metro Atlanta area. From 2004 to current it has been a roller coaster ride with no consistency in LOST. As shown on the chart to the right, the City's local option sales tax revenue had the highest increase over the prior year in 2006 at 11% in the 10 year period. Over the next three years, LOST averaged a (12%) decrease due to the great recession. LOST was showing signs of improvement during 2010 over 2009 with a 10% increase. LOST had a slight increase in 2011 in comparison to 2010 of 1%.

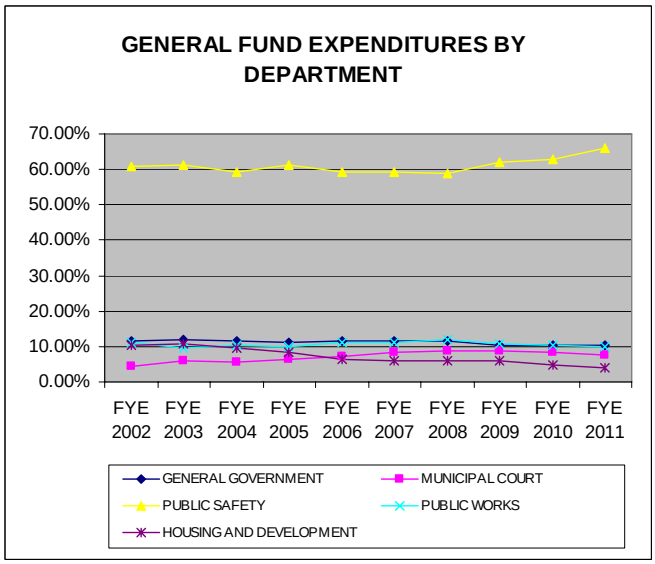


The City has continued to rollback or has kept the mileage rate the same since fiscal year 1993 through fiscal year 2009. As indicated in the chart to the let, the digest had continued to grow through calendar year 2008, due to the overall growth that the City of Fayetteville has experience during the mid to late 90's and early 00's. Between the years 1999 and 2008 the average percentage digest growth is equivalent to 9.36%. Calendar year 2009 decreased by (.78%) over calendar year 2008; calendar 2010 decreased by (1.32%) over 2009; and, calendar 2011 decreased by (5.86%) over 2010. With the continual decrease of growth in 2011, the City rolled up the millage of 3.441 mills to equate to the same dollars collected in 2010. The millage rate roll up does not qualify as a tax increase.



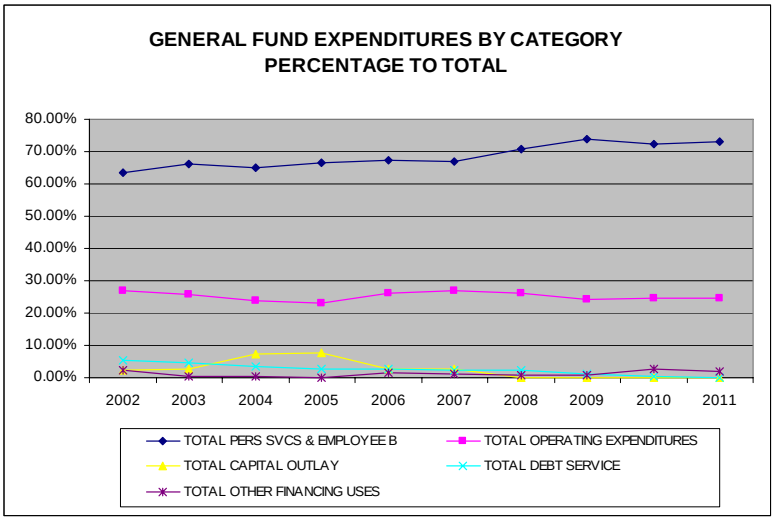
Licenses and permits have been and continue to be another revenue source that is a concern for the City since the great recession. Building related revenues have declined significantly since fiscal year 2007 with a decrease in revenues of ($129,162) or (24.19%) over fiscal year 2006 per the chart to the right. Fiscal year 2006 was the highest revenues generated in this 10 year period with $533,974 for licenses and permits. In fiscal year 2008 revenues collected decreased by another ($104,106) over fiscal year 2007; which equated to (26%). In comparing fiscal year 2009 over fiscal year 2008 the revenues decreased by (13%) or ($39,220). License and permits revenues decreased by (17%) or ($44,399) for fiscal year 2010 in comparison to fiscal year 2009. Fiscal year 2011 actually had a slight increase of 1% or $410 over fiscal year 2010. Accumulatively the decrease in revenues since fiscal year 2007 is (316,478).

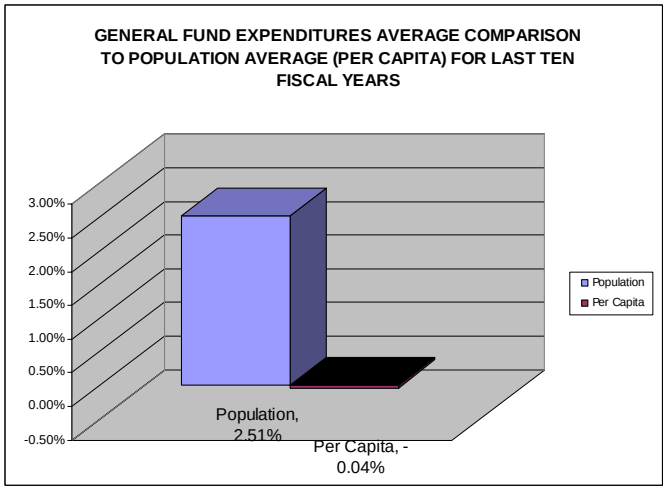




The chart on the left indicates the percentage of the General Funds personnel expenditures and operating expenditures in comparisons to the total expenditures for each major function. Public Safety has been as low as 59% and as high as 66% over the last ten fiscal years, averaging 61%. General Government's average over the last 10 fiscal years is approximately 11%. Public Works is averaging11%, followed by, Housing and Development which is equivalent to 7% for the last ten fiscal years. Municipal Court has averaged 7% for the past ten fiscal years.

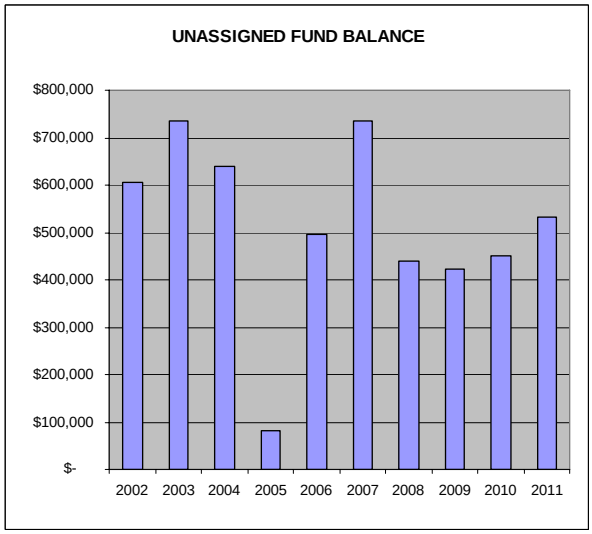
The General Fund increased in personnel expenditures over fiscal year 2008 from 71% to 73% in fiscal year 2011 of total expenditures. The increase during fiscal year 2009 is due mainly to the full impact of the nine firefighters that were hired in conjunction with the SAFER grant. Personnel expenditures have averaged 69% for the last 10 fiscal years. The remaining 31% of the total General Fund budget is allocated to operating expenditures, debt service, and other financing uses. Operating expenditures have been in the 20% range between the fiscal years 1999 and 2011. Capital Outlay will have more of an inconsistent percentage per fiscal year depending on the demands of capital items, including but not limited to, vehicles and equipment. Since fiscal year 2008, no capital outlay was budgeted or purchased in General Fund due to the slowdown in the economy. The chart above depicts the trend analysis of General Fund percentage by category as compared to total expenditures per each fiscal year.





The chart to the left shows the percentage of population and the per capita averaged over the past ten fiscal years. The City's population has grown at an average of 2.51% over the past ten fiscal years. Per capita (the cost of providing services to the citizens) has averaged -.04% over the past ten fiscal years. Beginning in 2000, with a population of 11,300 the City's cost for services per person was $587.16. As of the current ending fiscal year 2011, the population is 15,945 and the per capita cost is $582.26.

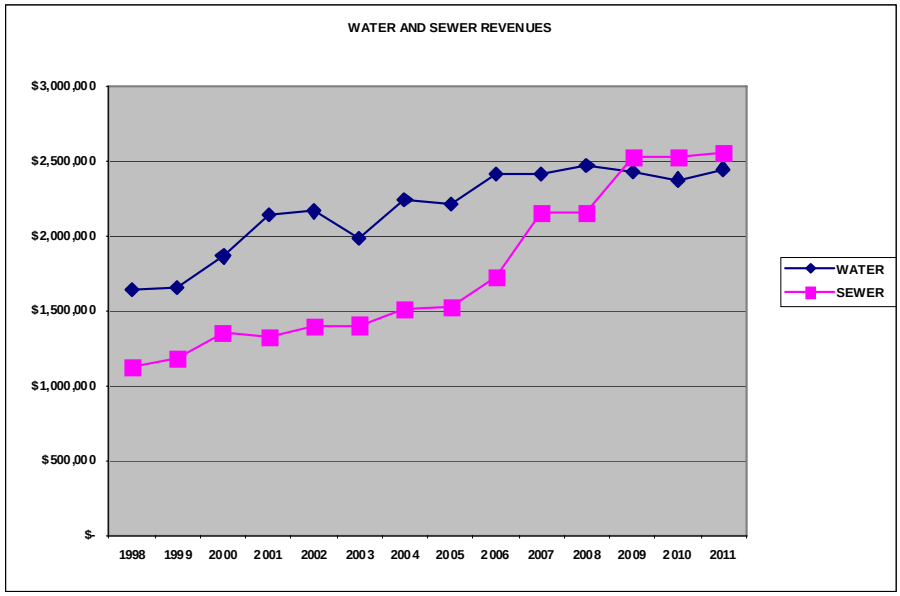
The City of Fayetteville has a reserve fund administrative policy that states that the City will strive to maintain a General Fund working reserve from the unreserved fund balance equal to at least three months of the total General Fund appropriations budget, which has been enforced. As indicated in the chart to the left, fiscal year 2002 had $606,988 of unreserved fund balance. These unreserved fund balances for the last ten fiscal years are the total less the three months of appropriations. Fiscal year ending 2005's unreserved fund balance was $81,136; the lowest within the past 10 years. Even though,



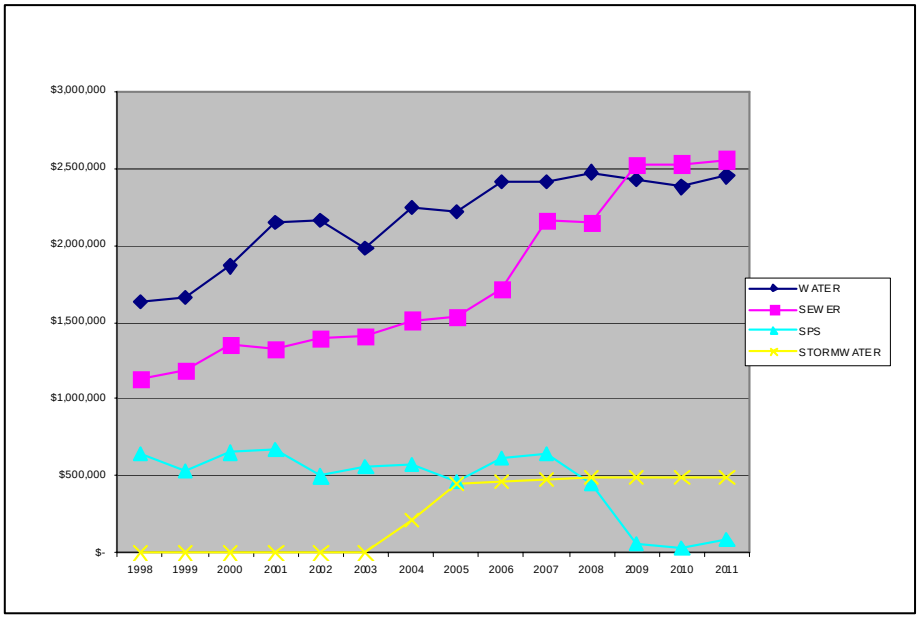
it was the lowest the usage of fund balance was planned to purchase major capital outlay. The City, with careful financial planning and budgeting, has and is continuing to maintain the General Fund unreserved fund balance during the recession. Fiscal year 2011 unreserved fund balance is $532,338.

WATER AND SEWER FUND

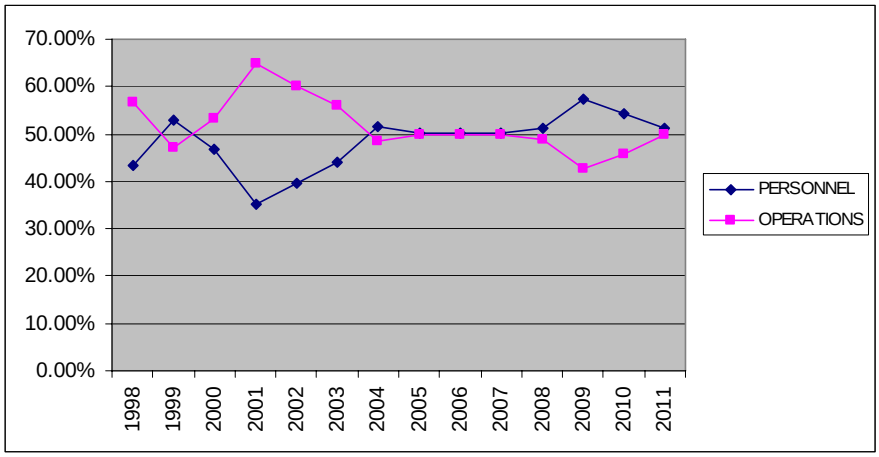
Water and Sewer Fund revenues have increased since fiscal year 1998. In fiscal year 1998, water revenues were $1,636,945 and in fiscal year 2011, they were $2,446,804 that indicates a 49.5% increase. Sewer revenues were $1,124,336 in fiscal year 1998 and in 2011; they were $2,555,697 that indicates an increase of 227%. The sewer figures do not include sewer proportionate share fees that until fiscal year 2003 were not shown as revenues but as an equity account to the fund and in the restricted fund balance. Due to current accounting standards, these fees are now shown in the audit reports as contributed capital. Stormwater revenues are not included in this chart; revenues were not collected until fiscal year 2004.



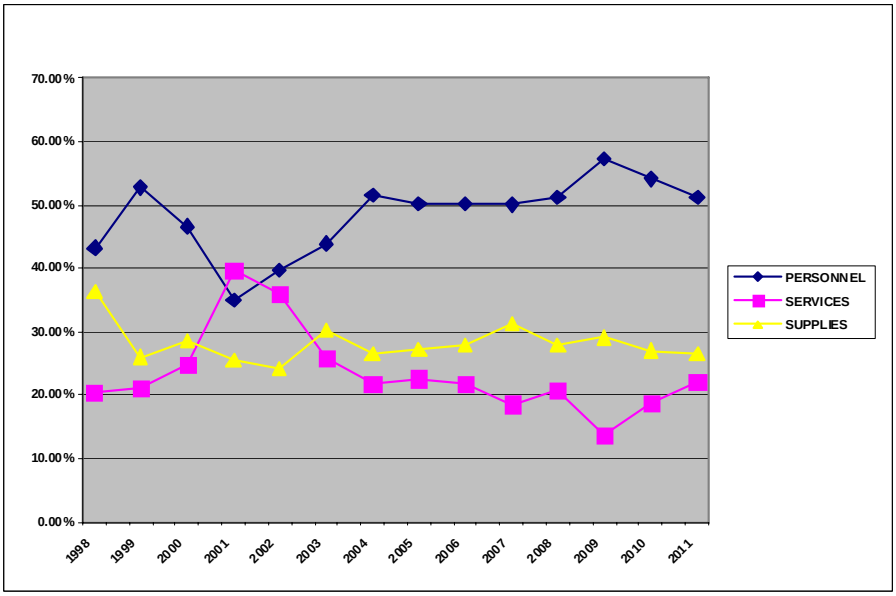
This chart indicates Water and Sewer Revenues, which includes water, sewer, sewer proportionate share fees, and stormwater fees. We were averaging $574,000 per year in sewer proportionate share fees, which began in 1994. In FY2011, we collected $84,848 due to the slowdown in building in our City. Stormwater fees are averaging $490,000 per year except the first year of the program, fiscal year 2003; we collected $219,296 in stormwater fees for one-half year.



Trend analysis indicates that expenses in the Water and Sewer Fund for services and supplies have ranged from 42.65% in fiscal year 2009 to 64.98% in 2001 with an overall average of over 51.7% of total expenses for the last fourteen fiscal years. Personnel expenses dropped to 35.02% in fiscal year 2001 with the highest year for personnel expenses being 2009 with 57.35%. Fiscal years 2005 through 2008 indicate the most stable years with personnel and operating services were at 50%. In the years 1999 through 2001, the Water and Sewer Department experienced a high rate of employee turnover. The costs of personnel services in fiscal year 2009 reduced funds available for operating services. Fiscal year 2011 indicates an attempt to restructure the department and redistribute funds and realign costs.



The Water and Sewer Department was experiencing a turnover of approximately 9 employees annually during the period of 1999 through 2001. The department was staffed with an average 63% of its personnel for these three years; service expenses increased due to contractual agreements with local contractors to handle repairs and maintenance to the sewer system of an estimated $149,151 in 2001. In 2009, personnel expenditures reached the record high of 57.35% of the total expenses while operating services are 42.65%. The significance of this trend indicates the rising cost of personnel makes it necessary to decrease expenses in operations to balance the use of available funds.



FIVE YEAR FINANCIAL FORECAST

OVERVIEW

The Five-Year Financial Forecast was developed as a planning tool to assist the staff and elected officials in planning for the long-range needs of the community. The Forecast addresses all financial operations including personnel, operations, capital and debt service, however, for the purpose of this report, only the City's four (4) major funds will be addressed: General Fund, Capital Projects Fund, SPLOST Fund, and Water and Sewer Fund. All forecast are based on assumptions. These assumptions are covered in the next section followed by a presentation of the Five-Year Financial Forecast for each of the major funds identified above.

ASSUMPTIONS

It is important that the projections for 2013-2017 maintain existing service levels and build in operating costs resulting from capital growth. The following assumptions were used in developing the five-year forecast:

GENERAL FUND REVENUE ASSUMPTIONS

The ad valorem property tax digest budgeted a (5.86%) decrease for fiscal year 2012, due to the recession. The calendar year 2010 net digest was 843,429,960. Therefore with the decrease of (5.86%) the net digest for 2011 is 794,019,821. However, due to the reassessments decreasing the City was able to roll up the millage rate. As long as you roll up on the portion associated with the reassessments it is not a tax increase. Therefore, for fiscal year 2012, the budget would remain the same as the budget for fiscal year 2011. The General Fund's millage rate (including the roll up) for the fiscal year 2012 budget is 2.691 mills. The Capital Projects Fund dedicated millage is .75 mills. A mill's value is $794,020. The budget for fiscal year 2012 is based on estimates given from the Fayette County Tax Commissioner. Our budgets are adopted prior to the final digest. In fiscal year 2013 the digest is estimated to decrease by another (14%). The General Fund budget cannot withstand this major decrease along with decreases in other revenue sources without decreasing the current level of service. Decreasing our current level of service will have a major impact on our public safety services and all other services through out the City. Once again, the budget for fiscal year 2013 will include the millage rate roll up equivalent to the decrease in reassessments. Also, for the fiscal year 2013 budget the distribution of the millage rate between General Fund and Capital Projects Fund will be as follows: 3.065 mills for General Fund and .854 mills for Capital Projects Fund. In fiscal year 2014, assuming a 1% increase or a value of $27,317 for growth, fiscal year 2015 a 2% increase or $55,180, and in fiscal year 2016 and 2017 a 3% increase. These assumptions are based on the current reflection of the great recession.

Sales tax represents 24% of fiscal year 2012 revenues and prior to fiscal year 2007; sales tax had increased by an average of 6.39% from 2000. However, since fiscal year 2007, the LOST percentage has declined tremendously. The percentage of local option sales tax collected for calendar year 2007 vs. calendar year 2006 was a decrease by (.71%). Calendar year 2008 was a decrease of (8.09%) over calendar year 2007. Calendar year 2009 was a decrease of (9.88%) over calendar year 2008. However, calendar year 2010 has been a much better year for the collection of LOST revenues which resulted in a 10.25% increase over 2009. Calendar year 2011 increased by 1.27% over calendar year 2010. Even with this increase the LOST revenues has not fully recovered from the beginning of the great recession. For fiscal year 2012, a 2% increases was budgeted for local option sales tax revenues. Staff is projecting that sales will slowly continue to recover in fiscal year 2013 through 2017 and has assumed a 2% increase each year.

Occupational tax represents 16% of fiscal year 2012 revenues. Occupational tax has averaged an increase over the last ten fiscal years of 2%. With the slowing economy, occupational taxes decreased by (.90%) from fiscal year 2007 versus fiscal year 2008. Occupational taxes continued to decrease during fiscal year 2009, finishing the year at a (5%) decrease over fiscal year 2008. The decrease continued for the fiscal year 2010 with a (5%) decrease over fiscal year 2009. Fiscal year 2011 occupational tax decreased by (.36%) over fiscal year 2010. A 2% increase was budgeted for fiscal year 2012. Staff is recommending an increase of 2% per year for the fiscal year 2013 budget through fiscal year 2017 budget.

Fines and forfeitures represent 13% of fiscal year 2011 revenues. Fines and forfeitures increased by 36% during fiscal year 2009 over fiscal year 2008. Fines and forfeiture revenues continued to increase in fiscal year 2010 with an 8% increase over fiscal year 2009. However, fines and forfeitures decreased in fiscal year 2011 by (32%) over fiscal year 2010. Therefore, due to the decrease in fiscal year 2011; a decrease of (4%) was budgeted for fiscal year 2012. For fiscal years 2013 through 2017 no increase has been projected.

Franchise taxes represent 14% of fiscal year 2011 revenues. Franchise taxes have averaged 6% for the past ten fiscal years. Franchise taxes have been one of the few revenue sources that have not been as affected by the great recession. Until fiscal year 2010, there had continued to be increases from year to year. Fiscal year 2010 had a decrease of (9%) over fiscal year 2009. Fiscal year 2011 had a 15% increase over fiscal year 2010. For the five year forecast a no increase has been used for fiscal year 2013 or 2014. Projected for fiscal years 2015 through 2017 is 1.00% increase per year.

Licenses and permits have been drastically hit by the great recession since these fees are related to building. The City of Fayetteville has been and continues to experience the decline in new building associated with growth since fiscal year 2007. The average for the past ten fiscal years is a decrease of (2%). Budgeted for fiscal year 2012 is 0%. The assumption for fiscal year 2013 budget and proposed through 2017 are as follows and showing a slight recovery: 1% increase or a value of $2,212 for fiscal year 2013, 2% increase or a value of $4,468 for fiscal 2014, 3% or a value of $6,836 for fiscal year 2015, 3% or a value of $7,041 for fiscal year 2016, and 3% or a value of $7,253 for fiscal year 2017.

The net change for fiscal year ending 2011 fund balance for general fund is a deficit of ($47,628). Through our financial analysis and long range planning, even during a recession, the general funds fund balance remains stable. For fiscal year ending 2011, unassigned fund balance is $532,338. Appropriation of unassigned fund balance was budget for fiscal year 2012 in the amount of $42,189 leaving a balance of $490,149 in unassigned fund balance. With the amendments proposed for the fiscal year 2012 budget, the appropriation of

unassigned fund balance will change to $0, therefore, leaving a balance of $532,338 in the unassigned fund balance. Proposed for fiscal year 2013 budget is no unassigned fund balance.

GENERAL FUND REVENUE ASSUMPTIONS TABLE

GENERAL FUND REVENUE ASSUMPTIONS

		Amended					
ACCOUNT NAME	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Property Taxes	$ 54,262	$ (24,621)	$ (220)	$ 19,031	$ 38,442	$ 58,816	$ 60,580
Franchise Taxes	$ -	$ 55,000	$ -	$ -	$ 13,257	$ 13,389	$ 13,523
Local Option Sales Tax	$ 35,592	$ 27,761	$ 46,534	$ 47,464	$ 48,414	$ 49,382	$ 50,369
Selective Sales & Use Tax	$ 6,892	$ -	$ 7,029	$ 7,170	$ 7,313	$ 7,460	$ 7,609
Business Taxes	$ 29,961	$ 123,966	$ (28,900)	$ 32,462	$ 33,111	$ 33,773	$ 34,449
Licenses & Permit	$ -	$ -	$ 2,212	$ 4,468	$ 6,836	$ 7,041	$ 7,253
Local Gov Unit Grants	$ (88,600)	$ -	$(108,000)	$ -	$ -	$ -	$ -
Charges for Services	$ -	$ 25,000	$ (25,000)	$ -	$ -	$ -	$ -
Fines & Forfeitures	$ -	$ (150,000)	$ -	$ (75,000)	$ -	$ -	$ 25,000
Interest Revenues	$ 10	$ 5,990	$ 140	$ 143	$ 146	$ 149	$ 152
Contributions/Donations	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -

GENERAL FUND EXPENDITURE ASSUMPTIONS

Staff budgeted a one time incentive pay of $500 per employee in the fiscal year 2012 budget. Funds are included in the budget to continue our employee benefits, included but not limited to, health insurance, retirement, safety, and longevity programs. However, any increases for the health benefits had to be passed on the employees. Staff, along with the broker, got innovative and was able to present and offer different plan designs that caused very little impact to the employees. Also, the City's match on the employees deferred retirement plan was decreased from the City matching .50 cents on the $1 to .10 cents on the $1. Fiscal year 2012's budget includes no additional personnel and a hiring freeze has been implemented on vacant positions. Two planning and zoning employees resigned during fiscal year 2012. The planning and zoning department was reorganized and these two positions were eliminated during the midyear budget amendment for fiscal year 2012. Proposed for the fiscal year 2013 budget is an increase of 2.1% for employee salary and benefits; however, the hiring freeze will continue. Also, proposed for the fiscal year 2013 is an early voluntary retirement incentive program. Eighteen employees are eligible for this program. The budget will be amended midyear during fiscal year 2013 to include the savings from this program. For the years 2014 through 2017 continuing with the hiring freeze and no additional personnel is being projected. Projected for fiscal years 2014 through 2017 is an increase of 2.10% for employee salaries and benefits. However, beginning in fiscal year 2012, the defined retirement plan through Georgia Municipal Employees Benefit System (GMEBS), after the annual actuary was completed in January 2011, and a decrease of $65,000 was allotted and has been implemented in the five year forecast.

The General Fund fiscal year 2012 budgeted expenditures decreased (1%) over fiscal year 2011 final budget. The most significant decrease is from the other financing sources in the amount of $114,556 as a result of not budgeting for a transfer to Capital Projects Fund. No new or replacement capital outlay was budgeted in General Fund for fiscal year 2012.

The table below indicates the assumptions for the fiscal year 2012 amended budget and projected for fiscal year 2013 through fiscal year 2017. Outlined below the table are more

detail assumptions for the amended fiscal year 2011 budget and for the forecast through fiscal year 2017.

GENERAL FUND EXPENDITURE ASSUMPTIONS BY PERCENTAGE	FY 2012	Amended FY2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Personnel Salaries & Benefits	0.00%	-1.09%	2.10%	2.10%	2.10%	2.10%	2.10%
Purchased Contracted Svc	2.14%	1.87%	2.10%	2.10%	2.10%	2.10%	2.10%
Supplies	2.36%	0.35%	2.10%	2.10%	2.10%	2.10%	2.10%
Interfund Transfers	-61.45%	0.00%	-5.69%	-4.15%	-18.18%	-11.11%	-12.50%
Capital Outlay							
New Personnel							

Fiscal Year 2012 Amended:	
Personnel Salaries & Benefits	Restructured Planning and Zoning Department after 2 employees resigned. Savings have been included in the FY2012 amended budget.
Operating & Maintenance	E911 reduced monies to actual contract amount; included expensed for the LMIG 2011 agreement that was not done in FY2011 (included additional revenue monies from grant to off set this expense.) Included $5,000 for non-profit organizations.
Fiscal Year 2013:	
Personnel Salaries & Benefits	2.1% increase for salaries and employee benefits.
Operating & Maintenance	Included 2.1% increase. Continue to reduce transfer of monies to MSTF.
Fiscal Year 2014:	
Personnel Salaries & Benefits	2.1% increase for salaries and employee benefits. Assuming 1 part time employee retiring.
Operating & Maintenance	2.1% increase included for operating and maintenance. No monies designated for E911 services. Continue to reduce transfer of monies to MSTF.
Fiscal Year 2015	
Personnel Salaries & Benefits	2.1% increase for employee benefits.
Operating & Maintenance	2.1% increase included for operating and maintenance. Continue to reduce transfer of monies to MSTF.
Fiscal Year 2016	
Personnel Salaries & Benefits	2.1% increase for employee benefits.
Operating & Maintenance	2.1% increase included for operating and maintenance. Continue to reduce transfer of monies to MSTF.
Fiscal Year 2017	
Personnel Salaries & Benefits	2.1% increase for employee benefits.
Operating & Maintenance	2.1% increase included for operating and maintenance. Continue to reduce transfer of monies to MSTF.

WATER AND SEWER FUND REVENUE ASSUMPTIONS

The total Water and Sewer Fund revenue for fiscal year 2012 is $5,508,382 with fiscal year 2013 budgeted as $5,620,575. The Water and Sewer Fund's major sources of revenues are water sales and sewer charges; together these fees are equivalent to approximately 90% of total revenues. The City of Fayetteville is charging for an additional wastewater service for the collection and disposal of stormwater runoff. The stormwater fees are reflected in the wastewater function.

Future years' water and sewer sales are based upon an average monthly water bill for residential customers and multiplying that factor by a projected or estimated amount of water customers derived from historical data of utility users, planning and zoning department's estimates for future population growth and engineering analysis computer software used to project rates for water and sewer. Due to the increased debt service involving the expansion of the Wastewater Treatment Plant a cost analysis was performed by an independent consultant. Based upon the cost analysis it was determined that an increase in the City's service charges for water and sewer required significant increases. Instead of one major increase, staff recommended a phase-in approach of increases beginning in fiscal year 2006 through fiscal year 2009. Fiscal year 2009 required a budget amendment to reduce the projected revenues in water and sewer sales. Although, the State of Georgia removed water restrictions, it was too late to regain the customer's average system use of prior years. In fiscal year 2011, staff recommended revising our conservation rate structure to the formula provided the North Georgia Water District, which is recommended to the separate water districts in developing an appropriate conservation tier rate structure. This change equates to an estimated increase in revenues of $57,000 annually.

Effective in fiscal year 2013, sewer rates will be increased by 2.1% as indicated in the Consumer Price Index (CPI) for services in the southeast region.

Revenues from installation fees for water meters and taps are estimated by using the increase in growth factor projected for water and sewer sales. Sewer proportionate share fees are estimated using the increase in growth factor and multiplying that by a residential and commercial sewer fee. These assumptions are covering the major sources of revenues within the fund; all other revenues sources are estimated to remain consistent with present projections. Fiscal year 2008 is the first year we have not met our projected customer base increase and this trend has continued through to fiscal year 2012. There was no new capital fixed assets added to our system by developer contribution (contributed capital) for fiscal years 2008 through 2012. In addition to not meeting our projected customer base, staff has taken a very conservative approach and is predicting a flat water customer base, with small growth to the sewer customer base. Original projections for water customers was estimated to peak in the year 2013, which was based on the fixed water service area determined by contractual agreement with Fayette County.

FISCAL YEAR	WATER CUSTOMERS	WATER SALES	SEWER CUSTOMERS	SEWER SALES
2012	6628	2,471,852	7855	2,584,262
2013	6638	2,448,113	7890	2,679,062
2014	6644	2,448,775	7940	2,762,676
2015	6654	2,449,438	7965	2,848,899
2016	6660	2,450,101	8000	2,937,813
2017	6670	2,450,763	8025	3,029,502

WATER AND SEWER FUND EXPENSE ASSUMPTIONS

After refinancing the 2008 GEFA Loan and planned early repayment of 2003 Revenue Bonds; assumptions for Water and Sewer Fund expenses are projected to improve. Fiscal year 2012 Water and Sewer Fund expenses were $6,493,476 with fiscal year 2013 expenses budgeted at $6,576,945. Depreciation expense for fiscal year 2012 is at $1,412,400 with fiscal year budgeted at $1,390,423. The water expenses are 34.5% of the total Water and Sewer Fund and the sewer expenses represent 53% of total expenses with 12.5% of expenses for general government expenses. General Government represents allocation cost of Mayor and Council, City Manager, City Clerk, Financial Administration, Human Resources, Information Technology, GIS and Engineering. The Water and Sewer Department CIP for fiscal years 2011 through 2017 has been modified and will be implemented only if revenues remain stable and consistent.

Operating/Maintenance expenses show a 1% increase beginning fiscal year 2012, and beginning in fiscal year 2013 through 2017 with 2.1% increases to allow for the increases indicated in the Consumer Price Index (CPI) for services in the southeast region.

FISCAL YEAR	OPERATING/MAINTENANCE
2012	1%
2013	2.1%
2014	2.1%
2015	2.1%
2016	2.1%
2017	2.1%

Vacated personnel positions have been removed from the budget. Two other positions have been transferred to General Fund in Public Works. All capital improvements or other major expenses have been modified and will be dependent upon the water volumes and consumptions billed within our community.

These factors are being reviewed and revised on a continual basis.

WATER AND SEWER DEPARTMENT
CAPITAL IMPROVEMENT PROGRAM

YEAR	PROJECT DESCRIPTION	COST ESTIMATE	FUND TYPE	FUNCTION NUMBER	
2011	Service Truck Replacement	$ 30,000	O&M	44400	2003 F-550 Replacement
		$ 30,000	O&M	43310	
	Lawn Mower Replacement	$ 17,500	O&M	43350	
		$ 17,500	O&M	44300	
	Pickup Truck Replacement	$ 27,000	O&M	44300	96 F-150 Replacement
	Total 2011	**$ 122,000**			
2012	Portable Generator	$ 75,000	O&M	43340	
	SCADA Radio Replacement	$ 40,500	O&M	43340	
		$ 4,500	O&M	44300	
	Service Truck Replacement	$ 30,000	O&M	44400	2003 F-450 Replacement
		$ 30,000	O&M	43310	
	Pickup Truck Replacement	$ 27,000	O&M	15360	2000 F-150 Replacement
	Total 2012	**$ 207,000**			
2013	Mapping	$ 50,000	O&M	15360	Distribution Valve Mapping
	Dump Truck Replacement	$ 40,000	O&M	44400	
		$ 40,000	O&M	43310	
	Pickup Truck Replacement	$ 27,000	O&M	44400	2001 F-150 Replacement
	Trackhoe Replacement	$ 33,640	O&M	44400	
		$ 33,640	O&M	43310	
	Total 2013	**$ 224,280**			
2014	Lift Station Generators	$ 100,000	O&M	43340	Lift Station C
	Pickup Truck Replacement	$ 27,000	O&M	44400	2005 F-150 Replacement
	Pickup Truck Replacement	$ 27,000	O&M	44300	2000 F-150 Replacement
	Pickup Truck Replacement	$ 27,000	O&M	43350	2000 F-150 Replacement
	Service Truck Replacement	$ 25,000	O&M	44400	2005 F-450 Replacement
		$ 25,000	O&M	43310	
	Total 2014	**$ 231,000**			
2015	Mapping	$ 50,000	O&M	15360	Distribution Valve Mapping
	Pickup Truck Replacement	$ 27,000	O&M	43350	2002 F-150 Replacement
	Service Truck Replacement	$ 35,000	O&M	44400	2006 F-350 Replacement
		$ 35,000	O&M	43310	
	Backhoe Replacement	$ 50,000	O&M	44400	
		$ 50,000	O&M	43310	
	Total 2015	**$ 247,000**			
2016	Lift Station Generators	$ 100,000	O&M	43340	North 85 Lift Station
	Pickup Truck Replacement	$ 27,000	O&M	44400	2003 F-150 Replacement
	Service Truck Replacement	$ 35,000	O&M	44400	2007 F-250 Replacement
		$ 35,000	O&M	43310	
	Portable Camera Replacement	$ 50,000	O&M	43310	
	Total 2016	**$ 247,000**			
2017	Trailer Mounted Sewer Camera	$ 50,000	O&M	43340	
	Replacement	$ 50,000	O&M	43310	
	Mapping	$ 50,000	O&M	15360	
	Pickup Truck Replacement	$ 27,000	O&M	44400	2004 F-150 Replacement
	Service Truck Replacement	$ 25,000	O&M	44400	
		$ 25,000	O&M	43310	
	Lawn Mower Replacement	$ 10,000	O&M	43350	
		$ 10,000	O&M	44300	
	Total 2017	**$ 247,000**			

CAPITAL PROJECT FUNDS ASSUMPTIONS

The Capital Projects Fund is used to account for the expenditures of resources for various public improvements and major capital projects, which are funded by a percentage of property taxes and other designated sources; such as, impact fees. However, with the great recession, impact fees have been greatly affected and have not been providing the revenue source we had come to depend upon. Therefore, having a major impact on our capital outlay program for the next five years.

Property tax revenues are calculated based on the current net digest multiplied by .75 mills that has been dedicated to the Capital Projects Fund. The same assumption applies to the Capital Projects Fund as indicated in the previous section, 'General Fund Revenue Assumptions" for the digest tax. For the fiscal year 2013 through 2017 budget, the mill rate has been proposed to rollup or rollback to equate to the current fiscal year 2012 dollar amounts.

Transfers in from the Impact Fee Fund are to fund impact fee projects as a percentage of cost as per the methodology in the CIE Report. Due to the great recession, impact fees have continued to decrease. The fiscal year 2012 budget has a proposed a decrease of ($15,284) over the fiscal year 2011 budget. A decision was made to pay off a fire apparatus with designated impact fee monies that were set aside for fire protection services in the amount of $400,000 which was transferred from the Impact Fee Fund. Proposed impact fees for fiscal years 2013 budget is no increase or decrease. Proposed for fiscal years 2014 through 2017 is an increase by $3,518 each year.

NO capital items were included for fiscal year 2012 budget. An amendment was proposed to increase the transfer to the Downtown Development Authority for debt service payments due to the decrease of impact fees in the amount of $8,586. The debt service on the fire apparatus was paid off during fiscal year 2012. The budget was amended for this transaction. Proposed for the fiscal year 2013 budget is the continuation of the transfer to Downtown Development Authority for debt service according to the debt service amortization schedules. Capital items proposed for fiscal year 2013 budget is in the amount of 373,990; which includes replacement vehicles and equipment for public safety. Projected in fiscal year 2014 is $720,286 for capital items; $755,650 is projected for fiscal year 2015; $1,024,544 is projected for fiscal year 2016; and $2,282,406 is projected for fiscal year 2017.

Debt service has been budgeted in accordance to the debt service amortization schedule. Debt service has been included in the fiscal year 2013 budget and projected for the fiscal years 2014 through 2017 approximately $350,000 each year. The debt is for the Downtown Development Authority bond issue and loan and COPs Issue for the law enforcement center.

CAPITAL IMPROVEMENT PROGRAM

YEAR	PROJECT DESCRIPTION	ESTIMATE	FUNDING TYPE	NUMBER
2013	HVAC Tower Replacement	$ 36,000	CPF	15650
	4 Vehicles (Replacement)	$ 105,000	CPF	32230
	2 Vehicles (Replacement)	$ 50,000	CPF	32210
	11 Radios	$ 33,000	CPF	32250
	In-car Systems/Technology/Equip	$ 59,350	CPF	32230
	In-car Systems/Technology/Equip	$ 15,640	CPF	32210
	Total 2013	**$ 298,990**		
2014	Mobile Data System / Software	$ 48,000	CPF	35200
	Vehicle Replacement	$ 45,000	CPF	35200
	1 Vehicle (Replacement)	$ 25,000	CPF	32210
	8 Vehicles (Replacement)	$ 205,000	CPF	32230
	1 Vehicle (Replacement)	$ 25,000	CPF	32950
	11 Radios	$ 33,000	CPF	32250
	In-car Systems/Technology/Equip.	$ 116,950	CPF	32230
	In-car Systems/Technology/Equip	$ 7,820	CPF	32950
	In- car Systems/ Tech/ Equip	$ 7,820	CPF	32210
	Crew Cab/F-350	$ 30,000	CPF	42000
	Total 2014	**$ 543,590**		
2015	Painting-City Hall Interior	$ 25,000	CPF	15650
	Truck (Replace Building 4x4)	$ 20,000	CPF	72000
	6 Vehicles (Replacement)	$ 150,000	CPF	32230
	1 Vehicle (Replacement)	$ 25,000	CPF	32950
	1 Vehicle (Replacement)	$ 25,000	CPF	32210
	In-car Systems/Technology/Equip	$ 86,400	CPF	32230
	In-car Systems/Technology/Equip	$ 7,820	CPF	32210
	In-car Systems/Technology/Equip	$ 7,820	CPF	32950
	11 Radios	$ 33,000	CPF	32950
	Crew Cab Truck/ Replacement	$ 30,000	CPF	42000
	Total 2015	**$ 410,040**		

2016	Painting-City Hall Exterior	$	30,000	CPF	15650
	S.C.B.A. Replacement	$	209,000	CPF	35200
	800 MHZ Radio Replacement (30)	$	135,000	CPF	35200
	3 Vehicles (Replacement)	$	75,000	CPF	32230
	2 Vehicle (Replacement)	$	50,000	CPF	32210
	1 Vehicle (Replacement)	$	25,000	CPF	32100
	In-car Systems/Technology/Equip	$	43,200	CPF	32230
	In-car Systems/Technology/Equip	$	7,820	CPF	32100
	In-car Systems/Technology/Equip	$	15,640	CPF	32210
	Total 2016	**$**	**590,660**		
2017	4 Vehicles (Replacement)	$	100,000	CPF	32230
	2 Vehicles (Replacement)	$	50,000	CPF	32210
	1 Vehicle (Replacement)	$	25,000	CPF	32950
	1 Vehicle (Replacement)	$	25,000	CPF	32100
	In-car Systems/Technology/Equip	$	57,600	CPF	32230
	In-car Systems/Technology/Equip	$	15,640	CPF	32210
	In-car Systems/ Tech/Equip	$	7,820	CPF	32950
	In-car Systems/Tech/ Equip	$	6,500	CPF	32100
	Truck Replacement	$	25,000	CPF	42000
	Total 2017	**$**	**312,560**		

An itemized list of capital items and debt that is funded through the Capital Projects Fund is included in a previous table labeled as the "Governmental Five Year CIP". If it is in the Capital Projects Fund it is indicated by "CPF, CPF/IFF, or IFF" under the funding type column.

Funding for the SPLOST Fund includes Impact fees, ARRA grants, State of Georgia DOT grants, TEA grants, and Special Local Option Sales Taxes, which fund transportation projects. Listed in the table below is a summary by fiscal year of the total of projects by function in the SPLOST Fund. Highlights of transportation projects for fiscal year 2012 budget plus amendments include, but not limited to, Hwy 54 Safetea-LU Sidewalk, Cemetery Sidewalk Project, Fayetteville Connecting Sidewalks (TIP), South Jeff Shoulders and Sidewalk, Grady/Beauregard Project, Welcome to Fayetteville Sign, Hospital Crosswalk & Paths, and Hood Avenue Connector/SR 92 Realignment Project. The projects that are not completed in fiscal year 2012 will continue in the fiscal year 2013 budget.

SPLOST CAPITAL IMPROVEMENT PROJECTS							
	PROJECT	FUNDING SOURCE					
PROJECT DESCRIPTION	AMOUNT	IFF	SPLOST	DOT	GRANT	CTF	TOTAL
BUDGET FISCAL YEAR 2011-AMEND AT FYE2011							$ -
REVENUES		**$ 11,000**	**$ 6,400**	**$ 500,000**	**$ 919,867**	**$ 6,100**	**$ 1,437,267**
RESERVED FUND BALANCE		**$ 822,000**	**$ 1,954,436**			**$ 23,872**	**$ 2,776,436**
TRANSPORTATION PROJECTS							
HWY 54 SAFETEA-LU SIDEWALK	$ 754,000		$ 254,000	$ 500,000			$ 754,000
FAYETTEVILLE CONNECTING SIDEWALKS (TIP) CONSTR	$ 467,299		$ 58,746		$ 408,553		$ 467,299
S JEFF SHOULDERS & SIDEWALK	$ 777,084		$ 777,084				$ 777,084
LEE STREET SIDEWALK PROJECT	$ 172,000		$ -		$ 172,000		$ 172,000
CEMETERY SIDEWALK PROJECT	$ 333,500		$ 59,661		$ 243,867	$ 29,972	$ 333,500
RAMAH ROAD/HWY 85 SIDEWALK	$ 1,100		$ 1,100				$ 1,100
GRADY/BEAUREGARD DES/RW/CONST	$ 640,000	$ 640,000					$ 640,000
LAFAYETTE AVE AND GLYNN ST TRAFFIC SIGNA	$ 16,000	$ 16,000	$ -				$ 16,000
314/WHITE RD/BANKS RD TURN LANES	$ 74,590	$ 74,590					$ 74,590
54/GINGERCAKE RD INTERSECTION	$ -	$ -	$ -				$ -
STELLA PLACE TO VILLAGES PATH DESIGN	$ -		$ -				$ -
BRADLEY SIDEWALK	$ -	$ -	$ -				$ -
SR85 SIDEWALK	$ -		$ -				$ -
LAFAYETTE AVE EXTENSION CONSTRUCTION (	$ 3,000	$ -	$ 3,000				$ 3,000
UNDESIGNATED SIDEWALKS AND MULTI-USE PATHS	$ 50,000		$ 50,000	$ -			$ 50,000
STELLA PLACE TO VILLAGES PATH CONSTR	$ -		$ -				$ -
WELCOME TO FAYETTEVILLE SIGN	$ 50,000		$ 50,000				$ 50,000
HOOD AVENUE CONNECTOR/SR 92 REALIGNME	$ 150,000	$ 33,670	$ 116,330				$ 150,000
BANKS/GINGERCAKE PROJECT (REIMB TO COUNTY)	$ 118,363		$ 118,363				$ 118,363
TOTAL BUDGET FISCAL YEAR 2011	**$ 3,606,936**	**$ 764,260**	**$ 1,488,284**	**$ 500,000**	**$ 824,420**	**$ 29,972**	**$ 3,606,936**
BUDGET FISCAL YEAR 2012-AMENDED							
REVENUES		**$ 8,742**	**$ 1,500**	**$ 608,000**	**$ 243,867**	**$ 8,301**	**$ 870,410**
RESERVED FUND BALANCE		**$ 70,350**	**$ 1,063,040**	**$ -**	**$ -**	**$ 30,450**	**$ 1,163,840**
TRANSPORTATION							
GRADY/BEAUREGARD DES/RW/CONST	$ 214,235	$ 14,372	$ 91,863	$ 108,000			$ 214,235
HWY 54 SAFETEA-LU SIDEWALK	$ 747,469		$ 247,469	$ 500,000			$ 747,469
FAYETTEVILLE CONNECTING SIDEWALKS (TIP) CONSTR	$ 1,000		$ 1,000				$ 1,000
S JEFF SHOULDERS & SIDEWALK	$ 50,000		$ 50,000				$ 50,000
CEMETERY SIDEWALK PROJECT	$ 316,293		$ 33,675		$ 243,867	$ 38,751	$ 316,293
WELCOME TO FAYETTEVILLE SIGN	$ 51,280		$ 51,280				$ 51,280
UNDESIGNATED SIDEWALKS AND MULTI-USE PATHS	$ 37,819		$ 37,819				$ 37,819
HOOD AVENUE CONNECTOR/SR 92 REALIGNMENT PROJECT	$ 451,669	$ 20,720	$ 430,949				$ 451,669
N JEFF DAVIS SIDEWALKS	$ 9,856		$ 9,856				$ 9,856
HOSPITAL CROSSWALK & PATHS	$ 25,000		$ 25,000		$ -		$ 25,000
TOTAL BUDGET FISCAL YEAR 2012	**$ 1,904,621**	**$ 35,092**	**$ 978,911**	**$ 608,000**	**$ 243,867**	**$ 38,751**	**$ 1,904,621**
BUDGET FISCAL YEAR 2013							
REVENUES		**$ 8,742**	**$ -**	**$ -**	**$ 80,000**		**$ 88,742**
RESERVED FUND BALANCE		**$ 44,000**	**$ 85,629**	**$ -**	**$ -**	**$ -**	**$ 129,629**
TRANSPORTATION							
HOOD AVENUE CONNECTOR/SR 92 REALIGNME	$ 50,000	$ 36,742	$ 13,258				$ 50,000
HOSPITAL CROSSWALK & PATHS	$ 100,000		$ 20,000		$ 80,000		$ 100,000
TOTAL BUDGET FISCAL YEAR 2013	**$ 150,000**	**$ 36,742**	**$ 33,258**	**$ -**	**$ 80,000**	**$ -**	**$ 150,000**

FIVE-YEAR FORECAST

OVERVIEW

The financial data presented in the following tables is based upon the assumptions discussed in the previous section. Only the City's major funds are included in this forecast: General Fund, Water and Sewer Fund and Capital Project Funds.

GENERAL FUND

The General Fund accounts for general governmental services. The current and proposed amended 2012 fiscal year budget is a balanced budget, with utilizing unreserved fund balance. Fiscal year 2011 has a deficit of net revenues over expenditures of -$47,627. Fiscal years 2012 amended budget does not utilize any unassigned fund balance. That continues to hold true for the next five years (2013 through 2017) projection.

Based on the current and future projections, it does not appear that staff will be able to fully implement the department's new personnel and new capital items plan for fiscal years 2013 thru 2017. The Mayor, Council, and staff will continue to closely evaluate the service and staffing levels on an ongoing basis to ensure that adequate personnel resources and financial resources are available to achieve the desired service levels. These issues need to be discussed further through the financial planning process.

GENERAL FUND – FIVE YEAR FORECAST

GENERAL FUND	FY 2013 Projected	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
REVENUES					
TAXES	$ 7,793,238	$ 7,901,267	$ 8,045,088	$ 8,212,645	$ 8,384,048
LICENSES & PERMITS	$ 225,412	$ 229,880	$ 236,717	$ 243,758	$ 251,011
INTERGOVERNMENTAL	$ 66,000	$ 66,000	$ 66,000	$ 66,000	$ 66,000
CHARGES FOR SERVICES	$ 58,050	$ 58,050	$ 58,050	$ 58,050	$ 58,050
FINES & FORFEITURES	$ 1,150,000	$ 1,075,000	$ 1,075,000	$ 1,075,000	$ 1,100,000
INVESTMENT INCOME	$ 7,140	$ 7,283	$ 7,428	$ 7,577	$ 7,729
CONTRIBUTIONS & DONATIONS	$ 5,500	$ 5,500	$ 5,500	$ 5,500	$ 5,500
MISCELLANEOUS	$ 40,718	$ 40,718	$ 40,718	$ 40,718	$ 40,718
OTHER FINANCING SOURCES	$ 13,044	$ 13,392	$ 13,740	$ 14,088	$ 14,485
TOTAL REVENUES	**$ 9,359,102**	**$ 9,397,090**	**$ 9,548,242**	**$ 9,723,336**	**$ 9,927,540**
EXPENSES					
GENERAL GOVERNMENT	$ 1,007,569	$ 1,028,728	$ 1,050,332	$ 1,072,389	$ 1,094,909
JUDICIAL	$ 680,711	$ 695,006	$ 709,601	$ 724,503	$ 739,717
PUBLIC SAFETY	$ 6,081,969	$ 6,005,380	$ 6,131,493	$ 6,260,254	$ 6,391,720
PUBLIC WORKS	$ 958,013	$ 978,131	$ 998,672	$ 1,019,644	$ 1,041,056
HOUSING AND DEVELOPMENT	$ 390,119	$ 348,610	$ 355,931	$ 363,406	$ 371,037
DEBT SERVICE	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 240,721	$ 438,395	$ 496,325	$ 657,179	$ 347,161
TOTAL EXPENSES	**$ 9,359,102**	**$ 9,494,251**	**$ 9,742,354**	**$ 10,097,374**	**$ 9,985,600**
NET	$ -	$ (97,161)	$ (194,112)	$ (374,038)	$ (58,061)
FUND BALANCE-UNASSIGNED	$ 808,930	$ 711,769	$ 517,657	$ 143,619	$ 85,558

WATER AND SEWER FUND

The Water and Sewer Fund is a proprietary or enterprise fund that accounts for City's water, sewer and stormwater operations. The current 2013 fiscal year budget is a balanced budget. It has a hiring freeze in place as well as operations and maintenance being increased by 2.10%. Fiscal year 2013 shows a positive fund balance before depreciation with departmental capital outlay. Beginning in Fiscal Year 2011, the debt service requirements for the refinanced GEFA loan began. Without the refinancing of the existing debt; this fund would reflect a deficit cash flow before depreciation and be unable to fulfill its debt service obligations. In addition, the continued below average water usage/volumes has resulted in decreased revenues in water and sewer. With refinancing of the GEFA loan with a more flexible payment option allows this fund to meet its debt service coverage obligations and increase the departmental cash flow.

Since the implementation of the fiscal year 2013 budget, we hope to see noticeable improvement during the summer months. Water and Sewer expenses are increased an additional 2.1% in fiscal year 2013 and are being budgeted with a 2.1% increase through fiscal year 2017.

Water & Sewer Fund

WATER AND SEWER FUND	FY2013 Budget	FY2014 Projected	FY2015 Projected	FY2016 Projected	FY2017 Projected
REVENUES					
WATER					
CHARGES FOR SERVICES	$ 2,448,113	$ 2,448,775	$ 2,449,438	$ 2,450,101	$ 2,450,763
INVESTMENT INCOME	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)
OTHER FINANCING SOURCES	$ 4,500	$ 4,500	$ 4,500	$ 4,500	$ 4,500
TOTAL WATER	$ 2,423,363	$ 2,424,025	$ 2,424,688	$ 2,425,351	$ 2,426,013
WASTEWATER					
CHARGES FOR SERVICES	$ 3,198,862	$ 3,282,526	$ 3,368,799	$ 3,457,813	$ 3,549,502
INVESTMENT INCOME	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)
GRANTS	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 4,500	$ 4,500	$ 4,500	$ 4,500	$ 4,500
TOTAL WASTEWATER	$ 3,174,112	$ 3,257,776	$ 3,344,049	$ 3,433,063	$ 3,524,752
OTHER ENTERPRISE FEES					
SOLID WASTE ADMIN FEES	$ 23,100	$ 23,100	$ 23,100	$ 23,100	$ 23,100
TOTAL OTHER ENTERPRISE FEES	$ 23,100	$ 23,100	$ 23,100	$ 23,100	$ 23,100
TOTAL REVENUES	$ 5,620,575	$ 5,704,901	$ 5,791,837	$ 5,881,513	$ 5,973,865
EXPENSES					
GENERAL GOVERNMENT	$ 704,409	$ 716,047	$ 681,971	$ 746,187	$ 710,702
WATER	$ 1,782,743	$ 1,760,191	$ 1,819,838	$ 1,853,615	$ 1,858,679
WASTEWATER	$ 2,880,183	$ 2,822,042	$ 2,939,403	$ 2,935,985	$ 3,046,513
HOUSING AND DEVELOPMENT	$ 29,611	$ 30,233	$ 30,868	$ 31,516	$ 32,178
OTHER	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSES	$ 5,396,946	$ 5,350,512	$ 5,472,080	$ 5,567,303	$ 5,648,072
NET REVENUES(EXPENSES)	$ 223,629	$ 354,389	$ 319,757	$ 314,210	$ 325,794
ESTIMATED DEBT COVERAGE:	$ (208,413)	$ (209,013)	$ (209,417)	$ (209,417)	$ (209,417)
CASH FLOW - CASH AVAILABLE	$ 15,216	$ 145,376	$ 110,340	$ 104,793	$ 116,377
DEPRECIATION					
TOTAL DEPRECIATION	$ 1,375,000	$ 1,375,000	$ 1,375,000	$ 1,375,000	$ 1,375,000
NET:	$ (1,151,371)	$ (1,020,611)	$ (1,055,243)	$ (1,060,790)	$ (1,049,206)

CAPITAL PROJECTS FUNDS

The Capital Project Fund accounts for the acquisition, construction and renovation of the City's major capital and fixed assets. This fund includes major capital projects for facilities, projects, and equipment.

CAPITAL PROJECTS FUND – FIVE YEAR FORECAST

CAPITAL PROJECTS FUND WITH CIP	FY 2013 Projected	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
REVENUES					
TAXES	$ 565,508	$ 571,163	$ 582,586	$ 600,064	$ 618,066
INTERGOVERNMENTAL	$ -	$ -	$ -	$ -	$ -
INVESTMENT INCOME	$ 144	$ 147	$ 151	$ 156	$ 160
CONTRIBUTIONS & DONATIONS	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 182,479	$ 397,465	$ 468,913	$ 638,284	$ 337,020
TOTAL REVENUES	**$ 748,130**	**$ 968,775**	**$ 1,051,650**	**$ 1,238,504**	**$ 955,246**
EXPENSES					
GENERAL GOVERNMENT	$ 36,000	$ -	$ 25,000	$ 30,000	$ -
JUDICIAL	$ -	$ -	$ -	$ -	$ -
PUBLIC SAFETY	$ 262,990	$ 513,590	$ 335,040	$ 560,660	$ 287,560
PUBLIC WORKS	$ -	$ 30,000	$ 30,000	$ -	$ 25,000
HOUSING AND DEVELOPMENT	$ -	$ -	$ 20,000	$ -	$ -
DDA	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 94,227	$ 172,695	$ 293,610	$ 297,844	$ 291,686
TOTAL PROJECTS	**$ 393,217**	**$ 716,286**	**$ 703,650**	**$ 888,504**	**$ 604,246**
DEBT SERVICE	$ 354,913	$ 351,663	$ 348,000	$ 350,000	$ 351,000
TOTAL EXPENSES	**$ 748,130**	**$ 1,067,949**	**$ 1,051,650**	**$ 1,238,504**	**$ 955,246**
NET:	**$ 0**	**$ (99,173)**	**$ (0)**	**$ (0)**	**$ (0)**
FUND BALANCE	**$ 99,173**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

The SPLOST Fund accounts for the design, engineering, and construction of the City's transportation projects. During fiscal year 2010 completed the final collection of the special purpose location option sales tax. The projects will continue until all monies have been used for these designated projects. The projected year of completion on all projects is estimated for fiscal year 2014.

SPLOST Fund
Five-Year Forecast



SPLOST	FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Budget	Amended	Projected	Projected	Projected	Projected	Projected
REVENUES							
TAXES	$ -	$ -	$ -	$ -	$ -	$ -	$ -
INTEREST INCOME	$ -	$ 1,500	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 437,327	$ 977,411	$ 33,258	$ -	$ -	$ -	$ -
IFF	$ 111,708	$ 35,092	$ 36,742	$ 27,656	$ -	$ -	$ -
CPF	$ -		$ -	$ -	$ -	$ -	$ -
LCI GRANT	$ -		$ -	$ -	$ -	$ -	$ -
OTHER GRANTS	$ -	$ 243,867	$ 80,000	$ 320,000	$ -	$ -	$ -
DOT	$ -	$ 608,000	$ -	$ -	$ -	$ -	$ -
CEMETERY TRUST	$ -	$ 38,751	$ -	$ -	$ -	$ -	$ -
TOTAL REVENUES	**$ 549,035**	**$ 1,904,621**	**$ 150,000**	**$ 347,656**	**$ -**	**$ -**	**$ -**
EXPENSES							
CAPITAL OUTLAY	$ 549,035	$ 1,904,621	$ 150,000	$ 375,000	$ -	$ -	$ -
TOTAL EXPENSES	**$ 549,035**	**$ 1,904,621**	**$ 150,000**	**$ 375,000**	**$ -**	**$ -**	**$ -**
NET	**$ -**	**$ -**	**$ -**	**$ (27,344)**	**$ -**	**$ -**	**$ -**
FUND BALANCE	**$ 36,225**	**$ 85,629**	**$ 52,371**	**$ 25,027**	**$ 25,027**	**$ 25,027**	**$ 25,027**

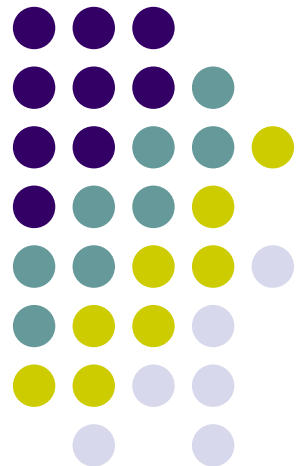
CONCLUSION

Long-term financial planning can be an effective tool for identifying fiscal challenges and developing solutions to those challenges. Thoughtful and objective analysis can result in both expenditure savings and innovative revenue enhancements. Organizational changes may also be used to transform and streamline the organization.

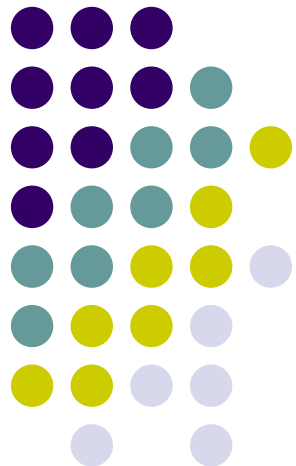

FAYETTEVILLE CITY HALL

FISCAL YEAR 2013 BUDGETS

CITY OF FAYETTEVILLE



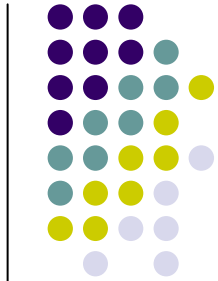
GENERAL FUND



BUDGET WORKSHEET
100 GENERAL FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND EXPENDITURES			
REVENUES			
TAXES			
GENERAL PROPERTY TAXES	$ 3,338,450	$ 3,428,171	$ 3,428,430
GEN SALES & USE TAXES	$ 2,215,414	$ 2,326,677	$ 2,373,211
SELECTIVE SALES & USE TAXES	$ 350,584	$ 351,468	$ 358,497
BUSINESS TAXES	$ 1,509,017	$ 1,652,000	$ 1,623,100
PEN & INT ON DEL TAXES	$ 30,474	$ 10,000	$ 10,000
TOTAL TAXES	**$ 7,443,939**	**$ 7,768,316**	**$ 7,793,238**
LICENSE & PERMITS	**$ 217,493**	**$ 223,200**	**$ 225,412**
INTERGOVERNMENTAL			
FED GOVERNMENT GRANTS	$ 189,810	$ 108,000	$ -
STATE GOV GRNT-CAPITAL	$ -	$ -	$ -
TOTAL LOCAL GOV UNIT GRANTS	$ 73,608	$ 66,000	$ 66,000
TOTAL INTERGOVERNMENTAL	**$ 263,418**	**$ 174,000**	**$ 66,000**
CHARGES FOR SERVICES			
GENERAL GOVERNMENT	$ 6,521	$ 6,700	$ 6,700
PUBLIC SAFETY	$ 28,074	$ 21,000	$ 21,000
STREET,SIDEWALK,CURB REP	$ -	$ 55,000	$ 30,000
OTH CHARGES FOR SERVICES	$ 140	$ 350	$ 350
TOTAL CHARGES FOR SERVICES	**$ 34,735**	**$ 83,050**	**$ 58,050**
FINES & FORFEITURES	**$ 1,191,994**	**$ 1,150,000**	**$ 1,150,000**
INTEREST REVENUES	**$ 7,130**	**$ 7,000**	**$ 7,140**
CONTRIB & DONATIONS	**$ 4,503**	**$ 5,500**	**$ 5,500**
MISCELLANEOUS			
RENTS & ROYALTIES	$ 35,718	$ 35,718	$ 35,718
OTHER-MISCELLANEOUS	$ 2,028	$ 5,000	$ 5,000
TOTAL MISCELLANEOUS	**$ 37,746**	**$ 40,718**	**$ 40,718**
MAIN STREET	**$ -**	**$ -**	**$ -**
OTHER FINANCING SOURCES			

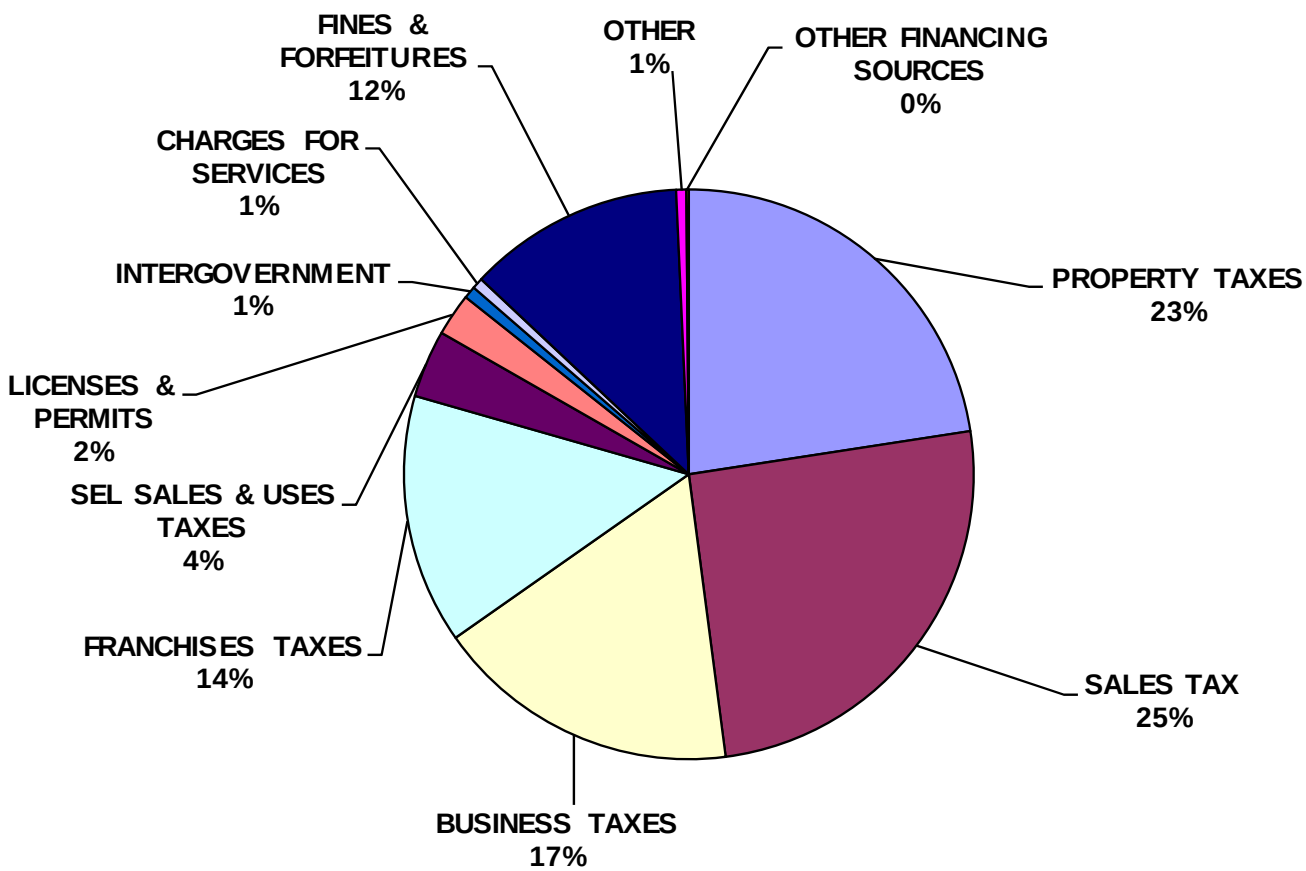
General Fund Assumptions



- FY 2013 Projections
  - Revenues
    - Decrease (13%) in Property Tax Digest
    - Proposed Millage Rate Rollup equivalent to decrease in digest
    - Increase 2% in Local Option Sales Tax, Selective Sales and Use Taxes, and Business Taxes
    - No increase in Franchise Taxes
    - Increase 1% in Licenses and Permits

GENERAL FUND

REVENUES



BUDGET WORKSHEET
100 GENERAL FUND

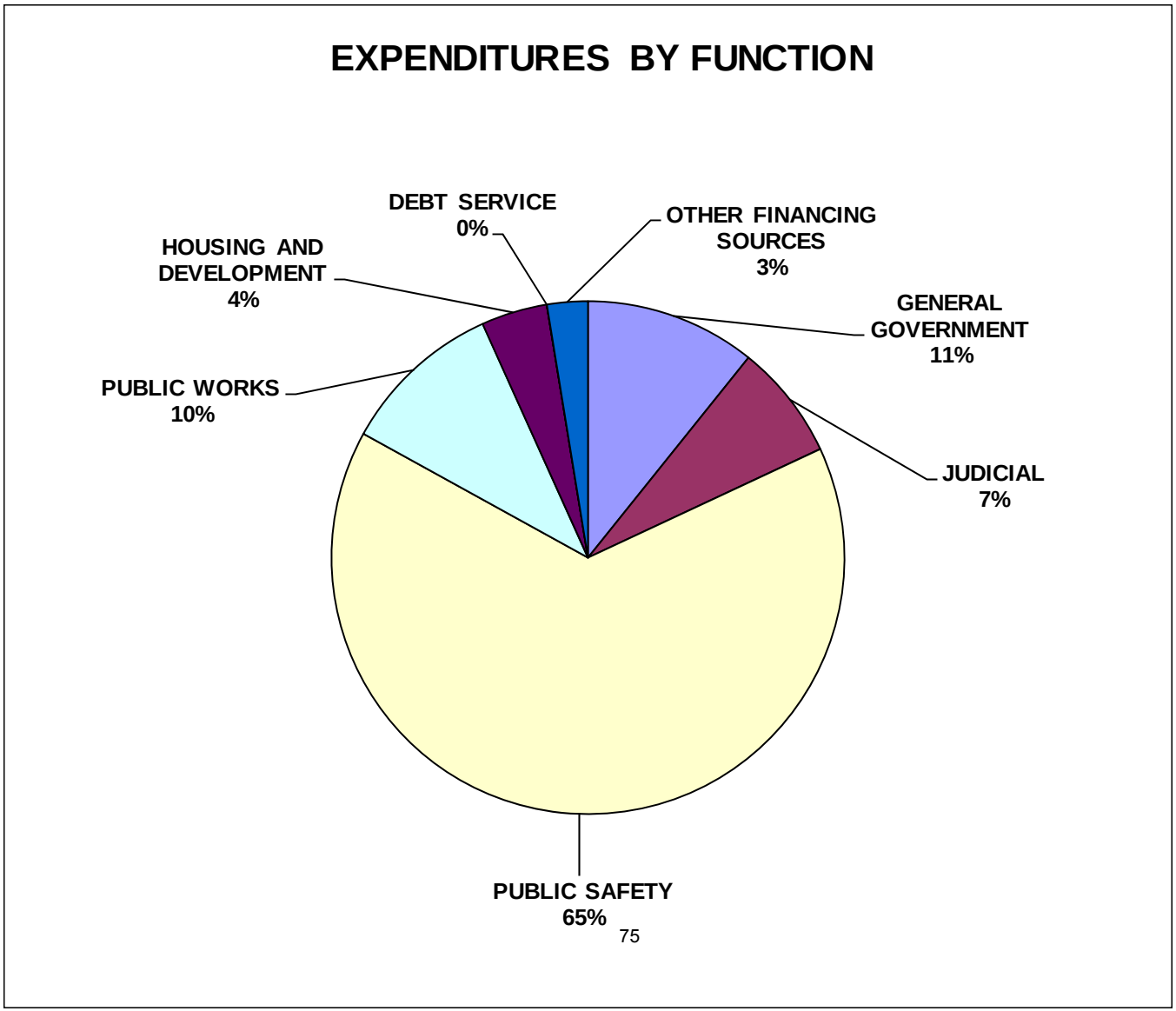
	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
INTERFUND TRANSFERS			
OPERATING TRANSFERS IN-CPF	$ -	$ -	$ -
OPERATING TRANSFERS IN-IFF	$ 959	$ 1,837	$ 1,043
RESIDUAL EQUITY TRAN IN	$ -	$ -	$ -
TOTAL INTERFUND TRANSFERS	**$ 959**	**$ 1,837**	**$ 1,043**
PROC OF GEN FIXED ASSETS	**$ 34,728**	**$ 12,000**	**$ 12,000**
PROC OF GEN LONG TRM LEASES	**$ -**	**$ -**	**$ -**
TOTAL OTHER FINANCING SOURCE	**$ 35,687**	**$ 13,837**	**$ 13,043**
TOTAL REVENUES	**$ 9,236,645**	**$ 9,465,621**	**$ 9,359,101**
EXPENDITURES AND OTHER USES			
EXPENDITURES BY FUNCTIONS			
GENERAL GOVERNMENT	$ 958,796	$ 986,850	$ 1,007,569
JUDICIAL	$ 718,820	$ 666,710	$ 680,711
PUBLIC SAFETY	$ 6,124,066	$ 6,293,550	$ 6,081,969
PUBLIC WORKS	$ 912,248	$ 960,550	$ 958,013
HOUSING AND DEVELOPMENT	$ 375,409	$ 382,095	$ 390,119
DEBT SERVICE	$ -	$ -	$ -
OTHER USES			
TRANSFER OUT	$ 194,556	$ 175,866	$ 240,720
TOTAL EXPENDITURES AND OTHER USES	**$ 9,283,895**	**$ 9,465,621**	**$ 9,359,101**
REVENUES OVER EXPENDITURES	$ -	$ -	$ -

General Fund Assumptions



- FY 2013 Projections (Continued)
  - Expenditures
    - Overall decrease of 1.13%
    - Employee salary and benefits increase of 2.1%
    - Increase 2.1% for operations and maintenance
    - Increase in E911 Services from $68,500 to $117,649
    - Decreased the transfer to MSTF from $75,000 to $65,000
    - Continue with hiring freeze and voluntary reduction of hours
    - Implementation of Fire-alternative plan
      - Transferring administrative assistant to Water and Sewer Fund
      - Decreasing staff by 6.5 full-time equivalent positions

GENERAL FUND



GENERAL FUND – FIVE YEAR FORECAST

GENERAL FUND	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Projected	Projected	Projected	Projected	Projected
REVENUES					
TAXES	$ 7,793,238	$ 7,901,267	$ 8,045,088	$ 8,212,645	$ 8,384,048
LICENSES & PERMITS	$ 225,412	$ 229,880	$ 236,717	$ 243,758	$ 251,011
INTERGOVERNMENTAL	$ 66,000	$ 66,000	$ 66,000	$ 66,000	$ 66,000
CHARGES FOR SERVICES	$ 58,050	$ 58,050	$ 58,050	$ 58,050	$ 58,050
FINES & FORFEITURES	$ 1,150,000	$ 1,075,000	$ 1,075,000	$ 1,075,000	$ 1,100,000
INVESTMENT INCOME	$ 7,140	$ 7,283	$ 7,428	$ 7,577	$ 7,729
CONTRIBUTIONS & DONATIONS	$ 5,500	$ 5,500	$ 5,500	$ 5,500	$ 5,500
MISCELLANEOUS	$ 40,718	$ 40,718	$ 40,718	$ 40,718	$ 40,718
OTHER FINANCING SOURCES	$ 13,044	$ 13,392	$ 13,740	$ 14,088	$ 14,485
TOTAL REVENUES	**$ 9,359,102**	**$ 9,397,090**	**$ 9,548,242**	**$ 9,723,336**	**$ 9,927,540**
EXPENSES					
GENERAL GOVERNMENT	$ 1,007,569	$ 1,028,728	$ 1,050,332	$ 1,072,389	$ 1,094,909
JUDICIAL	$ 680,711	$ 695,006	$ 709,601	$ 724,503	$ 739,717
PUBLIC SAFETY	$ 6,081,969	$ 6,005,380	$ 6,131,493	$ 6,260,254	$ 6,391,720
PUBLIC WORKS	$ 958,013	$ 978,131	$ 998,672	$ 1,019,644	$ 1,041,056
HOUSING AND DEVELOPMENT	$ 390,119	$ 348,610	$ 355,931	$ 363,406	$ 371,037
DEBT SERVICE	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 240,721	$ 438,395	$ 496,325	$ 657,179	$ 347,161
TOTAL EXPENSES	**$ 9,359,102**	**$ 9,494,251**	**$ 9,742,354**	**$ 10,097,374**	**$ 9,985,600**
NET	**$ -**	**$ (97,161)**	**$ (194,112)**	**$ (374,038)**	**$ (58,061)**
FUND BALANCE-UNASSIGNED	**$ 808,930**	**$ 711,769**	**$ 517,657**	**$ 143,619**	**$ 85,558**

GENERAL FUND
BUDGET WORKSHEET
GENERAL GOVERNMENT

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
MAYOR AND COUNCIL (LEGISLATIVE)	$ 122,320	$ 122,591	$ 125,161
CITY CLERK	$ 8,455	$ 42,941	$ 45,124
CITY MANAGER	$ 85,650	$ 77,827	$ 79,461
ELECTIONS	$ 72	$ 7,155	$ 6,024
FINANCIAL ADMINISTRATION	$ 427,183	$ 397,665	$ 416,226
CITY ATTORNEY	$ 82,892	$ 98,374	$ 100,440
INFORMATION TECHNOLOGY	$ 89,491	$ 80,290	$ 81,976
HUMAN RESOURCES	$ 42,378	$ 48,805	$ 49,830
GENERAL GOVERNMENT BUILDINGS	$ 100,355	$ 111,202	$ 103,327
TOTAL	**$ 958,796**	**$ 986,850**	**$ 1,007,569**

INFORMATION TECHNOLOGY
DEPARTMENTAL INFORMATION
FY 2012 BUDGET

Service Statement:
To create a comfortable, respectful, and professional environment, based on understanding and trust, to inform and assist those who seek our services.

Accomplishments for FY2012:
Virtual Desktops Training Completed
Virtual Desktops Training Testing and Logistics
Continuation of Document Imaging System
Continue to improve and update Disaster Recovery Plan
Security Systems Installation/Upgrade (City Hall and Water Campus Completed)
Do More with Less, with the Same Level of Services

Program of Work for FY 2013:
Virtual Desktops Installation
Continuation of Document Imaging System
Replace Large Page Scanner or Find Another Solution
Continue to improve and update Disaster Recovery Plan
Continue monitoring of security systems
Do More with Less, with the Same Level of Services
Using Wireless Technology to Work Smarter, Not Harder
Work with PD on Spillman Project and VPN Communications

Information Technology
Departmental Goals and Initiatives

- Ensure the reliability of the City's Network Infrastructure.
- Ensure Proactive Approach to the City's Computer Technology Issues and Needs.
- Ensure Proactive Approach to Network and Desktop Security.
- Ensure responding to Users needs in a timely manner.

Information Technology
Departmental Goals and Initiatives

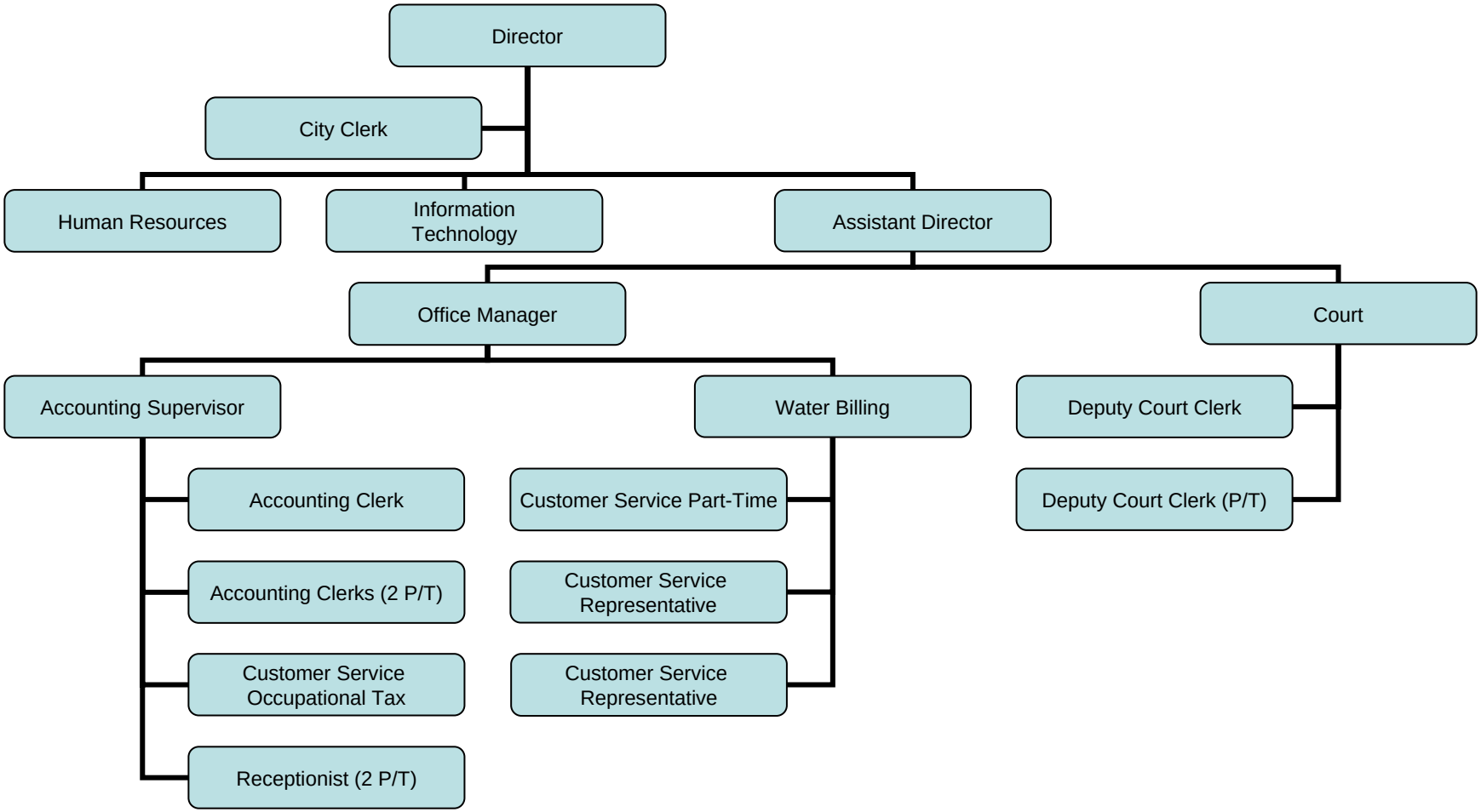
- Ensure the reliability of the City's Network Infrastructure.
- Ensure Proactive Approach to the City's Computer Technology Issues and Needs.
- Ensure Proactive Approach to Network and Desktop Security.
- Ensure Responding to Users needs in a timely manner.
- Save Money without Cutting or reducing Service Levels

Workload Indicators

	Actual FY2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Proposed FY 2013
Number of Network Hardware and Communications Failures	2	2	3	1	3
Number of Work Orders Received	528	519	600	467	600(f)
Number of Hours system is Inoperative	Less than 2 hours (b)	Less than 2 hours (b)	Less than 2 hours (b)	Less than 2 hours (b)	Less than 2 hours (b)
Cost of Phone Services per Month	(c) $1250.00 (d) $900.00	(c) $1250.00 (d) $900.00	(c) $1250.00 (d) $900.00	(c) $1250.00 (d) $900.00	(c) $600.00 (d) $900.00
Total Hits City Web Site Per Year	115882	109552	150000	144168	150000

a. Remodeling Computer Room 109552
b. Router Failure, Internet and Email Down
c. PRI Monthly Average Cost
d. Centrex Monthly Cost
e. New Virtual Servers will cause an increase in WOs due to first year problems
f. New Virtual Desktops will cause an increase in WOs due to first year problems

Finance and Administrative Services FY 2013



FINANCE AND ADMINISTRATIVE DEPARTMENT
DEPARTMENTAL INFORMATION
FY 2013 BUDGET

Service Statement:

The Finance and Administrative Department consists of the Director of Finance and support personnel. The Director of Finance and Administration is responsible for the finance and accounting functions of the City including purchasing, occupational taxes, water administrative, human resources, information technology, and assisting the City Manager with preparing the annual budget and capital improvement plan.

Accomplishments for FY 2012

- Maintain and review performance measurement system for all departments.
- Continued developing administrative, personnel, and financial policies.
- Continued the Countywide (Fayette County Board of Commissioners, Fayette County Board of Education, and Municipalities) Collaborative Purchasing Agreement
- Continued to aggressively pursue grant money in all areas.
- Continued cross-training program.
- Continued to create financial query reports via the AS400 and Microsoft Office products.
- Completed testing the Standard Operating Procedures for all Finance and Administrative Duties
- Updated and amended the Personnel Policy Manual
- Received the Certificate of Achievement for Excellence in Financial Reporting for fifteen consecutive years
- Received the Certificate for Distinguished Budget Presentation Award for six consecutive years
- Organized and administered a Citywide Health Fair
- Organized and administered a Citywide Wellness Program
- Establishment of Title VI and ADA Program for Federal Compliance
- Implementation of GASB 54 – The New Fund Balance
- Completed and implemented streamlining Public Works and Water Department
- Completed an analysis of consolidation of fire services, contracting building department services and merger of water department with Fayette County.
- Developed a reorganization plan for public services, finance and administration, and economic development.
- RFP and contract award – Designers/Engineers for Hospital Crosswalk
- RFP and contract award – Audio and Lighting Production –Villages Amphitheater
- RFP and contract award – Water and Sewer Department hourly construction services

- RFP and contract award – North Jeff Davis Connecting Sidewalks

Program of Work for FY 2013

- Maintain and review performance measurement system for all departments.
- Continue developing administrative, personnel, and financial policies.
- Continue to aggressively pursue grant money in all areas.
- Continue cross-training program.
- Continue to create financial query reports via the AS400 and Microsoft Office products.
- Continue to pursue Excellence in Financial Reporting and Distinguished Budget Award
- Continuation of Title VI and ADA Program for Federal Compliance
- Implement the reorganization plan for public services, finance and administration, and economic development.
- Continue to monitor budget, trend analysis, and five year forecast

Departmental Goals and Initiatives

- Debt & Cash Management

    1. Manage and monitor cash balances of over $15 million in bank accounts and investments on a daily basis to maximize investment earnings to provide funds for the City's operational and capital needs.
    2. Forecast cash needs in the short-term and long-term, including debt planning.

- Revenue Management

    3. Manage delinquent collections of finaled utility bills and collections for all other areas of the City.
    4. Manage invoicing for all non-utility bill charges.

- Expenditure Management

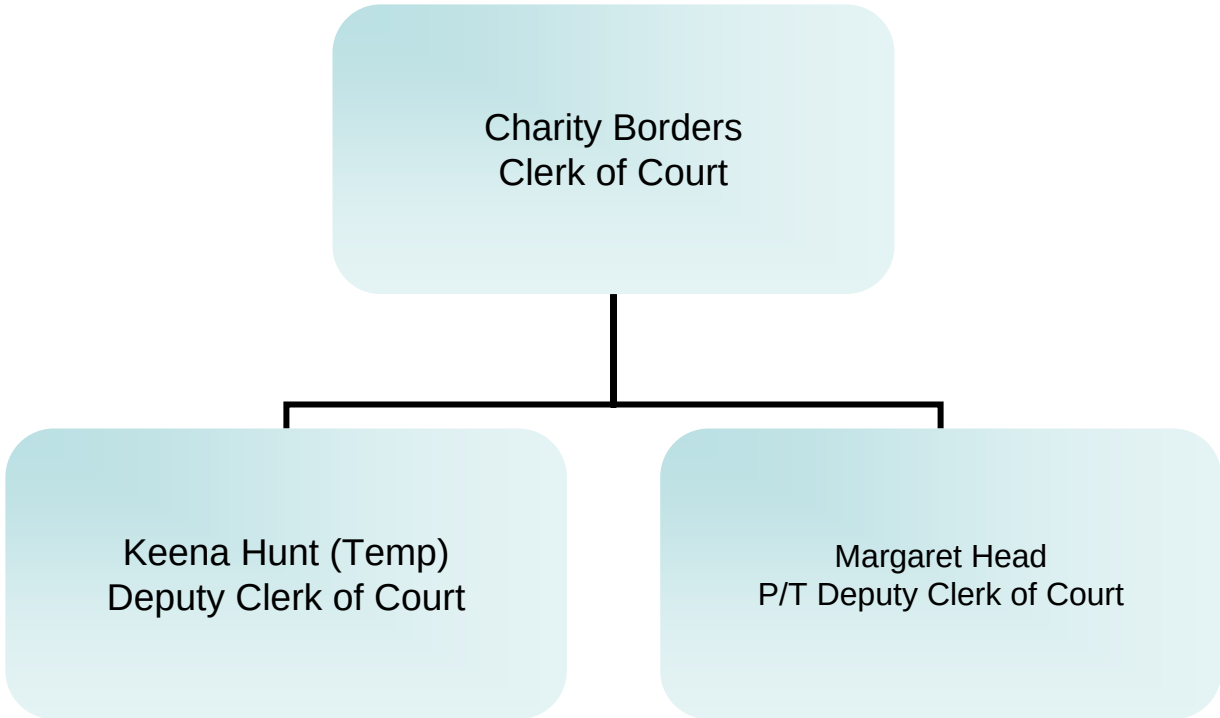
    5. Prepares bi-weekly payroll for the City for 121 employees.
    6. Prepares weekly vendor payments, which includes scheduling and discount analysis.



GENERAL FUND
BUDGET WORKSHEET
JUDICIAL

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
MUNICIPAL COURT	$ 718,820	$ 666,710	$ 680,711
TOTAL	**$ 718,820**	**$ 666,710**	**$ 680,711**

Municipal Court
FY 2013



Municipal Court
Departmental Information
FY 2013

Service Statement:
The Municipal Court of Fayetteville is dedicated to the principle of equal and timely access to justice so that all individuals are treated with integrity, honesty, equality, respect for the rule of law, and the rights of all. The Court uses all staff members in a collaborative effort to operate the court efficiently and effectively while maintaining public trust and confidence.

Accomplishments for FY 2012
During fiscal year 2012, the Fayetteville Municipal Court undertook many new challenges to include:

- Continued updating our records management system for new files to comply with the courts needs, and
- Continued training of a staff with required knowledge of court procedures.
- Continued reeducation in jail inmate cost.
- Electronic Filing on all Cases and Dispositions
- Administrative Policy & Procedures implemented for court staff
- Created an on-call schedule for first appearance hearings
- A new Pro-Temp Judge was added to the Municipal Court

Jail Agreement
Since entering a contract with Fayette County Sheriff's Department to house prisoners for Fayetteville, the impact of the Jail Agreement has caused the court to do more house arrests to alleviate the jail fees paid by the city for housing inmates. In addition, this will help the Municipal Court be aware of the number of inmates in jail on a weekly basis.

Program of Work for FY 2013
During the upcoming year, court intends to:

- Continue its efforts of ensuring an efficient court through:
    - Speedy trials through effective court management
    - Continued updating the computer system for dispositions
    - Maintaining a vigilant watch of the length of time inmates are held for the City by Fayette County Sheriff's Department, and
    - Attending training for legal updates.
    - Adapting to Spillman software
- Continue to put into practice New Administrative Policies & Procedures for Court staff

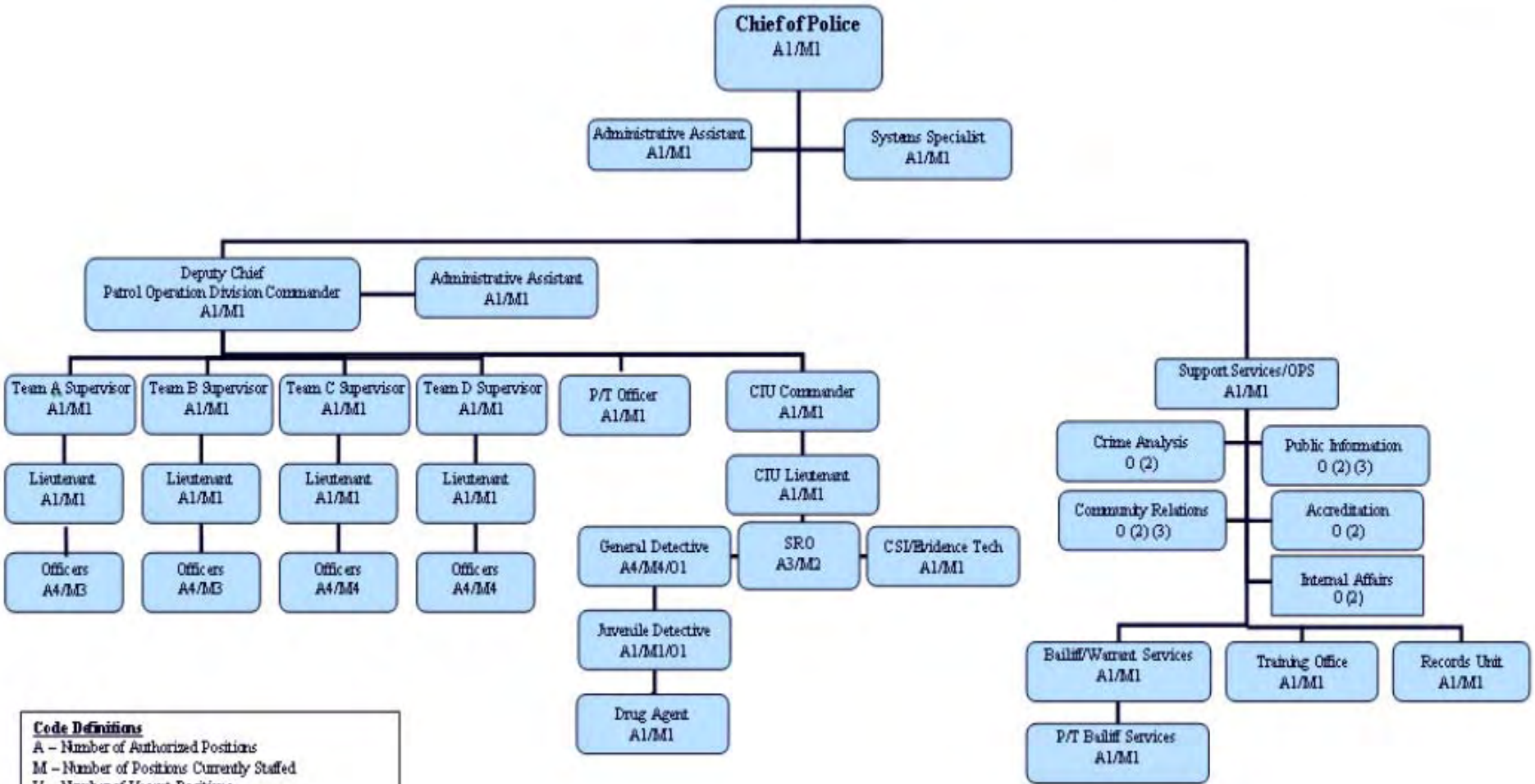


GENERAL FUND
BUDGET WORKSHEET
PUBLIC SAFETY

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
POLICE			
ADMINISTRATION	$ 361,520	$ 393,259	$ 401,517
INVESTIGATIONS	$ 767,855	$ 848,011	$ 865,819
OPERATIONS	$ 2,073,312	$ 2,046,306	$ 1,959,838
POLICE BUILDING	$ 94,144	$ 83,846	$ 85,607
SUPPORT SERVICES	$ 292,680	$ 346,862	$ 354,146
TOTAL POLICE	**$ 3,589,511**	**$ 3,718,284**	**$ 3,666,927**
FIRE			
ADMINISTRATION	$ 259,450	$ 273,544	$ 239,035
FIREFIGHTING	$ 1,915,731	$ 1,951,904	$ 1,814,083
PREVENTION	$ 187,931	$ 194,160	$ 172,133
TRAINING	$ 28,677	$ -	$ -
FIRE HQ	$ 49,618	$ 49,278	$ 50,313
STATION 92	$ 24,832	$ 21,380	$ 21,829
TOTAL FIRE	**$ 2,466,239**	**$ 2,490,266**	**$ 2,297,393**
E911	**$ 68,316**	**$ 85,000**	**$ 117,649**
TOTAL	**$ 6,124,066**	**$ 6,293,550**	**$ 6,081,969**

Fayetteville Police Department Organizational Structure

Revised 9/10/12



Code Definitions
A – Number of Authorized Positions
M – Number of Positions Currently Staffed
V – Number of Vacant Positions
O – Responsibility of Other Personnel/Unit

Other Staff Codes
(1) Performed by Patrol Operations Commander
(2) Performed by Support Services/OPS
(3) Performed by Training Officer
(4) Performed by CIU Supervisor


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Police
Departmental Information
FY 2013

Service Statement:

The men and women of the Fayetteville Police Department are committed to protect life, property, and the constitutional guarantees of all citizens of Fayetteville and those who travel through our great city. With community partnership as our foundation we, as a Department, are entrusted to enhance the quality of life, seek solutions to community problems, and foster a sense of peace and security for all people within our City. We will honor this trust placed in us by holding ourselves to the highest standards of professional police conduct.

Accomplishments for Fiscal Year 2012:

During FY 2012, the Department had many accomplishments. The fifth Citizens Police Academy (CPA) class kicked off in March and the class indicated that the course has been both enjoyable and informative. The Department hopes to continue having classes with the initial CPA group and to have at least one new CPA class graduate every year. Several members of the alumni participated in the Department's National Night Out Event. The Department also hosted the eighth annual Junior Police Academy in the last week of July 2012.

The Department continues to encourage professional development. Throughout the year officers attend a wide variety of training, both in-house and at various locations across the country. In calendar year 2011 employees of the Department attended 3,574 hours of training which is an average of 74 hours per officer. Several members of the Department are enrolled in Supervisory Courses such as Command College. At the end of the programs, the officers will either obtain the applicable college degree or be given credits to apply to their degree program.

The Department purchased and transitioned to a new computer records management (RMS) and in-car communications system during FY 2012. This system, purchased from Spillman Technologies, linked the police officer in the field to a newly implemented Computer-Aided Dispatch (CAD) system in the Fayette County 911 Center.

The Fayetteville False Alarm Reduction Program was implemented in FY 2012. The basis of the program is an ordinance which requires the responsible use of alarm systems, thereby reducing the unnecessary response of police recourses. The program provides education and information about the use of alarm systems and fines those users who do not comply with requirements.

Court Services, led by Lieutenant Robert Mask, served 1141 arrest warrants, arrested 156 people, and collected $108,793 in fines and fees.

FY 2012 has continued to bring about some challenges to the Department in terms of staffing due to the downturn in the economy.

Program of Work for Fiscal Year 2013:

The following are FY 2013 goals for the Department:

- Maintain the level of service, both inside and out, by recruiting and hiring quality applicants to fill vacant staff positions..
- Continue our success with limited injuries to both sworn and civilian employees, and those whom we have contacted.
- Strive for zero fatalities from motor vehicle accidents through the aggressive enforcement measures of our patrol officers and work towards developing a dedicated traffic unit.
- Improve the education of our personnel through State Certified Law Enforcement Courses, college courses, and in-house training.
- Develop strategic plans for dealing with developing issues like gangs, changing demographics, and growth.
- Continue the Community Policing initiatives within the City in conjunction with the Governor's Office of Highway Safety, the Fayette Meth Watch Group, the Fayette County Safe Kids Coalition, and other organizations that support the endeavors of the City of Fayetteville and the Police Department.
- Strive to reduce the number of Part I offenses or clear them through arrests.
- Implement an electronic citation software system for the (4) traffic officers in the Department. This system eliminates the hand-written citation by printing a legible citation document. It also auto-populates citation information into the central records management system.
- Continue to implement and improve the effectiveness of the Spillman RMS. This would include the installation of the Georgia Accident Form into the program for use by officers in the field.
- Implement a volunteer auxiliary program for select graduates of the Citizen Police Academy. In this program, civilian volunteers would supplement the Police Department by performing some non-hazardous duties such as security patrols, security checks, and assistance at special events.

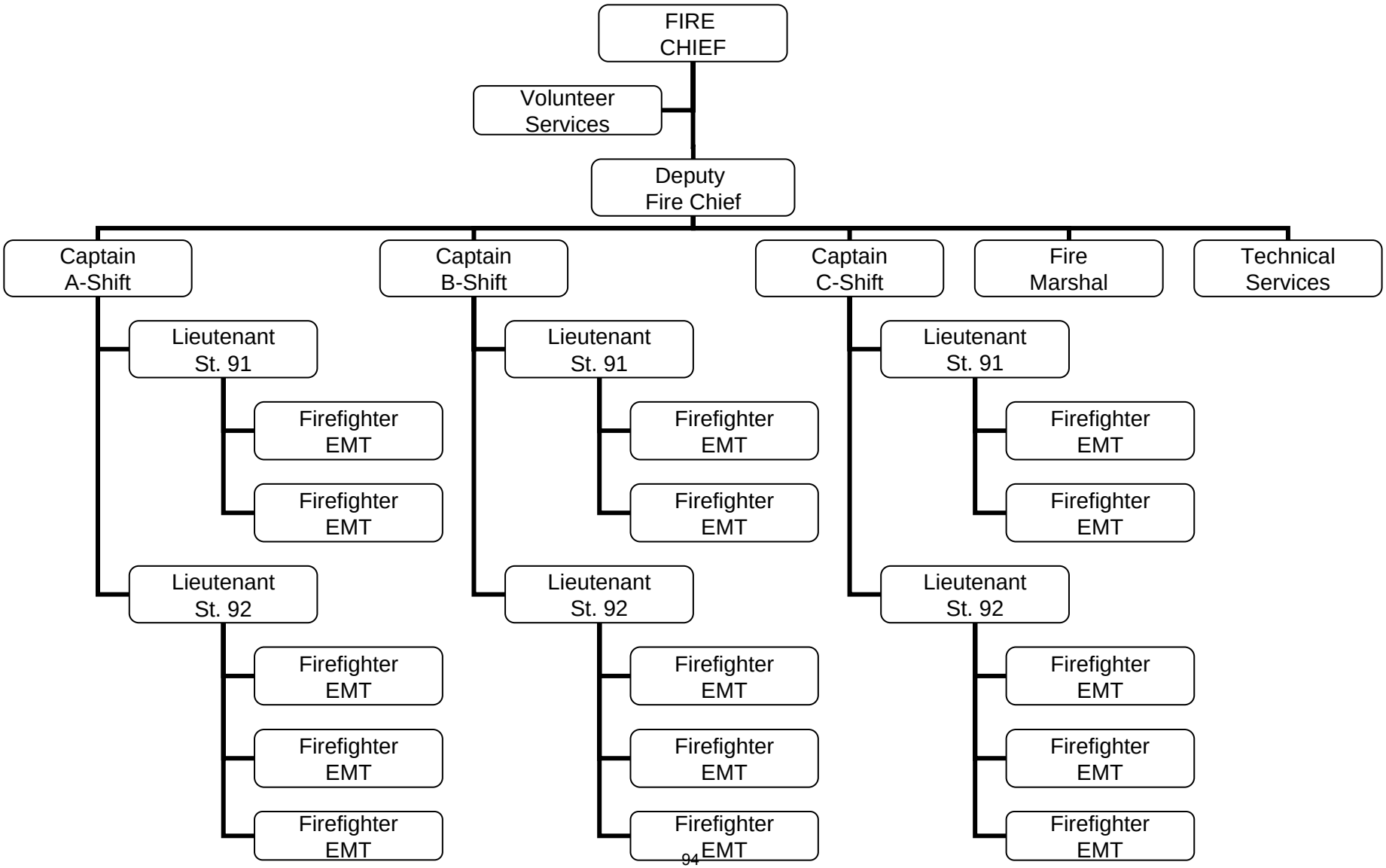
Police
Departmental Goals and Initiatives

- The Office of the Chief of Police will continue to provide proper administration for the department and its personnel.
- We will continue to make administrative improvements in order to provide a more efficient and responsive organization.
- We will continue to improve communications within the Department, with City Hall, with other local, state, and federal agencies and with the general public.
- We will continue to identify prominent accident locations and strive to reduce injuries and fatalities through the aggressive enforcement measures of our patrol officers.
- To proactively prevent crime by providing effective law enforcement and successfully prosecute persons charged with committing criminal acts within the City of Fayetteville.
- Maintain and apply proactive investigative methods within the criminal investigative unit to fully investigate and reduce criminal activity.

Workload Indicators

	Actual FY2009	Actual FY2010	Actual FY2011	Estimated FY2012	Proposed FY2013
Number of complaints received	23	11	13	21	16
Number of Internal Affairs Investigations	2	4	2	3	3
Number of PO's Processed	519	647	584	546	585
Number of Part I Crimes	444	448	519	509	546
Number of Part II Crimes	676	555	537	450	380
Number of citations and warnings issued	11624	8139	8103	10161	8400
Number of arrests	1392	1148	1075	1382	1223
Number of Traffic Accidents	1621	1235	1238	1317	1125
Response Times	8:00	7:15	5:52	5:00	5:00
Investigative Clearance Rate	15.70%	19.00%	21%	17.50%	20%
Use of Force Incidents	8	4	2	9	6
Total of Department Accidents	8	11	10	11	12

Fire Department
FY 2013





Firemen with Flag

FIRE DEPARTMENT
DEPARTMENTAL INFORMATION
FY 2013 BUDGET

Service Statement:
The City of Fayetteville Fire Department responds to various types of emergency incidents including all types of fires, emergency medical calls, motor vehicle and other accidents, rescue calls, bomb threats or detonations, severe weather and flooding emergencies, and hazardous materials emergencies as a member of the Fayette County hazardous materials response team.

Fire department personnel perform numerous prevention and public relations functions which include annual pre-fire plan updates on all businesses, fire safety inspections, annual hydrant maintenance, emergency management functions, delivery of fire safety and other specialty programs, construction plan reviews, station tours, blood pressure screenings, participation in Fayette County Safe Kids program, and distribution of smoke detectors.

Our Volunteer Services personnel supplement our career personnel through response to emergency incidents, stand by at stations or assisting at special events or work details.

Accomplishments for fiscal year 2012

- Coordinated with all City Departments to ensure continuing compliance with National Incident Management System (NIMS) benchmarks – coordinated training for employees in house
- Collaborated with City Finance, Public Services, and other County jurisdictions to select a company for county-wide short term debris removal services
- Collaborated with City Departments to revise Personnel Policy Manual
- Collaborated with City Departments to update Urban Areas Securities Initiative (UASI) update
- Collaborated with Fayette County to develop a plan to consolidate fire services
- Developed an alternate plan to allow the City to retain its fire services
- Completed Insurance Services Office fire department information update
- Continued to pursue available grant opportunities

Program of Work for fiscal year 2013:

- Maintain compliance with National Incident Management System benchmarks and complete training requirements for reassigned personnel
- Evaluate/modify current automatic/mutual aid agreements as needed to ensure operational efficiencies are maintained and mutually beneficial
- Evaluate/modify emergency response assignments to ensure resources are deployed in the most efficient manner possible
- Maintain action plan to maintain/improve ISO protection classification rating
- Continue to update threat level and hazard mitigation plans and response
- Continue to coordinate implementation of new 911 Computer Aided Dispatch system
- Continue to seek out available grant opportunities to offset operational costs

Fire
Departmental Goals and Initiatives

- Ensure department possesses the resources to safely perform required duties according to established level of service
- Ensure all activities of the department comply with federal, state, and local requirements
- Ensure the department operates in the most cost-effective manner possible
- Ensure readiness of equipment, apparatus, and personnel to provide an adequate response to emergency incidents
- Ensure a rapid and safe response upon receipt of an emergency call for service
- Conduct thorough review of all construction projects to ensure compliance with all applicable fire and life safety codes
- Ensure safe environment for the public through annual fire safety inspections of all commercial occupancies
- Improve the safety consciousness of the general public through public safety education programs
- Ensure personnel are adequately trained to perform assigned job tasks in the safest, most efficient manner possible
- Ensure proper training documentation and reporting is accomplished according to federal, state, and local requirements.

Workload Indicators

	Actual FY2010	Actual FY2011	Actual FY2012	Estimated FY2013
I.S.O. Insurance Rating	4	4	4	4
Number of Purchase Orders Issued	478	435	356	360
Number of Emergency Calls	2748	3130	3110	3150
% of Emergency Calls with response time < 5 min.	72.86	72.33%	75.43%	75%
Average Response Time – Medical/Fire Calls	Med.– 3:42 Fire- 4:47	Med.– 3:39 Fire- 4:30	Med.– 3:25 Fire- 4:29	Med.– 3:30 Fire- 4:30
Hydrants Maintained	1278	1261	1261	1265
Pre-Fire Plans Completed	1215	1235	1183	1200
Inspections Completed	1441	1349	1381	1400
Fire Safety Contacts	2828	1603	3209	3000
Plan reviews completed	62	67	58	60
Fires Investigated	3	3	3	3
Total departmental training hours	9546	8443	9396	8500
Total department accidents	1	1	1	0

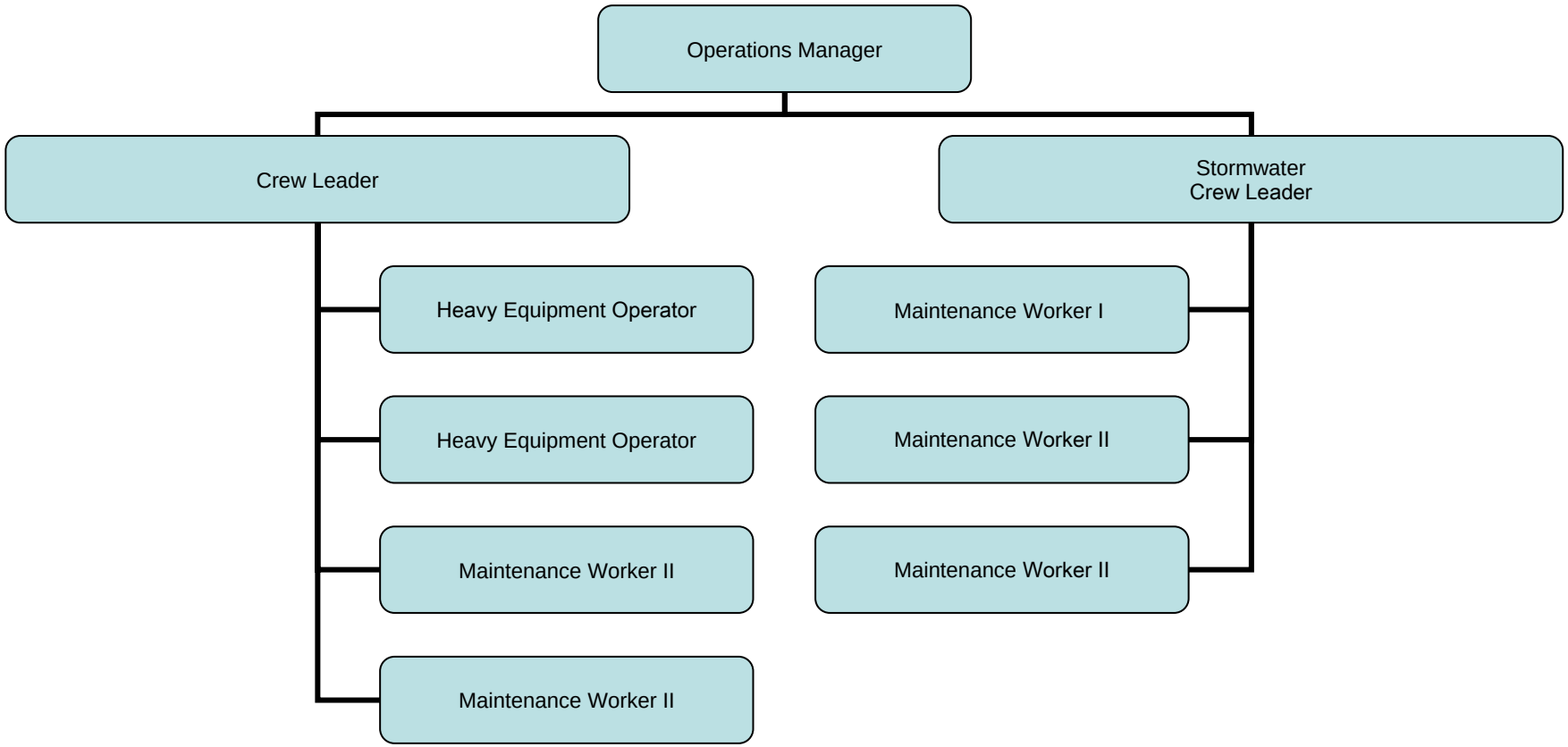

CITY OF
FAYETTEVILLE
PUBLIC WORKS

GENERAL FUND
BUDGET WORKSHEET
PUBLIC WORKS

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
PUBLIC WORKS ADMINISTRATION	$ 123,667	$ 129,017	$ 131,727
HIGHWAYS AND STREETS	$ 788,581	$ 831,533	$ 826,286
TOTAL	**$ 912,248**	**$ 960,550**	**$ 958,013**

Public Works

FY 2013



PUBLIC WORKS DEPARTMENT
DEPARTMENTAL INFORMATION
FY 2013 BUDGET

Service Statement:
To provide maintenance to the public and to provide safe passage of road ways and sidewalks:

- Mowing of all city right of ways
- All side walk maintenance and repairs
- Median landscapes
- Provide service for main street events
- Amphitheater Lawn care and maintenance
- Lawn care for all city Buildings
- Street drainage and drainage repairs on city R/W
- Sign maintenance and repairs
- Parks in the city (4 Parks)
- Cart path maintenance

Accomplishments for fiscal year 2012:

- LARP Program
- Creek Inspections and maintenance
- Cart path maintenance
- Park Maintenance
- Mowing of all R/W and sidewalks city wide
- Assisting Mainstreet with downtown functions
- Overseeing city lakes and maintenance
- Maintenance and landscape of all city facilities
- New sidewalks maintenance city wide
- Adding Jimmy Mayfield mowing maintenance

Program of work for fiscal year 2013:

- LARP Program
- Creek Inspections and maintenance
- Cart path maintenance
- Park Maintenance
- Mowing of all R/W and sidewalks city wide
- Assisting Mainstreet with downtown functions
- Overseeing city lakes and maintenance
- Maintenance and landscape of all city facilities
- Continued sidewalks maintenance city wide
- Adding Jimmy Mayfield mowing maintenance

Public Works
Departmental Goals and Initiatives

- To provide effective administration of public works area.
- To provide a safe work site and work zone area for employees.
- To provide a cost effective public works department at lowest possible cost.
- To provide a professional appearance to the city right-of –ways of the city
- To provide a clean and safe pedestrian area
- To maintain and improve the roadways in the city

Workload Indicators

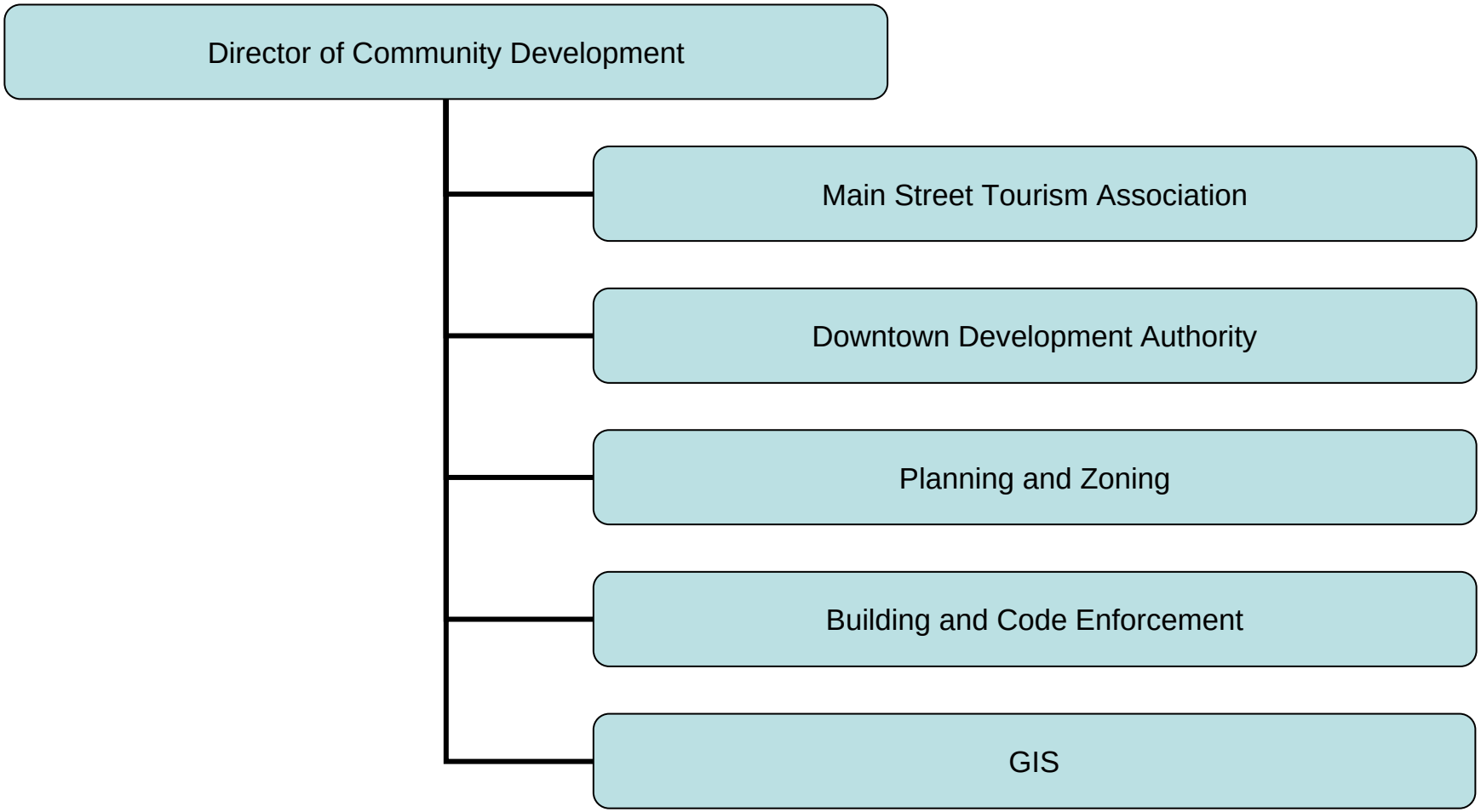
	Actual FY2009	Actual FY2010	Actual FY2011	Actual FY 2012	Proposed FY2012
Number of purchased orders issued	**337**	**280**	**275**	**200**	**204**
Number of work orders issued	**725**	**750**	**750**	**590**	**601**
Number of Work zone or site accidents	**1**	**3**	**0**	**2**	**0**
Number of pot holes repaired/utility cuts	**28**	**36**	**35**	**15**	**16**
Number of miles resurfaced	**1.3**	**1.5**	**1.5**	**1.7**	**1.3**
Number of miles cracked sealed	**1.0**	**1**	**1**	**0**	**1**
Miles of right-of-way mowed	**445**	**455**	**465**	**352**	**359**
Total Number of Department Accidents	**1**	**2**	**0**	**2**	**0**



GENERAL FUND
BUDGET WORKSHEET
HOUSING AND DEVELOPMENT

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
PROTECTIVE INSPECTION	$ 178,868	$ 201,328	$ 205,556
PLANNING AND ZONING	$ 156,834	$ 136,872	$ 139,746
ENGINEERING	$ 39,707	$ 43,895	$ 44,817
TOTAL	**$ 375,409**	**$ 382,095**	**$ 390,119**

Community Development
FY 2013



Planning and Zoning
Departmental Goals and Initiatives

- Maintain and improve the overall quality of life for all citizens of the City of Fayetteville by promoting sustainable development, encouraging a stable and enduring economic base, providing for the safety, health and education and preserving the natural, cultural and historic assets of the City of Fayetteville.
- To coordinate the development and implementation of the City of Fayetteville's Comprehensive Plan, special area studies, plan review process, Zoning Ordinance, Sign Ordinance, Landscape Ordinance and GIS program.
- Expeditiously review and respond to all inquiries, applications and studies dealing with current planning, zoning, subdivision and land development to achieve a well designed, planned and quality community in accordance with adopted ordinances, resolutions and policies.
- To provide all necessary land use, economic, environmental and social data upon which to base effective governmental decision resulting in orderly growth and development and a high quality of life for present and future citizens.
- Develop, maintain and implement a comprehensive geographic information system to improve and enhance the decision making capabilities of the City of Fayetteville.
- Fiscal Year 2012 Accomplishments:
    - Implemented overhaul and streamlining of City's sign ordinance
    - Consolidated staff from GIS and Main Street into Planning & Zoning Dept
    - Implemented streamlined Impact Fee Schedule
    - Implemented streamlined amendments to Gas Station Ordinance
- Fiscal year 2013 Plans:
    - Continue to work with the city's merchants to address economic development issues.
    - Implement amendments to City's Alcohol Ordinance
    - Create guidelines into a city Flea Market Ordinance
    - Amend zoning ordinances to encourage residential and mixed-use development in the Main Street District
    - Prepare criteria for development incentives that the City can offer
    - Create public awareness campaign for Redevelopment Powers referendum

Planning and Zoning
Workload Indicators

Departmental Goals and Initiatives

- Maintain and improve the overall quality of life for all citizens of the City of Fayetteville by promoting sustainable development, encouraging a stable and enduring economic base, providing for the safety, health and education and preserving the natural, cultural and historic assets of the City of Fayetteville.
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- Develop, maintain and implement a comprehensive geographic information system to improve and enhance the decision making capabilities of the City of Fayetteville.

	Actual FY2009	Actual FY2010	Actual FY2011	Actual FY2012	Proposed FY2013
Number of Development Plans Applications	9	0	8	6	7
Number of Annexation/Rezoning Applications	2	0	0	0	2
Number of Rezoning Applications	0	0	2	1	1
Number of Sign Permits Processed	298	383	320	236	300
Average Staff Time to Process Development Plans Applications	25.0	25.0	25.0	25.0	25
Average Staff Time to Process Annexation/Rezoning Applications	60.0	60.0	60.0	60.0	60
Average Staff Time to Process Rezoning Applications	30.0	30.0	30.0	30.0	30
Average Staff Time to Process Sign Permits	5.0	5.0	5.0	4.5	4

ENGINEERING DEPARTMENT
DEPARTMENTAL INFORMATION
FY 2013 BUDGET

Service Statement:

- Development Plan review and inspection
- Code Enforcement
- Stormwater system engineering and construction
- Transportation system project management, engineering and construction
- Special Projects such as Facilities Master Plan, Law Enforcement Center Project Management and Impact Fee contract
- Technical assistance to Water and Sewer Department, Planning, Public Works and Main Street Program
- Ordinance Preparation
- Solid Waste contract management

Accomplishments for Fiscal Year 2012:

- Complied with NPDES Phase II Permit and Water District stormwater monitoring requirements.
- Completed construction of Grady/Beauregard Roundabout.
- Continued design/right of way acquisition of Hood Ave/SR 92 Connector project.
- Continued design Hwy 54 Safetea-Lu sidewalks and Cemetery sidewalk.
- Reorganized the Public Services area.
- Completed Stormwater Annual Report and MNGWPD Audit

Program of Work for FY 2013:

- Complete design of Hood Ave/SR 92 Connector and continue right of way acquisition.
- Complete the preliminary engineering and right of way acquisition for the Cemetery TE sidewalk project.
- Construct Hwy 54 Safetea-Lu project.

Departmental Goals and Initiatives

- To provide an efficient and cost effective development review process while protecting our natural and historic resources and minimizing the negative impacts of growth and development on existing residents and businesses.
- To provide a safe road and street system with minimal traffic congestion.
- To enforce City environmental codes and quality of life codes as efficiently as possible.
- To minimize the degradation of the City stormwater system and of state waters.

Engineering and Development
Departmental Goals and Initiatives

- To provide an efficient and cost effective development review process while protecting our natural and historic resources and minimizing the negative impacts of growth and development on existing residents and businesses.
- To provide a safe road and street system with minimal traffic congestion.
- To enforce City environmental and nuisance codes as efficiently as possible.
- To minimize the degradation of the City stormwater system and of state waters.

Workload Indicators

	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Proposed FY 2012
STMWTR-Number of erosion control inspections	1060	461	460	427	435
STMWTR-Number of erosion control citations issued	1	0	0	0	1
Number of development projects reviewed	26	23	30	13	15
Number of structural flooding complaints	0	2	2	1	2
Number of illicit stormwater discharge complaints	3	2	3	0	1
Number of flood map inquiries	28	13	8	26	26
Number of traffic signal complaints	15	33	20	13	14
Number of sanitation complaints	66	46	60	14	15
Number of contracts issued	2	3	4	2	3

BUDGET WORKSHEET
100 GENERAL FUND
80000 DEBT SERVICE

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
EXPENDITURES			
PRINCIPAL - CAPITAL LEASE	$ -	$ -	$ -
INTEREST- CAPITAL LEASE	$ -	$ -	$ -
TOTAL EXPENDITURES	**$ -**	**$ -**	**$ -**

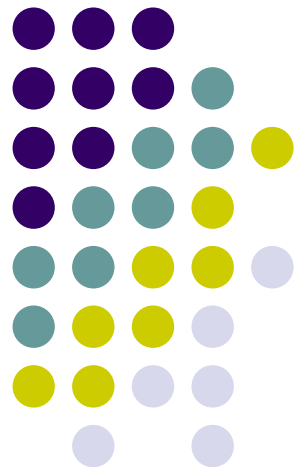
BUDGET WORKSHEET
100 GENERAL FUND
90000 OTHER FINANCING USES

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
EXPENDITURES			
OPERATING TRANSFER OUT	$ -	$ -	$ -
CPF	$ 114,556	$ -	$ -
MSTF	$ 80,000	$ 75,000	$ 65,000
OTHER	$ -	$ 100,866	$ 175,720
TOTAL EXPENDITURES	**$ 194,556**	**$ 175,866**	**$ 240,720**

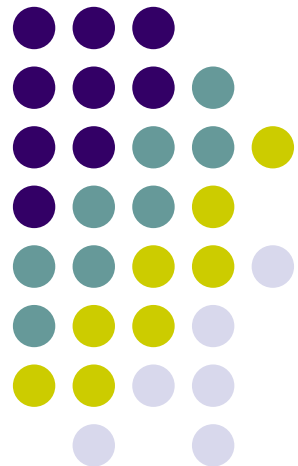
ENTERPRISE FUNDS

WATER AND SEWER FUND

SOLID WASTE FUND



WATER AND SEWER





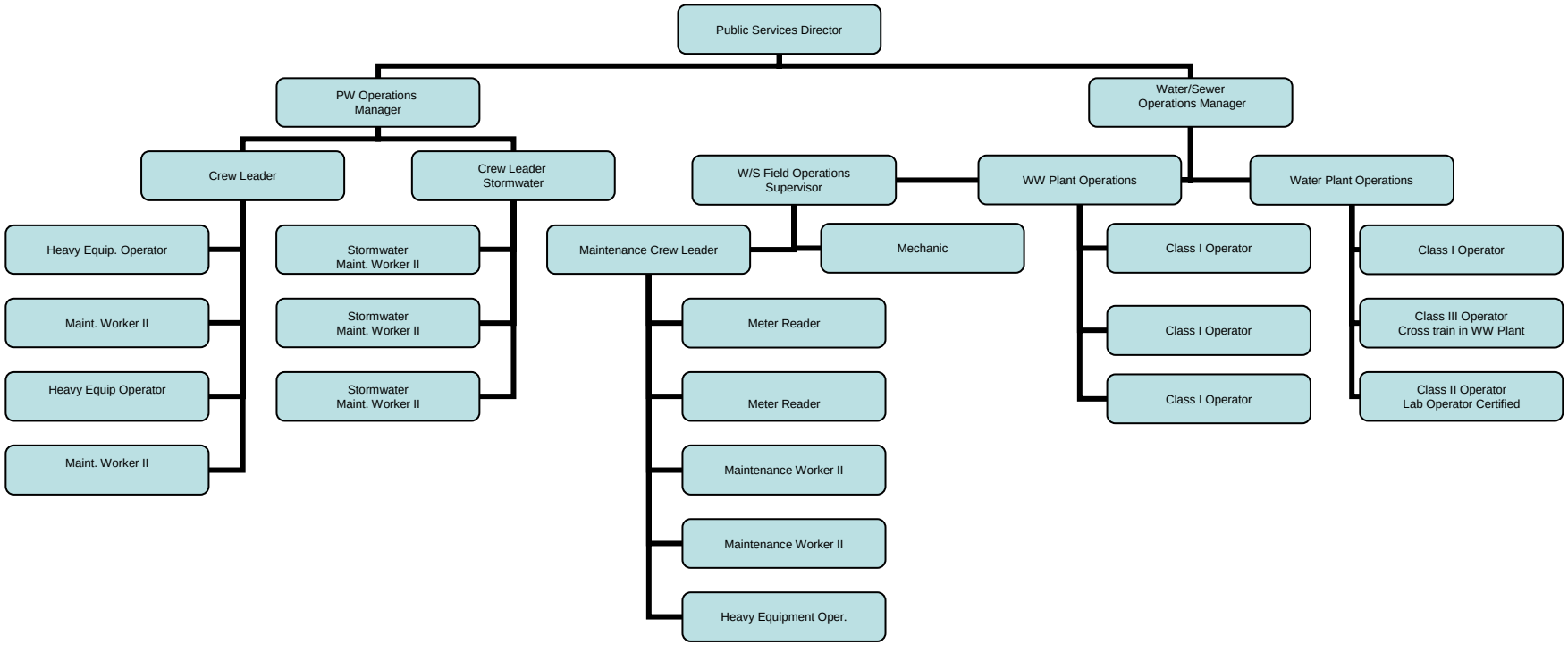
Fayetteville WRF

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Public Services

FY 2013



WATER AND SEWER DEPARTMENT
DEPARTMENTAL INFORMATION
FY 2013 BUDGET

Service Statement:
Supply water to City of Fayetteville residents for potable and fire fighting uses. Treat and dispose of the wastewater generated by the City of Fayetteville as per regulations set forth by all state and federal agencies.

Accomplishments for Fiscal Year 2012:

- Backflow prevention program continuing
- Continue mapping program for water system
- Continued GIS coordination with Fayette County User Group
- Completion of the renewal process for the Ground Water Withdrawal Permit No. 056-002
- Completion of sewer line replacement in Greenlea Subdivision
- Completion of Hydrant Flushing Program Standard Operating Procedure
- Initiated First Call Notification system for customer notification of emergencies
- Completed installation of generator for emergency power at Lift Station D site
- Completed installation of Automatic Transfer Switch at Old Wastewater Plant for compliance with EPD mandate

Program of Work for FY 2013:

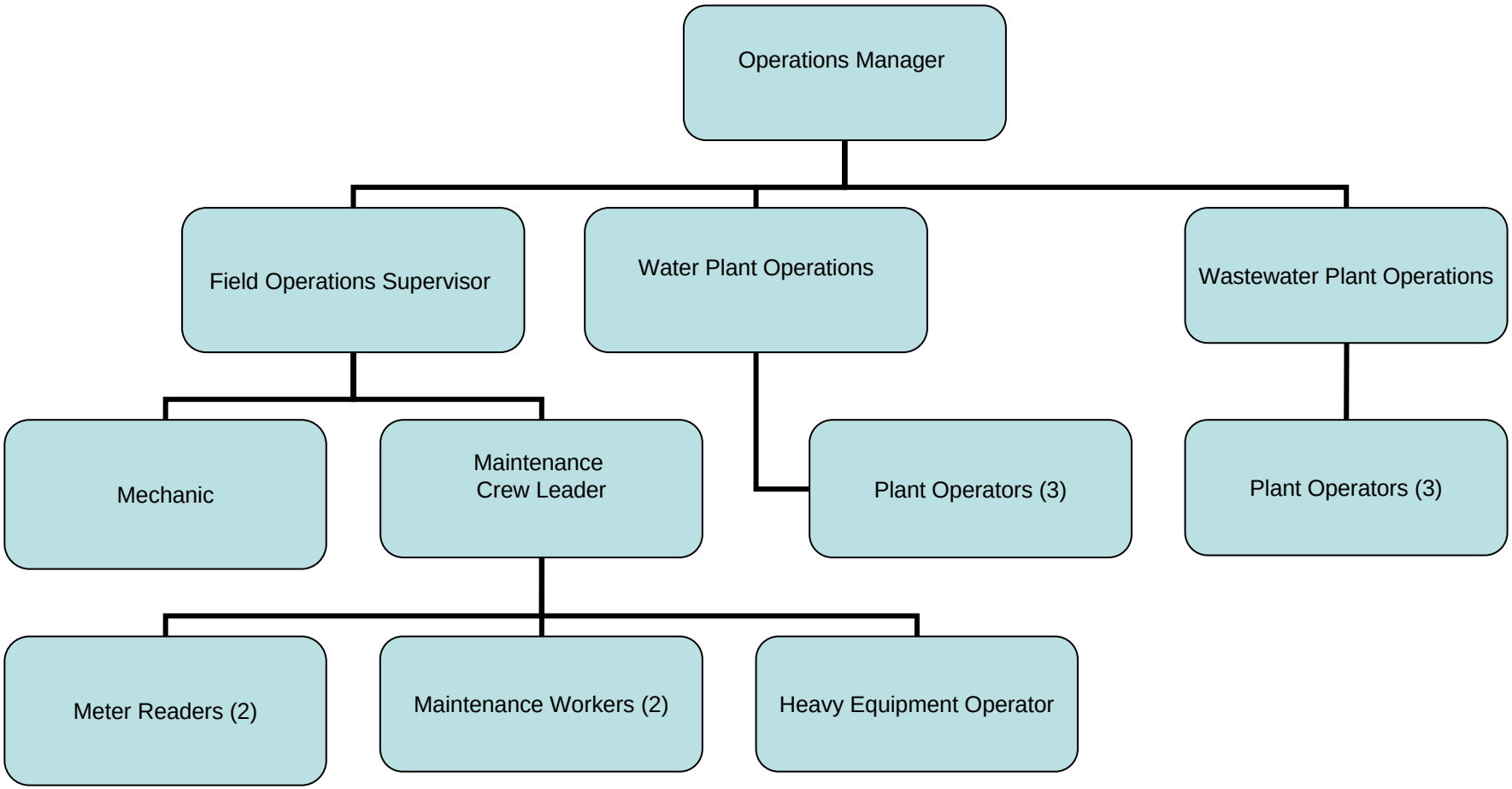
- Backflow prevention program continuing
- Implementation of Narrow band radio replacement for SCADA system
- Battery replacement program for meter reading radio equipment
- Continue mapping program for water system
- Replacement purchase of portable generator for lift station sites
- Replace eight deteriorated manholes along White Road
- Implementation of Hydrant Flushing Program

Water and Sewer
Departmental Goals and Initiatives

- To produce potable water for domestic and fire fighting purposes while meeting all state and federal regulations.
- To treat the City's Waste Water while meeting all state and federal regulations.
- To utilize the proper resources to complete Utility Locate Requests in a timely manner.
- To operate and maintain the City's Distribution and Collection Systems.

Water Department

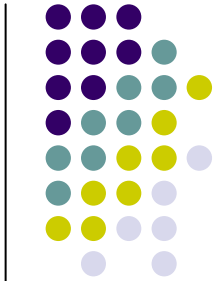
FY 2013



Water & Sewer Fund

WATER AND SEWER FUND	FY2010	FY2011	FY2012	FY2013
	Actual	Actual	Amended	Projected
REVENUES				
WATER				
CHARGES FOR SERVICES	$ 2,376,352	$ 2,446,785	$ 2,441,250	$ 2,448,113
INVESTMENT INCOME	$ (29,919)	$ (29,439)	$ (29,250)	$ (29,250)
OTHER FINANCING SOURCES	$ 2,437	$ 7,003	$ 4,500	$ 4,500
TOTAL WATER	**$ 2,348,871**	**$ 2,424,349**	**$ 2,416,500**	**$ 2,423,363**
WASTEWATER				
CHARGES FOR SERVICES	$ 3,056,544	$ 3,134,785	$ 3,088,028	$ 3,198,862
INVESTMENT INCOME	$ (29,919)	$ (29,439)	$ (29,250)	$ (29,250)
GRANTS	$ -	$ 3,841	$ -	$ -
OTHER FINANCING SOURCES	$ 2,437	$ 7,003	$ 4,500	$ 4,500
TOTAL WASTEWATER	**$ 3,029,063**	**$ 3,116,190**	**$ 3,063,278**	**$ 3,174,112**
OTHER ENTERPRISE FEES				
SOLID WASTE ADMIN FEES	$ -	$ -	$ 23,100	$ 23,100
TOTAL OTHER ENTERPRISE FEES	**$ -**	**$ -**	**$ 23,100**	**$ 23,100**
TOTAL REVENUES	**$ 5,377,933**	**$ 5,540,539**	**$ 5,502,878**	**$ 5,620,575**
EXPENSES				
GENERAL GOVERNMENT	$ 563,854	$ 599,738	$ 641,052	$ 704,409
WATER	$ 1,417,354	$ 1,514,694	$ 2,011,530	$ 1,782,743
WASTEWATER	$ 2,263,255	$ 2,533,724	$ 2,512,549	$ 2,880,183
HOUSING AND DEVELOPMENT	$ 32,157	$ 32,128	$ 29,002	$ 29,611
OTHER				$ -
TOTAL EXPENSES	**$ 4,276,620**	**$ 4,680,284**	**$ 5,194,133**	**$ 5,396,946**
NET REVENUES(EXPENSES)	**$ 1,101,313**	**$ 860,255**	**$ 308,745**	**$ 223,629**
ESTIMATED DEBT COVERAGE:	$ (205,455)	$ (208,352)	$ (208,350)	$ (208,413)
CASH FLOW - CASH AVAILABLE	**$ 895,858**	**$ 651,903**	**$ 100,395**	**$ 15,216**

Water and Sewer Fund Assumptions



- FY 2013 Projected
  - Revenues
    - Sewer Proportionate Share Fee revenues remains flat at $25,000 annually
    - 2.1% rate increase for sewer is proposed
  - Expenses
    - Personnel and salaries to increase by 2.1%
    - Operation and maintenance to increase by 2.1%
    - Continue with hiring freeze and voluntary reduction of hours
    - Capital purchases are being scheduled based upon the availability of revenues

BUDGET WORKSHEET
505 WATER AND SEWER FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND EXPENDITURES			
REVENUES			
INTERGOVERNMENTAL			
FEDERAL GRANT			
STATE GRANTS	$ 3,841	$ -	$ -
TOTAL GRANTS	**$ 3,841**	**$ -**	**$ -**
UTILITIES/ENTERPRISE			
WATER/SEWERAGE	$ 5,496,718	$ 5,504,278	$ 5,621,975
TOTAL UTILITIES/ENTERPRISE	**$ 5,496,718**	**$ 5,504,278**	**$ 5,621,975**
OTHER/ENTERPRISE			
OTHER	$ 333	$ 23,600	$ 23,600
TOTAL OTHER/ENTERPRISE	**$ 333**	**$ 23,600**	**$ 23,600**
OTHER CHARGES FOR SERVICES			
INTERNAL SERVICE FND CHGS	$ 3,480	$ 3,500	$ 3,500
TOTAL OTH CHARGES FOR SERVICES	**$ 3,480**	**$ 3,500**	**$ 3,500**
TOTAL CHARGES FOR SERVICES	**$ 5,500,531**	**$ 5,531,378**	**$ 5,649,075**
INVESTMENT INCOME			
INTEREST REVENUES			
INTEREST REVENUES	$ 2,289	$ 2,500	$ 2,500
TOTAL INTEREST REVENUES	**$ 2,289**	**$ 2,500**	**$ 2,500**
REALIZED GAIN/LOSS ON INVSTMT			
REALIZED GAIN/LOSS ON INVSTMT	$ (61,165)	$ (61,000)	$ (61,000)
TOTAL REAL GAIN/LOSS ON INVST	**$ (61,165)**	**$ (61,000)**	**$ (61,000)**
TOTAL INVESTMENT INCOME	**$ (58,876)**	**$ (58,500)**	**$ (58,500)**
OTHER-MISCELLANEOUS			
CONTRIBUTED CAPITAL (SPS)	$ 85,239	$ 25,000	$ 25,000
CONTRIBUTED CAPITAL (OTHER)			
TOTAL OTHER	**$ 85,239**	**$ 25,000**	**$ 25,000**

BUDGET WORKSHEET
505 WATER AND SEWER FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
OTHER FINANCING SOURCES			
INTERFUND TRANSFERS			
RESIDUAL EQUITY TRAN IN - STORMWTR	$ -	$ -	$ -
RESERVED BONDS - W/W	$ -	$ -	$ -
RESERVED BONDS - STMWTR	$ -	$ -	$ -
RESERVED SEWER P/S	$ -	$ -	$ -
GEFA LOAN - W/W	$ -	$ -	$ -
GRANT	$ -	$ -	$ -
TRANSFER IN - OTHER			
TOTAL INTERFUND TRANSFERS	**$ -**	**$ -**	**$ -**
PROCEEDS OF GEN FIXED ASSETS			
PROCEEDS OF GEN FIXED ASSETS	$ 10,191	$ 5,000	$ 5,000
TOTAL PROC OF GEN FIXED ASSETS	**$ 10,191**	**$ 5,000**	**$ 5,000**
TAXES			
SALES AND USE TAX	$ -	$ -	$ -
TOTAL TAXES	**$ -**	**$ -**	**$ -**
TOTAL OTHER FINANCING SOURCES	**$ 10,191**	**$ 5,000**	**$ 5,000**
TOTAL REVENUES	**$ 5,540,926**	**$ 5,502,878**	**$ 5,620,575**
EXPENDITURES AND OTHER USES			
EXPENDITURES BY FUNCTIONS			
GENERAL GOVERNMENT	$ 631,843	$ 670,054	$ 734,022
WASTEWATER	$ 3,384,671	$ 3,370,549	$ 3,815,183
WATER	$ 2,132,166	$ 2,362,530	$ 2,294,743
TOTAL EXPENSES	**$ 6,148,680**	**$ 6,403,133**	**$ 6,843,948**
OTHER USES			
DEPRECIATION	$ (1,525,662)	$ (1,209,000)	$ (1,375,000)
TOTAL EXPENSES:	$ 4,623,018	$ 5,194,133	$ 5,468,948
EXCESS REVENUES OVER EXPENSES	**$ (607,754)**	**$ (900,255)**	**$ (1,223,373)**
EXCESS REVENUES OVER EXP LESS DEPRECIATION	**$ 917,908**	**$ 308,745**	**$ 151,627**

YEAR	PROJECT DESCRIPTION		COST ESTIMATE	FUND TYPE	FUNCTION NUMBER	
2013	Mapping	$	50,000	O&M	15360	Distribution Valve Mapping
	Dump Truck Replacement	$	40,000	O&M	44400	
		$	40,000	O&M	43310	
	Pickup Truck Replacement	$	27,000	O&M	44400	2001 F-150 Replacement
	Trackhoe Replacement	$	33,640	O&M	44400	
		$	33,640	O&M	43310	
	Total 2013	**$**	**224,280**			
2014	Lift Station Generators	$	100,000	O&M	43340	Lift Station C
	Pickup Truck Replacement	$	27,000	O&M	44400	2005 F-150 Replacement
	Pickup Truck Replacement	$	27,000	O&M	44300	2000 F-150 Replacement
	Pickup Truck Replacement	$	27,000	O&M	43350	2000 F-150 Replacement
	Service Truck Replacement	$	25,000	O&M	44400	2005 F-450 Replacement
		$	25,000	O&M	43310	
	Total 2014	**$**	**231,000**			
2015	Mapping	$	50,000	O&M	15360	Distribution Valve Mapping
	Pickup Truck Replacement	$	27,000	O&M	43350	2002 F-150 Replacement
	Service Truck Replacement	$	35,000	O&M	44400	2006 F-350 Replacement
		$	35,000	O&M	43310	
	Backhoe Replacement	$	50,000	O&M	44400	
		$	50,000	O&M	43310	
	Total 2015	**$**	**247,000**			
2016	Lift Station Generators	$	100,000	O&M	43340	North 85 Lift Station
	Pickup Truck Replacement	$	27,000	O&M	44400	2003 F-150 Replacement
	Service Truck Replacement	$	35,000	O&M	44400	2007 F-250 Replacement
		$	35,000	O&M	43310	
	Portable Camera Replacement	$	50,000	O&M	43310	
	Total 2016	**$**	**247,000**			
2017	Trailer Mounted Sewer Camera	$	50,000	O&M	43340	
	Replacement	$	50,000	O&M	43310	
	Mapping	$	50,000	O&M	15360	
	Pickup Truck Replacement	$	27,000	O&M	44400	2004 F-150 Replacement
	Service Truck Replacement	$	25,000	O&M	44400	
		$	25,000	O&M	43310	
	Lawn Mower Replacement	$	10,000	O&M	43350	
		$	10,000	O&M	44300	
	Total 2017	**$**	**247,000**			

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2013

DEPARTMENT: **Water**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
Portable Generator Replacment	43340	100.00%	G50H3		hour meter not working	The unit was purchased in 1980's and the wear of the unit in regards
Pavid Generator						to the intergrity of the metal body and electrical wiring inside
						will make repairs more costly then purchasing a new unit
SCADA Radio Replacement	43340	90.00%				Replacement of the Wide Band Radios to become Narrowband
	44300	10.00%				compliant per FCC Regulations
Service Truck Replacement	44400	50.00%	1FDXF47P43ED84455	91003		10 years of age and keep having mechanical issues with the
2003 F-450	43310	50.00%				vehicle due to age
Pickup Truck Replacement	15360	100.00%	2FTRF17W14CA50562	135474		High milage and age of vehicle will increase operating cost
2000 F-150						

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2014

DEPARTMENT: **Water**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
Mapping	15360	100.00%				Begin Distribution Water Valve Mapping
Dump Truck Replacement	44400	50.00%	1FDXK84A7LVA13597		18,280	1980 F-800, ue to the age of the vehicle the PTO and hydraulics
	43310	50.00%				system has become more expensive to repair
Pickup Truck Replacement	44400	50.00%	2FTRX17L31CA59188	116698		High milage and age of vehicle will increase operating cost
2001 F-150	43310	50.00%				
Trackhoe Replacement	44400	50.00%			2,779	Age of equipment will increase operating cost associated
2001 Takeuchi	43310	50.00%				with bucket replacement, hydrolic system replacement

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

BUDGET FORM A

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2015

DEPARTMENT: **Water**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
Lift Station Generator	43340	100.00%				New generator to provide emergency power to Lift Station C
						as part of our program to have emergency standby power to our
						lift station sites
Pickup Truck Replacement	44400	50.00%	1FTVX12555NA20965	92380		High mileage and age will increase maintenance cost
2005 F-150	43310	50.00%				
Pickup Truck Replacement	43350	50.00%	2FTRF17W8YCA50560	43447		Age of vehicle will increase maintenance cost
2000 F-150						
Pickup Truck Replacement	44300	100.00%	1FTRX17W0YNB26232	86839		Age of vehicle will increase maintenance cost
2000 F-150						
Service Truck Replacment	44400	50.00%	1FDXX46P45EA69012	103477		This vehicle pulls the trailer with the trackhoe which impacts the
2005 F-450	43310	50.00%				wear and tear on the transmission system

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2016

DEPARTMENT: **Water**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
GIS Mapping	15360	100.00%				Continuation of the Distribution Valve mapping program
Pickup Truck Replacement	43350	100.00%	1FTRX17W82NA39282	66886		Age and mileage will increase operating cost
2002 F-150						
Service Truck Replacement	44400	50.00%	1FDWF36P86ED84518	66255		Age and mileage will increase operating cost
2006 F-350	43310	50.00%				
Backhoe Replacement	44400	50.00%			1,500	Hydraulic system combined with the age of the unit will
	43310	50.00%				be very expensive

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2017

DEPARTMENT: **Water**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
Lift Station Generator	43340	100.00%				New generator to provide emergency power to Lift Station North 85
						as part of our program to have emergency standby power to our
						lift station sites
Pickup Truck Replacement	44400	100.00%	2FTPF17Z83CA19643	88811		Age of vehicle will increase maintenance cost
2003 F-150						
Service Truck Replacment	44400	50.00%	1FTNX20568EB76137	69571		High mileage and age will increase maintenance cost
2007 F-250	43310	50.00%				
Portable Camera Replacement	43310	100.00%	5111801			The unit will be obselete and repairs to the unit will be more than
						the cost of replacement

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

SUMMARY OF EXPENDITURES
505 WATER AND SEWER FUND
WATER AND SEWER FUND

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
GENERAL GOVERNMENT*	$ 631,843	$ 670,054	$ 734,022
WATER	$ 2,132,166	$ 2,362,530	$ 2,294,743
WASTEWATER	$ 3,384,671	$ 3,370,549	$ 3,815,183
TOTAL	**$ 6,148,680**	**$ 6,403,133**	**$ 6,843,948**

SUMMARY OF EXPENDITURES
505 WATER AND SEWER FUND
GENERAL GOVERNMENT

CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
GOVERNING BODY	$ 63,922	$ 68,519	$ 69,958
CLERK OF COUNCIL	$ 16,131	$ 54,117	$ 55,253
CITY MANAGER	$ 69,184	$ 72,474	$ 73,996
FINANCE	$ 336,747	$ 327,878	$ 334,763
CITY ATTORNEY	$ -	$ 5,000	$ 5,000
IT	$ 44,326	$ 53,925	$ 55,057
GIS (INFORMATION TECHNOLOGY)	$ 49,468	$ 32,205	$ 82,884
HUMAN RESOURCES	$ 19,940	$ 26,934	$ 27,500
ENGINEERING/DEVELOPMENT	$ 32,125	$ 29,002	$ 29,611
TOTAL	**$ 631,843**	**$ 670,054**	**$ 734,022**

SUMMARY OF EXPENDITURES
505 WATER AND SEWER FUND
WASTEWATER

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
EXPENDITURES			
WASTEWATER ADMINISTRATION	$ 84,959	$ 100,405	$ 102,489
STORMWATER COLLECTION/MAINT	$ 423,126	$ 366,905	$ 463,598
WASTEWATER MAINTENANCE	$ 281,971	$ 332,185	$ 378,531
WASTEWATER LIFT STATIONS	$ 311,107	$ 245,852	$ 351,015
WASTEWATER TREATMENT	$ 2,283,508	$ 2,325,202	$ 2,519,550
TOTAL EXPENDITURES	**$ 3,384,671**	**$ 3,370,549**	**$ 3,815,183**

SUMMARY OF EXPENDITURES
505 WATER AND SEWER FUND
WATER

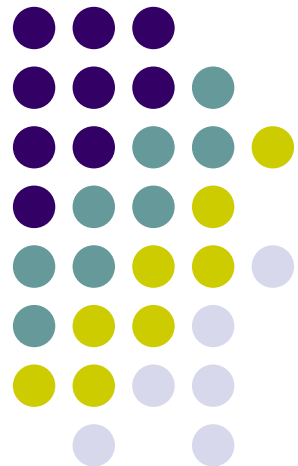
CLASSIFICATION	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
WATER ADMINISTRATION	$ 140,469	$ 167,354	$ 169,818
TREATMENT	$ 1,642,557	$ 1,748,355	$ 1,629,351
DISTRIBUTION	$ 349,140	$ 446,821	$ 495,574
TOTAL	**$ 2,132,166**	**$ 2,362,530**	**$ 2,294,743**

WATER AND SEWER FUND	FY2013	FY2014	FY2015	FY2016	FY2017
	Budget	Projected	Projected	Projected	Projected
REVENUES					
WATER					
CHARGES FOR SERVICES	$ 2,448,113	$ 2,448,775	$ 2,449,438	$ 2,450,101	$ 2,450,763
INVESTMENT INCOME	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)
OTHER FINANCING SOURCES	$ 4,500	$ 4,500	$ 4,500	$ 4,500	$ 4,500
TOTAL WATER	**$ 2,423,363**	**$ 2,424,025**	**$ 2,424,688**	**$ 2,425,351**	**$ 2,426,013**
WASTEWATER					
CHARGES FOR SERVICES	$ 3,198,862	$ 3,282,526	$ 3,368,799	$ 3,457,813	$ 3,549,502
INVESTMENT INCOME	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)	$ (29,250)
GRANTS	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 4,500	$ 4,500	$ 4,500	$ 4,500	$ 4,500
TOTAL WASTEWATER	**$ 3,174,112**	**$ 3,257,776**	**$ 3,344,049**	**$ 3,433,063**	**$ 3,524,752**
OTHER ENTERPRISE FEES					
SOLID WASTE ADMIN FEES	$ 23,100	$ 23,100	$ 23,100	$ 23,100	$ 23,100
TOTAL OTHER ENTERPRISE FEES	**$ 23,100**	**$ 23,100**	**$ 23,100**	**$ 23,100**	**$ 23,100**
TOTAL REVENUES	**$ 5,620,575**	**$ 5,704,901**	**$ 5,791,837**	**$ 5,881,513**	**$ 5,973,865**
EXPENSES					
GENERAL GOVERNMENT	$ 704,409	$ 718,047	$ 681,971	$ 746,187	$ 710,702
WATER	$ 1,782,743	$ 1,780,191	$ 1,819,838	$ 1,853,615	$ 1,858,679
WASTEWATER	$ 2,880,183	$ 2,822,042	$ 2,939,403	$ 2,935,985	$ 3,046,513
HOUSING AND DEVELOPMENT	$ 29,611	$ 30,233	$ 30,868	$ 31,516	$ 32,178
OTHER	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSES	**$ 5,396,946**	**$ 5,350,512**	**$ 5,472,080**	**$ 5,567,303**	**$ 5,648,072**
NET REVENUES(EXPENSES)	**$ 223,629**	**$ 354,389**	**$ 319,757**	**$ 314,210**	**$ 325,794**
ESTIMATED DEBT COVERAGE:	$ (208,413)	$ (209,013)	$ (209,417)	$ (209,417)	$ (209,417)
CASH FLOW - CASH AVAILABLE	**$ 15,216**	**$ 145,376**	**$ 110,340**	**$ 104,793**	**$ 116,377**
DEPRECIATION					
TOTAL DEPRECIATION	**$ 1,375,000**	**$ 1,375,000**	**$ 1,375,000**	**$ 1,375,000**	**$ 1,375,000**
NET:	**$ (1,151,371)**	**$ (1,020,611)**	**$ (1,055,243)**	**$ (1,060,790)**	**$ (1,049,206)**



In recognition of their military service – Askew and Hartley – Police Department

SOLID WASTE FUND



BUDGET WORKSHEET
540 SOLID WASTE FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES			
SAN-REFUSE COLLCTION CHG	$ 631,930	$ 645,200	$ 650,000
INTEREST EARNED REVENUES	$ 153	$ 250	$ 250
TOTAL REVENUES	**$ 632,083**	**$ 645,450**	**$ 650,250**
EXPENDITURES			
PURCHASED/CONTRACTED SERVICES			
45200 SAN-REFUSE COLLECTION CHG	$ 628,225	$ 645,450	$ 650,250
TOTAL EXPENDITURES/EXPENSES	**$ 628,225**	**$ 645,450**	**$ 650,250**
EXCESS REVENUES OVER EXPENDITURES	**$ 3,858**	**$ -**	**$ -**

CAPITAL PROJECT FUNDS

- CAPITAL IMPROVEMENT/BUILDING FUND
- IMPACT FEE FUND
- SPLOST FUND

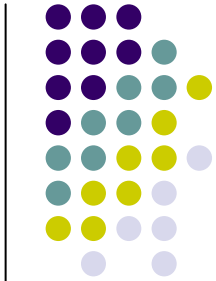
BUDGET WORKSHEET
351 CAPITAL PROJECTS FUN

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND EXPENDITURES			
REVENUES			
TAXES			
GENERAL PROPERTY TAXES			
REAL PROP-CUR YEAR	$ 714,343	$ 565,739	$ 565,508
TOTAL GENERAL PROPERTY TAXES	**$ 714,343**	**$ 565,739**	**$ 565,508**
INTERGOVERNMENTAL			
FEDERAL GRANT-CAP/INDIRECT	$ -	$ -	$ -
STATE GOV GRANT-CAPITAL - LCI	$ -	$ -	$ -
STATE GOV GRANT-DOT	$ -	$ -	$ -
STATE GOV-LDF GRANT	$ -	$ -	$ -
TOTAL INTERGOVERNMENTAL	**$ -**	**$ -**	**$ -**
LOCAL GOV'T UNIT SHARED REV			
LOCAL GOV'T UNIT SHARED REV	$ -	$ -	$ -
TOTAL LOCAL GOV'T UNIT SHARE	**$ -**	**$ -**	**$ -**
INVESTMENT INCOME			
INTEREST REVENUES	$ 176	$ 101	$ 144
TOTAL INTEREST REVENUES	**$ 176**	**$ 101**	**$ 144**
MISCELLANEOUS			
REIMB FOR DAMAGED PROPERTY	$ -	$ -	$ -
TOTAL MISCELLANEOUS	**$ -**	**$ -**	**$ -**

BUDGET WORKSHEET
351 CAPITAL PROJECTS FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND EXPENDITURES			
REVENUES			
OTHER FINANCING SOURCES			
INTERFUND TRANSFERS			
TRANSFER IN-DDA	$ -	$ -	$ -
IMPACT FEE FUND	$ 34,754	$ 10,552	$ 10,553
WATER AND SEWER FUND			
MSTF			
GENERAL FUND	$ 114,556	$ -	$ -
CEMETERY TRUST FUND	$ -	$ -	$ -
TOTAL INTERFUND TRANSFERS	**$ 149,310**	**$ 10,552**	**$ 10,553**
PROCEEDS OF CAPITAL LEASES			
CAPITAL LEASES	**$ -**	**$ -**	**$ -**
TOTAL PROCEEDS OF CAP LEASES	**$ -**	**$ -**	**$ -**
APPROPRIATION OF FUND BALANCE	**$ -**	**$ 17,283**	**$ 171,925**
TOTAL OTHER FINANCE SOURCES	**$ 149,310**	**$ 27,835**	**$ 182,478**
TOTAL REVENUES	**$ 863,829**	**$ 593,675**	**$ 748,130**
EXPENDITURES AND OTHER USES			
EXPENDITURES	$ 899,013	$ 593,675	$ 748,130
INCREASE (DECREASE) OF UNR FUND BAL	$ -	$ -	$ -
TOTAL EXPENDITURES AND OTHR USES	**$ 899,013**	**$ 593,675**	**$ 748,130**
EXCESS REVENUES OVER EXPENDITURE	**$ (35,184)**	**$ -**	**$ -**

Capital Projects Fund Assumptions



- FY 2013 Projected
  - Revenues
    - Decrease (13%) in property tax digest
    - Proposed Millage Rate Rollup equivalent to decrease in digest
    - Appropriation of Fund Balance $171,926
  - Expenditures
    - Replacement capital items
    - Other Financing Sources (Transfer to DDA) decreased by ($70,300) due to refinancing of DDA bond issue
    - Continue debt service obligations according to debt schedules

Capital Projects Fund

CAPITAL PROJECTS FUND WITH CIP	FY 2010 Actual	FY 2011 Actual	FY 2012 Amended 2	FY 2013 Projected
REVENUES				
TAXES	$ 630,705	$ 714,343	$ 565,739	$ 565,508
INTERGOVERNMENTAL	$ -	$ -	$ -	$ -
INVESTMENT INCOME	$ (157)	$ 177	$ 101	$ 144
CONTRIBUTIONS & DONATIONS	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 163,171	$ 149,311	$ 416,703	$ 182,479
TOTAL REVENUES	**$ 793,719**	**$ 863,831**	**$ 982,543**	**$ 748,130**
EXPENSES				
GENERAL GOVERNMENT	$ -	$ 86,955	$ -	$ 36,000
JUDICIAL	$ -	$ -	$ -	$ -
PUBLIC SAFETY	$ 111,835	$ 149,173	$ -	$ 262,990
PUBLIC WORKS	$ 16,425	$ -	$ -	$ -
HOUSING AND DEVELOPMENT	$ -	$ -	$ -	$ -
DDA	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 193,178	$ 169,756	$ 402,044	$ 94,227
TOTAL PROJECTS	**$ 321,438**	**$ 405,884**	**$ 402,044**	**$ 393,217**
DEBT SERVICE	$ 494,029	$ 493,131	$ 580,499	$ 354,913
TOTAL EXPENSES	**$ 815,468**	**$ 899,015**	**$ 982,543**	**$ 748,130**
NET:	**$ (21,749)**	**$ (35,184)**	**$ (0)**	**$ 0**
FUND BALANCE	**$ 60,602**	**$ 25,418**	**$ 271,099**	**$ 99,173**

Capital Improvement Program for Fiscal Year 2013

PROJECT DESCRIPTION	ESTIMATE	FUNDING TYPE
HVAC Tower Replacement	$ 36,000	CPF
800 MHZ Radio Replacement (6)	$ 27,000	CPF
Mobile Data System / Software	$ 48,000	CPF
4 Vehicles (Replacement)	$ 105,000	CPF
2 Vehicles (Replacement)	$ 50,000	CPF
11 Radios	$ 33,000	CPF
In-car Systems/Technology/Equip	$ 59,350	CPF
In-car Systems/Technology/Equip	$ 15,640	CPF
Total 2013	**$ 373,990**	

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2013

DEPARTMENT: **General Government**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
HVAC Tower Replacement	15650	100.00%				Existing tower is past repair; a new thermal coil and piping is necessary

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

NEW OR REPLACEMENT EQUIPMENT AND/OR PROJECTS

(NOT RELATED TO NEW PERSONNEL)

FY 2013

DEPARTMENT: **FIRE**

	FUNDING SOURCE							
ITEM/DESCRIPTION	**FUND**	**FUNCTION**	**PERCENT**	**QTY**	**UNIT COST**	**TOTAL COST**	**N* R***	**JUSTIFICATION****
800 MHZ Radio Replacement	100	35200	100.00%	6	$ 4,500.00	$ 27,000.00	R	These radios are well over 10 years old and must be
						$ -		replaced to be compatible with the digital radio system
						$ -		planned in the next 3 - 5 years. There are no more parts
						$ -		available for repair of these radios.
Mobile Data System /Software	100	35200	100.00%	7	$ 4,000.00	$ 28,000.00	N	This project is for the purchase of mobile data terminals
Software for existing computers	100	35200	100.00%	10	$ 2,000.00	$ 20,000.00	N	and software for connectivity to the new CAD system
						$ -		purchased by 911. This will permit rapid transfer of
						$ -		information between 911 and field personnel
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
GRAND TOTAL	**XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX**				**XXXXXXXXX**	$ 75,000.00	**XXXXX**	**XXXXXXXXXXXXXXXXXXXXXXXXX**

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2013

DEPARTMENT: FIRE

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
Motorola MTX 800 - 800 MHz Portable	35200	100.00%	402FNS6785Z	N/A	15 + years	No longer functions on system
Motorola MTX 800 - 800 MHz Portable	35200	100.00%	402AVS6871Z	N/A	15 + years	No longer functions on system
Motorola MTS 2000 800 MHz Radio	35200	100.00%	466AAL5816	N/A	10 + years	Radios not compatible with digital system - repair parts unavailable
Motorola MTS 2000 800 MHz Radio	35200	100.00%	466AAL5817	N/A	10 + years	Radios not compatible with digital system - repair parts unavailable
Motorola MTS 2000 800 MHz Radio	35200	100.00%	466AAL5818	N/A	10 + years	Radios not compatible with digital system - repair parts unavailable
Motorola MTS 2000 800 MHz Radio	35200	100.00%	466AWL5376	N/A	10 + years	Radios not compatible with digital system - repair parts unavailable

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

BUDGET FORM A

CAPITAL IMPROVEMENT PROGRAM
RATING SHEET

Project Name: 800 MHz Radio Replacement

Estimated Cost: $27,000 per year (5 year total $135,000)

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	10
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	5
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	10
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	5
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	
Total Score		**30**

CAPITAL IMPROVEMENT PROGRAM
RATING SHEET

Project Name: Mobile Data System/Software

Estimated Cost: $48,000

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	5
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	5
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	10
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	5
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	5
Total Score		**30**

REPLACEMENT VEHICLES AND/OR EQUIPMENT

(NOT RELATED TO NEW PERSONNEL)

FY : 2013

DEPARTMENT: **Police Department**

ITEM/DESCRIPTION (Make, Model, Year)	FUNCTION	%	Vin# or Serial #	MILEAGE	HOURS OF SERVICE	JUSTIFICATION**
2004 Ford Crown Victoria (Unit # 413)	32210	100.00%	2FAP71W04X118032	107680	Not Available	High Miles, Starting to see increase in maintenance, age - $25, 000.00
						Emergency Light/Siren Package - $ 2, 620.00
						800 Radio (Police) - $3,500.00
						HiBand Radio (Car to Car) - $600.00
						Window Tent = $200.00
						Emergency equipment / radio Instal - $900.00
2004 Ford Crown Victoria (Unit # 440)	32210	100.00%	2FAP71W04X102378	91, 820	Not Available	High Miles, Starting to see increase in maintenance, age - $25, 000.00
						Emergency Light/Siren Package - $ 2, 620.00
						800 Radio (Police) - $3,500.00
						HiBand Radio (Car to Car) - $600.00
						Window Tent = $200.00
						Emergency equipment / radio Instal - $900.00
2006 Ford Crown Vic Unit #601	32230	100.00%	2FAFP71W76X117155	107000	5,700	Patrol car with 7 years of service at replacement. Vehicle replacement
						cost - $25,000.
						Installed equipment and technology to include: in-car video system-
						$5000, laptop computer - $1600, emergency lighting and siren package
						$3000, prisoner transport system - $1600, console and computer
						mount - $600, VHF radio - $600, push bumper - $200, lettering - $600,
						window tinting - $200, equipment installation - $1000.
						Total installed equipment - $14400
2007Ford Crown Vic Unit #704	32230	100.00%	2FAHP71WX7X122702	80000	Not Available	Patrol car with 7 years of service at replacement. Vehicle replacement
						cost - $25,000.
						Installed equipment and technology to include: in-car video system-
						$5000, laptop computer - $1600, emergency lighting and siren package
						$3000, prisoner transport system - $1600, console and computer
						mount - $600, VHF radio - $600, push bumper - $200, lettering - $600,
						window tinting - $200, equipment installation - $1000.
						Total installed equipment - $14400
2007 Ford Crown Vic Unit #706	32230	100.00%	2FAHP71W87X122701	80000	Not Available	Patrol car with 6 years of service at replacement. Vehicle replacement
						cost - $25,000.
						Installed equipment and technology to include: in-car video system-
						$5000, laptop computer - $1600, emergency lighting and siren package

						$3000, prisoner transport system - $1600, console and computer
						mount - $600, VHF radio - $600, push bumper - $200, lettering - $600,
						window tinting - $200, equipment installation - $1000.
						Total installed equipment - $14400
2006 Ford Crown Vic Unit #605 (K9)	32230	100.00%	2FAFP71W46X117159	95000	10,200	Patrol car with 7 years of service at replacement. Vehicle replacement
						cost - $30000 (K-9 vehicle to be replaced by SUV)
						Installed equipment and technology to include: in-car video system-
						$5000, laptop computer - $1600, emergency lighting and siren package
						$3000, prisoner transport system - $1600, console and computer
						mount - $600, VHF radio - $600, push bumper - $200, lettering - $600,
						window tinting - $200, equipment installation - $1000.
						K-9 Kennel - $1750, Total installed equipment - $16,150
Portable radio / MTS2000 / 1995	32950	100.00%	466AVE1960	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1997	32950	100.00%	466AXU1674	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1997	32950	100.00%	722AXU0873	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1995	32950	100.00%	466AVU0909	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1996	32950	100.00%	466AYW1437	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1995	32950	100.00%	466AVU0911	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1998	32950	100.00%	466AYW1248	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1998	32950	100.00%	466AYW1429	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1998	32950	100.00%	466AYW1433	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.
Portable radio / MTS2000 / 1996	32950	100.00%	466AWG3585	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.

Portable radio / MTS2000 / 1997	32950	100.00%	466AXU1675	N/A	N/A	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a six year period.

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

BUDGET FORM A

CAPITAL IMPROVEMENT PROGRAM
RATING SHEET

Project Name: (4) Patrol Vehicles

Estimated Cost: $100,000

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	10
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	2
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	10
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	5
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	0
Total Score		**27**

CAPITAL IMPROVEMENT PROGRAM
RATING SHEET

Project Name: K9 Vehicle

Estimated Cost: $30,000

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	10
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	2
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	10
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	5
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	0
Total Score		**27**

CAPITAL IMPROVEMENT PROGRAM
RATING SHEET

Project Name: Unit # 440

Estimated Cost: $25, 000

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	7
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	2
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	10
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	5
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	0
Total Score		**24**

CAPITAL IMPROVEMENT PROGRAM
RATING SHEET

Project Name: Unit # 413

Estimated Cost: $25, 000

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	7
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	2
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	10
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	5
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	0
Total Score		**24**

NEW OR REPLACEMENT EQUIPMENT AND/OR PROJECTS

(NOT RELATED TO NEW PERSONNEL)

FY 2013

DEPARTMENT: **Police**

FUNDING SOURCE

ITEM/DESCRIPTION	FUND	FUNCTION	PERCENT	QTY	UNIT COST	TOTAL COST	N* R*	JUSTIFICATION**
Portable radio				11	$ 3,000.00	$ 33,000.00	R	Current portable radios were discontinued in 2005. The radios can only be repaired on a case by case limited basis. Plan is to replace all portable radios over a three year period.
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
						$ -		
GRAND TOTAL	**XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX**				**XXXXXXXXX**	$ 33,000.00	**XXXXX**	**XXXXXXXXXXXXXXXXXXXXXXXXX**

*** New (N) or * Replacement (R)**

**** Justification: explanation for new projects or equipment and replacement vehicles or equipment must be listed**

***** Each fiscal year will be on another form**

BUDGET FORM A

CAPITAL PROJECTS FUND – FIVE YEAR FORECAST

CAPITAL PROJECTS FUND WITH CIP	FY 2013 Projected	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
REVENUES					
TAXES	$ 565,508	$ 571,163	$ 582,586	$ 600,064	$ 618,066
INTERGOVERNMENTAL	$ -	$ -	$ -	$ -	$ -
INVESTMENT INCOME	$ 144	$ 147	$ 151	$ 156	$ 160
CONTRIBUTIONS & DONATIONS	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 182,479	$ 397,465	$ 468,913	$ 638,284	$ 337,020
TOTAL REVENUES	**$ 748,130**	**$ 968,775**	**$ 1,051,650**	**$ 1,238,504**	**$ 955,246**
EXPENSES					
GENERAL GOVERNMENT	$ 36,000	$ -	$ 25,000	$ 30,000	$ -
JUDICIAL	$ -	$ -	$ -	$ -	$ -
PUBLIC SAFETY	$ 262,990	$ 513,590	$ 335,040	$ 560,660	$ 287,560
PUBLIC WORKS	$ -	$ 30,000	$ 30,000	$ -	$ 25,000
HOUSING AND DEVELOPMENT	$ -	$ -	$ 20,000	$ -	$ -
DDA	$ -	$ -	$ -	$ -	$ -
OTHER FINANCING SOURCES	$ 94,227	$ 172,695	$ 293,610	$ 297,844	$ 291,686
TOTAL PROJECTS	**$ 393,217**	**$ 716,286**	**$ 703,650**	**$ 888,504**	**$ 604,246**
DEBT SERVICE	$ 354,913	$ 351,663	$ 348,000	$ 350,000	$ 351,000
TOTAL EXPENSES	**$ 748,130**	**$ 1,067,949**	**$ 1,051,650**	**$ 1,238,504**	**$ 955,246**
NET:	**$ 0**	**$ (99,173)**	**$ (0)**	**$ (0)**	**$ (0)**
FUND BALANCE	**$ 99,173**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

CAPITAL IMPROVEMENT PROGRAM

YEAR	PROJECT DESCRIPTION	ESTIMATE	FUNDING TYPE	NUMBER
2013	HVAC Tower Replacement	$ 36,000	CPF	15650
	4 Vehicles (Replacement)	$ 105,000	CPF	32230
	2 Vehicles (Replacement)	$ 50,000	CPF	32210
	11 Radios	$ 33,000	CPF	32250
	In-car Systems/Technology/Equip	$ 59,350	CPF	32230
	In-car Systems/Technology/Equip	$ 15,640	CPF	32210
	Total 2013	**$ 298,990**		
2014	Mobile Data System / Software	$ 48,000	CPF	35200
	Vehicle Replacement	$ 45,000	CPF	35200
	1 Vehicle (Replacement)	$ 25,000	CPF	32210
	8 Vehicles (Replacement)	$ 205,000	CPF	32230
	1 Vehicle (Replacement)	$ 25,000	CPF	32950
	11 Radios	$ 33,000	CPF	32250
	In-car Systems/Technology/Equip.	$ 116,950	CPF	32230
	In-car Systems/Technology/Equip	$ 7,820	CPF	32950
	In- car Systems/ Tech/ Equip	$ 7,820	CPF	32210
	Crew Cab/F-350	$ 30,000	CPF	42000
	Total 2014	**$ 543,590**		
2015	Painting-City Hall Interior	$ 25,000	CPF	15650
	Truck (Replace Building 4x4)	$ 20,000	CPF	72000
	6 Vehicles (Replacement)	$ 150,000	CPF	32230
	1 Vehicle (Replacement)	$ 25,000	CPF	32950
	1 Vehicle (Replacement)	$ 25,000	CPF	32210
	In-car Systems/Technology/Equip	$ 86,400	CPF	32230
	In-car Systems/Technology/Equip	$ 7,820	CPF	32210
	In-car Systems/Technology/Equip	$ 7,820	CPF	32950
	11 Radios	$ 33,000	CPF	32950
	Crew Cab Truck/ Replacement	$ 30,000	CPF	42000
	Total 2015	**$ 410,040**		

2016	Painting-City Hall Exterior	$	30,000	CPF	15650
	S.C.B.A. Replacement	$	209,000	CPF	35200
	800 MHZ Radio Replacement (30)	$	135,000	CPF	35200
	3 Vehicles (Replacement)	$	75,000	CPF	32230
	2 Vehicle (Replacement)	$	50,000	CPF	32210
	1 Vehicle (Replacement)	$	25,000	CPF	32100
	In-car Systems/Technology/Equip	$	43,200	CPF	32230
	In-car Systems/Technology/Equip	$	7,820	CPF	32100
	In-car Systems/Technology/Equip	$	15,640	CPF	32210
	Total 2016	**$**	**590,660**		
2017	4 Vehicles (Replacement)	$	100,000	CPF	32230
	2 Vehicles (Replacement)	$	50,000	CPF	32210
	1 Vehicle (Replacement)	$	25,000	CPF	32950
	1 Vehicle (Replacement)	$	25,000	CPF	32100
	In-car Systems/Technology/Equip	$	57,600	CPF	32230
	In-car Systems/Technology/Equip	$	15,640	CPF	32210
	In-car Systems/ Tech/Equip	$	7,820	CPF	32950
	In-car Systems/Tech/ Equip	$	6,500	CPF	32100
	Truck Replacement	$	25,000	CPF	42000
	Total 2017	**$**	**312,560**		

BUDGET WORKSHEET
352 IMPACT FEE FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND OTHER SOURCES:			
REVENUES			
CONSULTANT	$ 665	$ 34	$ 34
ADMINISTRATION	$ 959	$ 1,044	$ 1,044
OTHER-INTEREST	$ 4,055	$ 4,100	$ 4,203
POLICE	$ 11,415	$ 10,553	$ 10,553
FIRE	$ 12,423	$ 12,288	$ 12,288
TRANSPORTATION	$ 760,249	$ 35,092	$ 36,742
PARKS AND RECREATION	$ 1,997	$ 15,584	$ 3,219
OTHER SOURCES			
TOTAL REVENUES	**$ 791,763**	**$ 78,695**	**$ 68,083**
EXPENDITURES AND OTHER USES:			
EXPENDITURES			
CONSULTANT	$ 959	$ 34	$ 34
OTHER	$ -	$ -	$ -
OTHER USES	**$ 959**	**$ 34**	**$ 34**
TRANSFER TO CPF-TRANSPORTATON			
TRANSFER TO SPLOST-TRANSPORTATION	$ 760,249	$ 35,092	$ 36,742
TRANSFER TO CPF-OTHER	$ 4,055	$ 4,100	$ 4,203
TRANSFER TO CPF-POLICE	$ 34,754	$ 10,553	$ 10,553
TRANSFER TO CPF-FIRE	$ 12,423	$ 12,288	$ 12,288
TRANSFER TO W&S-PARKS	$ -	$ 7,792	$ 1,610
TRANSFER TO CPF-PARKS	$ 11,543	$ 3,896	$ 804
TRANSFER TO DDA-PARKS	$ 11,543	$ 3,896	$ 805
PARKS - FUND BALANCE	$ -	$ -	$ -
TRANSFER TO GF-ADMINISTRATION	$ 959	$ 1,044	$ 1,044
TOTAL EXPENDITURES AND OTHER USES	**$ 836,485**	**$ 78,695**	**$ 68,083**
EXCESS REVENUES OVER EXPENDITURES	**$ (44,722)**	**$ -**	**$ -**

BUDGET WORKSHEET
353 SPLOST FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND EXPENDITURES			
REVENUES			
TAXES			
SPECIAL LOCAL OPTION SALES TAX	$ 5,317	$ -	$ -
TOTAL SPLOST	**$ 5,317**	**$ -**	**$ -**
INTERGOVERNMENTAL			
FEDERAL GRANT-CAP/INDIRECT	$ 476,833	$ 243,867	$ 80,000
STATE GOV GRANT-CAPITAL - LCI	$ -	$ -	$ -
STATE GOV GRANT-DOT	$ -	$ 608,000	$ -
TOTAL INTERGOVERNMENTAL	**$ 476,833**	**$ 851,867**	**$ 80,000**
INVESTMENT INCOME			
INTEREST REVENUES	$ 2,370	$ 1,500	$ -
TOTAL INTEREST REVENUES	**$ 2,370**	**$ 1,500**	**$ -**
INTERFUND TRANSFERS			
TRANSFER IN-MSTF	$ -	$ -	$ -
IMPACT FEE FUND	$ 760,251	$ 35,092	$ 36,742
TRANSFER IN - CEMETERY	$ 1,762	$ 38,751	$ -
GENERAL FUND			
TOTAL INTERFUND TRANSFERS	**$ 762,013**	**$ 73,843**	**$ 36,742**
APPROPRIATION OF FUND BALANCE	**$ -**	**$ 977,411**	**$ 33,258**
TOTAL OTHER FINANCE SOURCES	**$ -**	**$ 977,411**	**$ 33,258**
TOTAL REVENUES	**$ 1,246,533**	**$ 1,904,621**	**$ 150,000**
EXPENDITURES AND OTHER USES			
TRANSPORTATION PROJECTS	$ 2,137,729	$ 1,904,621	$ 150,000
INCREASE (DECREASE) OF UNR FUND BAL	$ -	$ -	$ -
TOTAL EXPENDITURES AND OTHR USES	**$ 2,137,729**	**$ 1,904,621**	**$ 150,000**
EXCESS REVENUES OVER EXPENDITURE	**$ (891,196)**	**$ -**	**$ -**

SPECIAL REVENUE FUNDS

- CONFISCATED ASSETS
- HOTEL/MOTEL TAX
- VEHICLE EXCISE RENTAL TAX
- CEMETERY TRUST FUND


WARNING!
K-9
STAY BACK
911
POLICE
FAYETTEVILLE

BUDGET WORKSHEETS
210 CONFISCATED ASSETS FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES & EXPENDITURES			
REVENUES			
FINES & FORFEITURES			
FORFEITURES			
CONFISCATIONS	$ 44,951	$ 30,000	$ 45,000
TOTAL FORFEITURES	**$ 44,951**	**$ 30,000**	**$ 45,000**
INVESTMENT INCOME			
INTEREST REVENUES	$ 534	$ 500	$ 500
TOTAL INVESTMENT INCOME	**$ 534**	**$ 500**	**$ 500**
CONTRIBUTIONS AND DONATIONS			
CONTRIBUTIONS AND DONATIONS	**$ -**	**$ -**	**$ -**
TOTAL CONTRIBUTIONS AND DONATIONS	**$ -**	**$ -**	**$ -**
OTHER FINANCING SOURCES			
OTHER FINANCING SOURCES	$ -	$ 99,695	$ -
TOTAL OTHER FINANCING SOURCES	**$ -**	**$ 99,695**	**$ -**
TOTAL REVENUES	**$ 45,485**	**$ 130,195**	**$ 45,500**
32000 POLICE			
EXPENDITURES/EXPENSES			
PURCHASES	$ 43,156	$ 130,195	$ 45,500
TOTAL	**$ 43,156**	**$ 130,195**	**$ 45,500**
TOTAL EXPENDITURES/EXPENSES	**$ 43,156**	**$ 130,195**	**$ 45,500**
EXCESS REVENUES OVER EXPENDITURES	**$ 2,329**	**$ -**	**$ -**

BUDGET WORKSHEETS
275 HOTEL/MOTEL TAX FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES & EXPENDITURES			
REVENUES			
TAXES			
SELECTIVE SALES & USE TAXES			
HOTEL/MOTEL	$ 94,775	$ 87,996	$ 89,096
TOTAL SEL SALES & USE TAXES	**$ 94,775**	**$ 87,996**	**$ 89,096**
INVESTMENT INCOME			
INTEREST REVENUES	$ 3	$ -	$ -
TOTAL INVESTMENT INCOME	**$ 3**	**$ -**	**$ -**
TOTAL REVENUES	**$ 94,778**	**$ 87,996**	**$ 89,096**
EXPENDITURES/EXPENSES			
PURCHASED/CONTRACTED SERVICES			
OTHER FINANCING USES			
GENERAL FUND-MAIN STREET MAIN STREET TOURISM FUND	$ 94,778	$ 87,996	$ 89,096
TOTAL OTHER FINANCING USES	**$ 94,778**	**$ 87,996**	**$ 89,096**
TOTAL EXPENDITURES	**$ 94,778**	**$ 87,996**	**$ 89,096**
EXCESS REVENUES OVER EXPENDITURES	**$ -**	**$ -**	**$ -**

BUDGET WORKSHEETS
280 VEHICLE RENTAL EXCISE TAX FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES & EXPENDITURES			
REVENUES			
TAXES			
SELECTIVE SALES & USE TAXES			
EXCISE TAX	$ 66,907	$ 61,200	$ 62,424
TOTAL SEL SALES & USE TAXES	**$ 66,907**	**$ 61,200**	**$ 62,424**
INVESTMENT INCOME			
INTEREST REVENUES	$ 3	$ -	$ -
TOTAL INVESTMENT INCOME	**$ 3**	**$ -**	**$ -**
OTHER FINANCING SOURCES			
INTERFUND TRANSFERS			
TRANSFER IN-FROM DDA			
TOTAL INTERFUND TRANSFERS			
TOTAL REVENUES	**$ 66,910**	**$ 61,200**	**$ 62,424**
EXPENDITURES/EXPENSES			
OTHER FINANCING USES			
DOWNTOWN DEVELOPMENT AUTHORITY	$ 66,910	$ 61,200	$ 62,424
TOTAL OTHER FINANCING USES	**$ 66,910**	**$ 61,200**	**$ 62,424**
EXCESS REVENUES OVER EXPENDITURES	**$ -**	**$ -**	**$ -**

BUDGET WORKSHEET
791 CEMETERY PERPETUAL CARE FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND EXPENDITURES			
REVENUES			
INTEREST	$ 92	$ 101	$ 103
CONTRIBUTIONS-TRUST FUND			
CEMETERY TRUST	$ 8,248	$ 8,200	$ 6,000
TRANSFER IN FROM G/F			
APPROPRIATION OF FUND BALANCE	$ -	$ 30,450	$ -
TOTAL REVENUES	**$ 8,340**	**$ 38,751**	**$ 6,103**
EXPENDITURES			
CITY CEMETERY-TRANSFER TO CPF	$ 1,762	$ 38,751	$ 6,103
INCREASE (DECREASE) OF RES FUND BAL			
TOTAL EXPENDITURES	**$ 1,762**	**$ 38,751**	**$ 6,103**
EXCESS REVENUES OVER EXPENDITURE	**$ 6,578**	**$ -**	**$ -**



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COMPONENT UNTS

- DOWNTOWN DEVELOPMENT AUTHORITY
- MAIN STREET TOURISM FUND

BUDGET WORKSHEET
560 DOWNTOWN DEVELOPMENT AUTHORITY

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND OTHER SOURCES:			
REVENUES			
DEVELOPMENT AUTHORITY	$ 817	$ 43,042	$ 41,416
DDA 2001 BOND FUNDS	$ 144,155	$ 2,000,255	$ 46,937
DDA 1998 LOAN FUNDS	$ 48,787	$ 49,000	$ 49,000
HOLLIDAY HOUSE	$ 75,643	$ 67,200	$ 68,424
115 GLYNN STREET S	$ 250,000	$ 271,000	$ 21,000
TOTAL REVENUES	**$ 519,402**	**$ 2,430,497**	**$ 226,777**
EXPENDITURES AND OTHER USES:			
EXPENDITURES			
DEVELOPMENT AUTHORITY	$ 38,588	$ 43,042	$ 41,416
DDA 2001 BOND FUNDS	$ 145,811	$ 2,000,255	$ 46,937
DDA 1998 LOAN FUNDS	$ 48,787	$ 49,000	$ 49,000
HOLLIDAY HOUSE	$ 50,439	$ 67,200	$ 68,424
115 GLYNN STREET S	$ 235,955	$ 271,000	$ 21,000
OTHER USES			
TRANSFER TO GENERAL FUND	$ -	$ -	$ -
TRANSFER TO CAPITAL PROJECTS FUND	$ -	$ -	$ -
TOTAL EXPENDITURES AND OTHER USES	**$ 519,580**	**$ 2,430,497**	**$ 226,777**
EXCESS REVENUES OVER EXPENDITURES	**$ (178)**	**$ -**	**$ -**

BUDGET WORKSHEET
565 MAIN STREET TOURISM FUND

	ACTUAL FY 2011	BUDGET FY 2012	PROPOSED FY 2013
REVENUES AND OTHER SOURCES:			
REVENUES			
CHARGES FOR SERVICES	$ 154,261	$ 166,525	$ 168,448
INTEREST REVENUES	$ -	$ -	$ -
CONTRIBUTIONS AND DONATIONS	$ 64,540	$ 72,780	$ 73,508
RENTS AND ROYALTIES	$ 24,190	$ 23,000	$ 23,370
OTHER - MISCELLANEOUS	$ 4,025	$ 3,000	$ 3,000
INTERFUND TRANSFERS	$ 174,778	$ 168,798	$ 154,096
APPROPRIATION OF FUND BALANCE	$ -	$ -	$ 5,531
TOTAL REVENUES	**$ 421,794**	**$ 434,103**	**$ 427,953**
EXPENDITURES AND OTHER USES:			
EXPENDITURES			
PERSONNEL & BENEFITS	$ 98,357	$ 102,920	$ 102,920
PURCHASED CONTRACTED SERVICES	$ 220,099	$ 229,814	$ 232,461
SUPPLIES	$ 61,045	$ 76,725	$ 78,260
OTHER FINANCING USES	$ -	$ -	$ -
APPROPRIATION OF FUND BALANCE	$ -	$ 24,644	$ 14,312
TOTAL EXPENDITURES AND OTHER USES	**$ 379,501**	**$ 434,103**	**$ 427,953**
EXCESS REVENUES OVER EXPENDITURES	**$ 42,293**	**$ -**	**$ -**

MAIN STREET TOURISM FUND
DEPARTMENTAL INFORMATION
FY 2013 BUDGET

Service Statement:
The mission of the Main Street program is to market and preserve Fayetteville's downtown district through historical preservation and revitalization efforts by creating a synergy between business, government and the citizens of the community.

Accomplishments for Fiscal Year 2012:

- Secured title sponsorship with Southern Ground Artists, Inc.
- Improved ticket sales at the Amphitheater concerts
- Continued community programming to include free Moovie Nights
- Increased revenues at Taste of Fayette
- Planned and held annual Downtown Christmas Parade and Dinner on the Lawn events
- Developed consistency for weekday Downtown Produce Stand
- Received National Main Street Certification
- Completed construction of Gateway Sign West
- Secured 5-year tenant lease for DDA-owned building at115 Glynn St.

Program of Work for 2013

- Continue upward trend of ticket subscribers at Southern Ground Amphitheater
- Increase sponsorships of Amphitheater and Main Street
- Continue historical restoration efforts in downtown
- Further develop tourism program for the museum and downtown
- Oversee operations and help ensure positive revenue operations of the museum
- Continue to promote docent development program at museum
- Continue to improve and expand on all Main Street Festivals and Events
- Complete City Cemetery Project
- Publicly acknowledge sister-city relationship with Pauillac, France
- Assist in Church St. Park playground development
- Establish larger presence on downtown square

DDA & MSTF
Departmental Goals and Initiatives

- Amphitheater:

  Increase Rental, Attendance and Sponsorship Activity at Amphitheater

- Main Street:

  Increase Revenue in Main Street through events, merchandise sales and rental of Depot/Gazebo

  Preserve and promote historic assets

  Increase new businesses/job growth in Main Street District

DDA & MSTF
Departmental Goals and Initiatives

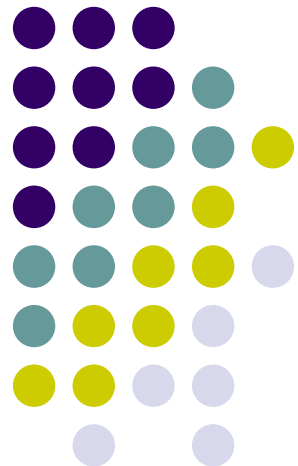
- Amphitheater:
  Increase Attendance and Sponsorship Activity at Amphitheater

- Main Street:
  1. Increase Revenue in Main Street through events, merchandise sales and rental of Depot/Gazebo
  2. Increase new businesses in Main Street District
  3. Promote Job Growth in Main Street District

Workload Indicators

	Actual FY2009	Actual FY 2010	Actual FY 2011	Estimated FY2012	Proposed FY2013
# of Amphitheater Rentals	4	6	6	5	5
# of Depot/Gazebo Rentals	61	85	95	95	100
# of Events	23	23	25	28	28
# Sponsors	32	35	37	35	35
# Attendees Series	5,000	5,000	6,000	5500	5900
$Taste of Fayette	8631	11,000	11,000	16,500	17,000
Fayette Family Market Day$	2200	2400	2400	9,700	9,000
Depot/Gazebo Rental Income	18,000	18,000	19,000	20,500	21,000
Amphitheater Rental Income	3,000	4,500	4,500	1,500	3,000
Golf Tournament Revenue	16,752	9,800	12,000	14,000	12,000
Merchandise Sales (MS& Tourism)	3000	3,400	3500	3,300	3,500
# of Businesses opened in MS	32	40	40	50	60
Jobs Gained	45	50	50	65	80

FISCAL POLICIES



CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Accounting, Auditing and Financial Reporting				**POLICY: 14.00**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

1. An independent audit in compliance with Generally Accepted Audit Standards will be performed annually by a qualified external auditor in accordance with Georgia Code Section 36-81-7.

2. The City will prepare a Comprehensive Annual Financial Report (CAFR) in accordance with Generally Accepted Accounting Principles (GAAP) for governmental entities. The City will strive to prepare the Comprehensive Annual Financial Report to meet the standards of the GFOA Certificate of Achievement for Excellence in Financial Reporting Program.

3. The City will establish and maintain a high degree of accounting practices. Accounting records and systems will conform to Generally Accepted Accounting Principles.

4. The City will maintain accurate records of all assets to ensure a high degree of stewardship for public property.

5. The City will develop an ongoing system of financial reporting to meet the needs of the Mayor and Council, the City Manager, department heads, and the general public. Reporting systems will monitor the costs of providing services wherever possible. The reporting systems will also promote budgetary control and comparative analysis.

6. The City will follow a policy of full disclosure on its Financial Reports.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Budget Amendments				**POLICY: 14.01**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER:**	**TOTAL PAGES: 1**

Each year, an annual budget is formulated which represents the City's plan for expending its anticipated revenues during the upcoming fiscal period. When the budget is adopted at the end of July each year, it is at that time, management's best estimate as to the most efficient allocation of financial resources to meet the service needs of the community.

There are two distinct classes of budget transfers. Each department is responsible for monitoring their own expenditures and recommending a course of action to correct any unfavorable variances. Possible remedies include the transfer of funds between various object codes. The department's recommendation is submitted to the Director of Finance on the appropriate form.

The first type of transfer generally involves the transfer of funds between the line item expenditure object codes within a department. These adjustments do not have to go before the Mayor and Council, but must be submitted to and approved by the Director of Finance prior to their incorporation into the accounting system and financial statements.

The second class of transfers generally consists of any changes requested in the total amount approved in the budget for a department, transfers from the Contingency Account, or any modifications to the number of authorized positions for a department. These budget adjustments are submitted to the City Manager, but also require the approval of Mayor and Council.

Transfers from the Contingency Account are generally reserved for emergency situations. Departments are expected not to request any budget adjustments, which would allow them to purchase any service, material, or capital item that was specifically removed from their original budget request.

Upon receiving proper approval for a budget adjustment, the transfer request form is forwarded to the Finance Department. One of the Accounting staff then enters the adjustment into the computer. By signing and dating the form, Finance signifies the date on which the adjustment is made and by whom. The accounting software also tracks any changes made to the original budget.

FORM: 14.1A – Request for Budget Transfer

1. Approve the terms and conditions of the proposed grant including the specific City obligations that may be created by the grant contract in terms of required City matching expenditures or staff activities, even if the expenditures were previously appropriated through the budget adoption process.

2. Approve budget appropriations for the grant expenditures and City matching expenditures unless previously appropriated through the budget adoption process.

3. Approve and execute the Grant Contract(s).

C. Timely Reimbursement

The Program Administrator is responsible and should pursue and/or request grant reimbursements or draw-downs on a timely basis. If requested, the Finance and Administrative Services Department will assist with grant reimbursements or draw-downs. All checks shall be made payable to the City of Fayetteville and remitted to Program Administrator.

Grant checks should be deposited immediately with the Director of Finance or designee along with supporting documentation received by the Program Administrator.

The Program Administrator will keep the Finance and Administrative Services Department apprised of the annual estimated grant finances and expenditures and a tentative schedule of cash-flows for the grant program.

D. Financial and Grant Reporting

Grant reporting requirements vary widely by grant and sometimes include monthly, quarterly, and or annual reporting. Subsequent to the approval of a grant application, and during the project period, any required reports shall be the responsibility of the Program Administrator, or if requested by the Program Administrator, the Finance and Administrative Services Department. Program Administrators submitting their own reports shall forward a copy of each report to the Director of Finance or designee.

E. Grants Containing Direct Federal Assistance of Federal "Pass-Through" Funds

Program Administrators acknowledge that Federal Funds or Federal Funds that "pass-through" state and local programs are required to be reported on the City's Schedule of Federal Financial Assistance and included in the City's annual Single Audit (compliance audit of all Federal Funds). Program Administrators will identify and keep the Director of Finance or designee apprised of those grant programs that contain direct Federal Funding or Federal pass-through funds identifying the Catalog of Federal Domestic Assistance (CFDA) number when at all possible.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Budget Process				**POLICY: 14.02**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 2**

The budget process for the upcoming fiscal year begins in March each year. The constant review and refinement of budget data continues through the adoption of the budget at the end of July. This budget preparation cycle is summarized on the budget calendar that follows this section.

During the month of March, the Finance Department prepares a budget preparation package for every department. As needed information is compiled, it is placed into each department's package. By the end of March, these packets should contain all the necessary materials and instructions needed by a department to complete its annual budget request.

As part of their packages, departments receive several documents that expedite and provide uniformity in preparing their expenditure projections. Based on discussions with the City's insurance providers and a review of trend data, the Human Resources Department prepares estimates of insurance costs for the ensuing fiscal year. Using the personnel software package, a detailed position report and salary information is produced for all currently budgeted positions within a department.

Since historical spending patterns are often the best indicator of future expenditures, each department is provided with a printout showing its actual expenditures for the past two years and current budget.

Departments assess their need for the upcoming fiscal year and prepare their budget request accordingly. The departments submit all required data back to the Finance Department.

During the request preparation period, the Director of Finance prepares the estimated revenue projections for all funds. These estimates are then sent to the City Manager for his review and comments.

By mid-May, all original budget requests have been entered into the computer system. A printout of each department's budget request is then produced. The software provides various options as to what historical comparative information is presented. Based on the information needs of the reviewer, actual cost data, budget data (original or adjusted), or a combination of the two can be included in the printouts. This information is then given to the City Manager who makes those changes to the original request that he feels are warranted. As is necessary, the City Manager may meet with the appropriate budget contact personnel or request additional

information about a particular request. His recommendation for each line item is then entered into the budget software.

By mid-June, all the recommended budget information is compiled by the Finance Department and placed in a loose-leaf notebook. The financial data is presented from the fund summary level all the way down to the function level by department. Supplemental budget information such as workload indicators, departmental goals and objectives, a detail of capital purchases, a listing of recommended new positions is also provided. These notebooks are then given to the Mayor and Council for their review. Copies of the recommended budget are given to the press and put on public display at City Hall.

In early July, the Mayor and Council hold budget hearings to review the recommended budgets. Department heads and budget contact personnel are present to answer any questions from the Mayor and Council. During July, the Mayor and Council also conduct two public hearings to receive input from the citizens. The Mayor and Council then make any desired changes to the recommended budgets. By the last day of July, the Mayor and Council adopt the budget.

Upon adoption of the budget, the Finance Department begins preparation of the formal budget document. It takes about four weeks to publish the approved financial plan for the City.

PROPOSED CALENDAR
BUDGET AND CAPITAL IMPROVEMENTS
FISCAL YEAR 2013

DATE	BY WHOM	ACTIVITY
April 30 – May 6	Budget Committee	Review Proposed FY2013 Budget with Department Heads
May 7 - 13	Department Heads	Submit FY 2013 Departmental Information Updates & Organizational Charts
May 14 - 27	Finance Director	Finance Director to update draft proposed FY2013 Budget to be presented to the Mayor
May 28 – June 3	Budget Committee	Meet with Mayor and Council Members to discuss and review proposed FY 2013 Budget
June 4 – 8	Finance Director City Manager	Work on finalizing the FY 2013 Budget and preparing all documentation to present to Mayor and Council
June 11	Finance Director	Budget Package to City Clerk
June 21	Mayor and Council	Council Meeting - 1st Reading and Public Hearing for Budget
July 19	Mayor and Council	Budget Adopted

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Budgetary Controls				**POLICY: 14.03**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

Fayetteville, Georgia maintains budgetary controls to ensure compliance with the legal provisions of the annual appropriations budget approved by the Mayor and Council. Activities of the General Fund, Trust Fund and Enterprise Funds are included in the annual appropriated budget. The level of budget control is the level of data aggregation at which expenditures may not legally exceed appropriations. Since the budget is adopted at the department appropriations level, the official level of City budget control for each legally adopted annual operating budget is at the department level.

Administrative budgetary control is maintained at an object code expenditure level within the department. The transfer of appropriations between the line item expenditure accounts within a department's budget can be authorized by the Director of Finance. All other transfers or supplemental appropriations must be enacted by the Mayor and Council.

The City maintains an encumbrance accounting system as another means of accomplishing budgetary control. Encumbered amounts at year-end are recorded as a reservation of fund balance and are reflected as an adjustment to the ensuing year's budget.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Capital Budget Policies				**POLICY: 14.04**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 3**

Purpose:

Capital improvements programming involves: 1) identifying major public facilities needed to serve existing development or to support future growth, 2) determining when these should be provided, 3) deciding how to pay for them.

Programming capital improvements provides one significant way of realizing comprehensive plans. Capital improvement programs do this by developing methods to achieve projects identified in the public facilities part of the plan, by specifying the timing and/or staging of public facilities to support the sequence of growth proposed in the plan, and by assuring growth proposed in the plan, and by assuring that needed public facilities will be available to support growth.

HOW DOES THE PLAN AFFECT CAPITAL IMPROVEMENTS PROGRAMMING?

The capital improvements program is directly linked to the land use and public facilities parts of the comprehensive plan. These elements furnish important direction for the capital improvement program. They indicate general public policy on the development, redevelopment and maintenance of the community, and specific direction on:

1. Community development needs.

2. Development management strategy that determines how much development occurs where and when.

3. Road, water, sewer, storm drainage and park facilities and other projects requiring major public expenditures.

The local comprehensive planning process also involves a fiscal analysis, which includes:

1. Analysis of service standards, methods of operation and cost factors.

2. Analysis of expenditures during the past five years and projections of expenditures for five years into the future.

3. Analysis of past projected revenue from sources within the community and other potential sources such as grants.

The objective is to produce a capital improvements program, which integrates the comprehensive plan's recommendations and desired levels of public services with the ability of the community to both pay for and maintain capital improvements.

CAPITAL IMPROVEMENT PROGRAM POLICIES:

"Capital Improvements" are major projects undertaken by the City that are generally not on a "year-in, year-out" basis, and fit within in one or more of the following categories.

1. Purchase of major equipment and vehicles value in excess of $5,000 with a life expectancy of three years.
2. Construction (new) including engineering, design, and other pre-construction costs with an estimated cost excess of $5,000.
3. Major building improvements that are not routine expenses and will substantially enhance the value of the structure.
4. Major equipment or furnishings required to furnish new buildings or other projects.
5. Major studies requiring the employee of out-of-state professional consultants in excess of $5,000.

Capital Improvements Program shall integrate all of the City's capital project recourses (grants, bonds, City funds allocated to capital projects, donations, and any other funding available.)

Capital projects should be financed to the greatest extent possible through user fees where direct benefit to users results from construction of the project (water and sewer).

.75 mills of property tax is dedicated to Capital Projects Funds.

It is City policy that in each fiscal year, Council shall review a five-year forecast of capital improvements together with the funding implications thereof.

Each year Council shall review all previously approved capital projects upon which work has not commenced and shall determine whether the prior approval shall stand or be cancelled.

There shall be an annual review of all capital projects in progress so that any funds no longer required for the original purpose may be reassigned throughout the budgeting process.

Projects mandated by State and Federal agencies and law will receive priority consideration.

Projects that have been previously initiated and are a completion of subsequent phases shall receive priority consideration.

Projects that preserve and protect the health and safety of the City shall receive priority consideration.

Projects which provide for the renovation of existing facilities, resulting in preservation of the City's prior investment or which reduce maintenance and operating costs, shall receive priority consideration.

Construction or acquisition that results in new or substantially increasing operating costs should be considered only after an assessment indicates a clear need for the project and plans for funding operating costs are developed.

The current year Capital Improvements Budget will become part of the working budget for the current fiscal year.

Capital projects must not violate the principal concepts of an adopted city plan.

Department Priority Classification

THE DEPARTMENT MUST DETERMINE WHICH PRIORITY CLASSIFICATION A PROJECT FITS UNDER.

A. Mandatory-refers to the protection of life or maintenance of public health and safety.
B. Maintenance-refers to a continuation of public services, the conservation of endangered resource, or the finishing of partially completed projects.
C. Improve Efficiency-refers to the replacement of obsolete facilities or the improvement of community or community facilities.
D. New Services-refers to the expansion of the public facilities service area of the city, or the provision of new public services.

Project's Expected Useful Life

Refer to the project description information from the CIP project form.

Effect on Operation and Maintenance costs

Refer to the project description information from the CIP project form.

Effect on City's Source of Revenue

Refer to the project description information from the CIP project form. Proposed residential expansion does not necessarily mean an increase in a city's revenues.

Availability of State Grants of Special Outside Funds.

RATING SHEET

Project Name: _____

Estimated Cost: _____

Major Considerations	Score Range	
A. City Department of Priority Classification		
1. Mandatory	10	
2. Maintenance	7	
3. Improve Efficiency	5	
4. New Services	2	_____
B. Projects Expected Useful Life		
Three years or less score zero		
1. 20 or more years	10	
2. 10 - 19 years	5	
3. 4 - 9 years	2	_____
C. Effect on Operating and Maintenance Costs		
1. Reduce Cost	10	
2. Cost Unchanged	5	
3. Increase Cost	2	_____
D. Effect on City's Source of Revenue (Tax Base)		
1. Increase Revenues	10	
2. Revenues Unchanged	5	
3. Decrease Revenues	2	_____
E. Availability of State Grants or Special Outside Funds		
(If no, score zero)		
1. Yes	5	_____
Total Score		**0**

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Capital Outlay in Capital Projects Fund				**POLICY: 14.05**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

This policy maintains the guidelines to be followed when adding capital outlay items to the Capital Projects Fund. The capital outlay item must meet either criteria one or two below.

1. Capital item (per item basis) of $25,000 or more and useful life of 5 years or more. Useful life standards will be set to follow the Governmental Accounting Procedures.

2. New Capital Outlay Programs that will significantly impact the City's operating budgets with total program budget amount of $50,000 or more.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Debt Policies				**POLICY: 14.06**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

1. The City of Fayetteville will confine long-term borrowing to capital improvements.

2. The City will not use short-term debt for operating purposes.

3. The City will follow a policy of full disclosure on every financial report and bond prospectus.

4. General obligation debt will not be used for Enterprise Fund activities.

5. The City will limit the use of capital lease purchases, certificates of participation and other types of short-term debt when possible.

6. Computation of Legal Debt Margin:

   Assessed value of all taxable property (less exempt property)
   Debt limit – 10% of assessed value

7. Debt applicable to limitation:

   Total General Bonded Debt (less assets in debt service available for payment of principal)

8. Computation of Direct and Overlapping Bonded Debt-General Obligation Bonds

   Net General Obligation Bond Debt Outstanding – Percentage applicable to City of Fayetteville: 10%

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Investment Policies				**POLICY: 14.07**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE: 08/01/2000**	**____DRAFT __x__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

1. The City of Fayetteville will maintain an active program of investing all government funds under the direction of the City Manager or his/her designate.

2. The investment program shall be operated based on the following principles, with priorities placed on the order as listed below:

    a. Safety of Principal-Principal is protected from loss with secure investment practices and collateralization.
    b. Maintenance of Adequate Liquidity-A sufficient quantity of investments are readily convertible to cash when needed to meet current obligations without incurring losses.
    c. Yield or Return on Investment-The earnings rate on investments are maximized without diminishing the other principles.
    d. Legality-All investments will fully comply with State and Local laws. Specific requirements, such as those set forth in bond ordinances, will take precedence and could further restrict investment options.

3. The investment program shall comply with all Georgia laws and Federal/State regulations for investing public funds and safekeeping/security requirements.

4. The investment program should use a competitive selection process for investments in excess of 1 year. Investments should be placed with only qualified financial institutions.

5. The investment program should provide for a system of internal control over investments and timely financial reporting of investing activities.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Operating Budget Policies				**POLICY: 14.08**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 2**

1. The City of Fayetteville will finance all current expenditures with current revenues. The City will avoid budgetary procedures that balance current expenditures through the obligation of future resources. The City of Fayetteville will not use short-term borrowing to meet operating budget requirements.

2. The operating budget will provide for adequate maintenance of capital equipment and facilities, as well as for their orderly replacement.

3. All Governmental Funds under the control of the Mayor and Council are subject to the annual budget process.

4. The annual operating budget must be balanced for all budgeted funds. Total anticipated revenues and other resources available must be at least equal to estimated expenditures for each fund.

5. All budgets will be adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Governmental fund types and expendable trust funds use the modified accrual basis of accounting. Their revenues are recognized when they become both measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The financial statements for the proprietary fund types are accounted for on the accrual basis of accounting. Under this method revenues are recorded when earned, and expenses are recognized when the liability is incurred.

    A. Differences between the basis of accounting and basis of budgeting:
        1) Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget basis).
        2) Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a Budget basis.
        3) Capital outlays within the Proprietary Funds are recorded as assets on a GAAP basis and expended on a Budget basis.

6. All unencumbered operating budget appropriations will lapse at year-end. Encumbered balances will be reserved on the year ending balance sheet and reappropriated in the following fiscal period in accordance with Generally Accepted Accounting Principles.

7. Each operating fund budget will be adopted at the departmental level. In looking at compliance with State law, total expenditures for each fund may not exceed the total budget amount. Internal administrative procedures will be adopted to ensure that each individual department does not exceed their allotted appropriation amount.

8. The City of Fayetteville will strive to include an amount in the General Fund (i.e., a line item for contingencies) to cover unforeseen operating expenditures of an emergency type. The amount of the contingency reserve will be no more than .50% (one-half percent) of the total operating budget.

9. The City of Fayetteville will integrate performance measurement and objectives, and productivity indicators within the budget.

10. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare timely financial reports comparing actual revenues, and expenditures and encumbrances with budgeted amounts.

11. The operating budget shall be developed to control both the direct and indirect costs of programs and services whenever practical.

12. The City of Fayetteville shall comply with all State laws applicable to budget hearings, public notices, public inspections and budget adoption.

13. Enterprise Fund budgets shall be self-supporting whenever possible. Excess revenues of the Enterprise Funds shall not be transferred to other funds unless authorized in the Annual Budget.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Outline of Strategic Planning Parameters				**POLICY: 14.09**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:08/01/2000**	**____DRAFT ___x_NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 2**

THE PLAN

FINANCIAL STRENGTH THROUGH FISCAL CONSERVATISM

Maintain conservative debt management, budget and reserve policies.

- Confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.
- As part of the annual operating budget preparation process, revenues and expenditures will be projected on a conservative basis to ensure that the City collects sufficient monies to meet its annual financial obligations.
- Maintain reserves equal to one-fourth of the adopted budget for General Fund and one-half for Water and Sewer Fund.

MAINTENANCE OF THE PHYSICAL PLANT AND INFRASTRUCTURE

Ensure the existence of an adequate physical plant and infrastructure to meet the City's future operating needs.

- Develop and adopt a five-year Capital Improvement Program to include funds of various projects.
- Update the transportation plan based on current needs and growth corridors.

Maintain a safe, serviceable fleet of vehicles that meets the operational needs of various City Departments.

- Review vehicle replacement needs annually based on vehicle policy and department priority.
- Utilize the GMA lease-pool arrangement to fund the purchase of vehicles.

EFFICIENCY THROUGH TECHNOLOGICAL IMPROVMENTS

Utilize available technological advances to make operations as efficient as possible.

- Continue to replace personal computers and equipment on a three year life cycle.
- Examine the possible creation of a Records Management Department to help facilitate the electronic imaging of records.

SATISFYING THE INTERNAL AND EXTERNAL CUSTOMER

Ensure that the citizens' needs are being properly addressed.

- As part of each agenda, a time at each Council meeting will be designated for public comment on any subject not already on the agenda.

Ensure that employee contact with the citizens is helpful and courteous.

- Customer training as needed will be provided to employees and departments on an individual basis.

MANAGING AND PLANNING GROWTH

Ensure that the City has an up-to-date land use plan to guide future growth and ensure the quality of life.

- Planning Department to concentrate on the relationship of the current land use plan to sensitive environmental issues especially storm water runoff.

Seek alternative methods (i.e., other than the use of property taxes) for funding infrastructure needs related to growth.

- Explore the utilization of impact fees as a method of paying for new infrastructure.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Purchasing Policies				**POLICY: 14.10**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

1. It is the intent of the governing authority of the City of Fayetteville to establish uniform regulations and procedures to provide for an efficient and fiscally responsible system for the purchase of materials and services necessary for the effective operations of the City. The administration of this system will comply with the highest ethical and fiscal standards, and applicable laws.

2. The Director of Finance and Administration will be responsible for the City's purchasing system.

3. All departments and agencies of the City of Fayetteville must utilize competitive bidding procedures, as set forth in the City of Fayetteville Purchasing Ordinance. Bids will be awarded on a nondiscriminatory basis with appropriate efforts to include local and minority businesses.

4. The City will strive to obtain the highest quality of goods and services for the most economical costs. Bulk purchases, quantity discounts, standardization of common items, and other approaches will be used to economically acquire goods and services.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Reserve Fund Policies				**POLICY: 14.11**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

1. The City will strive to maintain a General Fund working reserve from the unreserved and undesignated fund balance equal to at least three (3) months of the total General Fund appropriations budget; and also maintain an Enterprise Fund working reserve from the unreserved and undesignated fund balance equal to at least three (3) months of the total appropriations budget. This reserve will be created and maintained to provide the capacity to:
   a. Offset significant economic downturns and the revision of any general government activity;
   b. Provide sufficient working capital; and
   c. Provide a sufficient cash flow for current financial needs at all times.

2. Unreserved, and undesignated fund balances in excess of the working reserve should be used only for one-time capital nonoperating expenditures as appropriated by the Mayor and Council.

3. The City will maintain reserves in compliance with all debt service requirements to maintain bond ratings and the marketability of bonds.

4. The City will develop capital reserves to provide for normal replacement of existing capital improvements financed on a pay-as-you-go basis.

5. For the purposes of maintaining a balanced budget, no more than $500,000 per fund per year may be transferred from the unreserved and undesignated fund balances. This restriction would allow the City to use its fund balances, but prevent excessive use of these funds that may affect the ability to maintain adequate reserve funds for operating and maintenance.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Revenue Administration Policies				**POLICY: 14.12**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

1. The City of Fayetteville will try to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one major revenue source. The revenue mix should combine elastic and inelastic sources to minimize the adverse effects of an economic downturn.

2. The City will estimate its annual revenues by an objective analytical process in a prudent manner.

3. The City will follow a policy of paying for services with user fees when possible to reduce the reliance on taxes and other general revenue sources.

4. The City will aggressively seek public and private grants, contracts and other outside sources of revenues for funding projects where appropriate.

5. The City will establish the levels of all user charges based on an analysis of the cost of providing the applicable service.

6. The City will set fees and charges for each Enterprise Fund, at a level that fully supports the total direct and indirect cost of the related activity. Calculations of indirect costs will include the cost of annual depreciation of capital assets and requirements for future capital costs.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Statement of Intent				**POLICY: 14.13**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE:**	**____DRAFT ____NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

The following policy statements are intended to provide a broad framework as to how the various financial responsibilities associated with the operation of the City of Fayetteville are to be carried out. These policies provide general direction to staff, serve as a blueprint for financial operations, establish operational objectives and promote continuity in fiscal decision-making.

There are several distinct advantages in having fiscal policies for the City of Fayetteville in place. For one, they promote long-term financial stability for the City. For example, the budget and reserve fund policies encourage the level of fiscal responsibility needed to prepare the City for financial emergencies and abrupt adverse economic conditions. And the debt policies limit those scenarios where the City will pay for current services and projects with future revenues.

Secondly, the adoption of long-range financial policies ameliorates some of the drawbacks of governmental accounting and budgeting, which tends to focus only on short-term operations, generally one year. The Capital Budgeting Policies address the common pitfall of governments failing to provide for capital maintenance. Having a financial plan allows the Mayor and Council to view their present approach to financial management from an overall, long-term vantage point. Current financial decisions are easier to make when long-term benchmarks are already established.

Lastly, these policies elevate the credibility of the governing body and promote public confidence in the financial decisions it makes. The policies call for complete disclosure of financial matters and provide a forum, the Comprehensive Annual Financial Report, to inform the citizens about the total financial condition of the City.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Reduction in Force				POLICY: 14.14
EFFECTIVE DEPTS: All	EFFECTIVE DATE: 5/30/05	___ DRAFT __X__ NEW ____ AMENDED	APPROVAL: JM	TOTAL PAGES: 1

FREEZE IN VACANT POSITIONS

(a) When budget restrictions occur, there will be a freeze City wide in filling vacant positions for all departments and funds with 10 or more employees.

(b) The period of time for a freeze on vacant positions will be determined by the City Manager.

(c) There will be no more than a 10% vacancy of a department's workforce in order to maintain a properly functioning department.

(d) The freezing of vacant positions will be used as necessary due to budget restrictions at the discretion of the City Manager and the Director of Finance and Administration**.**

REDUCTION IN FORCE

(a) When budget restrictions exist, if there are not enough vacant positions available to freeze to ease the budget deficit, a reduction in force will be necessary.

(b) An employee will not be terminated due to a reduction in force if there is an open position for which they are qualified.

(c) Reduction in force will be determined as outlined in the Personnel Policy Manual Section 3.390.

EARLY OUT RETIREMENT INCENTIVE PROGRAM

(a) When budget restrictions exist, the City may offer a voluntary early retirement incentive program to qualified employees.

(b) If a voluntary early out retirement incentive program is offered, it will be through GMEBS with the approval of Mayor and Council.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Fixed Assets				**POLICY: 14.15**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE: 2/22/06**	**____DRAFT __X__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 4**

A. **Fixed Asset Criteria**

A fixed asset is defined as a financial resource meeting all of the following criteria:

1. It is tangible in nature.
2. It is not a repair part or supply item.
3. It has a value equal to, or greater than, the capitalization threshold of $5,000

Keeping an accurate record of the City's fixed assets is important for a myriad of reasons. Some of the most important reasons that the City needs to keep a good record of fixed assets are: for financial statement information, for insurable values, for control and accountability, for maintenance scheduling and cost analysis, for estimating and accounting for depreciation, for preparation of capital and operating budgets, and for debt management.

B. **General Policy**

1. Each Department Head is ultimately responsible for the proper recording, acquisition, transfer, and disposal of all assets within their Department. *City property may not be acquired, transferred, or disposed of without first providing proper documentation.*

2. Recording of Fixed Assets

   Unless otherwise approved by the Director of Finance or designee, all recordable fixed assets must be recorded within 30 calendar days after receipt and acceptance of the asset.

   Assets will be capitalized at acquisition cost, including expenses incurred in preparing the asset for use.

   Donated assets shall be recorded at fair market value as determined by the Department Head. Fair market value may be defined as, but is not limited

to, an average of documented prices for equivalent items from three separate vendors.

For equipment purchases, title is considered to pass at the date the equipment is received. Similarly, for donated assets, title is considered to pass when the asset is available for the agency's use and when the agency assumes responsibility for maintaining the asset.

Constructed assets are transferred from the construction in progress account to the related building, improvements other than buildings, or equipment accounts when they become operational. Constructed buildings, for example, are assumed to be operational when an authorization to occupy the building is issued, regardless of whether or not final payments have been made on all the construction contracts.

Depreciation of fixed assets, excluding land and historical treasures, are recorded using the straight line method over the following useful lives:

Land Improvements		50 Years
Buildings		40 Years
Public Domain Infrastructure		50-100 Years
Roads	100 Years	
Sidewalks	50 Years	
System Infrastructure		10-40 Years
Equipment		3-30 Years
Vehicles	5 Years	
Fire Apparatus	7 Years	
Off Road	7 Years	

GASB34 Implementation:

Fully implemented by July 31, 2006-Roads and sidewalks – Methodology for Estimated Date of Acquisition as follows:

ESTIMATED ACQUISITION (CONSTRUCTION) YEAR

ROAD MILES %	ASSUMED YEAR	YEAR PROPORATION	AVG CONST YR
(A)	(B)	(C)	(D)
22	1985	43670	
19	1990	37810	
3	1995	5985	
4	2000	8000	
52	2005	104260	
100		199725	1997.25

1997.25 was calculated by using the miles of sanitary sewer built in the City. Sanitary sewer was selected for use because they are a good indicator of the construction of all City infrastructure assets. For example, analysis showed that 22% of the sanitary sewer was built prior to 1985. It is reasonable to assume then to also assume that 22% of all the roads and sidewalks were acquired and/or built prior to 1985. Also, historically, the best maintained infrastructure records have been those related to sanitary sewer.

Documentation used to determine age of sanitary sewer:

1. Audit Reports - Statistical Data
2. Revenue Bond Issues and Water and Sewer Loans
3. Prior Year Fixed Assets and Depreciation Schedules

3. Acquisition of Fixed Assets

There are various methods by which assets can be acquired. The asset acquisition method determines the basis for valuing the asset. Fixed assets may be acquired in the following ways:

- New purchases
- Donations
- Transfers from other City departments
- City surplus
- Internal/external construction
- Lease purchases
- Trade-in
- Forfeiture or condemnation

4. Lease Purchases

Assets may be lease-purchased through installment purchases (an agreement in which title passes to the Department) or through lease financing arrangements (an agreement in which title may or may not pass).

Departments considering a lease purchase for greater than $10,000 and other than from an established, City approved contract, must consult with the City Manager.

5. Transfer of Fixed Assets

An asset transfer between departments usually represents the sale of an item by one department to another and may be treated as a new purchase.

A transfer between related departments under the same control (Police and Fire, for example) may, if desired, be treated as a transfer rather than sale. That is, the asset is recorded under the new Department with original acquired date and funding amount.

A fixed asset form must be sent to the accounting department for all transfers.

6. Sale of Fixed Assets

Sale of fixed assets by a department must be to the highest, responsible bidder and must be conducted by sealed bid or by auction. The sale must be publicized in accordance with state laws.

7. Disposal of Fixed Assets

When an asset is disposed of, its value is removed from the financial balances reported and from inventory reports; however, the asset record, including disposal information, remains on the master file for three years, in the Finance Department Office, after which time it is purged from the system according to general accepted accounting principles. This preserves an audit trail for disposed items, and facilitates departmental comparisons between actual or historical useful life information with useful life guidelines. Such comparisons permit a more precise definition of an asset's useful life than those provided by the Internal Revenue Service (IRS) or other guidelines initially used.

A disposal action is appropriate only when certain conditions occur resulting in an asset no longer being in the possession of the agency. Assets no longer in use, which remain in the possession of the department, are considered surplus property and not a disposal.

Fixed assets may be disposed of in any one of six ways:

a. Sale or trade-in
b. Abandonment/Retirement
c. Lost or stolen
d. Transfer
e. Cannibalization (taking parts and employing them for like uses within the department, such as is often the practice in computer or vehicle maintenance).
f. Casualty loss

Only when the asset is no longer in possession of the department, due to one of the six reasons listed above, is disposal action appropriate.

Assets are “abandoned” or “retired” when there is no longer any use for them in the Department, they are of no use to any other City department, they cannot be repaired, transferred, cannibalized, sold, or traded-in. Thus meaning that, there is no safe and appropriate use for the abandoned goods to the City or for others.

Stolen items must be reported to Fayetteville Police and a police report filed. A copy of this report must accompany the disposal record.

Casualty losses must be documented within 24 hours of loss and reported to the City’s Human Resources Manager immediately for follow-up with the City’s insurance carrier.

Cannibalized items are considered surplus and are disposed of by noting cannibalization on the disposal record. Ideally, this method will allow departments to look at cannibalized items on the disposal report and assess what surplus parts may be available. Departments will send documentation of items cannibalized to the Finance Department Office, and all remaining costs and accumulated depreciation will be removed from appropriate asset accounts in the general fixed asset fund.

All assets no longer in the possession of the department, due to one of these six qualifying conditions and after submission of all appropriate documentation to the Finance Department Office, will be removed from the master departmental asset file and considered disposed.

Department management is responsible for reviewing disposal reports, evaluating causes and trends leading to disposals, and implementing procedures to more effectively manage and control disposals when the dispositions represent problems, inefficiencies, and/or the incurrence of unnecessary cost.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Workload Indicators				**POLICY: 14.16**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE: 09/30/2006**	**____DRAFT __X__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1 w/1 attachment**

PURPOSE:

The Government Finance Officers Association (GFOA) recommends that financial, service, and program performance measures be developed and used as an important component of decision-making and incorporated into governmental budgeting. GFOA encourages all governments to utilize performance measures. At a minimum, performance measures should be used to report on the outputs (workload indicators) of each program and should be related to the objectives of each department. Governments in the early stages of incorporating performance measures in their budget process should strive to

- Identify meaningful and relevant goals and objectives for government and its service delivery units;
- Identify and track output measures that are useful and relevant to the goals and objectives of key services;
- Identify and track performance measures for a manageable number of meaningful financial objectives that are used in evaluation; and
- Develop and refine additional performance indicators to make them more meaningful and identify mechanisms to improve their interpretation and use in decision-making and accountability.

PROCEDURES:

- Workload Indicators Calendar is attached.
- Review current workload indicators, update projected data to actual
- The last column of the table will be to project data for budgeted fiscal year based on your actual data collected and your expected level of performance.
- Your department's table will be inserted onto your department's information form in the budget package

Workload Indicator Schedule

January 2	Departments collect approved indicator(s) data and prepare department information form(s) located on network in admindir/budget
February 15	Department Directors submit form(s) to finance electronically.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Computer Control Policy and Procedures				**POLICY: 14.17**
AFFECTED DEPTS: Finance	**EFFECTIVE DATE: 2-1-2007**	**____DRAFT DATE __X__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

Purpose: To maintain and monitor all computer controls in regards to financial security.

1. Organizational Controls

    a. The Finance Director, Assistant Finance Director, and System Administrator are the only authorized personnel allowed to administrative access to all financial master files. Human Resources have authorized access only to Payroll Master Files.

2. Access Controls

    a. Programmers are restricted from access to applications in live operation and job control language. Programmers are required to notify the Finance Director for authorized access to AS400. Finance Director or designee must initiate access through the security features of the AS400.
    b. Programmers must be given access to live data by the Finance Director or designee.
    c. Programmers use dummy data for design and testing.
    d. Users will be required to change their password every 90 days.
    e. Firewall and intrusion detection systems are in place to protect and detect outside access to data network.
    f. Finance Director or designee develops user profiles and data access in accordance to their job requirements. User profiles controls access rights to all financial data.

3. Operational Controls

    a. AS400 systems are monitored by internal operating system logs.
        i. System logs are used to track access to data and operating system files.
        ii. System logs are saved in accordance to our retention policies.
    b. Financial software tracks all transactions by user's identification.
        i. The records are saved and stored in accordance to our retention policies.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Impairment of Capital Assets and for Insurance Recoveries			**POLICY: 14.18**
AUTHORIZED BY **Joe Morton** **City Manager**	**EFFECTIVE DATE:**	**__x__ NEW** **____ AMENDED**	**TOTAL PAGES:**

INTRODUCTION:

The purpose of this policy is to establish a system of accountability for inspection of City infrastructure for the purposes of determining asset impairment and for insurance recoveries.

POLICY:

The following procedures are hereby established consistent with Statement 42: Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries, which requires the City to evaluate and record impairment of its capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The new standard required the City to add this consideration to its capital asset accounting process to ensure that impairment of all its capital assets is considered at least annually.

PROCEDURES:

The City has contracted with different consultants to handle the initial review and inspection of all City infrastructure (buildings, streets, sidewalks, water lines, meters, sewer lines, etc). These inspections have been documented and all infrastructure is being reviewed on an annual basis. The consultants will re-inspect the infrastructure based upon written agreements and contracts already in place. In the interim of professional inspections, each department director will be responsible for annual reviews and inspections of all infrastructure within their prospective departments. In the event that a visual inspection is not possible of the entire department's infrastructure (water lines and sewer lines) a schedule of planned repairs and maintenance should be included with the annual inspection report to indicate the ongoing upkeep of the existing systems and/or infrastructure.

These annual reviews and inspections, in addition to the professional inspections, are to be submitted to the Finance and Administrative Services Department no later than November 30 of each year. This information is vital to maintaining proper insurance coverage as well as documenting the condition of the asset in the case of an insurance claim.

Upon receipt of the annual inspection documentation, Finance and Administrative Services will update all records accordingly. These records include but are not limited to, Fixed Assets, Depreciation Schedule, Insurance Property Records, Insurance Claims, and Inventory Control/Asset Replacement Schedule.

REQUIRMENTS:

Annual reports on status of department's infrastructure, which should include:

- Description of Asset
- Condition of Asset
- Explanation of any change in condition
- Date of any Repairs and Maintenance Performed including cost
- Date review/inspection performed
- Report signed, dated, and submitted no later than November 30
- Schedule of Planned Repairs and Maintenance

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Timeliness of Financial Reports				**POLICY: 14.19**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE: 4/15/08**	**____DRAFT __X__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 2**

Purpose:

Financial reports are intended to meet the needs of decision makers. Therefore, financial reports should be published as soon as possible after the end of the reporting period. Timely reporting requires careful, year-long planning and monitoring. While the City should not sacrifice reliability for timeliness, minor gains in precision ought not be purchased at the price of indefinite delay.

Policy:

1. Recording Activity throughout the Year

- Transactions processing. The City will undertake a process semi-annually to ensure the ongoing completeness and accuracy of the data it collects. The process should facilitate the recording of certain items, for example, capital assets, during the year rather than after the fiscal year has ended.
- Accounting policies and procedures.

1. Items estimated during the year will be corrected through year-end confirmations provided by auditors (i.e. taxes, debt requirements)
2. Fixed Assets will be updated upon acquisition
3. Year-end accruals must be prepared and calculated no later than 45 days from fiscal year ended (i.e. compensated absences, utility billing)
4. Developer contribution will be updated upon acceptance (i.e. roads, sidewalks, utilities)

2. Closing and Financial Statement Preparation Processing

- To avoid delays, all items related to budgetary expenditures (accounts payable) should be recorded no later than 45 days from fiscal year ended
- Year-end adjustments to previously estimated items
- Calculation of depreciation to fixed assets
- Year-end accruals applied to required items

3. Implementation of new Accounting Standards

- Facilitating implementation of new accounting standards. To ensure that accounting standards are implemented by their mandated effective date the City will monitor the issuance of final guidance from the Governmental Accounting Standards Board (GASB). Upon issuance of such guidance, the City will determine the fiscal year by which the guidance must be implemented and when steps to implement the guidance will be scheduled prior to and during the year of implementation as well as during the financial statement preparation process.

4. Financial Report Format and Distribution

- Electronic distribution. To save time and avoid potential delays, the City will distribute its financial report electronically (posting on website, e-mailing an electronic file, or mailing a CD-ROM)

5. Contracting for Professional Services

- Audit Procurement. The request for proposal (RFP) for the services of an independent auditor should specify a public release date for the financial statements.
- Contracts for Professional Services other than Auditing. RFP's for nonaudit services that have a bearing on the financial statements (actuarial services) should specify the public release date of the financial statements and expressly mention that those services need to be completed in time to allow the City to meet that deadline.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Grant Administration				**POLICY: 14.20**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE: 4/15/08**	**____DRAFT __X__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 3**

Purpose:

To establish guidelines for the application, acceptance, administration, and financial reporting of grants including, but not limited to, federal, state, local, and restricted donations (also considered grants for the purpose of this policy).

Policy:

A. Grant Application and Responsibility

Individual departments are encouraged to investigate sources of funding relevant to their respective departmental activities.

The individual department applying for a grant or receiving a restricted donation shall generally be considered the Program Administrator of the grant. The Finance and Administrative Services may assist in the financial administration and reporting of the grant but the Program Administrator is ultimately responsible for meeting all terms and conditions of the grant, insuring that only allowable costs are charged to the grant program and is responsible for adhering to City budgeting and fiscal procedures. Grant contracts may be reviewed by the City Attorney's office and executed by the City Manager and or City Council; pursuant to the City's Purchasing Manual, Section 2-314 Purchasing Procedures.

B. Grant Acceptance and Appropriation by City Council

The Director of Finance or designee along with the Program Administrator shall determine the proper amount of the appropriation request during the current and future fiscal year(s). Any budget amendments requested by the Program Administrator or operating department shall be reviewed by the Budget Committee, and upon approval shall be submitted to the Council for their review and approval.

Prior to the acceptance of a grant, the City Manager and/or City Council shall:

F. Record Keeping and Retention Requirements

For the purpose of Grantor inquiries and grant specific compliance audits, Program Administrators are responsible for maintaining adequate records to evidence that program activities and expenditures meet the terms and conditions of the grant and that all grant reporting requirements are met timely. Record retention requirements vary by grant but it is recommended that grant records should be maintained for a minimum of the life-of-the-grant plus three years, unless otherwise specified by the grant contract.

G. Documents to be Forwarded to Accounting

Information received from a granting or donor agency that is pertinent to the terms, conditions, approval, extension, denial, revocation, and administration of a grant shall be forwarded to the Finance and Administrative Services Department including but not limited to:

- Grant Award Notification
- Expenditure Authorization Date (if applicable)
- Grant Contracts
- Grant Extension Letters
- Grant Termination Letter
- Program and or Financial Reports
- Notices of Questioned Costs or instances of non-compliance
- Any Document setting or modifying terms and conditions of the grant

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Depreciation Schedule				**POLICY: 14.21**
AFFECTED DEPTS: All	**EFFECTIVE DATE:** **7/1/2008**	**____DRAFT DATE 06262008** **__X__NEW** **____AMENDED**	**APPROVAL CITY MANAGER:**	**TOTAL PAGES: 13**

Depreciation is to be calculated and recorded for all capitalized fixed assets with the exception of land, construction in progress, and library resources, museum and art collections.

Depreciation is to be calculated, using the straight-line method:

$$\text{Annual Depreciation} = \frac{\text{Cost - Salvage Value}}{\text{Asset Useful Life}}$$

Schedule A, Fixed Asset Commodity Class Code List and Useful Life Schedule, is a table of standard estimated useful lives for fixed assets acquired in new condition.

Agencies are responsible for establishing and utilizing an appropriate useful life for assets acquired in less than new condition.

General Fixed Assets - The useful life shown in Schedule A is required for fixed assets acquired in new condition. However, in rare circumstances, agencies may request a deviation in useful life from Schedule A (for fixed assets acquired in new condition).

Schedule A - Fixed Asset Commodity Class Code List and Useful Life Schedule

Effective Date: July 1, 2008

Major Group Commodity Class Code Descriptive Title Useful Life

A0 Land Areas Not Calculated
A100 Uplands
A200 Beds of Navigable Water
A300 Shorelands
A400 Tidelands
A500 Harbor Areas

02 0200 Construction In Progress Not Calculated

04 0400 Library Resources, Museum and Art Collections Not Calculated

05 0500 Buildings 50 Years

06 Infrastructure and Improvements Other Than Buildings
(Includes Leasehold Improvements)
0620 Improvements Having a Useful Life of: 5 Years
0630 Improvements Having a Useful Life of: 10 Years
0640 Improvements Having a Useful Life of: 15 Years
0650 Improvements Having a Useful Life of: 20 Years
0660 Improvements Having a Useful Life of: 30 Years
0670 Improvements Having a Useful Life of: 40 Years
0680 Improvements Having a Useful Life of: 50 Years

10 Weapons, Firearms, Signal Guns, and Accessories 5 Years
1005 Firearms and Accessories
1040 Chemical Weapons and Equipment
1095 Weapons, Miscellaneous (Signal Guns, Line-Throwing Equipment, Animal Control Devices, etc.)

13 Ammunition and Explosives Equipment 5 Years
1305 Ammunition Reloading and Gunsmithing Equipment
1350 Bomb Handling and Cryogenic Equipment
1375 Detonating Equipment

15 Aircraft, Fixed and Rotary Winged 6 Years
1510 Aircraft, Fixed Wing
1520 Aircraft, Rotary Winged

16 Aircraft Components and Accessories 5 Years

1680 Miscellaneous Aircraft Accessories and Components

17 Aircraft Support Equipment 5 Years
1730 Aircraft Ground Servicing Equipment
1740 Airfield Specialized Trucks, Trailers, and Lighting Equipment

19 Marine Vessels, Barges, and Docks (All, except otherwise indicated) 40 Years
1901 Passenger Only Vessels (Ferry Boats) 25 Years
1902 Passenger Vessel Components Having a Useful Life of: 20 Years
1903 Passenger Vessel Components Having a Useful Life of: 15 Years
1904 Passenger Vessel Components Having a Useful Life of: 10 Years
1905 Passenger Vessel Components Having a Useful Life of: 5 Years
1906 Passenger Vessel Components Having a Useful Life of: 3 Years
1910 Auto Only Vessels (Ferry Boats) 40 Years
1911 Auto Vessel Components Having a Useful Life of: 30 Years
1912 Auto Vessel Components Having a Useful Life of: 25 Years
1913 Auto Vessel Components Having a Useful Life of: 20 Years
1914 Auto Vessel Components Having a Useful Life of: 15 Years
1915 Auto Vessel Components Having a Useful Life of: 12 Years
1916 Auto Vessel Components Having a Useful Life of: 10 Years
1917 Auto Vessel Components Having a Useful Life of: 5 Years
1920 Fishing Vessels
1925 Vessels, Special Service (Tugs, Fire Boats, Tenders)
1930 Barges, Cargo
1935 Barges and Lighters, Special Purpose
1940 Small Craft, Powered and Unpowered 6 Years
1945 Pontoons and Floating Docks
1950 Floating Drydocks
1990 Miscellaneous Vessels

20 Marine and Ship Equipment 5 Years
2010 Ship and Boat Propulsion Equipment
2030 Deck Winches, Hoists, etc.
2050 Buoys
2060 Commercial Fishing Equipment
2090 Marine and Ship Furnishings, Equipment, and Miscellaneous

22 Railroad Equipment 40 Years
2240 Railroad Boxcars - Grain
2245 Railroad Passenger and Power Cars

23 Motor Vehicles, Trailers, and Cycles 5 Years
2310 Vehicles (Autos, Vans, and Light Trucks) Up To 10,000 lbs. GVW
2320 Vehicles, Medium and Heavy Duty (Trucks, Buses, and
Special Purpose Vehicles) 10,000 lbs. GVW and Over
2330 Trailers, Cargo and Utility Including Semitrailers

2331 Trailers, Boat
2332 Trailers, Camp, Office, Mobile Home, etc.
2340 Motorcycles and Scooters
2350 Combat Vehicles, Tracked

24 Tractors: Crawler, Wheeled, and Track-Laying 10 Years
2410 Tractors, Crawler
2420 Tractors, Wheeled, Industrial
2421 Tractors, Wheeled, Farm-Type
2430 Tractors, Track-Laying (Snowcat, Snowmobile, Weasel, etc.)

25 Vehicular Equipment and Components 10 Years
2510 Cab, Body, and Frame Components
2530 Brake, Steering, Axle, and Wheel Assemblies
2540 Accessories (Canopies, Tool Boxes, Light Bars, etc.)
2590 Modifications (Cranes, Lifts, etc.)

28 Engines, Turbines, and Components 5 Years
2805 Engines, Gas, Automotive
2806 Engines, Gas, Marine
2807 Engines, Gas, Small Implement
2810 Engines, Aircraft
2815 Engines, Diesel, Automotive
2816 Engines, Diesel, Marine
2817 Engines, Diesel, Industrial
2830 Water Turbines/Water Wheels and Components
2835 Turbines, Jet Engines, Nonaircraft
2840 Turbines, Jet Engines, Aircraft
2850 Engines, Rotary, Gas and Components
2895 Engines, Miscellaneous and Components

29 Engine Components and Accessories 5 Years
2910 Fuel System Components, Gas
2940 Cleaners, Filters, and Strainers
2960 Engine Accessories, Diesel Heavy Equipment
2990 Engine Accessories, Nonaircraft Miscellaneous
2995 Engine Accessories, Aircraft Miscellaneous

30 Mechanically Powered Transmission Equipment 5 Years
3010 Torque Converters
3020 Gears, Pulleys, and Sprockets
3040 Power Transmission Equipment
3050 Hydraulic System Components

32 Woodworking Machinery and Equipment 5 Years
3210 Sawmill and Planing Mill Equipment

3220 Woodworking Machines
3230 Tools and Attachments for Woodworking Machinery

34 Metalworking Machinery and Welding Equipment 10 Years
3405 Saw and Filing Machines
3408 Machining Centers and Way-Type Machines
3410 Electrical and Ultrasonic Erosion Machines
3411 Boring and Broaching Machines
3413 Drilling and Tapping Machines
3414 Gear Cutting and Finishing Machines
3415 Grinding and Finishing Machines
3416 Lathes, Metalworking
3417 Milling Machines
3418 Planers and Shapers
3419 Miscellaneous Machine Tools and Accessories
3422 Rolling Mills and Drawing Machines
3424 Metal Heat Treating and Nonthermal Treating Equipment
3426 Metal Finishing Equipment
3431 Electric Welding Equipment and Accessories
3432 Welding Equipment, Engine Driven
3433 Gas Welding, Heat Cutting, and Metalizing Equipment
3438 Miscellaneous Welding Equipment and Accessories
3439 Miscellaneous Welding, Soldering, and Brazing Equipment
3441 Bending and Forming Machines
3442 Hydraulic, Pneumatic, and Mechanical Presses - Power and Manual
3445 Punching and Shearing Machines
3446 Forging Machinery and Hammers
3447 Wire and Metal Ribbon Forming Machines
3448 Riveting Machines, Power Operated
3450 Machine Tools, Portable and Secondary
3455 Cutting Tools, for Machine Tools
3460 Machine Tool Accessories
3465 Production Jigs, Fixtures, and Templates
3470 Machine Shop Sets, Kits and Outfits

35 Services and Trade Equipment - Laundry, Shoe, Sewing, and Packaging 5 Years
3510 Laundry and Dry Cleaning Equipment
3520 Shoe Repair Equipment
3530 Industrial Sewing Machine
3540 Wrapping and Packaging Machinery
3550 Vending Machines
3551 Parking Meters, Turnstiles, and Fare Recording Devices
3590 Beauty and Barber Shop Equipment
3591 Plastic Laminating Presses
3595 Specialized Plastic Working Machines

36 Special Industrial Machinery - Food, Printing, Logging, and Textile 6 Years
3605 Food Cannery Machinery and Equipment
3610 Printing Equipment
3611 Duplicating Equipment/Copy Equipment
3612 Binding Equipment
3625 Textile Industries Machinery
3655 Gas Generating Aero Dispensing Systems, Fixed or Mobile
3680 Foundry Machinery and Related Equipment
3694 Clean Work Station, Controlled Environment Equipment
3695 Specialized Logging Equipment

37 Agricultural Machinery and Equipment - Farm, Fishery, Pest Control, Garden, and Irrigation 12 Years
3710 Soil Preparation Equipment
3720 Harvesting Equipment
3730 Dairy and Livestock Equipment
3731 Poultry Equipment
3732 Fish Hatchery Equipment
3740 Pest, Disease, and Frost Control Equipment
3750 Garden Implements (Mowers, Hedgers, etc.)
3751 Gardening Tools
3752 Irrigation Equipment - Sprinklers, Pipe, and Accessories
3755 Forestry Planting Tools
3770 Animal Furnishings and Equipment - Saddles, etc.

38 Construction, Mining, and Highway Maintenance Equipment 6 Years
3805 Earth Moving and Excavating Equipment
3810 Cranes and Crane Shovels
3815 Crane and Crane Shovel Attachments
3820 Mining, Quarrying, and Rock Drilling Equipment
3821 Rock Crushing Equipment
3825 Road Clearing and Cleaning Equipment
3826 Traffic Safety Devices
3827 Pavement Marking Equipment and Accessories
3828 Weed Burners and Brush Control Equipment
3830 Construction and Maintenance Equipment Attachments
3895 Miscellaneous Construction Equipment

39 Materials Handling Equipment 5 Years
3910 Conveyors
3920 Materials Handling Equipment, Not self-propelled
3930 Materials Handling Equipment, Warehouse Type, Self-Propelled
3940 Blocks, Tackle, Rigging, and Slings
3950 Winches, Hoists, Cranes, and Derricks
3960 Elevators and Escalators
3990 Miscellaneous Materials Handling Equipment

41 Refrigeration and Air Conditioning Equipment, Components and Accessories 13 Years
4110 Refrigeration Units and Accessories, Commercial
4111 Refrigeration Units and Accessories, Scientific
4112 Refrigeration Units and Accessories, Household
4119 Air Conditioning, Heating, and Ventilation Systems, Commercial
4120 Air Conditioning Units and Accessories, Commercial and Industrial
4121 Air Conditioning Units and Accessories, Household
4123 Air Conditioning Units and Accessories, Marine
4130 Refrigeration and Air Conditioning Plants and Components
4140 Fans and Air Circulators, Nonindustrial
4141 Industrial Fan and Blower Equipment

42 Fire Fighting Tools and Equipment 5 Years
4210 Fire Fighting Tools and Equipment
4211 Fire Extinguishers and Accessories
4220 Marine Life Saving Equipment
4221 Marine Diving and Salvage Apparatus and Equipment
4240 Safety and Rescue Equipment (Excluding Eye and Face Protection and Clothing)
4241 Safety and Rescue Equipment - Breathing Apparatus
4242 Safety and Rescue Equipment, Eye and Face Protectors

43 Pumps and Compressors 5 Years
4310 Compressors, Mounted and Unmounted
4320 Power and Hand Pumps
4330 Centrifugals, Separators, and Pressure and Vacuum Filters (Nonlaboratory)

44 Furnaces, Steam Plants, Driers, and Air Purification Equipment 13 Years
4410 Industrial Boilers
4420 Heat Exchangers and Steam Condensers
4430 Industrial Furnaces, Kilns, Lehrs, and Ovens
4440 Driers, Dehydrators, and Anhydrators
4460 Air Purification Equipment
4465 Industrial Controls

45 Plumbing, Heating, and Sanitation Equipment 5 Years
4510 Plumbing Fixtures and Accessories
4515 Dispensers, All Types
4520 Space Heaters, Nonportable
4521 Space Heaters, Portable
4525 Water Heaters
4530 Fuel Burning Units and Accessories
4540 Miscellaneous Plumbing, Heating, and Sanitation Equipment

46 Water Purification and Sewage Treatment Equipment 5 Years

4610 Water Purification Equipment
4620 Water Distillation Equipment
4630 Sewage Treatment Equipment

49 Specialized Maintenance and Repair Shop Equipment 5 Years
4910 Motor Vehicle Maintenance and Repair Shop Equipment
4920 Aircraft Maintenance and Repair Shop Equipment
4925 Marine Maintenance and Repair Shop Specialized Equip.
4930 Lubrication Equipment and Accessories
4931 Fuel Dispensing Equipment and Accessories
4940 Miscellaneous Maintenance and Repair Shop Equipment

51 Hand Tools, Powered and Nonpowered 5 Years
5110 Hand Tools, Edged, Nonpowered
5120 Hand Tools, Nonedged, Nonpowered
5130 Hand Tools, Power Driven, Attachments
5136 Taps, Dies, and Collets - Hand and Machine
5140 Tool and Hardware Boxes
5180 Sets, Kits, and Outfits of Hand Tools

52 Measuring Tools and Gauges 5 Years
5210 Measuring Tools, Craftsmen's
5220 Inspection Gauges and Precision Layout Tools

53 Hardware, Abrasives, Locks and Packing 5 Years
5335 Screening
5340 Key-Duplicating Machines

54 Prefabricated, Portable Structures, Buildings and Scaffolding 50 Years
5410 Prefabricated, Portable Structures, and Buildings
5420 Bridges, Fixed and Floating
5430 Storage Tanks
5440 Scaffolding Equipment and Ladders
5445 Prefabricated Tower Structures
5450 Miscellaneous Prefabricated Structures

58 Communication, Recording, Reproducing, and Detection Equipment 7 Years
5805 Telephone and Telegraph Equipment, and Cell Phones
5810 Communications Security Equipment and Components
5815 Teletype and Facsimile Equipment
5820 Communications Equipment, Industrial and Commercial
5821 Radio and Television Communications Equipment, Airborne
5822 Communications Equipment, Public Safety: Audio and Video
5825 Radio Navigation Equipment, Nonairborne
5826 Radio Navigation Equipment, Airborne
5830 Intercommunications and Public Address Systems, Nonairborne

5831 Intercommunications and Public Address Systems, Airborne
5835 Sound Recording and Reproduction Equipment, Industrial and Professional (includes BETA and VHS Recorders; Video Cameras)
5840 Radar Equipment
5845 Underwater Sound Equipment and Accessories
5850 Audio Tape, Industrial and Professional
5851 Video Tape, Industrial and Professional
5855 Night Vision Equipment
5860 Stimulated Coherent Radiation Devices (Laser and Taser)
5865 Headsets, Handsets, Microphones, Speakers, etc.

59 Electrical and Electronic Components 5 Years
5940 Lugs, Terminals, and Terminal Strips, Electrical
5941 Boards, Terminal, Multi-application, Electronic

60 Fiber Optics Materials, Components, Assemblies, and Accessories 5 Years
6010 Fiber Optic Conductors
6030 Fiber Optic Devices
6070 Fiber Optic Accessories

61 Electric Wire, Power, and Distribution Equipment, Batteries, and Generators 5 Years
6105 Motors, Electrical
6110 Electrical Control Equipment Switchgear, Servomechanisms, etc.
6115 Generators and Generator Sets, Electrical
6118 Solar, Thermal, and Nuclear Power Equipment
6120 Transformers, Distribution and Power Station
6125 Converters, Electrical, Rotating
6130 Converters, Electrical, Nonrotating
6135 Batteries, Dry Cell
6141 Batteries, Wet Cell, Industrial and Electric Vehicles
6150 Miscellaneous Electric Power and Distribution Equipment

62 Lighting Fixtures and Lamps 5 Years
6210 Lighting Fixtures, Indoor
6211 Lighting Fixtures, Outdoor
6230 Portable Electric Lighting Equipment
6290 Flying Insect Control

63 Alarm and Signal Systems 10 Years
6310 Traffic and Transit Signal Systems
6350 Alarm and Signal Systems, Commercial

65 Medical, Dental, and Veterinary Equipment 12 Years
6515 Medical and Surgical Instruments and Equipment
6516 Orthopedic Equipment

6517 Ophthalmological, Refraction, and Audiometry Equipment
6518 Veterinary Equipment
6520 Dental Instruments and Equipment
6525 X-ray Equipment, Medical, Dental, and Veterinary
6530 Hospital Equipment
6533 Patient Mobilization Aids
6534 Stretchers and Litters
6535 Sterilizing Equipment and Accessories
6540 Opticians Instruments and Equipment
6545 Medical Sets, Kits, and Outfits

66 Instruments and Laboratory Equipment 5 Years
6605 Navigational Instruments
6610 Flight Instruments
6615 Automatic Pilot Mechanisms and Airborne Gyro Components
6620 Engine Instruments
6625 Electrical Measuring and Testing Instruments (Ammeters, Voltmeters, etc.)
6626 Electronic Measuring and Testing Instruments
6630 Equipment, Instruments, and Devices, Laboratory
6635 Physical Properties Testing Equipment
6636 Environmental Chambers and Related Equipment
6640 Laboratory Supplies
6641 Laboratory Furniture
6643 Agriculture Laboratory and Field Testing Equipment
6645 Time Measuring Instruments (Clocks, Watches, and Movements)
6650 Optical Instruments, Laboratory
6651 Optical Devices, Binoculars, Telescopes, Infrared Viewers, and Rangefinders
6655 Geophysical and Astronomical Instruments
6660 Meteorological Instruments and Apparatus
6665 Hazard Detecting Instruments and Apparatus
6670 Scales and Balances, Commercial and Household
6671 Scales, Postal
6672 Scales and Balances, Laboratory
6675 Drafting, Surveying, and Mapping Instruments
6680 Liquid and Gas Flow, Liquid Level, and Mechanical Motion
Measuring Instruments
6681 Speedometers and Tachometers
6682 Regulators and Gauges, Medical
6685 Pressure, Temperature, and Humidity Measuring and Controlling Instruments
6695 Combination and Miscellaneous Instruments

67 Photographic, Projecting, and Microfilm Equipment 6 Years
6710 Cameras, Motion Picture
6720 Cameras, Still Picture
6730 Photographic Projection Equipment
6740 Photographic Developing and Finishing Equipment

6750 Photographic Supplies
6760 Photographic Equipment and Accessories
6770 Films Processed for Commercial and Industrial Use
6780 Film Processing
6790 Micrographic Equipment
6791 Micrographic Supplies
6793 Micrographic Unitizing Equipment and Accessories

69 Training Aids and Devices 5 Years
6905 Multimedia Systems
6910 Training Aids, Medical
6911 Audiotape, Training
6914 Slides, Training
6918 Flight Training Aids and Devices
6920 Overhead Transparencies, Training
6921 Videotapes, Training
6925 Targets
6930 Vehicle Training Aids and Devices
6935 Robots for Training
6940 Communications Training Devices, For The Handicapped
6950 Miscellaneous Training Aids and Devices

70 Information Technology (IT) Equipment and Software 4 Years
7010 Main Frame Computer Systems
7011 Minicomputer Systems and Servers
7012 Nonportable Microcomputer Systems
7013 Portable Microcomputer Systems, Laptop and Notebook Computers
7015 Front End Communications Processors
7016 Data Processing Terminals
7017 Data Communications Equipment (Multiplexors, Modems, Routers, Hubs, and Switches)
7025 Input/Output and Storage Devices - Tape
7026 Input/Output and Storage Devices - Disk (Laser and Magnetic)
7027 Input/Output and Storage Devices - Other
7030 Software, Main Frame and Minicomputer
7031 Software, Microcomputer
7034 Plotters
7035 Other IT Accessorial Equipment and Components (Scanners, Data Displays, etc.)
7037 Monitors
7038 Laser Printers
7039 Impact and Other Printers
7040 Punched Card Equipment
7042 Mini/Microcomputer Systems (Used primarily to control larger systems such as heating, A/C, etc.)
7060 Test and Monitor Equipment

71 Furniture, Fixtures, and Accessories 10 Years

7105 Household Furniture
7110 Office Furniture, Desk, Chairs, etc.
7111 Mail Room Furniture and Equipment
7112 School Furniture
7115 Hospital Furniture
7116 Furniture, Critical Environment (Prisons, etc.)
7120 Furniture Fabrication and Repair Supplies
7125 Cabinets, Lockers, Bins, and Shelving
7126 Auditorium and Theater Furniture
7127 Library Furniture
7195 Miscellaneous Furniture and Fixtures

72 Household and Commercial Furnishings and Appliances 7 Years
7231 Awnings
7240 Containers, Utility, Commercial
7241 Containers, Utility, Household
7290 Miscellaneous Household and Commercial Furnishings and Appliances (Fireplace Sets, Hair Dryers, Washers Dryers, Compactors, Sewing Machines, Irons, etc.)

73 Food Preparation and Serving Equipment 5 Years
7310 Food Cooking, Baking, and Warming Equipment, Commercial
7311 Food Cooking, Baking, and Warming Equipment, Household
7320 Kitchen Equipment and Appliances, Commercial
7321 Kitchen Equipment and Appliances, Household
7330 Kitchen Utensils
7352 Vacuum Containers and Chests

74 Office, Visible Record, and Word Processing Equipment 5 Years
7420 Accounting and Calculating Machines
7430 Typewriters and Office Type Composing Machines
7435 Word Processing Equipment and Accessories (Includes mini and micro computers specifically designed for Word Processing purposes)
7450 Office Type Sound Recording and Reproducing Machines
7460 Visible Records Equipment
7490 Miscellaneous Office Machines (Coin Counters, Collators, Cash Registers, etc.)

77 Musical Instruments, Phonographs, Radios, Televisions, and Household Recordings 5 Years
7710 Musical Instruments
7720 Musical Instrument Parts and Accessories
7730 Record Players, Radios, Television Sets, Tape Recorders, VCRs, and Video Cameras, Home Type
7740 Recordings, Entertainment
7742 Video Tapes, Entertainment

78 Recreational and Athletic Equipment and Toys 5 Years

7810 Athletic and Sporting Equipment
7820 Games, Toys, and Wheeled Goods
7830 Gymnastic Equipment
7831 Playground Equipment
7832 Gameroom Equipment, Pool and Billiard Tables, and Bowling Equipment

79 Cleaning Equipment 5 Years
7910 Floor Polishers, Scrubbers, and Accessories
7912 Vacuum Cleaners, Carpet Sweepers, and Accessories

83 Textile, Leather, Tents, and Flags 10 Years
8340 Tents, Tarpaulins, and Canvases

99 Signs, Arts and Crafts, and Church Equipment 5 Years
9905 Advertising Signs and Identification Plates
9906 Highway Signs
9909 Sign Making Machines and Accessories
9910 Arts and Crafts Supplies
9915 Collectors' Items
9925 Ecclesiastical Equipment
9930 Cemetery Equipment

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Fund Balance Policy				**POLICY: 14.22**
AFFECTED DEPTS: ALL	**EFFECTIVE DATE: 12/22/2010**	**____DRAFT ___X_NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 2**

Purpose: Enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied.

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either:
  (a) Not in spendable form (i.e. items that are not expected to be converted to cash such as inventory and prepaids)
  (b) Legally or contractually required to be maintained intact
  (c) Not available to be spent in any way due to their very nature and, or their lack of availability

- Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the:
  (a) Enabling legislation adopted by the City; or
  (b) Through external parties (creditors, grantors, or laws or regulations of other governments); or
  (c) Constitutional provisions.

  Good examples in Georgia would include the fund balances associated an E-9ll Fund, a Hotel/Motel Tax Fund, or a SPLOST Fund.

- Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by of the Governing Body or Board through adoption of a resolution. The Governing Body or Board also may modify or rescind the commitment.

- Assigned – Fund balances are reported as assigned when amounts are constrained by the City's or Board's intent to be used for specific purposes, but are neither restricted or committed. Through resolution, the Governing Body has authorized the City's city manager or the City's finance director to assign fund balances. With the exception of the General Fund, amounts in all other governmental funds that are not *nonspendable, restricted, or committed* will be considered to be *assigned.* Also, at the fiscal year end any appropriation of existing fund balance to eliminate a projected budgetary deficit in the next year's budget is considered to be an assignment of fund balance.

- Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

- Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

  Committed
  Assigned
  Unassigned

Net Assets – Net assets represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

The City applies restricted resources first when an expense in incurred for purposes for which both restricted and unrestricted net assets are available.

CITY OF FAYETTEVILLE
ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: Fund Types and Definitions				**POLICY: 14.23**
AFFECTED DEPTS: All	**EFFECTIVE DATE: 04/07/2011**	**____DRAFT DATE __X__NEW ____AMENDED**	**APPROVAL CITY MANAGER: JM**	**TOTAL PAGES: 1**

Fund Definitions:

- General Fund: General Fund accounts for all general government activity not accounted for in other funds. It includes most tax revenues and such services as public safety, parks, public works, engineering, planning, and administration.

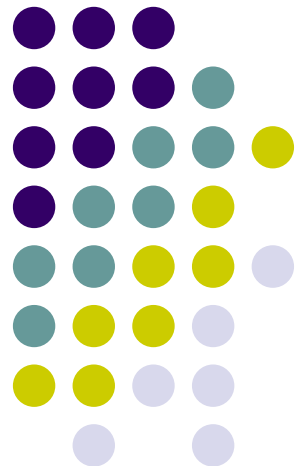
- Proprietary Funds: An enterprise fund, also called proprietary fund, accounts for business-type activities that receive a significant portion of their funding through user charges. The City has two (2) proprietary funds (1) Water and Sewer Fund and (2) Solid Waste Fund

- Capital Projects Funds: The capital projects funds are used to account for financial resources to be used for the acquisition, construction, or renovation of major fixed assets. The City of Fayetteville has three (3) Capital Projects Funds: (1) Building Fund (2) Impact Fee Fund, and (3) SPLOST

- Special Revenue Funds: The special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The City of Fayetteville has four (4) Special Revenue Funds: (1) Confiscated Assets Fund, (2) Hotel/Motel Tax Fund, (3) Vehicle Excise Tax Fund, and (4) Cemetery Fund.

- Component Units: The Downtown Development Authority is one of two component units of the City of Fayetteville. The Downtown Development Authority was organized to develop and promote commerce, industry, and general welfare within the City. The Main Street Tourism Fund is the second component unit of the City of Fayetteville. The Fayetteville Main Street Tourism Association, Inc. was organized to serve the needs and interests of tourism within the City of Fayetteville, and in particular, tourism within the Main Street District of Fayetteville.

STATISTICAL DATA



CITY OF FAYETTEVILLE
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	$ 5,261,475	$ 7,882,963	$ 10,294,750	(1) $ 57,100,929	$ 60,009,707	$ 60,352,897	$ 60,089,837	$ 60,622,894	$ 64,398,879
Restricted		3,068,384	87,098	849,422	1,214,750	$ 1,566,870	$ 1,954,676	$ 2,036,624	$ 2,714,174
Unrestricted	3,274,292	558,402	4,259,448	5,187,583	5,768,939	$ 5,197,192	$ 5,586,322	$ 5,239,070	$ 2,763,931
Total governmental activities net assets	$ 8,535,767	$ 11,509,749	$ 14,641,296	$ 63,137,934	$ 66,993,396	$ 67,116,959	$ 67,630,835	$ 67,898,588	$ 69,876,984
Business-type activities									
Invested in capital assets, net of related debt	$ 5,884,794	$ 7,901,010	$ 9,606,017	$ 11,267,649	$ 12,776,513	$ 12,195,150	$ 13,532,153	$ 11,607,708	$ 10,733,529
Restricted	1,879,325	8,270,414	7,253,854	4,743,869	1,923,585	$ 1,091,708	$ 134,721	$ 1,350,819	$ 1,507,269
Unrestricted	3,723,709	(3,818,597)	(3,204,854)	(1,294,223)	1,061,924	$ 2,707,452	$ 2,422,675	$ 2,730,595	$ 2,844,349
Total business-type activities net assets	$ 11,487,828	$ 12,352,827	$ 13,655,017	$ 14,717,295	$ 15,762,022	$ 15,994,310	$ 16,089,549	$ 15,689,122	$ 15,085,147
Primary government									
Invested in capital assets, net of related debt	$ 11,146,269	$ 15,783,973	$ 19,900,767	$ 68,368,578	$ 72,786,220	$ 72,548,047	$ 73,621,990	$ 72,230,602	$ 75,132,408
Restricted	1,879,325	11,338,798	7,340,952	5,593,291	3,138,335	2,658,578	2,089,397	3,387,443	4,221,443
Unrestricted	6,998,001	(3,260,195)	1,054,594	3,893,360	6,830,863	7,904,644	8,008,997	7,969,665	5,608,280
Total primary government net assets	$ 20,023,595	$ 23,862,576	$ 28,296,313	$ 77,855,229	$ 82,755,418	$ 83,111,269	$ 83,720,384	$ 83,587,710	$ 84,962,131

(1) The City has rectroactively reported major general infrastructure assets as allowed by provisions of GASB Statement No. 34 in fiscal year 2006.

CITY OF FAYETTEVILLE
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	$ 139,842	$ 224,023	$ 191,238	$ 201,701	$ 221,603	$ 294,565	$ 233,337	$ 251,234	$ 193,539	
Unreserved	2,324,845	2,453,341	2,663,047	2,173,967	2,741,170	3,168,063	2,903,291	2,896,626	$ 2,904,019	
Nonspendable										$ 145,621 (3)
Restricted										$ -
Assigned										$ 2,358,940 (3)
Unassigned										$ 545,370 (3)
Total general fund	$ 2,464,687	$ 2,677,364	$ 2,854,285	$ 2,375,668	$ 2,962,773	$ 3,462,628	$ 3,136,628	$ 3,147,860	$ 3,097,558	$ 3,049,931
All Other Governmental Funds										
Reserved, reported in										
Capital project funds								$ 14,847 (2)		
Unreserved, reported in:										
Special revenue funds	$ 126,045	$ 147,655	$ 115,103	$ 80,476	$ 83,864	$ 75,970	$ 136,193	$ 409,933	$ 302,866	
Capital project funds	259,147	674,054 (1)	3,742,412	2,047,978	3,215,686	3,733,553	3,766,360	4,205,072	$ 4,126,822	
Restricted										$ 2,714,174 (3)
Assigned										$ 25,417 (3)
Total all other governmental funds	$ 385,192	$ 821,709	$ 3,857,515	$ 2,128,454	$ 3,299,550	$ 3,809,523	$ 3,902,553	$ 4,629,852	$ 4,429,688	$ 2,739,591

(1) The increase of fund balance in the capital project funds is due to the financing of the Law Enforcement Center through Certificates of Participation (COPS).
(2) Prepaid expenditures.
(3)' The City of Fayetteville has adopted and is in compliance with GASB 54; the New Fund Balance.

CITY OF FAYETTEVILLE
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	$ 5,826,916	$ 6,354,389	$ 6,828,255	$ 7,337,120	$ 8,623,312	$ 9,067,548	$ 9,102,276	$ 8,252,754 (12)	$ 8,076,848	$ 8,319,973
Licenses and permits	373,336	336,138	387,670	479,681	533,974	404,811	300,705 (7)	261,485 (7)	$ 217,086 (7)	$ 217,496
Intergovernmental	699,564	165,226	483,421	96,542	122,633	82,039	801,844 (8)	1,187,335 (12)	$ 1,450,723 (17)	$ 745,573
Fines and forfeitures	800,390	948,205	850,897	1,100,542	1,257,577	1,685,084	1,292,402 (9)	2,040,086 (13)	$ 1,798,758	$ 1,236,945
Charges for services	120,060	75,051	119,287	14,065	64,132	34,833	146,998	112,990	$ 41,443	$ 34,528
Mainstreet	107,197	73,718	58,634	58,369	- (4)	-	-	-	$ -	$ -
Impact fees	396,366	472,465	701,270	922,321	1,063,092	710,715 (6)	384,064 (7)	121,768 (7)	$ 37,890 (7)	$ 35,229
Contributions	1,453,703	147,280	7,888	278,301	77,874	58,608	20,460	12,079	$ 18,146	$ 21,472
Interest income	76,143	44,395	44,827	102,383	205,016	331,489	182,744 (10)	40,789 (10)	$ 17,262 (10)	$ 14,311
Other revenues	72,155	54,895	59,036	32,927	12,975	13,097	51,597	200,649 (14)	$ 44,497	$ 37,746
Total revenues	9,925,830	8,671,762	9,541,185	10,422,251	11,960,585	12,388,224	12,283,090	12,229,935	$ 11,702,653	$ 10,663,273
Expenditures										
General government	792,108	936,396	1,072,138	1,029,781	1,025,695	1,122,977	1,172,837	1,026,932	$ 1,019,212	$ 959,036
Judicial	321,155	477,836	477,543	585,993	642,889	825,873	862,715	895,312	$ 828,909	$ 718,830
Public safety	4,242,754	4,482,098	5,277,726	5,645,529	5,335,737	5,807,045	5,965,835	6,429,522	$ 6,304,775	$ 6,167,299
Public works	846,761	732,198	922,451	928,637	1,014,991	1,101,204	1,176,544	1,087,963	$ 1,007,576	$ 912,264
Culture and recreation										$ 1,321
Housing and development	1,227,056	1,091,648	914,415	849,263	828,463	846,697	850,737	851,542	$ 743,571	$ 640,226
Capital outlay	2,611,317	433,054	2,354,857 (1)	3,378,871	886,963 (5)	1,320,032	2,246,574 (11)	573,427 (15)	$ 1,526,584 (18)	$ 2,543,618
Debt Service										
Principal	360,489	343,942	322,110	292,780	490,586	468,652	474,107	456,149	$ 378,721	$ 338,899
Interest	36,775	23,796	82,296	210,876 (3)	195,437	192,204	185,217	173,579	$ 165,971	$ 154,232
Issuance costs		-	202,696 (2)	-	-	-	-	-	$ -	$ -
Total expenditures	10,438,415	8,520,968	11,626,232	12,921,730	10,420,761	11,684,684	12,934,566	11,494,426	$ 11,975,319	$ 12,435,725
Excess of revenues over (under) expenditures	(512,585)	150,794	(2,085,047)	(2,499,479)	1,539,824	703,540	(651,476)	735,509	$ (272,666)	$ (1,772,452)
Other Financing Sources (Uses)										
Proceeds from capital leases	127,479	229,542	763,384	205,942	204,819	284,664	367,209	- (16)	$ -	$ -
Proceeds from certificates of participation	-	-	4,575,000 (2)	-	-	-	-	-	$ -	$ -
Discount on certificates of participation	-	-	(56,989)	-	-	-	-	-	$ -	$ -
Proceeds from sale of assets	-	11,675	31,811	60,860	13,558	21,624	51,297	3,022	$ 22,200	$ 34,728
Transfers in	454,616	256,178	280,024	574,468	500,467	574,958	531,041	112,490	$ 400,811	$ 912,284
Transfers out	(454,616)	(256,178)	(295,456)	(549,469)	(500,467)	(574,958)	(531,041)	(112,490)	$ (400,811)	$ (912,284)
Total other financing sources (uses)	127,479	241,217	5,297,774	291,801	218,377	306,288	418,506	3,022	$ 22,200	$ 34,728
Net change in fund balances	(385,106)	392,011	3,212,727	(2,207,678)	1,758,201	1,009,828	(232,970)	738,531	$ (250,466)	$ (1,737,724)
Debt service as a percentage of noncapital expenditures	4.61%	4.55%	6.55%	5.28%	7.20%	6.38%	6.17%	5.77%	5.21%	4.99%

(1) Fiscal year 2004 and fiscal year 2005 capital outlay increase is due to the new Law Enforcement Center.
(2) In fiscal year 2004, the City of Fayetteville issued Certificates of Participation (COPS) to finance the new LEC.
(3) The increase in debt service interest expenditure is due to the COPS issue.
(4) The Main Street Function has been moved from General Fund to the Main Street Tourism Association.
(5) Capital outlay has decreased due to the completion of the Law Enforcement Center.
(6) The decrease in impact fees is due to the decline in new construction during fiscal year 2007.
(7) The decrease in impact fees and permits is due to the continual decline in new construction during fiscal year 2008 and 2009 and 2010.
(8) The City received a federal grant for Downtown Pedestrian Improvements.
(9) During fiscal year 2008, the City has experienced an increase in jail population; therefore, reducing the collection of the fines.
(10) Drastic decrease in interest rates due to the current economic recession.
(11) Costs associated with the Downtown Pedestrian Improvements project and other transportation and sidewalk projects.
(12) Special local option sales tax has been reclassified to intergovernmental revenues.
(13) Increase in fine fees and increase in confiscated assets.
(14) Collection adjustment of tower rental.
(15) No major cost associated with transportation or sidewalk projects.
(16) No capital leases in fiscal year 2009.
(17) The City has received several grants for transportation and sidewalk projects.
(18) Cost associated with transportation and sidwalk projects.
(19) Veterans Memorial at Patriot Park

CITY OF FAYETTEVILLE
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property	Sales & Use		Franchise	Alcoholic Beverage	Insurance Premium	Business and Occupational	Other	Total
2003	$ 1,716,999	$ 2,026,571		$ 820,915	$ 303,255	$ 444,312	$ 752,542	$ 290,548	$ 6,355,142
2004	1,856,492	2,235,325		839,639	316,115	478,864	761,193	319,863	6,807,491
2005	2,111,885	2,384,936		955,592	358,800	518,958	760,525	267,100	7,357,796
2006	2,287,451	3,210,939	(1)	1,032,289	323,977	558,331	857,935	343,244	8,614,166
2007	2,489,094	3,294,819		1,075,645	323,232	584,154	912,002	391,507	9,070,453
2008	2,670,751	3,127,513		1,134,982	315,813	609,337	903,792	362,566	9,124,754
2009	2,764,455	2,147,990	(2)	1,267,033	320,781	623,934	855,782	313,598	8,293,573
2010	2,670,285	2,259,642		1,150,101	309,881	618,080	817,237	276,675	8,101,901
2011	2,651,885	2,215,415		1,324,949	318,257	600,117	814,309	351,558	8,276,490

(1) The City began collecting special purpose local option sales taxes at the end of fiscal year 2005.
(2) Special purpose local option sales taxes recorded as intergovernmental revenues.

CITY OF FAYETTEVILLE
GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property	Sales & Use		Franchise	Alcoholic Beverage	Insurance Premium	Business and Occupational	Other	Total
2002	1,550,213	1,917,851		779,296	303,884	404,941	685,550	185,181	5,826,916
2003	1,716,246	2,026,571		820,915	303,255	444,312	752,542	290,548	6,354,389
2004	1,877,256	2,235,325		839,639	316,115	478,864	761,193	319,863	6,828,255
2005	2,091,209	2,384,936		955,592	358,800	518,958	760,525	267,100	7,337,120
2006	2,296,597	3,210,939	(3)	1,032,289	354,818	558,331	857,935	312,403	8,623,312
2007	2,486,189	3,294,819		1,075,645	349,428	584,154	912,002	365,311	9,067,548
2008	2,648,273	3,127,513		1,134,982	341,816	609,337	903,792	336,563	9,102,276
2009	2,723,636	2,147,990	(4)	1,267,033	349,069	623,934	855,782	285,310	8,252,754
2010	2,668,132	2,259,642		1,150,101	339,515	618,080	817,237	224,141	8,076,848
2011	2,721,064	2,215,415		1,324,949	350,585	600,117	814,309	293,534	8,319,973

(3) The City began collecting special purpose local option sales taxes at the end of fiscal year 2005.
(4) Special purpose local option sales taxes recorded as intergovernmental revenues.

CITY OF FAYETTEVILLE WATER AND SEWER
TEN LARGEST WATER CUSTOMERS,

CUSTOMER	FISCAL YEAR 2011 WATER REVENUE AMOUNT		%	FISCAL YEAR 2003 WATER REVENUE AMOUNT		%
Banks Station	$ 32,544	1	1.36%	$ 25,338	1	1.38%
Fayette County BOE	$ 29,791	2	1.24%			
Bay Branch Condo	$ 18,309	3	0.76%	$ 6,437	7	0.35%
Swanbrook	$ 16,008	4	0.67%	$ 16,061	2	0.88%
Cobblestone of Fayette	$ 14,451	5	0.60%	$ 5,885	10	0.32%
Fayette County Jail Complex	$ 21,345	6	0.89%	$ -		-
HCCC, Inc.	$ 22,173	7	0.93%	$ 7,927	6	0.43%
Board of Commissioners	$ 14,040	8	0.59%	$ 11,782	3	0.64%
Summit Retail	$ 14,010	9	0.58%	$ -		-
Fayetteville Towne Center	$ 5,229	10	0.22%	$ 7,938	5	0.43%
Marksman Landscaping	$ -		-	$ 6,416	8	0.35%
Walker Concrete	$ -		-	$ 9,087	4	0.50%
Holiday Inn Express	$ -		-	$ 6,063	9	0.33%
Subtotal (10 Largest)	$ 187,900		7.84%	$ 102,934		5.62%
Balance from Other Customers	$ 2,208,885		92.16%	$ 1,729,926		94.38%
Total	$ 2,396,785		100.00%	$ 1,832,860		100.00%

SOURCE:
City of Fayetteville, Georgia Water and Sewer Department Records

CITY OF FAYETTEVILLE WATER AND SEWER
TEN LARGEST SEWER CUSTOMERS,

CUSTOMER	FISCAL YEAR 2011 SEWER REVENUE AMOUNT		%	FISCAL YEAR 2003 SEWER REVENUE AMOUNT		%
Fayette Community Hospital	$ 132,304	1	5.18%	$ -		-
Inland Group	$ 47,431	2	1.86%	$ -		-
Banks Station	$ 32,933	3	1.29%	$ 19,756	1	1.29%
Marksman Landscaping	$ 23,237	4	0.91%	$ 5,022	6	0.33%
Bay Branch Condo	$ 22,432	5	0.88%	$ 4,444	8	0.29%
Fayette County BOE	$ 21,834	6	0.85%	$ -		-
Fayette County Jail Complex	$ 21,019	7	0.82%	$ -		-
Swanbrook	$ 17,604	8	0.69%	$ 12,972	2	0.85%
Cobblestone of Fayette	$ 15,507	9	0.61%	$ 4,552	7	0.30%
Board of Commissioners	$ 14,760	10	0.58%	$ 10,674	3	0.70%
Summit Retail	$ -		-	$ -		-
Fayetteville Towne Center	$ -		-	$ 6,275	4	0.41%
HCCC, Inc	$ -		-	$ 5,826	5	0.38%
Holiday Inn Express	$ -		-	$ 4,236	9	0.28%
Magnolia Park Daycare	$ -		-	$ 3,313	10	0.22%
Subtotal (10 Largest)	$ 349,061		13.66%	$ 77,070		5.04%
Balance from Other Customers	$ 2,206,637		86.34%	$ 1,451,138		94.96%
Total	$ 2,555,698		100.00%	$ 1,528,208		100.00%

SOURCE:
City of Fayetteville, Georgia Water and Sewer Department Records

WATER SOLD BY TYPE OF CUSTOMER
LAST EIGHT FISCAL YEARS
(In Millions of Gallons)

TYPE OF CUSTOMER	FISCAL YEAR								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Residential	368.13	398.30	391.96	403.51	383.18	335.84	321.75	300.96	289.10
Commercial	49.75	53.83	53.06	54.00	113.27	112.95	44.51	91.13	95.51
Senior	60.44	65.39	64.40	70.20	40.7	39.61	82.33	58.79	69.20
Other	14.29	15.46	15.48	16.04	11.76	11.94	15.23	11.17	16.50
Total Usage:	492.6	533.0	524.9	543.8	548.9	500.3	463.8	462.1	470.3
Total Direct Rate per 1,000 Gallons:	$2.40	$2.40	$2.40	$2.65	$2.65	$2.90	$2.90	$2.90	$2.90

(1) City of Fayetteville billing registers.
(2) City of Fayetteville ordinances.

NOTE: Information prior to fiscal year 2003 is not readily available.

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS

	FISCAL YEAR									
FUNCTION/PROGRAM	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
GENERAL GOVT										
PHONE SYSTEM	-	-	-	1	1	1	1	1	1	1
COMPUTER SYS	1	1	1	1	1	1	1	1	1	1
BUILDINGS	1	1	1	1	2	2	2	2	2	2
POLICE										
STATION	0.5	0.5	0.5	1	1	1	1	1	1	1
FIRE										
STATIONS	1.5	1.5	1.5	2	2	2	2	2	2	2
FIRE TRUCKS	2	2	3	3	3	3	3	3	3	3
PUBLIC WORKS										
PARKS	3	3	3	4	5	5	5	5	5	5
HIGHWAYS/STREETS	40.83	47.12	53.41	56.55	62.83	63.3	63.3	63.3	63.3	63.3
BUILDING	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
BRIDGE	1	1	1	1	1	1	1	1	1	1
TRAFFIC SIGNALS	3	3	3	3	3	3	3	3	3	3
CEMETERY	1	1	1	1	1	1	1	1	1	1
LAKE	1	1	1	1	1	1	3	3	3	3
COMPONENT UNITS										
BUILDINGS	5	5	5	5	5	4	4	4	4	4
MUSEUM COLLECTION	1	1	1	1	1	1	1	1	1	1
WATER AND SEWER										
BUILDINGS	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
LIFT STATIONS	19	20	21	22	24	24	24	24	24	24
MILES OF SEWER LINES	85	92	99	107	122	126.21	126.21	126.21	126.21	126.21
MILES OF WATER LINES					104	108.02	108.02	108.02	108.02	108.02
MANHOLES	2138	2309	2494	2693	2798	2798	2798	2798	2798	2798
STORMWATER DETENTION	-	-	-	1	1	1	1	1	1	1
LAKE	-	-	-	1	1	1	1	1	1	1
WELLS	3	3	3	3	3	3	3	3	3	3

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
DEBT LIMIT	$ 55,842,087	$ 62,191,243	$ 70,359,375	$ 75,455,121	$ 75,455,121	$ 83,212,043	$ 89,939,999	$ 93,588,199	$ 84,490,929	$ 844,909,288
TOTAL NET DEBT APPLICABLE TO LIMIT										
LEGAL DEBT MARGIN	$ 55,842,087	$ 62,191,243	$ 70,359,375	$ 75,455,121	$ 75,455,121	$ 83,212,043	$ 89,939,999	$ 93,588,199	$ 84,490,929	$ 844,909,288
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A % OF DEBT LIMIT	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

LEGAL DEBT MARGIN CALCULATION FOR FISCALYEAR 2011

ASSESSED VALUE	$ 843,429,960
ADD BACK: EXEMPT REAL PROPERTY	$ 1,479,328
TOTAL ASSESSED VALUE:	$ 844,909,288
DEBT LIMIT (10% OF ASSESSED VALUE)	$ 84,490,929
DEBT APPLICABLE TO LIMIT:	
	0
	0
LEGAL DEBT MARGIN	$ 84,490,929

NOTE:

Under Georgia Law, the City of Fayetteville's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation debt.

CITY OF FAYETTEVILLE, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JULY 31, 2011

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (1)	ESTIMATED SHARE OF OVERLAPPING DEBT
Debt repaid with property taxes:			
Fayette County School District	$ 79,728,368	10%	$ 7,972,837
Fayette County Public Facilities Authority	$ 40,300,000	10%	$ 4,030,000
Total overlapping debt			$ 12,002,837
City of Fayetteville Direct Debt			$ 4,348,063
Total direct and overlapping debt			$ 16,350,900

Sources:
Fayette County School District
Fayette County Facilities Authority

Note:
Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by th and businesses of the City of Fayetteville. This process recognizes that, when considering the City's ability long-term debt, the entire debt burden borne by residents and businesses should be taken into account. Ho this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each ovelapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Ap percentages were estimated by determining the portion County's taxable assessed value that is within the C boundaries and dividing it by the County's total taxable assessed value.

OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JULY 31	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES				
	CERTIFICATES OF PARTICIPATION	CAPITAL LEASES	TOTAL GOVT	REVENUE BONDS	NOTES PAYABLE	TOTAL BUSINESS	TOTAL PRIMARY GOVERNMENT	% OF PERSONAL INCOME
2002	$ -	$ 575,341	$ 575,341	$ 7,475,000	$ 2,853,432	$ 10,328,432	$ 10,903,773	2.23%
2003	$ -	$ 460,941	$ 460,941	$ 7,135,000	$ 2,613,115	$ 9,748,115	$ 10,209,056	2.05%
2004	$ 4,575,000	$ 902,215	$ 5,477,215	$ 14,205,000	$ 2,382,219	$ 16,587,219	$ 22,064,434	4.16%
2005	$ 4,575,000	$ 815,377	$ 5,390,377	$ 13,710,000	$ 2,202,916	$ 15,912,916	$ 21,303,293	4.37%
2006	$ 4,395,000	$ 709,610	$ 5,104,610	$ 13,120,000	$ 3,215,038	$ 16,335,038	$ 21,439,648	4.15%
2007	$ 4,210,000	$ 710,622	$ 4,920,622	$ 12,510,000	$ 7,824,049	$ 20,334,049	$ 25,254,671	4.63%
2008	$ 4,020,000	$ 793,724	$ 4,813,724	$ 11,890,000	$ 9,519,481	$ 21,409,481	$ 26,223,205	4.70%
2009	$ 3,825,000	$ 532,575	$ 4,357,575	$ 11,250,000	$ 8,316,684	$ 19,566,684	$ 23,924,259	4.90%
2010	$ 3,625,000	$ 353,854	$ 3,978,854	$ 19,955,000	$ -	$ 19,955,000	$ 23,933,854	5.40%
2011	$ 3,420,000	$ 219,955	$ 3,639,955	$ 19,405,000	$ -	$ 19,405,000	$ 23,044,955	5.65%

NOTES: Details regarding the City's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	POPULATION	PERSONAL INCOME (AMOUNTS EXPRESSED IN THOUSANDS)	PER CAPITA PERSONAL INCOME	MEDIAN AGE	SCHOOL ENROLLMENT	UNEMPLOYMENT RATE
2001	12,593	$ 470,928	$ 37,396	36.1	19,833	3.40%
2002	13,133	$ 487,970	$ 37,156	36.1	20,817	2.60%
2003	13,306	$ 497,432	$ 37,384	36.1	21,239	3.00%
2004	13,792	$ 530,882	$ 38,492	36.1	21,624	2.70%
2005	14,395	$ 487,976	$ 33,899	36.1	22,338	4.60%
2006	15,033	$ 517,240	$ 34,407	36.1	22,291	4.00%
2007	15,408	$ 545,320	$ 35,392	36.1	22,190	3.80%
2008	15,126	$ 554,670	$ 36,670	36.1	21,597	4.70%
2009	15,136	$ 484,322	$ 31,998	36.1	21,899	8.80%
2010	15,093	$ 445,002	$ 29,484	36.1	20,756	8.60%
2011	15,945	$ 423,356	$ 26,551	36.1	20,607	8.30%

SOURCES:

(1) City of Fayetteville, Georgia records
(2) Bureau of Economic Analysis, U.S. Department of Commerce
(3) Fayette County Board of Education
(4) Bureau of Labor Statistics, U.S. Department of Labor

WATER AND SEWER RATES
LAST TEN FISCAL YEARS

FISCAL YEAR	WATER (RESIDENTIAL) MONTHLY BASE RATE	WATER (RESIDENTIAL) RATE PER 1000 GALLONS	WATER (COMMERCIAL) MONTHLY BASE RATE	WATER (COMMERCIAL) RATE PER 1000 GALLONS	WATER (SENIOR) MONTHLY BASE RATE	WATER (SENIOR) RATE PER 1000 GALLONS
2002	$ 12.00	$ 2.40	$ 22.00	$ 2.40	$ 9.00	$ 2.40
2003	$ 12.00	$ 2.40	$ 22.00	$ 2.40	$ 9.00	$ 2.40
2004	$ 12.00	$ 2.40	$ 22.00	$ 2.40	$ 9.00	$ 2.40
2005	$ 12.00	$ 2.40	$ 22.00	$ 2.40	$ 9.00	$ 2.40
2006	$ 13.20	$ 2.65	$ 24.20	$ 2.65	$ 11.22	$ 2.65
2007	$ 13.20	$ 2.65	$ 24.20	$ 2.65	$ 11.22	$ 2.65
2008	$ 14.50	$ 2.90	$ 26.60	$ 2.90	$ 12.33	$ 2.90
2009	$ 14.50	$ 2.90	$ 26.60	$ 2.90	$ 12.33	$ 2.90
2010	$ 14.50	$ 2.90	$ 26.60	$ 2.90	$ 12.33	$ 2.90
2011	$ 14.50	$ 2.90	$ 26.60	$ 2.90	$ 12.33	$ 2.90

FISCAL YEAR	SEWER (RESIDENTIAL) MONTHLY BASE RATE	SEWER (RESIDENTIAL) RATE PER 1000 GALLONS	SEWER (COMMERCIAL) MONTHLY BASE RATE	SEWER (COMMERCIAL) RATE PER 1000 GALLONS	SEWER (SENIOR) MONTHLY BASE RATE	SEWER (SENIOR) RATE PER 1000 GALLONS
2002	$ 10.00	$ 1.65	$ 20.00	$ 1.65	$ 9.00	$ 1.65
2003	$ 10.00	$ 1.65	$ 20.00	$ 1.65	$ 9.00	$ 1.65
2004	$ 10.00	$ 1.65	$ 20.00	$ 1.65	$ 9.00	$ 1.65
2005	$ 10.00	$ 1.65	$ 20.00	$ 1.65	$ 9.00	$ 1.65
2006	$ 12.00	$ 2.00	$ 23.00	$ 2.00	$ 10.20	$ 2.00
2007	$ 12.00	$ 2.00	$ 23.00	$ 2.00	$ 10.20	$ 2.00
2008	$ 15.95	$ 2.85	$ 27.95	$ 2.85	$ 13.56	$ 2.85
2009	$ 15.95	$ 2.85	$ 27.95	$ 2.85	$ 13.56	$ 2.85
2010	$ 15.95	$ 2.85	$ 27.95	$ 2.85	$ 13.56	$ 2.85
2011	$ 15.95	$ 2.85	$ 27.95	$ 2.85	$ 13.56	$ 2.85

SOURCE:
City of Fayetteville, Georgia ordinances

WATER SUPPLY BY SOURCE
LAST TEN CALENDAR YEARS
(IN THOUSAND GALLONS)

	FAYETTE COUNTY		SYSTEM WELL/WATER PLANT			
CALENDAR YEAR	VOLUME	PERCENT	VOLUME	PERCENT	TOTAL USAGE	PERCENT CHANGE
2002	87,253	15.7%	467,034	84.3%	554,287	3.0%
2003	28,147	4.6%	585,799	95.4%	613,946	10.8%
2004	59,077	9.8%	542,820	80.2%	601,897	-2.0%
2005	30,836	5.4%	541,150	94.6%	571,986	-5.0%
2006	118,026	21.7%	426,439	78.3%	544,465	-4.8%
2007	231,331	41.33%	328,434	58.67%	559,765	2.73%
2008	153,581	31.45%	334,700	68.55%	488,281	-14.64%
2009	115,328	22.93%	387,705	77.07%	503,033	2.93%
2010	118,314	23.05%	395,035	76.95%	513,349	2.01%
2011	149,076	31.59%	322,906	68.41%	471,982	-8.76%

Source: City of Fayetteville, Georgia records.

WASTEWATER TREATMENT PLANT AVERAGE FLOW
LAST TEN CALENDAR YEAR
(IN MILLION GALLONS PER DAY)

CALENDAR YEAR	AVERAGE DAILY FLOW MGD	AVERAGE WEEKLY PEAK FLOW MGD
2002	2.15	2.38
2003	2.27	2.5
2004	2.11	2.31
2005	2.28	2.54
2006	2.29	2.1
2007	1.958	2.242
2008	1.857	1.806
2009	1.539	1.512
2010	1.729	1.898
2011	1.625	1.881

Note: The City's sewerage system consists of a modern secondary wastewater treatement facility, twenty-four (24) pumping stations and approximately one hundred twenty-two (122) miles of collectgor and transmission lines. The Whitewater Creek wastewater treatment plant was expanded and upgraded in 1992 to 3.75 MGC and in 2008 to 5.0 MGC through 2003 Water and Sewer Revenue Bonds and a GEFA Loan.

SOURCE:
City of Fayetteville, Georgia records

WATER AND SEWER CUSTOMERS
LAST TEN CALENDAR YEARS

CALENDAR YEAR	NUMBER OF WATER CUSTOMERS	% INCREASE WATER CUSTOMERS	NUMBER OF SEWER CUSTOMERS	% SEWER TO WATER CUSTOMERS
2002	6,240	1.1%	6,044	96.9%
2003	6,263	0.4%	6,183	98.7%
2004	6,322	0.9%	6,494	102.7%
2005	6,576	4.0%	6,748	102.6%
2006	6,640	1.0%	6,870	103.5%
2007	6,643	0.05%	8,062	121.4%
2008	6,631	-0.18%	8,051	121.4%
2009	6,585	-0.69%	8,032	122.0%
2010	6,615	0.46%	8,035	121.5%
2011	6,607	-0.12%	8,027	121.5%

Source: City of Fayettevillle, Georgia records.

CITY OF FAYETTEVILLE
PLEDGED-REVENUE COVERAGE
LAST TEN YEARS

2003 AND 2010 WATER AND SEWER REVENUE BONDS & GEFA LOAN

FISCAL YEAR	UTILITY SERVICE CHARGES	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	PRINCIPAL	INTEREST EXPENSE	COVERAGE
2002	$ 3,563,597	$ 2,673,013	$ 887,584	$ 320,000	$ 407,788	1.22%
2003	$ 3,389,528	$ 2,988,627	$ 402,899	$ 304,000	$ 392,933	0.55%
2004	$ 3,979,731	$ 2,883,941	$ 1,095,790	$ 350,000	$ 415,386	1.43%
2005	$ 4,191,259	$ 3,353,886	$ 837,372	$ 495,000	$ 531,196	0.82%
2006	$ 4,614,379	$ 3,503,080	$ 1,111,299	$ 590,000	$ 517,431	1.00%
2007	$ 5,001,076	$ 3,715,638	$ 1,285,440	$ 610,000	$ 506,889	1.15%
2008	$ 5,113,316	$ 3,760,191	$ 1,353,125	$ 620,000	$ 494,279	1.21%
2009	$ 5,399,480	$ 3,675,834	$ 1,723,646	$ 640,000	$ 480,089	1.54%
2010	$ 5,305,085	$ 4,934,516	$ 370,569	$ 1,165,000	$ 725,440	0.20%
2011	$ 5,450,926	$ 5,321,962	$ 128,964	$ 550,000	$ 837,969	0.09%
2012						
2013						
2014						
2015						
2016						
2017						

WATER AND SEWER USER FEES AND CHARGES

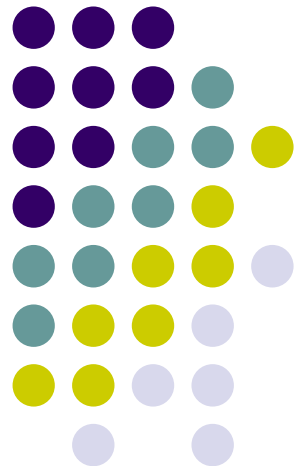
In accordance with the requirements of Rule 15c-2-12 promulgated by the Securities and Exchange Commission ("SEC"), the City has covenanted to disclose the following annual financial information.

User fees are set by the Mayor and Council to recover independently the cost of providing water and sewerage service, to pay principal and interest on debt obligations of the System and to general reserves for emergencies and expansion of the System. The Mayor and Council last adopted a schedule for rates, tolls, assessments, and fees charged by the System in August 2009. The City has covenanted in the Ordinance to revise and adjust such schedules of rates, fees and charges for water sewerage services and facilities to the extent necessary to produce funds at least equal to the amount necessary to: (1) operate and maintain the System on a sound businesslike basis but before provision for depreciation or amortization; (2) produce an amount equal to 115% of the Debt Service Requirement for the then current Sinking Fund Year, (3) create and maintain in the Debt Service Reserve Fund an amount equal to the Debt Service Reserve Requirement and (4) make the payments then required to be made into the Renewal and Extension Fund.

The minimum water and sewer bill is based on the first 2,000 gallons of water usage. In addition to the charges outlined below for water and sewerage usage, the City charges a minimum water meter fee of $900.00 and had adopted a proportionate share fee system for new sewer service based on land uses and square footage. The proportionate share sewer fee is imposed to recover transmission and other costs associated with developing new sewer collection basins and service areas. These charges range from $1576.80 for a single family residential dwelling to $350.40 per 1,000 square feet of retail to $292.00 per 1,000 square feet of standard office and $438.00 per 1,000 square feet of medical space.

Based on the current rate structure and average residential water of usage of 6,500 gallons per month, the average water bill for a residential customer is approximately $27.55 per month. The average residential sewer bill is approximately $28.78 per month.

GLOSSARY



CITY OF FAYETTEVILLE, GEORGIA

GLOSSARY OF BUDGETARY AND FINANCIAL TERMINOLOGY

Accounting System – The total set of records and procedures which are used to record, classify and report information on the financial statements and operations of an entity.

Accrual Basis of Accounting – The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time).

Ad Valorem Property Taxes – Taxes levied on an assessed valuation (40% of market value) of real and personal property, based on a valuation as of January 1 and a millage rate set by the City Council.

Appropriation – An authorization made by the City Council which permits officials to incur obligations against and to make expenditures of government resources. Appropriations are usually made for fixed amounts and are typically granted for a one year period.

Asset – All the property such as cash, inventory and receivables that is owned by a business or government and may be applied to cover liabilities.

Audit – An examination of evidence, including records, facilities, inventories, systems, etc., to discover or verify desired information

Bond – A written promise to pay a sum of money on a specific date at a specified interest rate as authorized by ordinance and detailed in the bond document. Bonds are primarily use to finance capital projects.

Budget – A financial plan for a specific period of time that matches all planned revenues and expenditures with various City services.

Budget Adjustment – A legal procedure utilized by City staff to revise a budget appropriation. City staff has the authorization to adjust line item expenditures within a departmental budget but the City Council must approve any increase in the total budget for a department.

Budget Calendar – The schedule of key dates or milestones which the City follows in the preparation, adoption and administration of the budget.

Budget Document – The instrument used by the City Manager to present a comprehensive financial plan to the City Council.

Budget Message – A general discussion of the proposed budget presented in writing as a supplement to the budget document usually included in the transmittal letter. The transmittal letter explains the principal budget issues against the background of financial experience in recent years and presents recommendations made to the City Manager.

Budget Ordinance – The official enactment by the City Council legally authorizing City Officials to obligate and expend resources.

Budget Transfer – Amount transferred from one fund account to another

Budgetary Control – The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within limitations of available appropriations and available revenues.

Capital Asset – Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Budget – A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of a complete annual budget which includes both operating and capital outlays. The capital budget should be based on a capital improvement program (CIP).

Capital Improvement Program (CIP) – a multi-year plan used to identify needed capital projects and coordinate their timing and methods of financing.

Capital Improvement Project – An item in excess of $5,000 for which the purchase, construction, or other acquisition will represent a public betterment to the community and add to the total capital assets of the City.

Capital Outlay – Includes outlays which results in the acquisition of or addition to fixed assets. The item must have a cost greater than $5,000 and have a useful life greater than three (3) years.

Capital Projects Fund – Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Cash Basis – A basis of accounting under which transactions are recognized only when cash is received or disbursed.

Certificate of Deposit (CD) – A time deposit with a specific maturity evidenced by a certificate. Large denomination certificates of deposit are typically negotiable as to maturity and yield.

Collateral – Value of securities pledged to a specific amount or investment as supplemental security to the credit of the issuer or the broker. Collateral can be of a specific nature and priced at part or market value.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Debt – An obligation resulting from the borrowing of money or from the purchase of goods or services over a period of time. Legal definitions of debt vary from state to state and are determined by constitutional provisions, statutes, and court decisions.

Debt Limit – A maximum amount of debt that may be legally incurred. A debt limit usually only applies to general obligation debt and is most often expressed as a percentage of the taxable value of property in a jurisdiction.

Debt Service Fund – A fund used to account of money necessary for scheduled payment of outstanding debt, both principal and interest becoming due during the fiscal period, and contributions which may be required to accumulate monies for the future retirement of bonds.

Deficit – The excess of liabilities of a fund over its assets; the excess of expenditures over revenues during an accounting period.

Department – A major administrative unit of the City with overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation Expense – Depreciation of capital assets within the various enterprise funds.

Designated, Unreserved Fund Balance – Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the government.

Division – An administrative segment of the City, which indicates management responsibilities for an operation or a group of related activities within a functional area. Divisions are the basic units of the budget upon which departments are composed.

Downtown Development Authority (DDA) – A separate component unit of the City established to assist with commercial development.

Employee Benefits – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the governments share of costs for Social Security and the various pensions, medical, and life insurance plans.

Encumbrance – Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which part of the

appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

Enterprise Fund – A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenses.

Exempt, Exemption, Non-Exempt – Amounts determined by State Law to be deducted from the assessed value of property for tax purposes. Tax rates are applied to the balance, which is called the non-exempt portion of the assessment.

Expenditure – Decrease in net financial resources. Expenditures include current operating expenses requiring the present and future use of net current assets, debt service, capital outlays and intergovernmental grants, entitlement and shared revenues.

Expenses – Outflows or incurrences of liabilities from delivering or producing goods, rendering services, or carrying out other activities that constitute the entity's ongoing major or general operations.

Fayette County Board of Commissioners – A policy making, publicly elected board that oversees the County government.

Fayette County Board of Education (FCBOE) – A policy making board that oversees the Fayette County school system.

Fees – A charge by government associated with providing a service, permitting an activity, or imposing a fine or penalty. Major types of fees include user charges, building permits, etc

Federal Emergency Management Agency (FEMA) – An agency of the Department of Homeland Security, is tasked with responding to, planning for, recovering from and mitigating against disasters.

Fiscal Policy – The City government's policies with respect to taxes, spending, and debt management as these relate to government services, programs, and capital investment. Fiscal Policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year – The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Fayetteville has specified August 1 to July 31 as its fiscal year.

Fixed Asset – Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery and furniture.

Function – A major class of grouping of tasks directed toward a common goal – such as executive, financial and administrative, and other general government. For the purposes utilized in budgetary analysis these categories were established by the State of Georgia, and financial reports must be grouped according to those established functions.

Fund – A fiscal and accounting entity which is comprised of a self-balancing set of accounts which reflect all assets, liabilities, equity, revenue and expenditures (or expenses) necessary to disclose financial position and the results of operations. Funds are established as individual entities in order to segregate financial records for the purpose of legal compliance, different natures of the activities performed, measurement of different objectives, and to facilitate management control.

Fund Balance – Refers to the excess of current assets over current liabilities.

Fund Equity (Enterprise Fund) – the non-capital portion of the fund's net assets.

FT/PT – Full-time/part-time

Fund Classifications – One of the three categories (governmental, proprietary, and fiduciary) used to classify funds.

Fund Type – One of the eleven classifications into which all individual funds can be categorized. Governmental Fund types include the general fund, special revenue funds, debt service funds, capital funds, and permanent funds. Proprietary fund types include enterprise funds, and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

GAAP – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund – The general fund is one of the five governmental fund types and typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

General Government Function – These services are provided by the Legislative and Administrative branches in the management of governmental affairs.

General Obligation (G.O.) – Bonds sold to raise revenue for long-term capital financing needs. These bonds which pledge the full faith and credit of the City must be approved by voter referendum. The cost of financing is spread over the life of the improvement so that future users help to repay the cost of the improvement.

General Sales and Use Tax – A percentage tax imposed upon the sale or consumption of goods and/or services.

Government Finance Officers Association (GFOA) – An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP (Generally Accepted Accounting Principles) for state and local government since its inception and sponsors the Distinguished Budget Awards Program and the Certificate of Achievement for Excellence in Financial Reporting Program.

Governmental Accounting Standards Board (GASB) – The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

Grant – A contribution by a government or other organization to support a particular function or program.

Hotel/Motel Tax – Tax levied on every person who rents, leases, or lets for consideration any temporary living quarters/accommodations, within the boundaries of the city limits and established by ordinance. The tax is used to fund the activities of the Main Street Tourism Fund.

Impact Fees – Fess charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

Infrastructure – Basic installations and facilities (e.g. roads, bridges) upon which the continuance and growth of a community depend.

Insurance Premium Tax – A tax on the gross direct premiums received during the preceding year from policies of fire and casualty insurance issued upon property and business located within the State of Georgia. The tax is distributed based on census population numbers.

Intangibles – Tax levied on intangible personal property such as securities, mortgages and cash based on returns filed with the State of Georgia.

Intergovernmental Revenue – Revenues received from other governmental entities in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

Interest Income – Revenue earned for the use of idle monies.

Interfund Transfer – Contributions and operating transfers of cash made between the various funds of the City.

Investment – Securities purchased and held for the production of income in the form of interest, dividends or base payments.

Lease Purchase – A method of acquiring high cost equipment or property and spreading the payments over a specified period of time.

Levy – To impose taxes for the support of government activities

Liability – Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. This term does not include encumbrances.

Line-Item Budget – A budget that lists each expenditure category separately along with the dollar amount budgeted for each specified category.

Liquidity – Ease with which a financial instrument can be converted to cash quickly with minimal loss of principal.

Main Street Tourism Fund (MSTF) – A non-profit 501 (c) (6) entity, a component unit of the City, established to operate the Villages Amphitheater as well as overseeing tourism events for the City.

Millage Rate – The ad valorem tax rate expressed in terms of the levy per thousand dollars of taxable assessed value.

Mission Statement – A broad statement of purpose that is derived from organizational and/or community values and goods.

Modified Accrual Basis – The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues which should be accrued to reflect properly the taxes levied and revenue earned.

National Pollutant Discharge Elimination System – A permit program, which controls water pollution by regulating point sources that discharge pollutants into the waters of the United States.

Objective – Something to be accomplished in specific, well-defined, and measurable terms and is achievable within a specific period.

Operating Budget – The portion of the budget pertaining to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, travel, fuel and capital outlay.

Operating Income – The excess of proprietary fund operating revenues over operating expenses.

Operating Revenues – Proprietary fund revenues that are directly related to the fund's primary service activity. The consist of user charges for services.

Operating Transfers – Amounts transferred from one fund to another to assist in financing the services of the recipient fund.

Ordinance – A formal legislative enactment by the governing body of a City.

Organizational Chart – A chart representing the authority, responsibility, and relationships of divisional and departmental entities within the City organization.

Other Financing Source – An increase in current financial resources separate from revenues.

Other Financing Uses – A decrease in current financial resources separate from expenditures.

Performance Measures – Specific quantitative and qualitative measures of work performed as an objective of the department or cost center.

Personnel Services – Expenditures of gross salaries and wages paid to elected officials and both permanent and temporary employees; and amounts paid on behalf of employees that include social security contributions, Medicare, retirement contributions, health insurance, dental insurance, life insurance, long-term disability, unemployment insurance, and workers' compensation.

Principal – The original amount borrowed through a loan, bond issue, or other form of debt.

Professional Services – Expenditures made for services performed by persons or firms with specialized skills; services purchased to operate, repair, maintain, and rent property owned by the City; and other purchased services.

Program Description – Describes the nature of service delivery provided at this level of funding. It clearly explains how service delivery will be.

Property Tax – Revenue generated from the annual levy of taxes on property owner.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net assets, financial position, and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds. The City has no internal service funds.

Public Safety Function – This category provides for the citizens of the City of Fayetteville the security and safety of persons and property and includes the departments/divisions of emergency services, fire services, and law enforcement.

Purchase Order – A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated estimated price. Outstanding purchase orders are called encumbrances.

Receivable – An asset account reflecting amounts owed from persons or organizations for goods or services provided by the entity. A type of receivable is Accounts Receivable.

Reserve – An account used to indicate that a portion of a fund's fund balance is legally restricted for a specific purpose or commitment and is, therefore, not available for general appropriation.

Revenue – The term designates an increase to a fund's assets which does not increase a liability, represent a repayment of an expenditure already made, represent a cancellation of certain liabilities or represent an increase in contributed capital.

Sales Tax – A general "sales tax" is levied on all merchandise sold on a retail basis by all persons or businesses selling merchandise in the City limits. Monies collected under authorization of this tax are for the use and benefit of the City.

Special Purpose Local Option Sales Tax (SPLOST) – A sales tax approved by voter referendum used in the City of Fayetteville for transportation projects.

Special Revenue Fund – A governmental fund type used to account for proceeds of specific revenue sources (other than from major capital projects) that are legally restricted to expenditure for specified purposes.

Taxes – Compulsory charges levied by a government for the purpose of financing the services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit.

Transportation Function – The safe and adequate flow of vehicles, travelers and pedestrians is included in this classification

Workload Indicators – Used in budgets to show, for example (1) the amount of work accomplished, (2) the efficiency with which tasks were completed, and (3) the effectiveness of a program

Undesignated, Unreserved Fund Balance – Available expendable financial resources in a governmental fund that are not the objective of tentative management plans.

Uniform Accounting System – The chart of accounts prescribed by the Office of the State Department of Audits that is designed to standardize financial information to facilitate comparison and evaluation reports

User Fees – The fees charged for direct receipt of public services

Vehicle Excise Tax – Tax levied on every person who rents, leases, or lets for consideration any vehicle

Yield (Return on Investments) – The rate of annual income returned on an investment, expressed as a percentage.

Zero-Based Budget – An operating, planning and budgeting process which requires each manager to justify all dollars requested from scratch.

ACRONYMS

ADM	Administration; Administrative
ARC	Atlanta Regional Commission
CAF	Confiscated Assets Fund
CAFR	Comprehensive Annual Financial Report
CD	Certificate of Deposit
CIP	Capital Improvement Program
CM	City Manager
COF	City of Fayetteville
CPF	Capital Projects Funds
DDA	Downtown Development Authority
EAP	Employee Assistance Program
EEOC	Equal Employment Opportunity Commission
ENG	Engineer
E911	Emergency 911 Services
FB	Fund Balance
FDIC	Federal Deposit Insurance Corporation
FPD	Fayetteville Police Department
FEMA	Federal Emergency Management Agency
FT	Full-time
GA	Georgia
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board

GEFA	Georgia Environmental Facilities Authority
GEMA	Georgia Emergency Management Agency
GFOA	Government Finance Officers Association
GGFOA	Georgia Government Finance Officers Association
GDOT	Georgia Department of Transportation
GIS	Geographic Information Systems
GMA	Georgia Municipal Association
GMEBS	Georgia Municipal Employee Benefits System
GO	General Obligation
HDF	Holliday-Dorsey-Fife House
HR	Human Resources
HMTF	Hotel Motel Tax Fund
HTRG	Homeowners Tax Relief Grant
IFF	Impact Fees Fund
IT	Information Technology
LOST	Local Option Sales Tax
MS	Main Street
MSTF	Main Street Tourism Fund
NPDES	National Pollutant Discharge Elimination System
OM	Operations and Maintenance
OMB	U.S. Office of Management and Budget
PT	Part-time
PW	Public Works

SPLOST	Special Purpose Local Option Sales Tax
US	United States
UFB	Unrestricted Fund Balance
VRET	Vehicle Rental Excise Tax
WS	Water and Sewer
WWTP	Wastewater Treatment Plant