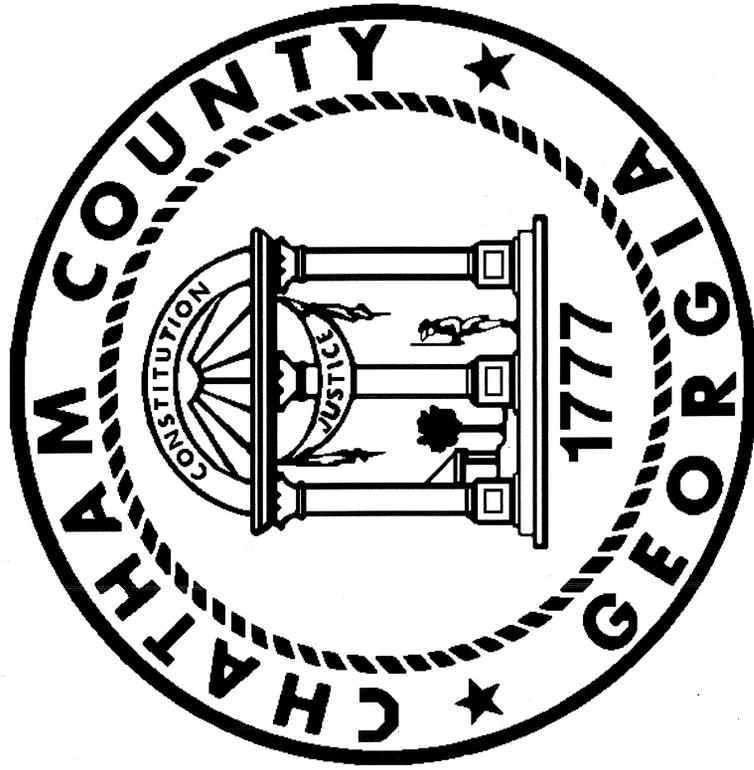




This section presents an overview of the total resources budgeted by the County. Included herein is a summary of major revenues and expenditures as well as other financing sources and uses.

In addition this section contains changes in fund balance, revenue analysis and overview, as well as a projected five year statement of revenues and expenditures.



CHATHAM COUNTY, GEORGIA
FY 2011 / 2012 BUDGET
REVENUES, EXPENDITURES, AND OTHER SOURCES/USES SUMMARY

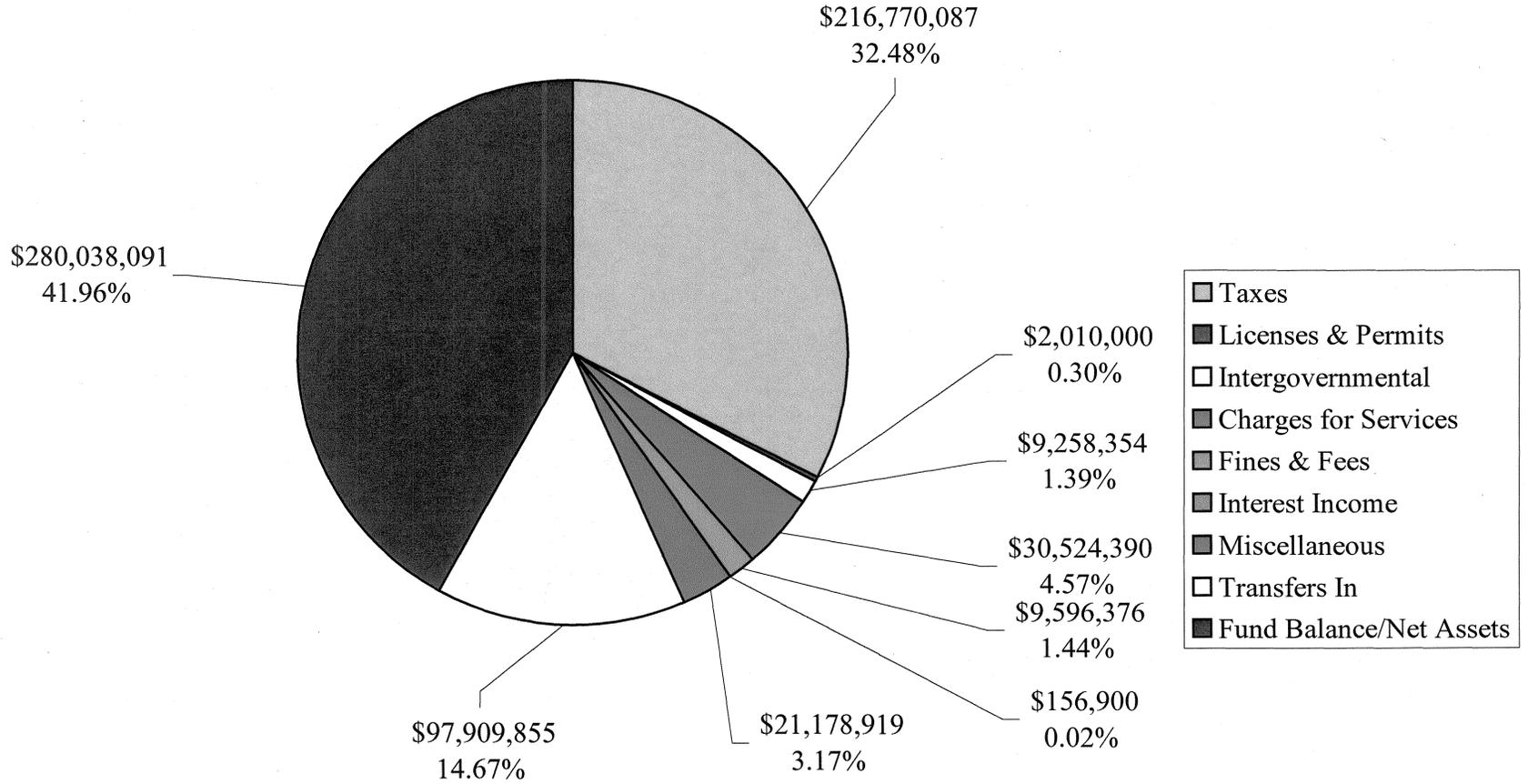
FY 2011 / 2012 Revenues:

Revenues by Type	Total All Funds
Taxes	\$ 216,770,087
Licenses & Permits	2,010,000
Intergovernmental	9,258,354
Charges for Services	30,524,390
Fines & Fees	9,596,376
Interest Income	156,900
Miscellaneous	21,178,919
Transfers In	97,909,855
Fund Balance/Net Assets	280,038,091
TOTAL	<u>\$ 667,442,972</u>

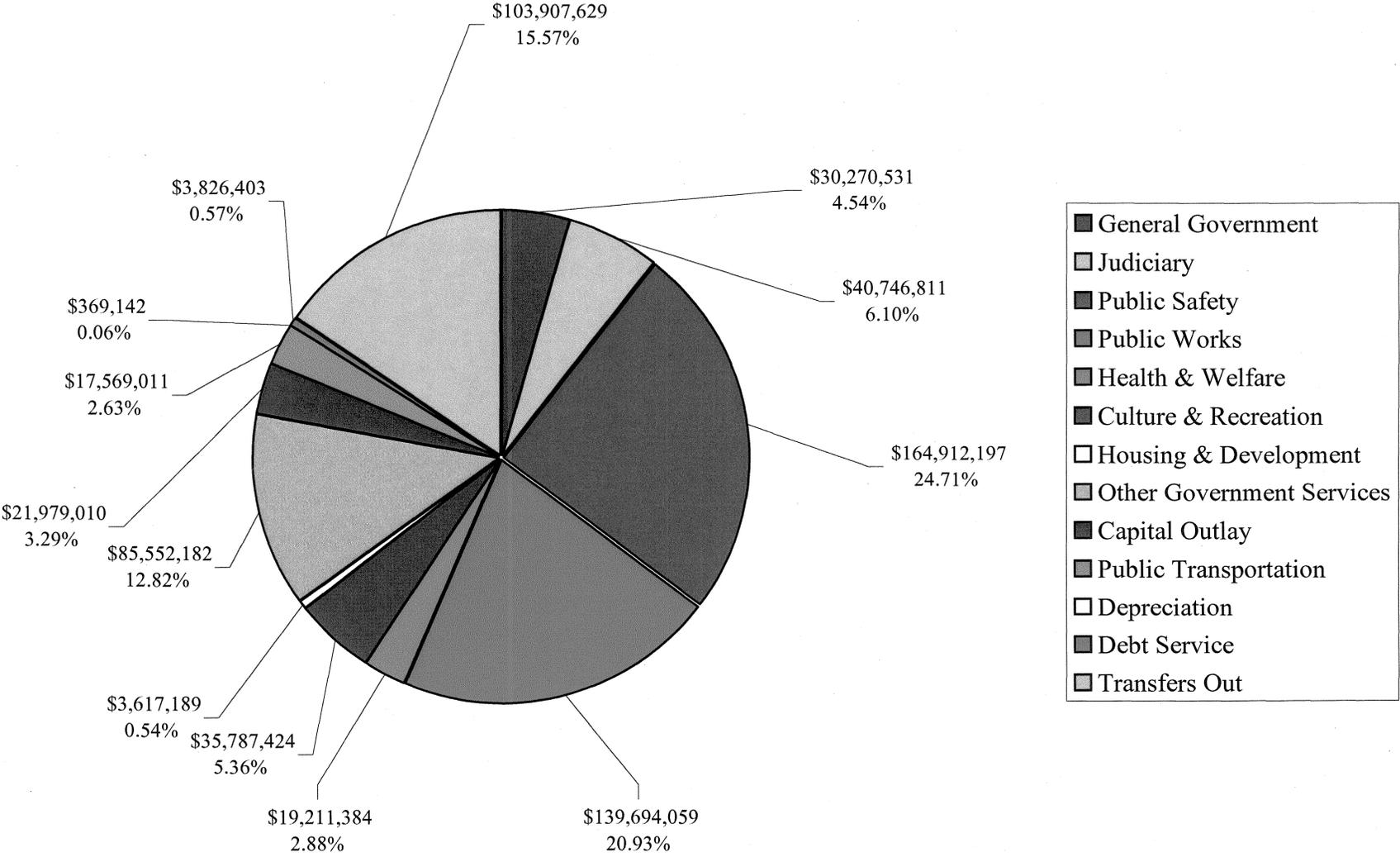
FY 2011 / 2012 Expenditures:

Expenditures by Function	
General Government	\$ 30,270,531
Judiciary	40,746,811
Public Safety	164,912,197
Public Works	139,694,059
Health & Welfare	19,211,384
Culture & Recreation	35,787,424
Housing & Development	3,617,189
Other Government Services	85,552,182
Capital Outlay	21,979,010
Public Transportation	17,569,011
Depreciation	369,142
Debt Service	3,826,403
Transfers Out	103,907,629
TOTAL	<u>\$ 667,442,972</u>

Fiscal Year 2011/2012 Adopted All Funds Combined Revenue by Category
Total = \$667,442,972



Fiscal Year 2011/2012 Adopted All Funds Combined Expenditures by Category
Total = \$667,442,972



**FY 2009 / 2010 AMENDED BUDGET
CONSOLIDATED OPERATION BUDGET REVENUES**

Sources	General Fund	1% Sales Tax 2003-2008	1% Sales Tax 2008-2015	Other Non-major Governmental Funds	Other Non-major Proprietary Funds	Total
Property Taxes	121,384,832	-	-	18,030,918	-	139,415,750
Other Taxes	10,900,000	-	67,035,308	4,890,000	-	82,825,308
Comm., Penalties, Etc.	1,185,320	-	-	-	-	1,185,320
Licenses & Permits	961,320	-	-	1,240,000	-	2,201,320
Fines & Fees	3,032,845	-	-	1,972,472	1,666,100	6,671,417
Revenue - Other Government	2,812,162	-	-	12,433,391	-	15,245,553
Charges For Services	7,670,667	-	-	759,320	314,940	8,744,927
Indirect Cost Allocation	2,373,882	-	-	-	-	2,373,882
Other Revenue	386,738	-	-	5,362,602	16,869,100	22,618,440
Investment Earnings	365,000	-	-	289,000	278,800	932,800
Water & Sewer Sales	-	-	-	-	2,391,475	2,391,475
Parking Revenues	-	-	-	-	-	-
Transit Revenues	-	-	-	-	17,039,434	17,039,434
Golf Course Fees	-	-	-	-	-	-
Construction Permits	-	-	-	-	640,903	640,903
Total Revenue	\$ 151,072,766	\$ -	\$ 67,035,308	\$ 44,977,703	\$ 39,200,752	\$ 302,286,529
Transfers In	480,800	-	-	4,173,342	4,773,990	9,428,132
Fund Balance Reserve / Retained Earnings	5,223,430	94,766,535	38,206,107	174,377,962	832,908	313,406,942
Total Appropriations	\$ 156,776,996	\$ 94,766,535	\$ 105,241,415	\$ 223,529,007	\$ 44,807,650	\$ 625,121,602

CONSOLIDATED OPERATION BUDGET EXPENDITURES / EXPENSES

Uses	General Fund	1% Sales Tax 2003-2008	1% Sales Tax 2008-2015	Other Non-major Governmental Funds	Other Non-major Proprietary Funds	Total
General Government	29,139,133	-	-	15,193,917	-	44,333,050
Judiciary	27,916,702	-	6,800,000	6,388,341	-	41,105,043
Public Safety	52,665,589	99,700	98,441,415	63,026,580	-	214,233,284
Public Works	1,467,687	41,601,314	-	87,160,119	-	130,229,120
Health & Welfare	11,217,398	-	-	567,957	-	11,785,355
Culture & Recreation	11,205,801	29,956,728	-	8,251,546	-	49,414,075
Housing & Development	636,933	-	-	2,002,497	-	2,639,430
Insurance & Bonds	-	-	-	-	-	-
Other Gov. Svcs.	11,786,031	23,108,793	-	13,593,013	25,313,476	73,801,313
Capital Outlay	-	-	-	21,908,297	812,425	22,720,722
Public Transportation	-	-	-	-	17,039,434	17,039,434
Depreciation	-	-	-	-	323,365	323,365
Debt Service	5,458,470	-	-	2,717,669	-	8,176,139
Permits / Zoning / Inspection	-	-	-	-	1,318,950	1,318,950
Total Expenditures / Expenses	\$ 151,493,744	\$ 94,766,535	\$ 105,241,415	\$ 220,809,936	\$ 44,807,650	\$ 617,119,280
Transfers Out	5,283,252	-	-	2,719,071	-	8,002,322
Total Appropriations	\$ 156,776,996	\$ 94,766,535	\$ 105,241,415	\$ 223,529,007	\$ 44,807,650	\$ 625,121,602

**CHATHAM COUNTY, GEORGIA
FY 2010 / 2011 BUDGET
CONSOLIDATED OPERATION BUDGET REVENUES**

Sources	General Fund	1% Sales Tax 2003-2008	1% Sales Tax 2008-2015	CIP Detention Center Fund	Other Non-major Governmental Funds	Other Non-major Proprietary Funds	Total
Property Taxes	127,883,832				17,955,417	-	145,839,249
Other Taxes	1,050,000	-	62,204,794	-	4,515,420	-	67,770,214
Comm., Penalties, Etc.	1,531,950	-	-	-	213,000	-	1,744,950
Licenses & Permits	898,320	-	-	-	1,200,000	-	2,098,320
Fines & Fees	2,802,205	-	-	-	4,868,411	1,442,920	9,113,536
Revenue - Other Government	2,369,553	-	-	-	14,408,284	-	16,777,837
Charges For Services	7,478,670	-	-	-	821,028	-	8,299,698
Indirect Cost Allocation	2,800,668	-	-	-	-	-	2,800,668
Other Revenue	2,271,223	-	-	-	1,392,216	19,158,255	22,821,694
Investment Earnings	142,361	-	-	-	40,000	70,200	252,561
Water & Sewer Sales	-	-	-	-	-	2,506,235	2,506,235
Parking Revenues	-	-	-	-	-	303,270	303,270
Transit Revenues	-	-	-	-	-	37,353,561	37,353,561
Golf Course Fees	-	-	-	-	-	-	-
Construction Permits	-	-	-	-	-	649,920	649,920
Total Revenue	\$ 149,228,782	\$ -	\$ 62,204,794		\$ 45,413,776	\$ 61,484,361	\$ 318,331,713
Transfers In	225,000	-	-	102,200,000	3,417,078	3,799,155	109,641,233
Fund Balance Reserve / Retained Earnings	3,153,450	85,655,831	86,632,623	17,593	110,949,060	1,639,471	288,048,028
Total Appropriations	\$ 152,607,232	\$ 85,655,831	\$ 148,837,417	\$ 102,217,593	\$ 159,779,914	\$ 66,922,987	\$ 716,020,974

CONSOLIDATED OPERATION BUDGET EXPENDITURES / EXPENSES

Uses	General Fund	1% Sales Tax 2003-2008	1% Sales Tax 2008-2015	CIP Detention Center Fund	Other Non-major Governmental Funds	Other Non-major Proprietary Funds	Total
General Government	29,536,831	-	-	-	9,454,433	-	38,991,264
Judiciary	27,481,945	-	-	-	8,260,562	-	35,742,507
Public Safety	54,254,818	2,964,494	21,893,651	102,217,593	23,447,442	-	204,777,998
Public Works	1,388,032	46,456,407	6,791,856	-	76,443,385	-	131,079,680
Health & Welfare	10,983,034	17,599,856	3,329,262	-	857,024	-	32,769,176
Culture & Recreation	10,914,386	1,781,688	-	-	3,519,207	-	16,215,281
Housing & Development	717,310	-	-	-	2,298,055	-	3,015,365
Insurance & Bonds	-	-	-	-	-	-	-
Other Gov. Svcs.	7,243,770	16,853,386	29,894,542	-	12,326,346	27,526,919	93,844,963
Capital Outlay	-	-	-	-	21,314,159	19,922,804	41,236,963
Public Transportation	-	-	-	-	-	18,115,617	18,115,617
Depreciation	-	-	-	-	-	339,515	339,515
Debt Service	5,463,372	-	-	-	189,019	-	5,652,391
Permits / Zoning / Inspection	-	-	-	-	-	1,018,132	1,018,132
Total Expenditures / Expenses	\$ 147,983,498	\$ 85,655,831	\$ 61,909,311	\$ 102,217,593	\$ 158,109,632	\$ 66,922,987	\$ 622,798,852
Transfers Out	4,623,733	-	86,928,106	-	1,670,282	-	93,222,121
Total Appropriations	\$ 152,607,232	\$ 85,655,831	\$ 148,837,417	\$ 102,217,593	\$ 159,779,914	\$ 66,922,987	\$ 716,020,974

**FY 2011 / 2012 BUDGET
CONSOLIDATED OPERATION BUDGET REVENUES**

Sources	General Fund	1% Sales Tax 2003-2008	1% Sales Tax 2008-2015	CIP Detention Center Fund	Other Non-major Governmental Funds	Other Non-major Proprietary Funds	Total
Property Taxes	128,028,011				17,872,592		145,900,603
Other Taxes	1,050,000		65,315,034		4,504,450		70,869,484
Comm., Penalties, Etc.	1,631,500				350,000		1,981,500
Licenses & Permits	910,000				1,100,000		2,010,000
Fines & Fees	3,003,650				3,910,226	701,000	7,614,876
Revenue - Other Government	2,681,347				3,676,140		6,357,487
Charges For Services	7,181,923				1,370,500	1,762,706	10,315,129
Indirect Cost Allocation	2,900,867						2,900,867
Other Revenue	631,030				1,217,340	19,330,549	21,178,919
Investment Earnings	140,000				10,000	6,900	156,900
Water & Sewer Sales						2,341,750	2,341,750
Parking Revenues						298,500	298,500
Transit Revenues						17,569,011	17,569,011
Golf Course Fees							0
Construction Permits							0
Total Revenue	\$ 148,158,328	\$ -	\$ 65,315,034	\$ -	\$ 34,011,248	\$ 42,010,416	\$ 289,495,026
Transfers In	1,139,012			92,000,000	885,000	3,885,843	97,909,855
Fund Balance Reserve / Retained Earnings		80,670,005	110,756,958		86,878,249	1,732,879	280,038,091
Total Appropriations	\$ 149,297,340	\$ 80,670,005	\$ 176,071,992	\$ 92,000,000	\$ 121,774,497	\$ 47,629,138	\$ 667,442,972

CONSOLIDATED OPERATION BUDGET EXPENDITURES / EXPENSES

Uses	General Fund	1% Sales Tax 2003-2008	1% Sales Tax 2008-2015	CIP Detention Center Fund	Other Non-major Governmental Funds	Other Non-major Proprietary Funds	Total
General Government	27,468,141				2,802,390	0	30,270,531
Judiciary	26,438,137		8,948,416		5,360,258	0	40,746,811
Public Safety	52,572,763	148,656	2,520,624	92,000,000	17,670,154	0	164,912,197
Public Works	1,337,547	46,384,942	20,567,171		66,117,725	5,286,674	139,694,059
Health & Welfare	10,755,936		8,425,448		30,000	0	19,211,384
Culture & Recreation	10,462,498	18,373,901	6,845,025		106,000	0	35,787,424
Housing & Development	558,779				1,921,667	0	2,480,446
Insurance & Bonds						0	0
Other Gov. Svcs.	6,710,769	15,762,506	36,765,308		3,405,704	22,907,895	85,552,182
Capital Outlay					21,619,337	359,673	21,979,010
Public Transportation						17,569,011	17,569,011
Depreciation						369,142	369,142
Debt Service	3,643,188				183,215	0	3,826,403
Permits / Zoning / Inspection						1,136,743	1,136,743
Total Expenditures / Expenses	\$ 139,947,758	\$ 80,670,005	\$ 84,071,992	\$ 92,000,000	\$ 119,216,450	\$ 47,629,138	\$ 719,468,587
Transfers Out	9,349,582			92,000,000	2,558,047		103,907,629
Total Appropriations	\$ 149,297,340	\$ 80,670,005	\$ 176,071,992	\$ 92,000,000	\$ 121,774,497	\$ 47,629,138	\$ 667,442,972

CHATHAM COUNTY, GEORGIA
FY 2011 / 2012 ADOPTED BUDGET - ALL FUNDS COMBINED

FUNDS WHICH FINANCE: OPERATIONS	2010 / 2011 Adopted	2010 / 2011 Amended	2011 / 2012 Adopted
GENERAL M & O	\$ 148,694,838	\$ 152,607,232	\$ 149,297,340
SPECIAL REVENUE FUNDS			
Special Service District	\$ 27,113,214	\$ 27,331,766	\$ 26,878,660
Confiscated Fund	\$ 200,000	\$ 515,446	\$ 100,000
Sheriff Confiscated Fund	\$ 100,000	\$ 100,000	\$ 100,000
Restricted Court Fees	\$ 658,926	\$ 1,467,951	\$ 600,246
Inmate Welfare Fund	\$ 909,000	\$ 909,000	\$ 909,000
Emergency Management Fund	\$ 961,309	\$ 1,409,403	\$ -
Street Lighting Fund	\$ 694,428	\$ 703,113	\$ 698,456
Emergency Telephone Fund	\$ 2,509,449	\$ 3,149,386	\$ 3,158,962
Multiple Grant Fund	\$ -	\$ 6,066,511	\$ 15,720
Child Support Fund	\$ 2,885,410	\$ 2,885,410	\$ 2,862,050
Hotel / Motel Tax Fund	\$ 1,233,420	\$ 1,233,420	\$ 1,114,400
Land Disturbing Activities Ord.	\$ 392,323	\$ 606,444	\$ 306,637
Land Bank Authority	\$ 2,000	\$ 58,500	\$ 4,858

FUNDS WHICH FINANCE: CAPITAL IMPROVEMENTS & SPECIAL PROJECTS	2010 / 2011 Adopted	2010 / 2011 Amended	2011 / 2012 Adopted
1 % Sales Tax Fund (85 - 93)	\$ 16,579,691	\$ 19,612,848	\$ 18,871,051
1 % Sales Tax Fund (93 - 98)	\$ 6,427,716	\$ 7,126,847	\$ 6,821,063
1 % Sales Tax Fund (98 - 03)	\$ 65,482,749	\$ 62,223,600	\$ 56,805,167
1 % Sales Tax Fund (03 - 08)	\$ 89,107,481	\$ 85,655,831	\$ 80,670,005
1 % Sales Tax Fund (08 - 15)	\$ 153,543,283	\$ 148,837,417	\$ 176,071,992
General Purpose CIP Fund	\$ 4,336,303	\$ 22,468,842	\$ 1,624,012
DSA Revenue Bonds - Series 1999	\$ 180,496	\$ 172,249	\$ 95,000
DSA Revenue Bonds - Series 2005	\$ 1,155,145	\$ 1,417,250	\$ 601,000
CIP Bond Prog.- Detention Center Expansion	\$ 101,928,106	\$ 102,217,593	\$ 92,000,000

DEBT SERVICE FUNDS	2010 / 2011 Adopted	2010 / 2011 Amended	2011 / 2012 Adopted
Chatham County Hospital Authority	\$ 214,019	\$ 321,928	\$ 208,215

ENTERPRISE FUNDS	2010 / 2011 Adopted	2010 / 2011 Amended	2011 / 2012 Adopted
Water & Sewer Revenue Fund	\$ 2,519,935	\$ 2,531,880	\$ 2,554,979
Solid Waste Mgmt. Fund	\$ 4,038,746	\$ 4,365,093	\$ 3,828,434
C A T Authority Fund	\$ 18,115,617	\$ 37,353,561	\$ 17,569,011
Parking Garage Revenue Fund	\$ 325,826	\$ 325,826	\$ 340,498
Building Safety & Reg. Svcs. Fund	\$ 1,018,132	\$ 1,018,132	\$ 1,136,743

INTERNAL SERVICE FUNDS	2010 / 2011 Adopted	2010 / 2011 Amended	2011 / 2012 Adopted
Computer Replacement Fund	\$ 272,000	\$ 272,000	\$ 272,000
Catastrophic Claims Reserve Fund	\$ 7,500	\$ 7,500	\$ -
Risk Management Fund	\$ 3,120,000	\$ 3,120,000	\$ 2,962,824
Group Health Insurance Fund	\$ 17,928,995	\$ 17,928,995	\$ 18,964,649

TOTAL BUDGET	\$ 672,656,057	\$ 716,020,974	\$ 667,442,972
---------------------	-----------------------	-----------------------	-----------------------

**Chatham County
Changes in Fund Balance**

Fund Name	Actual Fund Balance 6/30/10	Projected Fund Balance 6/30/11	FY10 to FY11 % Change	Adopted FY12 Appropriations of Fund Balance	Projected Fund Balance 6/30/12	FY11 to FY12 % Change	FY11 to FY12 Increase (decrease) in Fund Balance (\$)
General Fund	29,861,051	37,644,108	1.26%	0	37,644,108	0.00%	0
Special Revenue Funds:	9,435,269	12,700,492	1.35%	2,145,956	10,554,536	0.83%	-2,145,956
Debt Service Fund	103,652	103,700	0.00%	0	103,700	0.00%	0
Capital Project Funds: Major Funds (10% of total rev or exp)							
Sales Tax IV	94,766,536	85,093,267	0.90%	80,670,005	4,423,262	0.05%	-80,670,005
Sales Tax V	38,206,106	62,235,772	1.63%	62,235,772	0	100.00%	-62,235,772
CIP Bond Detention Center Expansion	-186,086	0	0.00%	0	0	0.00%	0
Other non Major Funds	130,730,191	119,116,821	0.91%	84,732,293	34,384,528	0.29%	-84,732,293

The chart above illustrates fund balance changes for the General M&O Fund, the Special Service District and other governmental funds of the County for fiscal years 2010 through 2012. Projected data is based on adopted budget resolutions. Data for Internal Service Funds and Enterprise Funds is not included. The Capital Project major funds from fiscal years 2011 to 2012 have decreases in fund balance over 10 % due to the County's policy of appropriating all projected fund balance for capital projects.

Chatham County's Financial Policies include a Fund Balance Policy for the General M&O Fund and the Special Service District. The policies were updated in May 2010.

Fund Balance is defined as the equity of governmental funds and trust funds. It is the difference between a fund's assets and its liabilities. The governmental fund measurement focus is upon determination of financial positions and changes in financial positions (sources, uses and balance of financial resources), rather than upon net income determination. The statement of revenues, expenditures, and changes in fund balance is the primary governmental fund operating statement. Fund balance can be divided into two components - reserved and unreserved.

REVENUE ANALYSIS AND OVERVIEW

Major sources of revenue are discussed in this section. Revenues are projected using a straight line approach based on five year historical information. Projections may be revised after consideration of regional and national economic conditions. Revenues based on the tax digest (i.e. real and personal property, motor vehicles, timber, etc.) are adjusted to the actual digest when received from the Chief Appraiser prior to millage rate adoption. Departments submit any (legislated) fee increases at the beginning of the budget process with their revenue projections. Revenues are classified in accordance with the Uniform Chart of Accounts as required by the Georgia General Assembly. The County's main revenue sources are property taxes and sales and use taxes, on an entity-wide basis.

REVENUE SOURCES AND TRENDS

General Fund M&O

Taxes:

Tax revenues account for 85.75% of General Fund revenues. Of this, 76% comes from property taxes driven by the tax digest. Revenues are projected using a straight line approach based on five year historical information and economic trends. Revenues based on the tax digest (i.e. real and personal property, motor vehicles, timber, etc.) are adjusted to the actual digest when received from the Chief Appraiser. A five year levy history for the General Fund is presented below. During this period, the gross digest decreased an average of .45 percent per year mainly as the result of property values declining in the past two years. The tax digest decreased 3.8 percent for tax year 2010 and 4.2 percent in tax year 2011. This trend is expected to continue for next year. Exemptions decreased an average of 3.1 percent, resulting in a net digest growth averaging .37 percent for the five year period. Digest growth allowed decreases in the millage rate in 2006 and 2007. The tax millage rate remained the same for 2008 through 2010 and increased in 2011. The other major tax revenues, Intangible taxes and the Local Option Sales Tax (LOST), have remained fairly flat in recent years, and are expected to continue in this manner. More detail on property taxes and exemptions can be found later within this section.

License and Permit Revenues:

These revenues are from marriage licenses, animal tags, pistol permits and motor vehicle penalties. This revenue source comprises 0.61% of the total. Revenues are projected based on historical collections.

Intergovernmental Revenue:

Intergovernmental revenues are revenues from other governments in the form of operating grants, entitlements, shared revenues, or payments in lieu of taxes. A major change in this category is the loss of the Homeowner Tax Relief Grant from the state, equal to 69% of the total in 2008. As a result, these revenues have dropped from 3.63 % to 1.80% General Fund revenues. Revenues are projected based on historical collections, tax digest growth, and tax rates.

REVENUE ANALYSIS AND OVERVIEW

Charges for Services:

These revenues include court fees, commissions, charges for housing prisoners, recreation fees, and charges to other funds for indirect costs. Indirect costs are based on the Indirect Cost Allocation study which is updated annually. Other revenues are based on historical experience. These revenues account for 4.81% of General Fund revenues.

Fine and Forfeiture Revenues:

Fines and fees from Superior, State, Magistrate, and Juvenile courts are recorded in this category. In March 2009 the Governmental Accounting Standards Board issued Statement 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. Finance staff met with the external auditor and determined that three new special revenue funds should be added. One of these is the Restricted Court Fees & Accounts Special Revenue Fund. This fund will account for legally restricted court collections for victim witness fees, drug surcharge fees, and juvenile court supervision fees. These fees were accounted for in the General Fund and the Special Service District prior to FY2011. The remaining revenues are equal to 2.01% of the total. Revenues are projected based on historical data, and have remained fairly steady in recent years.

Interest Revenues:

Investment income includes monies derived from the investment of assets. This is approximately 0.09% of General Fund revenues. This item has been decreased based on projections of cash flow and interest rates.

Miscellaneous Revenue:

Miscellaneous revenue are revenues received that are not otherwise classified. This category is projected based on historical data and comprises 0.42% of total revenues.

Other Financing Sources:

Interfund transfers and interfund loans are budgeted here. The transfers are for restricted court fees from Recorder's Court. This revenue is 0.16% of the total, and is based on revenue projections for the court. This revenue has seen a decline that is expected to continue in the current year. The interfund transfer from the Capital Improvement Program is shown here and comprises 0.61% of total revenues for FY2012.

REVENUE ANALYSIS AND OVERVIEW

Property Taxes - Tax Digest

The Chief Appraiser is responsible for receiving returns and fairly and impartially assessing property. The total assessed valuation for County's 2011 Tax Digest was set at \$14.79 billion (net of 40 percent fair market value and exemptions). This translated into a decrease of 4.2 percent for the General Fund in 2011 and 1.99 percent in the Special Service District. Property Taxes are the County's largest revenue source. A five year levy history for the County's main operating fund, the General Fund, is presented below:

CURRENT 2011 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

GENERAL FUND

	2007	2008	2009	2010	2011
Real & Personal	\$12,894,532,528	\$13,958,123,170	\$13,931,316,675	\$13,287,801,495	\$ 12,600,552,795
Motor Vehicles	\$ 589,490,818	\$ 622,133,273	\$ 649,943,940	\$ 583,611,725	\$ 581,638,243
Mobile Homes	\$ 23,265,200	\$ 24,095,200	\$ 23,423,600	\$ 23,200,400	\$ 22,538,390
Timber	<u>\$ 2,622,380</u>	<u>\$ 1,295,759</u>	<u>\$ 476,054</u>	<u>\$ 565,072</u>	<u>\$ 1,993,557</u>
Gross Digest	\$13,509,910,926	\$14,605,647,402	\$14,605,160,269	\$13,895,178,692	\$ 13,206,722,985
Less M&O Exemptions	<u>\$(3,179,281,578)</u>	<u>\$(3,465,188,057)</u>	<u>\$(3,282,404,810)</u>	<u>\$(2,914,272,177)</u>	<u>\$(2,687,252,473)</u>
Net M&O Digest	<u>\$10,330,629,348</u>	<u>\$11,140,459,345</u>	<u>\$11,322,755,459</u>	<u>\$10,980,906,515</u>	<u>\$ 10,519,470,512</u>
State Forest Land Assistance Grant Value				\$ 398,800	\$ 398,380
Adjusted Net M&O Digest				<u>\$10,981,305,315</u>	<u>\$ 10,519,868,892</u>
Gross M&O Millage	11.628	11.546	11.516	11.479	12.080
Less Rollbacks	<u>-1.091</u>	<u>-1.009</u>	<u>-0.979</u>	<u>-0.942</u>	<u>-0.971</u>
Net M&O Millage	10.537	10.537	10.537	10.537	11.109
Net Taxes Levied	\$ 108,853,841	\$ 117,387,020	\$ 119,307,869	\$ 115,711,482	\$ 116,862,068
Net Taxes \$ Increase	\$ 10,452,532	\$ 8,533,179	\$ 1,920,849	\$ (3,596,387)	\$ 1,150,586
Net Taxes % Increase	10.6%	7.8%	1.6%	-3.0%	1.0%

REVENUE ANALYSIS AND OVERVIEW

Millage Value for Chatham County Government

One mill is the equivalent of \$1 of tax for each \$1,000 of assessed value of a resident's home. Assessed value for homeowners is arrived at by multiplying 40% times the estimated fair market value of the property. If a resident has a home with the estimated fair market value of \$75,000, the assessed value is \$30,000 (75,000 x 40%). A \$12,000 Homestead Exemption (HE) is applied to the \$30,000 value. Therefore, one mill of new taxation will generate \$18 of tax revenue, (\$75,000 x 40% less \$12,000 for homestead exemption, equals \$18,000). The table below calculates county taxes of a home with a market value of \$75,000.

Tax Year 2010		
Estimated Market Value of Home		\$75,000
Assessment Factor		40.00%
Assessed Value (40%)		\$30,000
Less HE (County Only)		\$12,000
Difference		\$18,000
County Taxation (mils)		11.109
(1) Home Owner Pays:		
	Consolidated	\$199.96
	Unincorporated	\$ 64.42
(1) Excludes Board of Education, City of Savannah, Other Municipalities and State of Georgia		

Tax Reduction Factors

The five year levy history shows the trend in exemptions for the County. These exemptions include:

Homestead Exemption: The homeowner's tax bill is reduced due to the increase in homestead exemption in 1991 from \$2,000 to \$12,000 over the period 1991-1994 in increments of \$2,500 annually. The homeowner's tax bill is further reduced due to several types of additional exemptions allowed. This budget document does not address other taxing levies for the other municipalities in Chatham County.

REVENUE ANALYSIS AND OVERVIEW

Freeport Exemption: Freeport is the exemption of certain inventory taxes, as allowed by Georgia law. On October 14, 1988 the Board passed a resolution to allow the citizens of Chatham County to know the manner in which a freeport exemption would be implemented if the voters of Chatham County approved such an exemption. The referendum passed in November 1988. The freeport exemption was implemented in twenty percent (20%) increments as growth in the tax digest equal to \$285,000,000 occurred. The first 20 percent on freeport took effect in FY 1992. The final 20 percent on freeport was realized in 1999.

The Property Taxpayer's Bill of Rights: This law, which took effect on January 1, 2000, calls for a mandatory rollback in the millage rate whenever the tax digest increases. The stated aim is to prevent creeping tax bills. If elected officials propose to adopt a millage rate greater than the mandatory rollback rate, they must hold three public meetings - at times when the most constituents can attend - to explain why the tax hike is necessary and vote publicly for or against it. The law also shifts the burden of proof from the homeowner to the local government in the appeals process; requires the county assessor's office to provide a written explanation to homeowners as to why their taxes went up; and allows taxpayers going through the appeal to name the time of their hearing before the Board of Equalization. The law also calls on taxing bodies to cover the legal fees of any homeowner who receives a 15 percent reduction or greater in their assessment and allows taxpayers going through the appeals process the right to record the hearing.

The Stephens-Day Bill: This law, which took effect on January 1, 2001, grants each Chatham County homeowner a homestead exemption from all Chatham County ad valorem taxes for county purposes in an amount equal to the amount of the assessed value of that homestead that exceeds the assessed value of that homestead for the taxable year immediately preceding the taxable year in which that exemption is first granted to such resident. This exemption does not apply to taxes assessed on improvements to the home or additional land added to the homestead after January 1 of the base year. In addition, it does not apply to taxes to pay interest on and to retire bonded indebtedness of the County. The exemption is renewed automatically from year to year as long as the homeowner occupies the residence as a homestead.

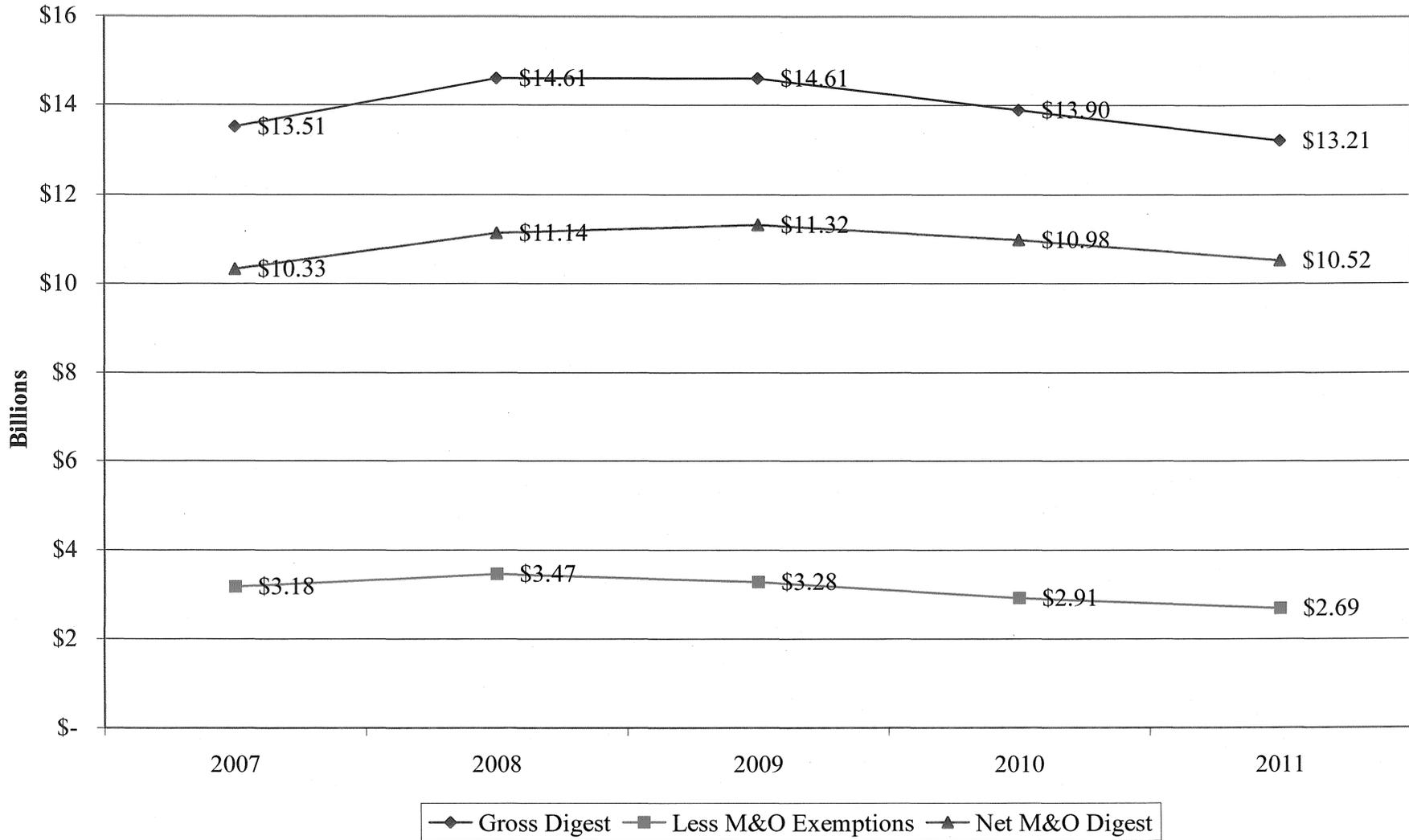
Other Major Governmental Funds:

Other major governmental funds include two Sales Tax Funds and one CIP fund. Special Purpose Local Option sales taxes (SPLOST) are the primary revenue source for these funds. These revenues have shown a slight decline, averaging a negative 2.75% over the past five years. Revenue projections have been adjusted accordingly and are closely monitored.

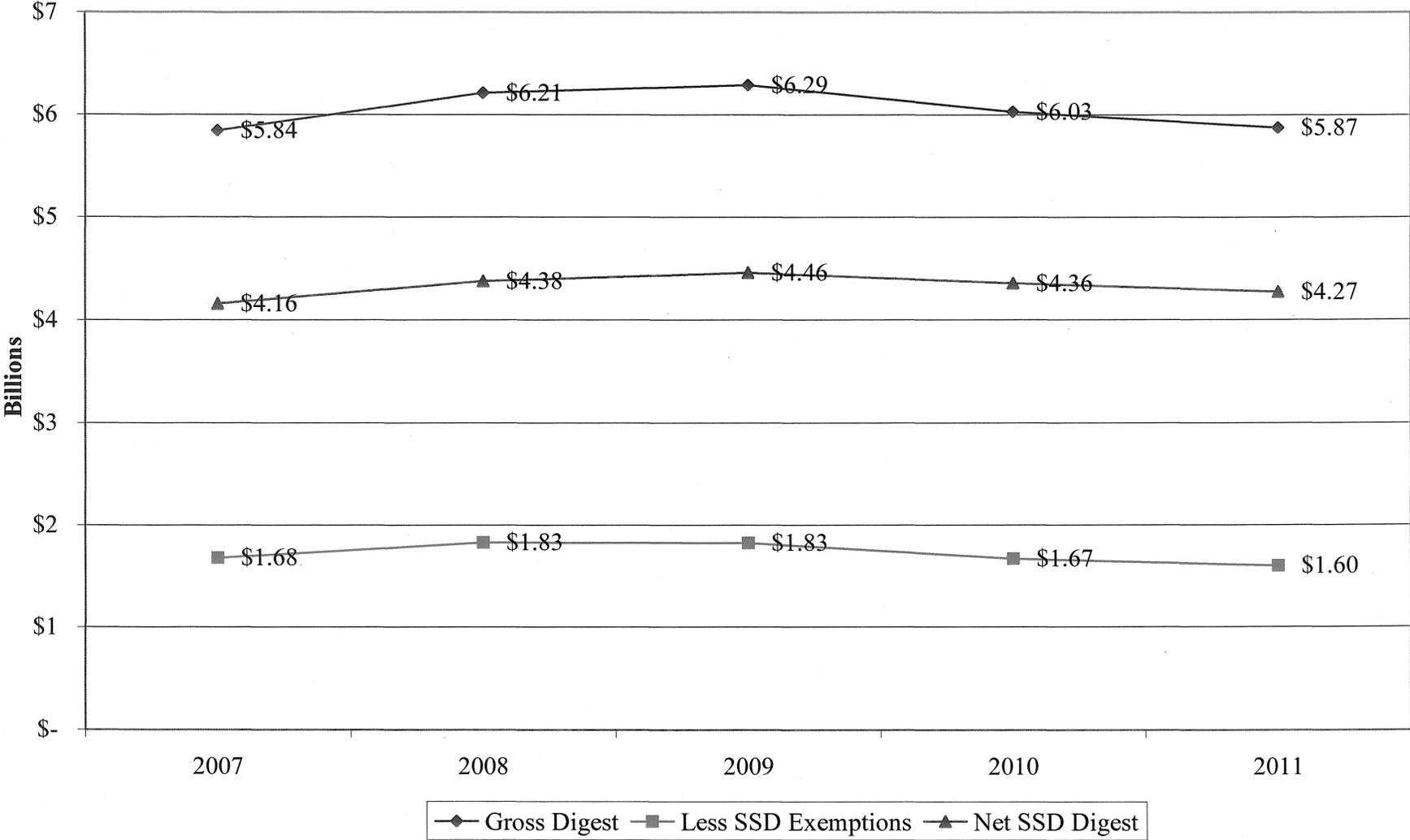
Graphs

The following two graphs outline the gross property tax digest, tax exemptions, and the net property tax digest for the two funds that levy a millage rate:

M&O DIGEST CHANGE IN DOLLARS



SSD DIGEST CHANGE IN DOLLARS



Chatham County, Georgia
Projected Five Year Statement of Revenues and Expenditures
General Fund - Adopted FY 2012

The Projected Statements of Revenues and Expenditures are used to facilitate financial planning and identify problem areas well ahead of the annual budget cycle. The forecasts are provided to County management and elected officials. Assumptions are based on both historical trend and current economic conditions.

Assumptions:

Revenues

Digest growth

0% over the next 2 years
 0% in year 1, 2% in year 2
 4% in year 3, 5% in year 4

Other revenue categories

Fairly flat although interest declines as
 cash reserves drop

		Annual Growth Rate										
		2006 Act	2007 Act	2008 Act	2009 Act	2010 Act	2011 Bud	2012 Bud	2013	2014	2015	2016
Expenditures												
Personal services & benefits	51.*	10.88%	9.39%	16.06%	5.44%	5.65%	-2.18%	4.63%	4.50%	5.00%	6.00%	6.00%
Purchased services	52.*	-0.82%	12.63%	5.84%	-2.63%	-0.23%	-4.28%	-2.02%	1.00%	1.00%	1.00%	1.00%
Supplies	53.*	10.62%	1.16%	11.50%	0.90%	1.32%	-1.76%	-4.47%	2.00%	2.00%	2.00%	2.00%
Equipment/capital outlay	54.*	41.35%	-24.96%	32.85%	1.35%	-8.84%	-99.55%	-87.09%	1.00%	1.00%	1.00%	1.00%
Interfund/interdepartmental charges	55.*	-19.06%	-12.94%	11.62%	-5.07%	29.75%	-22.05%	-7.59%	0.00%	0.00%	0.00%	0.00%
Depreciation	56.*	0.00%	409.72%	-100.00%	0.00%	0.00%	0.00%	-68.78%	0.00%	0.00%	0.00%	0.00%
Other expenditures	57.*	-2.78%	2.26%	12.03%	8.95%	8.09%	-9.46%	3.18%	0.00%	0.00%	0.00%	0.00%
Debt service	58.*	-18.11%	0.96%	0.79%	15.47%	-16.26%	0.10%	-33.55%	0.00%	0.00%	0.00%	0.00%
Transfers out	61.*	232.56%	0.79%	9.48%	-15.38%	-27.61%	-11.12%	-10.74%	0.00%	0.00%	0.00%	0.00%

Detention Center Expansion

FY 2013 assumes mid-year increase of 124 officers and other categories due to expanded detention center. The Sheriff has estimated a need for 218 additional staff. A consultant is now conducting a staffing study.

Chatham County, Georgia
General Fund - Adopted 2012 Budget
Projected Five Year Statement of Revenues and Expenditures

	Actual 2008-2009	Actual 2009-2010	Adopted Budget 2010-2011	Adopted Budget 2011-2012	Projected 2012-2013	Projected 2013-2014	Projected 2014-2015	Projected 2015-2016
REVENUES								
Tax Revenue - Digest (less HTRG)	116,365,098	115,853,773	115,710,014	116,615,805	116,860,798	134,123,249	139,488,179	146,462,588
Tax Revenue - HTRG	3,590,369	-	-	-	-	-	-	-
Other Tax Revenue	14,975,487	14,390,113	14,005,768	14,093,700	14,375,574	14,663,085	14,956,347	15,255,474
License & Permits	1,015,535	949,924	898,320	910,000	910,000	928,200	946,764	965,699
Intergovernmental	2,687,500	2,729,623	2,369,553	2,681,347	2,681,347	2,734,974	2,789,673	2,845,467
Charges for Services	10,370,831	10,194,742	10,279,338	10,082,790	10,082,790	10,284,446	10,490,135	10,699,937
Fines & Forfeitures	3,191,564	3,168,591	2,802,205	3,003,650	3,003,650	3,063,723	3,124,997	3,187,497
Interest on Investments	627,160	215,588	142,361	140,000	200,000	300,000	300,000	300,000
Miscellaneous	474,658	393,723	480,976	631,036	631,036	631,036	631,036	631,036
Other Financing Sources	1,159,462	486,181	2,006,303	1,139,012	1,139,012	1,139,012	1,139,012	1,139,012
Subtotal of Revenues	154,457,664	148,382,258	148,694,838	149,297,340	149,884,207	167,867,725	173,866,144	181,486,711
EXPENDITURES								
General Government	25,776,280	26,003,287	28,339,200	28,308,115	29,391,626	30,631,196	32,170,744	33,798,445
Judiciary	25,175,946	26,091,917	26,875,344	27,218,130	28,195,766	29,323,591	30,732,300	32,223,142
Public Safety	48,934,990	51,194,574	52,565,909	54,802,032	59,358,857	67,354,702	70,700,570	74,245,999
Public Works	1,331,846	1,377,113	1,385,220	1,362,596	1,391,202	1,423,977	1,464,533	1,507,376
Health and Welfare	10,509,157	10,849,270	11,063,354	10,833,178	10,956,044	11,094,229	11,260,678	11,435,727
Culture and Recreation	11,138,836	10,666,474	10,819,321	10,574,551	11,325,480	11,499,143	11,711,983	11,936,518
Housing & Development	353,772	388,105	577,148	578,316	600,735	626,592	658,876	693,041
Debt Service	6,416,234	5,375,130	5,462,972	3,643,188	3,606,580	3,792,480	2,843,520	2,844,520
Other Financing Uses	18,814,902	15,834,964	11,606,370	11,977,234	11,731,511	11,914,735	12,103,730	12,298,179
Subtotal of Expenses	148,451,964	147,780,834	148,694,838	149,297,340	156,557,801	167,660,645	173,646,934	180,982,947
Fund Balance added (used)	6,005,700	601,424	0	-	(6,673,594)	207,080	219,210	503,764

Assumes 1/2 yr
124 added staff for
detention center

Assumes full year
of additional staff
and operations

Digest Revenue calculation:								
Prior Year Tax Digest Total	10,330,629,348	11,140,459,345	11,322,755,459	10,981,305,315	10,519,470,512	10,519,470,512	10,729,859,922	11,159,054,319
Digest Growth Rate	7.84%	1.64%	-3.79%	-4.02%	0.00%	2.00%	4.00%	5.00%
Net Tax Digest	11,140,459,345	11,322,755,459	10,981,305,315	10,519,470,512	10,519,470,512	10,729,859,922	11,159,054,319	11,717,007,035
Tax rate	10.537	10.537	10.537	11.109	11.109	12.500	12.500	12.500
Projected Digest revenue	117,387,020	119,307,874	115,710,014	116,615,805	116,860,798	134,123,249	139,488,179	146,462,588
Value of One Mil	11,140,459	11,322,755	10,981,305	10,497,417	10,519,471	10,729,860	11,159,054	11,717,007
Revenue Change	8,533,179	1,920,854	(3,597,860)	7,761,964				

Chatham County, Georgia
Projected Five Year Statement of Revenues and Expenditures
Special Service District - Adopted 2012

The Projected Statements of Revenues and Expenditures are used to facilitate financial planning and identify problem areas well ahead of the annual budget cycle. The forecasts are provided to County management and elected officials. Assumptions are based on both historical trend and current economic conditions.

Revenues
 Digest growth

0% in year 1, 2% in year 2
 4% in year 3, 5% in year 5

Other revenue categories

Fairly flat although interest declines as
 cash reserves drop

Expenditures		Annual Growth Rate			
		2013	2014	2015	2016
Personal services & benefits	51.*	4.50%	5.00%	6.00%	6.00%
Purchased services	52.*	1.00%	1.00%	1.00%	1.00%
Supplies	53.*	2.00%	2.00%	2.00%	2.00%
Equipment/capital outlay	54.*	1.00%	1.00%	1.00%	1.00%
Interfund/interdepartmental charges	55.*	0.00%	0.00%	0.00%	0.00%
Depreciation	56.*	0.00%	0.00%	0.00%	0.00%
Other expenditures	57.*	0.00%	0.00%	0.00%	0.00%
Debt service	58.*	0.00%	0.00%	0.00%	0.00%
Transfers out	61.*	0.00%	0.00%	0.00%	0.00%
SCMPD					
Top % under contract reached 2011 - 35.1%		3.00%			

Chatham County, Georgia
Special Service District - Adopted 2012 Budget
Projected Five Year Statement of Revenues and Expenditures

	Actual 2008-2009	Actual 2009-2010	Adopted Budget 2010-2011	Adopted Budget 2011-2012	Projected 2012-2013	Projected 2013-2014	Projected 2014-2015	Projected 2015-2016
REVENUES								
Tax Revenue - Digest (less HTRG)	15,190,858	15,361,502	15,147,417	15,305,092	15,338,523	15,645,293	16,271,105	17,084,660
Tax Revenue - HTRG	548,563	-	0	0	0	0	0	0
Other Tax Revenue	5,843,359	6,123,351	6,303,000	6,307,550	6,303,000	6,303,000	6,303,000	6,303,000
License & Permits	1,198,575	1,173,841	1,200,000	1,100,000	1,200,000	1,220,000	1,240,000	1,260,000
Intergovernmental	874,769	843,543	742,500	868,370	742,500	757,500	772,500	787,500
General Government Fees								
Charges for Services	128,570	55,661	126,600	188,100	126,600	141,600	156,600	171,600
Fines & Forfeitures	1,463,691	1,476,754	1,328,000	1,370,500	1,328,000	1,378,000	1,428,000	1,478,000
Interest on Investments	137,702	21,674	40,000	10,000	20,000	20,000	20,000	20,000
Miscellaneous	2,506	3,666	5,000	1,000	5,000	5,000	5,000	5,000
Other Financing Sources	709,844	611,627	616,715	557,200	616,715	700,000	700,000	700,000
Subtotal of Revenues	26,098,437	25,671,619	25,509,232	25,707,812	25,680,338	26,170,393	26,896,205	27,809,760
EXPENDITURES								
General Government	1,368,684	1,644,241	1,810,783	1,785,851	1,834,883	1,890,735	1,959,267	2,031,569
Judiciary	2,249,736	1,859,623	1,882,242	1,884,675	1,898,406	1,913,138	1,929,675	1,946,796
Public Safety	13,807,412	13,265,288	14,285,053	14,201,192	14,625,228	15,061,983	15,511,838	15,975,187
Public Works	5,509,066	5,457,189	5,481,000	5,321,210	5,551,733	5,816,516	6,145,213	6,492,736
Housing & Development	2,002,360	1,575,654	1,633,070	1,626,126	1,647,525	1,671,933	1,701,947	1,733,616
Debt Service	62,116	-	0	0	0	0	0	0
Other Financing Uses	4,015,591	3,003,409	2,021,066	2,059,606	2,062,008	2,064,665	2,067,793	2,071,064
Subtotal of Expenses	29,014,963	26,805,404	27,113,214	26,878,660	27,619,784	28,418,970	29,315,732	30,250,969
Fund Balance added (used)	(2,916,526)	(1,133,785)	(1,603,982)	(1,170,848)	(1,939,446)	(2,248,577)	(2,419,527)	(2,441,209)
Digest Revenue calculation:								
Prior Year Tax Digest Total	4,160,999,684	4,380,284,367	4,464,549,237	4,359,151,440	4,272,568,970	4,272,568,970	4,358,020,349	4,532,341,163
Digest Growth Rate	5.27%	1.92%	-2.38%	-1.99%	0.00%	2.00%	4.00%	5.00%
Net Tax Digest	4,380,284,367	4,464,549,237	4,359,151,440	4,272,568,970	4,272,568,970	4,358,020,349	4,532,341,163	4,758,958,222
Tax rate	3.475	3.475	3.475	3.59	3.59	3.59	3.59	3.59
Projected Digest revenue	15,221,317	15,514,309	15,147,417	15,305,092	15,338,523	15,645,293	16,271,105	17,084,660
Value of One Mil	4,380,235	4,464,549	4,358,969	4,263,257	4,272,569	4,358,020	4,532,341	4,758,958
Revenue Change	761,843	1,054,835	(366,892)	157,675				

Chatham County, Georgia
Comparison of Presentation of Funds
Adopted Budget Book to Comprehensive Annual Financial Report

When comparing fund presentations between the County's Adopted Budget Book and its Comprehensive Annual Financial report, several differences should be noted:

- The County's Comprehensive Annual Financial Report presents audited financial statements for the Chatham County Health Department and the Live Oak Public Library System. These entities are discretely presented component units of the County. The County does not set budgets for these entities.
- The Comprehensive Annual Financial Report combines the activities of the CIP Bond Program Fund – Detention Center Expansion with the SPLOST V Fund. In the budget document, these two funds are shown separately.
- The Comprehensive Annual Financial Report provides audited information on the County's Pension Trust Fund and OPEB Trust Fund. The budget document does not provide information on the Trust Funds since no budgets are adopted.
- The definition of major funds in the Adopted Budget Document differs from the definition of major funds under GASB Statements. Therefore, the level of presentation in the two documents varies across funds.
- No budget is shown for the Catastrophic Claims Internal Service Fund, which is presented in the CAFR as a separate fund.