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Getting Adjusted to the New Normal Local Government Finance in Georgia Post-Recession

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Bourdeaux, Carolyn, "Getting Adjusted to the New Normal Local Government Finance in Georgia Post-Recession" (2013). *CSLF Presentations*. 33.
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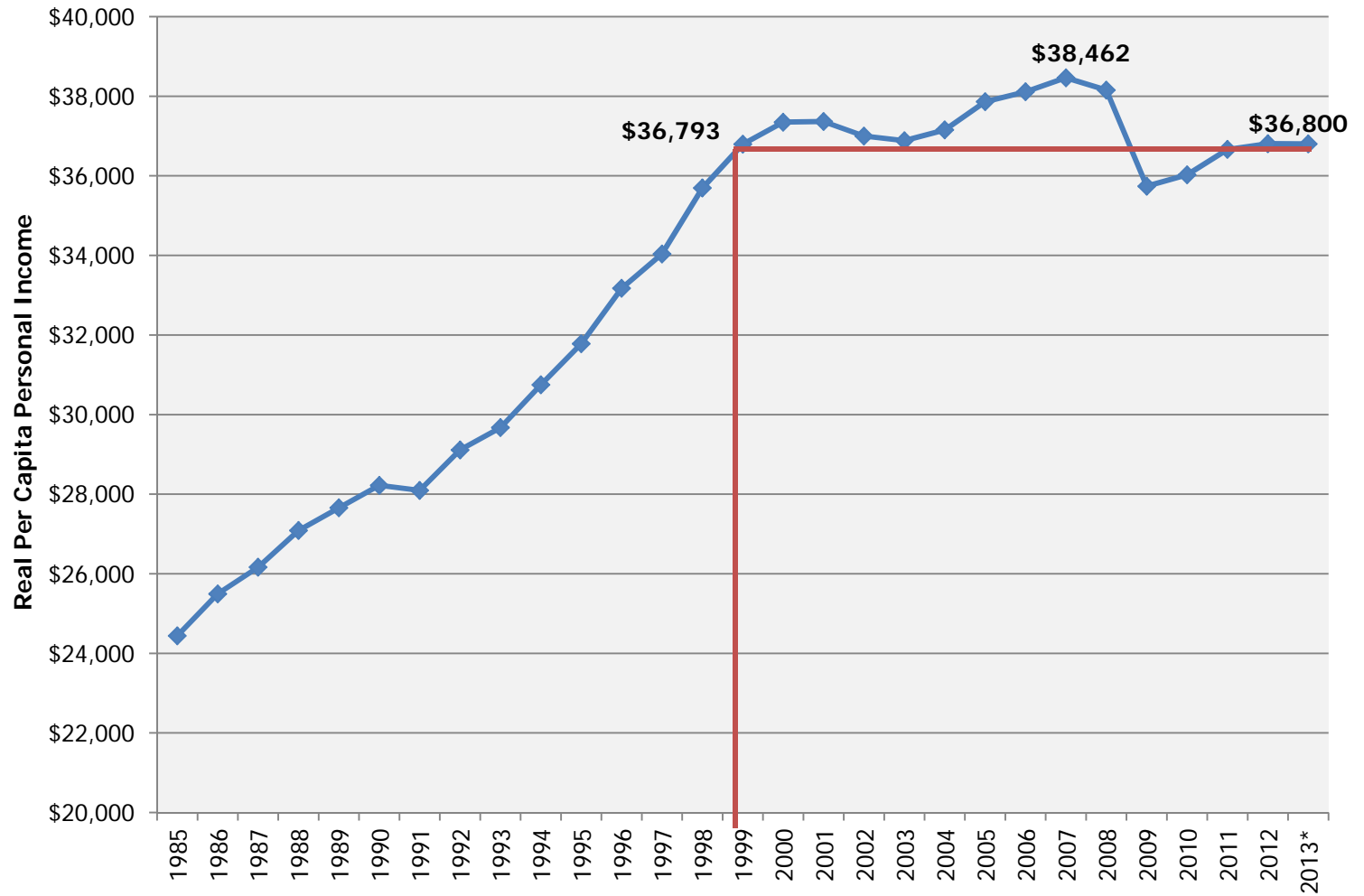


Getting Adjusted to the New Normal

Local Government Finance in Georgia Post-Recession

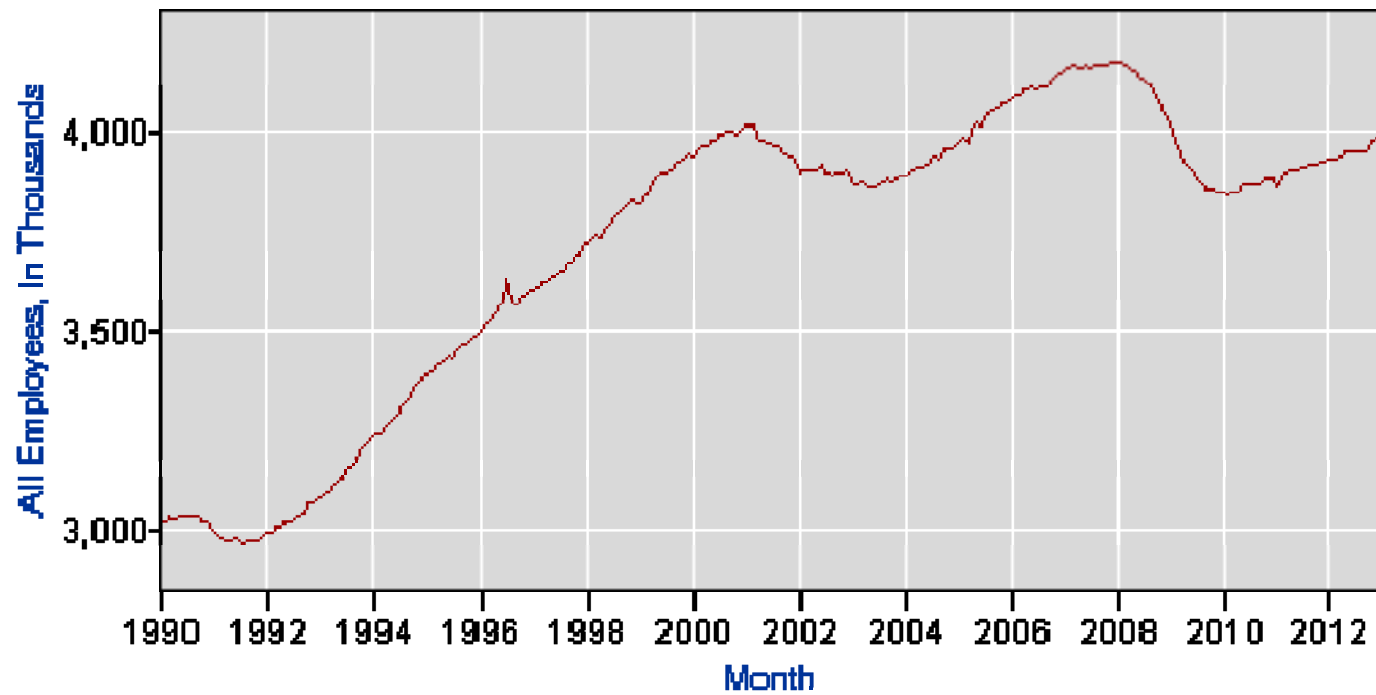
Carolyn Bourdeaux
Associate Director, Fiscal Research Center
Andrew Young School of Policy Studies, GSU

Georgia Real Personal Income Per Capita

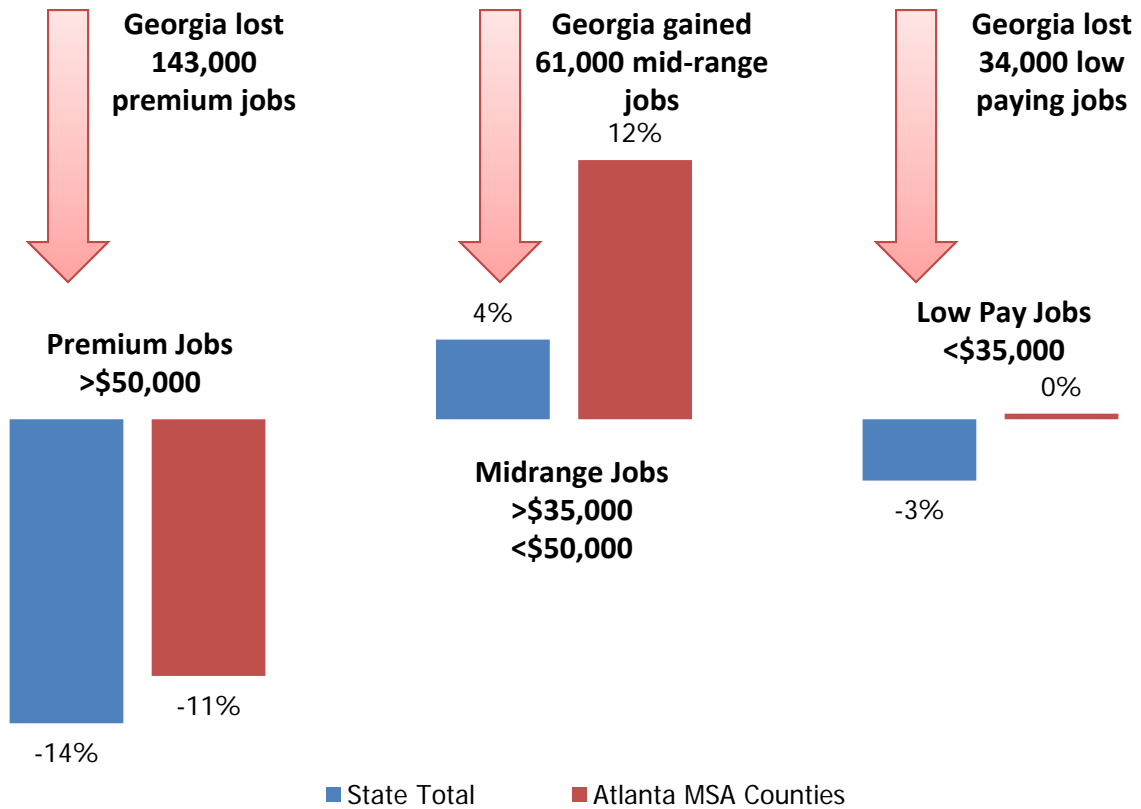


Data Sources: Bureau of Economic Analysis, GDP Deflator, 2012 Dollars

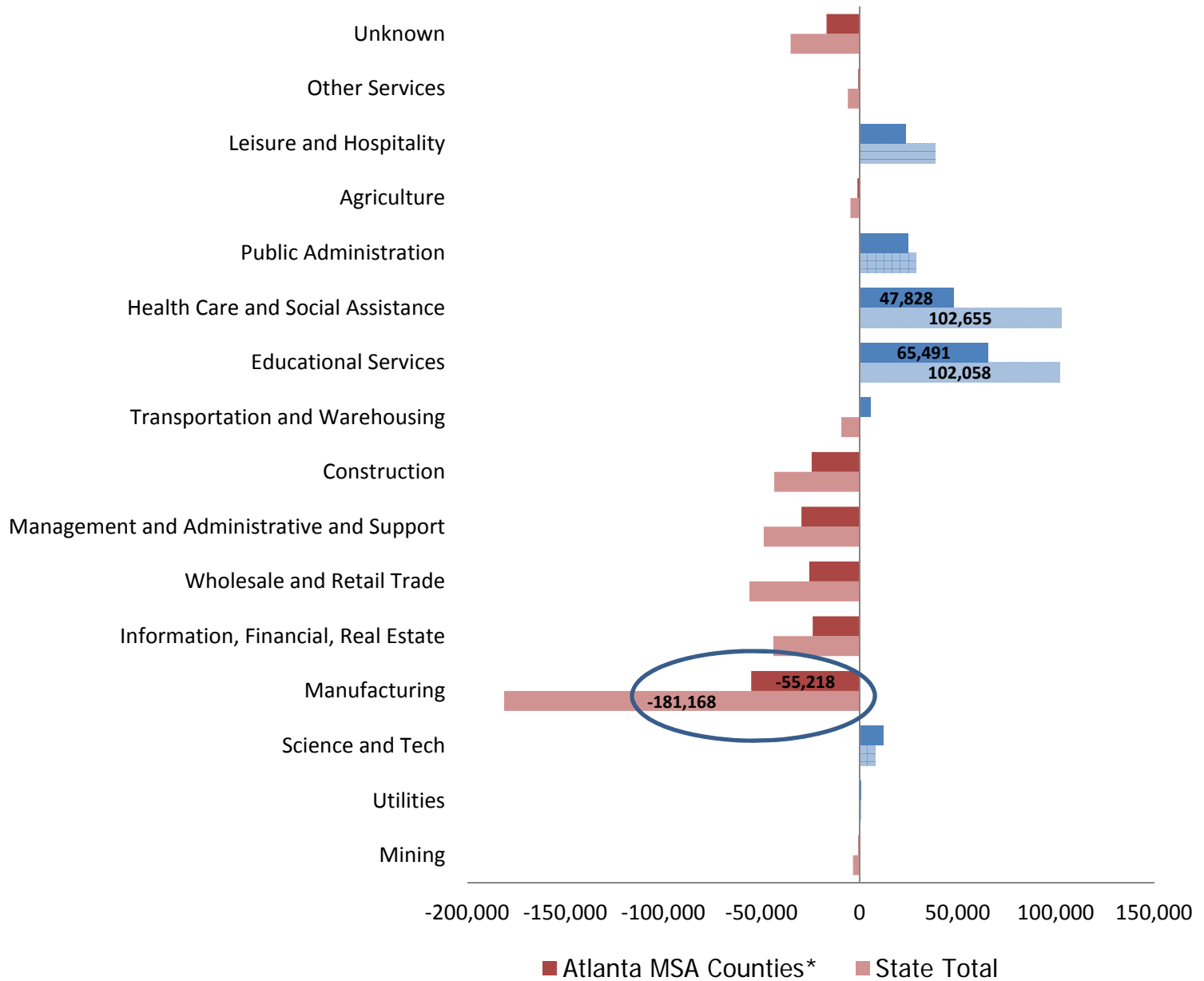
GA Monthly Non-Farm Employment – (Seasonally Adjusted 1990-2013)



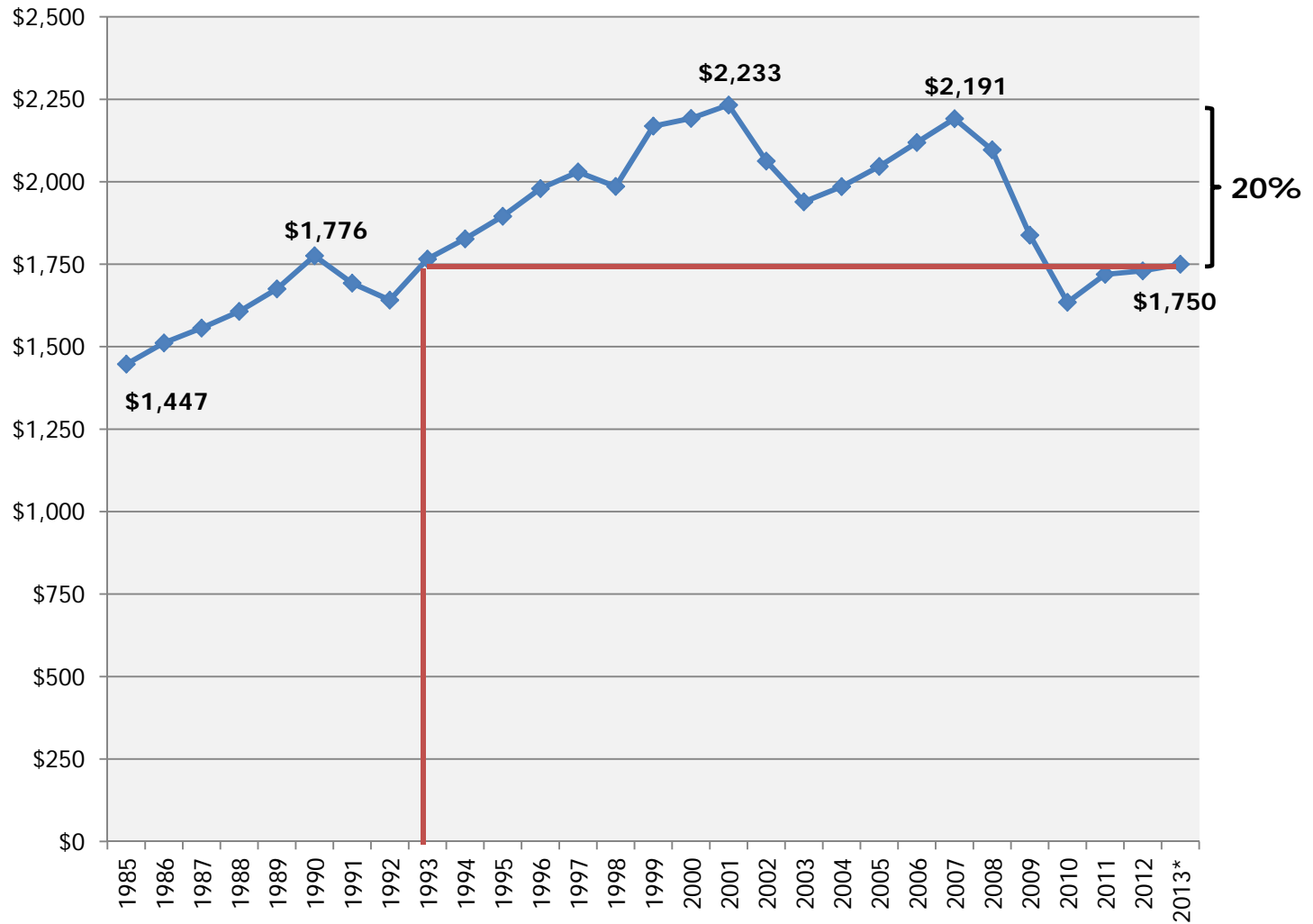
Job Losses/Gains in Georgia 2000-2009 by Job Type



Change by Job Type 2000-2009

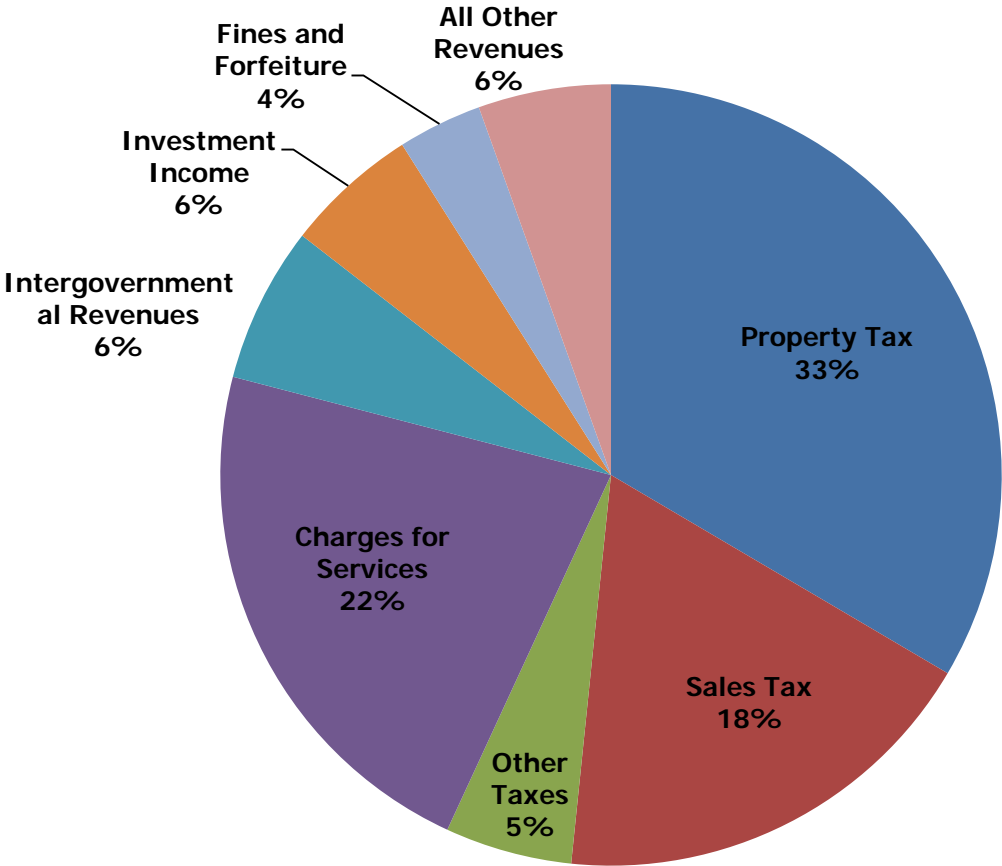


State Tax Revenues Per Capita (2012 Dollars)

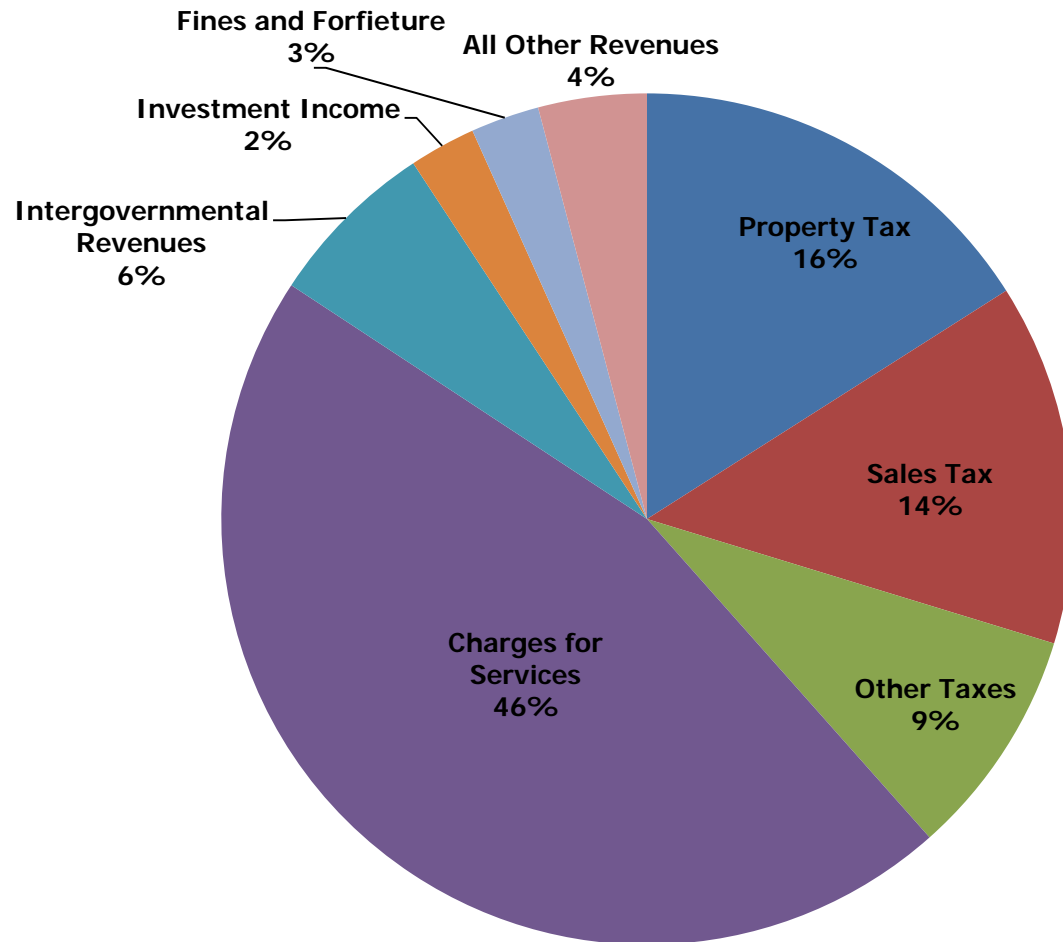


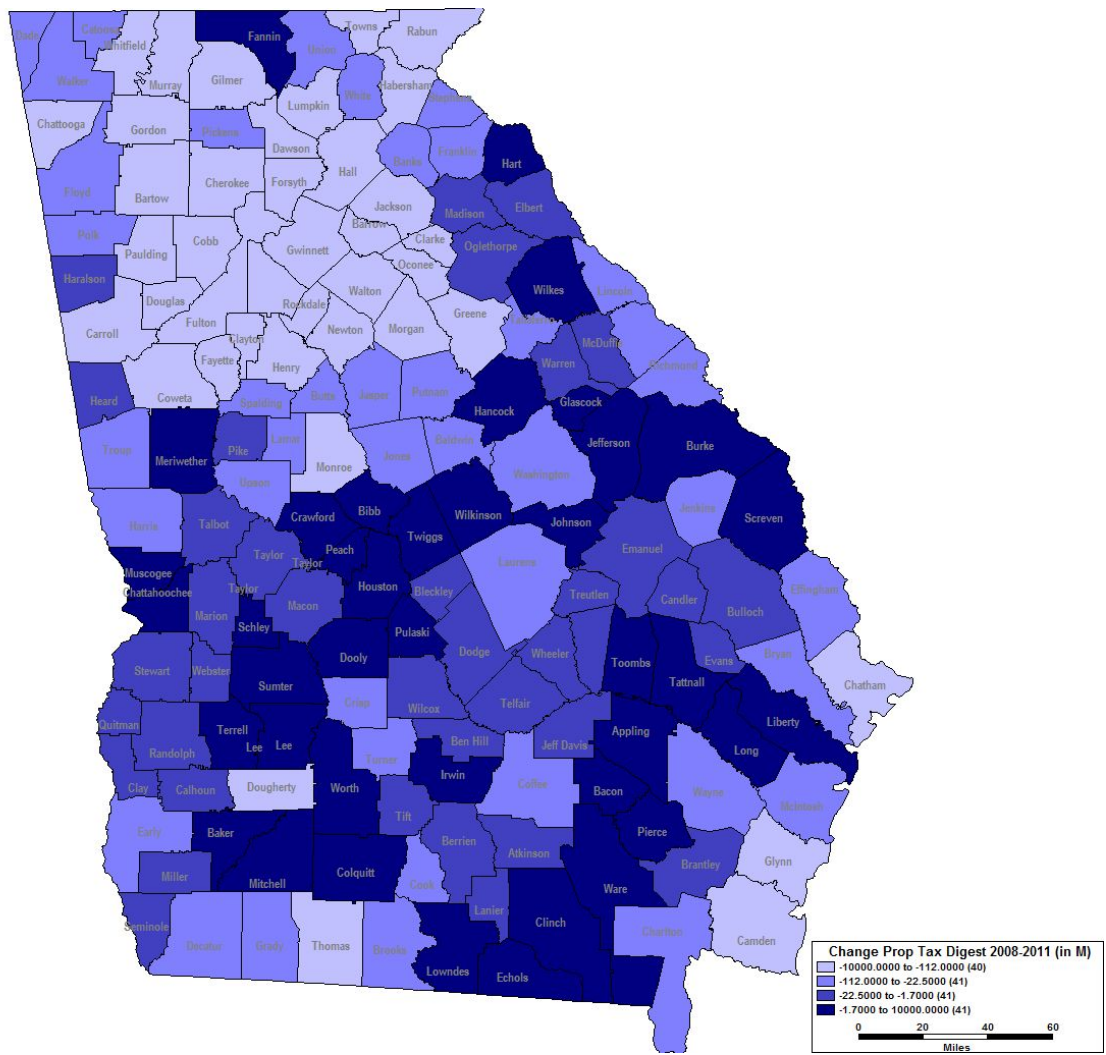
Data Sources: OPB Budget in Brief FY12-FY13, Bureau of Economic Analysis GDP Deflator

GA County Revenue Sources 2011



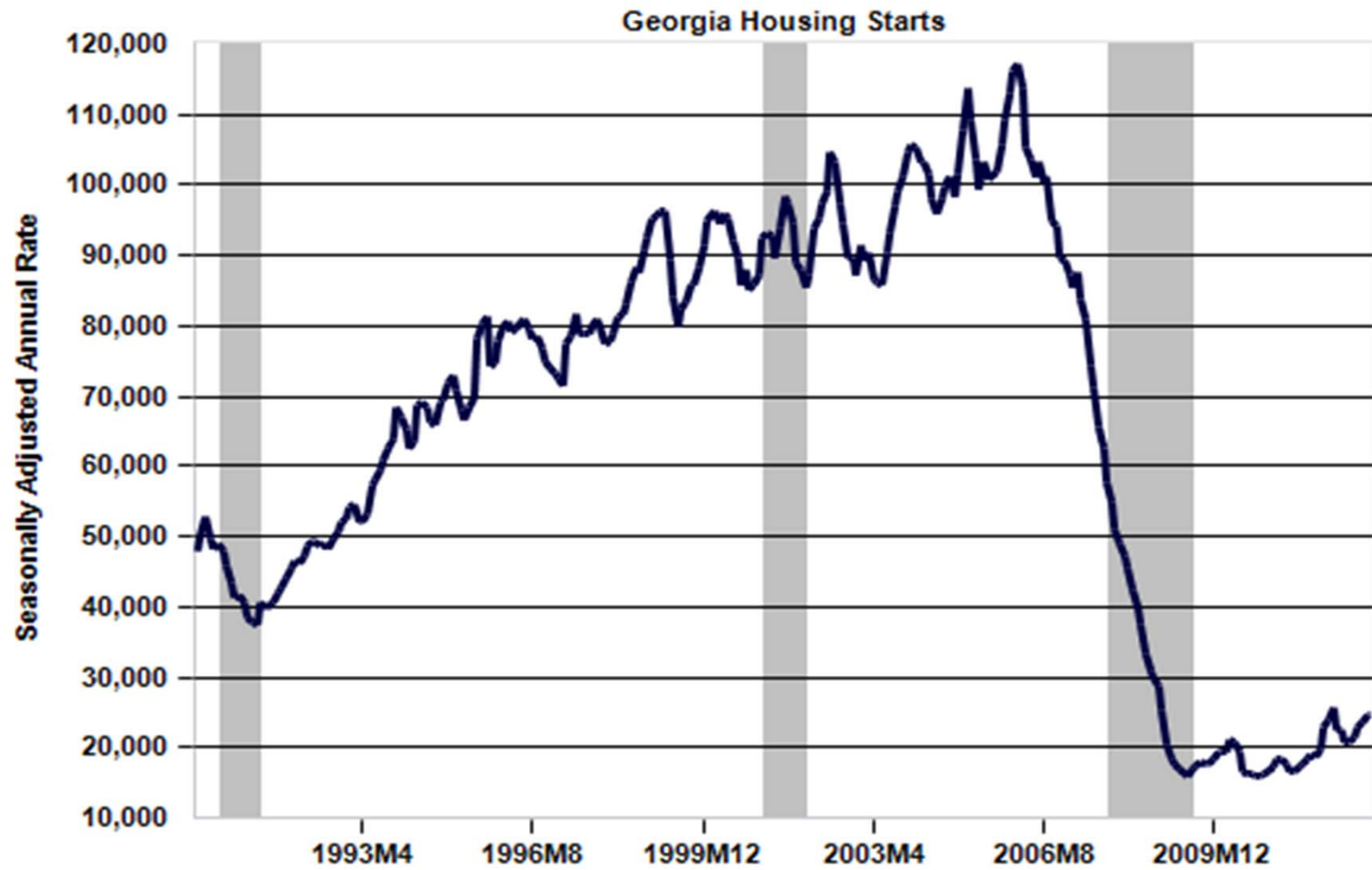
GA City Revenue Sources 2011



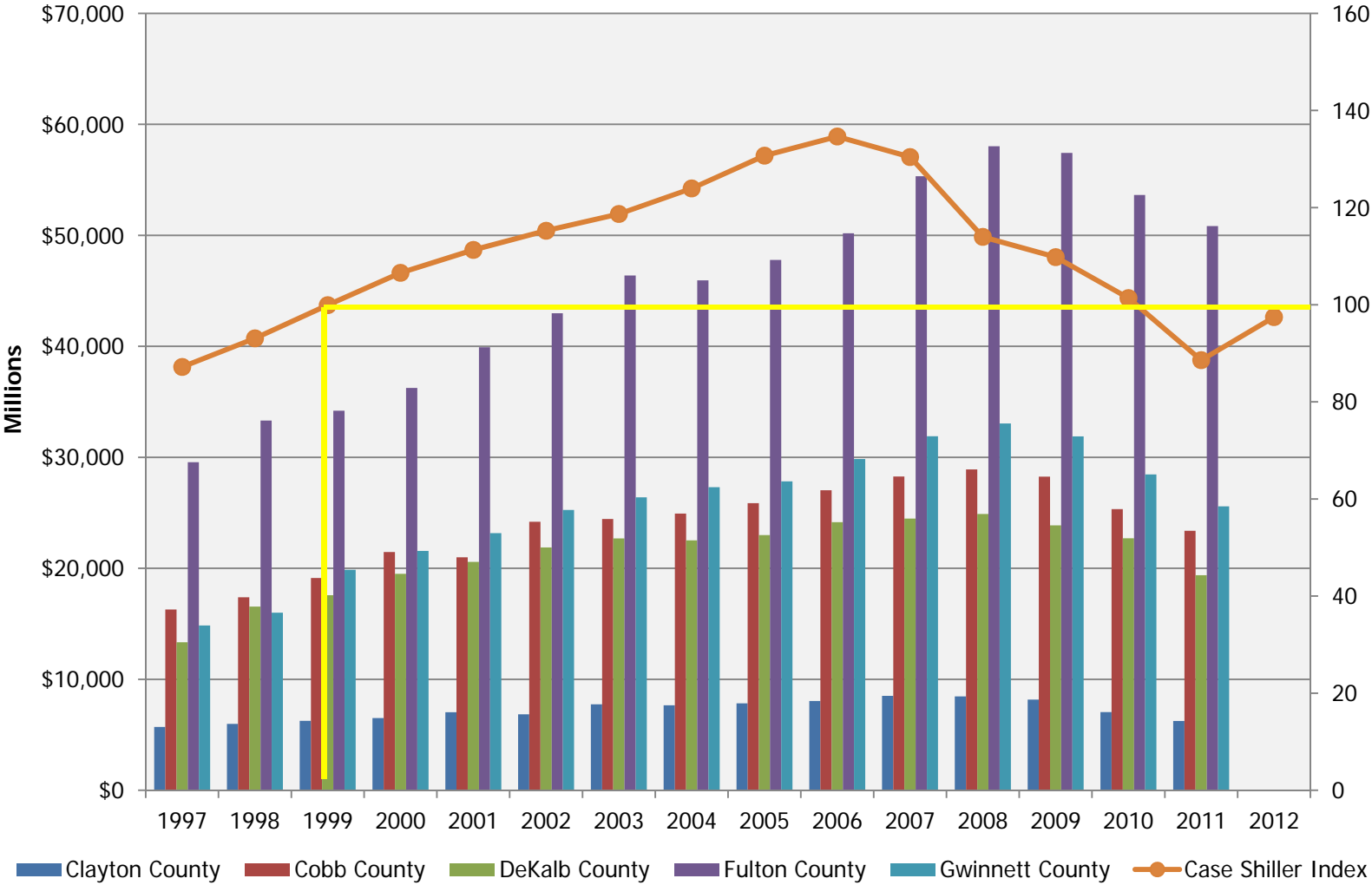


PROPERTY TAX REVENUES

Georgia Housing Starts 1990-2013



Property Tax Digest 1997-2011 & Tracking with Case Shiller Index (2010\$)



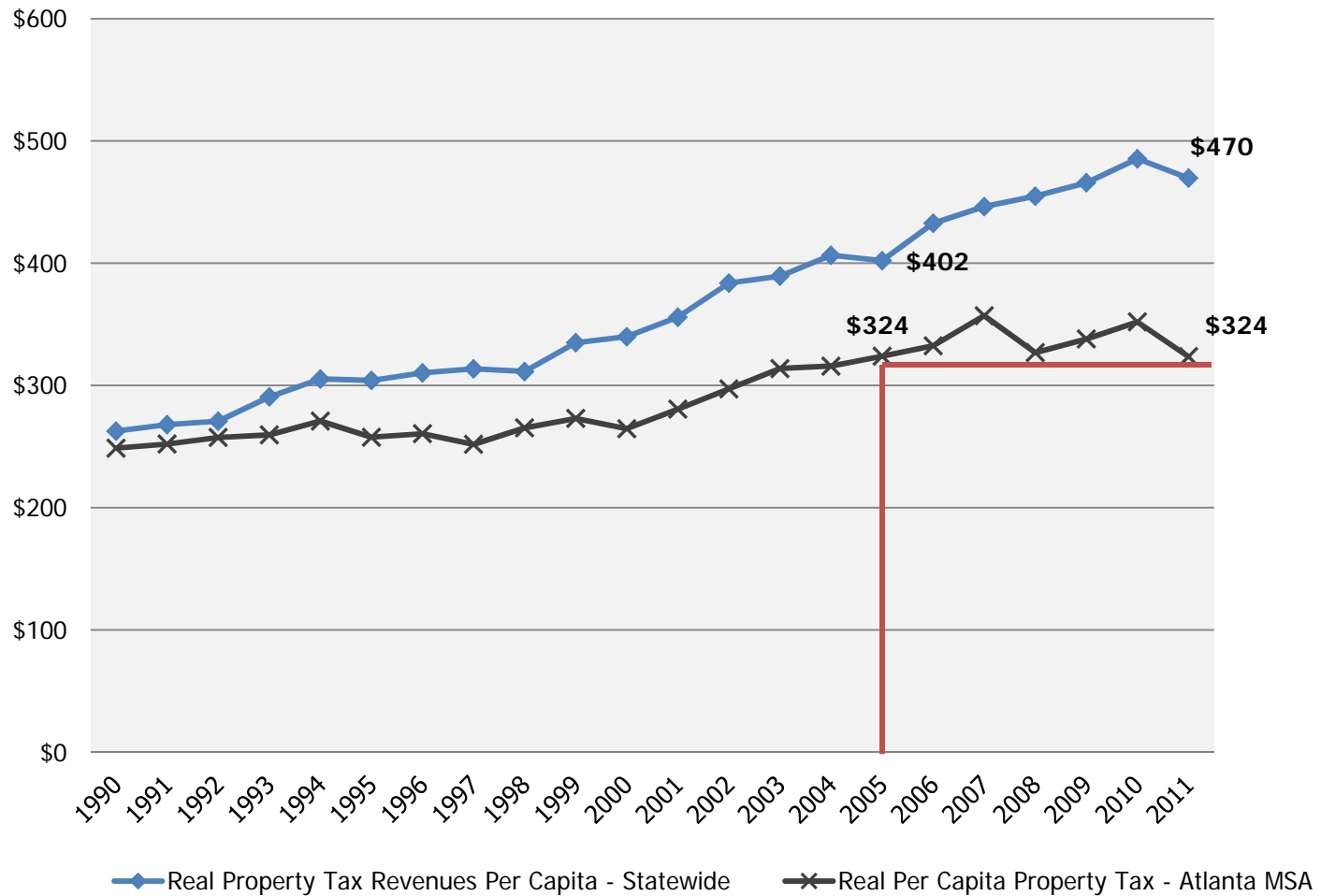
Changes in Digest

Real Digest per Capita (2010\$)				
	2008	2011	Decline in Digest	% Decline
Clayton County	32,466	24,054	(8,412)	-26%
Cobb County	43,113	33,891	(9,223)	-21%
DeKalb County	36,562	27,967	(8,595)	-24%
Fulton County	66,747	54,891	(11,857)	-18%
Gwinnett County	43,250	31,628	(11,622)	-27%
Real Digest (2010\$)				
	2008	2011	Decline in Digest	% Decline
Clayton County	8,455,409,486	6,244,857,417	(2,210,552,068)	-26%
Cobb County	28,904,792,755	23,386,580,238	(5,518,212,517)	-19%
DeKalb County	24,897,340,114	19,378,367,011	(5,518,973,104)	-22%
Fulton County	58,025,419,830	50,839,624,690	(7,185,795,140)	-12%
Gwinnett County	33,048,845,359	25,578,518,809	(7,470,326,550)	-23%
Nominal Digest				
	2008	2011	Decline in Digest	% Decline
Clayton County	8,269,774,696	6,378,022,383	(1,891,752,313)	-23%
Cobb County	28,270,200,766	23,885,274,274	(4,384,926,492)	-16%
DeKalb County	24,350,729,982	19,791,590,148	(4,559,139,834)	-19%
Fulton County	56,751,497,305	51,923,725,802	(4,827,771,503)	-9%
Gwinnett County	32,323,272,521	26,123,953,612	(6,199,318,909)	-19%

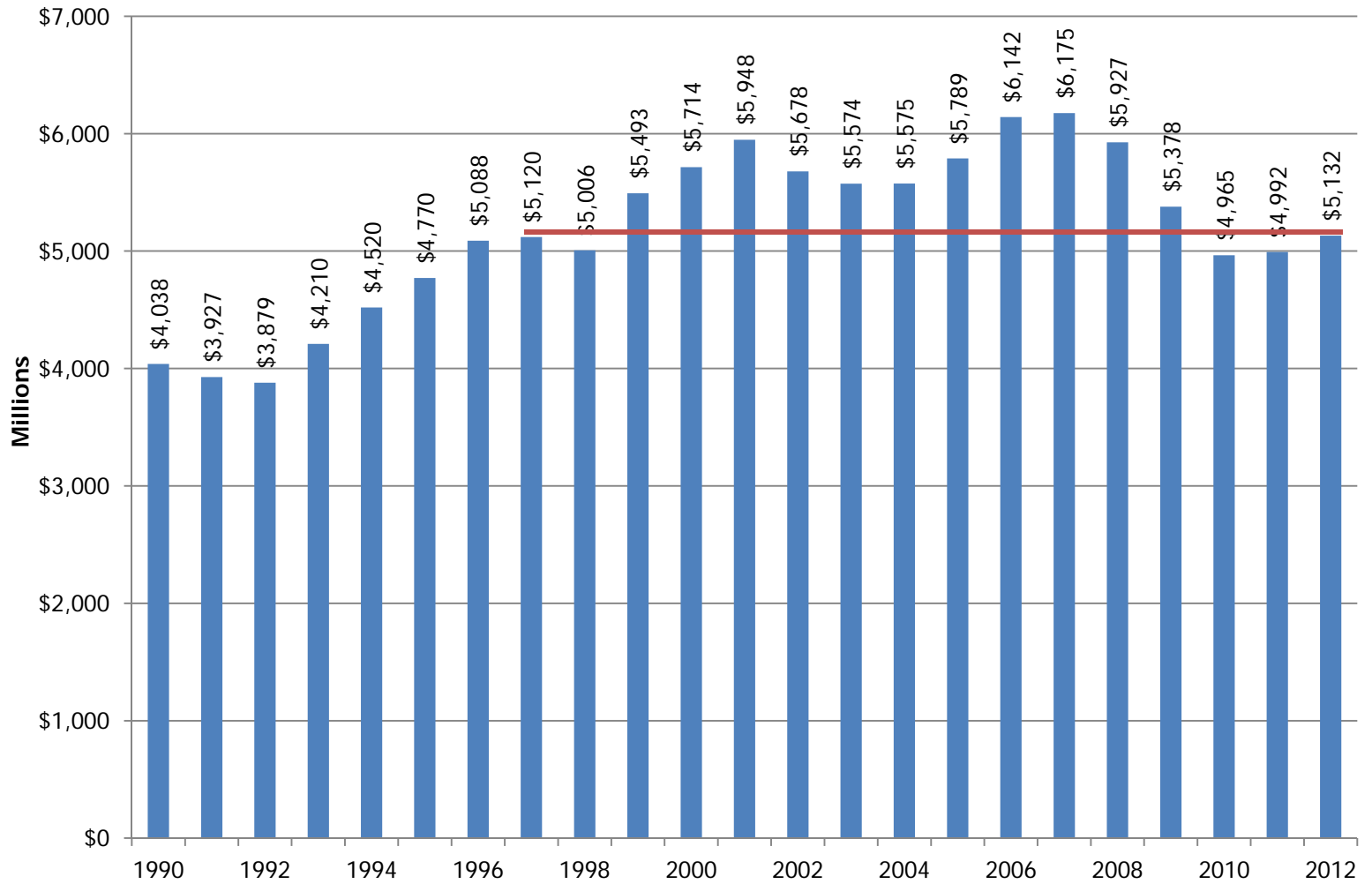
Changes in Millage Rates

Millage Rates				
	2008	2011	Change	% Change
Clayton County	8.962	15.813	6.851	76%
Cobb County	6.82	7.72	0.9	13%
DeKalb County	7.99	19.4	11.41	143%
Fulton County	10.281	10.281	0	0%
Gwinnett County	9.72	11.78	2.06	21%
Rockdale	14.53	16.91	2.38	16%
Atlanta	7.12	10.24	3.12	44%
Conyers	9.41	9.9	0.49	5%
Doraville	7.5	9	1.5	20%
Dunwoody*		2.7	2.7	
Rome	8.48	8.7	0.22	3%
Sandy Springs	4.731	4.731	0	0%

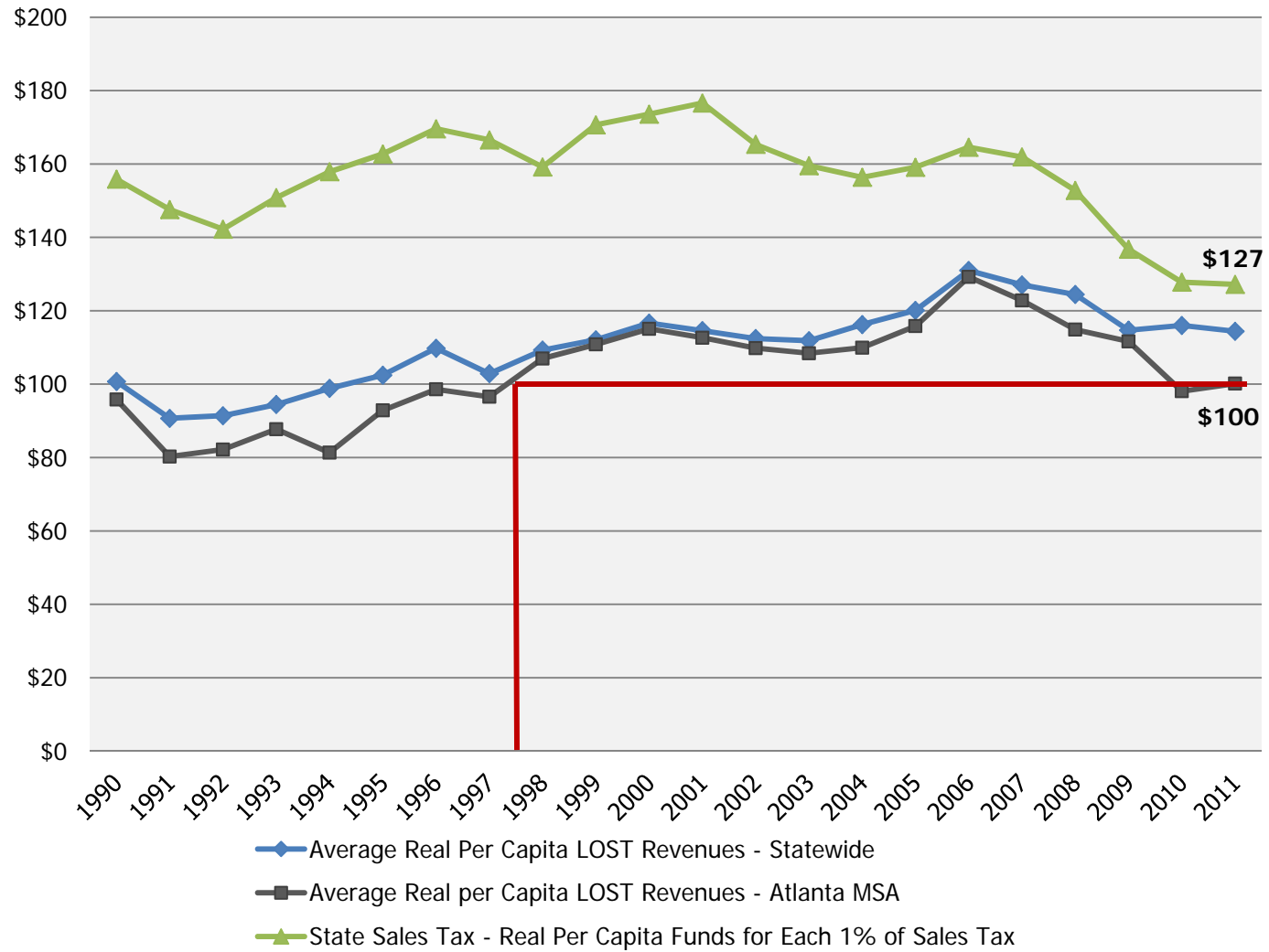
Average Real Per Capita County Property Tax Revenues (2011 Dollars)



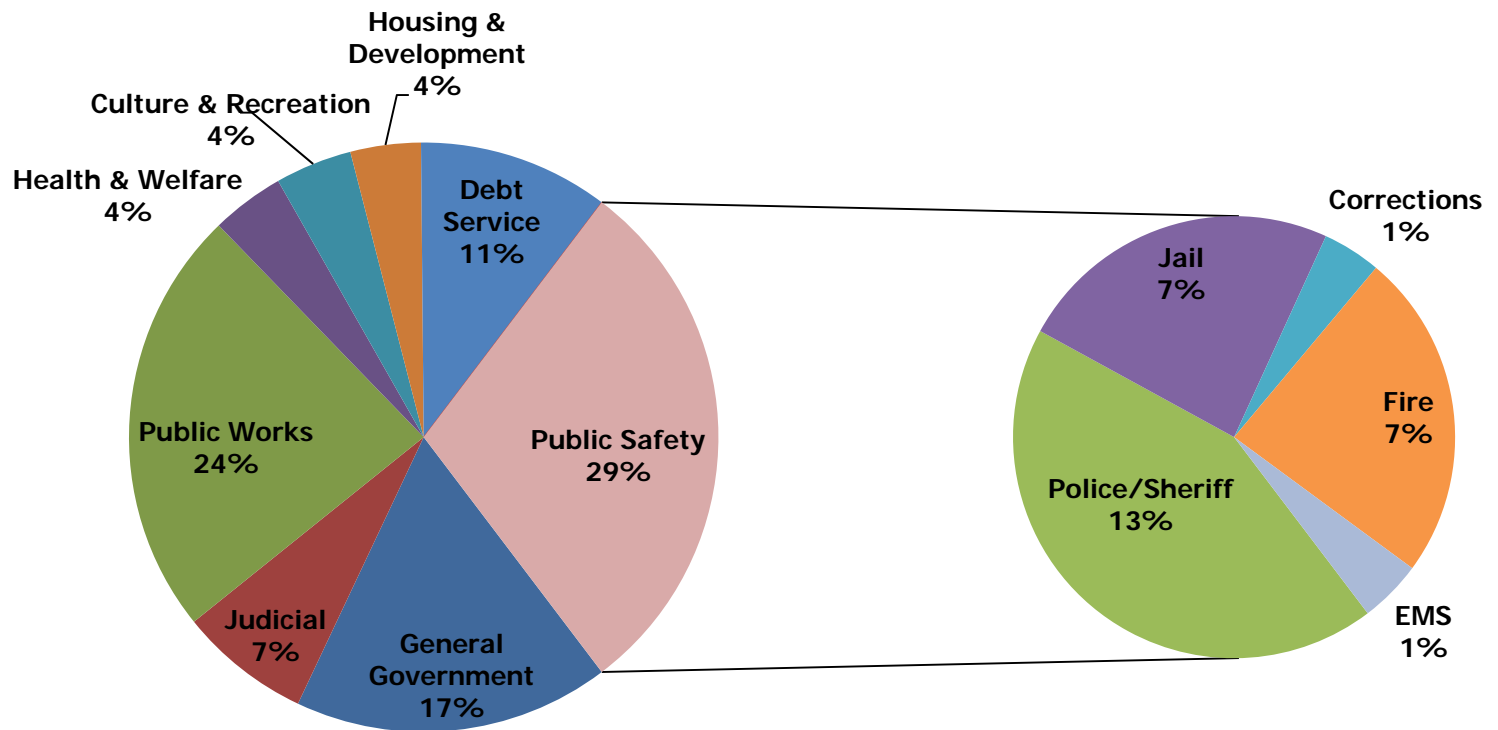
Real State Sales Tax Revenues



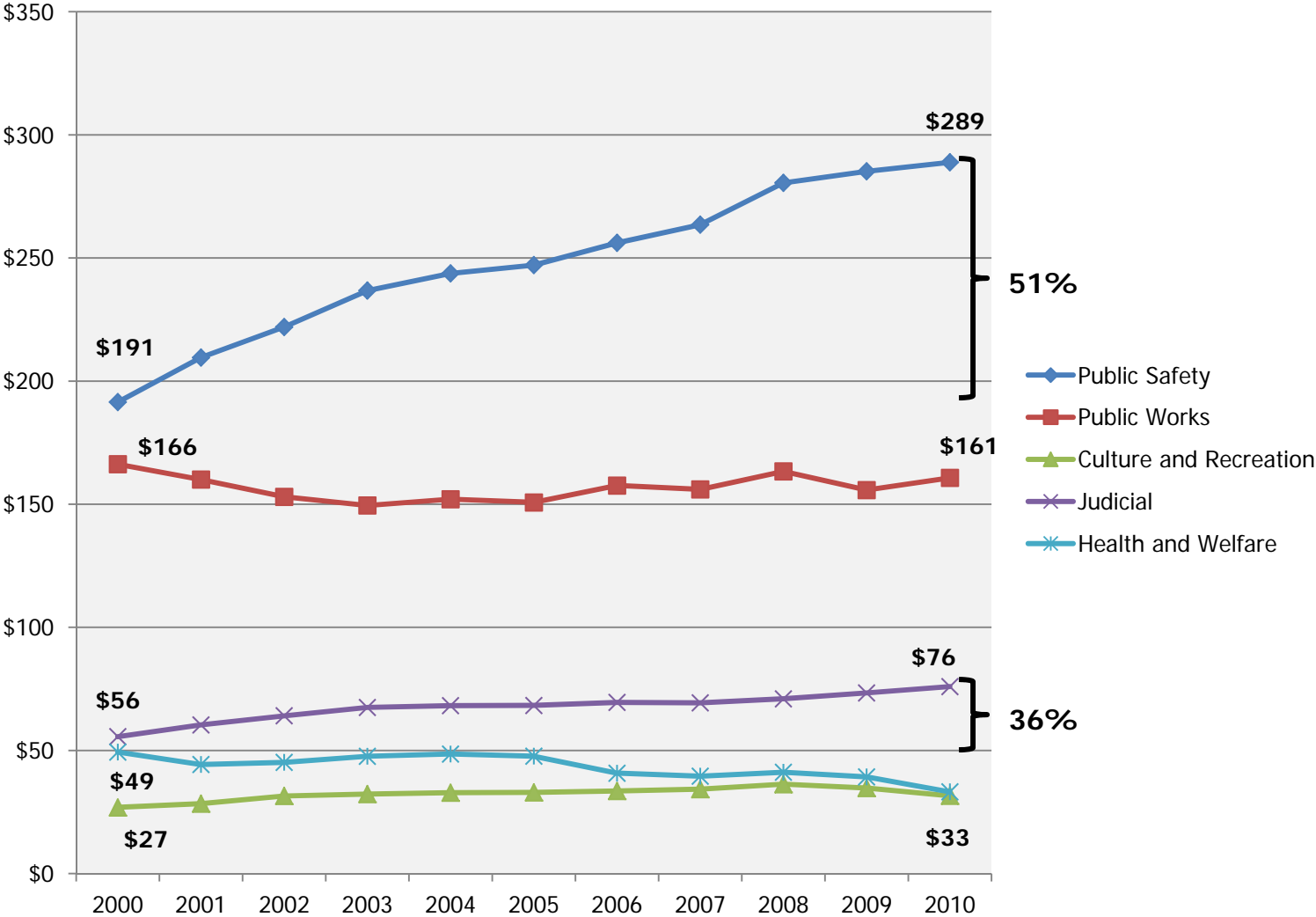
Average Real Per Capita County LOST Revenues (2011\$)



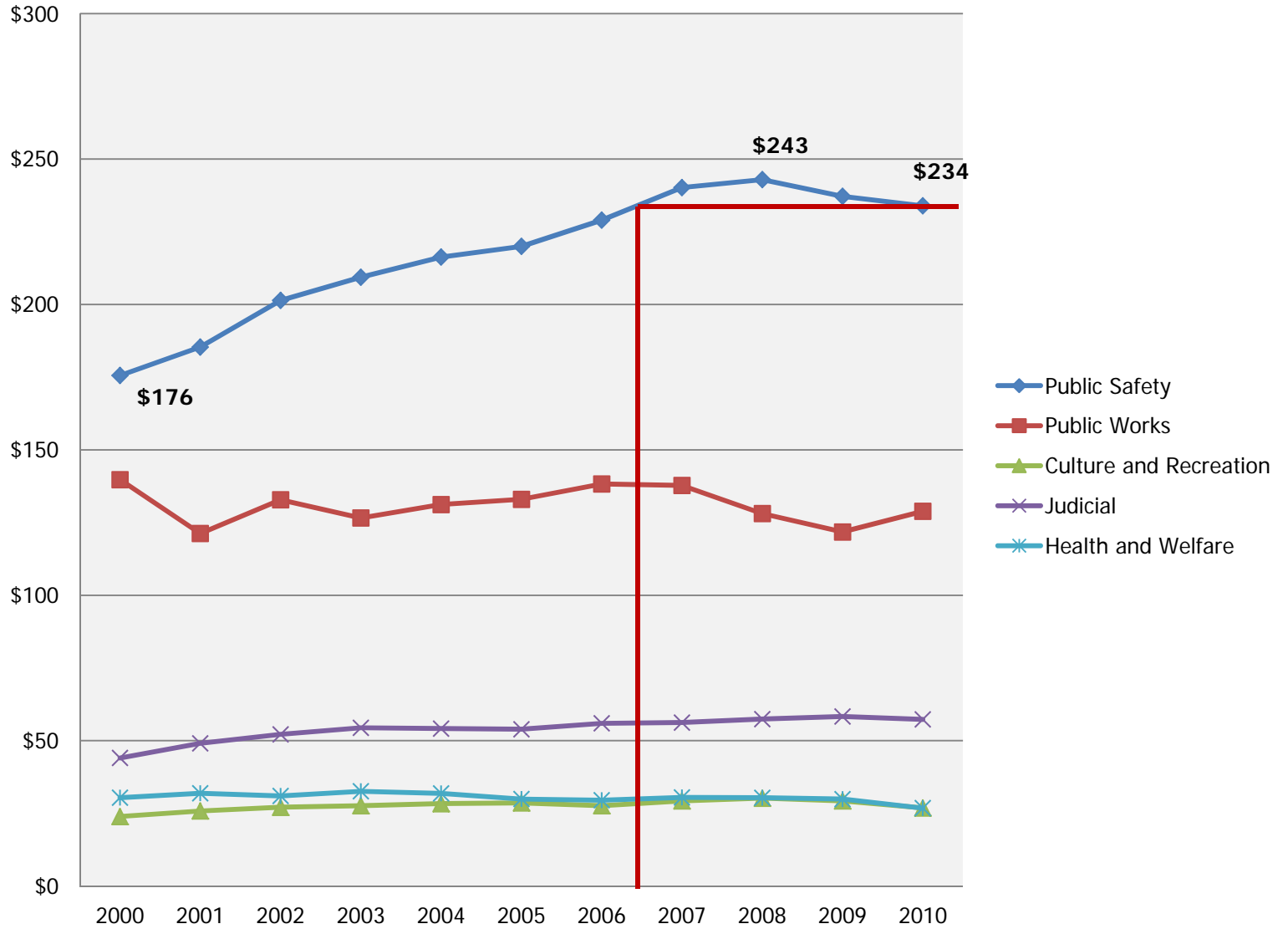
County Govt. Expenditures in GA in 2011



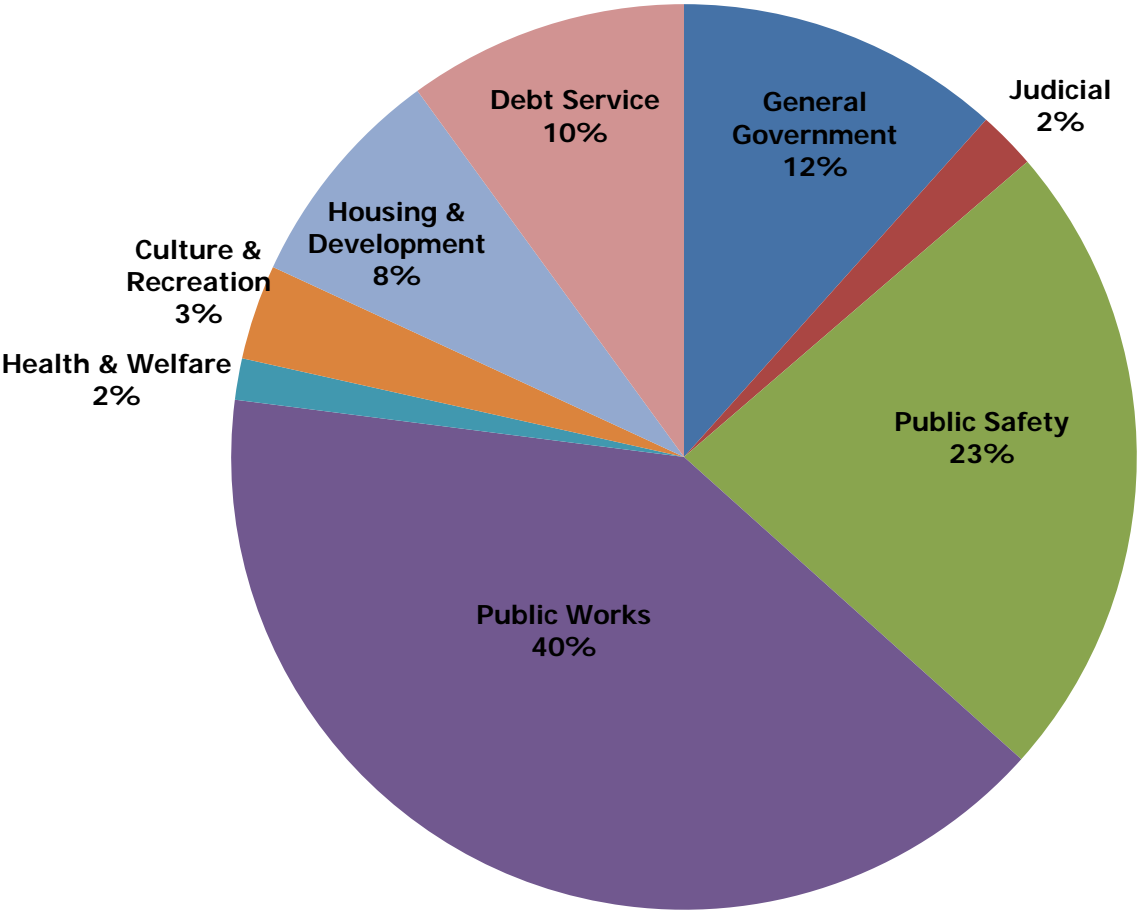
Average Real Per Capita Spending for Counties Statewide (2000-2010)



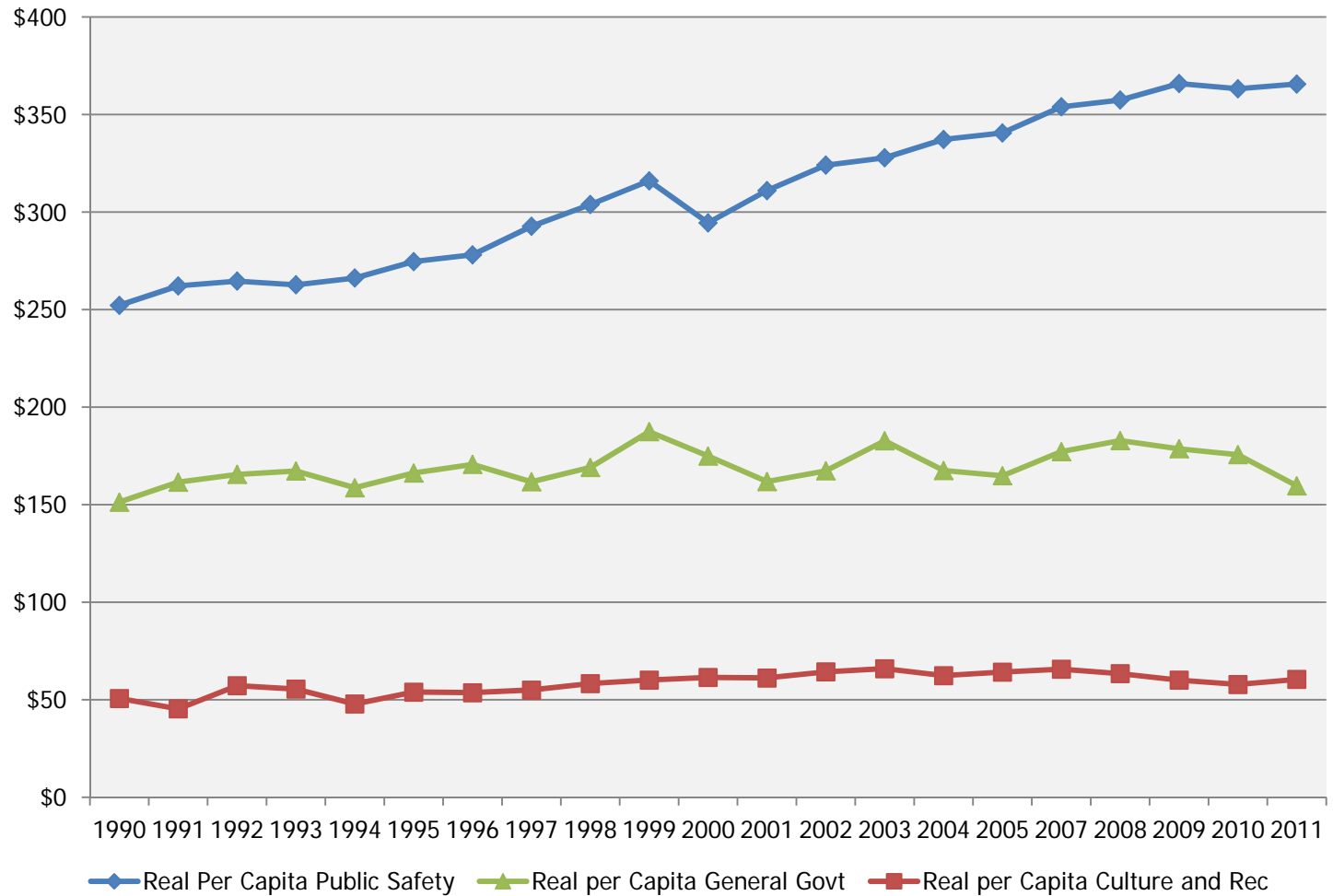
Average Real Per Capita Spending for Counties Atlanta MSA (2000-2010)



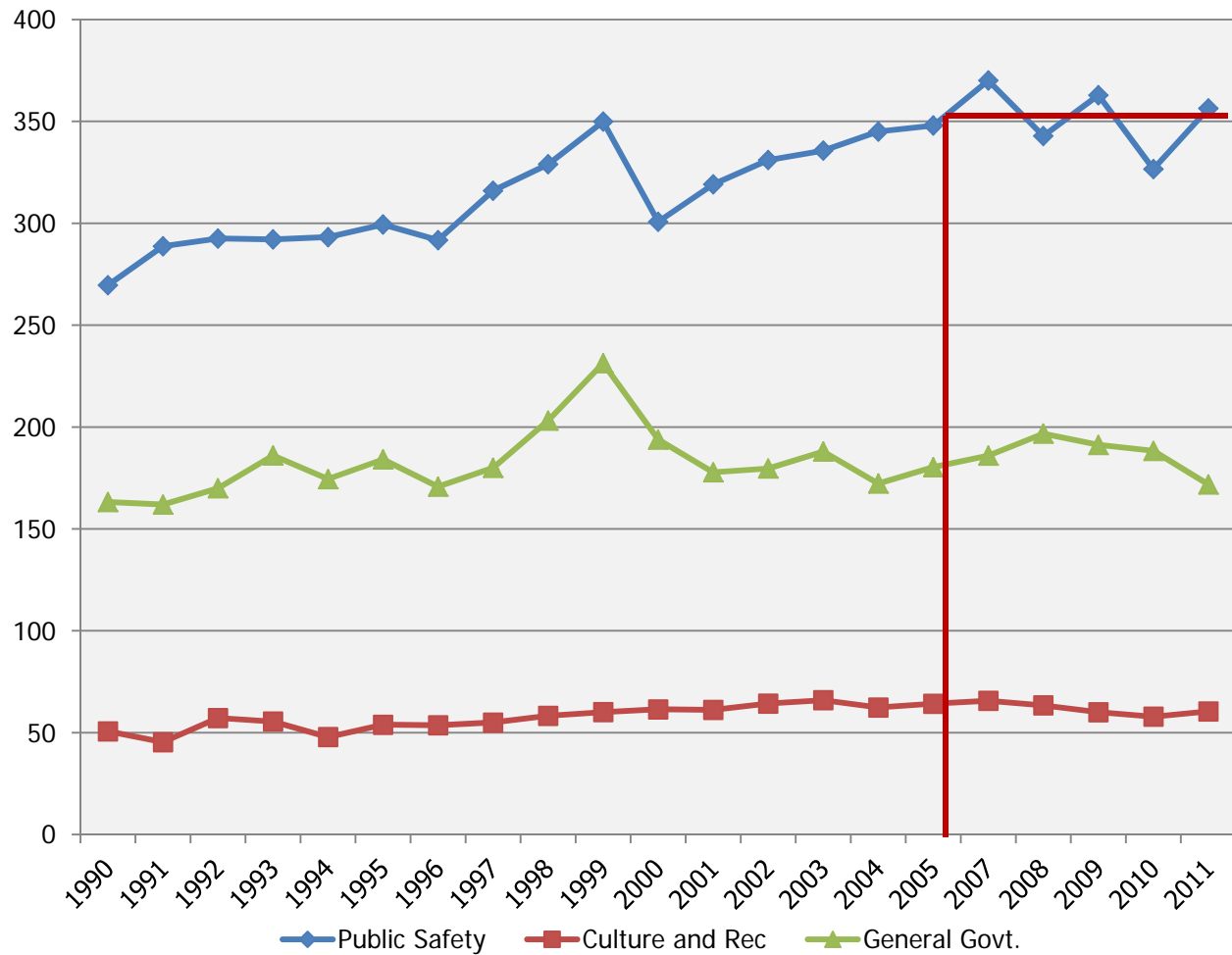
City Govt. Expenditures in GA for 2011



Average Real Per Capita Spending Trends by Service Area – Cities Over 10,000 Pop



Average Real Per Capita Spending Trends by Service Area – Cities Over 10,000 Pop (Atlanta MSA)





Take Away

- GA's economy has never recovered from the loss of manufacturing in the early 2000s.
- The state is now funding its operations at 1993 levels on a real per capita basis.
- The Atlanta region has been hit hard by the real estate collapse of the current recession and this is visible in the decline in property tax digest in the region.
 - The full impact of the recession has not yet been absorbed in the property tax digest: there is likely more fiscal stress to come.
 - On a positive note, it looks like the region has hit the bottom and once the digest has stabilized, there will be some growth going forward.
- In the Atlanta MSA, public safety budgets have flattened on a real per capita basis since 2008, but do not yet fully reflect the economic “reset” that has occurred in the state.