



**City of East Point: Finance Department**

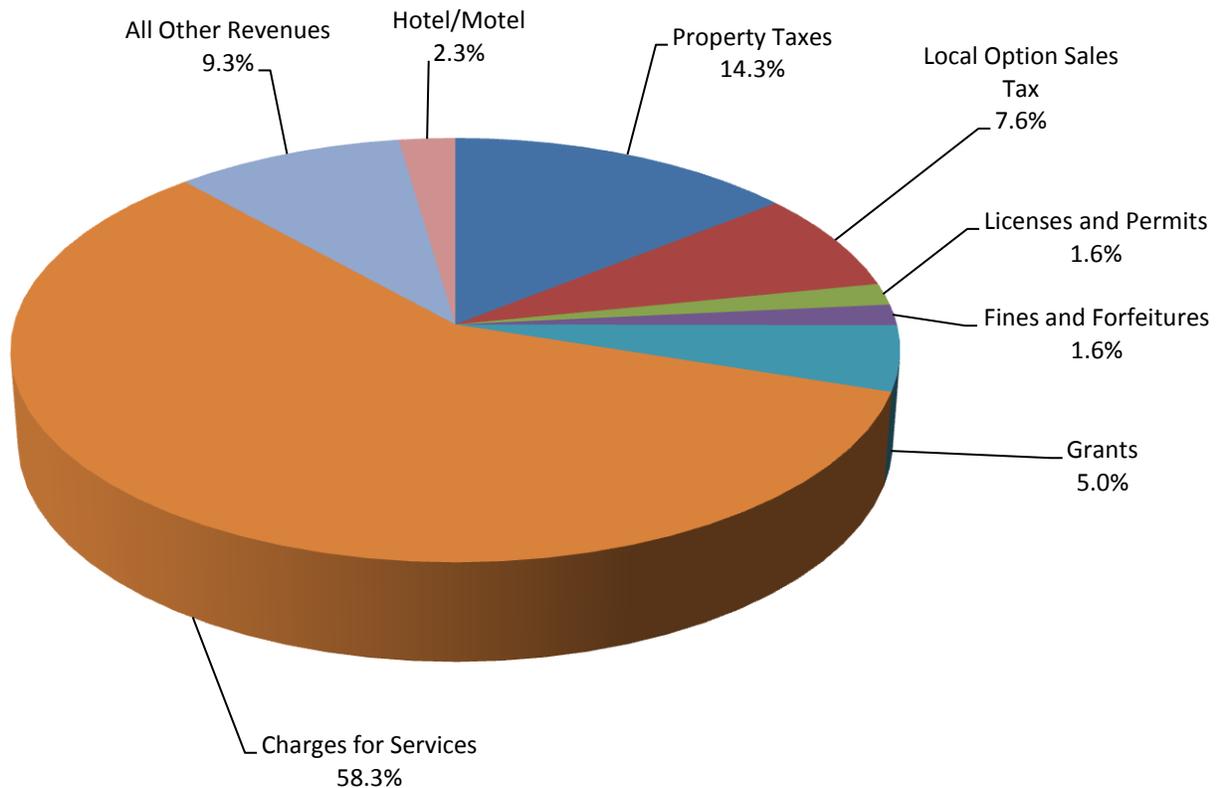
**A Citizen’s Guide to the City Budget and Budget Process**

**City Government**

The City of East Point provides many services, including police protection, fire fighting, emergency medical services, parks, etc. The City also supplies and charges for electricity, water, sewer, recycling, and trash collection services. The City of East Point does not operate schools, colleges, or the bus system. Fulton County Public Schools is a separate government that operates the public schools. Fulton County is responsible for the library, and Superior and District courts. The State of Georgia government provides money for some universities, community colleges, and most health and human service programs. The City receives money from taxes, including taxes on property, retail sales, and businesses. The City also charges fees for some programs and activities, utilities, and building permits.

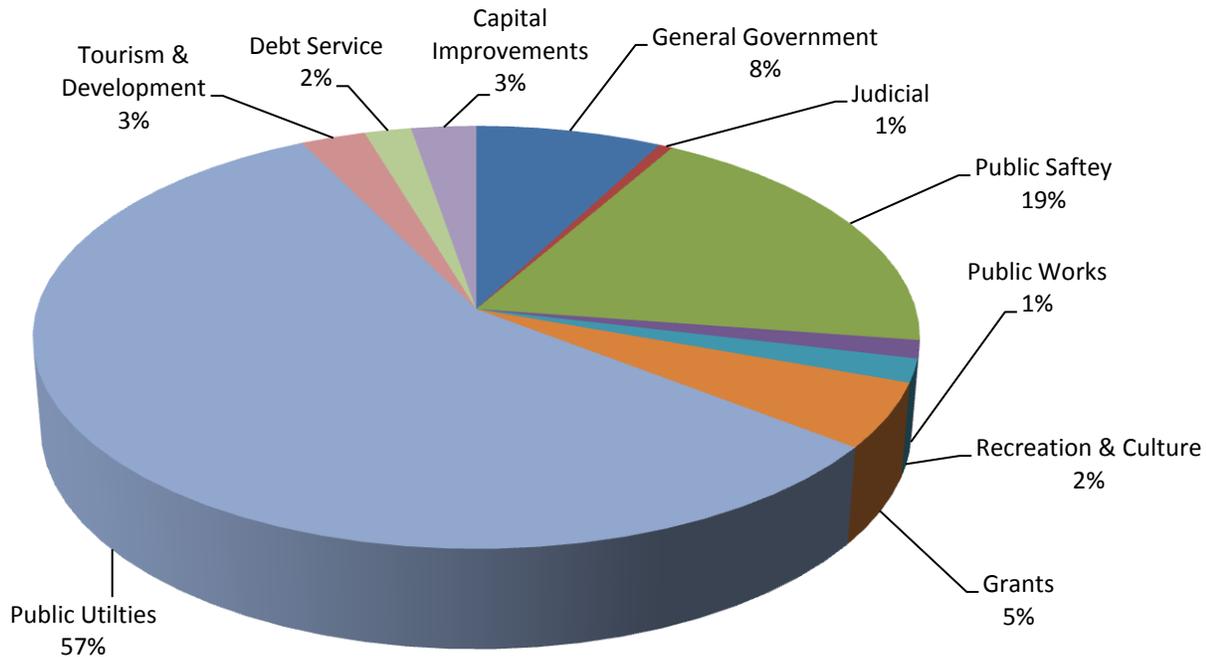
**Where the Money Comes From**

This pie chart shows the projected revenue sources that would be used to fund the FY13 Proposed Budget.



## Where the Money Goes

This pie chart shows how revenues are allocated in the FY13 Proposed Budget.



## The City's Budget Process at a Glance

The City Manager of East Point by city charter is "CEO" of the city and responsible for managing City government. Annually, the City Manager proposes a budget to the City Council. City policies are established by the eight members of City Council.

The City Council reviews the City Manager's proposed budget, makes changes, if needed and approves the final budget. Before voting, the City Council holds public meetings to hear directly from citizens recommendations about how they think the City's money should be spent. The main focus is on the "General Fund" portion of the City budget because this Fund provides the traditional city government services, such as police, fire, and parks.

The City also has other funds through which resources for City services are allocated, including: the Electric Fund, Solid Waste Fund, Stormwater Fund, Water & Wastewater Fund, Customer Care Fund and the Fleet Maintenance Fund.

The City Charter requires East Point to adopt a budget by the second Monday in June each year for the upcoming fiscal year. Per the State of Georgia Code, the budget must be balanced, meaning revenues equal to spending. Spending amounts, are established when the budget is adopted by the City Council, and cannot be changed without further votes by the City Council. The City's 2013 Proposed Budget totals \$121.1 million, including the \$35.6 million General Fund and \$4.6M in Capital Projects.

## **Budget Preparation**

Generally, work on the City Manager's proposed budget starts in February and finishes when it is given to the City Council, in late April. Two documents are submitted: an "operating budget" and a "capital budget". The budget covers all City operations and provides legal authority for spending once it is adopted by the City Council. The Capital budget is a companion to the operating budget and provides information about all the City's capital projects. Capital projects are those that fix, improve or add to the City's facilities. Street repairs, sidewalks, water pipes, park improvements, and fire stations are all examples of Capital projects. The Capital plans five years ahead and is updated each year. The Capital Plan is a planning tool, supporting the actual appropriations made through the budget.

Based upon anticipated costs to continue "current services" the Finance Office establishes a baseline to prepare the budget. Current services include programs and services the City provided in the previous year, as well as commitments that will affect costs in the next year, such as voter-approved taxes for transportation improvements, as well as labor agreements and changes in health care and other costs.

The City prepares revenue forecasts, which are used to decide whether the City will have enough money to cover the expected costs of the "current services" budget. The revenue estimates are based on the prior twelve months of experience. Once the City Manager knows how much money is expected to be available, he or she can decide if something needs to be cut from the budget, or can be added, or if a new revenue source, such as a fee increase, needs to be proposed to cover services the City Manager wants to offer. In February, departments provide Finance with a preview of requested changes to their current budgets. These requests are called "Budget worksheets." The worksheets provide brief descriptions of specific suggested budget cuts or increases. Finance and the City Manager review these requests and provide guidance to departments.

In early March, Finance receives budget and Capital proposals from all departments. Finance and the City Manager review and evaluate department budget proposals, and balance these with available revenues.

Once the City Manager has made decisions, Finance works with the departments to prepare the proposed operating budget and Capital budget. The Operating budget also describes how grant funds will be spent. The City receives grants and other monies from the federal and state governments. Most grants awarded are or specified human services programs. In early April, the City Manager submits both the proposed operating and capital budgets to the Mayor and City Council.

## **Budget Adoption**

After the City Manager submits the proposed budget and the Capital plan, the City Council conducts public hearings to hear directly from residents. City Council members then recommend specific budget actions for consideration by their colleagues. After hearing from residents, and reviewing and evaluating the proposed budget, the Council decides what changes it wants to make to the proposed budget. The City Council usually adopts the budget in June. The budget must be passed by majority vote – at least five of the eight Council members. The Mayor can choose to veto the budget. Should the Mayor veto, City Council can override or concur with the veto. Copies of budget documents are then made available for public inspection in the City Clerk's office and on the Internet at <http://www.eastpointcity.gov/financedepartment>.

## **Making Your Voice Heard**

East Point residents have several opportunities during East Point's budget process each year to voice to the City Manager, Mayor and City Council how they want their dollars spent. In addition to the special public meetings the Council holds each fall, residents can call and/or write the City Manager and City Council throughout the year. To have an impact on the City Manager's proposal, residents are urged to contact the City Manager as early in the year as possible.

## **City of East Point - Finance Office Contact Information**

404-669-4301

<http://www.eastpointcity.gov/financedepartment>