



FULTON COUNTY TAXPAYERS FOUNDATION

501©(3) Non-Profit Advocate of Lower Property Taxes in Atlanta/Fulton

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Forming The City of Buckhead Would Result In A Reduction of Taxes By Over 50%!

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Proposal: Incorporate the City of Buckhead

The last twelve months have made the need for a City of Buckhead even more pressing. There appears to be a unique opportunity created by the widespread anger, frustration and disgust among Atlanta's taxpayers, as well as the recent passage of H.B. 881 which allows for full State funding of state-authorized charters. To form a City of Buckhead would significantly reduce the tax burden on Buckhead residents by over 50% and would vastly improve the quality of services.

Background

Mayor Franklin has announced a \$140 million shortfall in the upcoming budget; the City's internal auditor has issued a public report detailing the inadequacies of Atlanta's finances, including the failure to balance the budget in 5 out of the last six years, leading to an additional \$240 million budget deficit (the non-existent Cash Carry-Forward); the Mayor has now publicly admitted that Atlanta's Pension Funds and Healthcare Contributions must, according to 2004 GASB standards, increase by approximately \$100 million annually; Atlanta Public Schools (APS) have announced a similar annual increase. Commercial property owners are now facing increases in taxes and water fees of 50% to 300% on top of the large increases for homeowners over the last five years.

Mayor Franklin's proposed budget calls for General Fund expenditures of approximately \$583 million, or \$1240 per capita, assuming a population of 470,000. In addition, APS has adopted a budget of \$661 million, an increase of \$140 million since 2005/2006! Combined, the two budgets are \$1.25 billion, or \$2646 per resident. The proposed City of Atlanta budget does not take into account a 27% increase in water rates and a proposed 81% increase over the next three years. Additionally, it fails to take into account the increasing burden of Tax Allocation Districts (TADs), or the Mayor's Beltline plan.

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What Portion Of The Total Taxes Is Paid By Buckhead Taxpayers?

Buckhead residents pay much higher taxes than our surrounding neighbors, while receiving fewer services. Buckhead taxpayers are simply tired of having our votes and money taken for granted by the City of Atlanta. Buckhead taxpayers now pay as much as 45.9% of Atlanta's total property and sales taxes, while not receiving anywhere close to 45.9% of the services provided by the City. In fact, I'd argue the only thing we receive in exchange for those taxes is our garbage is picked up once a week, a service that could be easily outsourced at half the cost. Consider what many Buckhead taxpayers are faced with:

1. Pay private school tuition because Atlanta's public schools do not provide quality educational opportunities after elementary school
2. Watch as politician after politician either is convicted of, or pleads guilty to, corruption.
3. Live with massive over-development in Buckhead without any consideration of traffic and living conditions.
4. Pay for off-duty police to patrol our neighborhoods since the City of Atlanta is short 600 officers.

Options For Buckhead Residents:

In light of the daily reports of Atlanta's budget irregularities and taxpayer increases, it is clear that those of us who live in Buckhead have several options:

1. Accept the status quo and continue to pay ever-increasing property taxes for inferior services;
2. Move;
3. Try to elect a new Mayor and City Council to change Atlanta;
4. Work to form the City of Buckhead.

My choice is #4, since I have no confidence that #3 will work. If we're not successful, I will elect #2 and move within two years. If a new City of Buckhead is allowed to form, those of us who live and work in Buckhead will have a tremendous opportunity to build on the success of Sandy Springs, John's Creek and Milton, and show that a smaller, local, more responsive government is not only possible but far better than the current system.

Advantages To The Taxpayers of a City of Buckhead

With the City of Buckhead a reality, taxpayers in Buckhead should see a reduction in their property taxes of over 50%! Additionally, since H.B. 881 authorizes full State funding for State authorized charter schools, Buckhead City taxpayers will see an annual 52% reduction in property taxes, since they will no longer be funding the Atlanta Public Schools. The numbers are fairly stark. If Buckhead property owners are paying 45% of the combined budgets of the City of Atlanta and APS, that's approximately \$560 million annually. Assuming the formation and operation of a City along the lines outlined in this memo, Buckhead property owners would pay approximately \$55 million annually to operate the City, and no property taxes for the charter schools, resulting in a \$500 million annual tax cut!

How Would The City of Buckhead Compare!

We have seen another year of successful operations by Sandy Springs, John's Creek and Milton, as well as passage of the Dunwoody Bill. The table below reflects the operation budget and Property Tax comparisons of Atlanta and these newly incorporated cities (Sandy Springs, John's Creek and Milton):

Comparable Cities	Population	Budget	Per Capita Costs	Millage Rate	Property Taxes*
Atlanta	470,000	\$583,000,000	\$1,240	42.145	\$8,429
Sandy Springs	86,698	\$79,418,000	\$916	34.733	\$6,947
Johns Creek	65,000	\$44,147,000	\$679	37.411	\$7,482
Milton	19,861	\$3,783,940	\$191	37.411	\$7,482
Buckhead	85,000	\$55,125,000	\$649	15.221	\$3,044

** Based on \$500,000 appraised home value, 40% assessment and \$15,000 Homestead Exemption. Millage rate for poposed City of Buckhead includes the City Millage of 4.69 mill -- the average of the 3 new cities: Sandy Springs, Johns Creek and Milton. It also includes Fulton County (10.281 mill) and the State of Georgia (0.25 mill). The APS millage is excluded since Buckhead will adopt high quality Charter Schools, fully funded by the State under the recent H.B. 881.*

Steps To Form The City of Buckhead:

The steps to a City of Buckhead are fairly straightforward and based upon the prior track record of Sandy Springs, John's Creek and Milton:

- Establish a Committee of prominent Buckhead professional and business leaders to spearhead the effort
- Form a legal entity such as a 501©(3)
- Raise necessary funds for consultants, studies, lobbyist, attorney fees, etc.
- Hire Carl Vinson Institute of the University of Georgia to perform feasibility study and a Lobbyist to lobby the General Assembly.
- Begin petition drive.
- Convince the local Representative to sponsor the legislation.

The above activities should be accomplished within the next 6 months.

Conclusion

The Fulton County Taxpayers Foundation deserves tremendous credit in printing this paper and the Petition on Page 4. I urge every taxpayer in Buckhead to sign the petition to form the City of Buckhead. It is to your advantage, given the gross mismanagement of the City of Atlanta and the huge future increases in taxes and fees.

Petition To Incorporate The City of Buckhead!

We, the undersigned, are registered voters living in Buckhead. We strongly support incorporating Buckhead to form an independent City in order to improve the delivery, quality and cost of our basic public services. We understand that our taxes would be utilized by the City of Buckhead to continue basic city services such as Police, Fire, Streets, Water, Garbage Collection, Parks, Planning & Zoning, etc.

Signature_____

Printed_____

Address_____

Address_____

Phone/Email_____

Date_____

Comments_____

Signature_____

Printed_____

Address_____

Address_____

Phone/Email_____

Date_____

Comments_____

*Join the Fight To Bring Better Government
to Atlanta and Fulton County!*

I enclose my annual membership of:

\$50 Family ____ \$100 Patron ____ \$200 Corporate Member ____ \$500 Corporate Sponsor ____

In addition, I enclose a **tax-deductible** contribution of: \$100____ \$500____ Other____

If you prefer, you can charge your membership or a donation online at www.fctf.org

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