

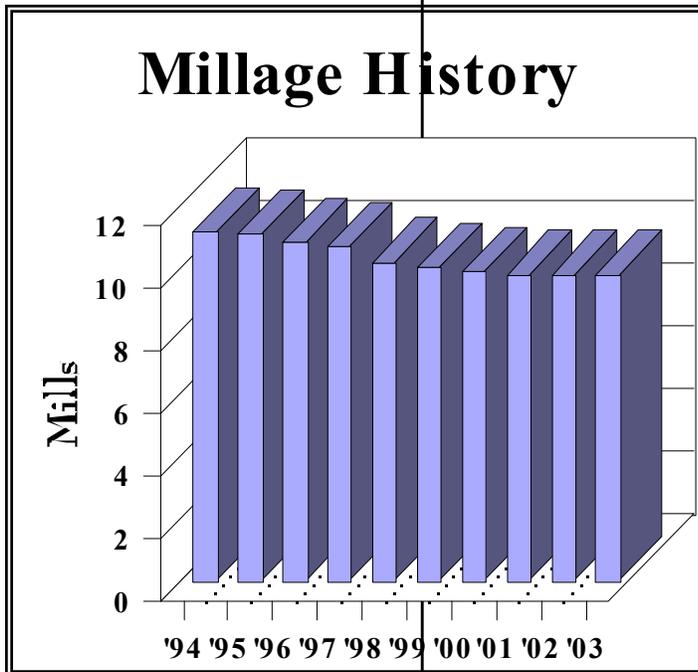
MILLAGE RATE

For the third consecutive year, Cobb County has maintained its Property Tax millage rate at 9.72. The 2003 millage of 9.72 results in cumulative 2.18 mill or 18.3% reduction since 1992. Cobb County, under current leadership, continues to maintain the lowest millage rate in the Metro-Atlanta area.

FY 94	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY02 vs. FY03 Change
11.10	11.00	10.77	10.62	10.12	9.97	9.84	9.72	9.72	9.72	0%

FLUCTUATING HOMESTEAD EXEMPTIONS

In addition to the regular exemptions, Cobb County residents will enjoy the benefits of the fluctuating Homestead Exemption law. Effective in January 2001, the new Cobb County Homestead exemption is intended to keep certain property taxes from increasing as a result of property reassessments. If a homeowner's property taxes would increase as a result of a reassessment, then the homeowner's homestead exemption would increase by the same amount in order to offset the property tax increase.



The fluctuating homestead exemption only affects the county's general fund property taxes and applies to the incorporated cities in Cobb. It does not affect taxes for schools, bond indebtedness and fire protection. It is limited to properties otherwise qualified for and currently receiving homestead exemption. This benefit is in addition to any other homestead exemptions applicable to county taxes.

The exemption automatically renews annually as long as the homeowner continues to occupy the residence. It terminates when the property is sold or no longer qualifies for homestead exemption. As a result of this fluctuating homestead exemption, Cobb County taxpayers will save approximately \$12.2

million in the 2003 tax year.

SUMMARY

The table below includes changes to the Operating and Capital Funds in the FY 04 Amended Budget.

Following the budget summary is a brief list of the major changes between the FY 04 Proposed Budget and the FY 04 Amended Budget.

<u>Operating Fund</u>	<u>FY 04 Proposed</u>	<u>FY 04 Amended</u>
General Fund	\$255,964,126	\$265,276,092
Claims	\$36,562,210	\$41,545,511
Compost	\$12,321,701	\$12,455,072
CSBG	\$393,829	\$393,829
Debt Service	\$9,077,942	\$8,208,289
E911	\$8,560,889	\$8,924,692
Fire	\$50,083,849	\$53,631,816
Golf Course	\$2,207,137	\$2,174,868
Grant-Child Support	\$902,384	\$1,021,132
Hotel/Motel Tax	\$3,164,490	\$2,900,000
Law Library	\$534,668	\$494,000
Mable House Amphitheatre	\$0	\$1,480,750
Parking Deck	\$452,436	\$451,423
Senior Services	\$4,705,677	\$4,924,241
Solid Waste	\$6,701,753	\$6,618,917
Transit	\$12,208,470	\$12,610,199
Water	\$131,604,805	\$131,768,740
Sub-total Operating	\$535,446,366	\$554,879,571
<u>Capital & Grants Funds</u>	<u>FY 04 Proposed</u>	<u>FY 04 Amended</u>
Capital Projects	\$11,165,770	\$15,252,950
CDBG & ESG Program	\$3,008,000	\$3,912,800
HOME Program	\$1,215,200	\$1,757,309
Supportive Housing	\$474,461	\$60,000
Transit Capital	\$4,728	\$4,728
Water RE&I	\$50,137,385	\$50,360,545
Water SDF	\$48,045,000	\$48,045,000
Sub-total Cap./Grants	\$114,050,544	\$119,393,332
TOTAL	\$649,496,910	\$674,272,903

2004 Amended Budget**Budget Summary**

The following table presents revenues and expenditures by category for all operating budgets combined.

COMBINED OPERATING FUND BUDGETS		
<u>REVENUES:</u>	<u>FY 04 Proposed</u>	<u>FY 04 Amended</u>
General Property Taxes	\$195,893,102	\$203,177,702
Penalties & Interest	\$2,331,200	\$2,764,500
Other Taxes	\$28,314,661	\$29,592,227
Licenses & Permits	\$16,743,426	\$17,492,241
Intergovernmental Revenue	\$7,876,923	\$8,063,699
Charges for County Services	\$185,398,216	\$188,808,596
Fines & Forfeitures	\$14,374,710	\$15,070,699
Miscellaneous Revenue	\$17,842,520	\$17,053,719
Other Financing Sources	\$66,671,608	\$72,856,188
TOTAL REVENUES	\$535,446,366	\$554,879,571
<u>EXPENDITURES:</u>		
Personal Services	\$233,821,232	\$243,403,784
Operating	\$260,105,585	\$273,701,887
Debt Service	\$19,314,563	\$19,314,563
Capital Outlay	\$6,808,052	\$6,822,007
Contingency	\$15,396,934	\$11,637,330
TOTAL EXPENDITURES	\$535,446,366	\$554,879,571

OPERATING BUDGET - AMENDMENTS

The following are highlights of new programs and amendments for the Operating budgets, which represent a majority of the changes between the FY 04 Proposed Budget and the FY 04 Amended Budget.

General Fund	FY 04 Adjustments
Additional Funding for Increase in Regular Salaries	\$1,874,752
Additional Funding for Increase in Medical Benefits	\$2,329,319
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits.	\$458,297
Additional Funding for Increase in Retirement	\$1,066,941
Additional Funding for Full-time Merit	\$344,558
Additional Funding for Overtime	\$326,598
Additional Funding for Part-time	\$256,959
Additional Funding for Part-time Per Day for Elections	\$521,578
Additional Operating Funding for Parks	\$99,400
Funding for various Non-Profit Organizations	\$284,500
Additional Funding for DFACS	\$32,501
Additional Funding for B.O.C. Travel, Training and Registration	\$2,500
Additional Funding for Planning Commission and BZA	\$14,656
Additional Funding for Code Enforcement to remove illegal signs	\$550
Additional Operating Expenses for Economic Development Grant Specialist	\$5,000
Additional Funding for Postage Increases for Government Service Centers	\$220,135
Additional Funding in Operating for Support Services	\$5,000
Additional Funding in Motor Vehicle Parts for the Fleet Management Div.	\$100,000
Adjustment to Information Services AFIN/GHRS Support	(\$161,107)
Additional Funding in Information Services for a T1 Data Line	\$3,360
Additional Funding in Information Services for MS Client Access License	\$167,310
Additional Funding in Library Materials	\$200,000
Impact of the Sweetwater Library Relocation & Expansion	\$1,867
Local Share of COPS Universal Hiring Program- Operating Exp.	\$4,500
Additional Operating Expenses for Police	\$39,601
Additional Operating Expenses for Animal Control	\$11,000
Increase in Utility Expenses for Property Management	\$75,000

2004 Amended Budget**Budget Summary**

Additional Funding in Property Management for Landscaping Services at the North Cobb Senior Center	\$8,025
Additional Funding for the Boards of Equalization	\$15,000
Adjustment to Contingency in Superior Court Administration	(\$150,000)
Additional Funding for Elections in Car and Portable Telephones	\$2,925
Additional Funding in Human Resources for E-Learning Project (Inroads Offset)	\$10,000
Adjustment due to Expired Inroads Program	(\$44,300)
Adjustment to Property Management Electricity per Fixture Upgrades	(\$5,181)
Adjustment to Library Electricity per Fixture Upgrades	(\$10,603)
Adjustment to DOT Electricity per Fixture Upgrades	(\$35,872)
Adjustment to Transit and Parking Deck Subsidies	(\$138,608)
Victim Witness Unit Now Self-Funded	(\$54,579)
Adjustment to Lake Allatoona Preservation Authority - Grant	(\$25,000)
Additional Funding for Transit Subsidy - Transit Development Plan	\$547,778
Additional Funding in Salary Contingency for State Court	\$27,600
Additional Funding in Designated Contingency for State Court	\$13,493
Additional Funding in DOT Road Maintenance Projects	\$200,000
Additional Funding for Child Support Recovery Interfund	\$15,000
Senior Services Interfund for Alzheimer Voucher Program	\$173,001
COPS Local Share Interfund	\$431,400
Additional Funding in Undesignated Contingency	\$32,712
Additional Funding in Salary Contingency for Position Recl. & Upgrade	\$52,645
Additional Funding in Designated Contingency for the Vinings Historic Preservation Matching Grant	\$35,000
Additional Funding in Interfund Transfer for Economic Development Position	\$19,882
Additional Funding ARC Planning Services	\$85,624
Adjustment to Undesignated Contingency for ARC Planning Services	(\$85,624)
Adjustment to Telltale Theatre	(\$224)
Adjustment to Tommy Nobis Center	(\$1,134)
Adjustment to Cobb Community Collaborative	\$10,000
Adjustment to Cobb Community Foundation	(\$1,103)
Adjustment to Cobb Literacy Council	(\$897)
Adjustment to Big Brothers/Big Sisters of Metro Atlanta	(\$1,134)
Adjustment to Blacks United for Youth Cobb	(\$306)

2004 Amended Budget**Budget Summary**

Adjustment to Center for Pan-Asian Community Services	(\$292)
Adjustment to Cobb Boys & Girls Club	(\$4,475)
Adjustment to Cobb Commission on Children and Youth	(\$538)
Adjustment to Cobb Family Resources	(\$10,853)
Adjustment to Families First, Inc.	(\$236)
Adjustment to Feed the Hungry Foundation	(\$292)
Adjustment to Girls Incorporated of Cobb County	(\$1,065)
Adjustment to Latin American Association	(\$673)
Adjustment to Lea's Kids, Inc.	(\$673)
Adjustment to SafePath Children's Advocacy Center, Inc.	(\$2,565)
Adjustment to YWCA-Youth Parents Support Center	(\$673)
Adjustment to Children's Therapy Services, Inc.	(\$236)
Adjustment to Wellstar Foundation, Inc.	(\$224)
Adjustment to YWCA-Rape Crisis	(\$465)
Adjustment to Center for Children and Young Adult	(\$6,265)
Adjustment to Cobb Habitat for Humanity	(\$4,262)
Adjustment to Cobb Housing, Inc.	(\$1,337)
Adjustment to Cobb Human Services Coalition, Inc.	(\$292)
Funding for Housemate Match	\$15,000
Adjustment to The Extension, Inc.	(\$275)
Adjustment to Traveler's Aid of Cobb County, Inc.	(\$852)
Adjustment to YWCA-Battered Women's Shelter	(\$2,382)
Adjustment to Atlanta Legal Aid	(\$5,428)
Adjustment to Retired Seniors Volunteer Program (RSVP)	(\$832)
Capital - Budgeted in General Fund for Transfer to Capital Fund	FY 04 Adjustments
DOT ARC Approved Transportation Projects	\$1,096,300
DOT GA/Fed Contract Approved Projects	\$432,000
DOT Additional Projects and Adjustments	\$1,428,000
Light Pole Replacement Project	\$100,000
Property Management Capital Replacement Program	\$250,000
Energy Efficient Lighting - Debt Service Payment	\$30,998
Reduced Costs in PC's, Servers and Printers Replacement Project	(\$359,306)
Reduced Costs in Mobile Data Terminals Replacement Project	(\$201,000)
Reduced Costs in Data Communications Replacement Project	(\$93,750)

2004 Amended Budget**Budget Summary**

Additional Funding for Integrated Library System	\$74,914
Replacement of Time Care System	\$500,000
Additional Funding for Parks Projects	\$344,762
Additional Funding for Advantage Financial & HR System Upgrade	\$229,250
Transit Fund	FY 04 Adjustments
Adjustment to Regular Salaries	(\$2,845)
Additional Funding for Increase in Medical Benefits	\$18,392
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$829
Additional Funding for Increase in Retirement	\$2,799
Adjustment to Service and Fuel Expenses	(\$548,553)
Additional Funding for Transit Development Plan - Operator Service Fees	\$930,016
Senior Services Fund	FY 04 Adjustments
Increase in Part-time for new position	\$11,222
Additional Funding for Increase in Regular Salaries	\$35,193
Additional Funding for Increase in Medical Benefits	\$28,273
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$9,862
Additional Funding for Increase in Retirement	\$21,246
Adjustment to Senior Services Electricity per Fixture Upgrades	(\$1,592)
Additional Funding for Alzheimer Voucher Program	\$141,689
Reduced Costs for PC's, Servers & Printers	(\$5,429)
Fire Fund	FY 04 Adjustment
Additional Funding for Increase in Regular Salaries	\$571,938
Additional Funding for Increase in Medical Benefits	\$687,528
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$142,281
Additional Funding for Increase in Retirement	\$324,717
Additional Funding for Participation in E-Learning	\$3,000
Additional Funding for Repair & Maintenance for Fire Stations & Emergency Lights	\$100,000
Additional Funding for Janitorial and Landscaping Maintenance Contract	\$33,000
Additional Funding for Janitorial Supplies	\$30,000
Additional Funding for New Tools for the Maintenance Unit	\$6,000
Additional Funding for Promotional Exams and Assessments	\$22,000

2004 Amended Budget**Budget Summary**

Additional Funding for Vehicle Repair and Maintenance	\$15,000
Increase in Overtime for Training in Schools Requested by the Board of Education	\$5,000
Reduced Costs for Data Communications	(\$18,750)
Reduced Costs for PC's, Servers & Printers	(\$3,232)
Reduced Costs for Mobile Data Terminals	(\$99,000)
Adjustment to Undesignated Contingency	(\$34,523)
Additional Funding to Salary Contingency for a New Position	\$34,523
Additional Funding for Advantage Financial Upgrade Project	\$23,735
Parking Deck Fund	FY 04 Adjustments
Adjustment to Regular Salaries	(\$118)
Adjustment in Medical Benefits	(\$3,647)
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$74
Additional Funding for Increase in Retirement	\$223
Additional Funding for Electricity Expenses	\$3,000
Additional Funding for Advantage Financial Upgrade Project	\$162
Adjustment to Indirect Costs	(\$1,266)
Law Library Fund	FY 04 Adjustments
Additional Funding for Increase in Regular Salaries	\$3,839
Additional Funding for Increase in Medical Benefits	\$1,529
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$386
Additional Funding for Increase in Retirement	\$1,017
Additional Funding for Advantage Financial Upgrade Project	\$176
Adjustment to Indirect Costs	(\$8,334)
Additional Funding in Interfund	\$176
E911 Fund	FY 04 Adjustments
Adjustment to Regular Salaries	(\$87,977)
Additional Funding for Increase in Medical Benefits	\$101,433
Adjustment to Worker's Compensation and Other Fringe	(\$43,996)
Additional Funding for Increase in Retirement	\$17,527
Additional Funding for Participation in E-Learning	\$700
Reduced Costs for PC's, Servers & Printers	(\$8,180)
Additional Funding for Advantage Financial Upgrade Project	\$3,996

2004 Amended Budget**Budget Summary**

Additional Funding for Indirect Costs	\$371,570
Debt Service Fund	FY 04 Adjustments
Adjustment to Indirect Costs	(\$161,158)
Grant Fund	FY 04 Adjustments
Additional Funding from GF for Child Support Recovery expenses	\$15,000
Additional Funding from State for Child Support Recovery expenses	\$103,185
Additional Funding from State for Advantage Financial Upgrade Project	\$563
CDBG	FY04 Adjustments
Additional Funding for Advantage Financial Upgrade Project	\$1,321
Capital Projects	FY04 Adjustments
Advantage Financial Upgrade Project	\$321,976
Integrated Library System	\$74,914
DOT ARC Approved Transportation Projects	\$1,096,300
DOT GA/Fed Contract Approved Projects	\$432,000
DOT Additional Projects and Adjustments	\$1,428,000
Light Pole Replacement Project	\$100,000
Property Management Capital Replacement Program	\$250,000
Energy Efficient Lighting Upgrades	\$30,998
Reduced Costs for PC's, Servers and Printers	(\$366,770)
Reduced Costs for Mobile Data Terminals	(\$300,000)
Reduced Costs for Data Communications	(\$125,000)
Replacement of Time Care System	\$500,000
ADA Renovations (Pre-award CDBG)	\$300,000
Additional Funding for Parks Projects	\$344,762
Water Fund	FY 04 Adjustments
Additional Funding for Increase in Regular Salaries	\$74,368
Additional Funding for Increase in Medical Benefits	\$454,897
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$44,625
Additional Funding for Increase in Retirement	\$88,103
Additional Funding for Participation in E-Learning (Inroads Offset)	\$2,500
Expired Inroads Program	(\$14,700)
Increased Costs for PC's, Servers & Printers	\$10,529
Reduced Costs for Data Communications	(\$12,500)

2004 Amended Budget |

Budget Summary

Additional Funding for Advantage Financial Upgrade Project	\$60,867
Additional Funding for 800MHZ Radios	\$8,955
Adjustment in Part-time due to Position Deletion	(\$16,947)
Water Billing System Interfund for Salary Reimbursement	\$86,134
Water Billing System Personal Services	\$172,108
Adjustment to Undesignated Contingency	(\$25,000)
Additional Funding for Lake Allatoona Preservation Authority - Grant	\$25,000
Water Renewal, Extension and Improvements Fund	
Additional Funding for Water Billing System	\$223,160
Solid Waste Fund	
FY 04 Adjustments	
Adjustment to Regular Salaries	(\$41,222)
Adjustment to Medical Benefits	(\$7,978)
Adjustment in Fringe Benefits: Worker's Compensation and other Fringe Benefits	(\$5,167)
Additional Funding for Increase in Retirement	\$710
Reduced Costs for PC's, Servers & Printer	(\$1,152)
Compost Fund	
FY 04 Adjustments	
Adjustment to Regular Salaries	(\$4,568)
Additional Funding for Increase in Medical Benefits	\$29,040
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$2,463
Additional Funding for Increase in Retirement	\$2,299
Golf Course Fund	
FY 04 Adjustments	
Additional Funding for Increase in Regular Salaries	\$159
Additional Funding for Increase in Medical Benefits	\$619
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$84
Additional Funding for Increase in Retirement	\$390
Additional Funding for Depreciation	\$4,231
Adjustment to Indirect Costs	\$38,497
Additional Funding for Advantage Financial Upgrade Project	\$654
Mable House Amphitheatre Fund	
FY 04 Adjustments	
Amphitheatre opened in 2003	\$1,480,750
Claims Funds	
FY 04 Adjustments	
Additional Funding for Increase in Regular Salaries	\$1,402

2004 Amended Budget**Budget Summary**

Additional Funding for Increase in Medical Benefits	\$2,402
Additional Funding for Increase in Fringe Benefits: Worker's Compensation and other Fringe Benefits	\$249
Additional Funding for Increase in Retirement	\$3,009
Additional Funding for Advantage Financial Upgrade Project	\$1,252
Adjustment to Indirect Costs	(\$316,030)
Adjustment to Depreciation	(\$7,000)
Adjustment to Operating Expenses in Professional Services	(\$7,674)
Additional Funding for Increase in Trust Funds for Care Claims	\$4,904,469
Additional Funding for Insurance	\$360,313
Additional Funding for Governmental Accounting Standard Board Study	\$29,038
Adjustment to Operating Expense Assessment Fees	(\$6,072)

PERSONAL SERVICES

The following is a list of Additions, New Facilities, Reclassifications, Position Upgrades and Adjustments to Personal Services for FY 04.

Additions

The following position to be allocated to the Fire Department is included in the FY 04 budget to be effective October 1, 2003.

- 1 Work Order Coordinator, grade 33

Expired Grant

Two COPS positions that were previously grant funded will expire during FY04. The positions will be transferred from the grant fund to the general fund on the below applicable effective dates.

- 1 Police Officer II, grade 36 (Effective 1/26/2004)
- 1 Police Officer II, grade 36 (Effective 4/19/2004)

New Facility

The following 15 additions are approved to staff/support a new facility. These positions will support the Sheriff Department's Work Release Program that was approved in the FY 03/04 Biennial Budget and will be effective October 1, 2003.

- 1 Detention Specialist, grade 31
- 1 Accountant I, grade 33
- 12 Deputy Sheriff II, grade 36
- 1 Deputy Sheriff Sergeant, grade 38

Reclassifications

Periodically, departmental positions are reviewed to ensure position titles and compensation are adequate for the position duties and requirements. If inequities are found, reclassifications are recommended. The following reclassifications will be effective October 1, 2003.

Department	Current Title	New Title
Juvenile Court	1 Judicial Program Coordinator, grade 35	1 Probation Officer, grade 37
Law Department	2 Associate County Attorney, grade 41	2 Senior Associate County Attorney, grade 44
Property Management	1 Administrative Specialist III, grade 33	1 Administrative Supervisor, grade 35
Property Management	1 Fiscal Technician II, grade 29	1 Fiscal Technician III, grade 31
Property Management	1 Administrative Technician II, grade 28	1 Fiscal Technician III, grade 31

2004 Amended Budget

Budget Summary

Upgrades

Periodically, positions are reviewed to ensure compensation is adequate and fair for the position duties and requirements. If inequities are found, upgrades are recommended. The following upgrades will be effective October 1, 2003.

Department	Current Grade	New Grade
Magistrate Court	2 Magistrate Judge, grade 45	2 Magistrate Judge, grade 47

Adjustments

The following salary adjustments will be effective October 1, 2003:

Department	Classification	FY04 Increase
Magistrate Court	6315	\$3510.18
Juvenile Court	6516	\$4640.00

CLAIMS FUND - AMENDMENTS

The self-funded, Cobb County Health Benefit Plan has experienced the same inflation in medical and prescription costs as the rest of the nation.

Medical Benefits

The medical fund, like the rest of the nation, increased due to the rise in medical cost. Last year we made plan changes to lower the impact of these increases to the plan. Even with the plan changes medical expenses still continue to rise. Again this year, employees will share in the cost increases. Effective January 2004, Cobb County will adopt the following percentage as the County standard:

<u>Coverage</u>	<u>Employee</u>	<u>Employer</u>
Single	10%	90%
Single + 1	15%	85%
Family	20%	80%

Last year, efforts were made to minimize cost by beginning our Wellness Program. Web pages were designed on the Cobb Web, discounts were negotiated with fitness facilities, and pilot programs on disease management were held. In FY04, Cobb County will provide the successful programs to the employee population and continue to build on our wellness efforts.

In 2003, Cobb County competitively bid administrative services and network choices for our plan. This process assures that we are receiving the best prices available for our plan.

Dental Benefits

Currently, Cobb County has two Dental Plan options; a self-funded traditional plan option with Benefits Support Inc., and a fully insured option with BlueCross BlueShield. Effective January 2004, Cobb County will change this structure to one option. The new option will be a self-insured passive preferred provided plan. This will give us the cost containment of negotiated discounts with preferred providers and the benefits of fewer fees on a self-insured plan for all participants. Along with the medical plan, Cobb County competitively bid the administrative services and network choices for the dental plan.

Stop Loss Insurance

The workers' compensation and medical benefits plans are self-insured. Cobb County purchases stop loss insurance to protect the funds from catastrophic losses. Since the events of September 11, stop loss insurance has increased substantially for any employer who houses large numbers of employees in a single building and employs public safety personnel. Because Cobb County falls into both categories, the County is affected by large increases in stop loss for both plans.

Life Insurance and Long Term Disability

In May 2004, the County's three-year rate guarantee expires with UnumProvident. A one-year rate continuation for our Life and Long Term Disability product through May 2005 has been negotiated.