

This *Budget in Brief* has been produced to provide an overview of the Unified Government of Athens-Clarke County's Annual Operating and Capital Budget for Fiscal Year 2005 (July 1, 2004 – June 30, 2005). This document provides a brief and understandable summary of the FY05 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 FY05 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.

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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	Charles Carter
Commissioner - District 2	Harry Sims
Commissioner - District 3	George Maxwell
Commissioner - District 4	John Barrow
Commissioner - District 5	David Lynn
Commissioner - District 6	Carl Jordan
Commissioner - District 7	Kathy Hoard
Commissioner - District 8	States McCarter
Commissioner - District 9	Tom Chasteen
Commissioner - District 10	Cardee Kilpatrick
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: 103,881 (2002 Estimate)

UGA Enrollment: 33,878 (Fall 2003)

Land Area: 122 square miles or 78,000 acres

Median Age: 25.6 (2000 Census)

Median Household Income: \$28,403 (2000 Census)

Major Attractions:

- University of Georgia
- State Botanical Gardens
- Georgia Museum of Art
- Downtown Athens
- Morton Theatre
- Classic Center (Convention Center & Theater)

Principal Employers:

- University of Georgia
- Athens Regional Medical Center
- Clarke County School System
- Con Agra 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 2004:

A-CC	\$ 355
School	\$ 517
State	<u>\$ 9</u>
Total	\$ 881

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.

FY05 Significant Budget Issues

- A reduction of .30 of a mill in the property tax rate, from a millage rate of 13.70 to 13.40. This is the lowest property tax millage rate since Unification (1991). At this level, Athens-Clarke County residents will continue to pay lower property taxes than most other surrounding counties and other similar communities in Georgia.
- This Budget includes an \$81.7 million General Fund Operating Budget in FY05, an increase of 3.5%, and a Capital Budget of \$5.1 million. The total General Fund Operating and Capital Budget for FY05 is \$86.8 million, an increase of 3.7% over the previous year.
- The Operating budget for all other funds totals \$35.8 million, after deducting for interfund transfers. The Capital Budget for all other funds totals \$15.5 million, \$1.6 million above the FY04 Budget. The total FY05 Budget is \$138.1 million, an increase of \$4.4 million or 3.4%.
- This budget does not propose an increase in the Water and Sewer fees, Transit fares, Solid Waste Collection charges, or Landfill Tonnage fees during FY05.
- This Budget includes the following additional funding and positions to improve service delivery and respond to growing demands on ACC services and programs:
 - Six (6) police officers and one (1) civilian in the Police Department to augment existing public safety patrols and enhance traffic enforcement.
 - A full year's funding is included in this Budget to operate the Government's new Community Protection Division and for increased ordinance enforcement initiated during FY04.
 - Two (2) additional bus operators funded from a Federal grant to expand Transit services through "The Link" program.
 - Five (5) additional positions in the Public Utilities department to improve customer service and timely meter reading and a crew to

improve maintenance, reduce wastewater overflows and response timely to wastewater emergencies.

- This Budget includes the following additional funding to support new facilities constructed through the SPLOST program:
 - In Leisure Services an increase of \$113,900 for additional operating expenses and one position at Southeast Park and \$22,400 for half year funding for the improved Animal Health Care Facility at Memorial Park.
 - The Police Department budget includes \$100,000 for the operating costs for the remaining vehicles purchased under the Assigned Vehicle Program.
 - The Corrections Department budget includes an additional position and related operating expenses (\$71,100) for the Food Preparation Center.
- The FY05 Budget includes a total of \$1.7 million to recruit, retain, and reward employees that provide acceptable work performance. A little more than half of this amount funds a 1.5% market pay adjustment and \$800,000 will fund performance pay increases. The total amount for pay adjustments, \$1.7 million, is less than the \$2.4 million funded in FY04.
- This Budget includes a net increase of 19 full-time positions. Total full-time authorized positions will be 1,448 in FY05. Authorized full-time positions have remained below 14 per thousand of ACC population since 1991.

Mayor and Commission Goals and Objective for FY05

I. Support Community Improvements that will Enhance Quality of Life for all Citizens

- A. Develop a measurement tool for tracking and evaluating the viability and sustainability of neighborhoods using neighborhood indicators such as economic conditions, development patterns, public safety statistics, and code violations.
- B. Provide funding for the completion of the Corridor Management Program Master Plan, which will include development standards, and the identification of sites for future improvements.
- C. Provide funding for Park Safety Initiatives in Leisure Service facilities to include 911 call boxes.
- D. Provide funding for the completion of the Greenway Network Plan, which will include development standards, and identification of sites for acquisition and future development.

II. Enhance Governmental Services

- A. Evaluate methods for improving Solid Waste Collection Services within the franchised collection zones.
- B. Adopt the International Association of Chiefs of Police recommended staffing model for metropolitan statistical areas' core counties/cities and fund 20% of the actual personnel deficit.
- C. Require an increased level of accountability from independent agencies by requiring well-defined goals, performance measures, and supporting data demonstrating their success in meeting the previous year's goals.

- D. Conduct an energy audit and other energy analysis to identify methods for reducing energy consumption within the ACC Government.
- E. Review the Fleet Replacement Program to determine funding levels and lifecycle estimates are appropriate.

III. Improve the Quality and Morale of the Workforce through Enhanced Recruitment and Retention Efforts

- A. Support funding for training and education designed to increase the workforce's knowledge, skills, and abilities.
- B. Fund the Pension Plan to a level that provides for accrual of benefits beyond 30 years.
- C. Restructure vacation and comp time accruals to provide exempt employees a tangible incentive for uncompensated work hours.
- D. Annually review Human Resource Department's Wage Rate Study; fund adjustments within identified job classifications, when warranted, to maintain a competitive market rate; and continue to support the Performance Management Program.

IV. Improve Organizational Workflow through a Greater Use of Electronic Information

- A. Fund a "Document Imaging Technology Implementation Plan" and two pilot projects.
- B. Authorize a Government to Citizens Internet Initiative that will offer selected services to the citizens via the Internet.
- C. Create a paperless agenda process for use during regularly scheduled meetings of the Mayor and Commission.

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 10 and 11.

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 FY05 General Fund Budget totals \$86.8 million. A listing of budgeted revenues and expenditures by department in the General Fund can be found on pages 12 and 13.

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 FY05 total \$9.7 million.

The Debt Service Fund accounts for accumulation of resources for, and the payment of, general long-term debt principal and interest. (It should be noted that specific debt backed by specific revenue sources such as water & sewer fees and landfill fees are accounted for in the Enterprise Funds for those services.) The Budget for the Debt Service Fund in FY05 totals \$129,400.

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 FY05 total \$5.6 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 and the Transit System (The Bus). Enterprise Fund budgets in FY05 total \$43.6 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 FY05 total \$16.9 million.

SUMMARY FY2005 BUDGET ALL FUNDS

	<u>FY04</u> <u>BUDGET</u>	<u>FY05</u> <u>BUDGET</u>	%
			<u>INC/</u> <u>(DEC)</u>
REVENUES:			
PROPERTY TAXES	\$33,443,000	\$34,822,500	4.1%
SALES TAX	\$17,500,000	\$18,200,000	4.0%
OTHER TAXES	\$16,827,500	\$17,454,500	3.7%
LICENSES & PERMITS	\$1,357,500	\$884,500	-34.8%
INTERGOVERNMENTAL REVENUES	\$5,634,233	\$5,935,701	5.4%
CHARGES FOR SERVICES	\$59,220,935	\$60,293,127	1.8%
FINES & FORFEITURES	\$2,932,280	\$3,424,950	16.8%
OTHER REVENUES	\$894,050	\$1,200,730	34.3%
TRANSFERS IN FROM OTHER FUNDS	\$8,150,230	\$8,736,664	7.2%
USE FUND BALANCE	\$4,451,350	\$4,325,100	-2.8%
USE OF NET ASSETS BALANCE	<u>\$10,032,722</u>	<u>\$10,641,761</u>	6.1%
SUB-TOTAL REVENUE & OTHER SOURCES	\$160,443,800	\$165,919,533	3.4%
LESS INTERFUND TRANSFERS (1)	<u>(\$23,133,300)</u>	<u>(\$24,644,300)</u>	6.5%
TOTAL REVENUE & OTHER SOURCES	<u>\$137,310,500</u>	<u>\$141,275,233</u>	2.9%
EXPENDITURES (BY FUND):			
GENERAL FUND	\$83,649,400	\$86,766,468	3.7%
<u>SPECIAL REVENUE FUNDS:</u>			
EMERGENCY TELEPHONE SYSTEM (E911)	\$1,370,000	\$1,900,000	38.7%
COMMUNITY DEV. BLOCK GRANT (CDBG)	\$1,812,000	\$1,819,097	0.4%
HOTEL/MOTEL TAX FUND	\$1,494,000	\$1,540,700	3.1%
HUD HOME GRANT FUND	\$1,004,200	\$1,422,854	41.7%
GRANTS FUND	\$1,247,063	\$1,188,763	-4.7%
BUILDING INSPECTION FUND	\$868,611	\$891,000	2.6%
SUPPORTIVE HOUSING GRANT FUND	\$357,900	\$357,900	0.0%
SPECIAL PROGRAMS & INITIATIVES FUND	\$321,669	\$322,000	0.1%
ALTERNATIVE DISPUTE RESOLUTION PRGM	\$120,000	\$118,746	-1.0%
SHERIFF INMATE FUND	\$100,000	\$100,000	0.0%
ECONOMIC DEVELOPMENT FUND	\$50,000	\$50,000	0.0%
CORRECTIONS INMATE FUND	<u>\$30,000</u>	<u>\$30,000</u>	0.0%
SUB-TOTAL SPECIAL REVENUE FUNDS	\$8,775,443	\$9,741,060	11.0%

**SUMMARY FY2005 BUDGET
ALL FUNDS**

	<u>FY04 BUDGET</u>	<u>FY05 BUDGET</u>	<u>% INC/ (DEC)</u>
DEBT SERVICE FUND	\$127,100	\$129,400	1.8%
<u>CAPITAL PROJECT FUNDS:</u>			
GENERAL CAPITAL PROJECTS FUND	\$4,632,100	\$5,031,500	8.6%
PUBLIC FACILITIES AUTHORITY FUND	<u>\$542,800</u>	<u>\$597,400</u>	10.1%
SUB-TOTAL CAPITAL PROJECT FUNDS	\$5,174,900	\$5,628,900	8.8%
<u>ENTERPRISE FUNDS:</u>			
WATER & SEWER FUND	\$31,312,625	\$31,903,536	1.9%
TRANSIT FUND	\$3,231,943	\$3,630,929	12.3%
LANDFILL FUND	\$3,357,700	\$3,118,045	-7.1%
SOLID WASTE COLLECTION FUND	\$3,041,764	\$2,991,610	-1.6%
AIRPORT FUND	<u>\$1,869,200</u>	<u>\$1,907,427</u>	2.0%
SUB-TOTAL ENTERPRISE FUNDS	\$42,813,232	\$43,551,547	1.7%
<u>INTERNAL SERVICE FUNDS:</u>			
SELF FUNDED HEALTH INSURANCE FUND	\$8,909,500	\$9,227,371	3.6%
SELF FUNDED INSURANCE & CLAIMS FUND	\$2,000,022	\$2,456,013	22.8%
FLEET MANAGEMENT FUND	\$1,928,900	\$2,185,922	13.3%
INTERNAL SUPPORT FUND	\$1,550,700	\$1,542,477	-0.5%
FLEET REPLACEMENT FUND	<u>\$1,798,700</u>	<u>\$1,535,700</u>	-14.6%
SUB-TOTAL INTERNAL SERVICE FUNDS	\$16,187,822	\$16,947,483	4.7%
SUB-TOTAL EXPENDITURES ALL FUNDS	\$156,727,897	\$162,764,858	3.9%
LESS INTERFUND TRANSFERS (1)	<u>(\$23,133,300)</u>	<u>(\$24,644,300)</u>	6.5%
TOTAL OPERATING & CAPITAL EXPENDITURES	\$133,594,597	\$138,120,558	3.4%
DESIGNATED FOR FUTURE CAPITAL & DEBT SERVICE REQUIREMENTS	\$3,715,903	\$3,154,675	-15.1%
TOTAL EXPENDITURES & DESIGNATIONS	<u>\$137,310,500</u>	<u>\$141,275,233</u>	2.9%

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".

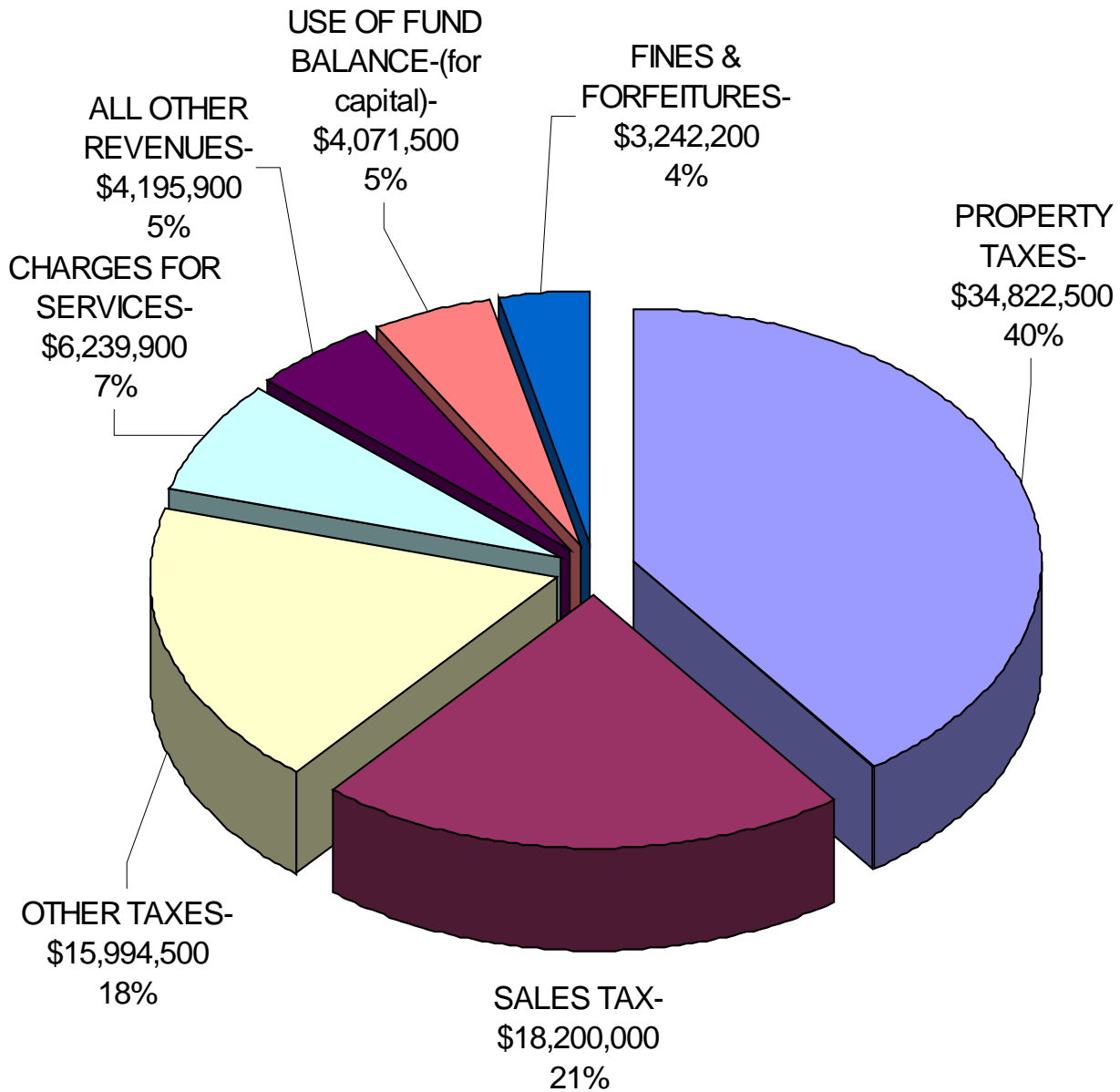
SUMMARY FY2005 BUDGET GENERAL FUND

	<u>FY04</u> <u>BUDGET</u>	<u>FY05</u> <u>BUDGET</u>	<u>%</u> <u>INC/</u> <u>(DEC)</u>
REVENUES:			
PROPERTY TAXES	\$33,443,000	\$34,822,500	4.1%
SALES TAX	\$17,500,000	\$18,200,000	4.0%
OTHER TAXES	\$15,427,500	\$15,994,500	3.7%
LICENSES PERMITS	\$1,357,500	\$884,500	-34.8%
INTERGOVERNMENTAL REVENUES	\$1,211,800	\$1,128,800	-6.8%
CHARGES FOR SERVICES	\$5,916,500	\$6,239,900	5.5%
FINES & FORFEITURES	\$2,767,150	\$3,242,150	17.2%
OTHER REVENUES	\$643,850	\$582,618	-9.5%
TRANSFERS IN FROM OTHER FUNDS	\$1,300,000	\$1,600,000	23.1%
USE OF FUND BALANCE-(for capital)	<u>\$4,082,100</u>	<u>\$4,071,500</u>	-0.3%
TOTAL REVENUE & OTHER SOURCES	<u>\$83,649,400</u>	<u>\$86,766,468</u>	3.7%
EXPENDITURES (BY DEPARTMENT):			
MAYOR AND COMMISSION MANAGER	\$641,597	\$640,675	-0.1%
ATTORNEY	\$574,679	\$606,809	5.6%
AUDITOR	\$445,826	\$406,014	-8.9%
FINANCE	\$195,091	\$200,407	2.7%
HUMAN RESOURCES	\$1,573,736	\$1,638,595	4.1%
TAX COMMISSIONER	\$1,121,009	\$1,154,917	3.0%
BOARD OF TAX ASSESSORS	\$1,067,846	\$1,097,528	2.8%
BOARD OF ELECTIONS	\$834,411	\$870,170	4.3%
HUMAN & ECONOMIC DEVELOPMENT	\$233,276	\$342,793	46.9%
GENERAL SUPPORT GROUP	\$190,869	\$219,580	15.0%
COMPUTER INFORMATION SERVICES	\$626,733	\$225,531	-64.0%
NONDEPARTMENTAL	\$1,562,988	\$1,647,459	5.4%
TOTAL GENERAL GOVERNMENT	<u>\$4,597,877</u>	<u>\$3,695,500</u>	-19.6%
	\$13,665,938	\$12,745,978	-6.7%
SUPERIOR COURTS	\$1,081,030	\$1,154,465	6.8%
CLERK OF COURTS	\$789,638	\$812,686	2.9%
STATE COURT	\$398,354	\$411,499	3.3%
SOLICITOR GENERAL	\$740,791	\$920,523	24.3%
DISTRICT ATTORNEY	\$642,737	\$677,725	5.4%
SHERIFF	\$10,016,486	\$10,441,742	4.2%

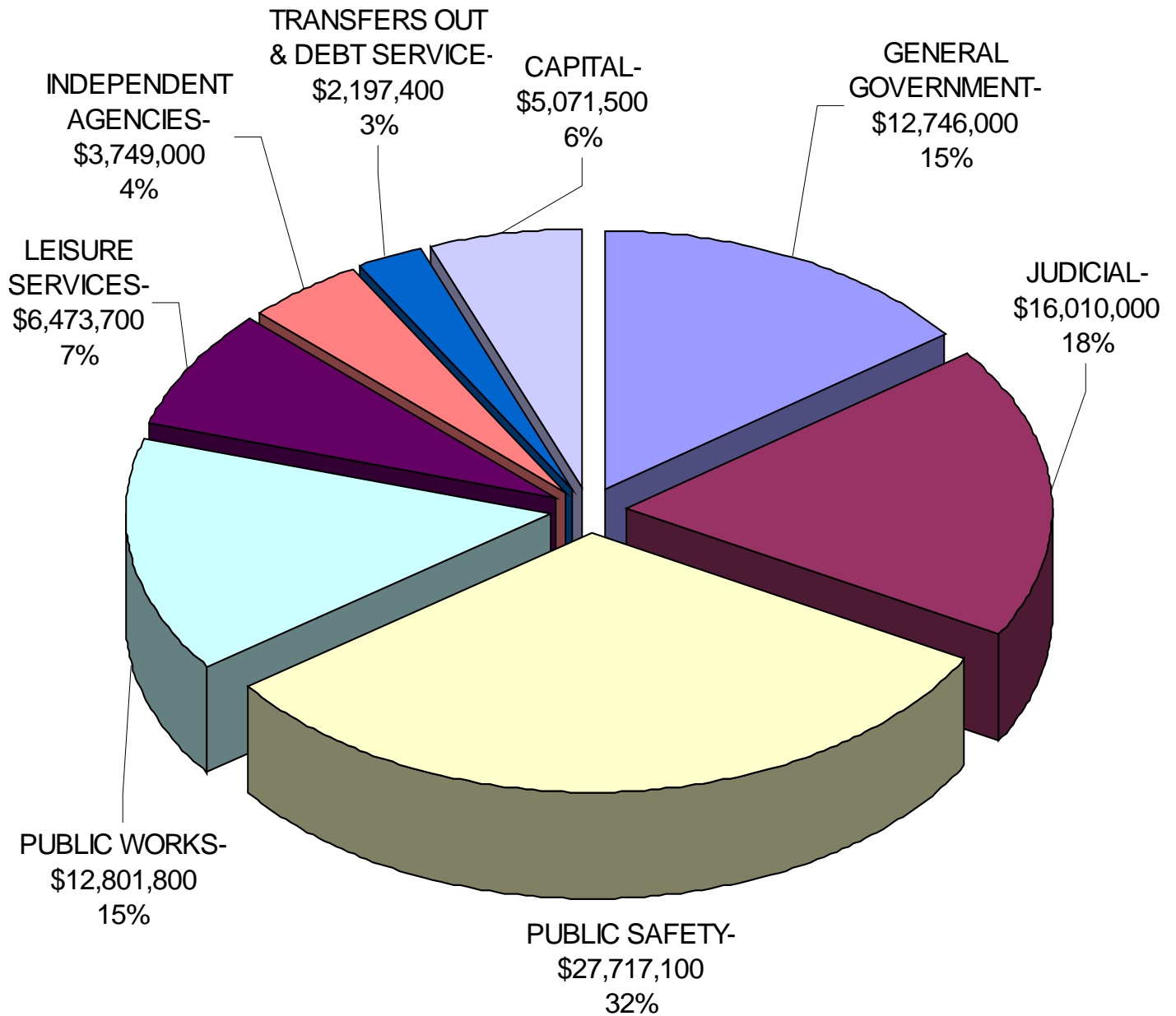
SUMMARY FY2005 BUDGET GENERAL FUND

	<u>FY04 BUDGET</u>	<u>FY05 BUDGET</u>	% INC/ (DEC)
JUVENILE COURT	\$308,768	\$316,556	2.5%
MAGISTRATE'S COURT	\$494,512	\$500,388	1.2%
CORONER	\$40,703	\$39,159	-3.8%
PROBATE COURT	\$267,134	\$270,369	1.2%
MUNICIPAL COURT	<u>\$466,923</u>	<u>\$464,846</u>	-0.4%
TOTAL JUDICIAL	\$15,247,076	\$16,009,958	5.0%
POLICE SERVICES	\$15,349,083	\$16,526,926	7.7%
FIRE SERVICES	\$9,056,788	\$9,440,241	4.2%
CORRECTIONS	<u>\$1,608,430</u>	<u>\$1,749,946</u>	8.8%
TOTAL PUBLIC SAFETY	\$26,014,301	\$27,717,113	6.5%
TRANSPORTATION & PUBLIC WORKS	\$5,138,888	\$5,280,517	2.8%
SOLID WASTE	\$686,897	\$635,089	-7.5%
PLANNING & ZONING	\$1,130,258	\$838,164	-25.8%
BUILDING INSPECTION (Community Protection Div)	\$0	\$653,146	--
CENTRAL SERVICES	<u>\$5,096,994</u>	<u>\$5,394,920</u>	5.8%
TOTAL PUBLIC WORKS	\$12,053,037	\$12,801,836	6.2%
LEISURE SERVICES	\$6,027,135	\$6,359,685	5.5%
COOPERATIVE EXTENSION SERVICE	<u>\$105,727</u>	<u>\$114,043</u>	7.9%
TOTAL LEISURE SERVICES	\$6,132,862	\$6,473,728	5.6%
INDEPENDENT AGENCIES	\$3,559,386	\$3,748,991	5.3%
DEBT SERVICE	\$350,000	\$354,500	1.3%
TRANSFERS OUT TO OTHER FUNDS	\$1,944,700	\$1,842,864	-5.2%
TOTAL OPERATING EXPENDITURES	\$78,967,300	\$81,694,968	3.5%
CAPITAL FOR CURRENT SERVICES (CS)	\$2,159,100	\$2,671,500	23.7%
CAPITAL FOR ADDITIONS & IMPROVEMENTS	<u>\$2,523,000</u>	<u>\$2,400,000</u>	-4.9%
TOTAL CAPITAL	\$4,682,100	\$5,071,500	8.3%
TOTAL OPERATING & CAPITAL EXPENDITURES	<u>\$83,649,400</u>	<u>\$86,766,468</u>	3.7%

GENERAL FUND REVENUES-\$86.8 million



GENERAL FUND EXPENDITURES- \$86.8 million



General Fund Revenues and Expenditures Per Capita

General Fund Revenues: Property taxes account for the largest source of revenue - 40% or \$335 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 \$835 for General Fund services in FY05.

Per Capital Revenue by Type

Property Tax	\$335
Sales Tax	\$175
Other Taxes	\$154
Charges for Services	\$60
Other Revenues	\$41
Use of Fund Balance	\$39
Fines & Forfeitures	<u>\$31</u>
Total	\$835

General Fund Expenditures: Approximately 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 \$421 per capita for these services. Departments included under each functional area (Public Works, General Government, etc.) can be found on page 12 and 13.

Per Capital Expenditures by Function

Public Safety	\$267
Judicial	\$154
Public Works	\$123
General Government	\$123
Leisure Services	\$62
Capital Projects	\$49
Independent Agencies	\$36
Transfers to Other Funds & Debt Service	<u>\$21</u>
Total	\$835

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:

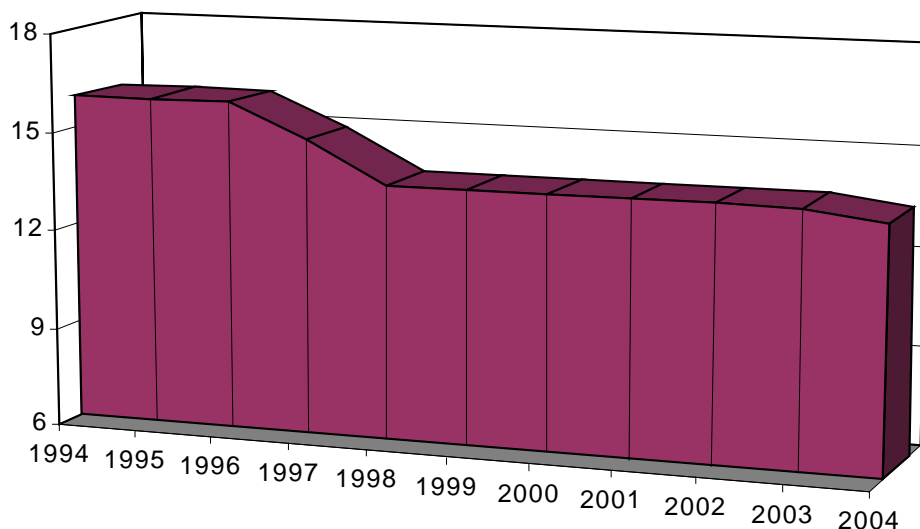
$$\begin{aligned} \text{Fair Market Value} \times 40\% &= \text{Assessed Value} \\ \text{Assessed Value} - \text{Exemptions} &= \text{Taxable Value} \\ \text{Taxable Value} \times \text{Tax Rate} &= \text{Amount of Tax Bill} \end{aligned}$$

Example for \$150,000 home:

$$\begin{aligned} \$150,000 \times 40\% &= \$60,000 \\ \$60,000 - \$10,000 &= \$50,000 \\ \$50,000 \times 0.01340 &= \$670 \end{aligned}$$

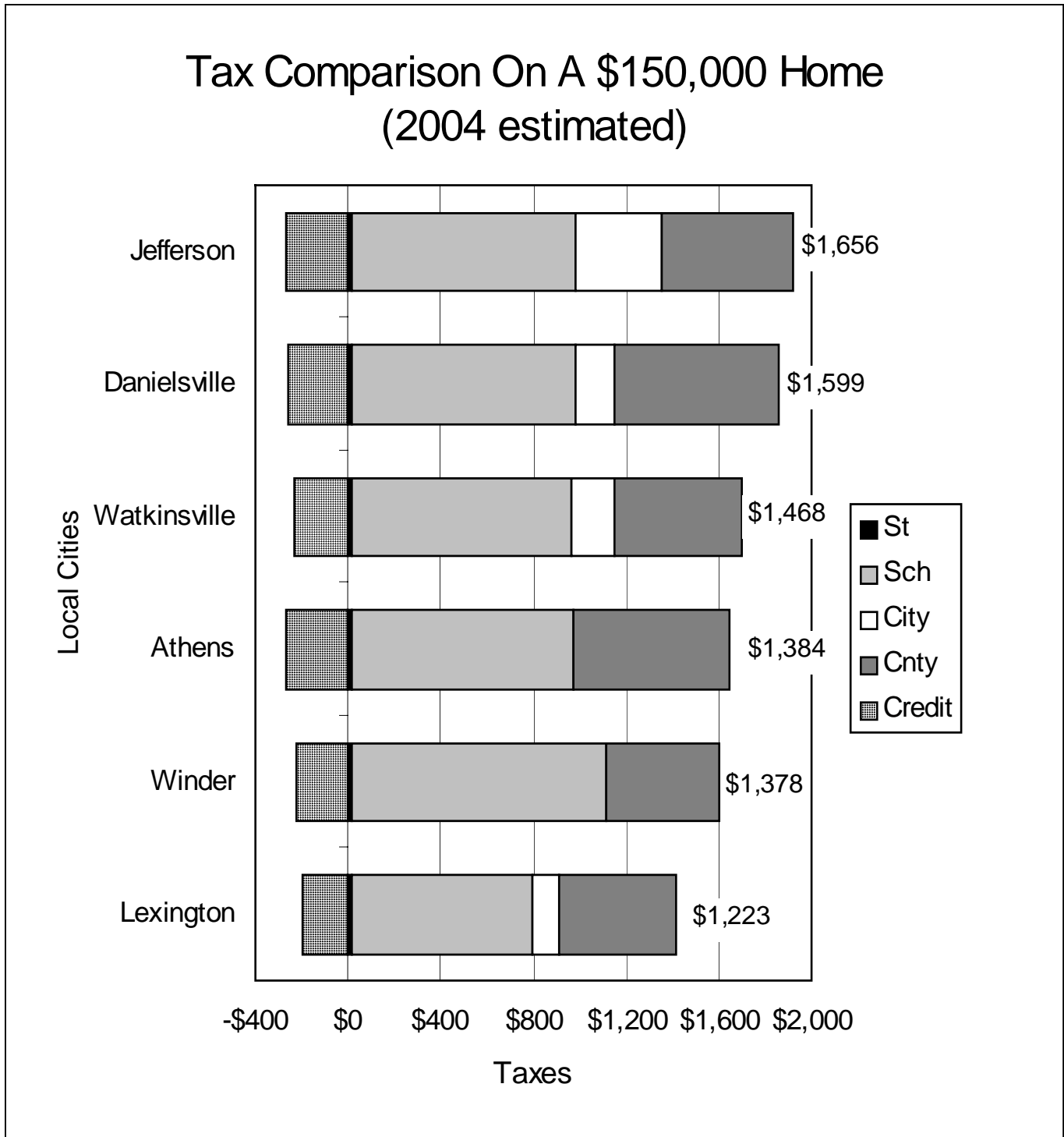
Over the last 10 years, the millage rate for Athens-Clarke County governmental services has dropped from 15.95 mills to 13.40 mills. (Note: the Clarke County Board of Education adopts a separate millage rate for the school system that is not included in these figures.)

A-CC Millage Rate History 1994 - 2004



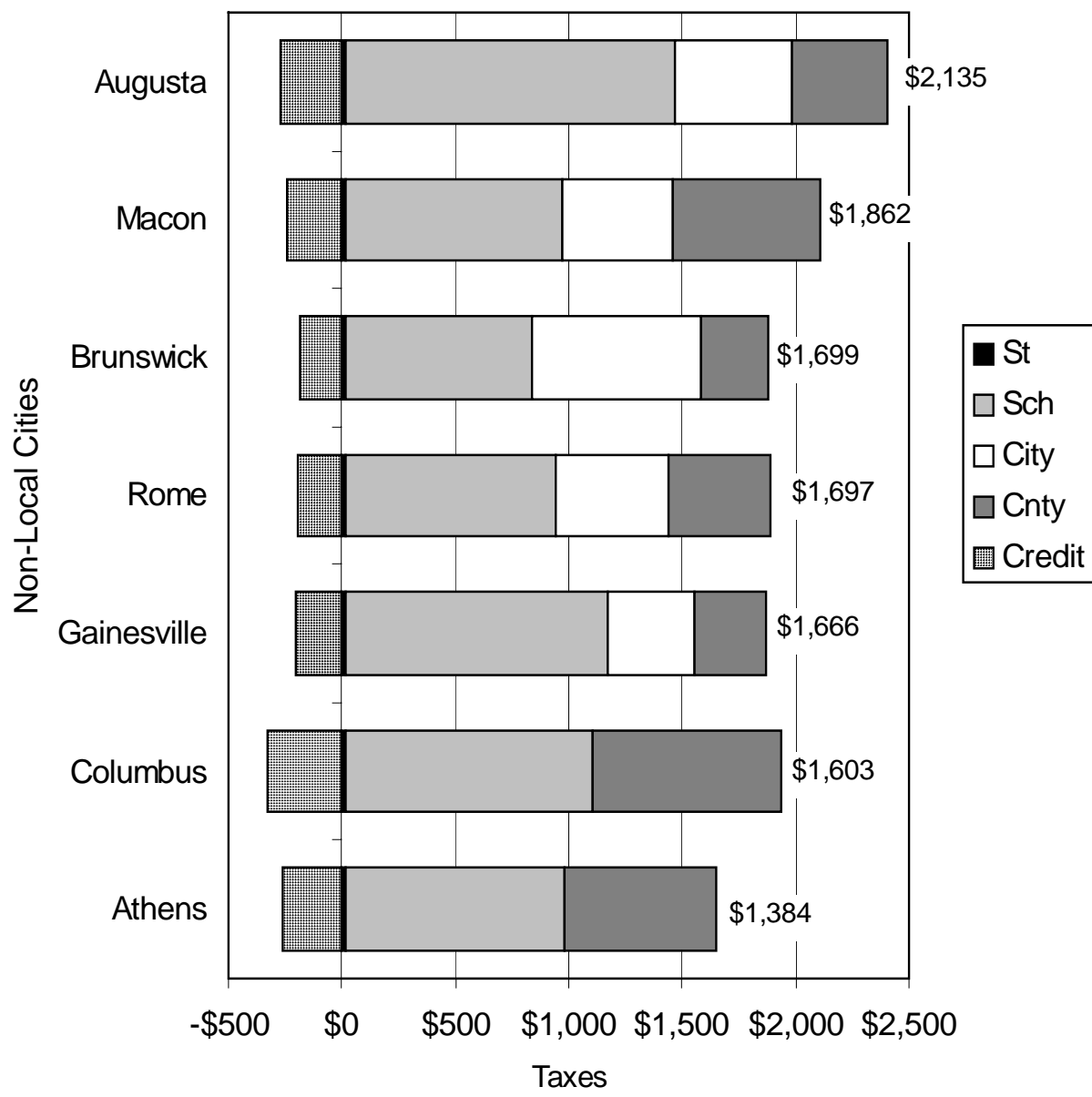
Comparative Property Taxes for a \$150,000 Home

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. (Note: Tax rate amounts for A-CC are for 2004. All other city and county rates are for 2003.)

Tax Comparison On A \$150,000 Home (2004 estimated)



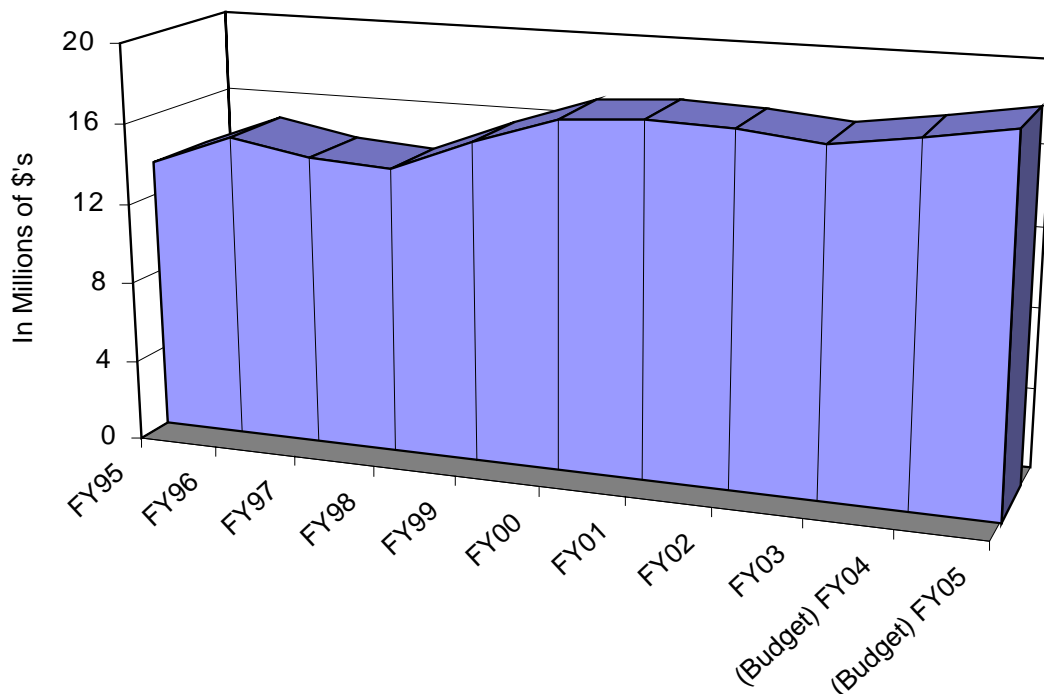
Understanding Sales Taxes

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) A-C County General Fund
- \$0.01 SPLOST (Special Purpose Local Option Sales Tax) Projects
- \$0.01 ESPLOST (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 ESPLOST revenues go to the Clarke County School System and can only be used for school system capital projects approved by a voter referendum.

Local Option Sales Tax (LOST) Collection History



The FY05 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 FY05 Capital Budget for all Funds totals \$20,579,100, an increase of \$1,933,200 or 10.4% over the previous year. 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 FY05 include:

General Fund Capital Projects:

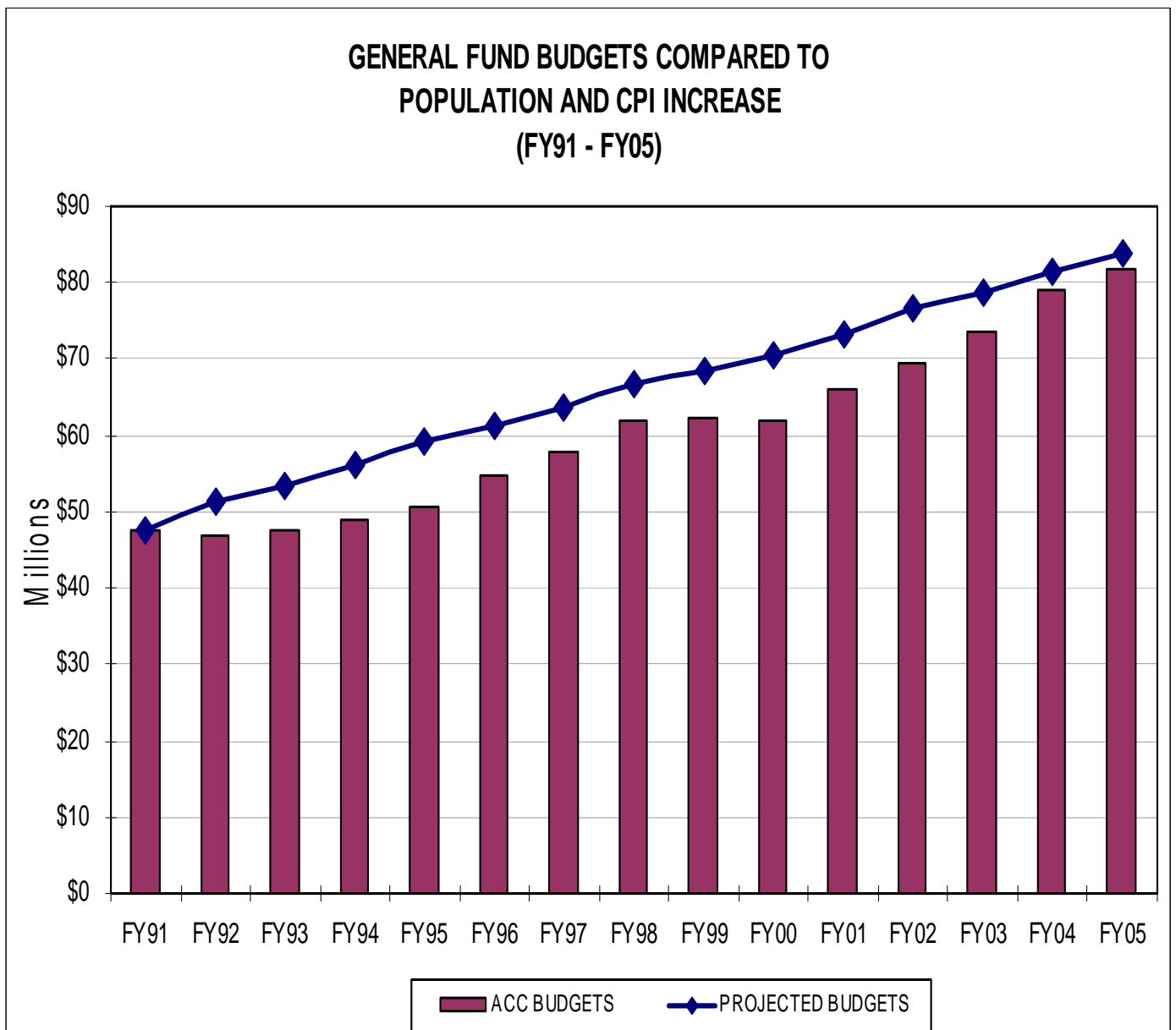
Roadway & Pavement Maintenance Program	\$ 600,000
CIS Strategic Plan (Repair & Replacement)	\$ 400,000
Local Roads Traffic Improvements	\$ 381,000
Facilities Life Cycle Maintenance Program	\$ 378,200
Corridor Appearance Program	\$ 321,000
CIS Strategic Plan (Additions & Improvements)	\$ 300,000
Classic Center Debt Assistance Program	\$ 250,000
Space Allocation Program	\$ 200,000
Police Department Public Safety Initiative	\$ 200,000
Dirt Road Paving Program	\$ 200,000
Replace Pumper Truck-Fire station #5	\$ 164,200
Sidewalk Improvement Program	\$ 155,000
Park Facilities & Maintenance Program	\$ 138,000
Bicycle Transportation System Improvements	\$ 130,000
All Other General Fund Projects	<u>\$1,264,100</u>
Sub-total	\$5,081,500

All Other Funds:

Wastewater Treatment Plant-Exp & Upgrades (W & S)	\$8,632,900
Closure of Landfill Phase One Area	\$1,600,000
Fleet Replacement Program	\$1,451,700
Non-Point Water Pollutant Elimination Project (pending)	\$ 862,000
Water Distribution/Fire Prevention (Water & Sewer)	\$ 697,900
All Other Projects	<u>\$2,253,100</u>
Sub-total	<u>\$15,497,600</u>
Total Capital Budget	<u>\$20,579,100</u>

Budget History and Trends

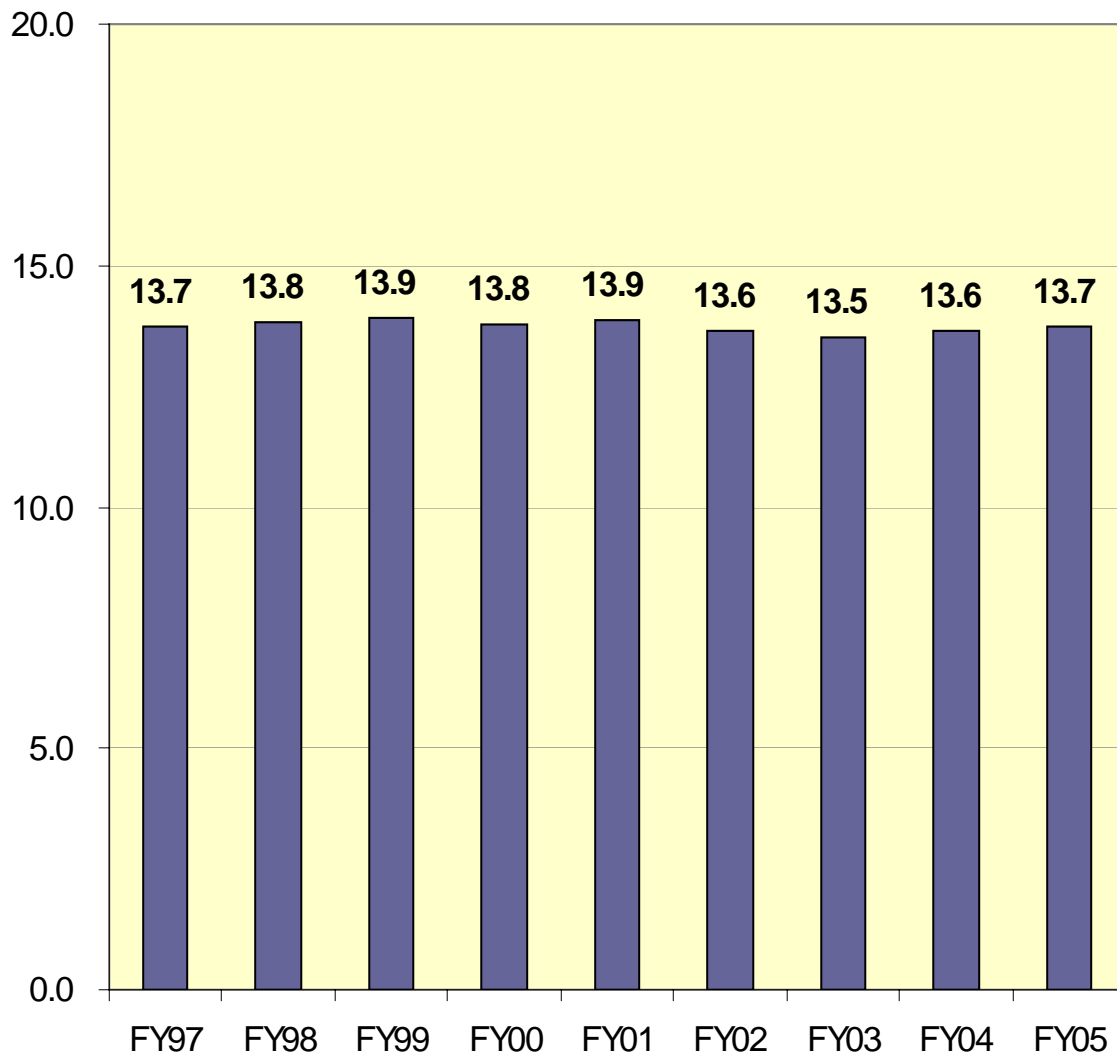
The FY05 General Fund Operating Budget is \$81.7 million, an increase of 3.5% over FY04. The FY05 Budget continues the trend of maintaining General Fund Operating Budget growth to levels comparable to the combined current annual increase of the CPI (2.0%) and population increase for the last year (1.0%) as shown in the graph below.



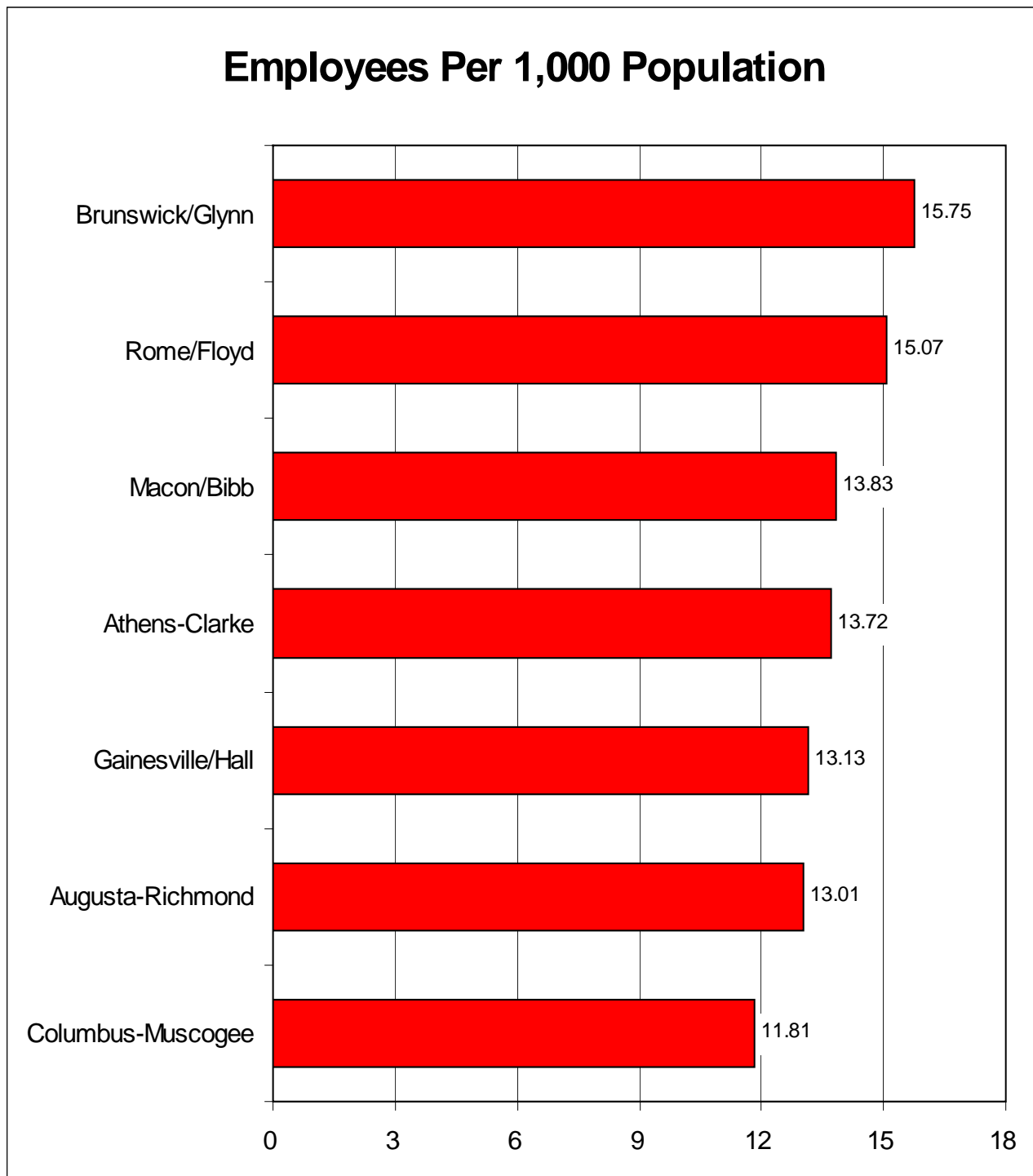
Full-time Employees: History and Trends

The number of full-time employees per thousand compared to the Athens-Clarke County population remains constant at less than 14 for FY05 as shown in the graph below.

Full-time employees per 1,000 residents

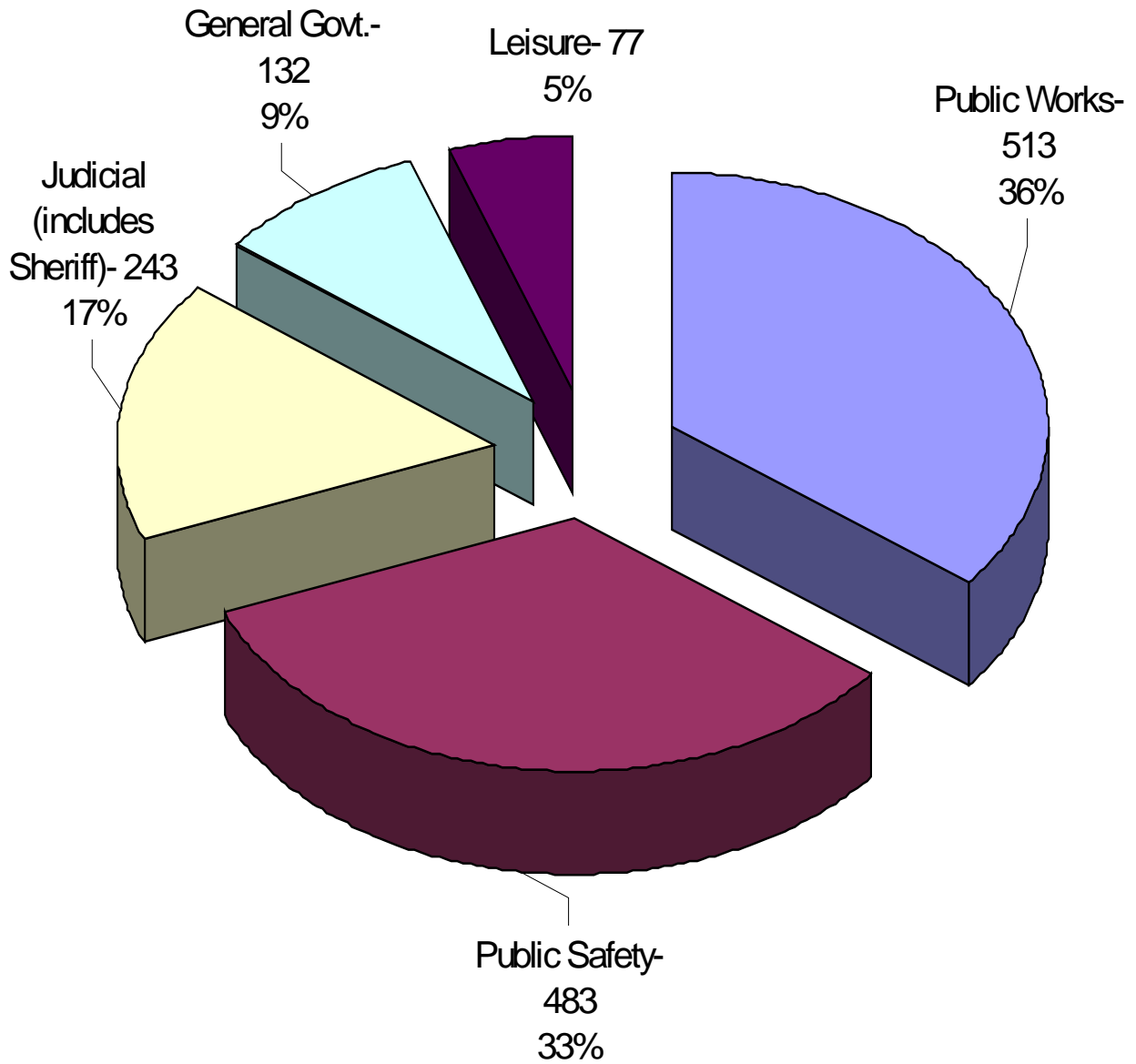


This Budget will raise the number of full-time authorized employee positions to 1,448, a net increase of 19 compared to the current level of 1,429. However, Athens-Clarke County's 13.7 full time employees per 1,000 of population still compares favorably with similar sized governments in Georgia as shown on the graph below.



Full-Time Employees - By Function

Total of 1,448



FULL-TIME AUTHORIZED POSITIONS

<u>DEPARTMENT OR OFFICE</u>	<u>FY05</u>	<u>Change from FY04 to FY05</u>
Airport	13	--
Attorney	4	--
Auditor	3	--
Board of Elections	3	--
Building Inspections & Permits	24	1
Central Services	70	--
Clerk of Superior Court	17	--
Computer Information Services	17	--
Cooperative Extension	1	--
Corrections	27	1
District Attorney	12	--
Finance	27	--
Fire & Emergency Services	175	--
General Support Group: Organizational Development	3	--
Human & Economic Development	11	--
Human Resources	20	--
Juvenile Court	3	--
Leisure Services	76	2
Magistrate Court	9	--
Manager	6	--
SPLOST Management	2	--
Mayor and Commission	1	--
Clerk of Commission	2	--
Public Information	2	--
Municipal Court	9	--
Planning	18	--
Police	281	7
Probate Court	4	--
Public Utilities	185	5
Sheriff	160	--
Solicitor General	17	--
Solid Waste	65	--
State Court	6	--
Superior Courts	6	--
Tax Assessor	13	--
Tax Commissioner	18	--
Transit	48	2
Transportation & Public Works	90	1
Total	1448	19

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.