



2017 Budget Presentation

2016 Overview

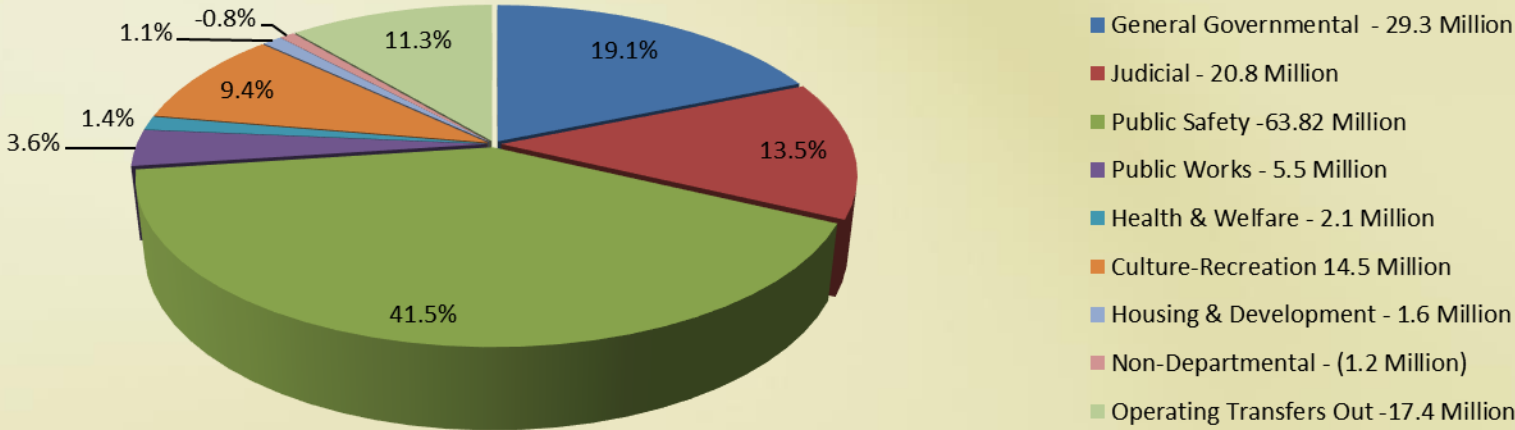
- The consolidated government is comprised of over 30 functional areas organized in the broad categories of General Government, Public Safety and Judicial
- Total authorized positions for 2016 ---- 2819
- Adopted budget all funds for 2016 ---- \$908,775,088

2017 Overview

- The consolidated government is comprised of over 30 functional areas organized in the broad categories of General Government, Public Safety and Judicial
- Total proposed positions for 2017 ---- 2842
- Adopted budget all funds for 2017 ---- \$789,642,480

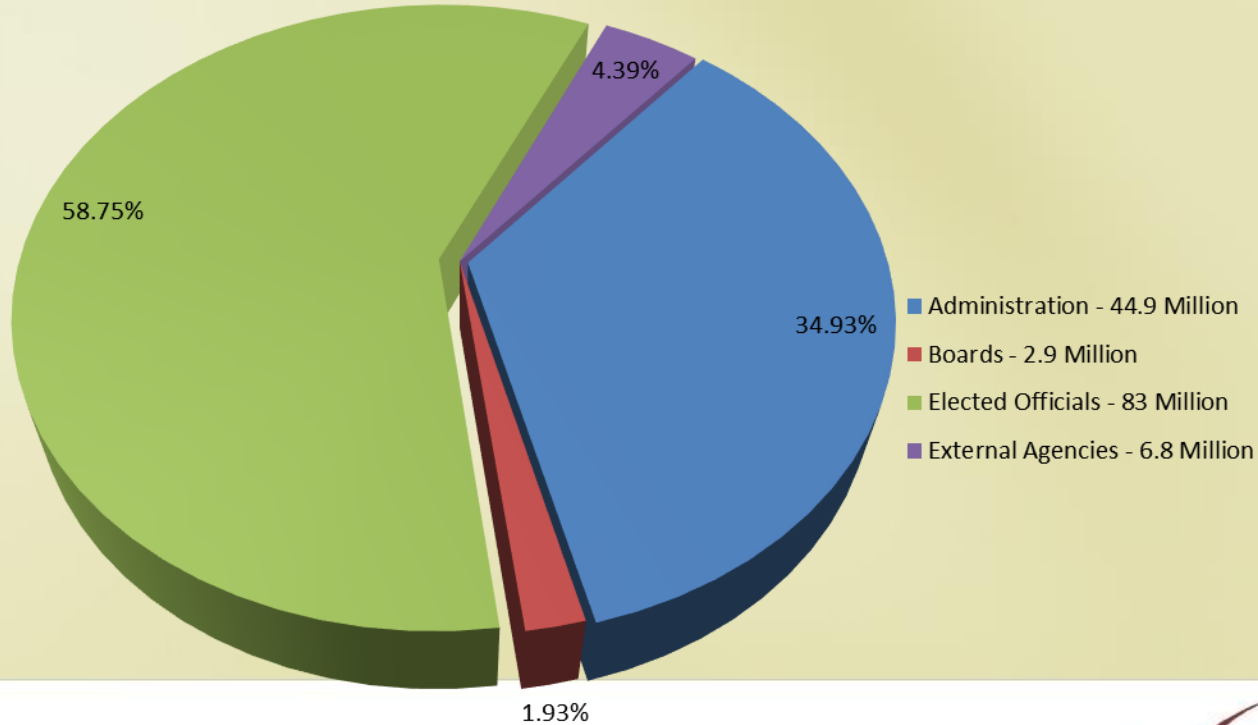
General Fund: \$153,732,920

Expenditures by Function



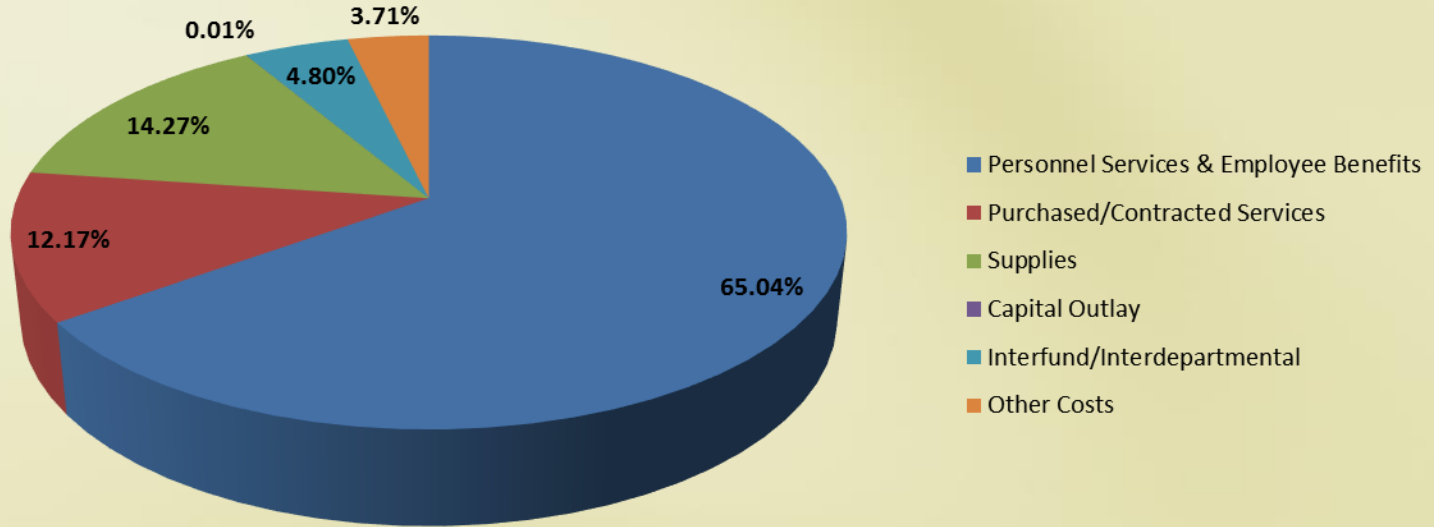
General Fund: \$153,732,920

Expenditure by Reporting Area



General Fund: \$153,732,920

Expenditure by Category



2017 Budget Assumptions and Highlights

- \$850,000 growth in property tax
- \$1.4M decrease in LOST
- \$630K decrease in electric franchise fee
- Must account for 2% COLA one full year
- Budget at full employment and anticipate lapsed salaries at historical levels

2017 Budget Assumptions and Highlights

- Augusta absorbs projected increase in health care costs for employees and retirees
 - Approximately \$3M increase
 - 10% increase in premiums to employee who do not comply with Wellness Program

When budget requests exceed revenues by \$10,000,000

To get to a balanced budget, the choices are:

- Increase Current Revenue
- Decrease Expenditures
- Reallocate Existing Resources
- Use Fund Balance
- Combination of Above

2017 Budget Assumptions and Highlights

- No increase in taxes
- All current programs and services funded
- Proposed new fees for occupational tax, alcohol license, re-inspection fee, demolition fee, past due collection fees for occupational tax
- Funded no new programs
- Cut \$750K from departments from current service levels
- Cut Fleet by 5%
- Cut Non-Governmental Organizations by \$320K

2017 Budget Highlights

- Additional personnel to increase effectiveness for enterprise funds:
 - Augusta Regional Airport (in house janitorial services)
 - Utilities Department (Fort Gordon contract)
 - Central Services Department (to maintain new buildings)
- Cut fund for BC/BS inmate insurance program by \$400K
- Cut pharmacy cost by \$750K, citywide
- Cut ambulance contract by \$700K

Success of Last Year's Initiatives

- Movement of Worker's Comp back to Finance. Department is taking an aggressive approach to curbing cost, however, we will spend more now to save in the long run.
- Creation of Central Service Department. Strategic oversight of real estate; moving away from lease arrangements to space we own.

Lingering Issues We Face

- Right-sizing/Smart approach Transit, using data to guide us
- Funding street lights adequately by developing new rate structure
- Managing health care costs for our workforce. Promoting wellness is imperative, as is getting more favorable terms with providers
- Urban Service District does not generate sufficient revenue
 - HCD
 - Street lights
- Insufficient 911 fees

Future Initiatives to Cut Costs and Generate Revenue

- Challenge Departments to THINK, JUSTIFY, SHARE, MANAGE
 - Asked departments for proposals
 - Will require justifications to fill all vacant positions
- Consider what is working and what isn't
 - Traditional versus Non-traditional economic development

Economic Development Initiatives

- Tourism
 - Hotel Motel Tax has increased steadily every year since 2004:
\$3M to 6M in 2016
 - Proceeds benefit CVB and Coliseum Authority
- Traditional economic development/industrial recruitment
 - Has not enhanced our property tax collection significantly

Examples

- ADP
 - Billed \$69,330 in personal property and real estate taxes 2016
 - Without incentives, would have paid \$346,585
- Starbucks
 - Billed \$211,245 in personal property and real estate taxes in 2016
 - Without incentives, would have paid \$1,370,877

Economic Development Property Tax Exemptions

Real Estate		Taxable	Exempt	Total
Total Accounts		100% Value	100% Value	100% Value
		\$48,669,500	\$161,664,500	\$210,334,000
		40% Value	40% Value	40% Value
		\$19,467,800	\$64,665,800	\$84,133,600
Personal Property				
Total Accounts		100% Value	100% Value	100% Value
		\$193,152,108	\$1,218,444,137	\$1,411,596,245
		40% Value	40% Value	40% Value
		\$77,260,843	\$487,377,655	\$564,638,498
TOTAL _Real and Personal				
		100% Value	100% Value	100% Value
		\$241,821,608	\$1,380,108,637	\$1,621,930,245
		40% Value	40% Value	40% Value
		\$96,728,643	\$552,043,455	\$648,772,098

\$ 702,574,516 3 major "FREE PORT" accounts only those under RCDA (100% EXEMPTION)

\$	689,497,688	Starbucks
\$	10,137,145	Keebler
\$	2,939,683	Proctor & Gamble
\$	702,574,516	

Title Ad Valorem Tax (TAVT)

NOTICE

The (County Name) County Board of Commissioners does hereby announce that the millage rate will be set at a meeting to be held at the (Place of Meeting) on (Date of Meeting) at (Time of Meeting) and pursuant to the requirements of O.C.G.A. Section 48-5-32 does hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.

CURRENT 2016 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

COUNTY WIDE	2011	2012	2013	2014	2015	2016
Real & Personal	4,800,541,422	4,895,821,306	4,942,268,249	5,012,723,815	5,099,371,838	5,528,927,360
Motor Vehicles	318,763,820	338,312,190	364,089,090	311,397,550	221,670,460	165,290,850
Mobile Homes	19,985,635	18,756,473	18,944,271	17,837,393	16,849,509	16,044,366
Timber - 100%	389,044	1,017,570	1,022,334	644,553	1,267,000	995,100
Heavy Duty Equipment	21,816	141,888	89,319	32,147	42,756	198,500
Gross Digest	5,139,701,737	5,254,049,427	5,326,413,263	5,342,635,458	5,339,201,563	5,711,456,176
Less M& O Exemptions	608,123,796	603,772,664	640,326,662	627,710,156	633,436,210	925,907,644
Net M & O Digest	4,531,577,941	4,650,276,763	4,686,086,601	4,714,925,302	4,705,765,353	4,785,548,532
State Forest Land Assistance Grant Value	562,835	620,248	788,139	908,928	922,807	1,601,963
Adjusted Net M&O Digest	4,532,140,776	4,650,897,011	4,686,874,740	4,715,834,230	4,706,688,160	4,787,150,495
Gross M&O Millage	14.086	14.093	14.025	16.053	16.373	
Less Rollback (LOST)	6.011	6.008	5.983	6.265	6.581	
Net M&O Millage	8.075	8.085	8.042	9.788	9.792	0.000
Total County Taxes Levied	\$36,597,037	\$37,602,502	\$37,691,847	\$46,158,585	\$46,087,890	\$0
Net Taxes \$ Increase	\$181,832	\$1,005,466	\$89,344	\$8,466,739	-\$70,695	-\$46,087,890
Net Taxes % Increase	0.50%	2.75%	0.24%	22.46%	-0.15%	-100.00%

Current Incentives

- A-74, Section 7-31 of our Charter: Each addition to the capital improvements of an existing manufacturing establishment located in Richmond County, Georgia, shall be exempt from all county ad valorem taxes, except for school purposes, for five years from the time such addition is made if the cost of such addition is one million dollars, or more.

Current Incentives

Each addition to the capital improvements of an existing commercial or business establishment located in the City of Augusta shall be exempt from all ad valorem taxes, except taxes to retire bonded debt, levied by the City of Augusta for a period of five years after completion of the additional improvements if the additional improvements have a fair market value of \$100,000 or more

Current Incentives

- Freeport exemptions on raw materials (State, voter approved)
- Tax abatements for real property, equipment and non-Freeport eligible inventory (negotiated by EDA)
- Energy excise tax (State Legislature provided an exemption , Augusta Commission did not implement)

Current Incentives

- We must work collaboratively with EDA to perform cost / benefit analysis
- Explore Non-traditional economic development opportunities

Budget Calendar

- Administrator Presents Budget 10/18/16
- Commission Workshops 9A – 12N 10/28/16
9A – 12N 11/03/16
9A – 12N 11/10/16
- Budget Approval 11/15/16

Special Thanks

- Deputy Administrators
 - Finance Department
 - Tax Assessor's Office
- All Departments & Agencies