

**THE UNIFIED GOVERNMENT OF
ATHENS-CLARKE COUNTY**

FY08

BUDGET IN BRIEF



**ANNUAL OPERATING
& CAPITAL BUDGET**

JULY 1, 2007 - JUNE 30, 2008

This *Budget in Brief* has been produced to provide an overview of the Unified Government of Athens-Clarke County's (ACCUG) Annual Operating and Capital Budget for Fiscal Year 2008 (July 1, 2007 – June 30, 2008). This document provides a brief and understandable summary of the FY08 Budget. We hope that you find this document a helpful tool in understanding the financial plan for Athens-Clarke County for the upcoming year.

A more detailed copy of the FY08 Budget can be viewed at the Clerk of Commission's Office, Room 204 of City Hall, the Athens Regional Library on Baxter Street, or at Athens-Clarke County's website www.athensclarkecounty.com/documents (scroll down the page to the Finance Department heading).

**ATHENS-CLARKE COUNTY
MISSION STATEMENT**

**Athens-Clarke County,
an open and responsive government,**

**facilitating a positive environment
for individuals to obtain a high quality of life
and local organizations to achieve success**

**by providing innovative, high quality services and
responsible stewardship of the community's
resources,
to benefit current and future generations.**

Adopted November 4, 1997

Mayor and Commission

Mayor	Heidi Davison
Commissioner - District 1	Doug Lowry
Commissioner - District 2	Harry Sims
Commissioner - District 3	George Maxwell
Commissioner - District 4	Alice Kinman
Commissioner - District 5	David Lynn
Commissioner - District 6	Carl Jordan
Commissioner - District 7	Kathy Hoard
Commissioner - District 8	Andy Herod
Commissioner - District 9	Kelly Girtz
Commissioner - District 10	Elton Dodson
Manager	Alan Reddish

Athens-Clarke County at a Glance

Form of Government: Commission-Manager
Mayor and ten Commissioners.
(Mayor elected at large and Commissioners elected by district).

Population: 110,490 (2007 Estimate)

UGA Enrollment: 33,959 (Fall 2006)

Land Area: 122 square miles or 78,000 acres

Median Age: 27.0 (2005 US Census Bureau)

Median Household Income: \$30,017 (2005 US Census Bureau)

Major Attractions:

University of Georgia

State Botanical Gardens

Georgia Museum of Art

Downtown Athens

Morton Theatre

Classic Center (Convention Center & Theater)

Historic Homes

Principal Employers:

University of Georgia

Athens Regional Medical Center

Clarke County School District

Pilgrims Pride Poultry Company

Athens-Clarke County Government

St. Mary's Health Care System

Gold Kist, Inc.

Median Price of an Existing Home: \$111,300 (2000 Census)

Estimated Property Taxes for a \$111,300 home in 2007:

ACCUG	\$ 340	39%
School	\$ 530	60%
State	\$ <u>7</u>	<u>1%</u>
Total	\$ 877	100%

Annual Budget Development Process

The Annual Operating and Capital Budget is the financial plan for raising revenues and expending funds for all Athens-Clarke County departments, offices and constitutional officials.

The process to develop the Annual Operating and Capital Budget begins about nine months prior to the beginning of the fiscal year. Departments and Constitutional Officials submit Operating and Capital Budget requests for review by the Manager and the Mayor. No later than the end of April, the Mayor must submit a Recommended Budget to the Commission for Review. The Commission will review the Mayor's Recommended Budget and make any adjustments they feel are necessary prior to adopting it in June. Major steps in the Annual Budget development process include:

- | | |
|------------------|---|
| November | Mayor & Commission Establish Budget Goals |
| November | Departments Submit Capital Project requests and updates to 5 year Capital Improvement Plan (CIP). |
| January | Departments Submit Operating Budget Requests. |
| February | Mayor & Commission review preliminary Capital Budget and CIP. |
| February | Mayor & Commission review Budget Requests from Independent Agencies. |
| February - March | Manager and Mayor meet with Department and Constitutional Officials to review Budget requests. |
| April | Mayor sends Recommended Budget to Commission. |
| May | Commission reviews Mayor Recommended Budget. |
| June | Commission adopts Budgets for next fiscal year and establishes the property tax millage rate. |
| July | Budget for next fiscal year begins on July 1. |

FY08 Significant Budget Issues

- This Budget includes a \$99.4 million General Fund Operating Budget in FY08, an increase of 7.2%. The Operating Budget for all Other Funds totals \$51.9 million. The Capital Budget is \$61.7 million, a \$44 million increase compared to the FY07 Capital Budget. The total FY08 Recommended Budget is \$213.1 million, an increase of \$56.6 million or 36%.
- The proposed millage rate for 2007 is 12.80 mills, the same rate as the last two years. With this millage rate, Athens-Clarke County residents will continue to pay lower property taxes for local government services than most other surrounding counties and other similar communities in Georgia.
- General Fund departments requested increases totaling \$7.8 million for current services. This budget includes an increase of \$5.8 million, primarily for compensation for employees. To meet budget constraints, reductions of \$94,300 to the General Fund Operating Budget have been included in FY08.
- Departments requested \$3.6 million of increases in operating expenditures for New Initiatives and \$740,000 for SPLOST projects. This Budget includes an increase of \$279,000 for new initiatives and \$733,000 for operating expenses related to new SPLOST projects.
- New Initiatives:
 - The State Court Budget includes \$168,000 for a second Judge and related expenses added by Legislative Act and an additional position in the DUI/Drug Court.
 - The Sheriff's Budget includes \$740,000 to house an average of 45 inmates per day in other jail facilities in order to reduce the total number of inmates held at the Clarke County Jail.

- The Municipal Court will have an additional Court Clerk in FY08. The Transit Department will add a position to assist with inventory control and a position to maintain their facilities and bus stops in FY08. The Magistrate Court added one additional clerk by converting a part-time clerk to full time to assist with bond hearings, arrest warrants, and bad check cases. The District Attorney will add one Victim Advocate funded from the 5% fine program for the Victim Assistance Program.
- Operating Increases for SPLOST Projects:
 - The Fire Department budget includes \$440,400 for 15 firefighter positions to staff the newest ACCUG fire station located in north Athens. This added funding will provide a full year's operations of this facility in FY08. The construction of this station is funded with SPLOST 2005 funds.
 - The Computer Information Services budget includes an increase of \$140,000 to fund technical support for the new Computer Aided Dispatch (CAD) and the Records Management System (RMS) software packages to be implemented in FY08.
 - The Transit and Central Services Departments include added funding for maintenance of facilities and improvements funded by the SPLOST 2005 Program.
- This budget includes a total of 1,528 full-time positions, 8 more than FY07. This is the lowest number of positions added in recent years. The additional positions are included in the State Court, the Superior Court, the Municipal Court, the Magistrate Court, the District Attorney, and the Transit Department. Even with the additional 8 positions, ACCUG's ratio of full-time positions remains below 14 per 1,000 citizens.
- This Budget includes an increase of \$4.2 million to recruit, retain, and reward employees that provide the current level of

services to ACC citizens, approximately \$3.1 million for the General Fund and \$1.1 million for all Other Funds.

- Effective October 1st, water fees will increase 5.5% and sewer fees will increase about 9.5% to provide funding for operating expenses and current and future capital projects. These increases will add about \$3.34 to the average residential customer's monthly water and sewer bill. These increases were authorized by the Mayor and Commission in December of 2006.
- The FY08 Capital Budget totals \$61.7 million. Major water and sewer projects include: \$20.7 million for wastewater plant expansion; \$17.8 million for wastewater collection system improvements; and \$6.5 million added to the upgrade of the Beacham Water Treatment Plant/Environmental Services Building (ESB). Other major capital projects for FY08 include: \$1.2 million for Pavement Maintenance; \$600,000 for maintenance of ACC facilities and \$659,000 for continued implementation of the Space Allocation Program.
- This budget authorizes the issuance of approximately \$170 million of Water & Sewer revenue debt to provide capitalization for ongoing and planned projects within the Water and Sewer System.

TABLE OF CONTENTS

Athens-Clarke County Mission Statement	1
Athens-Clarke County Mayor & Commission	1
Athens-Clarke County at a Glance	2
Annual Budget Development Process	3
FY08 Significant Budget Issues.....	4
FY08 Mayor and Commission Goals	7
Structure of Budgets	10
Summary of FY08 Budget – All Funds	12
Summary of FY08 Budget – General Fund	14
FY08 General Fund Revenues (chart)	16
FY08 General Fund Expenditures (chart).....	17
General Fund Revenues and Expenditures per Capita.....	18
Understanding Property Taxes.....	19
Comparative Property Taxes for a \$150,000 Home	21
Understanding Sales Taxes	22
FY08 Capital Budget	23
Budget History and Trends	24
Full-time Employee: Trends and Comparisons	25
FY08 Full-time Employees by Function & Department..	27
Legal and Charter Requirements for Annual Budget	29

Mayor and Commission Goals and Objectives for FY08

The following goals and objectives were developed by the Mayor and Commission in February 2007 to help guide the development of the FY2008 budget.

A. Goal: INFRASTRUCTURE - Provide infrastructure that is supportive of sustainable growth, is environmentally sensitive, and is fiscally sound.

Objectives:

- **Leaf & Limb Service** - By the end of FY08, increase leaf and limb pick-up frequency from once every six (6) weeks to once every four (4) weeks in all areas of the community.
- **Transit Service** - By the end of FY08, identify a priority listing of additions and/or revisions to transit routes, or other alternatives, that will provide enhanced cost effective public transportation service to underserved areas of the community.
- **Energy Conservation** - By the end of FY08, reduce the Unified Government's use of all forms of conventional energy resources by 15% compared to consumption during FY06.
- **Water Supply** - By the end of FY08, adopt a program to reduce the peak month water usage (MGD – million gallons per day), when compared to the annual average usage (MGD), to a peaking factor of not more than 1.3 within five (5) years from date of adoption of the program.
- **Greenspace Acquisition** - By the end of FY08, commit all to date appropriated funds toward acquisition of properties identified by the M&C approved Greenspace Acquisition Program.
- **Corridor Enhancement** - By the end of FY08, identify one (1) community corridor for enhancements and develop a funding proposal for inclusion in the FY09 Five Year Capital Improvement Plan.
- **Jail Needs** - By the end of FY08, complete a jail assessment study to determine current and projected inmate facility needs, with consideration of alternative programs/initiatives, and

- develop proposed funding options and/or strategies for consideration by the M&C.
- **Judicial Space Needs** - By the end of FY08, fund and complete a Courthouse assessment study to determine judicial space needs and develop proposed funding options and/or strategies for meeting the defined needs.
 - **Solid Waste Management** - By the end of FY09, achieve a reduction of not less than 25 % per capita in the amount (measured in pounds) of Athens-Clarke County community generated solid waste directed toward landfills compared to such volumes in FY06.
 - **E-Government** – By the end of FY08, upgrade the ACCUG web-site to achieve a more visual identity and interactive functionality.

B. Goal: NEIGHBORHOODS - Enhance and sustain quality of life in Athens-Clarke County Neighborhoods

Objectives:

- **Housing** - By the end of FY08, adopt and implement an infill housing ordinance that will address community concerns regarding such development patterns.
- **Public Spaces** - By the end of FY08, amend development standards to encourage and/or require public spaces in new and existing neighborhoods.
- **Electronic Information** - By the end of FY08, expand the Neighborhood Notification Program to include information of interest, to neighborhood associates and individuals, from additional ACCUG departments and increase opportunities for electronic interaction between such departments and the public.
- **Citizen Leadership** - By the end of FY08, develop a strategy for developing and encouraging individual citizens to serve in neighborhood leadership roles.

C. Goal: WORKFORCE - Recruit and retain a workforce with the skills to meet the diverse needs of the Athens-Clarke County Community

Objectives:

- **Pension Benefits** - By the end of FY08, amend the Defined Benefit Pension Plan to provide incentives for retaining long-term employees
- **Retiree Pay Adjustment** - By the end of FY08, adopt a plan for periodically addressing pay increases for retired employees.
- **Recruitment** - By the end of FY08, adopt and implement a recruitment plan for difficult-to-fill positions.
- **Wage Plan** – Annually adopt, as part of the budget process, adjustments to the ACCUG’s wage plan to retain a competitive compensation position with peer communities.
- **Alternative Workforce** - By the end of FY08, adopt and implement non-traditional work options to meet the future employment needs of the ACCUG.
- **Non Salary Incentives** - By the end of FY08, adopt incentives for ACCUG employees to use the Athens Transit system for commuting to work.
- **Succession Planning** - By the end of FY08, adopt a program to aid ACCUG employees to voluntarily improve job knowledge, skills, and abilities to increase their opportunity for internal promotions and professional growth.

Other Accepted Goal Issues for Future Review

- D. Goal: **Youth Development** focusing on life skills that will contribute to academic success and life time employability.
- E. Goal: **Community Demographics** focusing on the impact of population groups with special service needs.
- F. Goal: **Downtown Sustainability** focusing on the appropriate mix of usage and resources/policies needed to support such a mix.
- G. Goal: **Community Economics** focusing on sustaining a healthy revenue base in order to fund the of service delivery.

Structure of Budgets

The A-CC Budget is split into a number of Funds, or separate units for accounting and tracking the revenue and expenditure of specific activities. For example, some activities are required by law to be accounted for in a separate fund (e.g. Hotel/Motel Tax Fund and Debt Service Fund), while other funds have been established by management to track specific activities (e.g. Water & Sewer Enterprise Fund and Landfill Enterprise Fund). A listing of revenues and expense budgets by fund can be found on pages 12 and 13.

The General Fund is the largest fund and accounts for over half of government wide revenues and expenditures. The General Fund budget supports the major portion of basic governmental services such as police, fire, judicial, planning, public works, leisure services, etc. These services are primarily supported from tax revenues such as the property tax and the sales tax. The FY08 General Fund Operating Budget totals \$99.4 million. A listing of budgeted revenues and expenditures by department in the General Fund can be found on pages 14 and 15.

Special Revenue Funds are established to account for specific revenue sources that are legally restricted such as designated taxes, grants or other restricted revenue sources. Funds included in this group are the Community Development Block Grant (CDBG), the Hotel/Motel Excise Tax, Building Inspection, the Grants Fund and others. Budgets for Special Revenue Funds in FY08 total \$10.2 million.

Capital Project Funds account for financial resources used for the acquisition, construction and significant maintenance expenditures for major capital facilities and equipment (other than those financed by Enterprise Funds). Budgets for the Capital Project Funds in FY08 total \$7.7 million.

Enterprise Funds are used to account for operations that are similar to a private business or the governing body has identified a need to

account for an operation in this manner. Funds in this group include the Water & Sewer operation, the Solid Waste Collection operation, the Landfill, the Airport, the Transit System (The Bus), and the Stormwater Utility Program. Enterprise Fund budgets in FY08 total \$94.5 million.

Internal Service Funds are used to account for the operations of departments that provide goods and services to other government departments or agencies on a cost reimbursement basis. These include items such as vehicle maintenance, self-funded insurance programs, employee health insurance, and a vehicle replacement program. The budgets for Internal Service Funds in FY08 total \$21.6 million.

SUMMARY FY2008 BUDGET ALL FUNDS

	<u>FY07</u> <u>BUDGET</u>	<u>FY08</u> <u>BUDGET</u>	<u>%</u> <u>INC/</u> <u>(DEC)</u>	<u>%</u> <u>OF</u> <u>TOTAL</u>
REVENUES:				
PROPERTY TAXES	\$40,223,000	\$43,378,500	7.8%	17.8%
SALES TAX	\$20,000,000	\$21,500,000	7.5%	8.8%
OTHER TAXES	\$20,561,000	\$20,971,200	2.0%	8.6%
LICENSES & PERMITS	\$1,645,360	\$2,038,482	23.9%	0.8%
INTERGOVERNMENTAL REVENUES	\$5,258,307	\$5,201,504	-1.1%	2.1%
CHARGES FOR SERVICES	\$73,582,304	\$78,960,782	7.3%	32.3%
FINES & FORFEITURES	\$3,439,731	\$3,733,800	8.5%	1.5%
OTHER REVENUES	\$930,952	\$1,822,442	95.8%	0.7%
TRANSFERS IN FROM OTHER FUNDS	\$10,683,504	\$59,374,921	455.8%	24.3%
TOTAL REVENUES	\$176,324,158	\$236,981,631	34.4%	97.1%
USE FUND BALANCE	\$5,636,858	\$6,724,483	19.3%	2.8%
USE OF NET ASSETS BALANCE	<u>\$3,870,008</u>	<u>\$432,260</u>	-88.8%	0.2%
SUB-TOTAL REVENUE & OTHER SOURCES	\$185,831,024	\$244,138,374	31.4%	100.0%
LESS INTERFUND TRANSFERS (1)	<u>(\$29,312,904)</u>	<u>(\$31,130,921)</u>	6.2%	
TOTAL REVENUE & OTHER SOURCES	<u>\$156,518,120</u>	<u>\$213,007,453</u>	36.1%	
EXPENDITURES (BY FUND):				
GENERAL FUND	\$98,793,951	\$105,553,187	6.8%	44.06%
<u>SPECIAL REVENUE FUNDS:</u>				
EMERGENCY TELEPHONE SYSTEM (E911)	\$1,800,000	\$1,750,000	-2.8%	0.7%
HOTEL/MOTEL TAX FUND	\$1,792,553	\$2,007,600	12.0%	0.8%
COMMUNITY DEV. BLOCK GRANT (CDBG)	\$1,498,350	\$1,493,854	-0.3%	0.6%
GRANTS FUND	\$1,195,910	\$1,008,760	-15.6%	0.4%
BUILDING INSPECTION FUND	\$1,036,600	\$1,032,732	-0.4%	0.4%
HUD HOME GRANT FUND	\$898,895	\$892,306	-0.7%	0.4%
SPECIAL PROGRAMS & INITIATIVES FUND	\$810,436	\$1,377,611	70.0%	0.6%
SUPPORTIVE HOUSING GRANT FUND	\$291,941	\$366,345	25.5%	0.2%
ALTERNATIVE DISPUTE RESOLUTION PRGM	\$156,167	\$221,214	41.7%	0.1%
SHERIFF INMATE FUND	\$70,000	\$20,000	-71.4%	0.0%
ECONOMIC DEVELOPMENT FUND	\$50,000	\$50,000	0.0%	0.0%
CORRECTIONS INMATE FUND	<u>\$20,000</u>	<u>\$10,000</u>	-50.0%	0.0%
SUB-TOTAL SPECIAL REVENUE FUNDS	\$9,620,852	\$10,230,422	6.3%	
<u>CAPITAL PROJECT FUNDS:</u>				
GENERAL CAPITAL PROJECTS FUND	\$6,131,600	\$7,146,900	16.6%	3.0%
PUBLIC FACILITIES AUTHORITY FUND	<u>\$583,200</u>	<u>\$583,200</u>	0.0%	0.2%
SUB-TOTAL CAPITAL PROJECT FUNDS	\$6,714,800	\$7,730,100	15.1%	

SUMMARY FY2008 BUDGET ALL FUNDS

<u>ENTERPRISE FUNDS:</u>				
WATER & SEWER FUND	\$33,165,073	\$76,869,377	131.8%	32.1%
TRANSIT FUND (less depreciation)	\$4,577,101	\$4,898,150	7.0%	2.0%
SOLID WASTE COLLECTION FUND	\$3,417,515	\$3,503,859	2.5%	1.5%
LANDFILL FUND	\$3,326,583	\$3,484,560	4.7%	1.5%
STORM WATER UTILITY FUND	\$2,980,785	\$3,156,564	5.9%	1.3%
AIRPORT FUND	<u>\$2,407,584</u>	<u>\$2,565,882</u>	6.6%	1.1%
SUB-TOTAL ENTERPRISE FUNDS	\$49,874,641	\$94,478,392	89.4%	
 <u>INTERNAL SERVICE FUNDS:</u>				
SELF FUNDED HEALTH INSURANCE FUND	\$10,429,995	\$12,045,668	15.5%	5.0%
FLEET MANAGEMENT FUND	\$2,778,800	\$2,942,000	5.9%	1.2%
SELF FUNDED INSURANCE & CLAIMS FUND	\$2,686,107	\$2,914,621	8.5%	1.2%
INTERNAL SUPPORT FUND	\$1,755,448	\$1,880,700	7.1%	0.8%
FLEET REPLACEMENT FUND	<u>\$1,743,400</u>	<u>\$1,765,800</u>	1.3%	0.7%
SUB-TOTAL INTERNAL SERVICE FUNDS	\$19,393,750	\$21,548,789	11.1%	
 SUB-TOTAL EXPENDITURES ALL FUNDS	\$184,397,994	\$239,540,890	29.9%	100.0%
 LESS INTERFUND TRANSFERS (1)	<u>(\$29,312,904)</u>	<u>(\$31,130,921)</u>	6.2%	
 TOTAL OPERATING & CAPITAL EXPENDITURES	 \$155,085,090	 \$208,409,969	 34.4%	
 DESIGNATED FOR FUTURE CAPITAL & DEBT SERVICE REQUIREMENTS (2)	 \$1,433,030	 \$4,597,484	 220.8%	
 TOTAL EXPENDITURES & DESIGNATIONS	 <u>\$156,518,120</u>	 <u>\$213,007,453</u>	 36.1%	

NOTES: (1) - Interfund transfers represent charges and transfers between A-CC funds. The amount of these inter-fund charges and transfers are subtracted from the revenue and expenditure totals to avoid "double counting".

(2) - For comparison purposes, Transit depreciation expense was not included in the numbers above. Therefore, the designated for future capital amount shows \$527,811 more than the FY08 Budget Document.

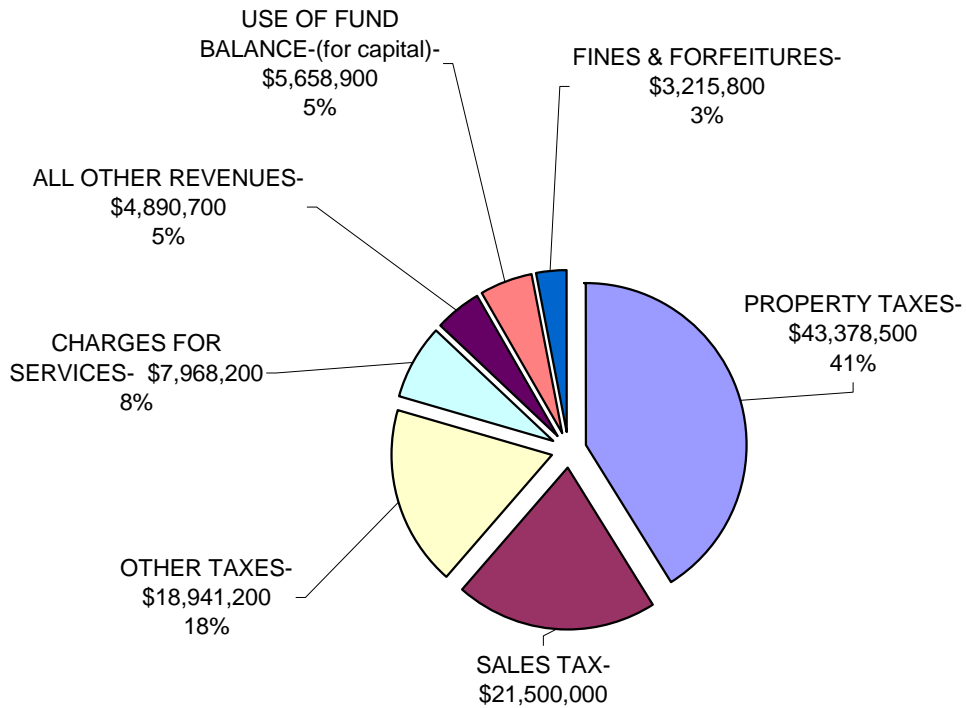
SUMMARY FY2008 BUDGET GENERAL FUNDS

	<u>FY07</u> <u>BUDGET</u>	<u>FY08</u> <u>BUDGET</u>	% <u>INC/</u> <u>(DEC)</u>
REVENUES:			
PROPERTY TAXES	\$40,223,000	\$43,378,500	7.8%
SALES TAX	\$20,000,000	\$21,500,000	7.5%
OTHER TAXES	\$18,706,000	\$18,941,200	1.3%
LICENSES PERMITS	\$945,360	\$1,005,750	6.4%
INTERGOVERNMENTAL REVENUES	\$1,055,000	\$1,005,800	-4.7%
CHARGES FOR SERVICES	\$7,178,854	\$7,968,154	11.0%
FINES & FORFEITURES	\$3,131,600	\$3,215,800	2.7%
OTHER REVENUES	\$788,337	\$1,272,183	61.4%
TRANSFERS IN FROM OTHER FUNDS	\$1,500,000	\$1,606,900	7.1%
USE OF FUND BALANCE-(for capital)	<u>\$5,265,800</u>	<u>\$5,658,900</u>	7.5%
TOTAL REVENUE & OTHER SOURCES	<u>\$98,793,951</u>	<u>\$105,553,187</u>	6.8%
EXPENDITURES (BY DEPARTMENT):			
MAYOR AND COMMISSION	\$683,512	\$709,860	3.9%
MANAGER	\$673,121	\$705,536	4.8%
ATTORNEY	\$560,202	\$579,440	3.4%
AUDITOR	\$215,469	\$225,992	4.9%
FINANCE	\$1,902,757	\$1,982,333	4.2%
HUMAN RESOURCES	\$1,263,724	\$1,312,549	3.9%
TAX COMMISSIONER	\$1,228,949	\$1,277,626	4.0%
BOARD OF TAX ASSESSORS	\$989,816	\$1,033,332	4.4%
BOARD OF ELECTIONS	\$460,868	\$364,089	-21.0%
HUMAN & ECONOMIC DEVELOPMENT	\$285,759	\$291,160	1.9%
GENERAL SUPPORT GROUP	\$244,922	\$250,179	2.1%
COMPUTER INFORMATION SERVICES	\$2,023,549	\$2,214,756	9.4%
OTHER GENERAL ADMINISTRATION	<u>\$4,790,034</u>	<u>\$5,292,600</u>	10.5%
TOTAL GENERAL GOVERNMENT	\$15,322,682	\$16,239,452	6.0%
SUPERIOR COURTS	\$1,132,419	\$1,150,331	1.6%
CLERK OF COURTS	\$922,001	\$985,067	6.8%
STATE COURT	\$441,277	\$615,444	39.5%
SOLICITOR GENERAL	\$862,327	\$911,155	5.7%
DISTRICT ATTORNEY	\$759,267	\$771,274	1.6%
SHERIFF	\$11,800,420	\$12,959,820	9.8%
JUVENILE COURT	\$335,469	\$347,457	3.6%
MAGISTRATE'S COURT	\$557,455	\$612,553	9.9%
CORONER	\$38,740	\$38,302	-1.1%

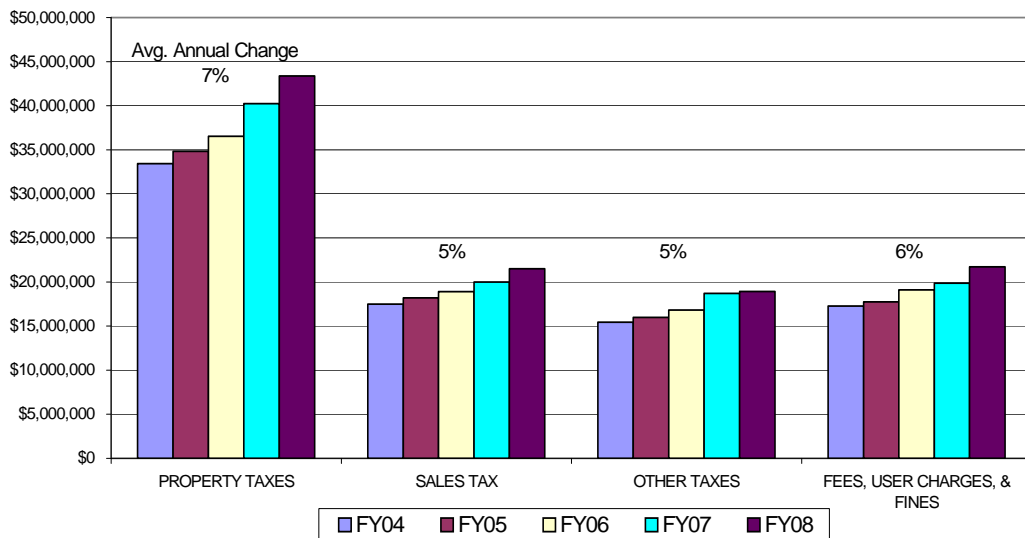
SUMMARY FY2008 BUDGET GENERAL FUNDS

EXPENDITURES (BY DEPARTMENT):	FY07 <u>BUDGET</u>	FY08 <u>BUDGET</u>	% INC/ <u>(DEC)</u>
PROBATE COURT	\$308,414	\$331,084	7.4%
MUNICIPAL COURT	<u>\$566,131</u>	<u>\$640,458</u>	13.1%
TOTAL JUDICIAL	\$17,723,920	\$19,362,945	9.2%
POLICE SERVICES	\$18,822,488	\$20,067,293	6.6%
FIRE SERVICES	\$11,116,662	\$12,736,768	14.6%
CORRECTIONS	<u>\$2,049,498</u>	<u>\$2,149,732</u>	4.9%
TOTAL PUBLIC SAFETY	\$31,988,648	\$34,953,793	9.3%
TRANSPORTATION & PUBLIC WORKS	\$4,062,026	\$4,191,455	3.2%
SOLID WASTE	\$709,050	\$740,382	4.4%
PLANNING & ZONING	\$1,090,247	\$1,151,755	5.6%
BUILDING INSPECTION (Community Protection)	\$716,073	\$762,794	6.5%
CENTRAL SERVICES	<u>\$6,239,066</u>	<u>\$6,534,351</u>	4.7%
TOTAL PUBLIC WORKS	\$12,816,462	\$13,380,737	4.4%
LEISURE SERVICES	\$7,283,902	\$7,603,648	4.4%
COOPERATIVE EXTENSION SERVICE	<u>\$136,780</u>	<u>\$148,517</u>	8.6%
TOTAL LEISURE SERVICES	\$7,420,682	\$7,752,165	4.5%
INDEPENDENT AGENCIES	\$4,254,001	\$4,449,774	4.6%
DEBT SERVICE	\$352,052	\$354,100	0.6%
TRANSFERS OUT TO OTHER FUNDS	\$2,813,904	\$2,901,321	3.1%
TOTAL OPERATING EXPENDITURES	<u>\$92,692,351</u>	<u>\$99,394,287</u>	7.2%
CAPITAL FOR CURRENT SERVICES (CS)	\$3,647,300	\$3,649,000	0.0%
CAPITAL FOR ADDITIONS & IMPROVEMENTS	<u>\$2,454,300</u>	<u>\$2,509,900</u>	2.3%
TOTAL CAPITAL	<u>\$6,101,600</u>	<u>\$6,158,900</u>	0.9%
TOTAL OPERATING & CAPITAL EXPENDITURES	<u>\$98,793,951</u>	<u>\$105,553,187</u>	6.8%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$0</u>	<u>\$0</u>	

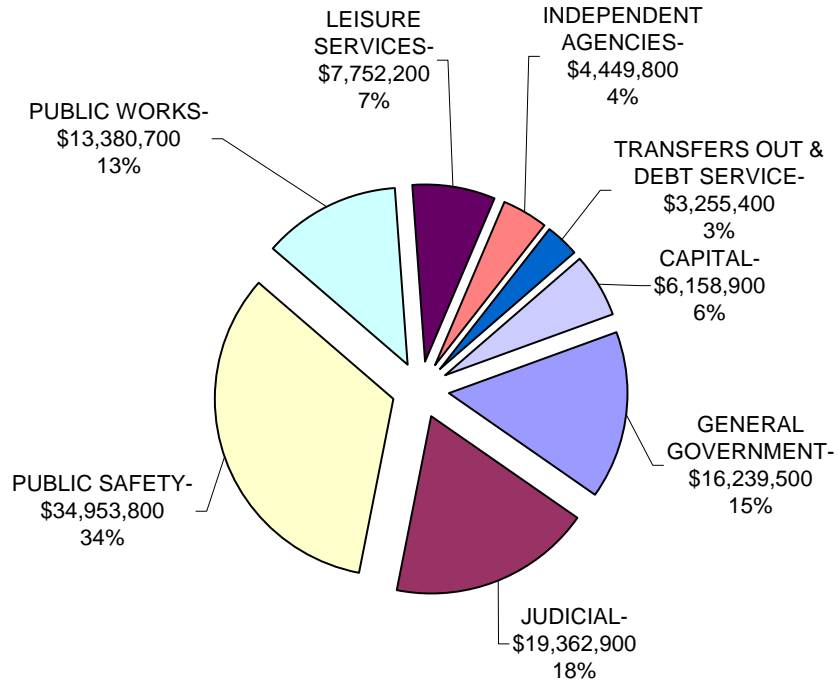
GENERAL FUND BUDGET REVENUES-\$105.5 million



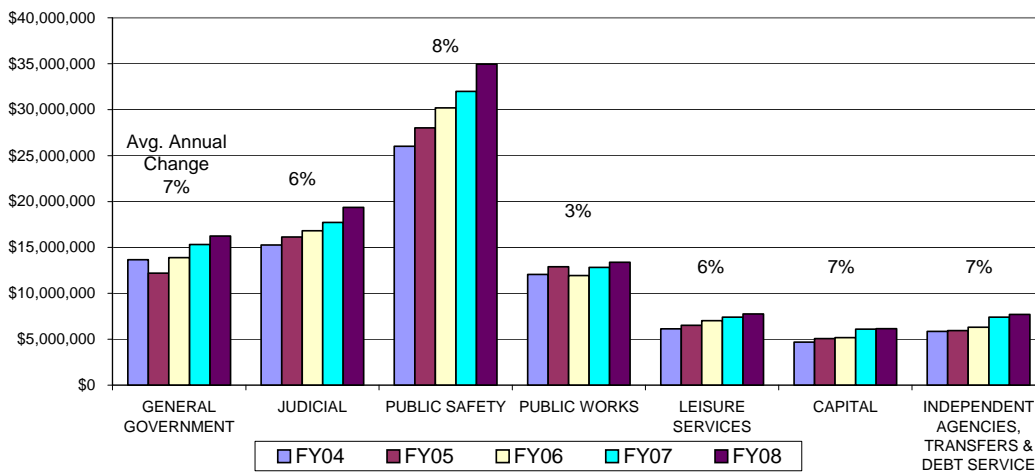
REVENUES - GENERAL FUND BUDGET Five Year Trend (FY04-FY08)



GENERAL FUND BUDGET EXPENDITURES- \$105.5 million



EXPENDITURES - GENERAL FUND BUDGET Five Year Trend (FY04-FY08)



General Fund Revenues and Expenditures Per Capita

General Fund Revenues: Property taxes account for the largest source of revenue - 41% or \$393 per capita - in the General Fund. The \$0.01 Local Option Sales Tax (LOST) accounts for approximately one-fifth of General Fund revenues. All tax revenues - property, sales and other - account for about 80% of all General Fund revenues. On average, each ACC resident will pay \$955 for General Fund services in FY08.

Per Capita Revenue by Type		
	FY07	FY08
PROPERTY TAXES	\$368	\$393
SALES TAX	\$183	\$195
OTHER TAXES	\$171	\$171
CHARGES FOR SERVICES	\$66	\$72
ALL OTHER REVENUES	\$39	\$44
USE OF FUND BALANCE	\$48	\$51
FINES & FORFEITURES	\$29	\$29
Total	\$905	\$955

General Fund Expenditures: More than half of all General Fund dollars are expended in the areas of Public Safety (Police, Fire and the Correctional Institute) and Judicial services (Sheriff, Jail, Courts and prosecuting offices). ACC expends approximately \$491 per capita for these services. Departments included in each functional area (Public Works, General Government, etc.) can be found on page 14 and 15.

Per Capita Expenditure by Function		
	FY07	FY08
PUBLIC SAFETY	\$293	\$316
JUDICIAL	\$162	\$175
GENERAL GOVERNMENT	\$140	\$147
PUBLIC WORKS	\$117	\$121
LEISURE SERVICES	\$68	\$70
CAPITAL	\$56	\$56
INDEPENDENT AGENCIES	\$39	\$40
TRANSFERS & DEBT SERVICE	\$29	\$29
Total	\$905	\$955

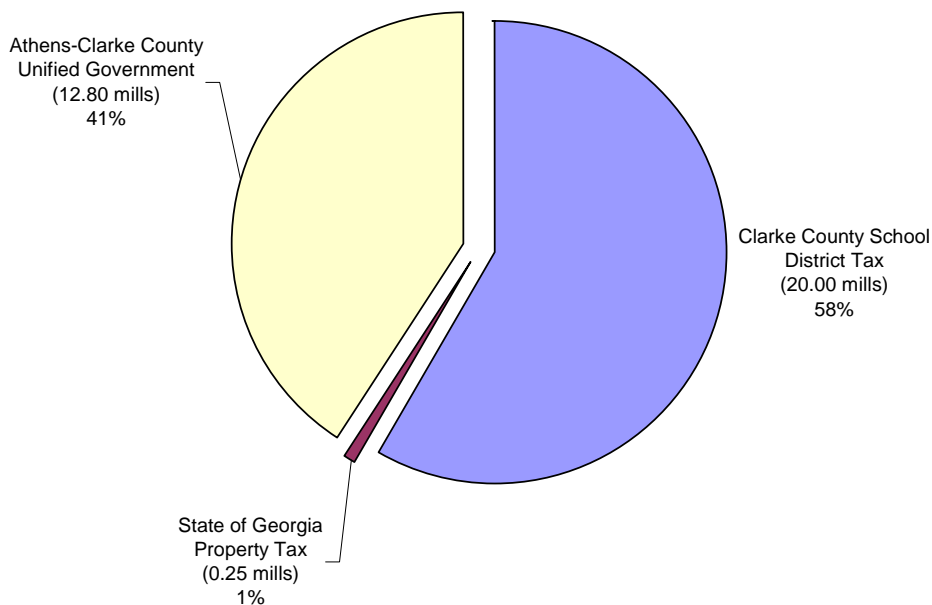
Understanding Property Taxes

The property tax rate or millage rate is adopted annually for the Unified Government and the Clarke County School System. A tax rate of one mill is equal to a tax of \$1 for every \$1,000 of assessed property value. (Note; the assessed property value is equal to 40% of a property's fair market value). Taxes may be reduced further by certain exemptions and tax credits such as the State Homeowner's Tax Relief Credit and the Homestead Exemption. In general, the property tax would be calculated as follows:

Fair Market Value X 40% = Assessed Value
Assessed Value – Exemptions = Taxable Value
Taxable Value X Tax Rate = Amount of Tax Bill

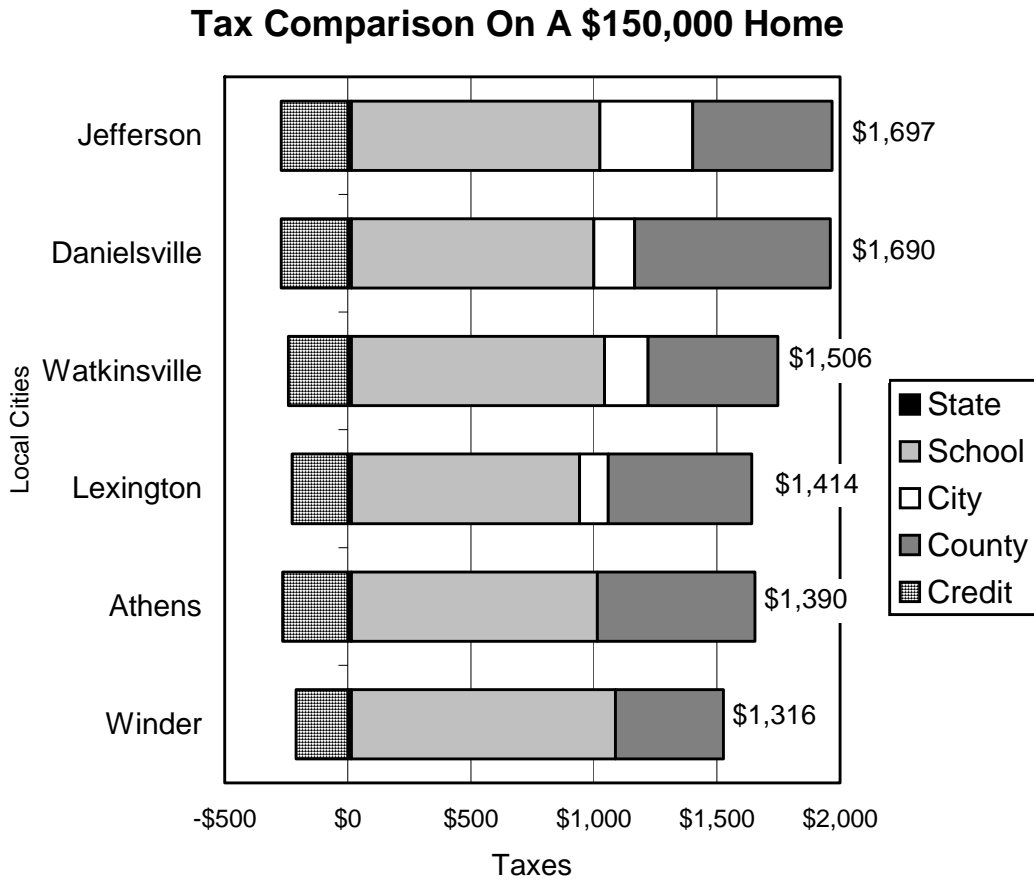
Over the last 10 years, the millage rate for Athens-Clarke County governmental services has dropped from 14.95 mills to 12.80 mills. The Clarke County School Board, which sets its millage rate separate from the ACCUG, set a rate of 20.00 mills for FY08. The State of Georgia levy's a rate of 0.25 mills.

**Property Tax Collections
For Athens-Clarke County**
(Total Rate 33.05 mills)



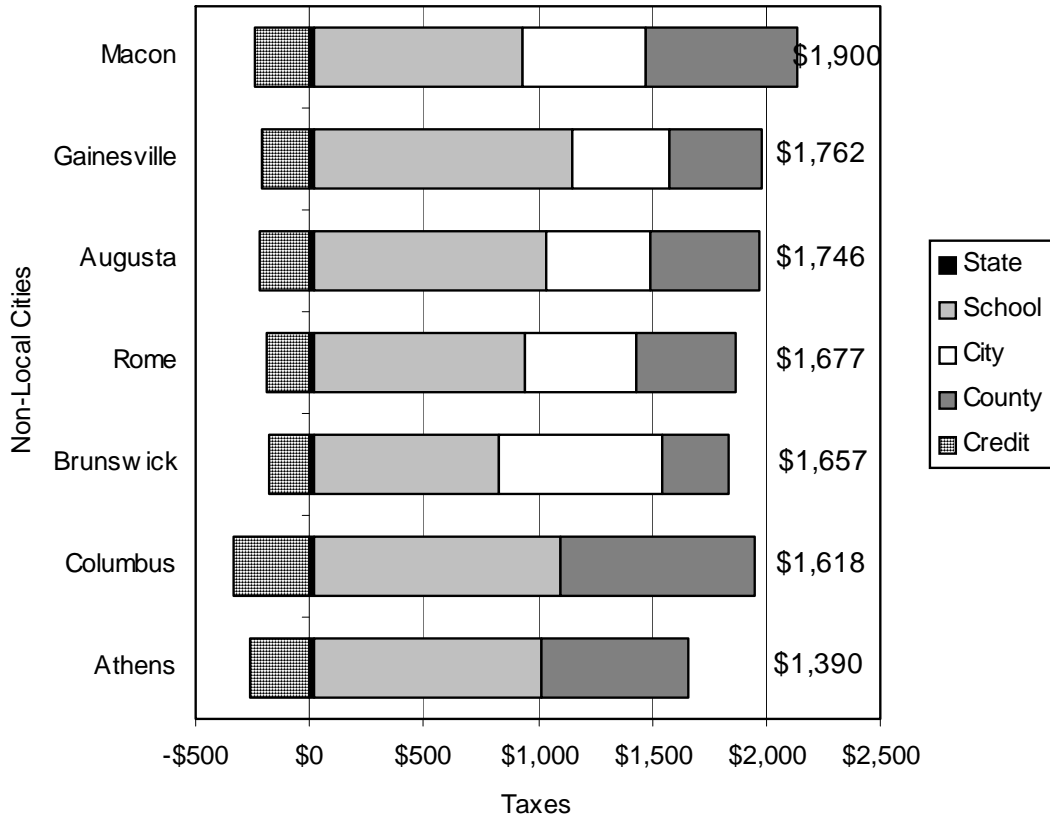
Comparative Property Taxes for a \$150,000 Home

Using the prior year's property tax bill for comparison, the taxes on a \$150,000 home in Athens-Clarke County for government services and the school system are lower than most of the surrounding cities and counties.



In addition, a comparison of similar size cities and counties throughout Georgia shows that Athens-Clarke County property taxes on a \$150,000 home are among the lowest.

Tax Comparison On A \$150,000 Home



Understanding Sales Taxes

The tax rate on retail sales in Clarke County is \$0.07 for every \$1.00 of sales, similar to most Georgia counties. The \$0.07 sales tax is divided as follows:

\$0.04 State of Georgia

\$0.01 LOST (Local Option Sales Tax) ACCUG General Fund

\$0.01 SPLOST (Special Purpose Local Option Sales Tax) Projects

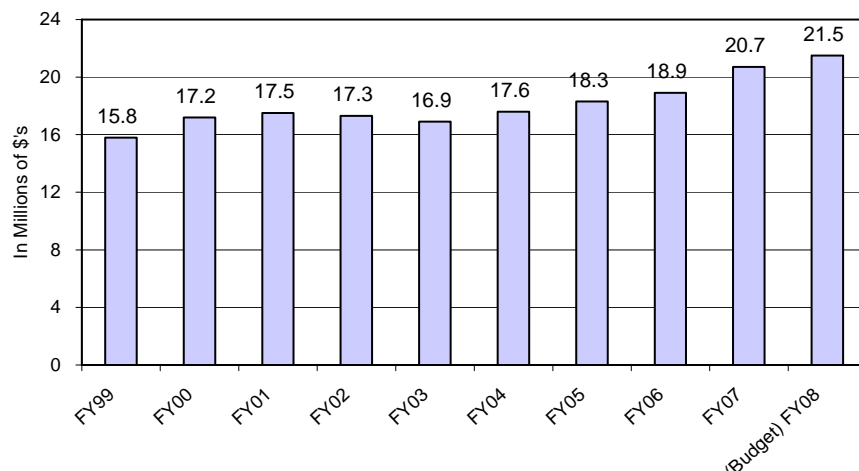
\$0.01 ELOST (Education Special Purpose L.O.S.T.) Projects

\$0.07 Total Sales Tax

The LOST tax is the only sales tax revenue that goes into the Athens-Clarke County General Fund to fund ongoing operating expenses. The SPLOST revenues are accounted for separately and can only be used for capital projects approved by a voter referendum. The ELOST revenues go to the Clarke County School System and can only be used for school system capital projects approved by a voter referendum.

The current SPLOST was approved in November 2004 and collections of the tax begun in April of 2005. The referendum funds a diverse list of 33 community improvement projects over six years totaling \$122 million. The planning, design and construction of the SPLOST projects are reviewed and approved by the Mayor and Commission at regularly scheduled meetings.

Local Option Sales Tax (LOST) Collection History



The FY08 Capital Budget

A capital project is defined as an individual asset or project of at least \$20,000 and includes facilities, equipment, vehicles, infrastructure repairs and improvements. The FY08 Capital Budget for all Funds totals is \$61,648,200. In addition to the Capital Budget adopted each year, the Budget includes a five-year Capital Improvement Plan to guide and prepare for future Capital Improvements. Some of the major Capital Projects budgeted in FY08 include:

GENERAL FUND

T&PW - Pavement Maintenance Prog	\$1,185,000
Ctr Ser - Space Allocation, Implementation	\$659,000
Ctr Ser - Facilities Life Cycle Maintenance	\$600,000
CIS - Replace Equip & Software	\$350,000
Planning - Update Aerial Photos	\$350,000
LS - Repair & Maint - Existing Facilities	\$300,000
CIS - Strategic Automation Plan, A&I	\$250,000
Ctr Ser - Corridor Appearance Management	\$240,000
800 Mhz Radio Replacement Program	\$200,000
Bridge Maintenance Program	\$200,000
Capital Contingency	\$200,000
T&PW - Local Roads, TIP Program	\$200,000
Sidewalk Enhancement & Improvements	\$175,000
Sheriff - Court House Security Equipment	\$150,000
Other General Fund Projects	<u>\$2,137,900</u>
Subtotal	\$7,196,900

ALL OTHER FUNDS

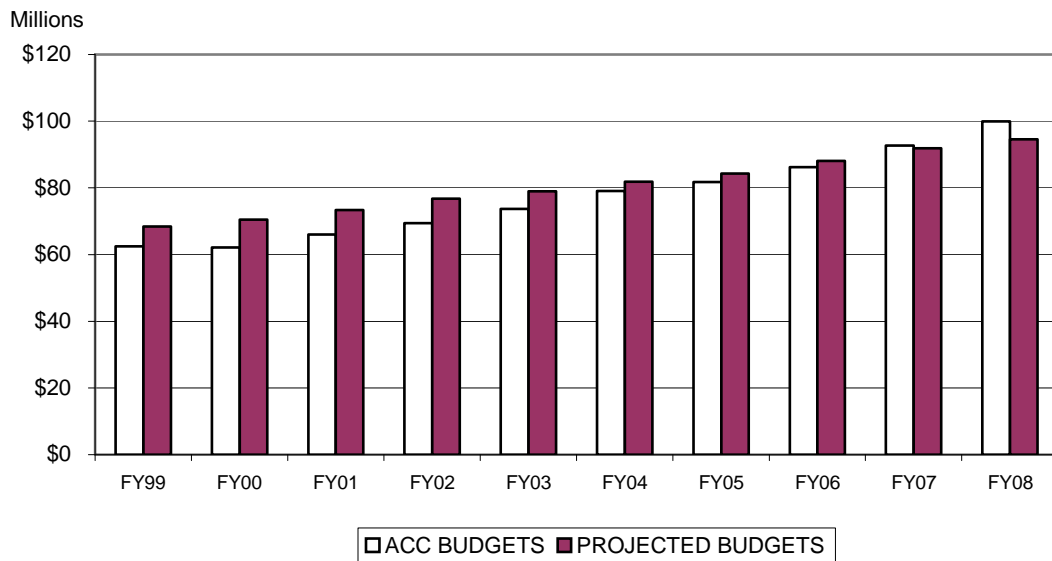
Wastewater Treatment Plant Expansion	\$20,708,400
Wastewater Collection Sys Improvements	\$17,754,400
Beacham Water Treatment Upgrade/ESB	\$6,500,000
Construct North Oconee Access Road	\$2,200,000
Vehicle & Equipment Replacement	\$1,675,800
Dredge Alum Sludge Lagoon	\$1,500,000
Inflow / Infiltration Abatement Program	\$1,000,000
Other Fund Projects	<u>\$3,112,700</u>
Subtotal	\$54,451,300

CURRENT SERVICES - ALL FUNDS \$61,648,200

Budget History and Trends

The FY08 General Fund Operating Budget is \$99.4 million, an increase of 7.2% over FY07. Over the past 2 years, the General Fund Operating Budget has grown at a rate greater than the combined current annual increase of the CPI (3.0%) and population increase for the last year (nearly 1.2%) as shown in the graph below.

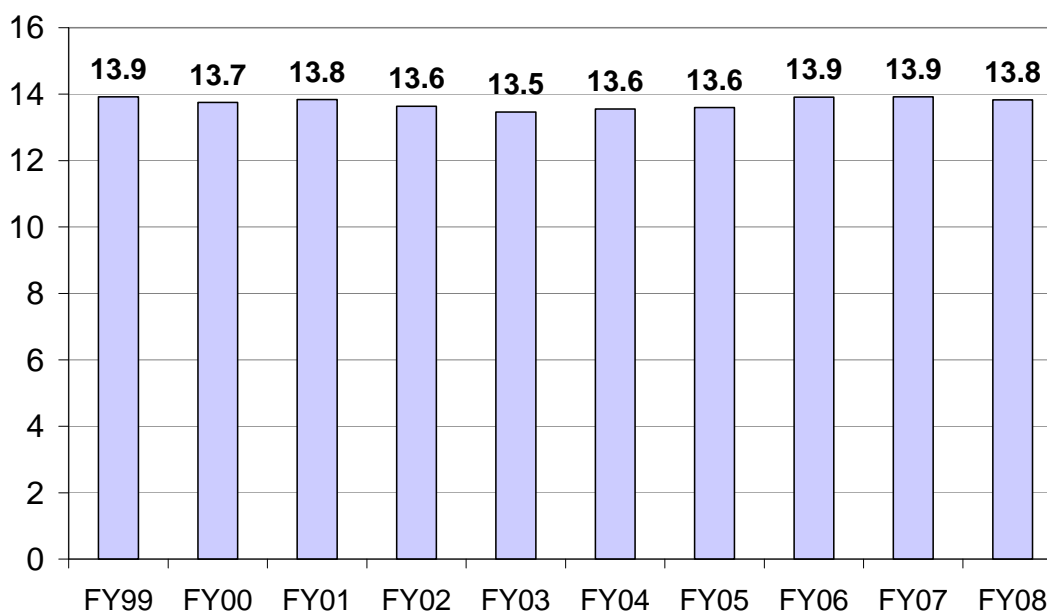
**GENERAL FUND BUDGETS COMPARED TO POPULATION AND
CPI INCREASES (FY99-08)**



Full-time Employees: Trends and Comparisons

This Budget will raise the number of full-time authorized employee positions to 1,528, a net increase of 8 compared to the current level of 1,520. This increase still maintains the number of full-time employees per thousand residences below 14. The 10-year trend of full-time employees per thousand residents has remained just below 14¹.

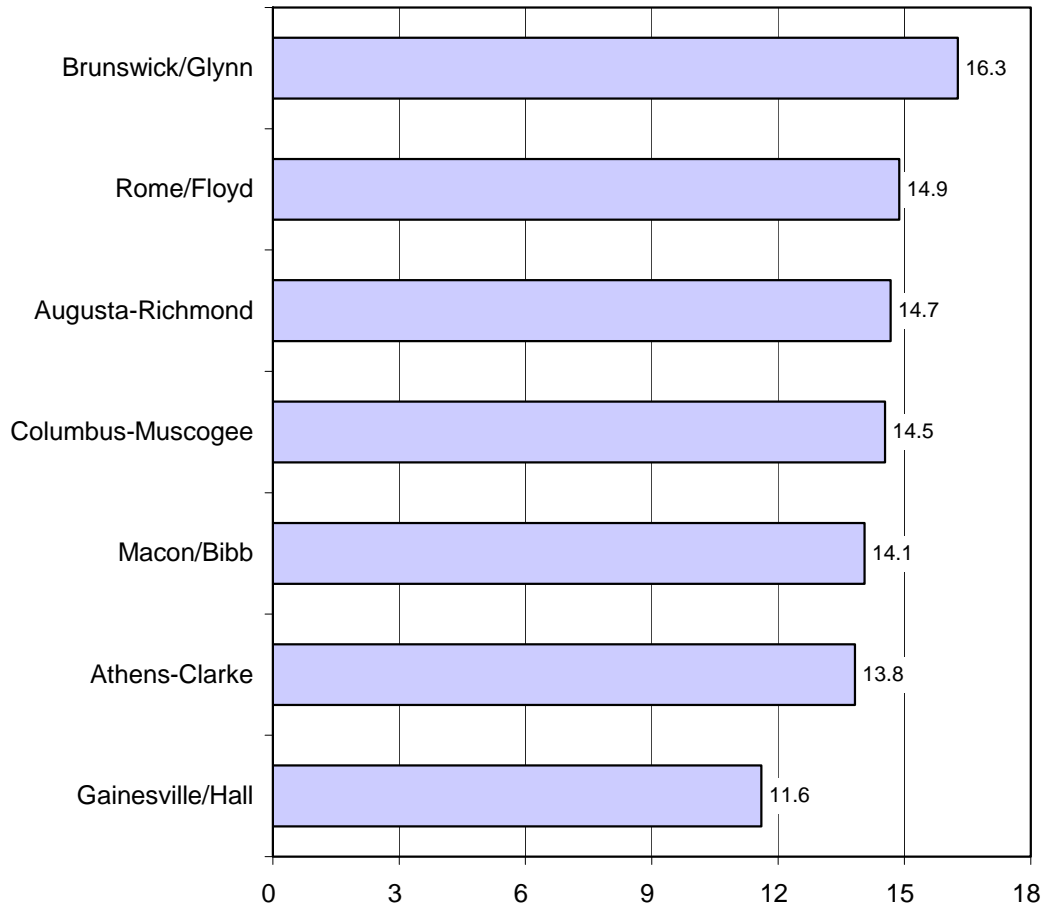
Employees per 1,000 Population - History



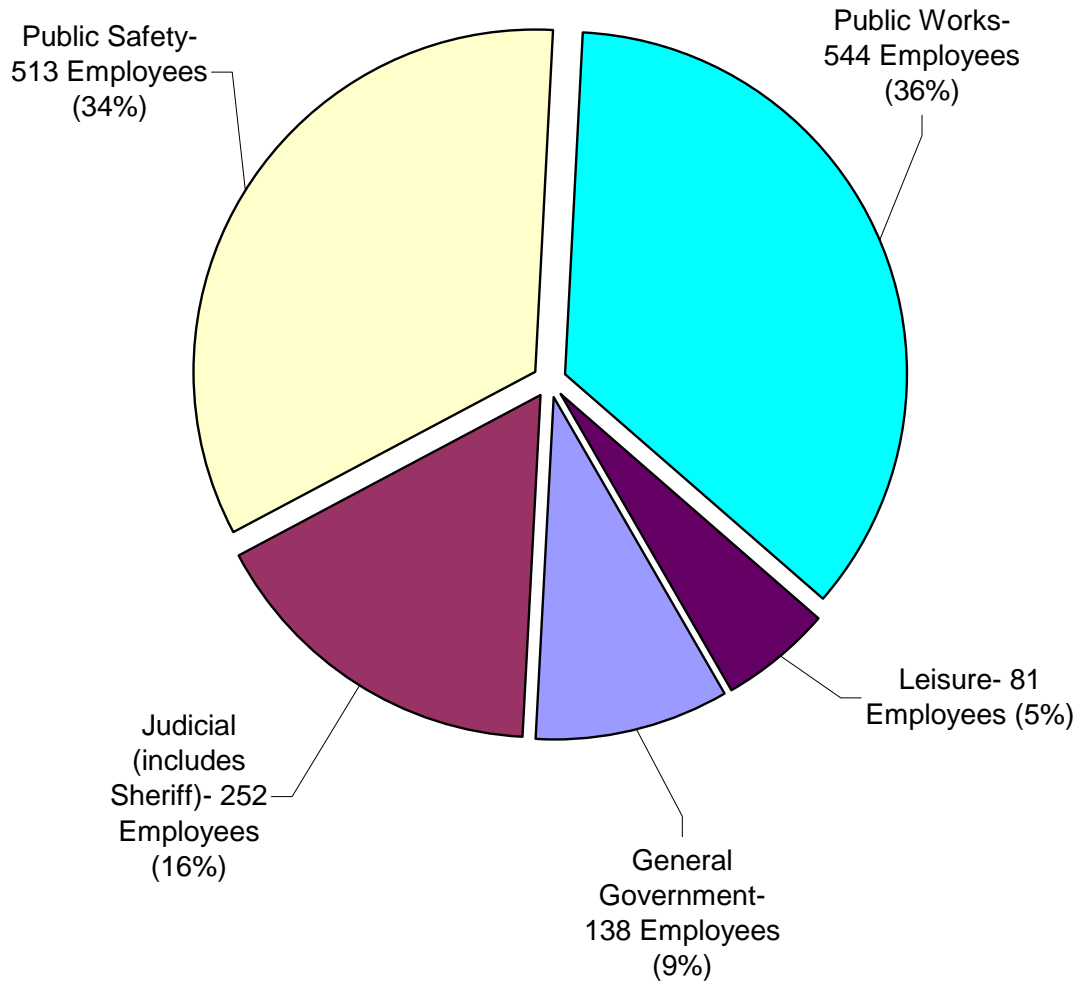
¹ The population statistics used to calculate the number of employees per 1000 residents were updated for all years (FY 1999-FY2008), thus the figures associated with this chart will differ from those seen in the previous year's documents. The population statistics were drawn from the ACC's Planning Department Comprehensive Plan moderate growth estimates found in Table 2 of the Comprehensive Plan.

Athens-Clarke County's 13.8 full time employees per 1,000 of population is less than most similarly sized governments in Georgia as shown on the graph below.

Employees Per 1,000 Population - Comparison



Full-Time Employees - By Function Total of 1,528



FULL-TIME AUTHORIZED POSITIONS

<u>Department or Office</u>	<u>FY08</u>	<u>Change From FY07 to FY08</u>
Airport	8	-
Attorney	6	-
Auditor	3	-
Board of Elections	3	-
Building Inspections & Permits	25	-
Central Services	75	-
Clerk of Courts	17	-
Computer Information Services	18	-
Cooperative Extension	1	-
Corrections	29	-
District Attorney	13	1
Finance	28	-
Fire & Emergency Services	190	-
General Support Group: Organizational Development	3	-
Human & Economic Development	10	-
Human Resources	20	-
Juvenile Court	3	-
Leisure Services	80	-
Magistrate Court	10	1
Manager	6	-
SPLOST Management	3	-
Mayor and Commission	1	-
Clerk of Commission	2	-
Public Information	2	-
Municipal Court	11	1
Planning	22	-
Police	294	-
Probate Court	4	-
Public Utilities	193	-
Sheriff	161	-
Solicitor General	15	-
Solid Waste	65	-
State Court	9	2
Superior Courts	9	1
Tax Assessor	14	-
Tax Commissioner	19	-
Transit	57	2
Transportation & Public Works	99	-
	<hr/>	<hr/>
	1,528	8

Legal and Charter Requirements for the Annual Budget

There are several requirements under Georgia Law and the Unified Government's Charter that must be met as a part of preparing and adopting the Annual Budget. Some of these requirements include:

- Budgets must be balanced so that projected expenditures do not exceed projected revenues and available fund balances.
- Budgets must be provided at least at the department level and be separated by fund.
- A separate Operating and Capital Budget must be submitted and adopted.
- The Mayor's Recommended Budget must be submitted to the Commission at least 60 days prior to beginning of the fiscal year.
- At the time the Recommended Budget is provided to the Commission, it shall be made available for public review.
- Public Hearings must be held to receive public input on the proposed budget at least one week prior to the budget being adopted.
- Public Hearings must be held to receive public input if the proposed budget will include an increase in the property tax millage rate.

During the fiscal year, the Mayor and Commission may change the Budget as needed through the adoption of a budget ordinance identifying the change. Also, departments can transfer budget funds between line items within their department's budget to cover unanticipated expenses with approval of the Finance Director. However, the department's total budget or full-time authorized positions cannot increase without Mayor and Commission approval.

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