

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

FY10

BUDGET IN BRIEF



**ANNUAL OPERATING
& CAPITAL BUDGET**

JULY 1, 2009 - JUNE 30, 2010

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 2010 (July 1, 2009 – June 30, 2010). This document provides a brief and understandable summary of the FY10 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 FY10 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).

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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	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	Ed Robinson
Commissioner - District 7	Kathy Hoard
Commissioner - District 8	Andy Herod
Commissioner - District 9	Kelly Girtz
Commissioner - District 10	Mike Hamby
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:	114,737 (2008 US Census Bureau)
UGA Enrollment:	32,044 (Spring 2009)
Land Area:	122 square miles or 78,000 acres
Median Age:	26.8 (2008 US Census Bureau)
Median Household Income:	\$36,158 (2007 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

Median Price of an Existing Home (Owner Occupied):
\$158,300 (2006 US Census Bureau)

Estimated Property Taxes for a \$158,300 home in 2009 (with
Homestead Exemption):

ACCUG	\$ 704	39%
School	\$ 1,066	60%
State	<u>\$ 15</u>	<u>1%</u>
Total	\$ 1,785	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.

FY10 Significant Budget Issues

- This Budget includes a \$104.5 million General Fund Operating Budget in FY10, \$300,000 more than FY09. The Operating Budgets for all Other Funds totals \$65.0 million. The Capital Budget for all funds is \$5.3 million, a \$224 million decrease compared to the FY09 Capital Budget. The total budget for FY10 is \$174.8 million. The Operating Budgets for FY09 and FY10 are at comparable levels, the Capital Budget for FY10 reflects significant reductions in capital funding especially within the Water and Sewer Enterprise Fund.
- The proposed millage rate for 2009 is 13.20 mills, an increase of 0.25 of a mill. 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. This increase will add about \$12.50 to the property tax bill for a home valued at \$150,000. Currently, this same homeowner will pay about \$1,400 in 2009 for state, school and local government services.
- Each year since 2000, the State has provided property tax relief up to \$265.00 for homeowners in the form of a credit on their property tax bill. This credit was funded by a grant from the State known as the Homestead Tax Relief Grant. The State's FY10 Budget does not include any funding for this grant for the upcoming tax year (2009). The State's failure to fund this grant will increase the property tax bills for the more than 17,000 homeowners residing in Athens-Clarke County by \$265.
- General Fund departments requested increases of \$1.5 million to fund the cost of current services. This Budget includes a decrease of \$1.1 million, primarily due to reduced revenue levels projected for FY10.
- Departments requested \$804,500 for increases in operating expenditures for New Initiatives and \$381,600 for SPLOST projects. This Budget includes an increase of \$65,200 for new initiatives and \$121,000 for operating expenses related to new SPLOST projects.
- This Budget includes a total of 1,542 full-time positions. Three additional positions have been approved and five positions will be

eliminated in FY10. Based on the authorized level for FY10, ACCUG's ratio of full-time positions remains below 14 per 1,000 citizens.

- This Budget does not include a pay increase for employees. Budgets for previous years included pay adjustments to remain at market, to reward performance and to adjust the pay table.
- The General Fund Budget for FY10 includes a total of \$1.7 million, an increase of \$463,000, to fund the projected cost of boarding inmates in other jails. The estimate of \$1.7 million is based on boarding an average of 102 inmates per day during FY10. More information about the cost of boarding inmates is included in the Sheriff's Department Budget.
- This Budget includes the revenue from an increase in Water and Sewer fees effective July 1, 2009. Based on the department proposal, fees will increase about 11% for FY10. The added revenue will provide sufficient funding for operating expenses, debt service, and a limited number of capital projects to maintain the water and sewer system in FY10.
- For FY10, the adult base fare for Transit services will increase from \$1.25 to \$1.50. The proposed fare increases will reduce the General Fund contribution while maintaining most current services of the system.

Mayor and Commission Goals and Objectives for FY10

Goals and Objectives reviewed by the Mayor and Commission on November 18, 2008 helped to guide the development of the FY10 Budget.

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

Objectives:

- **Transit Service** – By the end of FY10, 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.
- **Bicycle Master Plan** – Review the Bicycle Master Plan as part of comprehensive transportation strategy and identify projects for implementation in FY10.
- **Energy Conservation** – By FY11, reduce the Unified Government's use of all forms of conventional energy resources by 15% compared to consumption during FY06 through an aggressive program of education, policy changes, and facility modifications.
- **Water Supply** – Continue the water conservation program which would include examining peaking factors when no water use restrictions are in place and monitor impact of conservation efforts on future water rates.
- **Corridor Enhancement** – Identify one (1) community corridor for enhancements and develop a funding proposal for inclusion in the FY10 Five Year Capital Improvement Plan.

- **Jail Needs** – Develop proposed time lines and funding options in FY10 to provide additional jail bed space based on CGL/CGA (2003, 2008) and Rosser (2005) findings, and Criminal Justice Task Force recommendations.
- **Judicial Space Needs** – Complete a Courthouse assessment study in FY10.
- **Solid Waste Management** – By the end of FY10, 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 FY10, upgrade the ACCUG website to achieve a more visual identity and interactive functionality.
- **Stormwater Credit for Businesses** – Develop incentive program for businesses that are proactive in decreasing stormwater run-off to reduce their stormwater fees.
- **Greenway Master Plan** – Fully develop the Greenway Master Plan.

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

Objectives:

- **Affordable Housing Fund** – Develop guidelines to grow and disperse.
- **Blight Elimination** – By the end of FY10, aggressively pursue the renovation or removal of derelict properties and provide funding options for restoring these properties to productive use.

- **Citizen Leadership** – By the end of FY10, create 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 FY10, amend the Defined Benefit Pension Plan to provide incentives for retaining long-term employees
- **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.

D. Goal: YOUTH DEVELOPMENT – Focus on life skills that will contribute to academic success and lifetime employability.

Objective:

- **Youth Employment** – Develop internships and youth employment opportunities for at-risk youth using CDBG program funds an incentive.

E. Goal: CRIMINAL JUSTICE – Establish more efficient criminal justice processes.

Objectives:

- **Police Staffing** – Authorize appropriate staffing of the Athens-Clarke County Police Department relative to community demographics and work load standards.
- **Alternative Diversion Programs** – Support the Superior Court’s Felony Drug Court and Mental Health Court and the

State Court's DUI/Drug Court program with appropriate staffing and resources.

- **Integrated Criminal Justice Information System** – Improve criminal justice system coordination and operating efficiency of all criminal justice agencies by implementing an integrated criminal justice information system that will facilitate electronic sharing of information among all ACCUG criminal justice system agencies.
- **Criminal Justice Coordinating Committee** – Establish broad-based criminal justice coordinating committee to assist in identifying and addressing system-wide issues of mutual concern.
- **Clerk of Court File Completion Times** – Determine adequate staffing and other resources needed to improve Clerk of Court file completion times.

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 Emergency Telephone (E911) 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 FY10 General Fund Operating Budget totals \$104.5 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 FY10 total \$10.9 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 FY10 total \$3.3 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 FY10 total \$57.7 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 FY10 total \$20.7 million.

SUMMARY FY2010 BUDGET ALL FUNDS

	<u>FY09</u> <u>BUDGET</u>	<u>FY10</u> <u>BUDGET</u>	<u>%</u> <u>INC/</u> <u>(DEC)</u>	<u>%</u> <u>OF</u> <u>TOTAL</u>
REVENUES:				
PROPERTY TAXES	\$46,132,500	\$48,044,500	4.1%	24%
SALES TAX	\$22,500,000	\$20,300,000	-9.8%	10%
OTHER TAXES	\$21,659,900	\$21,953,500	1.4%	11%
LICENSES & PERMITS	\$2,199,950	\$2,189,300	-0.5%	1%
INTERGOVERNMENTAL REVENUES	\$5,174,852	\$5,621,265	8.6%	3%
CHARGES FOR SERVICES	\$83,382,890	\$83,756,548	0.4%	42%
FINES & FORFEITURES	\$4,602,600	\$3,933,500	-14.5%	2%
OTHER REVENUES	\$1,900,793	\$2,301,750	21.1%	1%
TRANSFERS IN FROM OTHER FUNDS	\$222,843,025	\$5,041,419	-97.7%	3%
TOTAL REVENUES	\$410,396,510	\$193,141,782	-52.9%	97%
USE FUND BALANCE	\$6,066,483	\$4,253,762	-29.9%	2%
USE OF NET ASSETS BALANCE	<u>\$1,514,900</u>	<u>\$1,046,691</u>	-30.9%	1%
SUB-TOTAL REVENUE & OTHER SOURCES	\$417,977,893	\$198,442,235	-52.5%	100%
LESS INTERFUND TRANSFERS (1)	<u>(\$26,711,025)</u>	<u>(\$23,619,061)</u>	-11.6%	
TOTAL REVENUE & OTHER SOURCES	<u>\$391,266,868</u>	<u>\$174,823,174</u>	-55.3%	
 EXPENDITURES (BY FUND):				
GENERAL FUND	\$108,439,134	\$106,896,952	-1.4%	54%
 SPECIAL REVENUE FUNDS:				
EMERGENCY TELEPHONE SYSTEM (E911)	\$2,158,493	\$2,275,054	5.4%	1%
HOTEL/MOTEL TAX FUND	\$2,050,400	\$2,045,400	-0.2%	1%
COMMUNITY DEV. BLOCK GRANT (CDBG)	\$1,456,740	\$1,474,817	1.2%	1%
GRANTS FUND	\$645,731	\$717,166	11.1%	0%
BUILDING INSPECTION FUND	\$1,292,990	\$1,152,995	-10.8%	1%
HUD HOME GRANT FUND	\$874,471	\$973,993	11.4%	0%
SPECIAL PROGRAMS & INITIATIVES FUND	\$1,591,020	\$1,713,387	7.7%	1%
SUPPORTIVE HOUSING GRANT FUND	\$215,877	\$242,825	12.5%	0%
ALTERNATIVE DISPUTE RESOLUTION PRGM	\$234,777	\$236,141	0.6%	0%
SHERIFF INMATE FUND	\$36,800	\$20,000	-45.7%	0%
CORRECTIONS INMATE FUND	<u>\$12,000</u>	<u>\$10,000</u>	-16.7%	0%
SUB-TOTAL SPECIAL REVENUE FUNDS	\$10,569,299	\$10,861,778	2.8%	
 CAPITAL PROJECT FUNDS:				
GENERAL CAPITAL PROJECTS FUND	\$5,550,600	\$2,727,500	-50.9%	1.3%
PUBLIC FACILITIES AUTHORITY FUND	<u>\$583,200</u>	<u>\$600,800</u>	3.0%	0.1%
SUB-TOTAL CAPITAL PROJECT FUNDS	\$6,133,800	\$3,328,300	-45.7%	

SUMMARY FY2010 BUDGET ALL FUNDS

	<u>FY09</u> <u>BUDGET</u>	<u>FY10</u> <u>BUDGET</u>	<u>%</u> <u>INC/</u> <u>(DEC)</u>	<u>%</u> <u>OF</u> <u>TOTAL</u>
<u>ENTERPRISE FUNDS:</u>				
WATER & SEWER FUND	\$246,288,829	\$37,080,368	-84.9%	18.7%
TRANSIT FUND (less depreciation)	\$5,789,750	\$5,385,831	-7.0%	2.7%
SOLID WASTE COLLECTION FUND	\$3,578,060	\$3,618,463	1.1%	1.8%
LANDFILL FUND	\$5,007,026	\$4,127,070	-17.6%	2.1%
STORMWATER UTILITY FUND	\$3,491,753	\$3,678,785	5.4%	1.9%
AIRPORT FUND	<u>\$3,255,499</u>	<u>\$2,422,981</u>	-25.6%	1.2%
SUB-TOTAL ENTERPRISE FUNDS	\$267,410,917	\$56,313,498	-78.9%	
<u>INTERNAL SERVICE FUNDS:</u>				
SELF FUNDED HEALTH INSURANCE FUND	\$10,332,888	\$11,555,000	11.8%	5.8%
FLEET MANAGEMENT FUND	\$3,717,573	\$3,055,510	-17.8%	1.5%
SELF FUNDED INSURANCE & CLAIMS FUND	\$2,824,448	\$2,817,458	-0.2%	1.4%
INTERNAL SUPPORT FUND	\$1,859,827	\$1,779,751	-4.3%	0.9%
FLEET REPLACEMENT FUND	<u>\$1,820,600</u>	<u>\$1,530,160</u>	-16.0%	0.8%
SUB-TOTAL INTERNAL SERVICE FUNDS	\$20,555,336	\$20,737,879	0.9%	
SUB-TOTAL EXPENDITURES ALL FUNDS	\$413,108,486	\$198,153,407	-52.0%	100.0%
LESS INTERFUND TRANSFERS (1)	<u>(\$26,711,025)</u>	<u>(\$23,619,061)</u>	-11.6%	
TOTAL OPERATING & CAPITAL EXPENDITURES	\$386,397,461	\$174,534,346	-54.8%	
DESIGNATED FOR FUTURE CAPITAL & DEBT SERVICE REQUIREMENTS (2)	\$4,869,407	\$288,828	-94.1%	
TOTAL EXPENDITURES & DESIGNATIONS	<u>\$391,266,868</u>	<u>\$174,823,174</u>	-55.3%	

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 \$943,400 more than the FY10 Budget Document.

SUMMARY FY2010 BUDGET GENERAL FUND

	<u>FY09</u> <u>BUDGET</u>	<u>FY10</u> <u>BUDGET</u>	<u>%</u> <u>INC/</u> <u>(DEC)</u>
REVENUES:			
PROPERTY TAXES	\$46,132,500	\$48,044,500	4.1%
SALES TAX	\$22,500,000	\$20,300,000	-9.8%
OTHER TAXES	\$19,579,900	\$19,873,500	1.5%
LICENSES PERMITS	\$1,063,950	\$1,239,300	16.5%
INTERGOVERNMENTAL REVENUES	\$1,041,500	\$1,064,100	2.2%
CHARGES FOR SERVICES	\$8,603,270	\$9,476,543	10.2%
FINES & FORFEITURES	\$3,706,600	\$3,022,500	-18.5%
OTHER REVENUES	\$1,078,014	\$566,750	-47.4%
TRANSFERS IN FROM OTHER FUNDS	\$16,800	\$15,000	-10.7%
USE OF FUND BALANCE-(for capital)	<u>\$4,716,600</u>	<u>\$3,294,759</u>	-30.1%
TOTAL REVENUE & OTHER SOURCES	<u>\$108,439,134</u>	<u>\$106,896,952</u>	-1.4%
EXPENDITURES (BY DEPARTMENT):			
MAYOR AND COMMISSION MANAGER	\$707,910	\$694,777	-1.9%
ATTORNEY	\$698,704	\$691,571	-1.0%
AUDITOR	\$582,515	\$603,744	3.6%
FINANCE	\$229,410	\$223,962	-2.4%
HUMAN RESOURCES	\$2,010,002	\$2,038,494	1.4%
TAX COMMISSIONER	\$1,365,229	\$1,383,726	1.4%
BOARD OF TAX ASSESSORS	\$1,332,602	\$1,424,998	6.9%
BOARD OF ELECTIONS	\$1,061,677	\$1,094,946	3.1%
HUMAN & ECONOMIC DEVELOPMENT	\$528,121	\$348,646	-34.0%
GENERAL SUPPORT GROUP	\$325,321	\$316,441	-2.7%
COMPUTER INFORMATION SERVICES	\$254,071	\$263,800	3.8%
OTHER GENERAL ADMINISTRATION	\$2,491,749	\$2,549,937	2.3%
TOTAL GENERAL GOVERNMENT	<u>\$6,547,350</u>	<u>\$6,050,089</u>	-7.6%
	\$18,134,661	\$17,685,131	-2.5%
SUPERIOR COURTS	\$1,816,525	\$2,095,027	15.3%
CLERK OF COURTS	\$1,002,014	\$1,042,588	4.0%
STATE COURT	\$659,363	\$650,051	-1.4%
SOLICITOR GENERAL	\$942,853	\$962,518	2.1%
DISTRICT ATTORNEY	\$802,231	\$794,108	-1.0%
SHERIFF	\$14,123,414	\$14,794,941	4.8%
JUVENILE COURT	\$365,842	\$373,190	2.0%
MAGISTRATE'S COURT	\$681,651	\$696,518	2.2%
CORONER	\$40,459	\$38,668	-4.4%
PROBATE COURT	\$333,076	\$344,148	3.3%
MUNICIPAL COURT	<u>\$670,078</u>	<u>\$616,216</u>	-8.0%
TOTAL JUDICIAL	\$21,437,506	\$22,407,973	4.5%

SUMMARY FY2010 BUDGET GENERAL FUND

EXPENDITURES (BY DEPARTMENT):	FY09 BUDGET	FY10 BUDGET	% INC/ (DEC)
POLICE SERVICES	\$19,542,477	\$19,574,794	0.2%
FIRE SERVICES	\$12,988,058	\$13,330,214	2.6%
CORRECTIONS	<u>\$2,255,922</u>	<u>\$2,296,100</u>	1.8%
TOTAL PUBLIC SAFETY	\$34,786,457	\$35,201,108	1.2%
TRANSPORTATION & PUBLIC WORKS	\$4,191,540	\$4,179,832	-0.3%
SOLID WASTE	\$704,233	\$718,438	2.0%
PLANNING & ZONING	\$1,183,354	\$1,181,189	-0.2%
BUILDING INSPECTION (Community Protection Div)	\$797,558	\$789,609	-1.0%
CENTRAL SERVICES	<u>\$6,766,745</u>	<u>\$6,957,978</u>	2.8%
TOTAL PUBLIC WORKS	\$13,643,430	\$13,827,046	1.3%
LEISURE SERVICES	\$7,658,236	\$7,668,362	0.1%
COOPERATIVE EXTENSION SERVICE	<u>\$148,966</u>	<u>\$153,780</u>	3.2%
TOTAL CULTURE & RECREATION	\$7,807,202	\$7,822,142	0.2%
INDEPENDENT AGENCIES	\$4,682,253	\$4,706,933	0.5%
DEBT SERVICE	\$351,400	\$353,200	0.5%
TRANSFERS OUT TO OTHER FUNDS	\$3,379,625	\$2,545,919	-24.7%
TOTAL OPERATING EXPENDITURES	\$104,222,534	\$104,549,452	0.3%
CAPITAL FOR CURRENT SERVICES (CS)	\$2,823,600	\$1,752,500	-37.9%
CAPITAL FOR ADDITIONS & IMPROVEMENTS	<u>\$1,393,000</u>	<u>\$595,000</u>	-57.3%
TOTAL CAPITAL	\$4,216,600	\$2,347,500	-44.3%
TOTAL OPERATING & CAPITAL EXPENDITURES	<u>\$108,439,134</u>	<u>\$106,896,952</u>	-1.4%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$0</u>	<u>\$0</u>	

GENERAL FUND BUDGET REVENUE - \$106.9 million

PROPERTY TAXES -

45%

\$48,044,500



SALES TAX -

19%

\$20,300,000



OTHER TAXES -

19%

\$19,873,500



ALL OTHER REVENUES -

14%

\$15,384,200



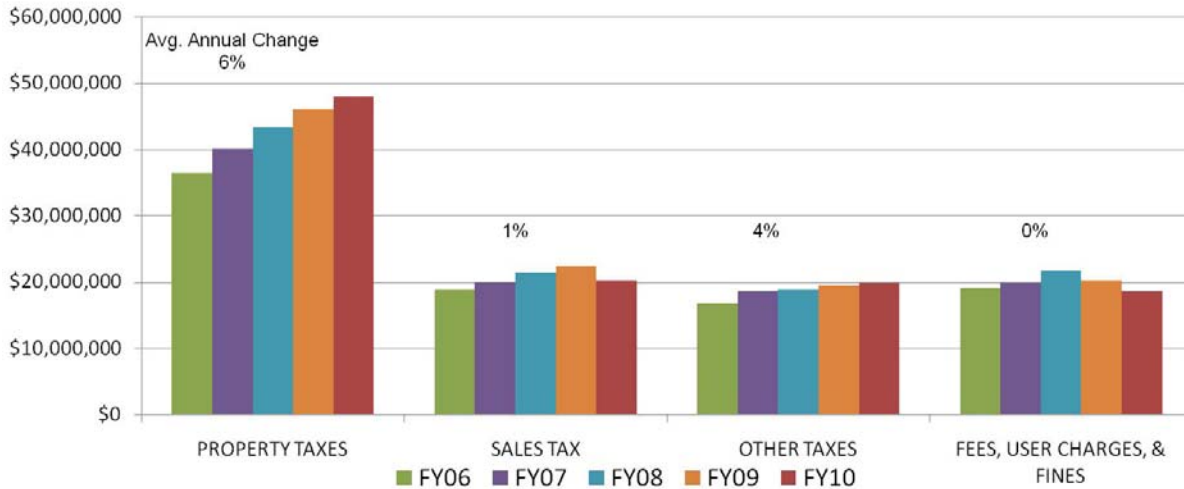
USE OF FUND BALANCE -

3%

\$3,294,800



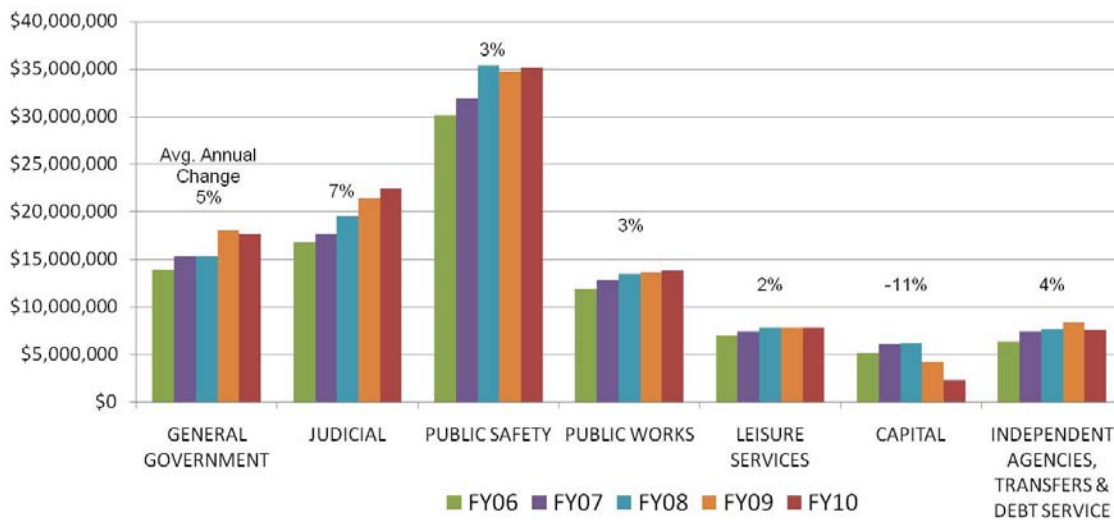
**REVENUES - GENERAL FUND BUDGET
Five Year Trend (FY06-FY10)**



GENERAL FUND BUDGET EXPENDITURES - \$106.9 million



**EXPENDITURES - GENERAL FUND BUDGET
Five Year Trend (FY06-FY10)**



General Fund Revenues and Expenditures Per Capita

General Fund Revenues: Property taxes account for the largest source of revenue - 45% or \$425 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 83% of all General Fund revenues. On average, each ACC resident will pay \$945 for General Fund services in FY10.

Per Capita Revenue by Type		
	FY09	FY10
PROPERTY TAXES	\$413	\$425
SALES TAX	\$201	\$180
OTHER TAXES	\$175	\$176
CHARGES FOR SERVICES	\$77	\$84
ALL OTHER REVENUES	\$29	\$26
USE OF FUND BALANCE	\$42	\$29
FINES & FORFEITURES	\$33	\$27
Total	\$970	\$945

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 \$509 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		
	FY09	FY10
PUBLIC SAFETY	\$311	\$311
JUDICIAL	\$192	\$198
GENERAL GOVERNMENT	\$162	\$156
PUBLIC WORKS	\$122	\$122
LEISURE SERVICES	\$70	\$69
INDEPENDENT AGENCIES	\$42	\$42
CAPITAL	\$38	\$21
TRANSFERS & DEBT SERVICE	\$33	\$26
Total	\$970	\$945

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 such as 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

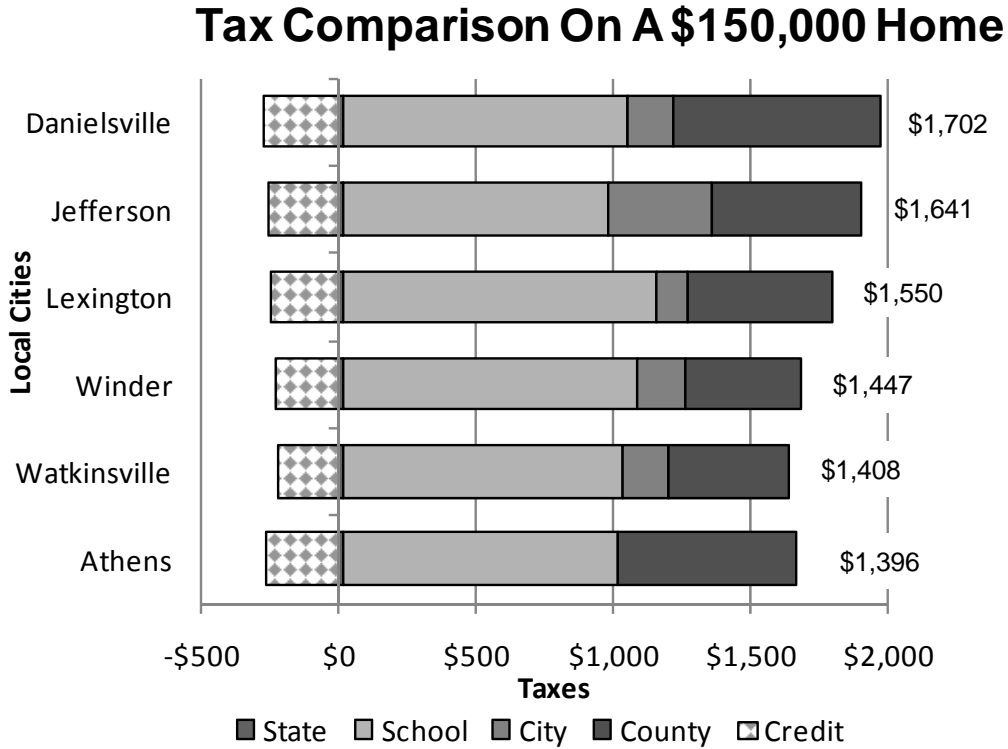
Over the last 10 years, the millage rate for Athens-Clarke County governmental services has dropped from 13.70 mills to 13.20 mills. The Clarke County School Board, which sets its millage rate separate from the ACCUG, set a rate of 20.00 mills for FY10. The State of Georgia levy's a rate of 0.25 mills.

Property Tax Collections For Athens-Clarke County (Total Rate 33.45mills)



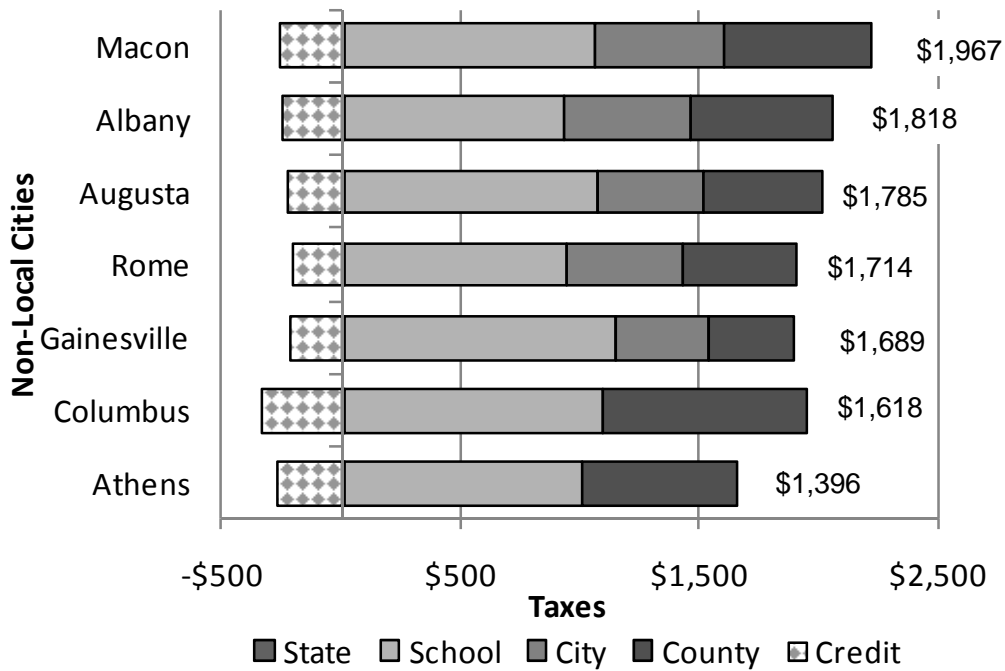
Comparative Property Taxes for a \$150,000 Home

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 all 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 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

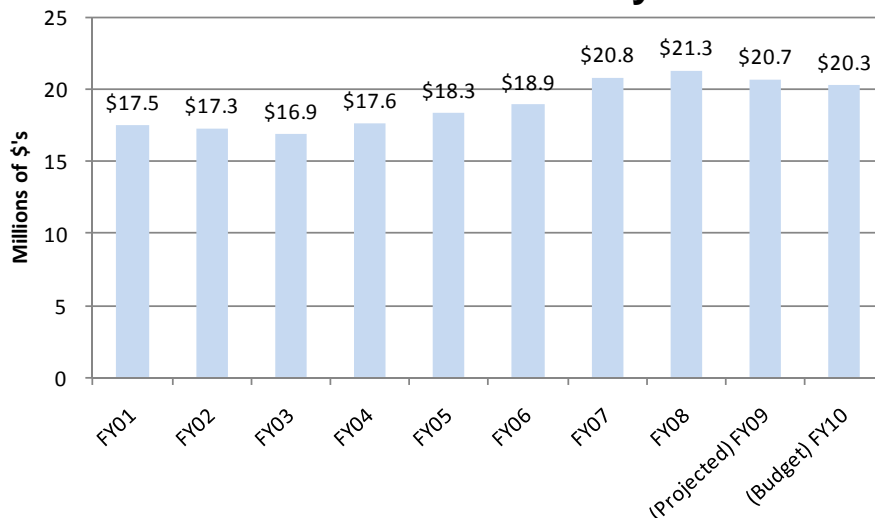
\$0.01 ELOST (Education Special Purpose L.O.S.T.) Projects

\$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 expenditures. 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 FY10 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 FY10 Capital Budget for all Funds totals is \$5,278,660. 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 FY10 include:

General Capital Projects Fund:

Trans. & Public Works-Pavement Maintenance Program	\$700,000
Central Services-Facilities Life Cycle Maintenance	\$500,000
Trans. & Public Works-Local Roads, TIP Program	\$235,000
Leisure Services-Repairs & Maintenance	\$200,000
CIS-Replace Equip & Software	\$150,000
Fire-Station #9 Pumper Truck (debt 3/3 years)	\$135,000
Sheriff-Court House Security Equipment	\$90,000
Public Info Office-Access Channel: Equip & Maintenance	\$80,000
Other General Fund Projects	<u>\$637,500</u>
Sub-total	\$2,727,500

All Other Funds:

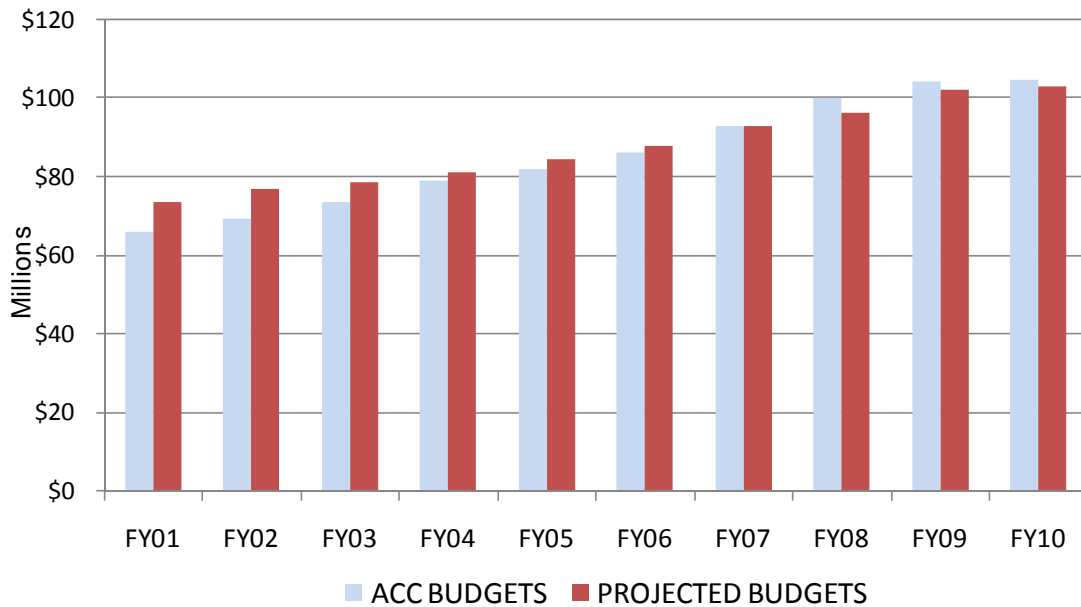
Fleet Replacement Program	\$1,440,160
Water & Sewer Fund, Meter Replacement Program	\$345,000
Stormwater Fund, System Improvements	\$200,000
Airport Fund, Replace Equipment & Facilities	\$150,000
Solid Waste Fund, Equipment Replacement	\$111,000
Special Prog, Replace Police Mobile Computers	\$106,300
Internal Support, Replace & Upgrade Equipment	\$104,700
All Other Projects	<u>\$94,000</u>
Sub-total	\$2,551,160

TOTAL CAPITAL BUDGET - ALL FUNDS \$5,278,660

Budget History and Trends

The FY10 General Fund Operating Budget is \$104.5 million, an increase of 0.3% over FY09. Over the past 2 years, the General Fund Operating Budget has grown at a rate greater than the combined current annual change of the CPI (-0.3%) and population increase for the last year (nearly 1.2%) as shown in the graph below.

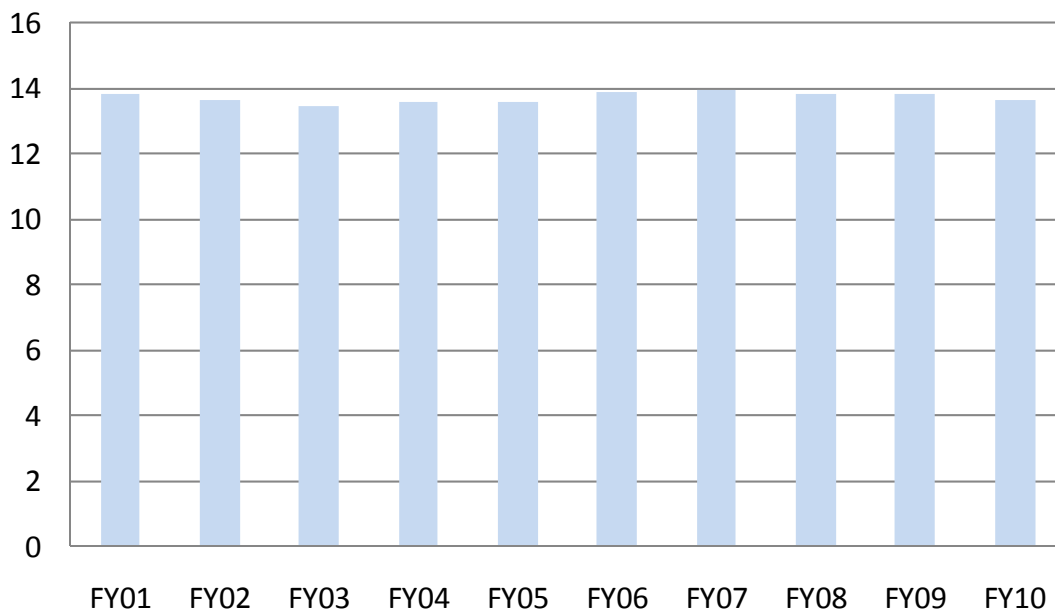
GENERAL FUND BUDGETS COMPARED TO POPULATION AND CPI INCREASES (FY01-10)



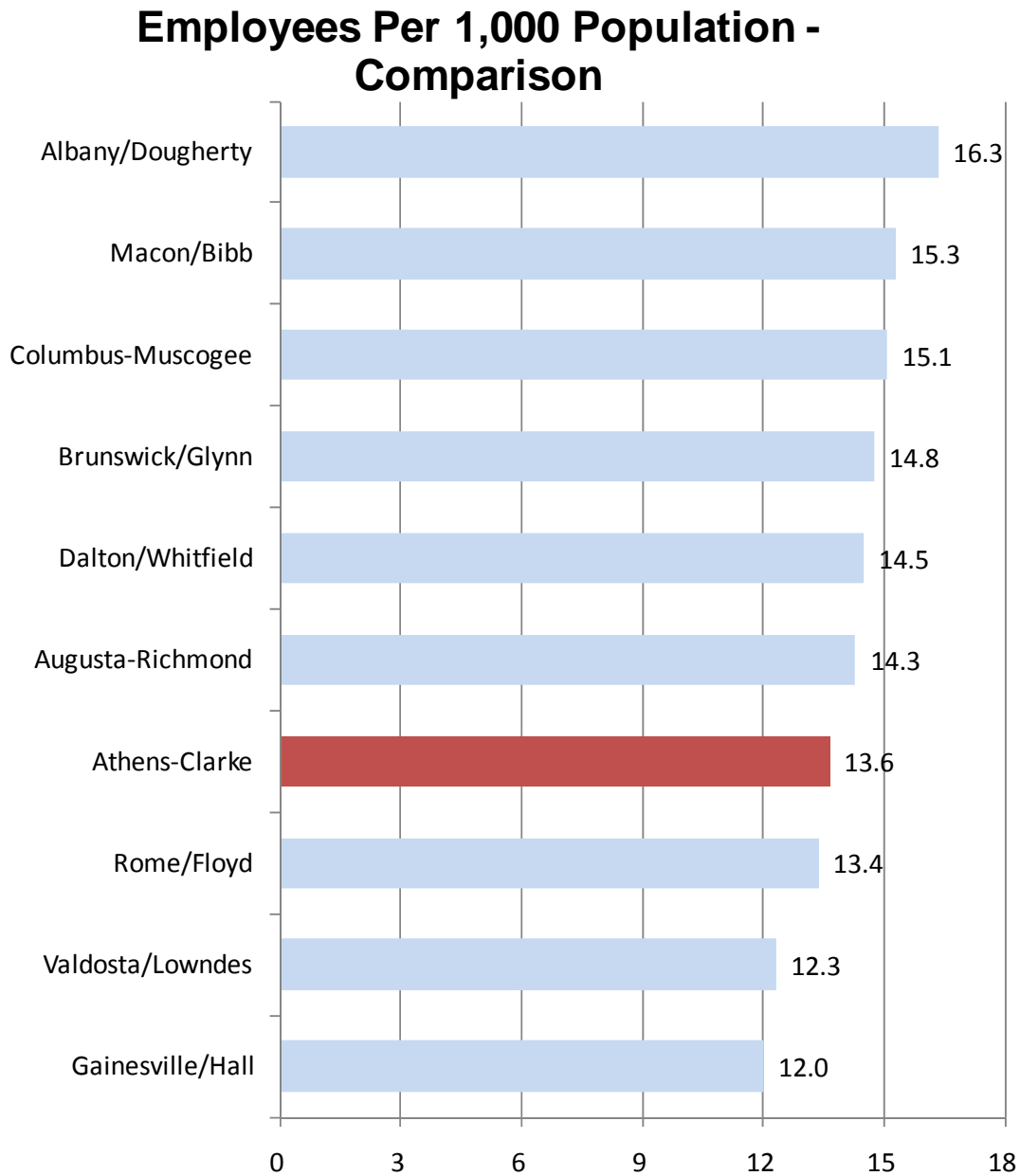
Full-time Employees: Trends and Comparisons

This Budget will raise the number of full-time authorized employee positions to 1,542, a net decrease of 2 compared to the FY09 level of 1,544. 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 14.

**Employees per 1,000 Residents
FY01 - FY10**



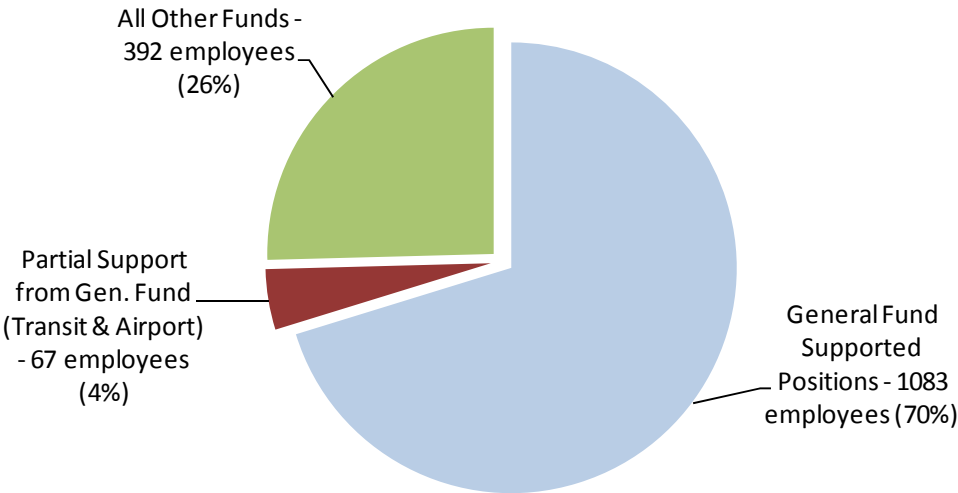
Athens-Clarke County's 13.8 full-time employees per 1,000 of population is comparable to most similarly sized governments in Georgia as shown on the graph below.



Full-Time Employees - By Function Total of 1,542



Full-Time Employees - By Funding Source Total of 1,542



FULL-TIME AUTHORIZED POSITIONS

<u>Department or Office</u>	<u>FY10</u>	<u>Change From FY09 to FY10</u>
Airport	7	-
Attorney	6	-
Auditor	3	-
Board of Elections	3	-
Building Inspections & Permits	24	(-1)
Central Services	75	-
Clerk of Courts	17	-
Computer Information Services	18	-
Cooperative Extension	1	-
Corrections	29	-
District Attorney	13	-
Finance	28	-
Fire & Emergency Services	190	-
General Support Group: Organizational Development	3	-
Human & Economic Development	10	-
Human Resources	20	-
Juvenile Court	4	-
Leisure Services	80	-
Magistrate Court	10	-
Manager	5	-
SPLOST Management	3	-
Mayor and Commission	1	-
Clerk of Commission	2	-
Public Information	2	-
Municipal Court	10	-
Planning	21	(-1)
Police	292	-
Probate Court	4	-
Public Utilities	195	-
Sheriff	161	-
Solicitor General	15	-
Solid Waste	65	-
State Court	10	1
Superior Courts	25	2
Tax Assessor	14	-
Tax Commissioner	19	-
Transit	60	(-2)
Transportation & Public Works	97	(-1)
	<hr/> 1,542	<hr/> (-2)

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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