



City of Sugar Hill 2020 Budget At-A-Glance

November 22, 2019

- State law requires local governments (cities and counties) to annually prepare and adopt a balanced operating budget as well as a capital improvement budget while identifying the sources to fund the CIP.
- State law and the city charter require that the proposed operating and capital improvement budgets be advertised and made available for public inspection in the Office of the City Clerk and the city's web site.
- The notice of availability of the proposed **2020 Operating and Capital Improvement budgets** appeared in the Gwinnett Daily Post on November 20, 2019. The budgets will be available for public inspection on November 22, 2019, in the City Clerk's office and city web site.
- This same notice also notified the public of the dates of the two required public hearings (**December 2, 2019 and December 9, 2019**) prior to adoption of the budgets by the Mayor and Council.
- The **2020 General Fund Operating Budget** represents an **9.2% increase** over our current budget. Several important investments contribute to this increase.
 - The **\$29,610** increase for the **Mayor and Council** department reflects the proper allocation of required "Property and Liability Insurance" coverage. Previously this was captured in the administration budget. Otherwise there are no changes to this department.

- The **\$305,405** increase for the **Administration** department reflects a commitment to new facility maintenance costs, custodial staff and project management staffing.
- The **\$363,165** increase in **Public Safety** reflects a commitment to enhanced public safety with three (3) POST-certified officers and one (1) administrative staff member to keep city assets such as downtown, parks and the new greenway safe and family friendly. These personnel will not be providing traffic enforcement.
- The **\$54,845** increase in the **Cemetery** department reflects increased maintenance and operations costs, including hiring of a part-time employee to help with operations. Note the city assumed ownership and operation of the Historic Sugar Hill Cemetery in 2018 and has made both significant operational and maintenance investments over the last two years.
- The **\$96,550** increase in the **Eagle Theatre** is the result of our first year of operations as well as what we learned regarding the programming of the theatre.
- The **\$339,960** increase in **Planning and Development** reflects the receipt of an LCI grant from the Atlanta Regional Commission as well as a major investment in a new housing outreach, education and neighborhood improvement program.
- Across all departments, we have incorporated anticipated increased costs for medical and dental insurance as well as funds for merit/performance-based increases for employees to keep pace with inflationary pressures reflective of a strong economy.
- **“Other Funds”** include the **2020 Capital Improvement Budget (CIP)** explained in more detail below, the city’s three (3) enterprise funds (Stormwater, Gas and Golf) as well as the E Center, municipal court and downtown development authority (DDA) operations. Overall, the funds have increased by **3.7%** over the current year. Exclusive of the CIP, the changes in **“other funds”** relate to several factors, including:
 - The **Gas Fund** shows an increase of **\$1,156,400** reflecting anticipated increased volume usage for 2020. According to the standards set by the Georgia Public Service Commission (PSC), Sugar Hill gas remains one of the lowest “12-month cost of gas” systems in the state, well below the lowest marketer in the state and significantly less than the major marketers seen and heard advertising on television, radio and other media outlets.

- We are anticipating slightly **lower expenses** for the **Golf Fund** for 2020 after making major irrigation and pond storage improvements in 2019.
- The sale of real estate assets the city has acquired over the past 5 years for the sole purpose of redevelopment. Under **DDA Operations**, the budget reflects **\$4,158,625** as a total expense. The majority of this is from the sale of city-owned downtown real estate by the DDA for approved private sector downtown development investments. The balance is for DDA annual operational expenses. Once the property is closed, the sale proceeds will be transferred back to the city general fund.
- We have budgeted **\$847,173** in **DDA-E Center Construction** to complete flooring improvements on the concrete hallways and stair towers of the E Center as well as funds for tenant buildout of the three remaining leasable spaces.
- We have budgeted increased revenue of **\$677,340** for **E Center Mixed-Use** lease income, reflecting a full year of operations and occupancy.
- The **2020 Capital Improvement Budget (CIP)** is a decrease over current year expenses but reflects a continued robust commitment to a wide range of investments important to the city, including:
 - Sugar Hill Greenway construction - Phase 1
 - Gold Mine Park construction
 - Sidewalk construction
 - Road resurfacing
 - Level Creek Road extension
 - Spring Hill/Level Creek pedestrian improvements
 - Cemetery entry/signage and perimeter fencing
 - Bowl improvements
 - Gary Pirkle Park improvements
 - Downtown activation investments
 - 22-acre park planning/engineering
 - Stormwater investments
 - City Hall parking deck resurfacing
 - Art/History room buildout – Broadstone development

- Overall, the combined 2020 budgets for Operating expenses, Capital Improvement projects and Other Funds reflect a **5.4% total increase** over 2019. The city remains in a strong financial position with responsible and responsive unrestricted reserves important to a city of our size and service levels.
- The actions and policies of city council – then and now – have placed the city in a strong and resilient position to weather the storm of the Great Recession by maintaining service delivery and quality of service while allowing for the sea-changing investments downtown, in new greenspace acquisitions and new park development, while maintaining strong and adequate reserves.
- This long-range thinking and commitment to strategic planning has placed the city on a trajectory to allow for full implementation of the community vision of an attractive and viable downtown that is a destination for residents and visitors alike. Sugar Hill is viewed as one of the best places in Georgia to live, work and play, and because of improved housing options, it is now a place for ALL ages to grow together. Sugar Hill is a **“City on the Rise.”**

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