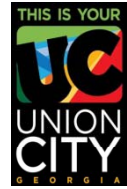
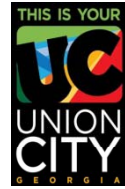


FY2013 Budget Hearing #2





FY2013 Budget Calendar

- July Departmental Budget Review
- Aug 7th City Council Budget Presentation (5:30 p.m.)
- Aug 7th 1st Public Millage Rate Hearing & Budget Workshop (7:00 p.m.)
- Aug 13th 2nd Public Millage Rate Hearing & Budget Workshop (6:30 p.m.)
- Aug 21st Final Millage Rate Hearing (7:30 a.m.)
- Aug 21st Final Millage Rate, Public Hearing & Budget Adoption (7:00 p.m.)
- Aug 28th Final Late Date Public Hearing & Budget Adoption (7:00 p.m.)



Proposed FY2013 Budget

2012 Estimated Gross Digest Computation Sheet

DESCRIPTION	2011 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2012 DIGEST
REAL	475,595,570	-19,203,690	6,834,600	463,226,480
PERSONAL	316,103,257		16,417,839	332,521,096
MOTOR VEHICLES	25,604,340		1,082,820	26,687,160
MOBILE HOMES	0		522,313	522,313
TIMBER -100%	0		0	0
HEAVY DUTY EQUIP	0		0	0
GROSS DIGEST	817,303,167	-19,203,690	24,857,572	822,957,049
EXEMPTIONS	249,054,854		26,674,529	275,729,383
NET DIGEST	568,248,313	-19,203,690	-1,816,957	547,227,666
	(PYD)	(RVA)	(NAG)	(CYD)
2009 MILLAGE RATE >>>	10.238	2010 PROPOSED MILLAGE RATE >>>		10.238

THIS SECTION WILL CALCULATE AUTOMATICALLY UPON ENTRY OF INFORMATION ABOVE

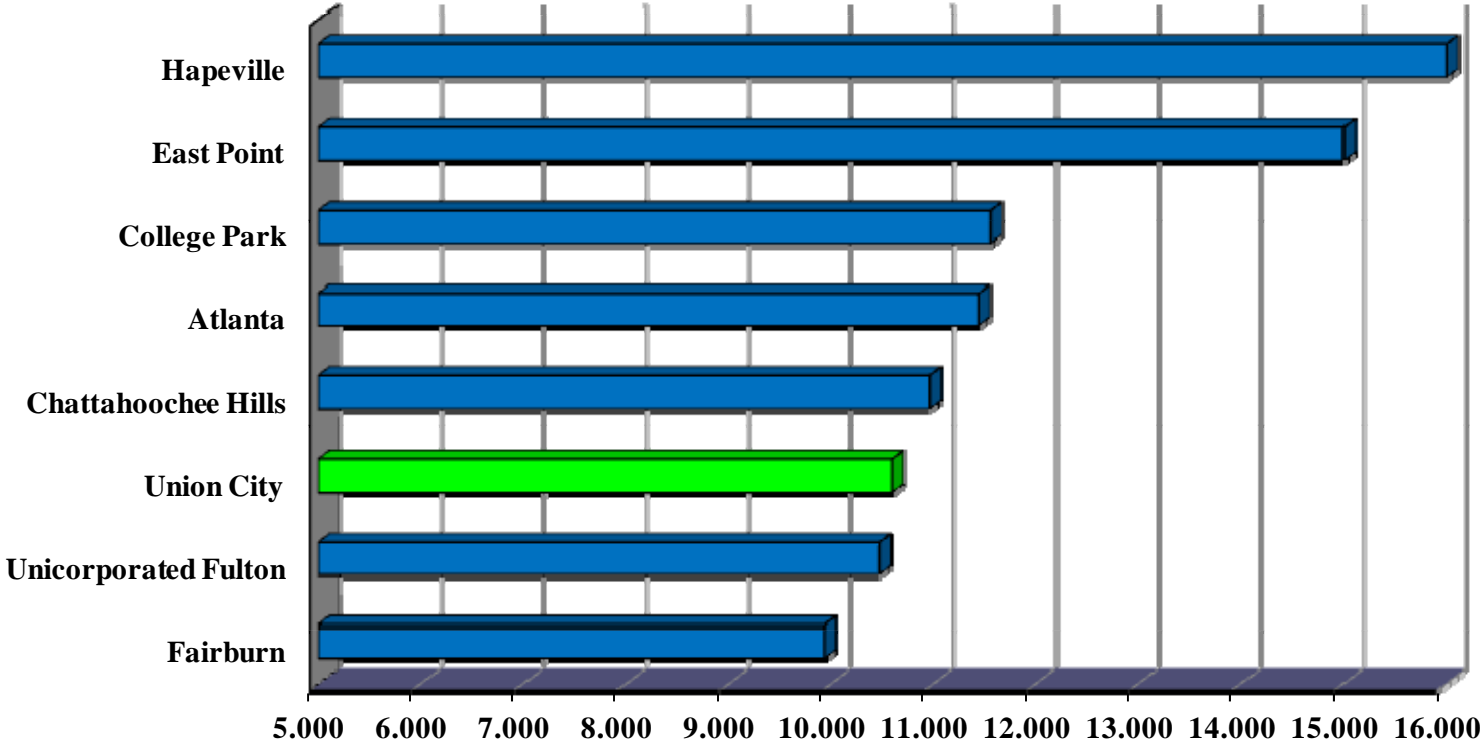
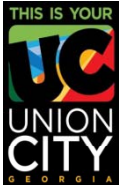
DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA
2009 Net Digest	PYD	568,248,313	
Net Value Added-Reassessment of Existing Real Property	RVA	-19,203,690	
Other Net Changes to Taxable Digest	NAG	-1,816,957	
2010 Net Digest	CYD	547,227,666	(PYD+RVA+NAG)
2010 Millage Rate	PYM	10.238	
Millage Equivalent of Reassessed Value Added	ME	-0.360	(RVA/CYD) * PYM
Rollback Millage Rate for 2010	RR	10.598	PYM - ME

COMPUTATION OF PERCENTAGE INCREASE IN PROPERTY TAXES

If the 2010 Proposed Millage Rate for this Taxing Jurisdiction exceeds the Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. Section 48-5-32.1(c) (2)	Rollback Millage Rate	10.598
	2010 Millage Rate	10.238
	Percentage Increase	-3.40%

Proposed FY2013 Budget

Millage Rate Comparison



Limited Options and Outcomes

■ Option #1 – Close Jail

- Fifty (50) Union City Correction employees lose their jobs;
- Creates outsourcing issue for where Police take Union City Inmates for jail purposes;
- Doesn't resolve debt outstanding or the \$1.5M of debt service requiring to be paid next year.

■ Option #2 – Sell Jail

- Impediments to selling remain as outlined earlier.

■ Option #3 – Operate Jail (Refund & Refinance Balance Sheet)

- Union City would retain ownership and still seek same solutions as outlined for the past two budget cycles;
- “True Up” loans, shortfalls and lower threshold required to keep facility at a “breakeven” position.

Recommended Option - Jail Option #3

- In tandem with implementing Option #3 the following actions would be implemented as part of the proposed budget:
 - Renegotiation of the existing Medical Service Contract staffing and hours of operation achieving a (\$263,815), or -52.6% reduction.
 - Redirecting \$389,000 COPS debt service from Jail Authority to the General Fund. (Police & Court)
 - Remain at minimum jail staffing and operations until we have obtained the needed inmates – currently there are eight (8) jail positions vacant.
 - Aggressively pursue long-term housing with all other jurisdictions.
 - Continue discussions to sell the jail but without the previous impediments on the table.

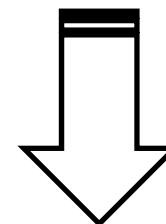
Jail Operations – Option #3 Process

- Begin work on Bond Documents
 - POS – Preliminary Official Statement
 - Prep work rating agencies & bond insurer packages
- Bond Timeline
 - August 31st – Submit packages rating agencies & bond insurer
 - Oct .1st – Jail Authority approve Bond Resolution
 - Oct . 8th – City Council approve the following:
 - pricing & execute Bond Purchase Agreement
 - Intergovernmental Contract South Fulton
 - Bond Counsel Opinion South Fulton Jail
 - Oct . 16th – City Council approve the following:
 - Oct. 31st - Sell bonds on open market

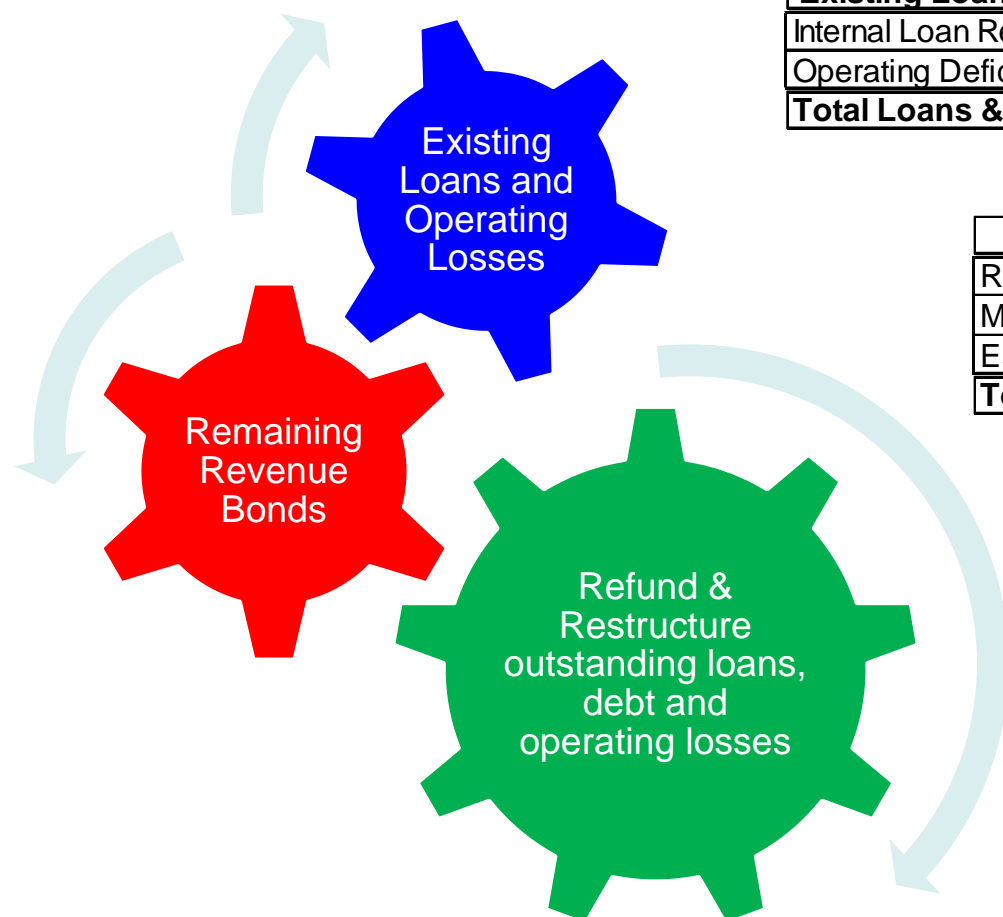
Proposed Solution – Option #3

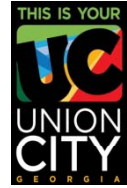
Existing Loans & Operating Losses	Budget
Internal Loan Repayment	\$3,010,691
Operating Deficits	\$2,061,375
Total Loans & Operating Losses	\$5,072,066

Remaining Revenue Bonds	Budget
Refund Revenue Bonds	\$6,873,903
Make Whole Provision	\$1,188,200
Estimated Closing Costs	\$235,831
Total Revenue Bonds	\$8,297,934



Total Refund & Refinancing
\$13,370,000

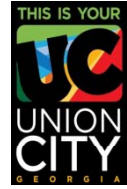




Budget Summary for FY2013

- Budget calls for no property tax increase.
- Budget reductions do not impact existing service delivery
- Budget reflects a fundamental correction to balance current year revenues with current year expenses.
- Budget continues emphasis of Community Appearance:
 - a. Leveraging the community service program with existing public services staffing to combat litter and graffiti;
 - b. Code Enforcement Clean & Lien program & citywide Clean-ups;
 - c. Enhancing the Street Sweeping program;
- Budget continues to leverage the efficiencies of the public-private partnership model with outsourcing information technology, human resources, sanitation, jail services and Community Dev. services.
- Budget provides breathing room for achieving a long-term solution for jail operations while paying back loans and resolving shortfalls.

Thank you for your attention



This Is Your Union City