



City Council February 26, 2007

Thank You for Joining Us

Hot Topics

- **Budget**
 - “No New Taxes” vs. “Millage Rate Cap”
- **Franchise Fees**
 - Communication
- **Legal Fees**
 - Adult Entertainment
 - Signage
- **Code Enforcement**
 - Fulton County Code Review
- **Citizen Participation**



Budget

- **No New Taxes**

Early Days of Northeast Fulton Study Committee/NEFSCO

Presentations through early December 2005

- **Millage Rate Cap**

Committee for Johns Creek/CJC

Presentations March through July 2006



Franchise Fees

- Providers Currently Affected

New Fees

Customer will see a change in bills

Sawnee EMC

Bellsouth / AT&T

Atlanta Gas

Previously charged and income went outside Johns Creek

No change in bills

Georgia Power—fees went to offset fees in other areas

Comcast—fees went to Fulton County



Franchise Fees

- **Communication**

 - Included in NEFSCO presentations

 - Included and explained in CVIOG reports

 - Included in CJC presentations

- **Used to reimburse City for use of Right of Way**

- **Common practice across the region/state**

 - Providers normally pass on to customers, though not required

- **Necessary in early years due to cash flow ramp up**



NEFSCO Presentation

Revenue:	SSD (Per Fulton County)	New City (Per CVI0G)
Property Taxes	\$ 14,793,054	\$ 14,509,214
Licenses and Permits	\$ 4,315,429	\$ 4,386,937
All Other	\$ 8,063,096	\$ 7,100,311
Local Option Sales Tax	\$ -	\$ 15,142,517
Franchise Fees	\$ -	\$ 4,136,136
Total Revenue	\$ 27,171,579	\$ 45,275,115
Expenditures:		
Fire and Emergency	\$ 7,024,440	TBD
Police	\$ 3,728,227	TBD
Non Agency	\$ 4,697,332	TBD
E & CD	\$ 2,514,776	TBD
Parks and Recreation	\$ 1,289,855	TBD
Public Works	\$ 518,611	TBD
Tax Commissioner	\$ 344,325	TBD
Economic Development	\$ 82,000	TBD
Information Technology	\$ 121,075	TBD
Estimated Expenditures Per Study	N/A	\$ 37,575,744
Capital and Startup	N/A	\$ 5,327,904
Total Expenditures:	\$ 20,320,641	\$ 42,903,648
Total Surplus Revenue:	\$ 6,850,938	\$ 2,371,467



Committee for JC Presentation

Revenue:	CVIOG	
	Supplimentary Report *	Fulton SSD *
	(Population = 62,049)	Method 1
Property Taxes	\$ 12,744,569	205
Licenses and Permits	\$ 3,984,787	64
All Other	\$ 5,706,801	92
Local Option Sales Tax	\$ 13,390,654	216
Franchise Fees	\$ 3,660,891	59
Total Revenue	\$ 39,487,702	636
Expenditures:		
Estimated Expenditures	\$ 22,834,032	368
Capital and Startup	\$ 2,981,237	48
Total Expenditures:	\$ 25,815,269	416
Total Surplus / (Deficit) Revenue:	\$ 13,672,433	220
* based on 2004 Fulton County revenue/expense		



CVIOG Fiscal Report

Step 7: Estimate Franchise Fees for the New Cities.

As incorporated municipalities, Milton and Johns Creek would be eligible for new sources of revenue in the form of franchise fees on electricity, gas, and telecommunications. Because franchise fees can vary on a number of dimensions besides the number of nonpublic utilities, we chose Alpharetta and Roswell as appropriate comparison communities. The estimate is based on an analysis of the mix of property classes in the areas of interest and those of comparison cities for which we know the per capita franchise fees collected (i.e., an average of \$69.33 per capita in FY2004). Based on statewide data that relates electrical usage to key property class values, we are able to identify the degree to which the areas of interest differ from existing comparison cities (Roswell and Alpharetta). Applying a discount rate based on the degree to which Milton and Johns Creek have fewer high-electricity consuming properties than the comparison cities, we are able to estimate franchise fees for these areas (see Table 10).

Table 10: Estimate of Per Capita Franchise Fees based on Adjustment of Roswell Franchise Fee

Milton	Johns Creek
\$58	\$59

Step 8: Aggregate the revenue estimates to identify the total estimated per capita revenue for the proposed new cities.

Table 11: Estimate of Per Capita Revenue Stream for Johns Creek

Per Capita Revenues presently going to SSD	\$370
Per Capita LOST Revenue	\$216
Est. Franchise Fees per Capita	\$ 59
Total Estimated Revenue per Capita	\$645



Surrounding Cities

Company	Johns Creek	Milton	Sandy Springs	Roswell	Alpharetta
Atlanta G&L	36-40 cents/year	negotiated	negotiated	4%	4%
Bellsouth	3%	3%	3%	3%	3%
Comcast	5%	5%	5%	4%	3%
GA Power	4%	4%	4%	3%	4%
Sawnee	4%	n/a	n/a	4%	4%
Solid Waste	0%	5%	5%	Additional Charge	Additional Charge
Millage Rate*	4.731	4.731	4.731	6.087	6.6



Expenditures by Department

<i>ANTICIPATED EXPENDITURES</i>	<i>2007 BUDGET (10 MOS)</i>	<i>2008 BUDGET (12 MOS)</i>
City Council	\$188,000	\$196,500
City Manager	\$533,500	\$557,000
General Operations	\$716,750	\$1,041,750
Debt Service	\$150,000	\$500,000
Finance	\$213,500	\$230,500
Legal Services	\$729,000	\$457,000
Facilities and Buildings	\$471,750	\$1,005,000
City Clerk	\$248,500	\$181,000
Municipal Court	\$358,000	\$460,500
Police	\$3,480,000	\$7,150,000
Fire Department	\$5,250,000	\$7,375,000
Public Works	\$388,500	\$444,250
Recreation	\$138,000	\$182,250
Community Development	\$946,000	\$1,287,000
Capital Investment	\$966,750	\$2,959,650
Contingency/Contribution to Fund Balance	\$451,500	\$3,033,500
<i>Subtotal - City Direct Expenditures:</i>	<i>\$15,229,750</i>	<i>\$27,060,900</i>
CH2M Hill OMI Services Agreement	\$16,507,500	\$17,793,600
<i>TOTAL EXPENDITURES:</i>	<i>\$31,737,250</i>	<i>\$44,854,500</i>



Revenues by Income Source (Page 1)

<i>ANTICIPATED REVENUES</i>	<i>2007 BUDGET (10 MONTHS)</i>	<i>2008 PRELIM EST. (12 MONTHS)</i>
Real and Personal Property Tax	\$13,300,000	\$14,250,000
Motor Vehicle Tax	\$660,000	\$1,240,000
Homestead Tax Relief	\$0	\$400,000
Recording Intangible Tax	\$416,500	\$500,000
Real Estate Transfer Tax	\$105,000	\$144,000
Franchise Fees	\$2,000,000	\$2,700,000
Local Option Sales Tax	\$10,400,000	\$14,000,000
Hotel/Motel Tax	\$17,500	\$112,500
Alcoholic Beverage Tax	\$205,000	\$420,000
Business & Occupational Tax	\$2,500,000	\$2,950,000
Business Audit Revenue (Enhancement)	\$0	\$0
Insurance Premium Tax	\$0	\$5,000,000
Financial Institutions	\$0	\$0



Revenues by Income Source (Page 2)

<i>ANTICIPATED REVENUES</i>	<i>2007 BUDGET (10 MOS)</i>	<i>2008 PRELIM EST. (12 MONTHS)</i>
Alcoholic Beverage Licenses	\$265,000	\$425,000
Planning, Zoning & Developer Review Fees	\$104,000	\$124,500
Building & Trade Permits & Inspection Fees	\$1,003,500	\$1,253,750
Grants Revenues	\$0	\$0
Developer Impact Fees	\$0	\$0
Fire Department Revenue	\$0	\$0
Rentals, Royalties and Recycling	\$19,250	\$29,000
Recreation Program Fees	\$0	\$52,500
Other Charges for Services	\$27,750	\$35,000
Municipal Court Fines	\$485,000	\$1,030,000
Interest Earnings	\$220,750	\$176,500
Other Revenues	\$8,000	\$11,750
Contribution Private	\$0	\$0
Insurance Reimbursements	\$0	\$0
<i>TOTAL ESTIMATED REVENUES:</i>	<i>\$31,737,250</i>	<i>\$44,854,500</i>



Legal Fees

- **Higher in early years**

 - Initial drafting of our own ordinances

 - Development of policies and procedures for operating our government

 - Ensure ordinances are legally defensible

- **Needed to defend against those who challenge our ordinances**

 - Adult Entertainment

 - Sign Companies



Adult Businesses a Zoning Issue

- **Must recognize legal limits/ reasonable regulation**
Time, Place and Manner
- **City will not fight a moral argument**
- **The Integrity of our Zoning ordinance**
Violations must be enforced consistently across community



Signage

- **Communications**

 - Support our neighborhoods, businesses and other community organizations

- **Legal limitations**

 - Subject of much litigation

 - Cannot regulate content (with very few exceptions)

 - Limited ability to regulate size

 - Safety can dictate some restrictions

- **Reasonable regulation**

 - Place

 - Manner

- **Integrity of Ordinances**

 - Create consistency in use and style

 - Enhance aesthetic appearance of our community



Code Enforcement

- **Starting Point**

 - Fulton County Ordinances

 - Northeast Fulton Overlay

- **Many were previously not enforced**

- **All ordinances are currently under review**

 - Is enforcement sweeping in unintended situations?

 - Is the ordinance/standard still in the best interest of our community today?

- **Citations are routinely reviewed to determine**

 - Was the ordinance/standard applied as intended?

- **Goal remains to Enhance, not Police, our City**



Citizen Participation

Cannot succeed without your input

Call 678-512-3200 (24 / 7)

Email: info@CityofJohnsCreekGA.US

Call or Email a councilperson

Consider joining a Citizen Advisory Board

Your feedback will help us improve

