

City of Sugar Hill Budget
Fiscal Year: 2018
Revenue

GENERAL FUND - 100	2018
	Approved
TAXES & FEES	5,661,200
INTERGOVERNMENTAL	5,690
LICENSES & PERMITS	482,700
FINES & FORFIETURES	6,100
CHARGES FOR SERVICES	1,112,000
INTEREST	13,000
OTHER	2,499,474
TRANSFERS IN	1,690,000
	$11,470,164.00

OTHER FUNDS	Approved
FUND 320 - CAPITAL IMPROVEMENTS	7,196,717
FUND 506 - STORMWATER	924,680
FUND 515 - GAS	7,080,000
FUND 555 - GOLF	1,159,370
FUND 557 - E CENTER MIXED USE	257,900
FUND 745 - MUNICIPAL COURT	10,300
FUND 800 - DDA OPERATIONS	106,800
FUND 800 - DDA - E CENTER CONSTRUCTION	32,431,725
	$49,167,492.00

ALL FUNDS BUDGET TOTAL:	**$60,637,656.00**



City of Sugar Hill Budget
Fiscal Year: 2018
Expenditures

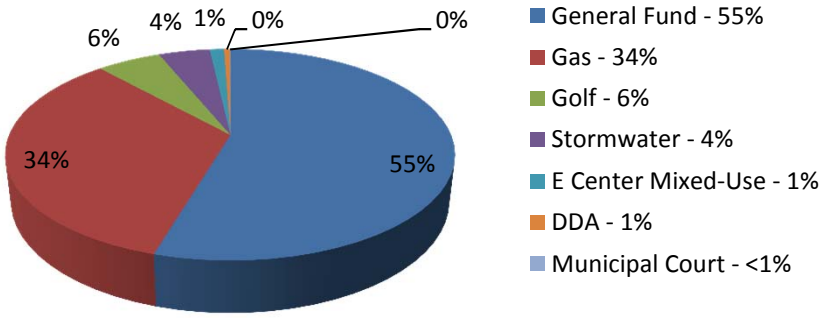
GENERAL FUND - 100	2018
Department	**Approved**
MAYOR & COUNCIL	89,293
ELECTIONS	0
ADMINISTRATION	4,829,483
INFORMATION TECHNOLOGY	349,266
BUICE CENTER	18,340
PUBLIC SAFETY	175,000
STREET	1,780,550
LANDFILL	65,000
CEMETERY	12,500
RECREATION	1,440,593
CULTURAL RESOURCES/COMMUNITY INVOLVEMENT	103,000
EAGLE THEATRE	325,000
BOWL/PLAZA EVENTS	1,176,576
PLANNING & DEVELOPMENT	878,697
ECONOMIC DEVELOPMENT	226,866
	$11,470,164.00

OTHER FUNDS	Approved
FUND 320 - CAPITAL IMPROVEMENTS	7,196,717
FUND 506 - STORMWATER	924,680
FUND 515 - GAS	7,080,000
FUND 555 - GOLF	1,159,370
FUND 557 - E CENTER MIXED USE	257,900
FUND 745 - MUNICIPAL COURT	10,300
FUND 800 - DDA OPERATIONS	106,800
FUND 800 - DDA - E CENTER CONSTRUCTION	30,000,000
FUND 800 - DDA - E CENTER DEBT SERVICE	2,431,725
	$49,167,492.00

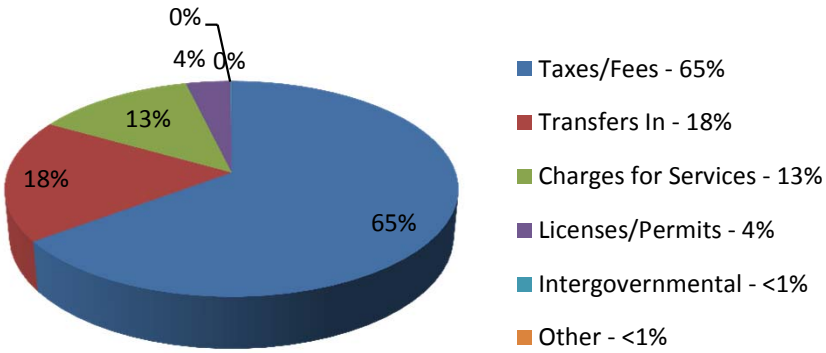
ALL FUNDS BUDGET TOTAL:	**$60,637,656.00**

2018 Budget Statistics

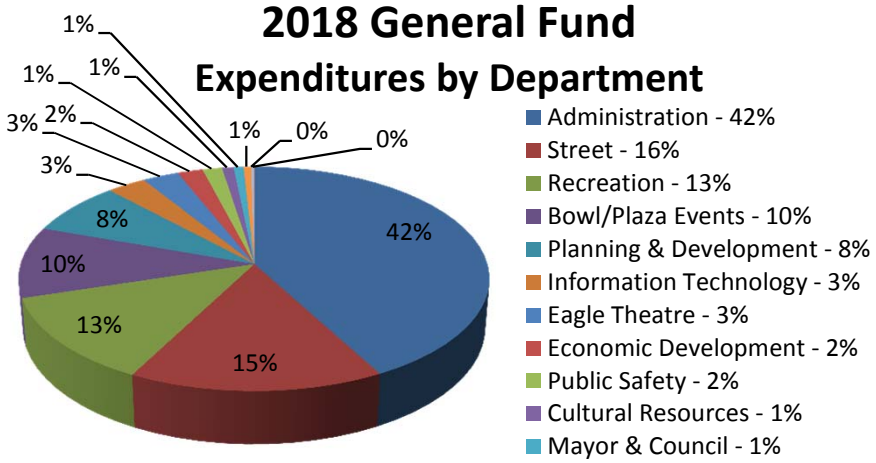
2018 Operating Budget
by Fund



2018 General Fund Revenue
by Source



2018 General Fund
Expenditures by Department



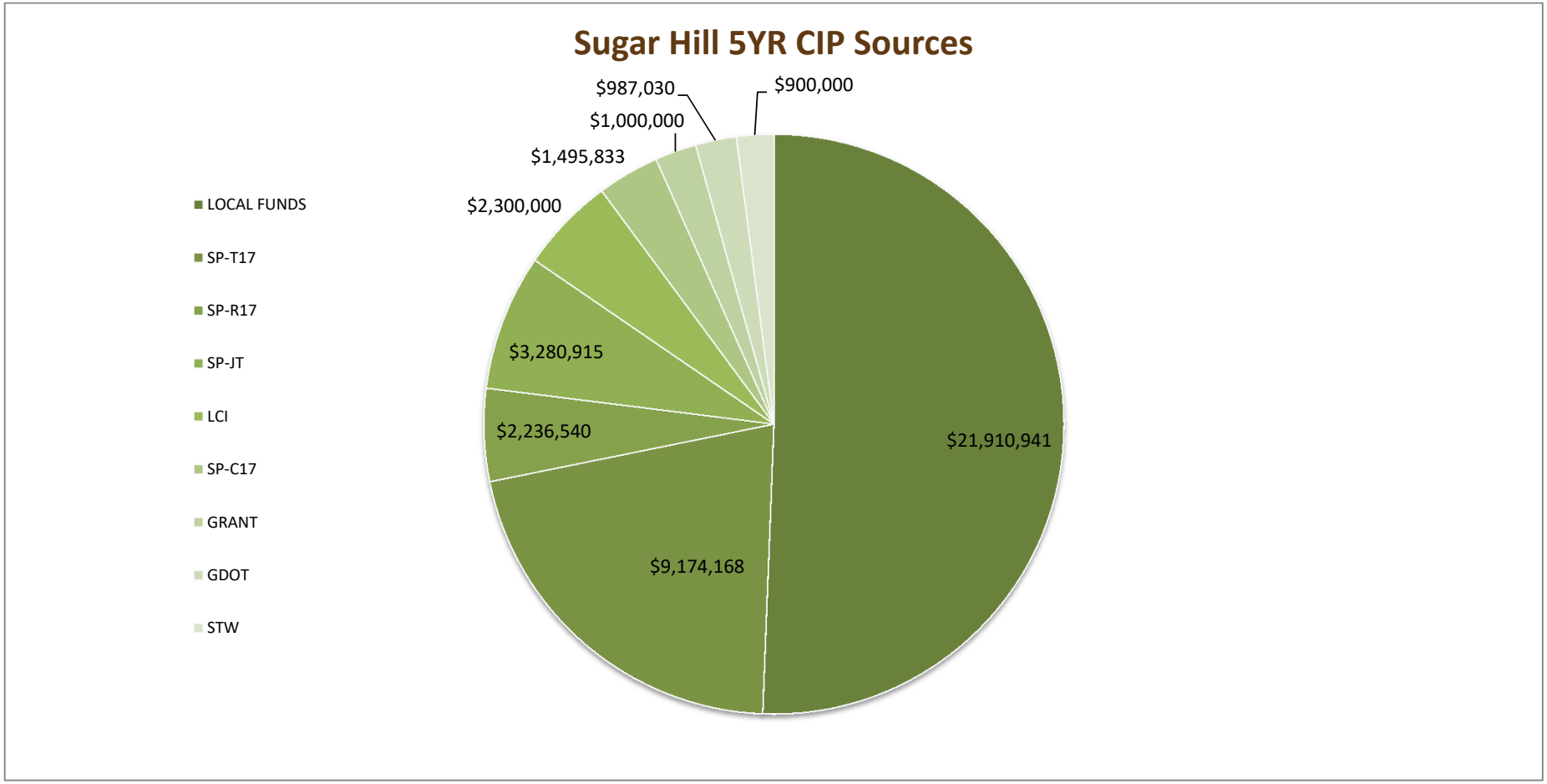


CAPITAL IMPROVEMENT BUDGET

2018 - 2022

Capital Improvement Project	Five Year Total	2018 Total	YEAR				
			2018	2019	2020	2021	2022
BOWL IMPROVEMENTS	1,250,000	436,242	☑		☑		☑
GARY PIRKLE PARK IMPROVEMENTS	850,000	150,000	☑		☑		
GATEWAY IMPROVEMENTS / WAYFARING SIGNAGE	245,000	95,000	☑		☑		
SUGAR LOOP - GREENWAY TRAIL PROGRAM	17,385,046	3,430,000	☑	☑	☑	☑	☑
LMIG - ROAD RESURFACING	1,800,000	450,000	☑	☑	☑	☑	
SPLOST SIDEWALKS- SDR, WHITEHEAD, SYCAMORE	782,975	782,975	☑				
CEMETERY SIGNAGE AND FENCING	150,000	150,000	☑				
COUNTY INTERSECTION PROJECT SDR - RIVERSIDE	475,000	237,500	☑	☑			
GOLD MINE PARK	900,000	50,000	☑	☑			
22 AC. PARK	1,000,000	85,000	☑	☑		☑	
GOLF COURSE CLUBHOUSE IMPROVEMENTS	300,000	150,000	☑		☑		
PROPERTY ACQUISITION - PARKS/GREENSPACE/DEV	3,520,000	880,000	☑	☑	☑	☑	
HIGHWAY 20 STREETSCAPE LANDSCAPING UPGRADES	1,000,000			☑	☑		
DOWNTOWN STREETSCAPE UPGRADES - INTERSECTION	2,252,406			☑		☑	☑
STORMWATER POND IMPROVEMENTS	900,000	300,000	☑		☑		☑
HIGHWAY 20 EAST WIDENING - DESIGN	500,000				☑		
RETREAT AT ORRS FERRY	1,600,000			☑	☑	☑	
HIGHWAY 20 PEDESTRIAN BRIDGE	2,900,000			☑	☑		
DOWNTOWN INTERACTIVE IMPROVEMENTS & PUBLIC ART	100,000			☑			
TRANSPORTATION / STORMWATER IMPROVEMENTS	2,500,000				☑	☑	☑
LEVEL CREEK ROAD EXTENSION & ROUNDABOUT	1,800,000			☑		☑	
WHITEHEAD ROAD ROUNDABOUT IMPROVEMENTS	1,075,000				☑	☑	☑

SUMMARY	TOTAL		2018	2019	2020	2020	2021
	$43,285,427		$7,196,717	$7,117,546	$11,635,406	$10,388,000	$6,947,758


Sugar Hill 5YR CIP Sources
LOCAL FUNDS
SP-T17
SP-R17
SP-JT
LCI
SP-C17
GRANT
GDOT
STW
$21,910,941
$9,174,168
$2,236,540
$3,280,915
$2,300,000
$1,495,833
$1,000,000
$987,030
$900,000

2018 CIP Funding Sources

	Annual Tot.	Local Funds	SP-T17	SP-R17	SP-C17	SP-JT	GDOT / LMIG	LCI	STORM WATER	GRANT
BOWL IMPROVEMENTS	$436,242	$0	$0	$0	$436,242	$0	$0	$0	$0	$0
GARY PIRKLE PARK IMPROVEMENTS	$150,000	$150,000	$0	$0	$0	$0	$0	$0	$0	$0
GATEWAY IMPROVEMENTS / WAYFARING SIGNAGE	$95,000	$95,000	$0	$0	$0	$0	$0	$0	$0	$0
SUGAR LOOP - GREENWAY TRAIL PROGRAM	$3,430,000	$0	$1,188,295	$0	$0	$2,241,705	$0	$0	$0	$0
LMIG - ROAD RESURFACING	$450,000	$102,594	$150,000	$0	$0	$0	$197,406	$0	$0	$0
SPLOST SIDEWALKS- SDR, WHITEHEAD, SYCAMORE	$782,975	$0	$0	$0	$0	$782,975	$0	$0	$0	$0
CEMETERY SIGNAGE AND FENCING	$150,000	$150,000	$0	$0	$0	$0	$0	$0	$0	$0
COUNTY INTERSECTION PROJECT SDR - RIVERSIDE	$237,500	$0	$237,500	$0	$0	$0	$0	$0	$0	$0
GOLD MINE PARK	$50,000	$0	$0	$0	$0	$0	$0	$0	$0	$50,000
22 AC. PARK	$85,000	$0	$0	$85,000	$0	$0	$0	$0	$0	$0
GOLF COURSE CLUBHOUSE IMPROVEMENTS	$150,000	$150,000	$0	$0	$0	$0	$0	$0	$0	$0
PROPERTY ACQUISITION - PARKS/GREENSPACE/DEV	$880,000	$0	$0	$880,000	$0	$0	$0	$0	$0	$0
STORMWATER POND IMPROVEMENTS	$300,000	$0	$0	$0	$0	$0	$0	$0	$300,000	$0
TOTALS:	**$7,196,717**	**$647,594**	**$1,575,795**	**$965,000**	**$436,242**	**$3,024,680**	**$197,406**	**$0**	**$300,000**	**$50,000**

2018 OPERATING
&
CAPITAL IMPROVEMENT BUDGET

Paul D. Radford
City Manager

November 6, 2017

Updated November 13, 2017

Section 6.24 of the Official Code of Ordinances of the City of Sugar Hill directs the City Manager to annually submit to the Mayor and City Council a proposed operating budget as well as a proposed capital improvement budget with recommendations as to the means of financing the proposed improvements for the ensuing fiscal year.

In accordance with **State law and the City of Sugar Hill's Official Code of Ordinances**, I hereby submit the proposed **2018 Operating and Capital Improvement Budgets** for your consideration. These same documents were filed with the office of City Clerk on Monday, November 6, 2017, and will be available for public inspection. The legally required public **notification** appeared in the Gwinnett Daily Post on **Friday, November 3, 2017**, which also notified the public of the submission of the budget documents, their availability for public inspection and the dates of the public hearings. The public hearings have been scheduled for Monday, November 13th at the November City Council Meeting and **December 11th** as part of the December City Council meeting.

2017 In Review

2017 was once again a busy year for the city and city staff. Staff remained laser focused on downtown development, greenspace planning, including making great strides in the execution of the Sugar Hill Greenway master plan, infrastructure investment and customer service.

The much-anticipated E Center has gone from earthwork and site development to the erection of the entire steel package of all three components of the development – theater, mixed-use and gymnasium. In October, the city and contractor celebrated the ceremonial "topping out"

with the installation of several steel beams signed by the community that are installed at the top of the roof-top bar area. Substantial completion of the entire project is expected in mid-2018 with the city taking possession of the project shortly thereafter.

The city took possession of the full site of the old J.W. Trucks in April 2017 which allowed for the expansion of the footprint of the E Center as well as improving access to the Bowl and construction site. A few portions of the property will be used for an expansion of the amenity pond for enhanced downtown stormwater management and the extension of Level Creek Road to Highway 20. The remaining property will be packaged with adjacent city parcels for a potential private sector development agreement.

Repairs and improvements were also made to the driveway and house of The Retreat at Orrs Ferry, the 71 acres the city purchased from the Trust for Public Land in 2015. The city was able to enhance the Highway 20 commercial frontage with the relocation of soil that was excavated from the site of the E Center. This will allow for the repackaging of the acreage along with an adjacent five-acre tract purchased in 2017.

Construction of the new RaceTrac facility at the southwest corner of Highway 20 and Peachtree Industrial Boulevard (PIB) is nearing completion with an expected grand opening in November 2017. We believe the city's design overlay requirements, as well as a creative partnership to alter traffic safety, have led to an attractive and functional development.

The city purchased the Buice School from the Gwinnett County Board of Education in April 2015 and leased the facility to three hybrid schools until the end of the 2016 school year. Portions of the building's facilities were also used by the Sugar Hill Players Guild and Broad Street Band as well as the city's Pickle Ball League during 2017. The site continues to be under a private sector development agreement for a $75 million mixed-use development featuring restaurant space, luxury millennial housing, structured parking, public open space and town homes; all sitting directly across the street from city hall and the new E Center. We anticipate construction to start on this project in the second quarter of 2018.

In late summer 2015, the city purchased some 7 acres that was formally known as the Heather Pines Trailer Park. That site, as well as some nearby real estate the city owns, is subject to a development agreement with the Solomon Group for a $70 million mixed-use independent living facility with approximately 175 independent living units and 40 one-car garage one-level duplex cottages, all with direct walking access to downtown Sugar Hill. This project, called "The Holbrook" has been delayed because of a change in product delivery. Originally, the developer was anticipating putting independent living, cottages, assisted living and memory care on the same real estate footprint. The assisted living and memory care components have now been removed and are being proposed as a separate project (see below). We now expect construction to begin on the independent living and cottages in the third quarter of 2018, with an expected opening in early 2020.

In early 2017, the city entered into another development agreement with the Solomon Group to move the assisted living and memory care portions of the original project to the other side of West Broad Street on real estate the city had assembled over the past ten years. This project, called Dogwood Forest, has received all zoning and design review approvals and is scheduled to close and start construction in the first quarter of 2018, with an expected delivery date of the fall of 2019.

In late 2015, the city secured the final acreage of what is referred to as the Temple Drive footprint and signed a development agreement with a private sector developer. The project, known as the ICONIC, has been approved by city council and once completed, will consist of a 160 room full-service Wyndham Hotel, 28,000sf conference center, parking deck, niche grocery store, retail, restaurant and office space and a residential component as well. This has been a complex project with a lot of moving parts considering the site is a relatively small (4.2 acre) footprint. We continue to work with the developer to find the right pathway to success and feel we have made significant progress and expect this project to begin initial stages of site development by the summer of 2018 and be under full vertical construction by the fourth quarter of 2018. Opening of the hotel, conference center, mixed-use, office, residential and parking facility is expected by late 2020. Using in-house staff and equipment, we demolished the former sites of Sugar Hill Auto Collision and the Sugar Hill Car Wash and where possible, repurposed or sold some of the salvaged materials.

The Dawn P. Gober Community Plaza and Sugar Hill Splash Park were fully operational in 2017, attracting large crowds daily. The award-winning "Bowl @ Sugar Hill" has become a popular place for production-level concerts. The sold-out 2017 Quantum National Bank Concert Series featured Collective Soul, Boz Scaggs, KC and the Sunshine Bank, Josh Turner, Ben Folds and the Atlanta Rhythm Section. In addition to hosting all of these sold-out concerts, improvements were made to the Bowl mid-concert season to add additional seating and viewing amenities.

The Dawn P. Gober Community Plaza doesn't go silent after the conclusion of the concert series either. In Sugar Hill, winter wouldn't be the same without ice – preferably the kind you skate on – so back again by popular demand is the Ice Rink @ Sugar Hill. Once again located on the specially-designed community plaza area behind city hall, the ice rink opened for the season on November 11th and will remain open until early February. The ice rink attracts over 10,000 visitors for the season to downtown Sugar Hill.

We recently renewed our emphasis and commitment to first-class customer service, providing city-wide training to our entire staff, regardless of the role they play in city. We also invested in our online passport reservation/appointment system to enhance the customer experience.

2014 SPLOST projects and expenditures were completed in 2017 and we are grateful to the voters of Gwinnett for the overwhelming approval of the new 2017 6-year SPLOST that started in April 2017. The city will use a substantial portion of its SPLOST allocation for the construction of the popular Sugar Hill Greenway, new passive parks, Bowl improvements and transportation.

Consumer confidence remains high as SPLOST revenues have already exceeded forecasted expectations allowing for continued investment in important local capital improvements.

Fiscally, the city remains in excellent financial shape, both in liquid (cash on hand assets) as well substantial real estate holdings for current and future development as well as new parks and greenspace. The city maintains, by policy, a $3 million restricted operating reserve (currently at $3.2 million) and has also been able to designate a $500,000 reserve for the gas fund, now estimated at $506,000. City cash reserves, despite an aggressive investment in strategic real estate acquisitions over the past four years, will end at close to $10 million in 2018.

For the fourth year in a row, the city has received an "unqualified audit report", which means the audit report issued by the city's audit firm is issued without qualification and is free of any encumbrances or conditional statements. We are proud of our finance staff and the entire management team that work hard throughout the year to follow established procedures and maintain integrity in everything we do.

In 2017, the second of a three-stage monthly gas service fee increase went into effect, starting with $2 in 2016, another $1 in 2017. The final $1 increase will be implemented with the first 2018 gas billings. Even with this overall $4 monthly service fee increase (the first in 15 years) the city's municipal gas system maintains its position as the second lowest 12-month average cost to the consumer of any municipal system and by comparison, approximately 40% to 50% less expensive than the rates offered by all private gas marketer in the state. Sugar Hill gas is a cost effective and highly competitive energy source and we are proud of our customer service and safety record. In October, we initiated the first phase of the new electronic meter-reading system.

The city's tax digest continued its recovery from years of stagnation caused by the "Great Recession" which is a strong indicator of the continued confidence in the Sugar Hill market. Building permit fees, development fees and other related construction fees have shown dramatic growth this year. New housing development and business expansions are under construction all across the city. We welcomed two corporate headquarters to Sugar Hill – Russell Landscape Company and Reeves-Young Construction. New residents and the development community are excited about the city's investment in downtown and the well-known and highly-respected placemaking initiatives.

Showing that working together can make a significant difference, the city will partner with Gwinnett County once again leverage city 2017 SPLOST funds for joint transportation projects, including the Sugar Hill Greenway and strategic sidewalk improvements. In previous years, joint projects have included safety improvements to three Suwanee Dam Road intersections – Whitehead, Ramey, and Riverside – as well as Buford Highway at Westbrook Road.

In summary, 2017 has been a busy year with the construction of E Center in full swing, new murals installed on the sides of the old city hall, and working with our private sector partners to get all of these developments closer to execution. We anticipate 2018 to be a busy construction

year downtown with the completion of the E Center in June, start of the Dogwood Forest project in April and site work starting on the Broadstone project (Buice school property) in early summer.

The city's strategic land purchases, which have converted some cash reserves into valuable real estate assets, has been key to helping the city council and the Downtown Development Authority (DDA) direct the implementation of the City's community-based Downtown Master Plan and vision. Owning the underlying real estate enables the city and DDA to move in the direction the city wants, not where short-term land speculators would take the city. While this can sometimes be slow and frustrating, it helps ensure that our partners are committed to the vision, not just a quick profit with no long-term commitment to Sugar Hill.

Downtown Sugar Hill is well known now across the region and state and is becoming a focal point of the community and the larger north Gwinnett market area. With the continued development of the downtown area, it will soon become a destination for others visiting this part of the state. Improvements to the Bowl, a top-notch concert schedule, onboarding of the E Center and the new Eagle Theater and the completion of the first 5-mile leg of the Sugar Hill Greenway all point to a vibrant, connected and sustainable downtown that serves as the heartbeat of a diverse and engaged community.

The city's elected leadership, city staff and hundreds of community volunteers have an unquestioned passion for Sugar Hill and a laser-focused vision for the future. One of the city's greatest assets is its citizens. They are engaged, supportive and vocal cheerleaders for the city.

2018 Budget Highlights

The 2018 Operating Budget reflects a 3.54% decrease over FY2017 expenses, despite the onboarding of the Eagle Theater, new gymnasium and mixed-use components of the new E Center. This perceived reduction is a reflection of our development position as a city. In 2017, we committed significant resources for land acquisition which are not reflected at the same level in the proposed 2018 budget. The key elements influencing the budget are enhanced service delivery, including median and right-of-way maintenance on the recently completed Highway 20, gas system upgrades, and new recreation facilities and offerings. We continue to make investments in our staff through professional development, health and dental coverage, retirement contributions as well as our continued investment in the motto of "Go Big or Go Home," all while ensuring the city remains in a strong and sustainable fiscal condition.

The budget includes 5 new staff members (2 theater; 1 recreation; 1 community engagement; and 1 in stormwater). It also includes 5 new part time employees (4 recreation and 1 planning).

The 2018 Capital Improvement Budget shows a continued commitment to key community goals of a world-class downtown, parks and greenspace, transportation and walkability.

The E Center started construction in September 2016 (NewSouth Construction) and will be substantially completed by April 2018 with an expected occupancy of June 2018. The construction and delivery of the E Center is a critical catalyst for Sugar Hill's downtown renaissance, changing the landscape and skyline for years to come.

Total capital improvements for FY 2018 are $7,196,717, with most dedicated to the start of the Sugar Hill Greenway, sidewalk improvements along Suwanee Dam Road, Whitehead Road and Sycamore Road, transportation improvements as well as improvements to the historic downtown Sugar Hill Cemetery. Please note the construction of the E Center is reported as a Sugar Hill Downtown Development Authority project. The city's lease for the gymnasium, theater and remaining debit service are reflected as city expenditures.

The three public-private partnership agreements in place – HOLBROOK, DOGWOOD FOREST, ICONIC and BROADSTONE – were expected to close in 2017 but are now all on track to close in 2018. Dogwood Forest in the first quarter; Broadstone Part 1 in second quarter; Holbrook in third quarter; ICONIC in second quarter; and Broadstone Part 2 in fourth quarter.

As management staff, we will continue to look for efficiencies in service delivery, work every day to deliver world-class customer service, nurture and improve staff capacity, search for opportunities to increase public greenspace and passive parks, deliver first class special events and embrace strategic partnerships for development.

Organizational Chart and Position Count

Legislative Branch – 6 Positions

Steve Edwards, Mayor
Curtis Northrup, Mayor Pro Tem
Marc Cohen, Council Member
Susie Gajewski, Council Member
Brandon Hembree, Council Member
Mike Sullivan, Council Member

The city is served by five Council Members and a Mayor, each elected at-large. The Mayor Pro Tem is elected by the Council for a two-year term. Collectively, the Mayor and Council serve as the city's legislative body, responsible for enacting city ordinances, making land use and zoning decisions and appropriating all necessary funds to conduct city business.

The Mayor and Council appoint the City Manager and City Clerk, as well as the City Attorney, Municipal Court Judge, City Auditor and Superintendent of Municipal Elections. The Mayor and Council also designate the city's official legal organ for the purpose of publishing legal notices required by charter, state or federal laws.

The Mayor and Council provide policy direction and leadership to a wide range of city authorities, committees, boards and commissions, as well as serving as a liaison between the city and citizen groups concerning community issues. These include:

Planning and Zoning Commission
Sugar Hill Downtown Development Authority
Development Authority of the City of Sugar Hill
Sugar Hill Historic Preservation Society
Alcohol Review Board
Sugar Hill Arts Commission
Sugar Hill Youth Council
Design Review Board

It is the goal of the Mayor and Council to provide positive and transparent leadership and at all times conduct city business in a fair and ethical fashion. The Mayor and Council also work to encourage citizen engagement and to conduct all work sessions and official council meetings in an orderly, legal, constructive and respectful manner.

Finally, the Mayor and Council strive to maintain and provide a wide range of high-quality municipal services that are responsive to citizen needs, are fiscally-responsible and enhance the economic health of Sugar Hill.

Executive Branch –56.5 Positions

The ***City Manager*** is appointed by the Mayor and Council and is responsible for the execution of policies, directives and legislative action by the Mayor and Council as well as compliance with state and federal laws, rules and regulations. The City Manager oversees the preparation of the annual operating and capital improvement budgets and supervises the expenditures of all appropriated funds. The manager is also responsible for the administration of all personnel policies along with the employment and discharge of all city personnel not appointed directly by Mayor and Council according to the provisions of the City Charter.

It is the goal of the City Manager and the executive management team to promote and maintain a safe, pleasant and professional work environment that embraces the attitude of world-class customer service and efficient delivery of high-quality municipal services.

The ***City Clerk*** is appointed by the Mayor and Council and is responsible for the posting of all meetings of the Mayor and Council, manages records of all meetings, publishes meeting minutes in a timely fashion, responds to all requests for records covered under the Open Records Act and serves as the official custodian of all city records. The Clerk is also responsible for property tax billing, occupational licensing, occupational tax collection and alcohol beverage licensing. By action of the Mayor and Council, the City Clerk also serves as the Superintendent

of Municipal Elections and is authorized to employ trained temporary poll workers for the fair and responsible execution of qualifying, reporting and election.

Other Direct Appointments

The ***City Attorney*** serves at the pleasure of the Mayor and Council and serves the city in an advisory capacity by interpreting federal, state and local laws as they pertain to the conduct of city business. The City Attorney advises the city on contract, personnel and real estate matters, and also represents the city in all litigation. Mr. Frank Hartley and Mr. Lee Thompson of the law firm of Thompson, Sweeny, Kinsinger & Pereira P.C., of Lawrenceville, Georgia currently serve as City Attorney.

The ***City Auditor*** serves at the pleasure of the Mayor and Council and is responsible for the annual audit of all city funds, operations and fiscal management processes. The auditor is charged with preparing an annual audit for presentation to the Mayor and Council that is done in accordance with Generally Accepted Accounting Procedures (GAAP). The audit provides a financial report of the city as well as any recommendations for improving fiscal management policies, practices and processes or addressing any deficiencies. Mr. Wayne Tuck of the firm of Walker, Pierce & Tuck Associates PC, CPA's of Gainesville, Georgia currently serves as the City Auditor.

The ***Municipal Court Judge*** serves at the pleasure of the Mayor and is the judicial/administrative body of the city charged with resolving disputes arising from the enforcement of the various laws, codes and ordinances of the city. Items such as code enforcement, property maintenance and nuisance violations are heard by the court. The City Attorney serves as the City Solicitor and represents the city before the court. The Municipal Court is served by a certified Municipal Court Clerk charged with preparing the court docket, collecting fees and fines and complying with state law and reporting requirements. It is the goal of the Municipal Court to efficiently improve the operation and administration of city codes and ordinances and provide for equitable application of such codes and ordinances.

Executive Management - 7 Positions

Paul Radford, City Manager
Troy Besseche, Assistant City Manager
Robyn Adams, Executive Services Manager
Nancy Dutton, Administrative Assistant to the Manager and Assistant City Manager (Part-time)
Tim Schick, Assets and Facilities Administrator
Joe Sokenis, Facilities Manager
Vacant, Facilities Maintenance Technician
Steve Durden, Downtown Project Coordinator (Part-time)

Operating Departments – 49.5 Positions

Administration - Jane Whittington, City Clerk **(3.5)**
The administration budget is embedded in the Administration portion of the General Fund budget. The City Clerk serves as the city's Human Resources Director, supervises the functions of the Customer Service area, three part time employees assigned to the Post Office as well as a part time employee assigned to the passport function. During the 2017 budget year, one additional part-time clerk for the post office was hired under the condition that there would be no additional cost to the city. This new part-time clerk works one day a week that was previously alternated between the other two part-time clerks and also fills in when needed for vacations or sickness. This was a revenue neutral action but does increase the manning count.

Public Works – Troy Besseche, Assistant City Manager & Director of Public Works **(16)**
The Assistant City Manager also serves as the Director of Public Works. Public works consists of streets, sidewalks, stormwater, and the city's out-sourced sanitation services. The Assistant City Manager also serves as the director of the city's gas utility, explained further under Enterprise Funds. The city's Facility Manager, and the vacant Facilities Maintenance Technician, report directly to the Assets and Facilities Administrator and are responsible for the day-to-day care and maintenance of City Hall and other city-owned buildings and structures. The Assets and Facilities Administrator reports to the Assistant City Manager and is involved in the documentation of systems, new asset management and project development.

Cemetery (0)
This is a new budget item in 2018 after the city council took action to assume ownership, management and maintenance of the historic Sugar Hill Church cemetery located on West Broad Street. Funding reserves will be transferred from the Sugar Hill Church foundation to a special restricted account in the city. Working with our Public Works and Recreation staff, the Sugar Hill Historic Preservation Society will play an active role in managing and maintaining this cemetery as well one additional small cemetery recently discovered.

Finance – Cindy Pugh, Director **(3)**
The Finance Department is responsible for accounts receivable, accounts payable, purchasing and payroll, as well as analyzing the general operations of the city's budget for trends, concerns and opportunities. The Finance Department will also assist with city investment policies, budget development and the preparation of the annual audit completed by an appointed outside auditor. The goal of the Finance Department is to be a good steward of public funds, provide timely payments to vendors, actively collect all revenues due to the city and provide timely and understandable monthly financial reports to the City Manager, department heads, Mayor and Council and the general public.

Marketing and Communications (2)
The marketing and communications staff has been reassigned to the administration budget to more accurately reflect the city-wide duties associated with that function.

Planning and Development - Kaipo Awana, Director **(7)**
The Planning and Development Department is responsible for long and short term planning, GIS, zoning, stormwater management compliance, development permits, building inspections and code enforcement and assists the City Manager in any annexation requests. The goal of the department is to ensure that all developments, buildings and structures are built and maintained to code and that all development is in compliance with city ordinances and resolutions.

New Positions: Management has reassessed the work load, and instead of hiring a full-time Building Inspector to replace the vacancy that occurred last year, we have reassigned an existing employee to that position who has earned his credentials as a certified building inspector. We are also recommending one new part-time position dedicated to code enforcement.

Recreation - Andy McQuagge, Director **(10)**
The Recreation Department is responsible for the management of city parks, greenspace, golf course and the community center, as well as providing classes and training opportunities for seniors, teens, youth and families. The city's world-class recreation and event facilities include Gary Pirkle Park, the Retreat at Orrs Ferry, the Community Center, City Hall, The Bowl, Dawn P. Gober Community Plaza, Sugar Hill Splash Park and the new E Center. The Recreation Director also oversees the management, operation and maintenance of the Sugar Hill Golf Club and will also be charged with management of several new pocket parks and the Sugar Hill Greenway that will start construction in 2017.

New Positions: With the onboarding of the E Center, we recommend one new full time employee and four (4) part-time employees to assist with the staffing of the E Center at night and weekends. An existing employee has been promoted to the position of "Athletic Coordinator" to oversee new offerings at the E Center gymnasium.

Eagle Theatre (2)
With the completion of the E Center, the Eagle Theatre will become another addition to the city's list of world-class entertainment options. The theatre will be used for a multitude of activities including movies, the Sugar Hill Players Guild, traveling stage and concert events, community events, corporate events and other rentals.

New Positions: We are recommending the addition of two new staff members to manage the day-to-day operations of the theatre. One of these staff members will be a Program Manager focused on coordinating and interfacing with internal and external users of the theater and one will be a Technical Manager focused on the technical management of the facility.

Bowl/Plaza Events (2)
Two staff members that were previously in the Economic Development Department have been redeployed into management and execution of concert and other events for the Bowl and

Plaza(s). Actual organizational structure of this important function will be finalized in the next few weeks.

Economic Development and Community Engagement – (Vacant) Director **(2)**
This was a new department created in 2014 in recognition of the city's commitment to community events, concerts, special events, food trucks, farmers markets, 5K runs and other community engagements. After several years of operations and the onboarding of the new E Center, we have recommended the redeployment of the other staff assigned to this department and will work to recruit individuals capable of managing our downtown and economic development recruitment efforts as well as community engagement.

Information Technology – Ned Jasarevic, Director **(2)**
The Information Technology Department is responsible for developing and maintaining the city's information technology infrastructure, desktop units, Wi-Fi network and back office business functions, including on-line bill pay, accounting software, building security systems, and other proprietary applications. The Department is also responsible for the development and maintenance of the city's web site.

Public Safety – Outsourced to Plaza Security **(0)**
In 2009, the city made the decision to contract with a private security firm – Plaza Security – to provide patrol of residential, commercial and industrial areas of the city. Plaza Security officers rotate their shifts to provide a minimum of 80 hours of service per week. The company provides a weekly report to the City Manager and others in the city and also coordinates its efforts with the Gwinnett County Police Department. The goals of this out-sourced service is to provide a security presence and patrols to improve the quality of life for residents and to help serve as a deterrent to criminal activity in the city. This budget recommends an increase in the General Fund as well as the DDA/E Center budget to expand our contractual relationship with Plaza to assist with security at the E Center as well as the opening of the first leg of the new Sugar Hill Greenway.

Sanitation – Outsourced to Advanced Disposal **(0)**
The city entered into an agreement with Advanced Disposal Services several years ago to "franchise" the city's collection and disposal of residential, commercial and institutional waste as well as recycling services. The service level options and costs are negotiated by the city and city staff provide customer service oversight to ensure consistent and reliable service. The cost is paid directly by the customer.

Enterprise Funds – 28.5 Positions

The City operates three enterprise funds – a municipal gas system, an 18-hole municipal golf course and a stormwater utility - each supported from revenues generated from the operation of the enterprise. If fees do not generate sufficient revenues to cover the cost of the operation, the City Council can make the policy decision to use General Fund revenues or other sources of revenue to help provide the service. Historically, the only enterprise receiving transfers from the General Fund was the Golf Fund and these transfers were accomplished at the end of the

fiscal year. Starting in 2015, the council has budgeted for a general fund transfer to support the Golf Fund when adopting its budget rather than making a transfer at the end of the fiscal year to cover the revenue shortfall. The projected shortfall for FY2018 is higher than the previous three years, partially attributable to the purchase of new mowers and other needed building and course improvements. The other three enterprises are self-supporting. The transfer from the General Fund for the projected shortfall is shown in the Recreation budget while previously it had been reflected in the Administration budget.

Gas Fund / Department– (15.5)

Johnny Upchurch, Superintendent

The city is blessed to own and operate a state law designated territory for the sale and delivery of natural gas that is regulated by the Georgia Public Service Commission. The system provides gas service to approximately 10,500 residential and commercial customers, both within the corporate limits of the city and directly outside of the city. The city is a member of the Municipal Gas Authority of Georgia (MGAG), as well as the American Public Gas Association. The city purchases its bulk gas supply through a contract with MGAG. The city's twelve month rolling cost to the gas customer is the 2nd lowest in the state among all municipal gas systems as well as substantially lower than every unregulated gas marketer. The Gas Department works hard to ensure safe, reliable and uninterruptable service and makes every effort to be professional, respectful and provide world-class customer service. The Gas Department has and continues to upgrade its delivery system and with the widening of Highway 20, a number of line and redundancy improvements have been made to ensure cost-effective and reliable service to our city for years to come. The 2017 budget included funds to help with the first phase of the system's meter replacement and automation program. We will continue the upgrading process in 2018 by replacing approximately 2,000 meters.

Golf Course – (8)

Scott Murphy, Club House Manager
Jeff Hefner, Golf Course Superintendent

The Sugar Hill Golf Club opened in the spring of 1992 and since that time has proven to be one of the most beautiful and artfully laid out public 18-hole courses in north Georgia. The course sits atop one of the highest spots in Gwinnett County and its rolling hills provides some of the most spectacular golfing vistas anywhere. The clubhouse has a full-service bar, grill and banquet facility. A driving range and putting green are available for practice, lessons and pre-round warmup. The course has been rated by one golf publication as "18 of the finest holes in North Georgia." The golf course employs 18 part-time employees but these have never been shown in the budget document. We are adding them for the first time this fiscal year.

Stormwater Management – (5)

Troy Besseche, Assistant City Manager & Director

The city's Stormwater Management function operates as an enterprise fund, having been established under the legal framework of a stormwater utility and fee structure. The department operates out of a number of departments, sharing some of the traditional utility functions associated with billing, customer service, and administration with other departments. Several of the staff members are dedicated, stormwater-only full-time employees that work out of the shop, repairing and maintaining the infrastructure, providing surface water sampling, and supporting the compliance efforts of the program. The Municipal Separate Storm Sewer System (MS4) consists of 40.38 miles of pipe, 1,479 catch basins, and seven city-maintained detention ponds.

New Position: This budget includes funding for one new entry level stormwater employee.

Judicial Branch – (0)

Margaret Washburn, Municipal Court Judge – direct appointment of Mayor and Council

The Municipal Court is the judicial/administrative body of the city charged with resolving disputes arising from the enforcement of the various laws, codes and ordinances of the city. Items such as code enforcement, property maintenance and nuisance violations are heard by the court. City Attorney Frank Hartley serves as the City Solicitor and represents the city before the court. The Municipal Court is served by Naomi Brown, a certified Municipal Court Clerk charged with preparing the court docket, collecting fees and fines and complying with state law and reporting requirements.

General Fiscal Policies and Management

The city continues to maintain reasonable and effective financial management practices. The city responsibly allocates financial resources and carefully monitors expenses to put the city in the best possible position for development opportunities. Our finance staff is all well trained. Our finance director has received Level II Certification from the Georgia Government Finance Officers Association (GGFOA). The city's two finance specialists will also be continuing their quest for certification during 2017.

The city council also received and accepted the "Unqualified 2016 Audit" in mid-summer and the Georgia Department of Audits approved the submission last summer as well. "Unqualified" is an accounting term that states the auditor is giving his highest opinion of the financial status of the city without any qualifying notes, comments or concerns. All state-law required financial and operational reports have now been filed with requisite state agencies and bond reporting entities. The first three capitalized interest debt service payments on the E Center have also been paid. The fourth and last one will be paid this month.

Operationally, staff has been trained, equipped and empowered to manage department budgets and to take actions to properly guarding the public trust. Regular budget reports are

being circulated to staff for review, proper documentation is being secured with requisitions, purchasing is being supervised centrally, and bills are being paid on time. Strict adherence to standard operating procedures is the expected level of compliance.

The City Manager is implementing the historical financial reserve, debt, capital improvement, and investment policies currently in place. The city maintains operating budget unrestricted reserves, above the policy-established minimum, to account for undefined projects and for unforeseen emergencies. This cash reserve position puts the city in a strong and resilient position with the flexibility and nimbleness to respond to changes in the economy and to seize opportunities to improve the community. We expect increases in fund balance from 2017 to 2018 as a result of planned real estate transactions.

A five-year capital improvement program (CIP) has been developed, totaling nearly $50 million of investment over the five-year period. The 2018 CIP budget is approximately $7.2 million, with the majority of that assigned to the start of the Sugar Hill Greenway and sidewalk improvements. The costs associated with the construction of the E Center have been moved to the Downtown Development Authority (DDA) budget.

The CIP is expected to be fully funded within that five-year period with cash on hand, including SPLOST and grants, helping maintain a "pay-as-you-go" practice within the proposed program. Any large new capital improvement would require council action to finance it through any type of debt instrument.

For the third year in a row, the current year capital budget and the remaining four-years of the CIP is presented as a separate fund in the budget document. The CIP focuses on the Sugar Hill Greenway, road, street and bridge projects, sidewalk improvements, recreation and continued investments in the Bowl. Each of these investments is designed to support the city's continued growth while maintaining a high level quality of life for its citizens.

We are also extremely proud of the city's staff and volunteers that helped achieve our 2017 goals and played an important role in the development and refinement of this budget proposal.

These are exciting times in Sugar Hill. The widening of Highway 20 is completed, helping usher in the Sugar Hill of tomorrow that is developing before our very eyes. The transformation of our downtown landscape over the next 24-36 months is going to be remarkable.