

The Governor's Budget Report

FY 2007



Governor Sonny Perdue

State of Georgia

The Governor's Budget Report

FY 2007

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INTRODUCTION



**STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0900**

**Sonny Perdue
Governor**

TO THE MEMBERS OF THE GENERAL ASSEMBLY

Over the last three years we have worked together to place Georgia government on a strong financial basis. We have eliminated waste and improved efficiency at all levels of state government. This allowed us to maintain critical levels of services during the economic downturn of the early part of this decade without resorting to the creative accounting methods seen in other states. Georgians can be assured that this level of financial discipline will remain as long as I am Governor.

The economic recovery that showed up in state revenue growth last year accelerated throughout the 2005 fiscal year and continues to grow at a healthy pace in fiscal year (FY) 2006. This strong growth allowed us to increase our "rainy day reserve" to over \$250 million at the end of FY 2005, a \$200 million increase over the prior year. By continuing with a conservative revenue forecast and spending policy, I expect to continue to build our reserves in the future.

My revised revenue estimates for FY 2006 and my revenue estimate for FY 2007 embody my philosophy of government restraint. I have based my budget on the same philosophy used by many families in homes all around this state. Government, like families, must live within its means. We must fund critical needs, improve the quality of life for Georgians, and also provide a comfortable cushion in the event of unforeseen events. I believe my budget proposals accomplish this.

We live in a competitive world. Gone are the days when young Georgians entering the workforce for the first time had to contend with the skills of people in other states. Today, the competition is not just in Virginia or Michigan, or even Canada or Germany. Today the challenge for jobs is worldwide, from the computer software centers of India to the biotechnology centers of South Korea.

To meet this challenge I am continuing to place the overwhelming part of all new state funds into education. This budget will place 72% of the entire revenue growth into education, more than \$1 billion in new funds. I am recommending \$163 million to reduce maximum class size in grades K-8. Improving educational skills is vital to giving our children a better opportunity to succeed in this heavily competitive world and reducing class size can be a big advantage in learning. I am also very concerned about the need to reduce high school drop out levels. Too many children do not finish high school and the result is a lack of skills for the modern world. I am committing \$21 million to provide grants to local school systems to fund a counselor in every high school to work with individual students to keep them in school and graduate.

Our school enrollment is increasing by 2.5% a year. Over 38,000 new students entered our schools this fall and the growth is expected to continue. Georgia's strong economy continues to encourage thousands of families to move here every year and these new Georgians bring their children or begin families here. To provide for this growth, my budget includes over \$200 million in additional funds for the Quality Basic Education formula grants to local school systems. This is in addition to \$145 million in Amended FY 2006 to provide a mid-term adjustment for enrollment growth of 2.5%. Higher fuel costs have hit our local systems hard this year. To help them my budget includes an additional \$5 million in both the Amended FY 2006 and in FY 2007 to cover this increased cost. Additionally, I am recommending almost \$450 million in bonds for local school construction, equipment and buses.

Encouraging Georgia's best teachers to remain in the classroom has been a hallmark of my administration. We have preserved Georgia's ranking as number one in the Southeast in average teacher salaries and maintained a very competitive national ranking. This budget includes a 4% pay increase for all teachers effective on September 1, 2006. Along with a 3% longevity step increase, this adjustment means more than half of all teachers will receive a pay increase of 7%. My budget also provides \$184 million to ensure that the cost of health care premiums for teachers and all other state employees remains the same as it was last year. I am also very aware of the out of pocket expenses that teachers incur as they purchase supplies for the classroom with no expectation of reimbursement. For the first time, we are going to recognize this



effort. Every teacher in Georgia will be issued a gift card that they can use during the tax free holiday period in 2006 to buy additional supplies they need for their classes. I know that this \$100 card covers only a small part of the classroom supplies that teachers pay for out of their own pocket, but it is recognition long overdue.

Government has a responsibility to protect the most vulnerable members of our society, our children. I am continuing this effort by including \$8.8 million to fully fund the 500 additional caseworkers added in last year's budget. This will give the Department of Human Resources the people it needs to thoroughly investigate child abuse cases.

A prosperous Georgia requires us to better strengthen our economic competitiveness. My budget includes funds to advance innovative and cutting edge industries. It includes \$38 million for a nanotechnology research center at the Georgia Institute of Technology; \$21.5 million for the Georgia Research Alliance, and \$5 million to expand the Life Sciences Facilities fund for start-up businesses to promote job growth in the bioscience industry. I am also including \$9.7 million for a Strategic Industries Initiative that will enhance the Seed Capital Fund for science and technology start-up companies and provide additional funds for eminent scholars.

Health care costs continue to grow rapidly and this budget seeks to manage this growth effectively and efficiently. We will save \$25 million by implementing a centralized third-party verification of income program for all Medicaid recipients and an additional \$20 million by adopting better business practices which will ensure that recipients receive the right services at the right time and at the right cost. To continue our efforts to protect children, \$3.7 million is included to support the operation of Hughes Spalding Children's Hospital in Atlanta. To cover cost increases, I recommend \$221million for growth in Medicaid.

To provide Georgians with the safety and security they need, my budget will continue to expand beds in correctional facilities to ensure that offenders serve time for their crimes. The FY 2006 amended and FY 2007 budgets together include over \$40 million to increase bed capacity in our prison system by more than 4,000. This will keep criminals off the street and also help to sharply reduce county jail backlogs. To deal with the growing methamphetamine problem, the Georgia Bureau of Investigation will receive \$1 million to establish a 15 agent "Meth-Force."

Over the last three years we have worked together to build a better Georgia. We have the strength of resources and especially of people. To quote General George S. Patton, "Never tell people how to do things. Tell them what you want them to achieve and they will surprise you with their ingenuity."

Sincerely,

A handwritten signature in black ink that reads "Sonny Perdue". The signature is written in a cursive, flowing style.

Sonny Perdue

GEORGIA ECONOMIC REPORT

Overview

As the State approaches the middle of FY 2006, the economic outlook is one of accelerating growth albeit with several notes of caution. Critically, the national economy has proven highly resilient in the face of the economic disruptions caused by natural disasters in September of this year. Recent economic statistics confirm that U.S. economic growth is strong despite disruptions due to Hurricanes Katrina, Rita, and Wilma. Economic growth for the third quarter of 2005 as measured by real Gross Domestic Product was revised upward to 4.3%. This represents acceleration in growth from second quarter growth of 3.3%. While growth for the fourth quarter is expected to slow due to production and employment loss from hurricane damage, rebuilding efforts are forecast to support higher economic growth in early 2006.

The State's economy should benefit from this continued growth in the national economy. In fact, the State has already seen employment growth accelerate in recent months and the most likely future growth path is for continued growth with Georgia's employment growth rate exceeding that of the U.S.

However, other indicators add a note of caution to the outlook, particularly as Fiscal Year 2007 approaches. Higher energy prices mean energy goods are eating up a bigger share of consumers' disposable income and this could cause overall consumer spending growth to slow. The housing market has been a key driver of economic growth in recent years both from construction of new homes and from the wealth effect of homeowners tapping home equity to fund current spending. Early indications suggest that housing markets may have peaked. Rising interest rates and rapid home price escalation are negatively impacting housing affordability. While federal policy makers would welcome a moderate slowdown in housing markets in order to avoid an overheated economy, the risk is that housing will slow down not just moderately but precipitously.

In addition to these potential macro-economic impacts, Georgia's economic outlook is also affected by uncertainty associated with key sectors of its economy. Delta Air Lines, a major employer, is in bankruptcy proceedings, potential shutdowns of several manufacturing plants in Georgia have been announced and acquisitions of Georgia-based corporations are in the works. While these events are of critical importance to the companies and their employees, it is important to keep in mind that events such as these are part and parcel of a dynamic, market economy. Moreover, each of these events represents a small part of the overall Georgia economy.

U.S. Economic Trends

The U.S. economy has proved very resilient in the face of significant economic disruption due to the hurricanes in the third quarter. Despite the loss in production and jobs associated with these disruptions, economic growth actually accelerated in the third quarter. Figure 1 shows annualized growth by quarter in real U.S. GDP over the last 5 years. The band on the chart highlights the duration of the 2001 recession.

As shown, the U.S. economy grew rapidly out of the recession in 2002 and achieved very high growth in 2004. In the second quarter of calendar year 2005, growth slowed, in large part due to excess inventory build-up in the first quarter. As businesses slowed output to bring inventories back in line, economic growth slowed in Q3. With this inventory adjustment complete by the first part of the third quarter, economic growth accelerated in Q4.

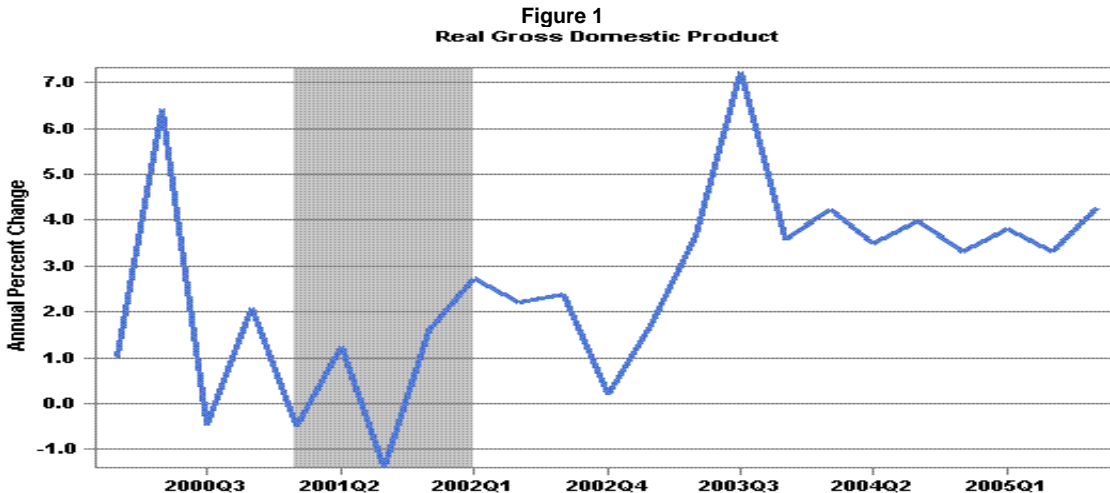
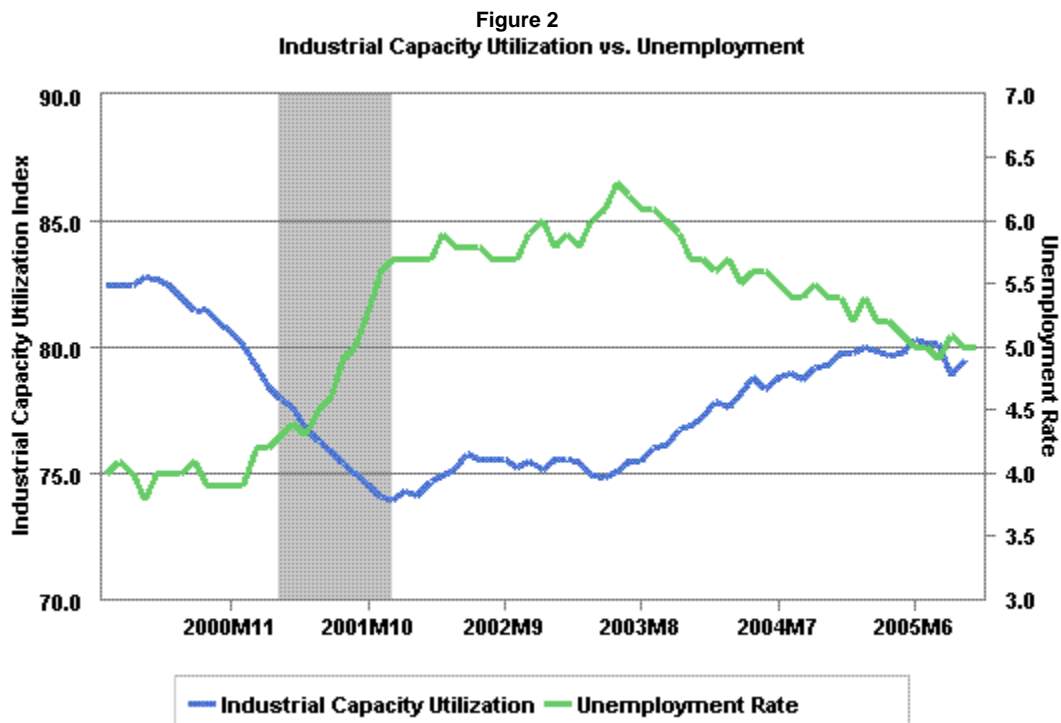
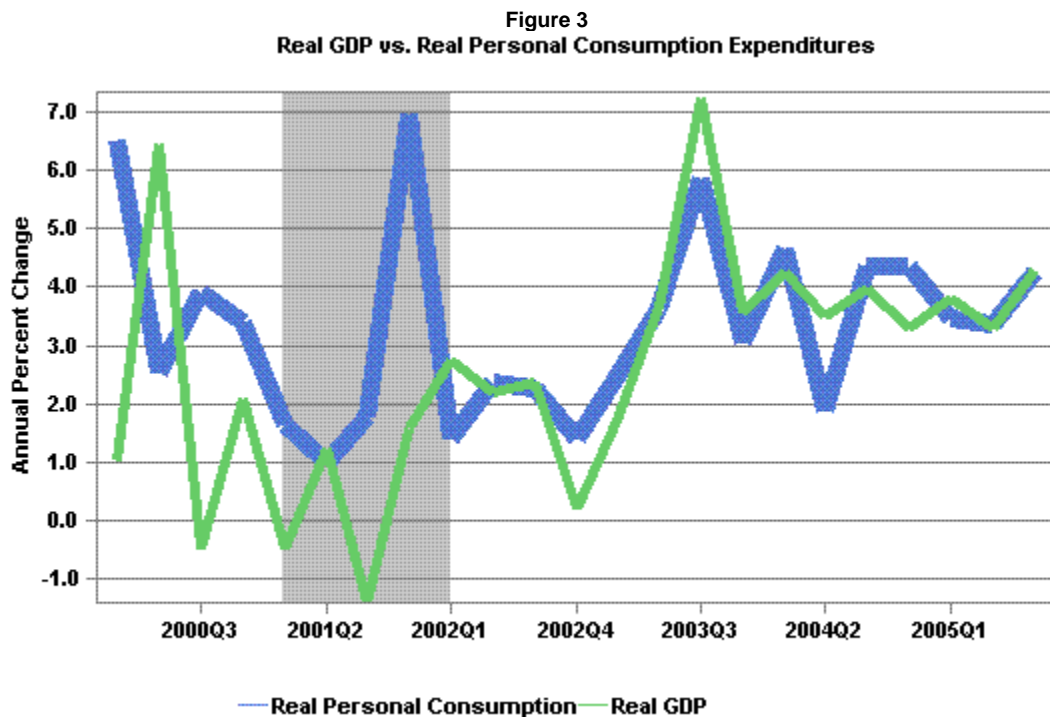


Figure 2 below illustrates how industrial capacity utilization and unemployment have improved over this growth cycle. With industrial capacity utilization now nearing 80% and the unemployment rate at 5.0%, the national economy is approaching levels at which inflationary pressures tend to build. The on-going increases in the target federal funds interest rate by the Federal Reserve Board are targeted at heading off any build-up in inflationary pressures

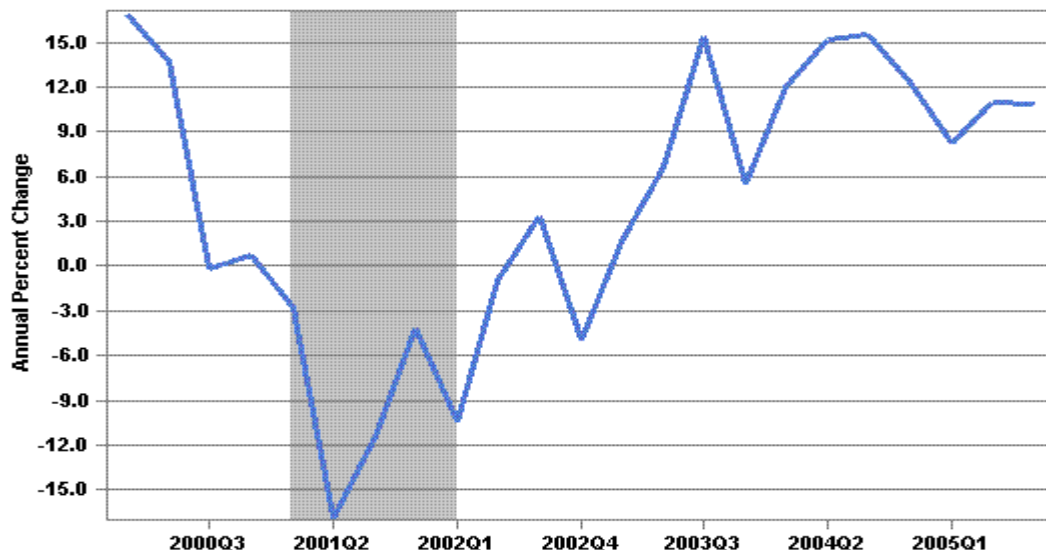


Personal consumption spending has been one of the key growth engines in this expansion. Figure 3 compares the growth in real personal consumption spending to that of real GDP. Personal consumption makes up about 70% of the national economy and recovery in personal consumption spending was a key factor in ending the recession.



Housing activity has also been a key growth engine. Housing has contributed to growth directly through the construction and sale of new houses and through the wealth effect of homeowners tapping into their equity and using this to fund consumption and home renovations. In addition, business investment has been growing rapidly. Figure 4 depicts annualized growth in business investment and indicates that investment growth has been growing faster than the overall economy in recent quarters.

Figure 4
Business Investment - Equipment and Software



Two areas of concern highlight risks to continued robust growth. First, higher energy prices are cutting into consumer spending power. Figure 5 depicts crude oil and natural gas prices over the past five years. While the energy price spikes associated with recent supply disruptions have received much attention, Figure 5 makes clear that energy prices had already been rising well before Katrina. Growing demand, especially in Asia, for oil products coupled with shrinking excess oil production capacity laid the foundation for rising prices. Higher domestic demand for natural gas coupled with limited import capacity had pushed natural gas prices up.

Figure 5
Crude Oil and Natural Gas Pricing

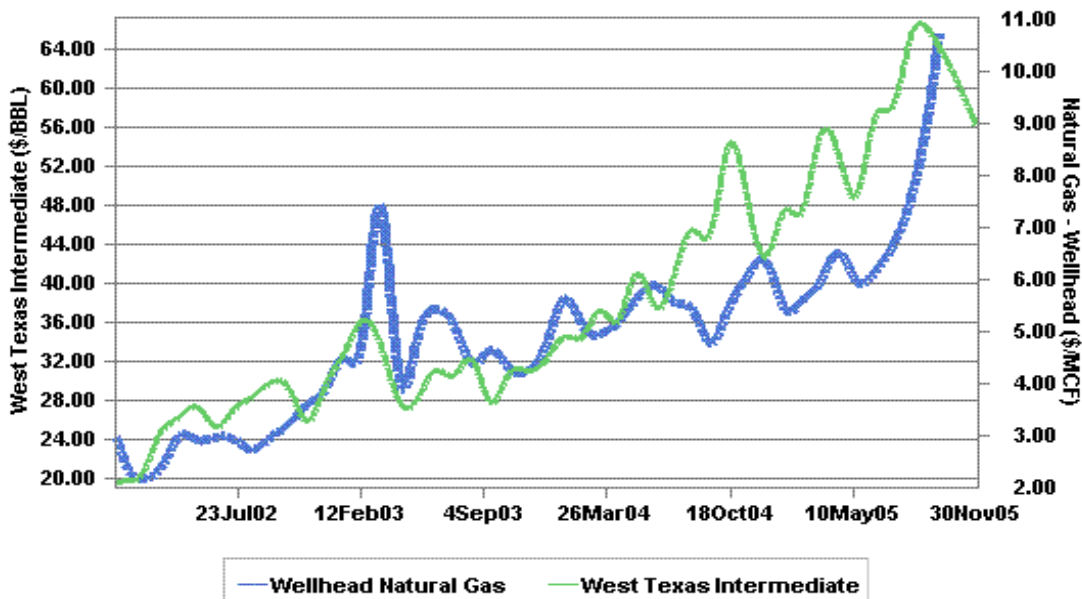
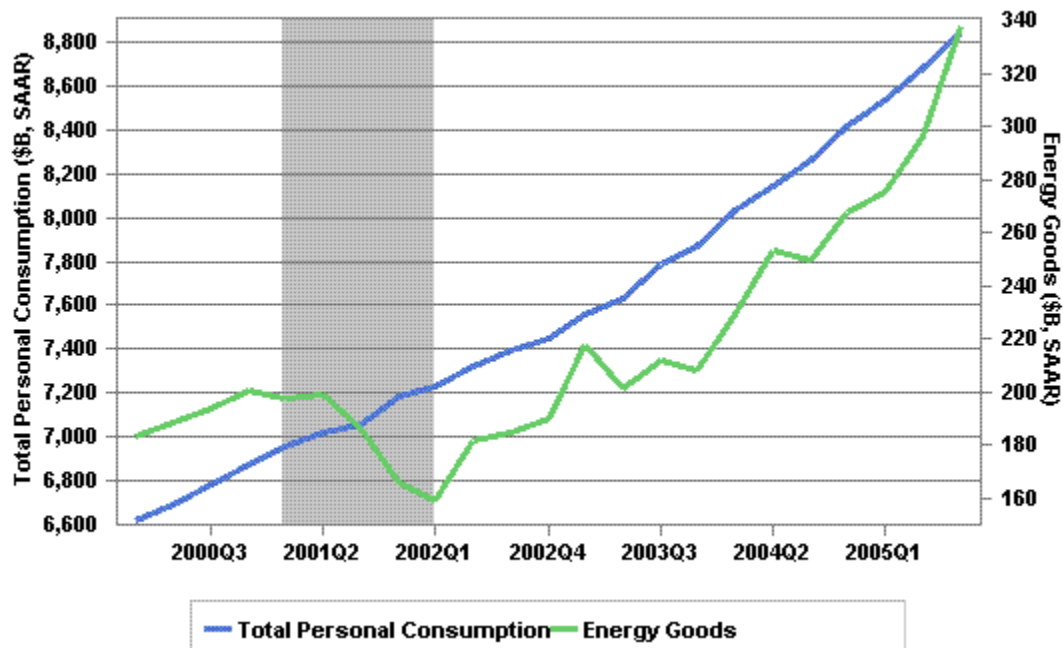


Figure 6 shows consumer spending on energy goods compared to total consumption expenditures. At the start of 2002, energy goods made up 2.2% of total consumer spending. In the latest quarter, energy goods made up about 3.8% of total consumer spending. Thus, energy's portion of consumer spending has increased by over 70% during that period.

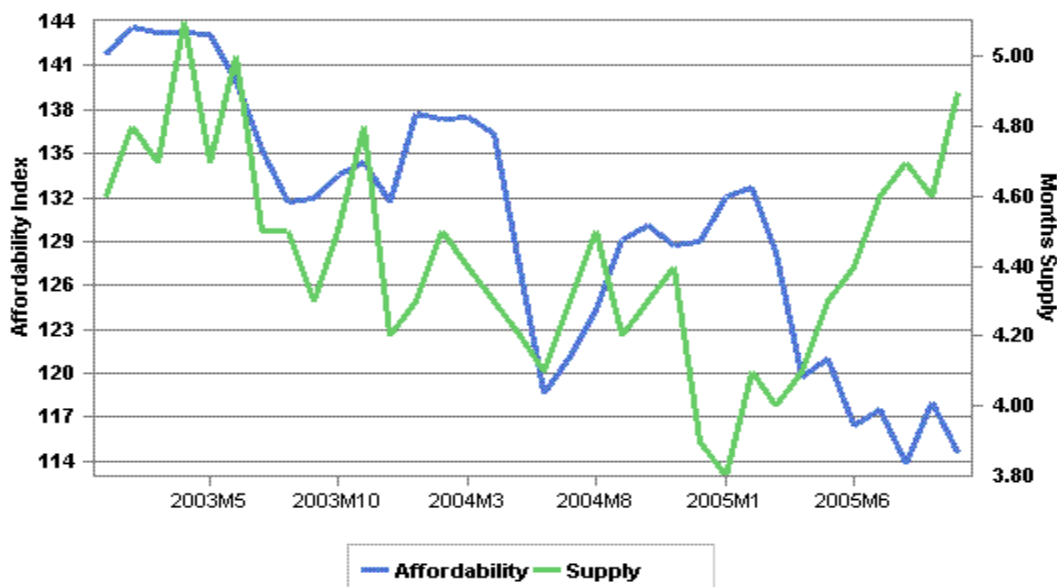
To date, this run-up in energy expenditures has not led to a decrease in consumer spending growth. However, the concern is that eventually, consumers will need to slow other spending to accommodate their demand for energy products within their overall budget. In particular, higher natural gas prices this winter heating season may create budget problems. Higher natural gas prices are expected to most severely impact lower income households during this winter heating season.

Figure 6
Total Personal Consumption vs. Energy Goods



A second risk factor is slowing in housing markets. Several indicators point to the possibility that housing markets have peaked. Figure 7 shows housing affordability and the monthly inventory of existing homes for sale. With affordability trending down as home prices and mortgage interest rates rise, the time required to sell a house is lengthening. As the time on the market lengthens, housing price appreciation is expected to weaken. This, in turn, is expected to feedback into weaker growth in housing starts and construction employment.

Figure 7
Trends in Housing Affordability and Supply of Existing Homes



With the economy approaching full employment, federal policy makers are seeking to moderate housing growth. The continuing rise in the federal funds target rate is aimed, in part, at achieving moderation in housing growth. The risk is that rather than moderation, housing prices and activities slow precipitously.

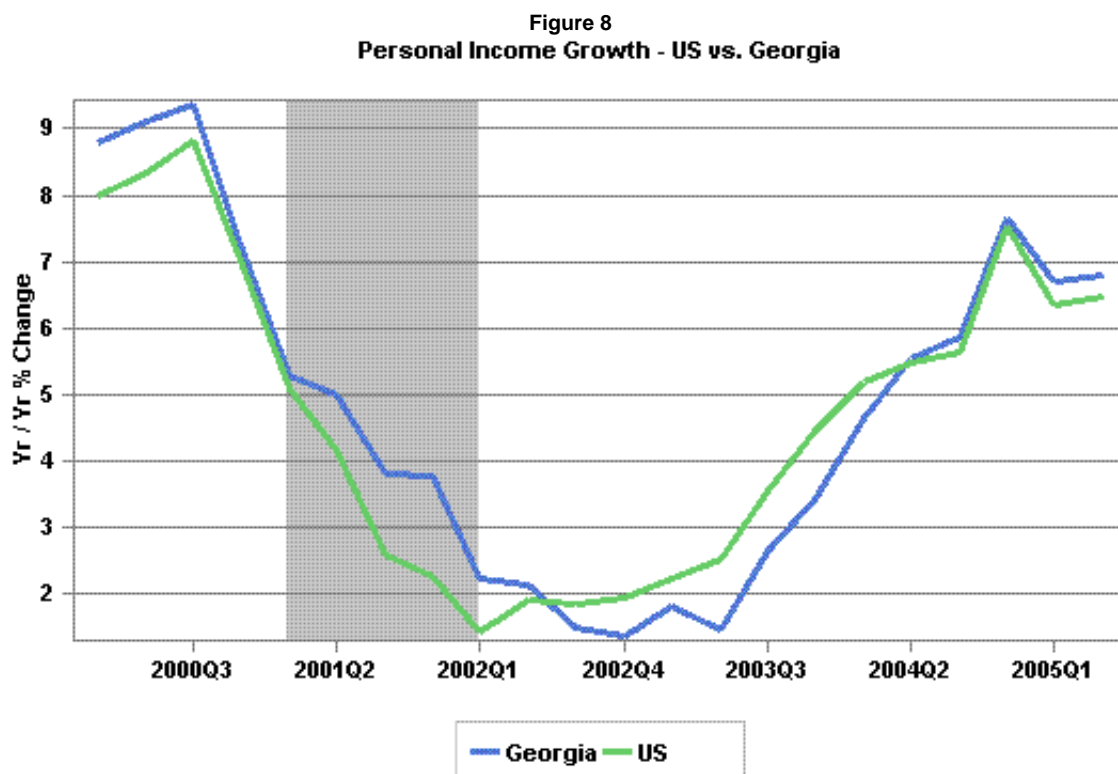
Overall, the outlook for the U.S. economy remains positive. Growth is solid, employment is expanding and businesses are investing. While high energy prices, rising interest rates and a slowdown in housing pose challenges to this growth scenario, the resilience of the U.S. economy is expected to win out in the end with the economy expanding at rates near its long-term potential through the end of FY 2007.

Georgia Economic Trends

Georgia's economy was hit especially hard by the national recession that started in 2002. Georgia's initial recovery from that recession, as measured by non-farm employment growth, lagged that of the U.S. However, Georgia's growth is now accelerating, the State's personal income growth exceeds that of the U.S. and the State's employment growth rate is expected to catch and surpass that of the U.S.

In addition, while housing has been a key contributor to Georgia's economic performance, it has not experienced the extreme price increases and speculative purchasing that has occurred in certain regional markets. This means that Georgia faces less economic risk from a rapid slowdown in construction activity in its housing sector or a significant decrease in housing prices.

Figure 8 below compares year over year growth in personal income for the U.S. and Georgia for the period 2000 – 2005 Q2.

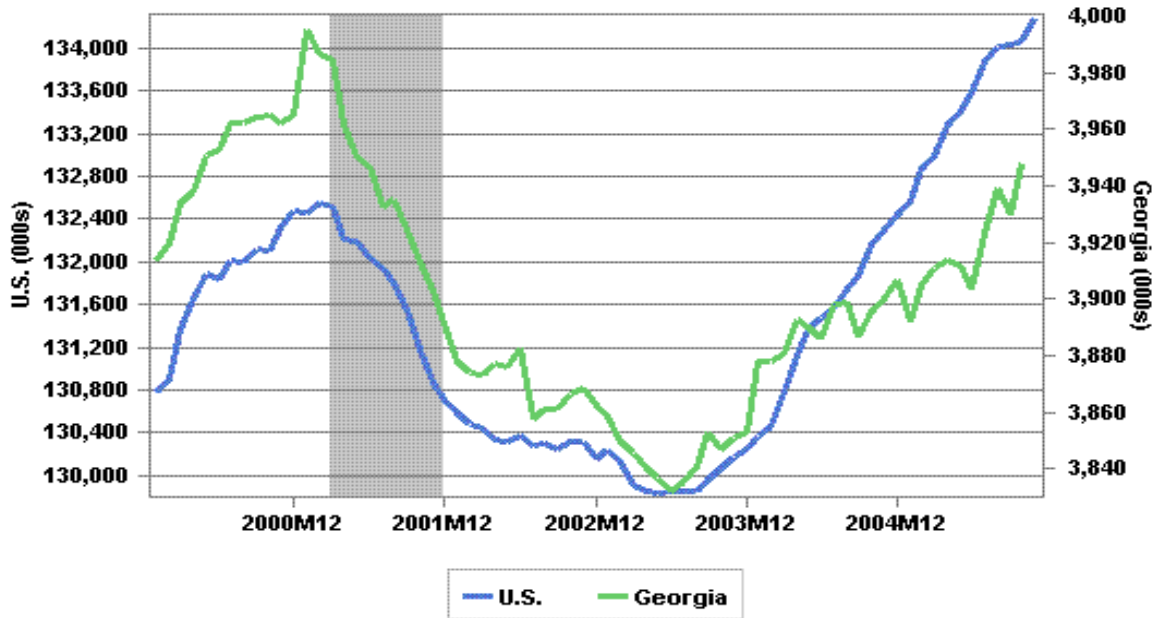


Georgia's personal income growth rate declined more slowly than that of the U.S. during the recession. However, U.S. personal income growth accelerated much earlier than that of Georgia coming out of the recession. Georgia's personal income growth continued to trend down for an additional five quarters after U.S. growth bottomed out. Beyond that period, Georgia's personal income growth continued to lag U.S. growth for an additional year. However, in the last three quarters of reported data, Georgia's personal income growth rate has picked up steam and exceeded that of the overall U.S. economy.

Figure 9 depicts the level of non-farm employment in Georgia and the U.S. for 2000 through October 2005. Employment in Georgia fell more drastically than in the U.S. during the recession. For Georgia, non-farm payrolls decreased by 3.8% from the peak level of employment to the trough. For the U.S., the decrease was 2.0%. Georgia's employment growth exceeded that of the U.S. during most of 2004 but then hit a stagnant period that lasted until June 2005. Since June, employment growth has approximately doubled to just over 1.3% per year and is now approaching the growth rate of the U.S.

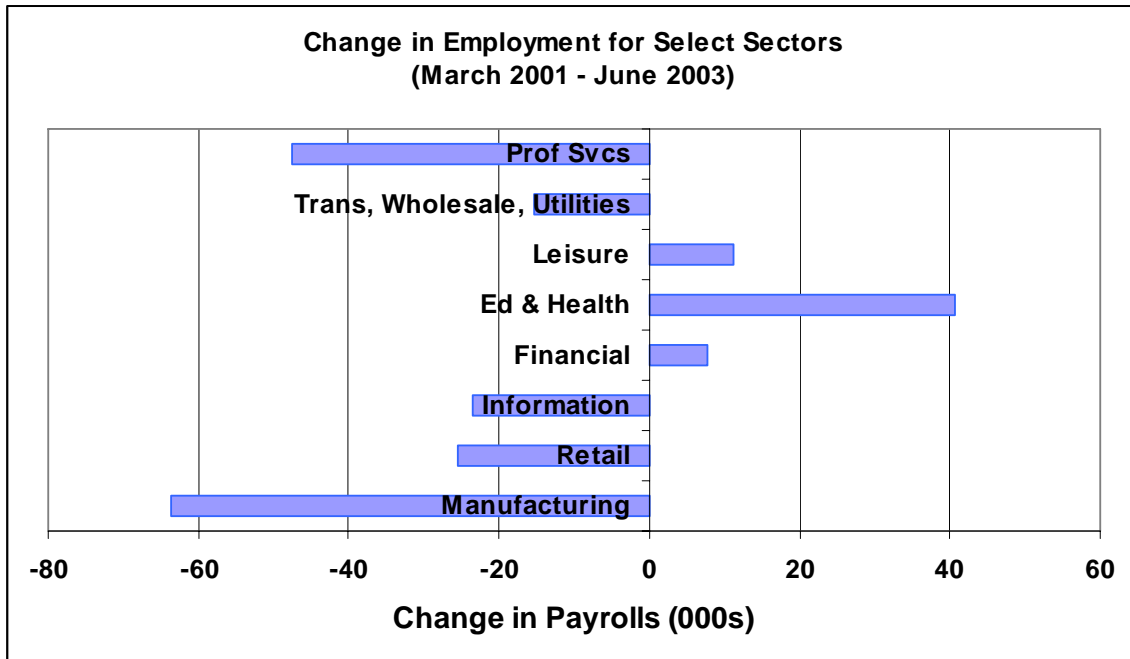
Figure 9

Non-Farm Employment - U.S. vs. Georgia



Georgia's non-farm employment situation reflects in part the on-going transition as the State increasingly integrates into the global economy and adapts to other structural changes in the economy. Figure 10 summarizes the net change in payrolls for select sectors of Georgia's economy over the period March 2001 through June 2003.

Figure 10



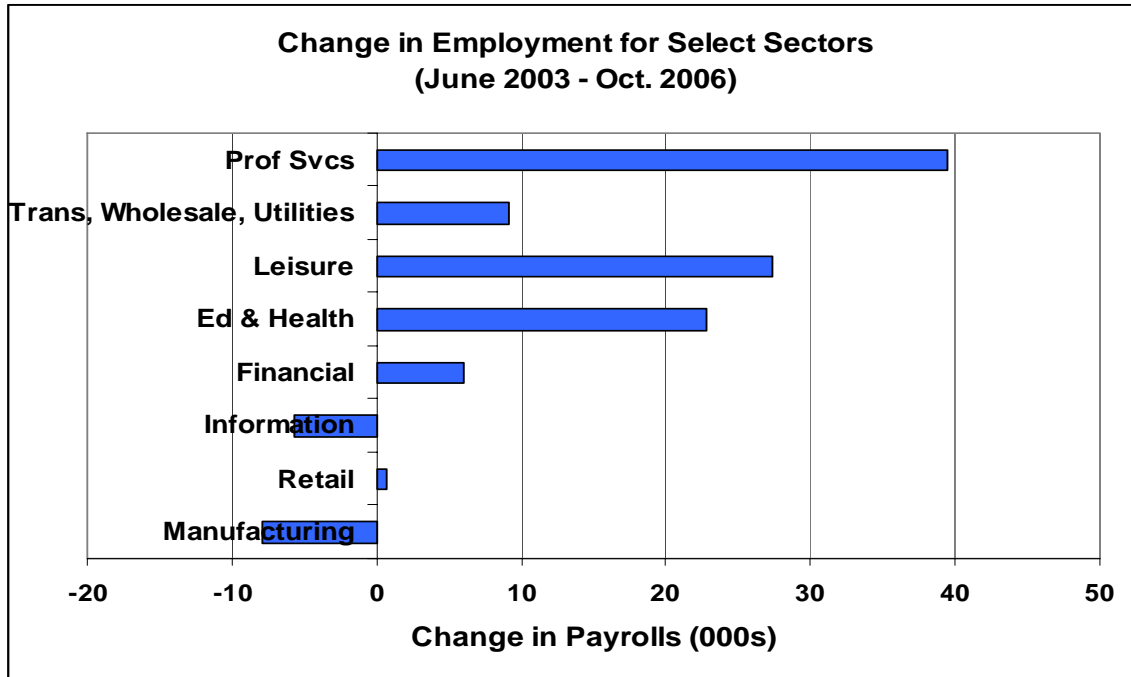
Job losses were concentrated in manufacturing, retail, information, professional services and the transportation, wholesale trade, and utilities sectors. Job losses in these sectors were greater than job growth in other sectors. These sectors include leisure and hospitality, education and health, and financial.

Global competition has negatively impacted manufacturing employment in the U.S. and Georgia as producers look to squeeze out any production costs possible by shifting production overseas and low-cost foreign producers claim a larger share of the global

market. In addition, the retail sector has gone through significant restructuring in which smaller retailers have difficulty competing with larger retailers with more efficient operations. This tends to reduce employment in the retail sector.

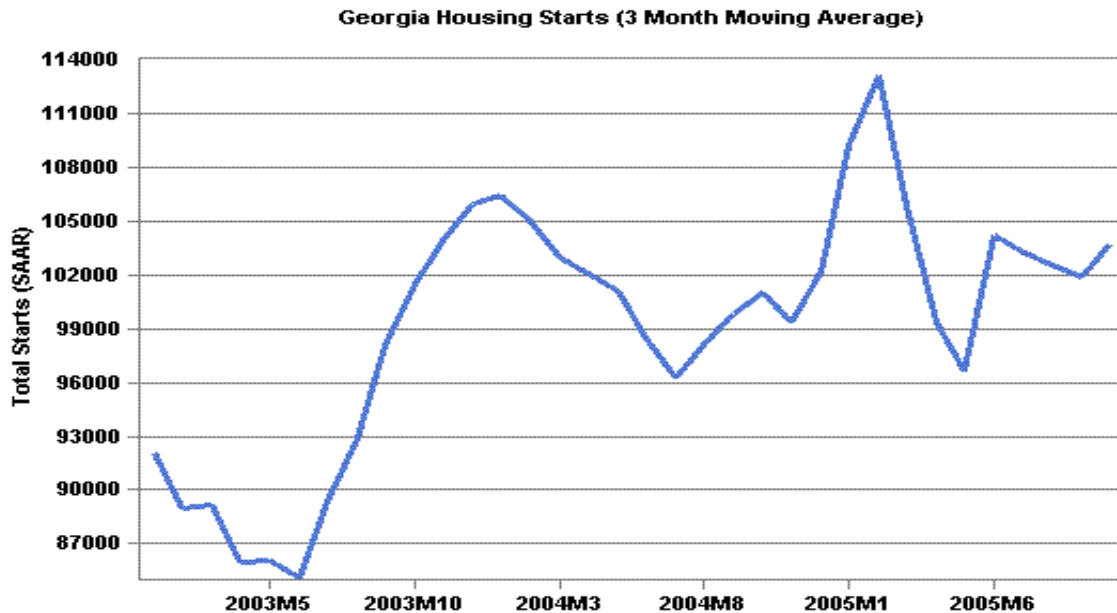
Figure 11 depicts the change in employment in Georgia from the trough in June 2003 through October 2005. This chart indicates that employment in manufacturing, retail and information is stabilizing, while growth is strong in sectors such as professional services, education and health and leisure and hospitality. Stabilization in these sectors set the stage for overall growth to re-accelerate as new growth engines take over.

Figure 11



Housing activity in Georgia has been strong. Figure 12 depicts housing starts for the last five years. Georgia's housing starts show no sign of slowdown.

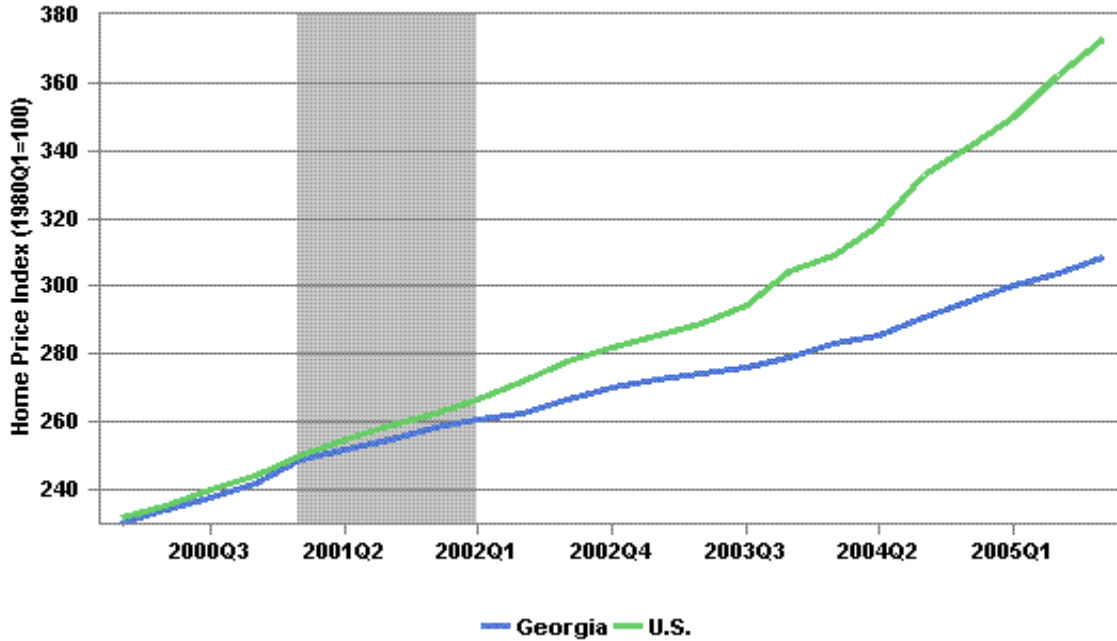
Figure 12



While activity has been strong, housing price appreciation has been moderate. Figure 13 compares housing price appreciation for Georgia to that of the U.S. as a whole. Keep in mind that prices in certain regional markets have appreciated much faster than the national average. The moderate rate of home price escalation in Georgia indicates that the State has less exposure to a potential housing slowdown than the country as a whole.

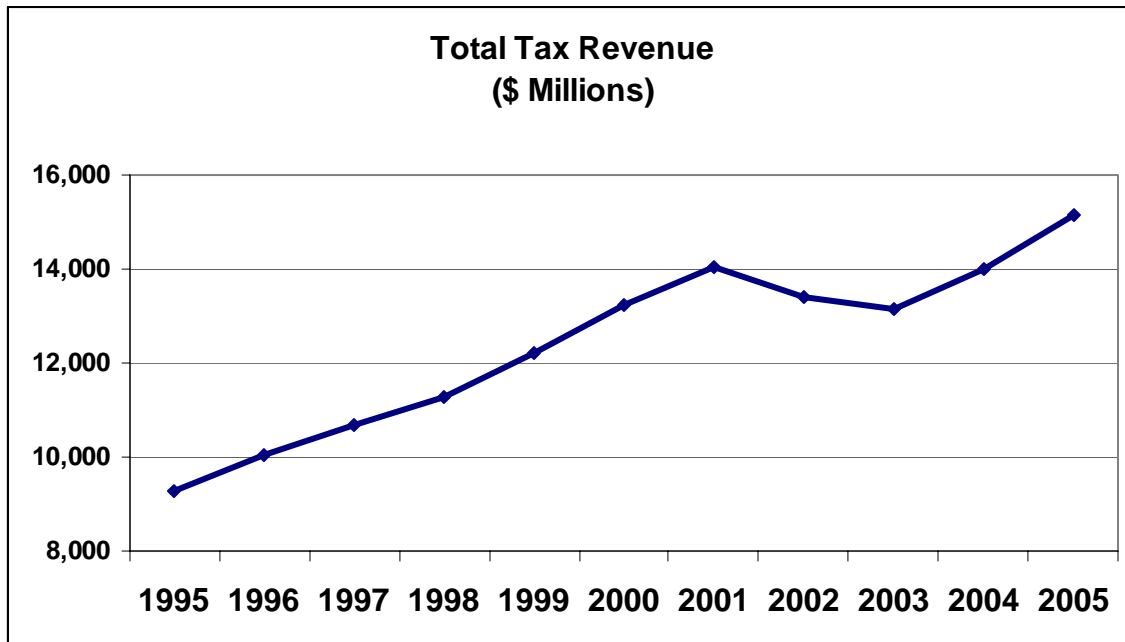
Figure 13

Housing Price Escalation - U.S. vs Georgia



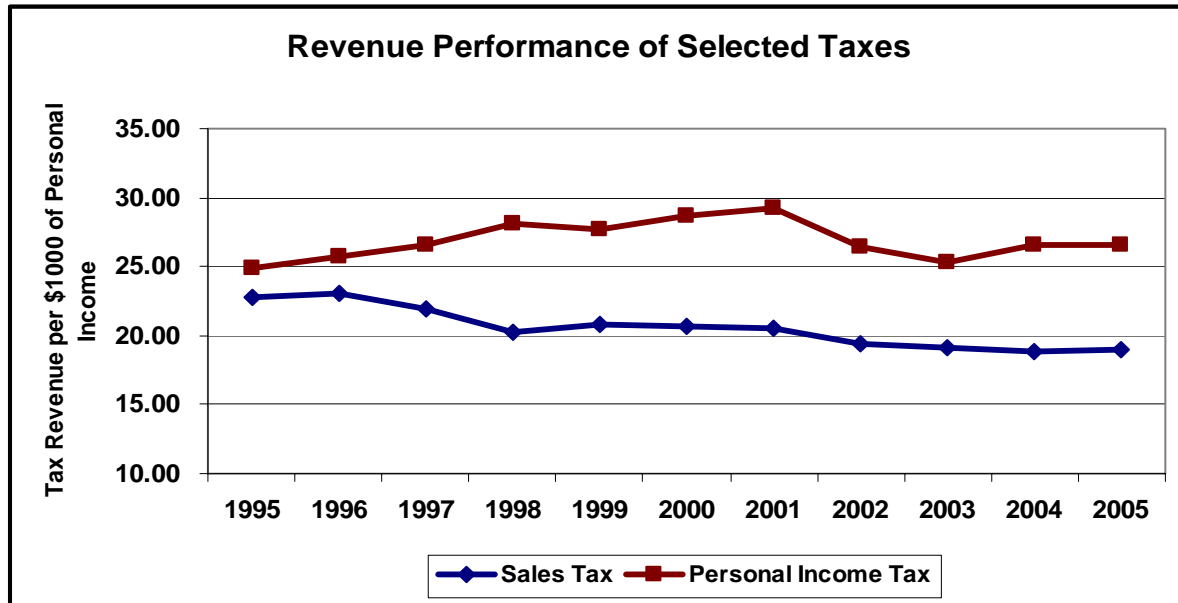
For the State, the improvement in the economic picture since the recession has translated into renewed growth in tax revenues. Figure 14 shows the trend in total general fund revenues since FY 1995. The recession caused a sharp drop in tax revenues in FY 2002 and FY 2003. However, revenue growth resumed in FY 2004 and continued into FY 2005.

Figure 14



While Georgia's total tax revenue has resumed growing, the economic performance of Georgia's taxes is also important for the future fiscal conditions of the State. Figure 15 summarizes tax revenue per \$1,000 of State personal income.

Figure 15



As shown, sales tax revenue per \$1,000 of personal income has been declining. This means that for each additional \$1,000 in Georgia personal income growth, the increase in sales tax revenue will tend to decline. In contrast, personal income tax revenue per \$1,000 of personal income has been growing slightly but remains below levels of the late 1990s when capital gains from stock sales were high. Thus, additional personal income tax revenue resulting from increases in personal income will tend to grow slowly.

Summary

Georgia's economic growth is accelerating. Growth in employment and personal income are expected to beat that of the U.S. Georgia's economy should continue to benefit from U.S. economic growth, the State's low cost of doing business, its attractiveness to relocating businesses and in-migration.

If the U.S. economy should slow, this will negatively impact Georgia's growth but Georgia does not have the risk of outsized gains in housing prices or construction employment seen in other regions. Georgia's growth prospects do face some uncertainty due to corporate restructuring issues in the State. Delta Air Lines is in the midst of bankruptcy proceedings, has reduced salaries across the board, and has announced plans to cut employment. This level of restructuring is already built into the State's outlook. Further restructuring could act as a drag on the State's economic growth.

Manufacturing employment has stabilized in Georgia and, in fact, has actually increased in the last few months. However, General Motors has announced its intention to shut down its Doraville assembly plant. Press reports also indicate that the Ford assembly plant in Hapeville is at risk of shutdown. While these facilities provide good paying jobs, it is important to keep in mind that Georgia has total non-farm payrolls that are approaching 4 million jobs. Plant shutdowns are a painful process for those involved, but from an overall state economic picture, Georgia should be able to absorb these job losses without facing serious downturns in the economy.

For Georgia's fiscal outlook, these economic conditions are expected to deliver moderate growth in revenues. Several factors contribute to this outlook. First, General Fund revenues grew by 7.0% in FY 2004 and 8.4% in FY 2005 in the first two full years of economic growth following the recession. In comparison, tax revenues grew by 19.3% in 1992 and by 11.9% in 1993 following the recession of 1991. Revenue growth moderated significantly following those two years of high growth in the mid-1990s. Thus, moderation in revenue growth can be expected as the economic cycle continues to mature. Second, growth comparisons become more difficult as the revenue base grows. High growth rates are easier to sustain on a low base compared to a high base. Third, growth in FY 2005 was boosted by extraordinary growth of 50% in corporate income tax revenues. Similar growth is not expected in FY 2006 or FY 2007. Finally, Georgia has made strong progress in rebuilding its Revenue Shortfall Reserve but the overall balance remains low relative to historical levels. This mandates caution in budgeting for future growth.

AMENDED FY 2006 AND FY 2007 BUDGET HIGHLIGHTS Governor's Recommendations

TAX CREDITS/CUTS

- The Child Care Tax Credit provides a tax credit for childcare expenses for eligible taxpayers beginning in 2007. This is an estimated savings to taxpayers of \$11,800,000 in the first year.
- The Georgia State estate (death) tax will be fully eliminated in 2006 based on the Governor's decision to allow the tax to sunset in conjunction with federal tax law changes. Georgians will save over \$120,000,000 annually because of the final elimination of this tax.
- The Conservation Tax Credit allows for an income tax credit for the donation of conservation easements of land, which meet the goals of the Governor's Georgia Land Conservation Act. The allowable credit is 25% of the fair market value of the donated property up to a maximum of \$250,000 per individual and \$500,000 per corporation. An annual realized tax savings of up to \$12,000,000 are estimated.
- Increase funding to \$434,000,000 for the Homeowner Tax Relief Grant program. This program reduces local property taxes owed by homeowners by exempting the first \$8,000 of assessed value (\$20,000 of the fair market value) from tax liability. This increase maintains full funding of the program. Almost \$200,000,000 in new funds has been added to this program since 2002.
- On December 16, 2005 the Governor signed an Executive Order cutting in half the sales tax on natural gas and liquid propane for residential heating. The sales tax on natural gas will be reduced during the peak heating months of January through April 2006. Tax on liquid propane will be reduced during the months of January to March 2006. This will provide tax savings to consumers ranging from \$16,000,000 to \$20,000,000 and prevents state government from reaping a revenue windfall due to the high cost of these fuels.
- Providing Georgia consumers with relief from sharp motor fuel price increases in the aftermath of Hurricane Katrina, the Governor ordered a suspension of all state taxes on motor fuels for the month of September 2005. This suspension was approved by the General Assembly, meeting in Special Session beginning on September 6. This action saved Georgia drivers approximately \$75,000,000.
- Increase the amount of retirement income exempt from the state income tax from \$15,000 to \$25,000 per taxpayer aged 62 and older effective January 1, 2006. This increase will save Georgia retirees \$64,000,000 a year.

SALARY ENHANCEMENTS

Currently, Georgia is ranked 1st in the southeast for average teacher salaries. Governor Perdue continues to demonstrate his respect and appreciation for the hard work of teachers by providing a 4% pay raise for all teachers, which is in addition to the 3% pay raise that more than half the teachers will earn due to natural progression on the teacher salary schedule. The Governor also understands that many teachers purchase

classroom supplies out of their pockets, to ensure their students have the tools they need to learn. In recognition of this, the Governor is providing public school K-12 teachers in Georgia with a \$100 gift card to buy much needed classroom supplies. Also, the faculty and staff at the University System and Department of Technical and Adult Education will receive a 4% salary improvement.

Additionally, the State's dedicated employees will receive an increase of up to 4% dependent on their position in their pay grade scale.

To cover the increased cost in the State Employees Health Insurance Program in FY 2007, State agencies' share of the premium will be increased from 14.20% to 16.713%. Employees will not experience an increase in premiums for the year.

RECOMMENDED EXPENDITURES

EDUCATED GEORGIA

An educated Georgia is Governor Perdue's vision for the State and this budget demonstrates his commitment to fulfilling that vision. From Pre-K to higher education, Governor Perdue is providing students, teachers, principals and faculty along with local school systems, colleges and universities with the resources they need to ensure that Georgia's students are well prepared for the future.

Governor Perdue is continuing his commitment to education by fully funding enrollment growth in Pre-K, K-12, colleges and universities. In addition to recommending enrollment growth funding, the Governor is providing funding to lower class sizes in grades K-8. Reducing class size results in a more manageable classroom for teachers and creates a better learning environment for students. This budget is also fully funding K-12 capital requests to build and renovate schools and classrooms as well as capital outlay funding for colleges and universities.

The Governor is committed to supporting teachers by investing additional resources in the classroom and ensuring that all students have an equal chance for academic success. These priorities are reflected in the Amended FY 2006 and FY 2007 recommendations.

LOTTERY FUNDS

Early Care and Learning

- \$5,065,765 to increase Pre-K grants to fund 1,000 additional slots.

Student Finance

- \$17,935,986 to increase funds for the HOPE Scholarship program.

AMENDED FY 2006 and FY 2007 BUDGET HIGHLIGHTS

Governor's Recommendations

EDUCATION (State General and Other funds)

Public Schools

- \$144,984,921 in Amended FY 2006 to provide a mid-term adjustment for enrollment growth of 2.5%.
- \$9,000,000 in Amended FY 2006 to provide a fund accounting system for local school systems.
- \$5,112,596 in Amended FY 2006 and \$8,789,577 in FY 2007 to provide a correction to equalization grant funding to properly reflect millage increases.
- \$5,000,000 in Amended FY 2006 and \$5,000,000 in FY 2007 to add funds to pupil transportation for increased fuel costs.
- \$46,575,439 to provide for an increase in equalization grants.
- \$50,000,000 in bonds to purchase 1,000 new buses.
- \$396,480,000 in bonds for local school construction and equipment.
- \$201,509,474 in additional formula earnings for Quality Basic Education (QBE) formula grants based on enrollment growth of 2.5% and training and experience increase.
- \$163,164,787 to provide funds to reduce the individual maximum class size for grades K-8.
- \$21,175,000 to provide grants to school systems to fund 1 high school completion counselor for every high school to increase the graduation rate.
- \$10,000,000 to fund gift card for public school teachers to purchase classroom supplies.
- \$2,467,578 to provide funds for academic coaches in Needs Improvement schools.
- \$2,390,507 to expand the QBE remedial program for middle school students.
- \$1,000,000 to provide funding for the on-line SAT preparation software and maintain the current contract rate for FY 2007.
- \$800,000 to expand the Georgia Virtual School by 2,000 seats.
- \$3,000,000 to recruit high performing principals to targeted schools.

Student Finance

- \$100,000 in Amended FY 2006 and \$200,000 in FY 2007 to fund the HERO scholarship at \$2,000 per award.
- \$1,010,402 in other funds to increase North Georgia College and State University Service Cancellable Loans for additional students returning from military deployment.

- \$280,000 in other funds to increase funding for Service Cancellable Loans to fund 100 additional nursing slots.

University System

- \$55,309,821 to fully fund enrollment increases based on a 1.6% increase in semester credit hours, operating expenses related to additional square footage, health insurance and retirement.
- \$1,500,000 for the Georgia Leadership Institute for School Improvement to provide additional leadership development programs for principals.
- \$1,000,000 for 15 faculty members at Georgia Gwinnett College.
- \$900,000 to fully fund the New Directions funding formula for the Georgia Public Library System grants.

HEALTHY GEORGIA

The vision of a Healthy Georgia will be achieved through progress in several strategic areas. This budget emphasizes services in community settings and moves forward on the commitment to serving individuals in their homes, as opposed to institutional settings. Another strategic area of focus is child welfare; by increasing newborn screening, detection of treatable diseases will occur early on, reducing incidences of developmental delays, child illnesses and deaths. To better protect our children, this budget provides funds to implement a child welfare technology system. In child protective services casework, access to timely, accurate information can mean a child's life is saved. Additionally, this budget recognizes the devastating effect of methamphetamine addiction to Georgia's families and provides funds to serve 200 parents.

Improving the health of our Medicaid and State Health Benefit Plan members is also a key focus of this budget. In FY 2007, Medicaid members' health status will be improved through the implementation of a care management plan in which each Medicaid member will have a medical home. The State Health Benefit Plan covers over 640,000 Georgians, including state employees, teachers, other school personnel and their families. This budget recognizes the key role that this plan plays in the health of our state, by providing over \$184,000,000 in new employer funding, insuring no employee premium increases through the next year.

Human Resources

- \$4,437,525 in both Amended FY 2006 and FY 2007 to annualize the cost of 500 additional Child Protective Services caseworkers in the Child Welfare program.
- \$14,000,000 in State funds in Amended FY 2006 and \$3,500,000 in FY 2007 to provide for the implementation of the Statewide Automated Child Welfare System.
- \$3,284,597 in Amended FY 2006 to annualize the cost of 925 waiver slots for consumers on the Mental

AMENDED FY 2006 and FY 2007 BUDGET HIGHLIGHTS

Governor's Recommendations

Retardation/Developmental Disabilities waiting list in the Community Services Adult program (\$2,720,005) and the Community Services Child and Adolescent program (\$564,592). For FY 2007, \$3,197,417 to annualize the cost of 925 waiver slots for consumers on the Mental Retardation/Developmental Disabilities waiting list in the Adult Services program (\$2,648,987) and in the Child and Adolescent Services program (\$548,430).

- To improve health and developmental outcomes for children, increase number of newborn screening tests from 13 to 29 with savings (\$2,281,919) by implementing a \$40 service fee.
- \$1,000,000 to provide funds for provider training and treatment services to 200 methamphetamine-addicted adults with children in the Adult Services program.
- \$700,000 to enhance the SUCCESS system to support Medicaid eligibility verification and for changes in TANF.
- \$6,358,671 to fund 750 waiver slots for the Mental Retardation/Developmental Disabilities waiting lists.
- \$4,150,000 in Amended FY 2006 budget for the Low Income Energy Assistance Program (LIHEAP).
- \$1,452,545 in additional Tobacco funds to treat low income, uninsured or underinsured patients through the Cancer State Aid program.
- \$1,446,132 to fund 500 additional slots in the Community Care Services program for eligible elderly clients to enable them to continue to live at home.
- \$768,199 to increase family foster care per diem rates by 3.2%, consistent with the Consumer Price Index.

Community Health

- \$25,000,000 savings by reducing Medicaid benefit cost by eliminating self-declaration of income and implementing a centralized third-party verification of income and assets for both enrollment and re-enrollment.
- \$20,000,000 savings by reducing Medicaid costs generated in the Aged, Blind and Disabled populations through the provision of better business practices to ensure that the member receives the right services, at the right time at the right cost.
- \$3,750,000 to support the operation of Hughes Spalding Children's Hospital.
- \$1,870,000 to verify Medicaid eligibility by conducting review procedures.
- \$998,384 to fund Medicaid costs associated with the expansion of the newborn screening program administered by the Department of Human Resources.
- \$221,163,251 to fund the projected growth in Medicaid benefits.
- \$184,451,828 to maintain the fiscal viability of the State Health Benefit Plan without increasing employee premiums.

- \$20,030,472 to update nursing home reimbursement rates to the FY 2004 cost reports.
- \$14,000,000 in Amended FY 2006 to continue the Disproportionate Share Hospital program payments to private hospitals for uncompensated care.
- \$1,044,962 to fund a monthly supplement of \$20 for nursing home residents who receive Supplemental Security Income.

Veterans Service

- \$767,048 to re-open the 2nd floor of the Carl Vinson Building with 30 additional beds at the Georgia War Veterans Home in Milledgeville.

GROWING GEORGIA

A growing Georgia is a priority with Governor Perdue. This budget reflects an investment in Georgia's infrastructure, a vital element for sustaining economic growth and development. From bonds for water and sewer construction for local governments, to completing the final phase of the Brunswick harbor deepening and Container Berth 8 at Georgia's Ports Authority, as well as a record local road program, "Paving the Way Home," this package boosts economic development activities underway in every corner of our state. Further, this budget provides \$12,000,000 for economic development projects that will help create and sustain jobs for Georgians.

Recognizing that Georgia's natural resources are a vital and valuable State asset, this budget provides for \$5,000,000 in grant funds for local governments in the Governor's Land Conservation program. Additionally, this budget funds the development of a strategy for sound economic development and conservation of Georgia's coastal region.

Transportation

- \$117,000,000 in both the Amended FY 2006 and FY 2007 budgets in Motor Fuel Funds for the Governor's local road initiative, "Paving the Way Home," increasing the Local Assistance Road Program (LARP) to \$60,000,000, state fund construction/off-system to \$34,000,000 and state fund construction/most-needed to \$23,000,000.
- \$2,000,000 in additional funds for mass-transit grants.
- \$664,179 in additional grant funding for maintenance and improvements at Georgia's public airports, an increase of over 13%.
- \$1,350,000 in bonds for freight rail rehabilitation: Cordele to Cedar Creek (\$800,000) and Vidalia (\$550,000).

Natural Resources

- \$5,000,000 in FY 2007 and \$2,503,092 in Amended FY 2006 to increase funding for the Solid Waste Trust Fund and \$8,339,491 in Amended FY 2006 to increase funding for the Hazardous Waste Trust Fund.

AMENDED FY 2006 and FY 2007 BUDGET HIGHLIGHTS

Governor's Recommendations

- \$2,000,000 in bonds for construction and equipment for the Suwannee River Eco-Lodge meeting facility.
- \$400,000 to enhance water modeling and monitoring in the Environmental Protection Division.
- \$602,225 to expand park and public fishing areas.

Georgia Environmental Facilities Authority

- \$47,000,000 in bonds for low interest loans for local water and sewer construction projects.
- \$5,000,000 to provide grant funds for local governments in the Governor's Land Conservation program.

Georgia Ports Authority

- \$15,900,000 in bonds to complete construction of the Container Berth 8 project in Savannah.
- \$3,200,000 in bonds to complete the deepening of the Brunswick harbor.

Georgia World Congress Center

- \$5,425,000 in bonds for facility repairs and renovations for the Georgia World Congress Center.

Community Affairs

- \$12,000,000 for economic development projects that will help create and sustain jobs for Georgians.
- \$3,500,000 to enhance the Local Development Fund to \$5,000,000 to provide grants to local governments to meet their important community development or improvement needs.
- \$300,000 to provide accessibility improvements at owner-occupied homes in which an individual with a physical disability resides.
- \$300,000 to support the development of a strategy for sound economic development and conservation for Georgia's coastal region.

Agriculture

- \$121,399 to fund additional equipment and supplies at the Poultry Veterinary Diagnostic Labs system for avian influenza testing.
- \$378,556 for additional food safety inspectors and pathologists to ensure a safe food supply.

SAFE GEORGIA

Keeping Georgians safe is one of the Governor's highest priorities. As more law offenders are sentenced to prison, the state must accommodate their growing numbers. This budget provides relief to local jails by adding over 4,000 beds to the State's prison capacity; it includes operating funds for newly constructed prisons, re-missioning underutilized facilities, partnering with private providers to expand their existing capacity, and opening temporary space in existing prisons.

Safe communities require targeted law enforcement. This budget establishes a Meth-force to investigate methamphetamine-related crimes and a DUI court grant program to reduce repeat drunk driving offenses. This budget also expands proven community-based drug treatment options for probationers and parolees, and transitional centers that mandate released prisoners hold jobs, support their families and pay restitution to their victims. In order to rehabilitate juvenile offenders, this budget funds outcome-based programs that keep families intact while providing both treatment and supervision to juvenile offenders.

Corrections

- \$6,483,276 in Amended FY 2006 to provide start-up and operating funds for 768 beds at 4 vacant probation detention centers and \$11,900,932 in FY 2007 for operating funds to reduce county jail backlogs and meet increased capacity needs.
- \$3,637,067 in Amended FY 2006 and \$6,216,828 in FY 2007 to provide start-up and operating funds for 1,348 temporary beds at existing facilities to reduce county jail backlogs and meet increased capacity needs.
- \$3,401,212 in Amended FY 2006 and \$4,267,522 in FY 2007 to provide for a 3.5% increase in the per diem rate for contracted prison beds and add space for 470 additional inmates.
- \$2,509,395 in Amended FY 2006 and \$5,915,776 in FY 2007 to provide start-up and operating funds for 918 additional beds at existing facilities to reduce county jail backlogs and meet increased capacity needs.
- \$200,000 in Amended FY 2006 to fully fund an annuity for a wrongfully convicted person as required by HR 108 passed by the 2005 General Assembly.
- Redistribute \$1,668,724 from closing a probation detention center to open Long Inmate Boot Camp attached to Smith State Prison to address the need for inmate bed space.
- Redistribute existing funds (\$2,628,204) used for a probation diversion center for transitional centers to increase available inmate bed space.
- Redistribute \$2,046,575 from conversion of a probation detention center to a state prison unit.
- \$11,181,124 in Amended FY 2006 and \$10,281,484 in FY 2007 to provide for increased costs in health services purchases.

AMENDED FY 2006 and FY 2007 BUDGET HIGHLIGHTS

Governor's Recommendations

- \$4,237,927 in start-up funding and 5 months operating funding for a 525 bed expansion at Johnson State Prison to reduce county jail backlogs and meet increased capacity needs.
- \$1,182,387 in start-up funding and 2 months operating funding for a 192 bed expansion at Calhoun State Prison to reduce county jail backlogs and meet increased capacity needs.
- \$1,567,445 for startup funding and 3 months operating for the Bainbridge Probation Substance Abuse Treatment Center's 192 bed expansion.
- \$1,028,148 for full year funding for 4 day reporting centers opened in FY 2006.

Criminal Justice Coordinating Council

- \$400,000 to establish a DUI court grant program to reduce repeat drunk driving offenses.

Georgia Bureau of Investigation

- \$1,018,090 to establish the Meth-force to investigate methamphetamine-related crimes by funding an agent school to fill 15 agent vacancies and associated operating expenses.

Juvenile Justice

- \$3,214,336 for 67 additional Juvenile Probation and Parole Specialist positions to improve community-based services and reduce caseloads.
- \$1,306,663 for 30 additional staff for the Intensive Supervision program to offer increased monitoring and rehabilitative services to youth placed in community settings.
- \$1,719,366 for 30 slots for Multi-Systemic Therapy (\$582,212), Wrap-around Services (\$400,000), and 5 tracking teams (\$737,154).

Pardons and Paroles

- \$300,000 in both Amended FY 2006 and FY 2007 to fund assessment and treatment of parolees with substance abuse problems.

BEST MANAGED STATE

Ensuring efficient and effective management of State operations and delivery of services to Georgians are hallmarks of the Governor's commitment to continue identifying and incorporating the best practices used in the public and private sectors into State government. For the Amended FY 2006 and FY 2007 budgets, this strategy continues in the financial management area with recommendations regarding the implementation of initiatives to improve cash management and banking practices and expand and refine tools used for statewide financial reporting.

The Governor's recommendations reinforces prompt, reliable response to the State's customers facilitating the issuance of drivers' licenses, streamlining the processing and handling of customer phone calls and inquiries to State government, and expanding the ability of the Professional Licensing Boards Division to provide necessary services to the occupations and professions it regulates as well as to the public.

Administrative Services

- \$1,705,000 to operate the new Enterprise Asset Management System, which will improve the State's ability to purchase, utilize and maintain vehicles and equipment with greater efficiency.
- \$2,020,000 to develop an electronic procurement system as part of the Governor's transformation of the State's business practices.

Driver Services

- \$1,304,607 to add 35 examiners for license issuance (\$945,665) and expand Internet services (\$358,942).

Forestry

- \$525,000 to fund 15 vacant ranger positions to better protect Georgia's forests from wildfires.
- \$570,379 for additional foresters to preserve forest water quality and address emerging forest health issues.

Governor's Office

- \$700,000 in Amended FY 2006 and \$3,500,000 in FY 2007 to implement a statewide customer service initiative that will improve service for Georgia's citizens and reduce the cost of call centers and call handling.

Revenue

- Increase funding to \$434,000,000 for the Homeowner Tax Relief Grant program. This program reduces local property taxes owed by homeowners by exempting the first \$8,000 of assessed value (\$20,000 of the fair market value) from tax liability. This increase maintains full funding of the program. Almost \$200,000,000 in new funds has been added to this program since 2002.

Office of Secretary of State

- \$556,622 to annualize the cost of 13 new positions and fund operating expenses for the Residential and General Contractors Board.

AMENDED FY 2006 and FY 2007 BUDGET HIGHLIGHTS

Governor's Recommendations

- Enable the Professional Licensing Boards to fill critical support and inspection/investigative vacancies in the Consumer Services, Allied Health Fields, and Health and Consumer sections, as well as in the Businesses and Professions and Health Care Investigative Units (\$475,562).
- Fund 12 new support and inspection/investigative positions for the following boards: Barber, Construction, Cosmetology, Dentistry, Engineers/Land Surveyors, Funeral Services, Registered Nurses, and Used Motor Vehicles and Parts Dealers (\$488,491) and related position start-up purchases and operating costs (\$132,900); and fund increase in the Professional Licensing Board member travel expenses (\$54,565).

State Accounting Office

- \$2,464,909 to fund a statewide reporting management tool.
- \$1,758,173 in Amended FY 2006 and \$801,668 in FY 2007 to fund a joint project between SAO and the Office of Treasury and Fiscal Services to improve cash management and banking practices.

STEWARDSHIP

The Governor is committed to being a good steward of the State's assets and for maintaining the financial integrity of the State. Significant funds are included in this budget to maintain adequate maintenance of facilities and property and preserve the state's AAA bond rating.

- Increase of more than \$200,000,000 in the State's Revenue Shortfall Reserve to a total of more than \$256,000,000, helping to provide a cushion for unforeseen economic changes.
- \$6,500,000 in Amended FY 2006 and \$9,125,752 in FY 2007 sound and proper funding of the Workers' Compensation program for state employees.
- \$3,229,329 in Georgia Building Authority rental increases for State agencies to provide for proper upkeep and maintenance of facilities.
- \$46,901,888 in Amended FY 2006 budget to pre-pay debt on the state's bonds.
- \$27,000,000 in savings through the refinancing of existing bonds in Amended FY 2006.
- \$234,845,000 of the recommended bond projects (26% of the total bond package) is for the rehabilitation, renovation, and improvement of State facilities and other assets. This demonstrates the State's strong commitment toward stewardship of its physical assets by enhancing their functional performance and extending their useful service lives. Stewardship projects include:
 - \$91,640,000 for the renovation and rehabilitation of educational facilities at universities and colleges;
 - \$72,535,000 for the preservation, protection, and enhanced use of our natural resources;

- \$11,095,000 for facility renovation and harbor deepening to support and enhance economic development activities;
- \$1,350,000 for transportation programs in the rehabilitation of freight rail track;
- \$32,715,000 for facility renovation and equipment replacement to support vital human resource programs;
- \$22,910,000 for public safety related renovations at correctional and defense facilities; and
- \$2,600,000 for facility accessibility improvements and modifications related to the Americans with Disabilities Act (ADA).

STATE OF INNOVATION

This budget includes funding for Governor Perdue's "State of Innovation" initiative. This is a multi-faceted economic development approach that will not only create new businesses, jobs, and higher wages, but will also impact Georgians' health, energy needs, environment, and job prospects in a global economy.

To enhance Georgia's reputation as a "State of Innovation" and to promote economic development in Georgia's strategic industries, targeted investments are proposed in the areas of bioscience, energy and broadband, reflecting a commitment of people, capital, and facilities.

To improve the health of Georgia's citizens and drive economic growth:

- \$2,500,000 for the Georgia Research Alliance's Venture Lab to promote emergency bio-science companies.
- \$1,000,000 for a Bioscience Collaboration in the Department of Economic Development to develop public/private partnerships that will enhance Georgia's bioscience industry.
- \$1,000,000 for the Georgia Research Alliance's Eminent Scholar program for cancer research.
- \$79,356 to add an economic development program manager position to work with State agency partners on life-sciences and strategic industries loans.
- \$5,000,000 to provide funding to expand Life Sciences Facilities Fund within the Department of Community Affairs for investment in entrepreneur-led start-up businesses to promote job growth in Georgia's bio-science industry.
- \$37,500,000 for a new science and teaching laboratory building at Georgia State University.

To promote Georgia becoming a leader in energy policy and research to ensure available, affordable, and environmentally friendly energy sources for all Georgians:

- \$2,200,000 to provide funding for 2 Eminent Scholars in energy research and a Patent Fund for the Georgia Research Alliance.

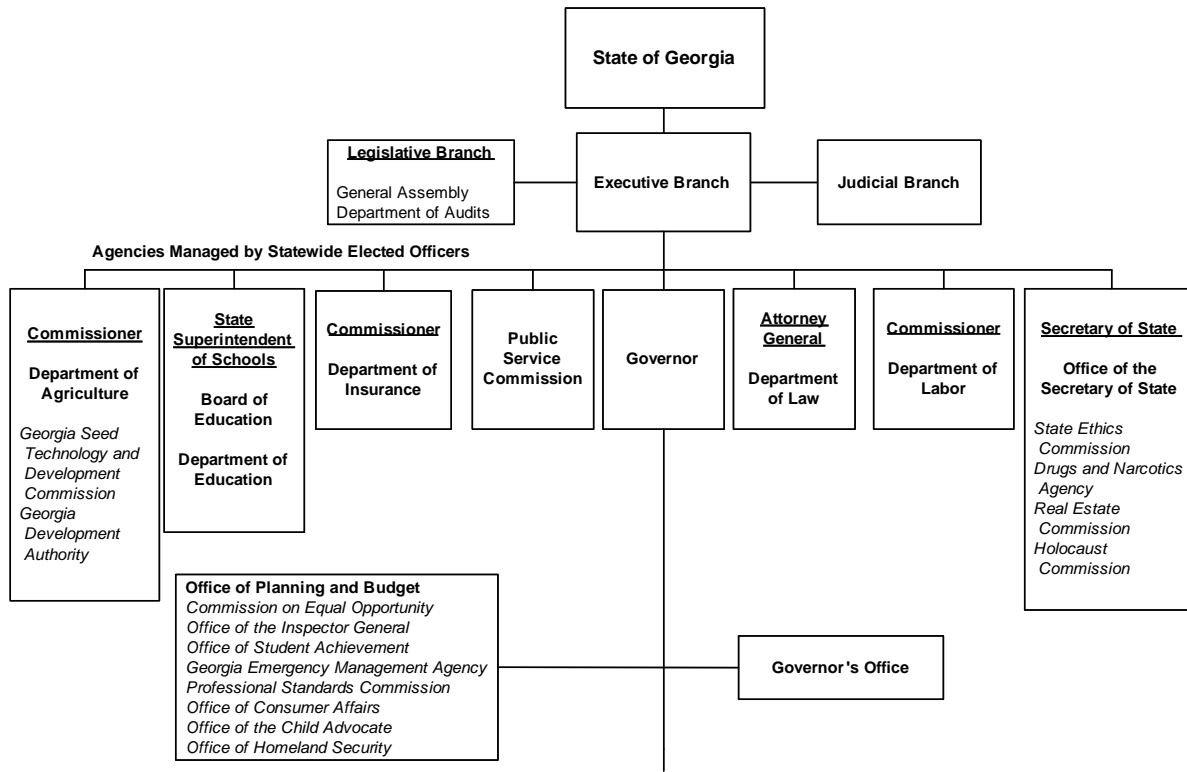
AMENDED FY 2006 and FY 2007 BUDGET HIGHLIGHTS

Governor's Recommendations

- \$525,000 to provide funds for a Bio-refinery in the Research Consortium program in Amended FY 2006.
- \$281,946 for efficiency and conservation planning to allow the Georgia Environmental Facilities Authority to develop a statewide energy plan.
- \$289,146 to add 3 positions and funding to implement a carbon sequestration program in the Georgia Forestry Commission to improve air quality, leverage federal funding, and provide greater incentives to landowners to plant more trees.
- \$93,982 to add 1 position in the Georgia Forestry Commission for the creation of a bio-energy program to address Georgia's energy needs through the development of bio-energy markets and greater use of forest resources.
- \$500,000 to develop the State's energy management capability to reduce cost and usage of energy through improved procurement strategies, data collection, and efficient consumption strategies.

To provide "access ramps" to the Internet superhighway and fund cutting edge research to better connect Georgia's citizens to a new world of opportunities and growth:

- \$5,000,000 to expand the Seed Capital Fund to provide funds for investment in entrepreneur-lead science and technology start-up companies in the ATDC/EDI program.
- \$38,000,000 to complete the design, construction and equipment for the nanotechnology research center building at the Georgia Institute of Technology.
- \$21,500,000 to fund Georgia Research Alliance research and design infrastructure for research universities.
- \$5,000,000 for contract funds for a statewide wireless broadband partnership.
- \$5,000,000 for a marine bioscience building at Skidaway Institute of Oceanography.



Agencies Managed by Governor -appointed Executives, Boards, and Authorities

State Accounting Office

Department of Administrative Services
 Georgia Technology Authority
 Health Planning Review Board
 Office of State Administrative Hearings
 Office of Treasury and Fiscal Services

Department of Banking and Finance

Department of Community Affairs
 Georgia Housing Finance Authority
 Georgia Environmental Facilities Authority
 Housing Trust Fund for the Homeless Commission
 Georgia Regional Transportation Authority
 One Georgia Authority

Department of Community Health

Georgia Board for Physician Workforce
 State Medical Examination Board
 Composite State Board of Medical Examiners

Department of Corrections

Commission on Family Violence

Department of Defense

Department of Driver Services

Department of Early Care and Learning

Department of Economic Development
 World Congress Center/Georgia Dome
 Georgia Ports Authority
 Georgia Music Hall of Fame Authority
 Georgia Sports Hall of Fame Authority
 Georgia Aviation Hall of Fame
 Georgia Golf Hall of Fame Authority
 Georgia Medical Center Authority

State Employees' Retirement System

State Forestry Commission
 Herty Foundation

Georgia Bureau of Investigation
 Criminal Justice Coordinating Council

Georgia State Financing and Investment Commission

Department of Human Resources
 Brain and Spinal Injury Trust Fund
 Children's Trust Fund Commission
 Child Fatality Review Panel
 Governor's Council on Developmental Disabilities
 Family Connection Partnership
 Council on Aging

Department of Juvenile Justice

Children and Youth Coordinating Council

Merit System of Personnel Administration

Department of Natural Resources
 Lake Lanier Islands Development Authority
 Stone Mountain Memorial Association
 Jekyll Island State Park Authority
 Georgia Agricultural Exposition Authority
 Georgia Agrirama Development Authority
 Georgia Environmental Training and Education Authority
 Southwest Georgia Railroad Excursion Authority
 Oconee River Greenway Authority
 Georgia State Games Commission
 Civil War Commission

State Board of Pardons and Paroles

Department of Public Safety
 Georgia Police Academy
 Governor's Office of Highway Safety
 Georgia Fire Academy
 Georgia Peace Officer Standards and Training Council
 Georgia Firefighter Standards and Training Council
 Georgia Public Safety Training Center

Regents, University System of Georgia

Georgia Public Telecommunications Commission

Department of Revenue

State Properties Commission

State Soil and Water Conservation Commission

Georgia Student Finance Commission

Nonpublic Post Secondary Education Commission

Teachers' Retirement System of Georgia

Department of Technical and Adult Education

Department of Transportation

Georgia Rail Passenger Authority

Department of Veterans Services

State Board of Workers' Compensation

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FY 2007

FINANCIAL SUMMARIES

STATEMENT OF FINANCIAL CONDITION

| | June 30, 2004 | June 30, 2005 |
|---|----------------------------|----------------------------|
| ASSETS: | | |
| Cash and Cash Equivalents | \$5,459,809,125.69 | \$6,907,323,888.50 |
| Investments | 5,241,482,856.25 | 3,534,101,185.62 |
| Accounts Receivable State Appropriation | 51,841,272.86 | 157,336,595.48 |
| Other Assets | 979,374.10 | |
| | \$10,754,112,628.90 | \$10,598,761,669.60 |
| LIABILITIES AND FUND EQUITY: | | |
| Liabilities: | | |
| Undrawn Appropriation Allotments | \$1,870,572,232.30 | \$2,035,533,079.83 |
| Undistributed Sales Tax | 76,200,000.00 | 102,900,000.00 |
| Unclaimed Bonds and Interest | 638,557.50 | 588,657.50 |
| Cash Overdraft | 593,056.77 | |
| Deferred Revenue | | 391,418.81 |
| Funds Held for Others | 7,741,487,786.19 | 7,015,099,071.72 |
| | \$9,689,491,632.76 | \$9,154,512,227.86 |
| Fund Equity: | | |
| Fund Balances | | |
| Reserved: | | |
| Appropriation to Department of Transportation | \$45,333,051.01 | \$60,940,019.39 |
| Midyear Adjustment Reserve | 145,846,447.42 | 158,139,967.00 |
| Revenue Shortfall Reserve | 51,577,479.30 | 256,664,658.44 |
| Debt Service | 2,498,172.19 | |
| Federal Financial Assistance | | |
| Lottery for Education: | | |
| Restricted | 263,914,457.20 | 294,355,452.95 |
| Unrestricted | 295,449,567.30 | 318,523,765.20 |
| Old State Debt | 26,980.00 | 26,980.00 |
| Tobacco Settlement Funds | 168,261,286.72 | 173,223,902.07 |
| Guaranteed Revenue Debt Common Reserve Fund | 71,831,065.00 | 71,830,871.25 |
| For Unissued Debt | 18,912,320.00 | 106,447,297.00 |
| | \$1,063,650,826.14 | \$1,440,152,913.30 |
| Unreserved: | | |
| Undesignated Surplus | 970,170.00 | 4,096,528.44 |
| | \$1,064,620,996.14 | \$1,444,249,441.74 |
| TOTAL LIABILITIES AND FUND EQUITY | \$10,754,112,628.90 | \$10,598,761,669.60 |

STATE FUNDS SURPLUS BY DEPARTMENT

| Departments/Agencies | FY 2004 | FY 2005 |
|---|-------------------------|------------------------|
| General Assembly | \$2,308,996.22 | 2,018,644.72 |
| Audits and Accounts, Department of | 753,313.70 | 695,104.15 |
| Judicial Branch | 55,856.61 | 3,210,799.18 |
| Administrative Services, Department of | 2,124,513.11 | 4,733,505.43 |
| Agriculture, Department of | 64,586.83 | 66,806.59 |
| Banking and Finance, Department of | 244,883.11 | 28,055.37 |
| Community Affairs, Department of | 1,507,592.48 | 1,126,234.33 |
| Community Health, Department of | 3,384,066.59 | 3,177,284.52 |
| Corrections, Department of | 3,938,777.13 | 593,831.26 |
| Defense, Department of | 11,777.39 | 2,965.04 |
| Driver Services, Department of | 2,807.13 | 80,551.90 |
| Early Care and Learning, Department of | 27,985.37 | 181.82 |
| Economic Development, Department of | 386,021.52 | 598,510.02 |
| Education, State Board of | 5,268,576.01 | 2,945,262.57 |
| Forestry Commission, State | 46,898.34 | 1,099,365.96 |
| Governor, Office of the | 3,113,829.19 | 3,923,500.55 |
| Human Resources, Department of | 55,976,167.00 | 659,733.22 |
| Insurance, Office of Commissioner of | 403,375.13 | 347,829.50 |
| Investigation, Georgia Bureau of | 148,558.50 | 393,784.61 |
| Juvenile Justice, Department of | 1,369,906.82 | 1,338,243.79 |
| Labor, Department of | 28,416.55 | 9,724.71 |
| Law, Department of | 228,460.44 | 499,367.70 |
| Natural Resources, Department of | 2,906,080.11 | 582,054.42 |
| Pardons and Paroles, Board of | 16,560.06 | 76,839.98 |
| Public Safety, Department of | 273,739.39 | 580,028.04 |
| Public Service Commission | 127,438.56 | 106,998.40 |
| Regents, University System of Georgia | 13,493,959.02 | 1,746,538.20 |
| Revenue, Department of | 859,845.14 | 665,250.87 |
| Secretary of State, Office of | 1,152,463.62 | 691,371.75 |
| Soil and Water Conservation Commission, State | 3,125.05 | 308.33 |
| Student Finance Commission, Georgia | 14,652.17 | 9,315.10 |
| Teachers' Retirement System | 31,700.45 | 198,646.21 |
| Technical and Adult Education, Department of | 830,117.01 | 468,738.81 |
| Transportation, Department of | 378,991.66 | 625,842.31 |
| Veterans Service, Department of | 321,583.03 | 328,488.79 |
| Workers' Compensation, State Board of | 57,851.62 | 27,283.14 |
| Total Surplus | \$101,863,472.06 | \$33,656,991.29 |
| Audited State Funds Surplus, June 30 | \$101,863,472.06 | 33,656,991.29 |
| Estimated Lottery Funds Surplus, June 30 | 16,917,204.44 | 54,784,386.29 |
| Estimated Tobacco Funds Surplus, June 30 | 1,970,349.28 | 1,565,542.91 |
| TOTAL SURPLUS | \$120,751,025.78 | \$90,006,920.49 |

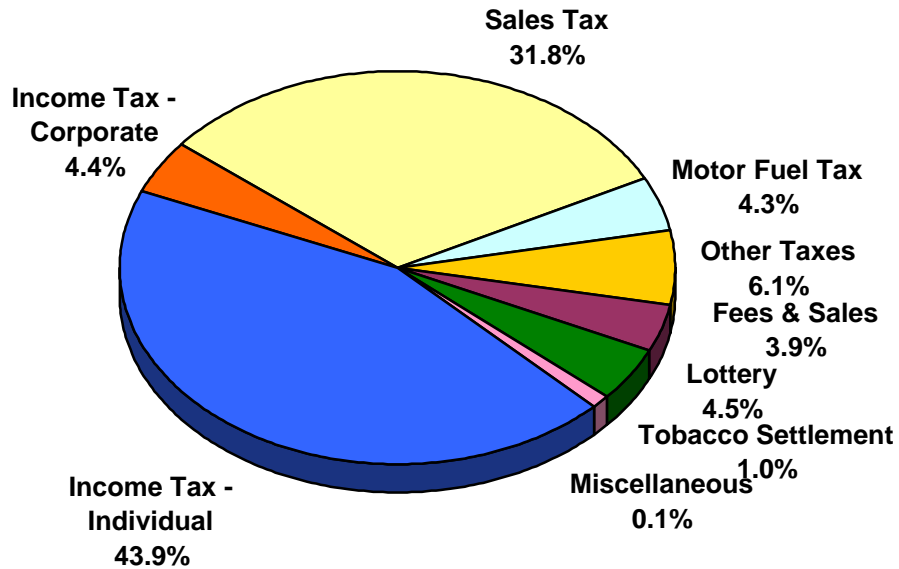
GEORGIA REVENUES: FY 2003 - FY 2005 AND ESTIMATED FY 2006 - FY 2007

| | FY 2003 Reported | FY 2004 Reported | FY 2005 Reported | FY 2006 Estimated | FY 2007 Estimated |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1. General Funds | | | | | |
| Taxes: Revenue | | | | | |
| Income Tax - Individual | \$6,258,703,155 | \$6,826,335,378 | \$7,276,607,819 | \$7,777,460,500 | \$8,193,211,600 |
| Income Tax - Corporate | 511,149,761 | 486,970,358 | 729,640,400 | 793,293,700 | 828,667,200 |
| Sales and Use Tax-General | 4,727,080,926 | 4,860,904,312 | 5,215,447,136 | 5,560,307,300 | 5,926,113,200 |
| Motor Fuel | 680,687,065 | 731,856,759 | 850,940,019 | 850,940,019 | 801,759,400 |
| Tobacco Taxes | 109,264,564 | 227,549,406 | 249,070,470 | 252,906,200 | 257,458,500 |
| Alcoholic Beverages Tax | 143,585,208 | 153,178,078 | 152,459,425 | 156,270,900 | 158,927,500 |
| Estate Tax | 89,792,511 | 65,110,425 | 42,930,113 | 11,414,300 | |
| Property Tax | 58,938,383 | 63,677,784 | 66,489,431 | 70,475,200 | 76,113,200 |
| Taxes: Other | | | | | |
| Insurance Premium Tax | 323,360,835 | 317,462,533 | 331,612,139 | 339,902,400 | 348,400,000 |
| Motor Vehicle License Tax | 257,973,503 | 262,806,813 | 285,353,902 | 291,061,000 | 296,300,100 |
| Total Taxes | <u>\$13,160,535,912</u> | <u>\$13,995,851,846</u> | <u>\$15,200,550,854</u> | <u>\$16,104,031,519</u> | <u>\$16,886,950,700</u> |
| Interest, Fees and Sales - Department of Revenue | \$59,961,777 | \$118,230,877 | \$136,878,478 | \$84,000,000 | \$100,000,000 |
| Interest, Fees and Sales - Treasury and Fiscal Services | | | | | |
| Interest on Deposits | \$107,262,051 | \$37,925,956 | \$9,263,191 | \$14,308,000 | \$17,123,609 |
| Other Fees and Sales | 10,595,004 | 2,747,101 | 7,600,614 | 8,470,949 | 7,876,391 |
| Interest Fees and Sales - Other | | | | | |
| Regulatory Fees and Sales | | | | | |
| Driver Services | \$49,066,014 | \$47,478,666 | 50,403,175 | \$53,000,000 | \$55,756,218 |
| Natural Resources | 43,816,036 | 48,449,865 | 47,452,336 | 46,000,000 | 46,000,000 |
| Secretary of State | 40,621,017 | 56,159,555 | 53,524,647 | 51,500,000 | 52,000,000 |
| Labor Department | 27,106,919 | 27,381,739 | 31,444,019 | 29,000,000 | 29,000,000 |
| Human Resources | 22,733,176 | 20,828,829 | 17,637,660 | 19,600,000 | 19,600,000 |
| Banking and Finance | 18,222,470 | 20,702,647 | 20,682,946 | 21,000,000 | 21,000,000 |
| Corrections | 14,255,792 | 13,798,294 | 14,546,662 | 14,100,000 | 14,100,000 |
| Workers' Compensation | 13,509,711 | 17,441,124 | 13,700,314 | 14,900,000 | 15,652,812 |
| Public Service Commission | 9,511,463 | 3,679,613 | 3,179,376 | 2,500,000 | 2,500,000 |
| Nursing Home Provider Fees | | 96,231,538 | 101,430,308 | 99,287,176 | 99,287,176 |
| Care Management Organization Fees | | | | 21,524,195 | 145,500,635 |
| Indigent Defense Fees | | | 27,832,122 | 42,241,266 | 27,832,122 |
| Peace Officers' and Prosecutors' Training Funds | 22,345,797 | 22,755,180 | 26,316,514 | 24,000,000 | 24,800,000 |
| All Other Departments | 25,303,518 | 54,981,911 | 51,553,451 | 47,653,219 | 47,469,811 |
| Total Regulatory Fees and Sales | <u>\$464,310,745</u> | <u>\$588,792,895</u> | <u>\$613,445,813</u> | <u>\$593,084,805</u> | <u>\$725,498,774</u> |
| 2. Total General Funds | <u>\$13,624,846,657</u> | <u>\$14,584,644,741</u> | <u>\$15,813,996,667</u> | <u>\$16,697,116,324</u> | <u>\$17,612,449,474</u> |
| 3. Lottery Funds | \$757,468,259 | \$787,354,547 | \$813,490,096 | \$811,629,758 | \$841,554,506 |
| 4. Indigent Care Trust Funds | 172,361,389 | | | | |
| 5. Tobacco Settlement Funds | 182,864,915 | 155,986,212 | 159,362,266 | 156,626,752 | 177,518,387 |
| 6. Brain and Spinal Injury Trust Fund | | 1,625,000 | 1,689,400 | 3,000,000 | 3,007,691 |
| 7. Other | 871 | 8,751 | (612) | | |
| a. Payments from Georgia Ports Authority | | | | 24,034,000 | 20,034,000 |
| 8. HAVA (Help America Vote Act) | 4,740,448 | | | | |
| 9. Job and Growth Tax Relief | 139,191,036 | 139,191,036 | | | |
| 10. Mid-year Adjustment Reserve | | | | 158,139,967 | |
| TOTAL REVENUES AVAILABLE | <u>\$14,881,473,574</u> | <u>\$15,668,810,287</u> | <u>\$16,788,537,817</u> | <u>\$17,850,546,801</u> | <u>\$18,654,564,058</u> |

GEORGIA ESTIMATED REVENUES FY 2007

FY 2007 Estimated Revenues

Total: \$18,654,564,058



EXPENDITURES AND APPROPRIATIONS STATE FUNDS

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Departments/Agencies | FY 2004 Expenditures | FY 2005 Expenditures | FY 2006 Current Budget | FY 2007 Recommendations |
|---|-------------------------|-------------------------|---------------------------|----------------------------|
| General Assembly | \$30,273,594 | \$29,296,512 | \$37,086,061 | \$36,224,155 |
| Audits and Accounts, Department of | \$28,419,231 | \$28,193,466 | 30,095,144 | 31,927,549 |
| Judicial Branch | 146,690,834 | | 177,088,962 | 179,762,372 |
| Accounting Office, State | | | 1,723,889 | 6,802,841 |
| Administrative Services, Department of | 36,699,180 | 37,750,177 | 27,465,256 | 23,216,619 |
| Agriculture, Department of | 41,169,703 | 39,818,987 | 40,871,168 | 42,815,078 |
| Banking and Finance, Department of | 10,218,590 | 10,163,665 | 10,976,353 | 11,581,920 |
| Community Affairs, Department of | 92,736,964 | 75,369,392 | 80,217,219 | 97,885,145 |
| Community Health, Department of | 2,011,823,963 | 2,242,044,171 | 2,259,945,634 | 2,388,864,892 |
| Corrections, Department of | 921,868,385 | 913,077,531 | 927,228,065 | 997,005,543 |
| Defense, Department of | 7,884,098 | 7,958,190 | 8,359,405 | 8,789,464 |
| Driver Services, Department of* | 78,678,802 | 77,291,620 | 47,163,866 | 52,631,393 |
| Early Care and Learning, Department of | 263,220,959 | 279,423,076 | 294,111,979 | 306,009,646 |
| Economic Development, Department of | 36,436,914 | 25,402,217 | 31,501,663 | 33,480,784 |
| Education, State Board of | 5,916,981,482 | 6,056,487,200 | 6,439,678,120 | 7,217,901,070 |
| Employees' Retirement System | 617,000 | 2,311,347 | 5,112,647 | 5,227,095 |
| Forestry Commission, State | 33,211,483 | 31,564,819 | 31,932,273 | 35,128,545 |
| Governor, Office of the | 32,288,402 | 41,197,880 | 39,517,470 | 42,028,724 |
| Human Resources, Department of | 1,432,310,890 | 1,378,502,766 | 1,372,277,952 | 1,413,695,132 |
| Insurance, Office of Commissioner of | 15,954,891 | 15,837,851 | 16,814,408 | 17,686,741 |
| Investigation, Georgia Bureau of | 59,509,466 | 60,595,881 | 62,410,151 | 65,891,012 |
| Juvenile Justice, Department of | 270,635,317 | 285,361,192 | 284,564,467 | 296,512,793 |
| Labor, Department of | 52,681,121 | 48,329,824 | 51,010,633 | 51,393,696 |
| Law, Department of | 14,036,473 | 13,310,857 | 13,659,592 | 14,670,539 |
| Natural Resources, Department of | 91,995,918 | 91,362,580 | 98,464,233 | 109,684,665 |
| Pardons and Paroles, State Board of | 46,625,405 | 44,217,112 | 47,627,215 | 49,847,069 |
| Properties Commission, State | | | 558,553 | |
| Public Safety, Department of | 89,535,140 | 86,147,406 | 97,877,059 | 102,255,376 |
| Public Service Commission | 9,041,114 | 8,678,625 | 8,405,867 | 8,847,095 |
| Regents, Board of | 1,630,030,776 | 1,676,317,469 | 1,812,797,698 | 1,929,940,929 |
| Revenue, Department of | 466,882,298 | 503,163,580 | 538,653,629 | 550,521,283 |
| Secretary of State | 34,288,022 | 35,239,227 | 34,038,145 | 36,364,162 |
| Soil and Water Conservation Commission, State | 3,174,890 | 2,970,004 | 3,706,196 | 3,097,477 |
| Student Finance Commission, Georgia | 470,454,459 | 484,045,530 | 559,488,637 | 577,767,284 |
| Teachers' Retirement System | 2,173,046 | 1,939,354 | 1,980,000 | 3,903,200 |
| Technical and Adult Education, Department of | 300,344,227 | 297,052,062 | 320,577,801 | 336,351,064 |
| Transportation, Department of | 674,016,210 | 712,858,292 | 619,016,368 | 663,851,462 |
| Veterans Service, Department of | 21,810,110 | 20,916,954 | 21,340,355 | 22,545,033 |
| Workers' Compensation, State Board of | 16,646,671 | 15,008,387 | 15,697,280 | 16,100,599 |
| General Obligation Debt Sinking Fund | 675,479,942 | 643,887,134 | 935,015,180 | 866,354,612 |
| TOTAL STATE FUNDS | \$16,068,266,666 | \$16,323,092,337 | \$17,406,056,593 | \$18,654,564,058 |

* The Department of Driver Services was established on July 1, 2005 per HB 501 of the 2005 General Assembly. Prior year expenditures are for the Department of Motor Vehicle Services, and include functions that were transferred to the Department of Revenue, Department of Public Safety, Department of Transportation, and Public Service Commission.

EXPENDITURES AND APPROPRIATIONS STATE FUNDS - GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Departments/Agencies | FY 2004 Expenditures | FY 2005 Expenditures | FY 2006 Current Budget | FY 2007 Recommendations |
|---|-------------------------|-------------------------|---------------------------|----------------------------|
| Educated Georgia | | | | |
| Early Care and Learning, Department of | \$263,220,959 | \$279,423,076 | \$294,111,979 | \$306,009,646 |
| Education, State Board of | 5,916,981,482 | 6,056,487,200 | 6,439,678,120 | 7,217,901,070 |
| Regents, Board of | 1,630,030,776 | 1,676,317,469 | 1,812,797,698 | 1,929,940,929 |
| Student Finance Commission, Georgia | 470,454,459 | 484,045,530 | 559,488,637 | 577,767,284 |
| Teachers' Retirement System | 2,173,046 | 1,939,354 | 1,980,000 | 3,903,200 |
| Technical and Adult Education, Department of | 300,344,227 | 297,052,062 | 320,577,801 | 336,351,064 |
| Total | <u>\$8,583,204,949</u> | <u>\$8,795,264,691</u> | <u>\$9,428,634,235</u> | <u>\$10,371,873,193</u> |
| Healthy Georgia | | | | |
| Community Health, Department of | \$2,011,823,963 | \$2,242,044,171 | \$2,259,945,634 | \$2,388,864,892 |
| Human Resources, Department of | 1,432,310,890 | 1,378,502,766 | 1,372,277,952 | 1,413,695,132 |
| Veterans Service, Department of | 21,810,110 | 20,916,954 | 21,340,355 | 22,545,033 |
| Total | <u>\$3,465,944,963</u> | <u>\$3,641,463,891</u> | <u>\$3,653,563,941</u> | <u>\$3,825,105,057</u> |
| Safe Georgia | | | | |
| Corrections, Department of | \$921,868,385 | \$913,077,531 | \$927,228,065 | \$997,005,543 |
| Defense, Department of | 7,884,098 | 7,958,190 | 8,359,405 | 8,789,464 |
| Investigation, Georgia Bureau of | 59,509,466 | 60,595,881 | 62,410,151 | 65,891,012 |
| Juvenile Justice, Department of | 270,635,317 | 285,361,192 | 284,564,467 | 296,512,793 |
| Pardons and Paroles, State Board of | 46,625,405 | 44,217,112 | 47,627,215 | 49,847,069 |
| Public Safety, Department of | 89,535,140 | 86,147,406 | 97,877,059 | 102,255,376 |
| Total | <u>\$1,396,057,811</u> | <u>\$1,397,357,312</u> | <u>\$1,428,066,362</u> | <u>\$1,520,301,257</u> |
| Best Managed State | | | | |
| General Assembly | \$30,273,594 | \$29,296,512 | \$37,086,061 | \$36,224,155 |
| Audits and Accounts, Department of | 28,419,231 | 28,193,466 | 30,095,144 | 31,927,549 |
| Judicial Branch | 146,690,834 | | 177,088,962 | 179,762,372 |
| Accounting Office, State | | | 1,723,889 | 6,802,841 |
| Administrative Services, Department of | 36,699,180 | 37,750,177 | 27,465,256 | 23,216,619 |
| Banking and Finance, Department of | 10,218,590 | 10,163,665 | 10,976,353 | 11,581,920 |
| Driver Services, Department of* | 78,678,802 | 77,291,620 | 47,163,866 | 52,631,393 |
| Employees' Retirement System | 617,000 | 2,311,347 | 5,112,647 | 5,227,095 |
| Forestry Commission, State | 33,211,483 | 31,564,819 | 31,932,273 | 35,128,545 |
| Governor, Office of the | 32,288,402 | 41,197,880 | 39,517,470 | 42,028,724 |
| Insurance, Office of Commissioner of | 15,954,891 | 15,837,851 | 16,814,408 | 17,686,741 |
| Labor, Department of | 52,681,121 | 48,329,824 | 51,010,633 | 51,393,696 |
| Law, Department of | 14,036,473 | 13,310,857 | 13,659,592 | 14,670,539 |
| Natural Resources, Department of | 91,995,918 | 91,362,580 | 98,464,233 | 109,684,665 |
| Properties Commission, State | | | 558,553 | |
| Public Service Commission | 9,041,114 | 8,678,625 | 8,405,867 | 8,847,095 |
| Revenue, Department of | 466,882,298 | 503,163,580 | 538,653,629 | 550,521,283 |
| Secretary of State | 34,288,022 | 35,239,227 | 34,038,145 | 36,364,162 |
| Soil and Water Conservation Commission, State | 3,174,890 | 2,970,004 | 3,706,196 | 3,097,477 |
| Workers' Compensation, State Board of | 16,646,671 | 15,008,387 | 15,697,280 | 16,100,599 |
| Total | <u>\$1,103,219,210</u> | <u>\$991,670,421</u> | <u>\$1,189,170,457</u> | <u>\$1,232,897,470</u> |

[Continued on next page]

EXPENDITURES AND APPROPRIATIONS STATE FUNDS - GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

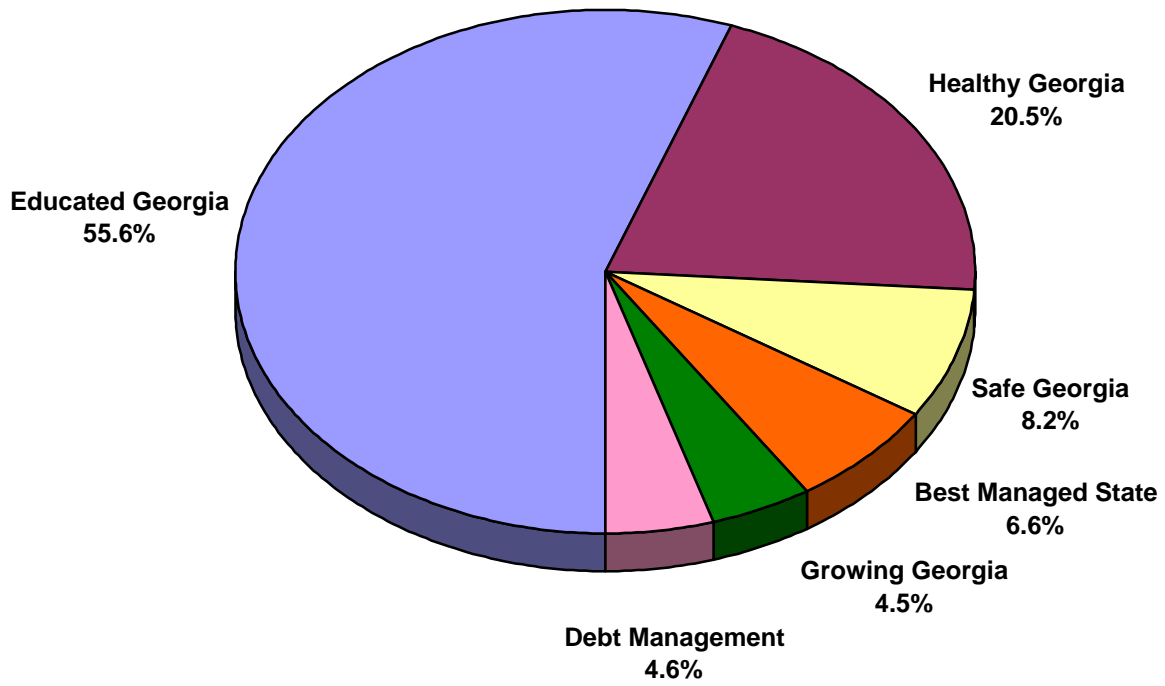
| Departments/Agencies | FY 2004 Expenditures | FY 2005 Expenditures | FY 2006 Current Budget | FY 2007 Recommendations |
|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Growing Georgia | | | | |
| Agriculture, Department of | \$41,169,703 | \$39,818,987 | \$40,871,168 | \$42,815,078 |
| Community Affairs, Department of | 92,736,964 | 75,369,392 | 80,217,219 | 97,885,145 |
| Economic Development, Department of | 36,436,914 | 25,402,217 | 31,501,663 | 33,480,784 |
| Transportation, Department of | 674,016,210 | 712,858,292 | 619,016,368 | 663,851,462 |
| Total | <u>\$844,359,791</u> | <u>\$853,448,888</u> | <u>\$771,606,418</u> | <u>\$838,032,469</u> |
| Debt Management | | | | |
| General Obligation Debt Sinking Fund | \$675,479,942 | \$643,887,134 | \$935,015,180 | \$866,354,612 |
| TOTAL STATE FUNDS | <u>\$16,068,266,666</u> | <u>\$16,323,092,337</u> | <u>\$17,406,056,593</u> | <u>\$18,654,564,058</u> |

* The Department of Driver Services was established on July 1, 2005 per HB 501 of the 2005 General Assembly. Prior year expenditures are for the Department of Motor Vehicle Services, and include functions that were transferred to the Department of Revenue, Department of Public Safety, Department of Transportation, and Public Service Commission.

**GOVERNOR'S RECOMMENDATIONS
FY 2007 APPROPRIATIONS BY POLICY AREA**

FY 2007 Appropriations

Total: \$18,654,564,058



APPROPRIATIONS TOTAL FUNDS

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Departments/Agencies | FY 2006 Current Budget | FY 2007 Governor's Recommendations | | | |
|---|-------------------------|------------------------------------|------------------------|------------------------|-------------------------|
| | | State Funds | Federal Funds | Other Funds | Total Funds |
| General Assembly | \$37,086,061 | \$36,224,155 | | | \$36,224,155 |
| Audits and Accounts, Department of | 30,095,144 | 31,927,549 | | | 31,927,549 |
| Judicial Branch | 180,918,840 | 179,762,372 | | \$3,829,878 | 183,592,250 |
| Accounting Office, State | 10,579,683 | 6,802,841 | | 8,973,456 | 15,776,297 |
| Administrative Services, Department of | 173,735,825 | 23,216,619 | | 146,423,805 | 169,640,424 |
| Agriculture, Department of | 49,605,178 | 42,815,078 | \$6,849,321 | 1,884,689 | 51,549,088 |
| Banking and Finance, Department of | 10,976,353 | 11,581,920 | | | 11,581,920 |
| Community Affairs, Department of | 184,876,986 | 97,885,145 | 93,566,048 | 11,095,854 | 202,547,047 |
| Community Health, Department of | 9,391,768,325 | 2,388,864,892 | 4,975,514,539 | 3,090,913,311 | 10,455,292,742 |
| Corrections, Department of | 958,801,358 | 997,005,543 | 6,448,312 | 20,603,800 | 1,024,057,655 |
| Defense, Department of | 47,012,410 | 8,789,464 | 36,679,340 | 2,639,224 | 48,108,028 |
| Driver Services, Department of | 47,878,941 | 52,631,393 | | 721,456 | 53,352,849 |
| Early Care and Learning, Department of | 404,741,038 | 306,009,646 | 116,492,824 | 155,000 | 422,657,470 |
| Economic Development, Department of | 32,288,946 | 33,480,784 | | 20,244 | 33,501,028 |
| Education, State Board of | 7,595,084,428 | 7,217,901,070 | 1,113,015,001 | 12,391,307 | 8,343,307,378 |
| Employees' Retirement System | 28,226,255 | 5,227,095 | | 21,069,563 | 26,296,658 |
| Forestry Commission, State | 38,202,402 | 35,128,545 | 822,000 | 4,978,638 | 40,929,183 |
| Governor, Office of the | 46,011,242 | 42,028,724 | 5,542,383 | 951,389 | 48,522,496 |
| Human Resources, Department of | 2,799,447,161 | 1,413,695,132 | 1,295,553,454 | 199,159,322 | 2,908,407,908 |
| Insurance, Office of Commissioner of | 17,850,908 | 17,686,741 | 954,555 | 97,232 | 18,738,528 |
| Investigation, Georgia Bureau of | 96,965,076 | 65,891,012 | 29,883,487 | 4,887,711 | 100,662,210 |
| Juvenile Justice, Department of | 305,828,494 | 296,512,793 | 2,893,133 | 18,419,933 | 317,825,859 |
| Labor, Department of | 355,329,356 | 51,393,696 | 261,077,595 | 43,241,128 | 355,712,419 |
| Law, Department of | 50,715,175 | 14,670,539 | | 21,826,240 | 36,496,779 |
| Merit System of Personnel Administration | 13,610,169 | | | 14,520,114 | 14,520,114 |
| Natural Resources, Department of | 194,199,329 | 109,684,665 | 10,070,605 | 25,158,798 | 144,914,068 |
| Pardons and Paroles, State Board of | 47,727,215 | 49,847,069 | | | 49,847,069 |
| Properties Commission, State | 558,553 | | | 5,876,661 | 5,876,661 |
| Public Safety, Department of | 115,588,400 | 102,255,376 | 7,028,935 | 10,682,406 | 119,966,717 |
| Public Service Commission | 8,679,178 | 8,847,095 | 273,311 | | 9,120,406 |
| Regents, Board of | 4,562,782,660 | 1,929,940,929 | | 2,749,984,962 | 4,679,925,891 |
| Revenue, Department of | 545,508,977 | 550,521,283 | | 7,005,348 | 557,526,631 |
| Secretary of State | 35,531,729 | 36,364,162 | | 1,498,265 | 37,862,427 |
| Soil and Water Conservation Commission, State | 12,817,114 | 3,097,477 | 1,295,526 | 7,050,217 | 11,443,220 |
| Student Finance Commission, Georgia | 560,009,290 | 577,767,284 | 520,653 | 6,773,600 | 585,061,537 |
| Teachers' Retirement System | 24,742,451 | 3,903,200 | | 22,039,131 | 25,942,331 |
| Technical and Adult Education, Department of | 396,324,918 | 336,351,064 | 19,814,459 | 55,932,658 | 412,098,181 |
| Transportation, Department of | 1,769,049,341 | 663,851,462 | 1,176,511,379 | 9,457,265 | 1,849,820,106 |
| Veterans Service, Department of | 32,324,506 | 22,545,033 | 10,989,011 | | 33,534,044 |
| Workers' Compensation, State Board of | 15,937,280 | 16,100,599 | | 120,000 | 16,220,599 |
| General Obligation Debt Sinking Fund | 935,015,180 | 866,354,612 | | | 866,354,612 |
| TOTAL APPROPRIATIONS | \$32,164,431,875 | \$18,654,564,058 | \$9,171,795,871 | \$6,530,382,605 | \$34,356,742,534 |

APPROPRIATIONS

TOTAL FUNDS - GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Departments/Agencies | FY 2006 Current Budget | FY 2007 Governor's Recommendations | | | |
|---|-------------------------|------------------------------------|------------------------|------------------------|-------------------------|
| | | State Funds | Federal Funds | Other Funds | Total Funds |
| Educated Georgia | | | | | |
| Early Care and Learning, Department of | \$404,741,038 | \$306,009,646 | \$116,492,824 | \$155,000 | \$422,657,470 |
| Education, State Board of | 7,595,084,428 | 7,217,901,070 | 1,113,015,001 | 12,391,307 | 8,343,307,378 |
| Regents, Board of | 4,562,782,660 | 1,929,940,929 | | 2,749,984,962 | 4,679,925,891 |
| Student Finance Commission, Georgia | 560,009,290 | 577,767,284 | 520,653 | 6,773,600 | 585,061,537 |
| Teachers' Retirement System | 24,742,451 | 3,903,200 | | 22,039,131 | 25,942,331 |
| Technical and Adult Education, Department of | 396,324,918 | 336,351,064 | 19,814,459 | 55,932,658 | 412,098,181 |
| Total | \$13,543,684,785 | \$10,371,873,193 | \$1,249,842,937 | \$2,847,276,658 | \$14,468,992,788 |
| Healthy Georgia | | | | | |
| Community Health, Department of | \$9,391,768,325 | \$2,388,864,892 | \$4,975,514,539 | \$3,090,913,311 | \$10,455,292,742 |
| Human Resources, Department of | 2,799,447,161 | 1,413,695,132 | 1,295,553,454 | 199,159,322 | 2,908,407,908 |
| Veterans Service, Department of | 32,324,506 | 22,545,033 | 10,989,011 | | 33,534,044 |
| Total | \$12,223,539,992 | \$3,825,105,057 | \$6,282,057,004 | \$3,290,072,633 | \$13,397,234,694 |
| Safe Georgia | | | | | |
| Corrections, Department of | \$958,801,358 | \$997,005,543 | \$6,448,312 | \$20,603,800 | \$1,024,057,655 |
| Defense, Department of | 47,012,410 | 8,789,464 | 36,679,340 | 2,639,224 | 48,108,028 |
| Investigation, Georgia Bureau of | 96,965,076 | 65,891,012 | 29,883,487 | 4,887,711 | 100,662,210 |
| Juvenile Justice, Department of | 305,828,494 | 296,512,793 | 2,893,133 | 18,419,933 | 317,825,859 |
| Pardons and Paroles, State Board of | 47,727,215 | 49,847,069 | | | 49,847,069 |
| Public Safety, Department of | 115,588,400 | 102,255,376 | 7,028,935 | 10,682,406 | 119,966,717 |
| Total | \$1,571,922,953 | \$1,520,301,257 | \$82,933,207 | \$57,233,074 | \$1,660,467,538 |
| Best Managed State | | | | | |
| General Assembly | \$37,086,061 | \$36,224,155 | | | \$36,224,155 |
| Audits and Accounts, Department of | 30,095,144 | 31,927,549 | | | 31,927,549 |
| Judicial Branch | 180,918,840 | 179,762,372 | | \$3,829,878 | 183,592,250 |
| Accounting Office, State | 10,579,683 | 6,802,841 | | 8,973,456 | 15,776,297 |
| Administrative Services, Department of | 173,735,825 | 23,216,619 | | 146,423,805 | 169,640,424 |
| Banking and Finance, Department of | 10,976,353 | 11,581,920 | | | 11,581,920 |
| Driver Services, Department of | 47,878,941 | 52,631,393 | | 721,456 | 53,352,849 |
| Employees' Retirement System | 28,226,255 | 5,227,095 | | 21,069,563 | 26,296,658 |
| Forestry Commission, State | 38,202,402 | 35,128,545 | \$822,000 | 4,978,638 | 40,929,183 |
| Governor, Office of the | 46,011,242 | 42,028,724 | 5,542,383 | 951,389 | 48,522,496 |
| Insurance, Office of Commissioner of | 17,850,908 | 17,686,741 | 954,555 | 97,232 | 18,738,528 |
| Labor, Department of | 355,329,356 | 51,393,696 | 261,077,595 | 43,241,128 | 355,712,419 |
| Law, Department of | 50,715,175 | 14,670,539 | | 21,826,240 | 36,496,779 |
| Merit System of Personnel Administration | 13,610,169 | | | 14,520,114 | 14,520,114 |
| Natural Resources, Department of | 194,199,329 | 109,684,665 | 10,070,605 | 25,158,798 | 144,914,068 |
| Properties Commission, State | 558,553 | | | 5,876,661 | 5,876,661 |
| Public Service Commission | 8,679,178 | 8,847,095 | 273,311 | | 9,120,406 |
| Revenue, Department of | 545,508,977 | 550,521,283 | | 7,005,348 | 557,526,631 |
| Secretary of State | 35,531,729 | 36,364,162 | | 1,498,265 | 37,862,427 |
| Soil and Water Conservation Commission, State | 12,817,114 | 3,097,477 | 1,295,526 | 7,050,217 | 11,443,220 |
| Workers' Compensation, State Board of | 15,937,280 | 16,100,599 | | 120,000 | 16,220,599 |
| Total | \$1,854,448,514 | \$1,232,897,470 | \$280,035,975 | \$313,342,188 | \$1,826,275,633 |

[Continued on next page]

APPROPRIATIONS

TOTAL FUNDS - GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Departments/Agencies | FY 2006 Current Budget | FY 2007 Governor's Recommendations | | | |
|--------------------------------------|-------------------------|------------------------------------|------------------------|------------------------|-------------------------|
| | | State Funds | Federal Funds | Other Funds | Total Funds |
| Growing Georgia | | | | | |
| Agriculture, Department of | \$49,605,178 | \$42,815,078 | \$6,849,321 | \$1,884,689 | \$51,549,088 |
| Community Affairs, Department of | 184,876,986 | 97,885,145 | 93,566,048 | 11,095,854 | 202,547,047 |
| Economic Development, Department of | 32,288,946 | 33,480,784 | | 20,244 | 33,501,028 |
| Transportation, Department of | 1,769,049,341 | 663,851,462 | 1,176,511,379 | 9,457,265 | 1,849,820,106 |
| Total | <u>\$2,035,820,451</u> | <u>\$838,032,469</u> | <u>\$1,276,926,748</u> | <u>\$22,458,052</u> | <u>\$2,137,417,269</u> |
| Debt Management | | | | | |
| General Obligation Debt Sinking Fund | <u>\$935,015,180</u> | <u>\$866,354,612</u> | | | <u>\$866,354,612</u> |
| TOTAL APPROPRIATIONS | \$32,164,431,875 | \$18,654,564,058 | \$9,171,795,871 | \$6,530,382,605 | \$34,356,742,534 |

TOTAL DEBT AUTHORIZED BY STATE IN GENERAL OBLIGATION AND REVENUE BONDS

The following table sets forth by purpose the aggregate general obligation debt and guaranteed revenue debt authorized by the General Assembly of the State for the fiscal years ended June 30, 1975 through June 30, 2006. The amounts of such general obligation debt and guaranteed revenue debt actually issued (including the Bonds) and the amounts authorized but unissued have been aggregated for presentation in the third and fourth columns of this table and labeled "State Obligations Issued" and "Unissued Authorized Indebtedness."

| Agency | General Obligation Debt Authorized | Guaranteed Revenue Debt Authorized | State Obligations Issued | Unissued Authorized Indebtedness |
|--|--|--|--------------------------------|--|
| Department of Transportation | \$3,756,355,000 | \$755,245,000 | \$3,687,800,000 | \$823,800,000 |
| School Construction | 3,479,950,000 | | 3,300,695,000 | 179,255,000 |
| University Facilities | 2,870,370,500 | | 2,798,673,000 | 71,697,500 |
| World Congress Center | 609,905,000 | | 609,905,000 | |
| Human Resources Facilities | 266,880,000 | | 266,880,000 | |
| Port Facilities | 576,615,000 | | 514,170,000 | 62,445,000 |
| Correctional Facilities | 743,865,000 | | 740,715,000 | 3,150,000 |
| Public Safety Facilities | 66,745,000 | | 66,745,000 | |
| Georgia Bureau of Investigation | 77,925,000 | | 77,925,000 | |
| Georgia Department of Revenue | 4,325,000 | | 4,325,000 | |
| Department of Labor | 41,405,000 | | 41,405,000 | |
| Department of Natural Resources | 504,560,000 | | 504,560,000 | |
| Technical and Adult Education | 786,914,000 | | 773,427,000 | 13,487,000 |
| Environmental Facilities Authority | 351,000,000 | 97,470,000 | 414,470,000 | 34,000,000 |
| Department of Administrative Services | 57,605,000 | | 57,605,000 | |
| Department of Agriculture | 31,530,000 | | 31,530,000 | |
| Georgia Building Authority | 481,710,000 | | 481,710,000 | |
| Stone Mountain Memorial Assn. | 48,400,000 | | 48,400,000 | |
| Department of Veterans Services | 8,970,000 | | 8,970,000 | |
| Jekyll Island State Park Authority | 28,190,000 | | 28,190,000 | |
| Office of the Secretary of State | 55,050,000 | | 55,050,000 | |
| Department of Defense | 14,825,000 | | 11,020,000 | 3,805,000 |
| Department of Community Affairs | 8,200,000 | | 8,200,000 | |
| Department of Economic Development | 24,265,000 | | 31,865,000 | (7,600,000) |
| Georgia Emergency Management Agency | 200,000 | | 200,000 | |
| State Soil and Water Conservation | 3,840,000 | | 3,840,000 | |
| Department of Juvenile Justice | 210,285,000 | | 207,555,000 | 2,730,000 |
| Georgia Golf Hall of Fame | 6,000,000 | | 6,000,000 | |
| Georgia Forestry Commission | 10,775,000 | | 10,775,000 | |
| Georgia Agricultural Exposition Authority | 14,055,000 | | 14,055,000 | |
| Other | 79,000,000 | | 18,000,000 | 61,000,000 |
| Subtotal | <u>\$15,219,714,500</u> | <u>\$852,715,000</u> | <u>\$14,824,660,000</u> | <u>\$1,247,769,500</u> |
| Net Increase resulting from the 1986B, 1992A, 1993E, GEFA Series 1997, GA 400 Tollway Series 1998, 1998E and 2004C refunding Bond Issues. | <u>\$144,710,000</u> | <u>\$6,925,000</u> | <u>\$151,635,000</u> | |
| TOTAL | \$15,364,424,500 | \$859,640,000 | \$14,976,295,000 | \$1,247,769,500 |

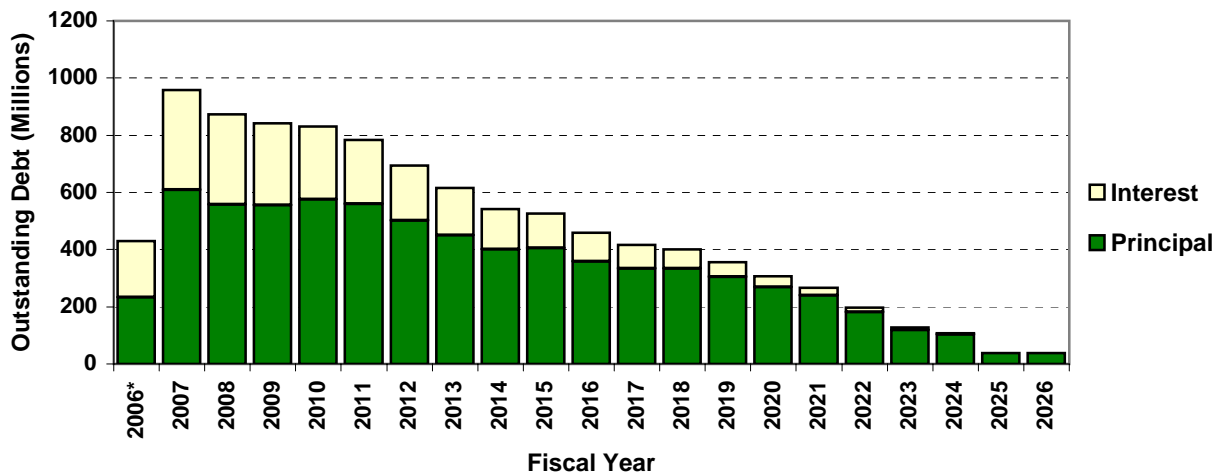
Source: Georgia State Financing and Investment Commission

PRINCIPAL AND INTEREST OWED ON OUTSTANDING BONDS

The following table sets forth the aggregate fiscal year debt service of the State of Georgia on all outstanding general obligation and guaranteed revenue debt, excluding the Bonds, as of November 30, 2005.

| Fiscal Year | General Obligation Debt Principal | Guaranteed Revenue Principal | Total Principal | Total Interest | Total Debt Service |
|--------------|---|------------------------------------|------------------------|------------------------|------------------------|
| 2006* | \$220,085,000 | \$13,215,000 | \$233,300,000 | \$197,256,065 | \$430,556,065 |
| 2007 | 571,165,000 | 37,900,000 | 609,065,000 | 349,499,041 | 958,564,041 |
| 2008 | 517,450,000 | 39,300,000 | 556,750,000 | 316,962,851 | 873,712,851 |
| 2009 | 515,110,000 | 41,145,000 | 556,255,000 | 286,295,184 | 842,550,184 |
| 2010 | 532,195,000 | 43,120,000 | 575,315,000 | 254,917,880 | 830,232,880 |
| 2011 | 516,255,000 | 43,535,000 | 559,790,000 | 222,789,700 | 782,579,700 |
| 2012 | 453,840,000 | 47,675,000 | 501,515,000 | 193,012,093 | 694,527,093 |
| 2013 | 417,880,000 | 32,390,000 | 450,270,000 | 165,892,328 | 616,162,328 |
| 2014 | 365,595,000 | 34,125,000 | 399,720,000 | 142,480,666 | 542,200,666 |
| 2015 | 369,385,000 | 35,945,000 | 405,330,000 | 121,607,870 | 526,937,870 |
| 2016 | 320,120,000 | 37,840,000 | 357,960,000 | 100,868,079 | 458,828,079 |
| 2017 | 293,005,000 | 39,830,000 | 332,835,000 | 83,586,880 | 416,421,880 |
| 2018 | 290,600,000 | 41,925,000 | 332,525,000 | 67,134,319 | 399,659,319 |
| 2019 | 259,865,000 | 44,045,000 | 303,910,000 | 51,689,656 | 355,599,656 |
| 2020 | 222,805,000 | 46,305,000 | 269,110,000 | 37,822,299 | 306,932,299 |
| 2021 | 191,345,000 | 48,675,000 | 240,020,000 | 26,472,388 | 266,492,388 |
| 2022 | 159,785,000 | 21,545,000 | 181,330,000 | 16,121,578 | 197,451,578 |
| 2023 | 95,310,000 | 22,650,000 | 117,960,000 | 8,550,909 | 126,510,909 |
| 2024 | 79,815,000 | 23,810,000 | 103,625,000 | 3,489,669 | 107,114,669 |
| 2025 | 37,780,000 | 0 | 37,780,000 | 796,775 | 38,576,775 |
| 2026 | 38,320,000 | 0 | 38,320,000 | 204,800 | 38,524,800 |
| TOTAL | \$6,467,710,000 | \$694,975,000 | \$7,162,685,000 | \$2,647,451,027 | \$9,810,136,027 |

Source: Georgia State Financing and Investment Commission



* FY 2006 is partial year, as of November 30, 2005

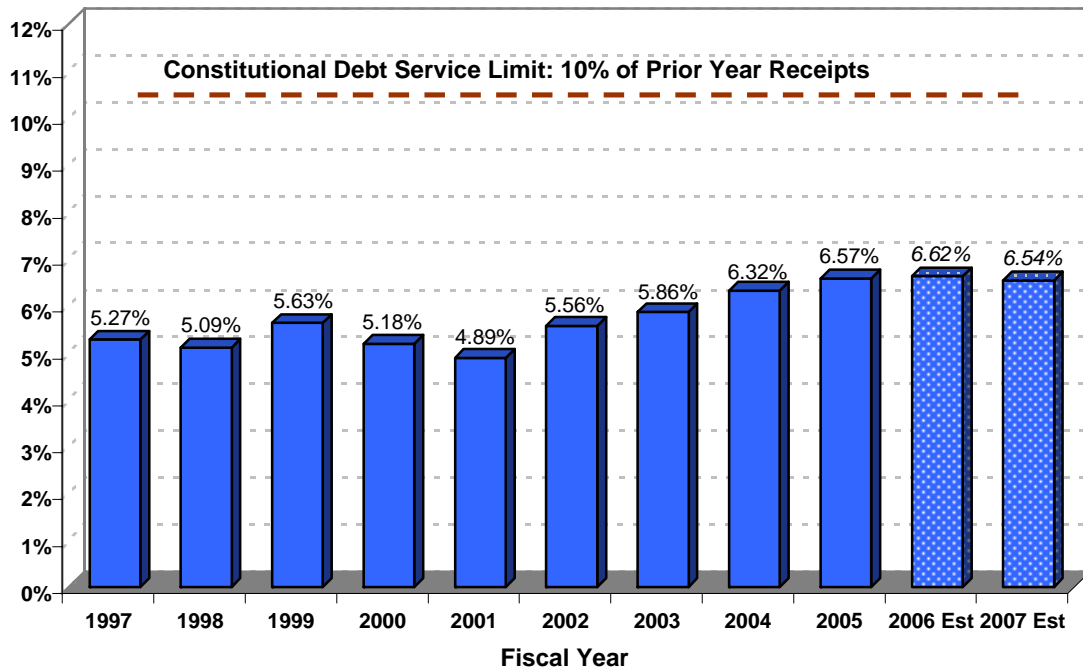
STATE DEBT SERVICE AS PERCENTAGE OF PRIOR YEAR NET TREASURY RECEIPTS

The following sets forth the highest aggregate annual debt service, including recommended debt, as a percentage of the net treasury receipts for the prior fiscal year. Prior to FY 1984 the maximum percentage allowed by the Constitution was 15%.

| Fiscal Year | Highest Annual Debt Service | Prior Year Net Treasury Receipts | Percentage |
|-------------|--------------------------------|-------------------------------------|------------|
| 2007 (Est.) | \$1,166,579,261 | \$17,850,546,801 | 6.5% |
| 2006 (Est.) | 1,111,575,851 | 16,788,538,429 | 6.6% |
| 2005 | 1,020,462,428 | 15,529,610,501 | 6.6% |
| 2004 | 931,047,735 | 14,737,541,220 | 6.3% |
| 2003 | 885,771,950 | 15,126,479,334 | 5.9% |
| 2002 | 877,399,865 | 15,768,578,047 | 5.6% |
| 2001 | 730,856,404 | 14,959,980,702 | 4.9% |
| 2000 | 700,994,815 | 13,539,916,503 | 5.2% |
| 1999 | 702,079,328 | 12,478,602,944 | 5.6% |
| 1998 | 606,591,877 | 11,905,829,999 | 5.1% |
| 1997 | 588,641,451 | 11,166,835,592 | 5.3% |

Source: Debt Service from Georgia State Financing and Investment Commission

**State Debt Service as Percentage of
Prior Year Net Treasury Receipts**



LOTTERY FUND EXPENDITURES

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Description | FY 2006 Current Budget | FY 2007 Governor's Recommendations |
|--|---------------------------|--|
| Department of Early Care and Learning | | |
| Pre-Kindergarten | \$290,081,308 | \$301,953,447 |
| Subtotal | \$290,081,308 | \$301,953,447 |
| Georgia Student Finance Commission | | |
| HOPE Scholarships - Public Schools | \$326,011,143 | \$344,500,917 |
| HOPE Scholarships - Private Colleges | 45,751,850 | 45,651,732 |
| HOPE Grant | 122,784,173 | 122,784,173 |
| Accel | 6,000,000 | 6,000,000 |
| HOPE GED | 2,840,694 | 2,461,614 |
| Georgia Military College Scholarship | 770,477 | 770,477 |
| Public Safety Memorial Grant | 255,850 | 255,850 |
| Teacher Scholarships | 5,332,698 | 5,332,698 |
| PROMISE Scholarship | 5,855,278 | 5,855,278 |
| PROMISE II Scholarship | 74,590 | |
| Engineer Scholarships | 760,000 | 760,000 |
| HOPE Administration | 5,111,697 | 5,228,320 |
| Subtotal | \$521,548,450 | \$539,601,059 |
| TOTAL LOTTERY FOR EDUCATION | \$811,629,758 | \$841,554,506 |

LOTTERY RESERVES

Georgia's lottery laws require the establishment of two reserves that are funded as a percentage of lottery collections to avoid disruption in programs should collections fall short of annual appropriations.

The Shortfall Reserve Subaccount was included in the original law and required that an amount be set aside each year equal to 10% of the prior year's total lottery proceeds deposited into the Lottery for Education Account. If net funds in the account are not sufficient to meet appropriations, funds shall be drawn from the reserve to make up the shortage.

Funds have been set aside for the Shortfall Reserve (10% reserve) each year and totaled \$78,269,200 on June 30, 2005.

The lottery law was amended during the 1994 legislative session to require that a second reserve account within the Lottery for Education Account be established called the Scholarship Shortfall Reserve Subaccount.

The scholarship reserve law requires a reserve equal to 50% of the amount of scholarship proceeds disbursed during the preceding year be maintained. The subaccount balance on June 30, 2005 totaled \$216,086,253.

The two lottery reserves as of June 30, 2005 total as follows:

| | |
|--|----------------------|
| Shortfall Reserve Subaccount | \$78,269,200 |
| Scholarship Shortfall Reserve Subaccount | 216,086,253 |
| TOTAL LOTTERY RESERVES | \$294,355,453 |

TOBACCO SETTLEMENT FUND EXPENDITURES

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Description | | FY2006 Current Budget | FY 2007 Governor's Recommendation |
|---|---------|-----------------------------|---|
| RURAL ECONOMIC DEVELOPMENT | | | |
| OneGeorgia Authority | DCA | \$47,123,333 | \$47,123,333 |
| HEALTHCARE | | | |
| Direct Healthcare | | | |
| Medicaid (including expansion for pregnant women and infants) | DCH | \$13,999,451 | \$13,999,451 |
| PeachCare for Kids Expansion for Children | DCH | 4,970,705 | 4,970,705 |
| Independent Care Waiver Program (fund with state general funds) | DCH | 2,143,025 | |
| Critical Access Hospital reimbursement | DCH | 3,500,000 | 3,500,000 |
| Medicaid Inpatient Hospital Reimbursement | DCH | 30,000,000 | 30,000,000 |
| Community Care Services Program | DHR | 4,190,586 | 4,190,586 |
| Home and Community Based Services for the Elderly | DHR | 3,808,586 | 3,808,586 |
| AIDS Drug Assistance Program (fund with state general funds) | DHR | 1,226,667 | |
| Mental Retardation Waiver Programs | DHR | 10,256,358 | 10,256,358 |
| Newborn Hearing Screening (fund with state general funds) | DHR | 2,000,000 | |
| Early Intervention for At-Risk Families (fund with state general funds) | DHR | 3,341,218 | |
| Chronic Disease Prevention Program (fund with state general funds) | DHR | 1,350,000 | |
| School Nurses | DOE | | 30,000,000 |
| Subtotal | | \$80,786,596 | \$100,725,686 |
| Georgia Cancer Coalition: | | | |
| Breast and Cervical Cancer Treatment | DCH | \$3,474,205 | \$3,474,205 |
| Smoking Prevention and Cessation | DHR | 3,205,245 | 3,205,245 |
| Cancer Screening | DHR | 1,757,364 | 1,757,364 |
| Cancer Treatment for Low-Income Uninsured | DHR | 3,547,455 | 5,000,000 |
| Cancer Registry | DHR | 350,000 | 350,000 |
| Eminent Cancer Scientists and Clinicians | Regents | 6,342,377 | 6,342,377 |
| Eminent Cancer Scholar Endowment | Regents | 750,000 | 750,000 |
| MCG: Cancer Center Mission Enhancement | Regents | 5,000,000 | 5,000,000 |
| Coalition Staff | Regents | 1,365,177 | 1,365,177 |
| Cancer Coalition Initiatives | Regents | 2,775,000 | 2,275,000 |
| Enforcement/Compliance for Underage Smoking | Revenue | 150,000 | 150,000 |
| Subtotal | | \$28,716,823 | \$29,669,368 |
| Total - Healthcare | | \$109,503,419 | \$130,395,054 |
| TOTAL TOBACCO SETTLEMENT FUNDS | | \$156,626,752 | \$177,518,387 |

SALARY ADJUSTMENTS

GOVERNOR'S RECOMMENDED BUDGET - FISCAL YEAR 2007

| Description | Amount |
|---|----------------------|
| <u>PAY PACKAGE:</u> | |
| <p>1. Provide up to a 4% salary adjustment for employees of the Executive and Legislative branches. All employees receive a 2% salary adjustment. Employees with a salary below the midpoint salary for their pay grade receive a portion of an additional 2% salary adjustment that is based upon the percentage of the difference between the employee's salary and the paygrade midpoint. The larger the difference between the employee's salary and the midpoint the greater share of the additional 2% raise they receive. This strategy is designed to bring up the salaries of employees at the lower end of their pay grade. Provide also for a cost-of-living adjustment of up to 4% for each state official whose salary is set by O.C.G.A. code sections 45-7-3, 45-77-4, 45-7-20 and 47-7-21. The amounts for all of these adjustments are calculated according to an effective date of January 1, 2007.</p> | \$27,428,275 |
| <p>2. Provide a 4% increase to the state base salary on the teacher salary schedule for the State Board of Education effective September 1, 2006. This proposed 4% salary improvement is in addition to the salary increases awarded to certificated personnel through normal progression on the teacher salary schedule. Provide for a 4% increase for bus drivers and lunchroom workers effective July 1, 2006.</p> | 226,235,147 |
| <p>3. Provide a 4% funding level for merit-based increases for Regents faculty effective and Regents non-academic personnel January 1, 2007. Provide a 4% salary increase for public librarians effective January 1, 2007.</p> | 30,841,760 |
| <p>4. Provide a 4% salary increase for teachers and support personnel within the Department of Technical and Adult Education effective January 1, 2007.</p> | 5,658,208 |
| TOTAL | \$290,163,390 |

Notes:

The 4% salary increase is reflected in the agency financial summary and budget summary. The 4% salary increase total for teachers includes state and local five mill share funds.

SUMMARY OF AUTHORIZED POSITIONS

| Departments/Agencies | FY 2005 Actual | FY 2006 Budgeted | FY 2007 Recommended |
|--|----------------|------------------|------------------------|
| Accounting Office, State | | 93 | 93 |
| Administrative Services, Department of | 1,427 | 1,270 | 978 |
| Agriculture, Department of | 840 | 840 | 840 |
| Banking and Finance, Department of | 148 | 148 | 149 |
| Community Affairs, Department of | 478 | 452 | 458 |
| Community Health, Department of | 510 | 507 | 507 |
| Corrections, Department of | 15,696 | 15,185 | 15,510 |
| Defense, Department of | 473 | 473 | 473 |
| Driver Services, Department of | | 764 | 799 |
| Early Care and Learning, Department of | 182 | 185 | 185 |
| Economic Development, Department of | 191 | 221 | 223 |
| Education, State Board of | 781 | 826 | 830 |
| Employees' Retirement System | 87 | 112 | 112 |
| Forestry Commission, State | 676 | 676 | 690 |
| Governor, Office of the | 332 | 334 | 340 |
| Human Resources, Department of | 18,466 | 19,309 | 19,404 |
| Insurance, Office of Commissioner of | 310 | 310 | 310 |
| Investigation, Georgia Bureau of | 829 | 839 | 837 |
| Juvenile Justice, Department of | 4,299 | 4,239 | 4,404 |
| Labor, Department of | 3,882 | 3,887 | 3,889 |
| Law, Department of | 192 | 192 | 192 |
| Merit System of Personnel Administration | 149 | 138 | 136 |
| Motor Vehicle Safety, Department of | 1,449 | | |
| Natural Resources, Department of | 2,095 | 1,646 | 1,662 |
| Pardon and Paroles, State Board of | 818 | 821 | 821 |
| Properties Commission, State | | 289 | 289 |
| Public Safety, Department of | 1,493 | 1,792 | 1,793 |
| Public Service Commission | 94 | 96 | 98 |
| Regents, Board of | 31,801 | 33,865 | 34,098 |
| Revenue, Department of | 1,075 | 1,366 | 1,365 |
| Secretary of State, Office of | 425 | 432 | 454 |
| Soil and Water Conservation Commission | 51 | 52 | 52 |
| Student Finance Commission, Georgia | 51 | 60 | 60 |
| Teachers' Retirement System | 173 | 182 | 182 |
| Technical and Adult Education, Department of | 3,506 | 3,506 | 3,506 |
| Transportation, Department of | 6,041 | 6,058 | 6,058 |
| Veterans Service, Department of | 129 | 129 | 134 |
| Workers' Compensation, State Board of | 166 | 166 | 166 |
| TOTAL | 99,315 | 101,460 | 102,097 |



FY 2007

DEPARTMENT SUMMARIES

GENERAL ASSEMBLY

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 General Assembly Request Total | | |
|---------------------------------------|------------------------------------|-------------------------|-------------------------|--|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services - Staff | \$19,888,602 | \$17,131,529 | \$16,288,597 | \$19,828,847 | \$59,755 | \$19,888,602 |
| Personal Services - Elected Officials | 5,666,908 | 5,138,694 | 5,154,024 | 5,591,345 | 75,563 | 5,666,908 |
| Regular Operating Expenses | 3,228,081 | 2,083,663 | 2,416,707 | 4,063,546 | (835,465) | 3,228,081 |
| Travel - Elected Officials | 1,500 | | | 1,500 | | 1,500 |
| Travel - Staff | 91,000 | 29,060 | 53,617 | 84,000 | 7,000 | 91,000 |
| Equipment | 1,054,000 | 114,829 | 284,678 | 801,500 | 252,500 | 1,054,000 |
| Computer Charges | 81,950 | 207 | 195 | 9,950 | 72,000 | 81,950 |
| Real Estate Rentals | 12,000 | | | 7,000 | 5,000 | 12,000 |
| Telecommunications | 539,427 | 452,682 | 446,816 | 531,427 | 8,000 | 539,427 |
| Per Diem and Fees - Elected Officials | 2,972,331 | 3,103,867 | 2,423,434 | 3,522,170 | (549,839) | 2,972,331 |
| Per Diem and Fees - Staff | 153,356 | 195,681 | 54,920 | 152,276 | 1,080 | 153,356 |
| Contracts - Elected Officials | 650,000 | 574,191 | 639,460 | 657,500 | (7,500) | 650,000 |
| Contracts - Staff | 153,000 | 43,343 | 77,125 | 93,000 | 60,000 | 153,000 |
| Photography | 80,000 | 50,506 | 36,735 | 90,000 | (10,000) | 80,000 |
| Expense Reimbursement Allowance | 1,652,000 | 1,355,342 | 1,420,204 | 1,652,000 | | 1,652,000 |
| TOTAL FUNDS | \$36,224,155 | \$30,273,594 | \$29,296,512 | \$37,086,061 | (\$861,906) | \$36,224,155 |
| TOTAL STATE FUNDS | \$36,224,155 | \$30,273,594 | \$29,296,512 | \$37,086,061 | (\$861,906) | \$36,224,155 |

The budget request for the General Assembly is included in the Governor's recommendation as submitted for FY 2007.

EXPLANATION OF REQUEST: The General Assembly request includes up to a 3% pay raise effective January 1, 2007.

DESCRIPTION: The Constitution provides that the legislative power of the state shall be vested in the General Assembly, which consists of the Senate and the House of Representatives. The General Assembly convenes in regular session annually on the second Monday in January. With two exceptions, all bills may originate in either the Senate or the House of Representatives, but all bills must be passed by both branches and signed by the Governor before becoming law. The exceptions are bills raising revenue and bills that appropriate money, which can originate only in the House. In the event of the Governor's veto of any bill during a session, the bill can be overridden by two-thirds majority vote in both houses.

DEPARTMENT OF AUDITS AND ACCOUNTS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Audits and Accounts Request Total | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|---|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$27,035,267 | \$23,623,288 | \$24,206,416 | \$25,870,024 | \$1,165,243 | \$27,035,267 |
| Regular Operating Expenses | 793,295 | 1,415,802 | 849,490 | 793,295 | | 793,295 |
| Travel | 422,500 | 347,983 | 400,000 | 422,500 | | 422,500 |
| Equipment | 20,000 | 20,449 | 20,000 | 20,000 | | 20,000 |
| Computer Charges | 2,032,350 | 1,421,983 | 1,113,500 | 1,254,912 | 777,438 | 2,032,350 |
| Real Estate Rentals | 1,218,982 | 1,101,204 | 1,106,000 | 1,244,258 | (25,276) | 1,218,982 |
| Telecommunications | 245,155 | 331,970 | 322,060 | 315,155 | (70,000) | 245,155 |
| Per Diem and Fees | 160,000 | 156,552 | 176,000 | 175,000 | (15,000) | 160,000 |
| TOTAL FUNDS | \$31,927,549 | \$28,419,231 | \$28,193,466 | \$30,095,144 | 1,832,405 | 31,927,549 |
| TOTAL STATE FUNDS | \$31,927,549 | \$28,419,231 | \$28,193,466 | \$30,095,144 | \$1,832,405 | \$31,927,549 |

The budget request for the Department of Audits and Accounts is included in the Governor's recommendation as submitted for FY 2007.

EXPLANATION OF REQUEST: The Audits and Accounts request includes a 3% pay raise effective January 1, 2007.

DESCRIPTION: The Department of Audits and Accounts performs the following functions: (1) annual audits and reviews of state agencies, authorities, retirement systems and state colleges and universities; (2) annual financial audits of local boards of education, regional and local libraries; (3) performance audits on the efficiency and effectiveness of state programs and activities; (4) program evaluations to assist the General Assembly in establishing an ongoing review and evaluation of all programs and functions of state government; (5) financial and program audits on Medicaid providers; (6) review of legislation; and (7) prepare an equalized property tax digest for public school funding.

JUDICIAL BRANCH

JUDICIAL BRANCH FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Judicial Branch Request | | | | | Total Changes | Total |
|---|------------------------------------|---------------------------------|----------------|------------|--------------|----------------------|------------------|--------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Court of Appeals | | | | | | | | |
| State General Funds | \$12,878,792 | \$12,537,586 | | | \$341,206 | | \$341,206 | \$12,878,792 |
| Other Funds | 90,000 | 90,000 | | | | | | 90,000 |
| Total | 12,968,792 | 12,627,586 | | | 341,206 | | 341,206 | 12,968,792 |
| Georgia Office of Dispute Resolution | | | | | | | | |
| State General Funds | 423,067 | 362,494 | | | 60,572 | | 60,572 | 423,066 |
| Total | 423,067 | 362,494 | | | 60,572 | | 60,572 | 423,066 |
| Institute of Continuing Judicial Education | | | | | | | | |
| State General Funds | 1,286,382 | 1,126,382 | | | 160,000 | | 160,000 | 1,286,382 |
| Total | 1,286,382 | 1,126,382 | | | 160,000 | | 160,000 | 1,286,382 |
| Judicial Council | | | | | | | | |
| State General Funds | 12,044,295 | 10,629,370 | | | 1,414,925 | | 1,414,925 | 12,044,295 |
| Total | 12,044,295 | 10,629,370 | | | 1,414,925 | | 1,414,925 | 12,044,295 |
| Judicial Qualifications Commission | | | | | | | | |
| State General Funds | 270,001 | 258,046 | | | 11,954 | | 11,954 | 270,000 |
| Total | 270,001 | 258,046 | | | 11,954 | | 11,954 | 270,000 |
| Resource Center | | | | | | | | |
| State General Funds | 1,185,000 | 800,000 | | | 385,000 | | 385,000 | 1,185,000 |
| Total | 1,185,000 | 800,000 | | | 385,000 | | 385,000 | 1,185,000 |
| Council of Juvenile Court Judges | | | | | | | | |
| State General Funds | 1,632,983 | 1,519,101 | | | 113,882 | | 113,882 | 1,632,983 |
| Total | 1,632,983 | 1,519,101 | | | 113,882 | | 113,882 | 1,632,983 |
| Juvenile Court Judges | | | | | | | | |
| State General Funds | 4,816,562 | 4,714,839 | | | 101,723 | | 101,723 | 4,816,562 |
| Total | 4,816,562 | 4,714,839 | | | 101,723 | | 101,723 | 4,816,562 |

JUDICIAL BRANCH

JUDICIAL BRANCH FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Judicial Branch Request | | | | | Total Changes | Total |
|--|------------------------------------|---------------------------------|----------------|---------------------|------------------|----------------------|---------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| District Attorneys | | | | | | | | |
| State General Funds | 46,414,421 | 39,495,618 | | | 6,918,803 | | 6,918,803 | 46,414,421 |
| Other Funds | 1,767,046 | 1,767,046 | | | | | | 1,767,046 |
| Total | <u>48,181,467</u> | <u>41,262,664</u> | | | <u>6,918,803</u> | | <u>6,918,803</u> | <u>48,181,467</u> |
| Prosecuting Attorney's Council | | | | | | | | |
| State General Funds | 7,357,404 | 4,429,830 | 106,385 | | 2,821,189 | | 2,927,574 | 7,357,404 |
| Total | <u>7,357,404</u> | <u>4,429,830</u> | <u>106,385</u> | | <u>2,821,189</u> | | <u>2,927,574</u> | <u>7,357,404</u> |
| Public Defender Standards Council | | | | | | | | |
| State General Funds | 10,607,210 | 10,607,210 | | | | | | 10,607,210 |
| Other Funds | 559,797 | 559,797 | | | | | | 559,797 |
| Total | <u>11,167,007</u> | <u>11,167,007</u> | | | | | | <u>11,167,007</u> |
| Public Defenders | | | | | | | | |
| State General Funds | 17,224,912 | 31,471,850 | | (14,246,938) | | | (14,246,938) | 17,224,912 |
| Other Funds | 1,413,035 | 1,413,035 | | | | | | 1,413,035 |
| Total | <u>18,637,947</u> | <u>32,884,885</u> | | <u>(14,246,938)</u> | | | <u>(14,246,938)</u> | <u>18,637,947</u> |
| Council of Superior Court Clerks | | | | | | | | |
| State General Funds | 243,000 | 144,925 | | | 98,075 | | 98,075 | 243,000 |
| Total | <u>243,000</u> | <u>144,925</u> | | | <u>98,075</u> | | <u>98,075</u> | <u>243,000</u> |
| Council of Superior Court Judges | | | | | | | | |
| State General Funds | 971,630 | 800,000 | | | 171,630 | | 171,630 | 971,630 |
| Total | <u>971,630</u> | <u>800,000</u> | | | <u>171,630</u> | | <u>171,630</u> | <u>971,630</u> |
| Judicial Administrative Districts | | | | | | | | |
| State General Funds | 2,184,721 | 2,253,718 | | (68,997) | | | (68,997) | 2,184,721 |
| Total | <u>2,184,721</u> | <u>2,253,718</u> | | <u>(68,997)</u> | | | <u>(68,997)</u> | <u>2,184,721</u> |
| Felony and Juvenile Drug Courts | | | | | | | | |
| State General Funds | 1,000,000 | 1,000,000 | | | | | | 1,000,000 |
| Total | <u>1,000,000</u> | <u>1,000,000</u> | | | | | | <u>1,000,000</u> |

JUDICIAL BRANCH

JUDICIAL BRANCH FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Judicial Branch Request | | | | | | Total Changes | Total |
|------------------------------|------------------------------------|---------------------------------|------------------|-----------------------|--------------|----------------------|------------|--------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Superior Court Judges | | | | | | | | | |
| State General Funds | 51,252,671 | 47,290,013 | | | | 3,962,658 | | 3,962,658 | 51,252,671 |
| Total | 51,252,671 | 47,290,013 | | | | 3,962,658 | | 3,962,658 | 51,252,671 |
| Supreme Court | | | | | | | | | |
| State General Funds | 7,969,323 | 7,647,980 | | | | 321,343 | | 321,343 | 7,969,323 |
| Total | 7,969,323 | 7,647,980 | | | | 321,343 | | 321,343 | 7,969,323 |
| TOTAL FUNDS | \$183,592,252 | \$180,918,840 | \$106,385 | (\$14,315,935) | | \$16,882,960 | \$0 | 2,673,410 | \$183,592,250 |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$3,829,878 | \$3,829,878 | | | | | | | \$3,829,878 |
| State General Funds | \$179,762,374 | \$177,088,962 | \$106,385 | (\$14,315,935) | | \$16,882,960 | | \$2,673,410 | \$179,762,372 |
| TOTAL STATE FUNDS | \$179,762,374 | \$177,088,962 | \$106,385 | (\$14,315,935) | | \$16,882,960 | \$0 | \$2,673,410 | \$179,762,372 |

JUDICIAL BRANCH

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Judicial Branch Request | | |
|---|------------------------------------|-------------------------|-------------------------|---------------------------------|--------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | | \$17,026,845 | | \$133,121,753 | \$11,564,048 | \$144,685,801 |
| Other Operating Expenses | | 127,319,653 | | 40,168,614 | (12,232,290) | 27,936,324 |
| Prosecuting Attorney's Council | \$7,357,404 | 2,620,403 | | 4,429,830 | 2,927,574 | 7,357,404 |
| Judicial Administrative Districts | 2,184,721 | 1,918,279 | | 2,253,718 | (68,997) | 2,184,721 |
| Payment to Council of Superior Court Clerks | 243,000 | 44,925 | | 144,925 | 98,075 | 243,000 |
| Payment to Resource Center | 1,185,000 | 800,000 | | 800,000 | 385,000 | 1,185,000 |
| TOTAL FUNDS | \$10,970,125 | \$149,730,105 | \$0 | \$180,918,840 | \$2,673,410 | \$183,592,250 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$3,829,878 | \$3,039,271 | | \$3,829,878 | | \$3,829,878 |
| State General Funds | \$7,140,247 | \$146,690,834 | | \$177,088,962 | \$2,673,410 | \$179,762,372 |
| TOTAL STATE FUNDS | \$7,140,247 | \$146,690,834 | \$0 | \$177,088,962 | \$2,673,410 | \$179,762,372 |

The budget request for the Judicial Branch has been included in the Governor's recommendation in estimating the total financial needs of the state for FY 2007.

Note: FY 2005 Expenditures not available.

EXPLANATION OF REQUEST: The Judicial Branch request includes \$2,673,410.

DESCRIPTION: The judicial power of the state shall be vested exclusively in the following classes of courts: magistrate courts, probate courts, state courts, superior courts, Court of Appeals, and Supreme Court. Magistrate courts, probate courts, juvenile courts, and state courts shall be courts of limited jurisdiction. In addition, the Judicial Branch may establish or authorize the establishment of municipal courts and may authorize administrative agencies to exercise quasi-judicial powers.

JUDICIAL BRANCH

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Judicial Branch Request | | |
|--|------------------------|-------------------------|----------------------|---------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Court of Appeals | \$12,537,586 | \$90,000 | \$12,627,586 | \$12,878,792 | \$90,000 | \$12,968,792 |
| Georgia Office of Dispute Resolution | 362,494 | | 362,494 | 423,066 | | 423,066 |
| Institute of Continuing Judicial Education | 1,126,382 | | 1,126,382 | 1,286,382 | | 1,286,382 |
| Judicial Council | 10,629,370 | | 10,629,370 | 12,044,295 | | 12,044,295 |
| Judicial Qualifications Commission | 258,046 | | 258,046 | 270,000 | | 270,000 |
| Resource Center | 800,000 | | 800,000 | 1,185,000 | | 1,185,000 |
| Council of Juvenile Court Judges | 1,519,101 | | 1,519,101 | 1,632,983 | | 1,632,983 |
| Juvenile Court Judges | 4,714,839 | | 4,714,839 | 4,816,562 | | 4,816,562 |
| District Attorneys | 39,495,618 | 1,767,046 | 41,262,664 | 46,414,421 | 1,767,046 | 48,181,467 |
| Prosecuting Attorney's Council | 4,429,830 | | 4,429,830 | 7,357,404 | | 7,357,404 |
| Public Defender Standards Council | 10,607,210 | 559,797 | 11,167,007 | 10,607,210 | 559,797 | 11,167,007 |
| Public Defenders | 31,471,850 | 1,413,035 | 32,884,885 | 17,224,912 | 1,413,035 | 18,637,947 |
| Council of Superior Court Clerks | 144,925 | | 144,925 | 243,000 | | 243,000 |
| Council of Superior Court Judges | 800,000 | | 800,000 | 971,630 | | 971,630 |
| Judicial Administrative Districts | 2,253,718 | | 2,253,718 | 2,184,721 | | 2,184,721 |
| Felony and Juvenile Drug Courts | 1,000,000 | | 1,000,000 | 1,000,000 | | 1,000,000 |
| Superior Court Judges | 47,290,013 | | 47,290,013 | 51,252,671 | | 51,252,671 |
| Supreme Court | 7,647,980 | | 7,647,980 | 7,969,323 | | 7,969,323 |
| TOTAL FUNDS | \$177,088,962 | \$3,829,878 | \$180,918,840 | \$179,762,372 | \$3,829,878 | \$183,592,250 |

JUDICIAL BRANCH

BUDGET SUMMARY - FISCAL YEAR 2007

| Judicial Branch Requested Adjustments to the Current Budget | Amounts |
|--|----------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$177,088,962 |
| Court of Appeals | |
| 1. Annualize the cost of the FY 2006 salary adjustment. | \$125,465 |
| 2. Additional funding for an increase in real estate rents due to occupancy of new space in Health Building. | 67,773 |
| 3. Provide funding to pay for new GTA Billing Costs related to PeopleSoft HRMS and Financials. | 20,388 |
| 4. Fill 2 vacant positions. | 127,580 |
| Georgia Office of Dispute Resolution | |
| 1. Annualize the cost of the FY 2006 salary adjustment. | 2,889 |
| 2. Provide for an additional project administrator position. | 50,000 |
| 3. Provide additional funding to cover increased per diem and fee expenses. | 7,684 |
| Institute of Continuing Education | |
| 1. Increase funds for Administrative Office of the Courts technology contracts. | 40,000 |
| 2. Provide additional funding to cover the expense of taking part in Continuing Judicial Education (CJE) for 40 new judgeships, superior court and state court positions created since 1996. | 60,000 |
| 3. Provide for the recovery of funds lost during the time of a 15% reduction in legislative funding to the ICJE between FY 2003 and FY 2004. | 50,000 |
| 4. Provide funding to underwrite the cost of the personal security summit. | 10,000 |
| Judicial Council | |
| 1. Annualize the cost of the FY 2006 salary adjustment. | 63,243 |
| 2. Increase funding for the grant to assist victims of family violence with legal matters. | 83,803 |
| 3. Increase funding for Administrative Office of the Courts technology contracts. | 40,000 |
| 4. Provide funding for the Judicial Council Standing Committee on Drug Courts. | 1,000,000 |
| 5. Provide child support guidelines matching funds. | 121,206 |
| 6. Provide base adjustments and annualizers. | 106,671 |
| Judicial Qualifications Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment. | 1,529 |
| 2. Provide funds to restructure the office and provide more efficient labor. | 10,426 |

JUDICIAL BRANCH

BUDGET SUMMARY - FISCAL YEAR 2007

| Judicial Branch Requested Adjustments to the Current Budget | Amounts |
|--|--------------|
| Resource Center | |
| 1. Provide additional contract funding for additional attorneys to handle the increased number of cases projected to be entering state habeas corpus proceedings in FY 2007. | 385,000 |
| Council of Juvenile Court Judges | |
| 1. Provide for base adjustments and annualizers. | 113,882 |
| Juvenile Court Judges | |
| 1. Provide for base adjustments and annualizers. | 53,101 |
| 2. Provide funding to implement HB 334. | 48,622 |
| District Attorneys | |
| 1. Annualize the cost of the 5 additional assistant district attorneys. | 388,290 |
| 2. Annualize the cost of the 7 additional victim advocate positions. | 296,262 |
| 3. Annualize the cost of the FY 2006 salary adjustment | 458,303 |
| 4. Provide funding for 10 additional victim advocate positions. | 439,552 |
| 5. Provide for base adjustments and annualizers. | 7,037,457 |
| Prosecuting Attorney's Council | |
| 1. Transfer funds from the Superior Court Judges budget for positions in the DOAS contract that affect the District Attorney and Prosecuting Attorney's Council budgets. | 106,385 |
| 2. Provide funds to initiate a judicial circuit integrated communication project. | 500,000 |
| 3. Provide funds to purchase current editions of "Daniel's Georgia Criminal Trial Practice" and "Georgia Rules of Evidence" for all district attorney offices. | 215,000 |
| 4. Provide funding to send district attorneys to the Governor's Leadership Institute. | 10,000 |
| 5. Provide funds for intern positions. | 83,160 |
| 6. Annualize 3 additional positions in the Capital Litigation division. | 311,968 |
| Public Defenders | |
| 1. Redirect \$2,276,693 from Public Defender circuit offices to Conflict Case Management offices. | Yes |
| 2. Provide for a general reduction in operating expenses. | (14,246,938) |

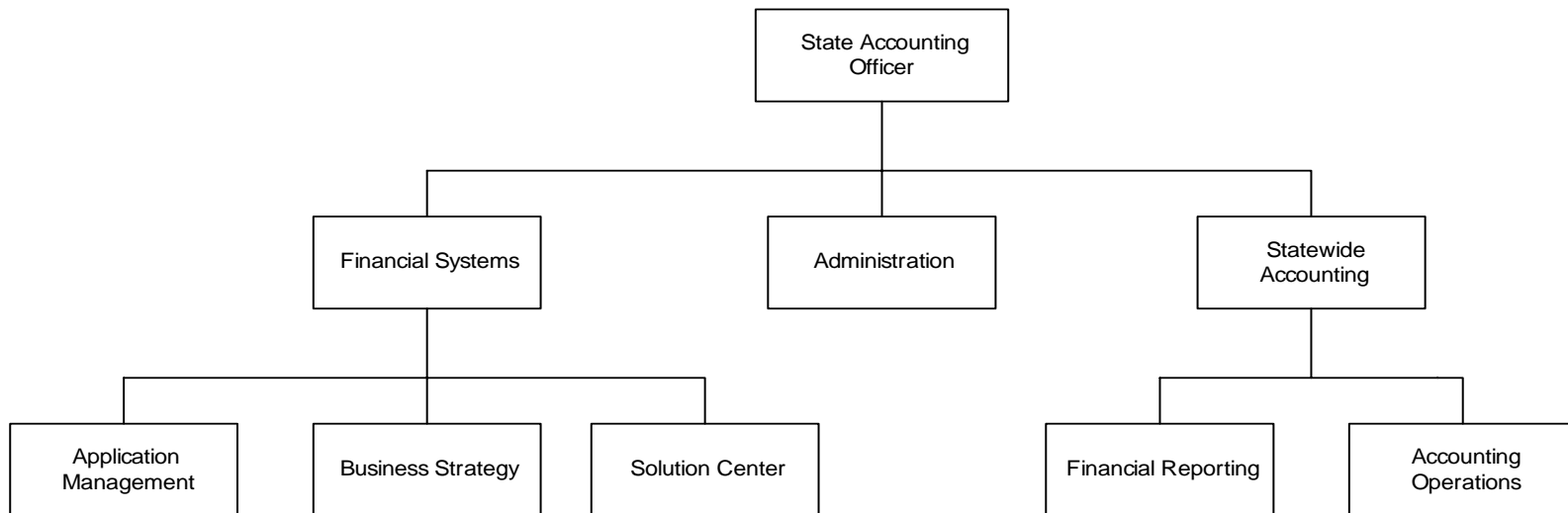
JUDICIAL BRANCH

BUDGET SUMMARY - FISCAL YEAR 2007

| Judicial Branch Requested Adjustments to the Current Budget | Amounts |
|---|----------------------|
| Council of Superior Court Clerks | |
| 1. Provide base adjustments and annualizers. | 98,075 |
| Council of Superior Court Judges | |
| 1. Provide funds to add an administrative assistant position to assist with workload. | 46,291 |
| 2. Provide base adjustments and annualizers. | 125,339 |
| Judicial Administrative Districts | |
| 1. Provide base adjustments and annualizers. | (68,997) |
| Superior Court Judges | |
| 1. Provide base adjustments and annualizers. | 3,962,658 |
| Supreme Court | |
| 1. Provide base adjustments and annualizers. | 321,343 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$2,673,410 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$179,762,372 |

STATE ACCOUNTING OFFICE

ORGANIZATIONAL CHART



STATE ACCOUNTING OFFICE

Roles and Responsibilities:

The State Accounting Office (SAO) was established on October 6, 2004 with an Executive Order signed by Governor Sonny Perdue. Governor Perdue signed House Bill 293, which codified the realignment of the state's financial reporting and financial systems responsibilities under a single State Accounting Officer. The core business of the SAO is to enable Statewide Accounting and Reporting.

ADMINISTRATION

The Administration function is responsible for the operations of the SAO. The areas within the Administration function include; purchasing, accounting, budget, payroll and human resources.

FINANCIAL REPORTING

The Financial Reporting Division prepares and distributes the annual financial statements and other reports, coordinating with the state auditor and other auditors, as appropriate, for review and certification of

financial reports, and compliance with state and federal financial accounting and reporting requirements. In addition, the Financial Reporting section is responsible for the creation of the Comprehensive Annual Financial Report for Georgia, providing financial information that is credible, accurate and easily available to decision makers and bond rating agencies. The division sets the chart of account structure used by all state agencies.

FINANCIAL SYSTEMS

The Financial Systems Division is responsible for the support of the Statewide Human Capital Management and Financial systems and accounting systems. Financial Systems provides the following services: customer support to resolve system and application issues utilizing a help desk to track issues and problems; implements system enhancements and modification requests; provides training to PeopleSoft users; resolves technical issues and manages the full deployment life cycle for the system; ensures availability and data integrity of the systems. Financial Systems is also responsible for all technical support in the SAO.

ACCOUNTING OPERATIONS

The Accounting Operations section is responsible for developing processes and systems to improve accountability and enhanced collection of accounts receivables due to Georgia. This section is working to improve accountability and efficiency in the accounts receivables and cash management areas. Accounting Operations is responsible for developing and publishing accounting standards and policies to be implemented by all state agencies.

AUTHORITY

Title 50-5B Georgia Code Annotated.

STATE ACCOUNTING OFFICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total | |
|--------------------------------|------------------------------------|-----------------------------------|----------------|------------|--------------------|----------------------|------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | | |
| State Accounting Office | | | | | | | | | |
| Other Funds | \$8,855,794 | \$8,855,794 | | | | | \$117,662 | \$117,662 | \$8,973,456 |
| State General Funds | 10,122,011 | 1,723,889 | | | \$4,577,595 | | 501,357 | 5,078,952 | 6,802,841 |
| Total | 18,977,805 | 10,579,683 | | | 4,577,595 | | 619,019 | 5,196,614 | 15,776,297 |
| TOTAL FUNDS | \$18,977,805 | \$10,579,683 | \$0 | \$0 | \$4,577,595 | | \$619,019 | \$5,196,614 | \$15,776,297 |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$8,855,794 | \$8,855,794 | | | | | \$117,662 | \$117,662 | \$8,973,456 |
| State General Funds | \$10,122,011 | \$1,723,889 | | | \$4,577,595 | | \$501,357 | \$5,078,952 | \$6,802,841 |
| TOTAL STATE FUNDS | \$10,122,011 | \$1,723,889 | \$0 | \$0 | \$4,577,595 | | \$501,357 | \$5,078,952 | \$6,802,841 |

STATE ACCOUNTING OFFICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 * Expenditures | FY 2005 * Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|---------------------------|---------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$8,746,839 | | | \$7,667,456 | \$737,487 | \$8,404,943 |
| Regular Operating Expenses | 381,613 | | | 246,102 | 168,996 | 415,098 |
| Travel | 35,000 | | | 35,000 | | 35,000 |
| Equipment | 812,314 | | | 12,976 | 440,673 | 453,649 |
| Computer Charges | 3,600,356 | | | 1,763,400 | 927,124 | 2,690,524 |
| Real Estate Rentals | 267,249 | | | 267,249 | 44,200 | 311,449 |
| Telecommunications | 85,525 | | | 87,500 | (1,975) | 85,525 |
| Per Diem and Fees | 4,348,909 | | | 300,000 | 2,380,109 | 2,680,109 |
| Contracts | 700,000 | | | 200,000 | 500,000 | 700,000 |
| TOTAL FUNDS | \$18,977,805 | \$0 | \$0 | \$10,579,683 | \$5,196,614 | \$15,776,297 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$8,855,794 | | | \$8,855,794 | \$117,662 | \$8,973,456 |
| State General Funds | \$10,122,011 | | | \$1,723,889 | \$5,078,952 | \$6,802,841 |
| TOTAL STATE FUNDS | \$10,122,011 | \$0 | \$0 | \$1,723,889 | \$5,078,952 | \$6,802,841 |
| Positions | 93 | | | 93 | | 93 |

*The State Accounting Office was established on July 1, 2005 per HB 293 of the 2005 General Assembly.

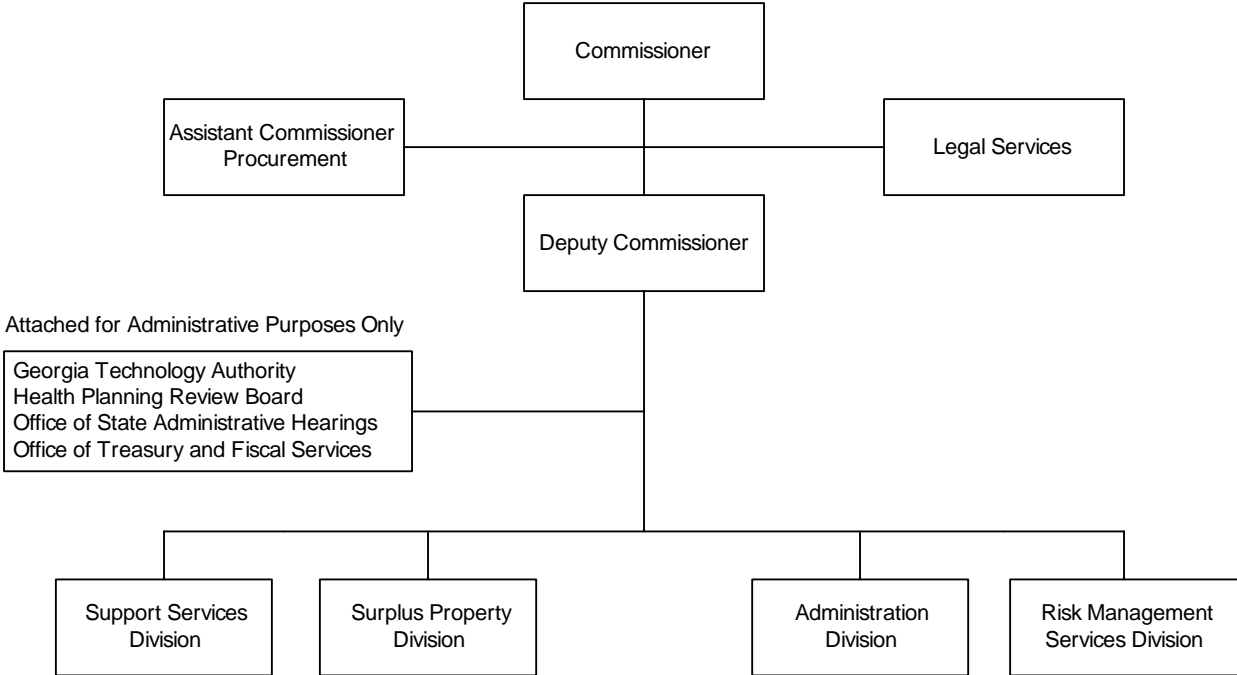
STATE ACCOUNTING OFFICE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|--------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$1,723,889 |
| State Accounting Office | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$24,765) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$31,389). | \$56,154 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 45,985 |
| 3. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 44,200 |
| 4. Fully fund 5 positions in statewide operations. | 355,018 |
| 5. Adjust object classes to meet projected expenditures. | Yes |
| 6. Increase personal services (\$162,668), regular operating expenses (\$200,000), and computer charges (\$176,200) to implement a Consolidated Banking initiative to reduce fees and increase earnings. | 538,868 |
| 7. Increase per diem and fees to implement an Accounts Receivable initiative. | 300,000 |
| 8. Increase operating expenses to create the Statewide Reporting tool. | 2,464,909 |
| 9. Increase operating expenses to implement the PeopleSoft CAFR tool. | 1,195,200 |
| 10. Fund a rate increase for the PeopleSoft maintenance contract. | 78,618 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$5,078,952 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$6,802,841 |

DEPARTMENT OF ADMINISTRATIVE SERVICES

ORGANIZATIONAL CHART



DEPARTMENT OF ADMINISTRATIVE SERVICES

Roles and Responsibilities:

The Department of Administrative Services (DOAS) provides business solutions for state and local governments. DOAS' product and service offerings encompass a broad spectrum that includes purchasing, risk management, fleet support services, surplus property, mail and courier, and rapid copy services.

DOAS strives to meet the business needs of its customers while providing the highest level of customer service in a rapidly changing state government.

DOAS SERVICES

State Purchasing is responsible for procuring a wide range of commodities and services for state government. Purchasing negotiates statewide contracts for the benefit of state and local governments and offers technical assistance in conducting and assessing competitive bids. Purchasing provides cost reduction through aggregation of purchasing demand, competitive procurement, efficient purchasing systems, standards, specifications, and practices. Furthermore, Purchasing promotes fair and equitable business opportunities among vendors and strives to ensure the availability of high quality goods and services to state and local governments at the lowest possible price.

Risk Management directs the State's internal workers' compensation, liability, property, and unemployment insurance programs and also manages the Georgia State Indemnification, Teacher's Indemnification, and Educator's

Professional Liability programs. Risk Management oversees the claims administration process and assists state entities in identifying unique loss exposures and developing strategies to reduce the cost of risk associated with individual business operations. Through these efforts, Risk Management Services assures responsive stewardship of state funds and the protection of state assets.

Fleet Support Services, in conjunction with the Office of Planning and Budget, regulates state government's motor vehicle fleet management functions to ensure efficient and cost-effective fleet operations and to minimize the life-cycle costs associated with vehicle ownership. Fleet Support Services provides state and local (limited) governments with guidance on vehicle purchases, assignment, usage, maintenance, operation, and disposal. Fleet Support Services also provides an economical and convenient transportation alternative for state employees traveling on official business through a daily vehicle rental program for state entities in the Metro Atlanta area.

Surplus Property is responsible for redistribution of state and federal personal property to state and local governments, qualifying non-profits, and to the public through auction. Surplus Property centers are located in Atlanta, Americus, and Swainsboro. It provides assistance to state and local governments with the disposal of business-specific personal property.

Document Services provides mail, courier, and rapid copy services to state government within Metro-Atlanta. Document Services operates an interoffice mail delivery network, delivers mail to state entities, manages two U.S. Post Offices on Capitol Hill, and provides photocopying services to state government. It provides convenient, efficient, and cost-effective services to customers in their day-to-day business activities.

ATTACHED AGENCIES

The **Office of Treasury and Fiscal Services** manages, invests and disburses most state revenues.

The **Health Planning Review Board** conducts appeal hearings on decisions of the Health Planning Agency.

The **Office of State Administrative Hearings** conducts administrative hearings of contested cases for specified state agencies.

The **Georgia Technology Authority** provides information technology services and expertise to state agencies.

AUTHORITY

Title 15-5, 15-18, 15-19, 17-2, 17-12, 20-2, 20-3, 31-6, 45-9, 50-5, 50-13, 50-15, 50-16, 50-19, 50-21 Official Code of Georgia Annotated.

DEPARTMENT OF ADMINISTRATIVE SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|------------------------------------|------------------------------------|-----------------------------------|------------------|--------------------|--------------|----------------------|--------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Administration | | | | | | | | |
| Other Funds | \$2,064,743 | \$2,030,008 | | | | \$54,652 | \$54,652 | \$2,084,660 |
| State General Funds | <u>3,445,378</u> | <u>3,514,361</u> | | <u>(\$70,479)</u> | | <u>251,324</u> | <u>180,845</u> | <u>3,695,206</u> |
| Total | 5,510,121 | 5,544,369 | | (70,479) | | 305,976 | 235,497 | 5,779,866 |
| Bulk Paper Sales | | | | | | | | |
| Other Funds | | 2,353,715 | (\$92,192) | (2,261,523) | | | (2,353,715) | 0 |
| Total | | <u>2,353,715</u> | <u>(92,192)</u> | <u>(2,261,523)</u> | | | <u>(2,353,715)</u> | <u>0</u> |
| Fiscal Services | | | | | | | | |
| Other Funds | <u>310,336</u> | <u>307,228</u> | | | | <u>14,809</u> | <u>14,809</u> | <u>322,037</u> |
| Total | 310,336 | 307,228 | | | | 14,809 | 14,809 | 322,037 |
| Fleet Management | | | | | | | | |
| Other Funds | <u>2,473,563</u> | <u>2,409,075</u> | <u>56,220</u> | | | <u>37,369</u> | <u>93,589</u> | <u>2,502,664</u> |
| Total | 2,473,563 | 2,409,075 | 56,220 | | | 37,369 | 93,589 | 2,502,664 |
| Mail and Courier | | | | | | | | |
| Other Funds | <u>1,367,298</u> | <u>1,281,259</u> | <u>80,832</u> | | | <u>25,551</u> | <u>106,383</u> | <u>1,387,642</u> |
| Total | 1,367,298 | 1,281,259 | 80,832 | | | 25,551 | 106,383 | 1,387,642 |
| Risk Management | | | | | | | | |
| Other Funds | <u>137,290,148</u> | <u>137,263,943</u> | | | | <u>125,317</u> | <u>125,317</u> | <u>137,389,260</u> |
| Total | 137,290,148 | 137,263,943 | | | | 125,317 | 125,317 | 137,389,260 |
| Service Contract Management | | | | | | | | |
| Other Funds | | 140,330 | (137,052) | (3,278) | | | (140,330) | 0 |
| Total | | <u>140,330</u> | <u>(137,052)</u> | <u>(3,278)</u> | | | <u>(140,330)</u> | <u>0</u> |

DEPARTMENT OF ADMINISTRATIVE SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|------------------|---------------------|------------------|----------------------|---------------|--------------------|------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Space Management | | | | | | | | | |
| State General Funds | 371,491 | 371,491 | (371,491) | | | | | (371,491) | 0 |
| Total | 371,491 | 371,491 | (371,491) | | | | | (371,491) | 0 |
| State Purchasing | | | | | | | | | |
| Other Funds | 147,831 | 2,167,831 | | (2,020,000) | | 37,172 | | (1,982,828) | 185,003 |
| State General Funds | 12,664,947 | 16,623,841 | | (11,195,400) | 3,725,000 | 311,771 | | (7,158,629) | 9,465,212 |
| Total | 12,812,778 | 18,791,672 | | (13,215,400) | 3,725,000 | 348,943 | | (9,141,457) | 9,650,215 |
| Surplus Property | | | | | | | | | |
| Other Funds | 1,991,286 | 1,885,035 | 92,192 | | | | 66,506 | 158,698 | 2,043,733 |
| Total | 1,991,286 | 1,885,035 | 92,192 | | | | 66,506 | 158,698 | 2,043,733 |
| U.S. Post Office | | | | | | | | | |
| Other Funds | 151,000 | 151,000 | | | | 4,575 | | 4,575 | 155,575 |
| State General Funds | 11,393 | 9,593 | | | | 8,128 | | 8,128 | 17,721 |
| Total | 162,393 | 160,593 | | | | 12,703 | | 12,703 | 173,296 |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | | | | |
| Office of State Administrative Hearings | | | | | | | | | |
| Other Funds | 601,308 | 601,308 | | | | 7,376 | | 7,376 | 608,684 |
| State General Funds | 3,672,660 | 3,717,517 | | (74,351) | | 186,086 | | 111,735 | 3,829,252 |
| Total | 4,273,968 | 4,318,825 | | (74,351) | | 193,462 | | 119,111 | 4,437,936 |
| Office of Treasury and Fiscal Services | | | | | | | | | |
| Other Funds | 2,382,047 | 2,376,779 | | | | 51,795 | | 51,795 | 2,428,574 |
| State General Funds | 622,074 | 354,569 | | (7,092) | 262,800 | 56,355 | | 312,063 | 666,632 |
| Total | 3,004,121 | 2,731,348 | | (7,092) | 262,800 | 108,150 | | 363,858 | 3,095,206 |

DEPARTMENT OF ADMINISTRATIVE SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------------|-----------------------|--------------------|----------------------|----------------------|----------------------|-----------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Payments to Georgia Building Authority | | | | | | | | | |
| State General Funds | 2,331,288 | 2,331,288 | (2,331,288) | | | | | (2,331,288) | 0 |
| Total | 2,331,288 | 2,331,288 | (2,331,288) | | | | | (2,331,288) | 0 |
| Payments to Georgia Technology Authority | | | | | | | | | |
| Other Funds | | 353,231 | | | | | | | 353,231 |
| State General Funds | 2,742,065 | 396,769 | | | 5,000,000 | | | 5,000,000 | 5,396,769 |
| Total | 2,742,065 | 750,000 | | | 5,000,000 | | | 5,000,000 | 5,750,000 |
| Agency for the Removal of Hazardous Materials | | | | | | | | | |
| State General Funds | 83,646 | 85,354 | | | | | | | 85,354 |
| Total | 83,646 | 85,354 | | | | | | | 85,354 |
| Health Planning Review Board | | | | | | | | | |
| State General Funds | 59,264 | 60,473 | | | | | | | 60,473 |
| Total | 59,264 | 60,473 | | | | | | | 60,473 |
| TOTAL FUNDS | \$174,783,766 | \$180,785,998 | (\$2,702,779) | (\$15,632,123) | \$8,987,800 | \$1,238,786 | (\$8,108,316) | \$172,677,682 | |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$148,779,560 | \$153,320,742 | | (\$4,284,801) | | \$425,122 | (\$3,859,679) | \$149,461,063 | |
| State General Funds | \$26,004,206 | \$27,465,256 | (\$2,702,779) | (\$11,347,322) | \$8,987,800 | \$813,664 | (\$4,248,637) | \$23,216,619 | |
| TOTAL STATE FUNDS | \$26,004,206 | \$27,465,256 | (\$2,702,779) | (\$11,347,322) | \$8,987,800 | \$813,664 | (\$4,248,637) | \$23,216,619 | |

DEPARTMENT OF ADMINISTRATIVE SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|---|------------------------------------|-------------------------|-------------------------|------------------------------------|----------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$17,051,448 | \$11,133,746 | \$10,620,354 | \$14,198,987 | \$1,293,698 | \$15,492,685 |
| Regular Operating Expenses | 14,127,958 | 2,162,437 | 14,109,166 | 14,193,809 | (215,851) | 13,977,958 |
| Travel | 237,387 | 55,644 | 43,427 | 179,685 | (2,298) | 177,387 |
| Motor Vehicle Purchases | 488,177 | 212,088 | 17,350 | 488,177 | | 488,177 |
| Equipment | 129,703 | 128,123 | 100,385 | 130,398 | (695) | 129,703 |
| Computer Charges | 6,536,678 | 2,073,187 | 2,042,797 | 4,625,088 | 972,667 | 5,597,755 |
| Real Estate Rentals | 804,714 | 725,692 | 731,038 | 702,956 | 140,234 | 843,190 |
| Telecommunications | 207,637 | 238,752 | 195,374 | 211,848 | (4,211) | 207,637 |
| Per Diem and Fees | 3,134,556 | 497,241 | 3,116,316 | 3,178,373 | (43,817) | 3,134,556 |
| Contracts | 504,335 | 67,102 | 490,585 | 11,504,335 | (11,000,000) | 504,335 |
| Payments to Georgia Building Authority - Operations | 2,702,779 | 3,964,049 | 612,556 | 2,702,779 | (2,702,779) | |
| Health Planning Review Board Operations | 59,264 | 49,867 | 60,376 | 60,473 | | 60,473 |
| Payments to Aviation Hall of Fame | | 44,450 | 35,590 | | | |
| Agency for the Removal of Hazardous Materials | 83,646 | 92,625 | 87,994 | 85,354 | | 85,354 |
| Payments to Golf Hall of Fame | | 68,737 | 60,500 | | | |
| Payments to Georgia Technology Authority | 2,742,065 | 21,171,786 | 18,114,112 | 750,000 | 5,000,000 | 5,750,000 |
| Materials for Resale | 965,600 | 2,474,805 | 2,604,684 | 2,993,833 | (2,028,233) | 965,600 |
| Self Insurance Trust Fund Payments | 117,729,730 | 128,025,450 | 112,413,588 | 117,729,730 | | 117,729,730 |
| TOTAL FUNDS | \$167,505,677 | \$173,185,781 | \$165,456,192 | \$173,735,825 | (\$8,591,285) | \$165,144,540 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$145,796,205 | \$140,302,046 | \$134,851,535 | \$150,342,655 | (\$3,918,850) | \$146,423,805 |
| State General Funds | \$21,709,472 | \$32,883,735 | \$30,604,657 | \$23,393,170 | (\$4,672,435) | \$18,720,735 |
| TOTAL STATE FUNDS | \$21,709,472 | \$32,883,735 | \$30,604,657 | \$23,393,170 | (\$4,672,435) | \$18,720,735 |
| <i>(Excludes attached agencies and authorities)</i> | | | | | | |
| Positions | 253 | 231 | 235 | 233 | 11 | 244 |
| Motor Vehicles | 210 | 210 | 212 | 210 | | 210 |

DEPARTMENT OF ADMINISTRATIVE SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|-----------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| <u>ATTACHED AGENCIES AND AUTHORITIES (Information Only):</u> | | | | | | |
| Office of Treasury and Fiscal Services | \$3,095,206 | \$2,813,723 | \$2,411,320 | \$2,731,348 | \$363,858 | \$3,095,206 |
| Office of State Administrative Hearings | 4,437,936 | 4,671,414 | 4,165,752 | 4,318,825 | 119,111 | 4,437,936 |
| State Properties Commission | | 534,308 | 566,448 | | | |
| Georgia Building Authority | | 37,426,214 | 36,330,184 | 39,910,982 | (39,910,982) | |
| Georgia Technology Authority | 174,039,126 | 204,720,957 | 210,962,354 | 175,085,126 | 5,841,145 | 180,926,271 |
| TOTAL FUNDS | \$181,572,268 | \$250,166,616 | \$254,436,058 | \$222,046,281 | (\$33,586,868) | \$188,459,413 |
| Positions | 991 | 1,571 | 1,427 | 1,270 | (292) | 978 |
| Motor Vehicles | 323 | 458 | 385 | 383 | (58) | 325 |

DEPARTMENT OF ADMINISTRATIVE SERVICES

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$3,514,361 | \$2,030,008 | \$5,544,369 | \$3,695,206 | \$2,084,660 | \$5,779,866 |
| Bulk Paper Sales | | 2,353,715 | 2,353,715 | | | |
| Fiscal Services | | 307,228 | 307,228 | | 322,037 | 322,037 |
| Fleet Management | | 2,409,075 | 2,409,075 | | 2,502,664 | 2,502,664 |
| Mail and Courier | | 1,281,259 | 1,281,259 | | 1,387,642 | 1,387,642 |
| Risk Management | | 137,263,943 | 137,263,943 | | 137,389,260 | 137,389,260 |
| Service Contract Management | | 140,330 | 140,330 | | | |
| Space Management | 371,491 | | 371,491 | | | |
| State Purchasing | 16,623,841 | 2,167,831 | 18,791,672 | 9,465,212 | 185,003 | 9,650,215 |
| Surplus Property | | 1,885,035 | 1,885,035 | | 2,043,733 | 2,043,733 |
| U.S. Post Office | 9,593 | 151,000 | 160,593 | 17,721 | 155,575 | 173,296 |
| Subtotal | \$20,519,286 | \$149,989,424 | \$170,508,710 | \$13,178,139 | \$146,070,574 | \$159,248,713 |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | |
| Payments to Georgia Building Authority | \$2,331,288 | | \$2,331,288 | | | |
| Payments to Georgia Technology Authority | 396,769 | \$353,231 | 750,000 | \$5,396,769 | \$353,231 | \$5,750,000 |
| Agency for the Removal of Hazardous Materials | 85,354 | | 85,354 | 85,354 | | 85,354 |
| Health Planning Review Board | 60,473 | | 60,473 | 60,473 | | 60,473 |
| Office of State Administrative Hearings | 3,717,517 | 601,308 | 4,318,825 | 3,829,252 | 608,684 | 4,437,936 |
| Office of Treasury and Fiscal Services | 354,569 | 2,376,779 | 2,731,348 | 666,632 | 2,428,574 | 3,095,206 |
| Subtotal | \$6,945,970 | \$3,331,318 | \$10,277,288 | \$10,038,480 | \$3,390,489 | \$13,428,969 |
| TOTAL FUNDS | \$27,465,256 | \$153,320,742 | \$180,785,998 | \$23,216,619 | \$149,461,063 | \$172,677,682 |
| <u>ATTACHED AGENCIES (Information Only)</u> | | | | | | |
| Georgia Technology Authority | | \$175,085,126 | \$175,085,126 | | \$180,926,271 | \$180,926,271 |

DEPARTMENT OF ADMINISTRATIVE SERVICES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$27,465,256 |
| Department of Administrative Services | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$40,879) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$64,075). | \$104,954 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 306,952 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 15,841 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 143,476 |
| 5. Transfer the Space Management program (\$371,491) and the Payments to GBA program (\$2,331,288) from the Department of Administrative Services to the State Properties Commission per SB 158. | (2,702,779) |
| 6. Eliminate the Bulk Paper and Service Contract Management programs (Total Funds: \$2,264,801). | Yes |
| 7. Eliminate one-time funding in State Purchasing for the Commission for a New Georgia's Procurement initiative (Total Funds: \$13,060,000). | (11,195,400) |
| 8. Improve stewardship of assets and capture operation efficiencies by funding an increase in personal services and operating expenses in State Purchasing for the Commission for a New Georgia's Enterprise Asset Management System. | 1,705,000 |
| 9. Reduce processing time and capture savings by funding an increase in operating expenses in State Purchasing for the E-Procurement System for the Commission for a New Georgia's Procurement initiative. | 2,020,000 |
| 10. Reduce operating expenses in the Administration program. | (70,479) |
| 11. Reflect the transfer of the Aviation Hall of Fame and the Golf Hall of Fame per Executive Order. | Yes |
| 12. Increase Payments to Georgia Technology Authority for the Statewide Wireless Broadband Initiative. | 5,000,000 |
| Subtotal | (\$4,672,435) |
| ATTACHED AGENCIES AND AUTHORITIES: | |
| Office of Treasury and Fiscal Services | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$11,797) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$7,323). | 19,120 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 20,636 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 523 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 16,076 |
| 5. Reduce operating expenses in the Cash Management program (\$3,546) and the Investment Services program (\$3,546) to reflect an insurance policy rate adjustment. | (7,092) |
| 6. Increase personal services and operating expenses and add 2 positions in the Cash Management program for the Consolidated Banking initiative. | 262,800 |
| Subtotal | \$312,063 |

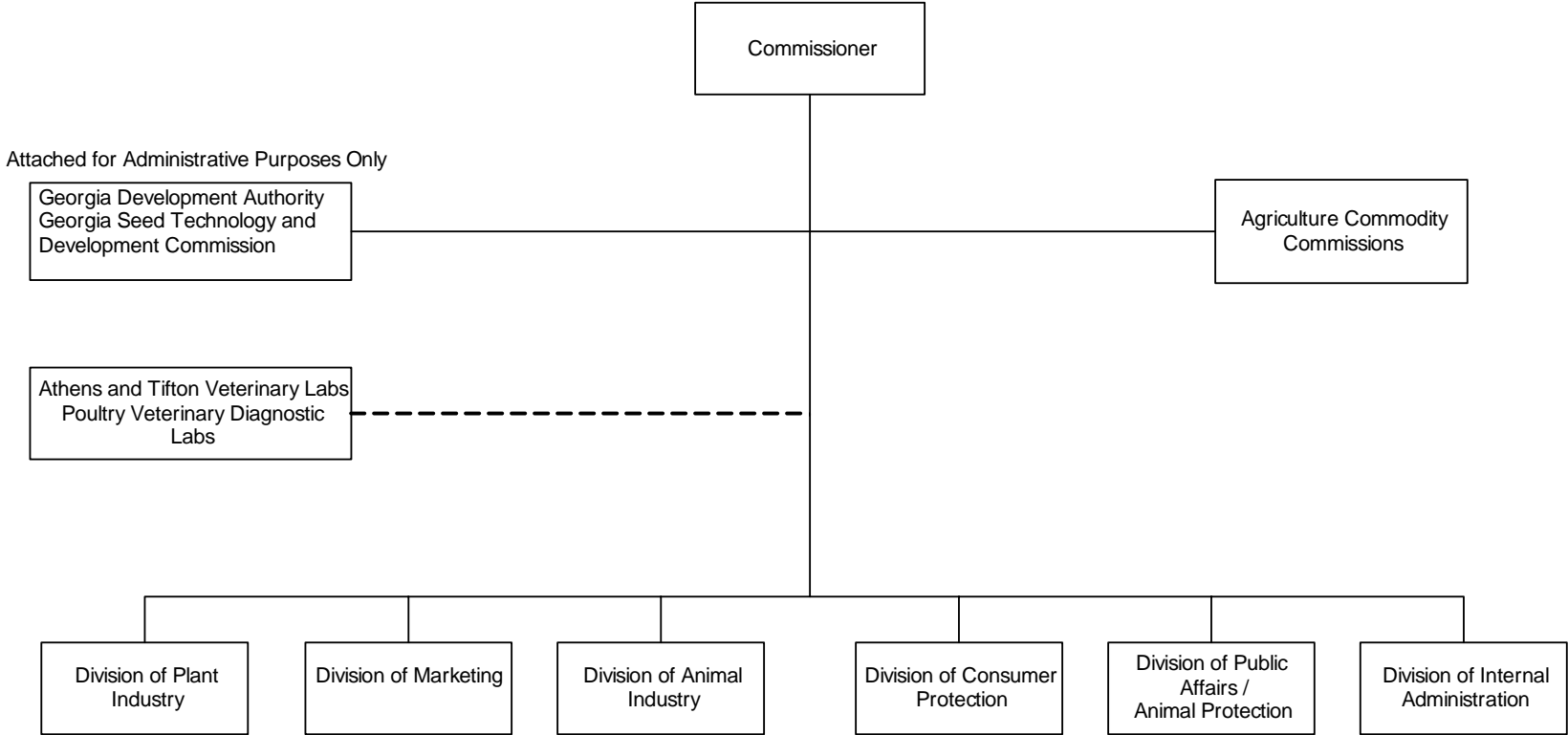
DEPARTMENT OF ADMINISTRATIVE SERVICES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|----------------------|
| Office of State Administrative Hearings | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$29,494) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$18,308). | 47,802 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 132,477 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 5,807 |
| 4. Reduce personal services. | (74,351) |
| Subtotal | \$111,735 |
| Georgia Technology Authority | |
| 1. Redistribute \$2,000,000 from billings in the Regional Operations program to the Enterprise Technology Planning program to reflect credits negotiated with vendors and to fund the Commission for a New Georgia's Information Technology initiative. | Yes |
| 2. Redistribute \$135,000 from the Administration program to the IT Infrastructure Services program to reflect operational efficiencies and to fund hardware and software refresh at the Data Center. | Yes |
| 3. Provide contract funds for Statewide Wireless Broadband Initiative (State Funds: \$5,000,000). | Yes |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | (\$4,248,637) |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$23,216,619 |

DEPARTMENT OF AGRICULTURE

ORGANIZATIONAL CHART



DEPARTMENT OF AGRICULTURE

Roles and Responsibilities:

The Georgia Department of Agriculture administers a variety of programs which all have a primary goal to maintain the state's viable farm industry and protect the consuming public. These multifaceted programs affect all Georgians as well as countless others throughout the United States and the world where Georgia agribusiness products are consumed.

ATHENS/TIFTON VET LABS

The Athens and Tifton Veterinary Labs, which are attached to the department, ensure the safety of the food supply and the health of animals and people within Georgia by providing diagnostic support and disease surveillance for naturally occurring animal diseases, foreign animal diseases and bioterrorism. The labs provide veterinarians, regulatory agencies and animal owners with support for livestock, equine and companion animals as well as for wildlife.

PLANT INDUSTRY DIVISION

The role of this division is to administer and enforce federal and state laws relating to fertilizers, feeds, grains, seeds, pesticides and pest control, nursery and plant certification, honeybees, treated timber, boll weevil eradication and other related programs for environmental protection. The division promotes Georgia's agricultural and horticultural interests and inspects and tests sufficient quantities of each commodity to guarantee that those commodities reaching the consumer meet minimum standards and are correctly labeled.

ANIMAL INDUSTRY DIVISION

Animal agriculture is the largest sector of agriculture, contributing over \$5.8 billion to Georgia's farm gate value. Assuring that the livestock and poultry sectors remain healthy and productive are two of the top priorities of the Animal Industry Division. The Animal Industry Division consists of veterinarians, field inspectors, laboratory technicians, program managers and support staff, all working to ensure the continued protection of animal and public health, food safety, animal welfare and successful livestock production. The division is responsible for

monitoring, detecting and controlling over 100 animal diseases that can have a significant impact on the agricultural economy and trade or that can be contagious to both animals and people. This division also ensures the humane treatment of equines and other animals, and promotes dog and cat sterilization through its license plate program.

The Meat Inspection Section is the largest functional area of the Animal Industry Division. The section licenses 163 facilities in Georgia and protects consumers from food-borne diseases. Meat inspectors ensure that consumers receive wholesome, safe and truthfully labeled meat and poultry products by assuring compliance with food safety standards. The section also has a primary role in food security and would serve as a first responder to an intentional threat to Georgia's meat supply.

CONSUMER PROTECTION DIVISION

The primary function of the Food and Dairy Section is to inspect food establishments (i.e., processing, distribution & retail) for contamination and adulteration of food products and to ensure that all requirements are being maintained according to state standards. The Food Section conducts on-site inspections focusing on food safety risk factors as well as economic issues such as checking scanners and scales to ensure accuracy of pricing and weights. Included in these responsibilities is a dairy inspection program for farms and processing plants so that Georgia dairy products can be marketed as "Grade A" throughout the United States.

The primary function of the Fuel and Measures Section is to ensure equity in the market place by verifying the accuracy of weighing and measuring devices. The Fuel and Measures Section inspects all measuring devices used for commerce by conducting on-site inspections and tests of commercial weighing devices, including scales, liquefied petroleum gas meters, milk tanks, moisture meters, gasoline pumps, transport tank trucks, fuel oil terminals and bulk plants. Included in these responsibilities is the operation of the state fuel oil laboratory and the state weights laboratory to ensure that Georgia's regulated consumer products meet required quality standards.

MARKETING DIVISION

The Marketing Division operates six regional farmers' markets and nine seasonal/local markets. This division collects and distributes market information on Georgia agricultural products, administers various marketing programs, and locates and develops new international markets for Georgia products. The Marketing Division also provides supervision for the nine Georgia Agricultural Commodity Commissions. Additionally, the division has a section that enforces the requirements of the Dealers in Agricultural Products Act to license and bond dealers purchasing from Georgia producers, and a State Warehouse Section that is responsible for examining and auditing licensed and bonded facilities that store product for Georgia producers. The division registers and licenses Vidalia onion growers annually, and also licenses processors of Vidalia onion products and enforces the requirements of the U.S. Certification Mark VIDALIA.

POULTRY VET DIAGNOSTIC LABS

As the official state agency for the administration of the USDA's National Poultry Improvement Plan (NPIP) and an agency attached to the Department of Agriculture, the Georgia Poultry Lab Network carries out the plan and provides diagnostic and monitoring services for Georgia poultry growers and others in the industry. This ensures that Georgia has the healthiest flocks possible, producing more poultry products annually than any other state. The labs are headquartered in Oakwood, Georgia with nine regional labs spread throughout the state.

AUTHORITY

Title 2, Official Code of Georgia Annotated.

DEPARTMENT OF AGRICULTURE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|------------------|------------|----------------|----------------------|--------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| Federal Funds | \$69,500 | \$37,776 | \$31,724 | | | | | \$31,724 | \$69,500 |
| Other Funds | 258,721 | 211,680 | 47,041 | | | | | 47,041 | 258,721 |
| State General Funds | 7,231,939 | 5,967,006 | (106,179) | | | | \$223,892 | 117,713 | 6,084,719 |
| Total | 7,560,160 | 6,216,462 | (27,414) | | | | 223,892 | 196,478 | 6,412,940 |
| Athens/Tifton Veterinary Labs | | | | | | | | | |
| State General Funds | 3,419,638 | 3,271,132 | | | \$172,387 | | 41,542 | 213,929 | 3,485,061 |
| Total | 3,419,638 | 3,271,132 | | | 172,387 | | 41,542 | 213,929 | 3,485,061 |
| Consumer Protection | | | | | | | | | |
| Federal Funds | 6,749,221 | 7,020,116 | (270,895) | | | | | (270,895) | 6,749,221 |
| Other Funds | 935,000 | 591,257 | 343,743 | | | | | 343,743 | 935,000 |
| State General Funds | 21,123,660 | 20,634,327 | 327,940 | | 247,711 | | 875,687 | 1,451,338 | 22,085,665 |
| Total | 28,807,881 | 28,245,700 | 400,788 | | 247,711 | | 875,687 | 1,524,186 | 29,769,886 |
| Marketing and Promotion | | | | | | | | | |
| Federal Funds | 30,600 | 19,076 | 11,524 | | | | | 11,524 | 30,600 |
| Other Funds | 690,968 | 854,105 | (163,137) | | | | | (163,137) | 690,968 |
| State General Funds | 7,712,899 | 7,857,881 | (224,405) | | (\$741) | | 209,442 | (15,704) | 7,842,177 |
| Total | 8,434,467 | 8,731,062 | (376,018) | | (741) | | 209,442 | (167,317) | 8,563,745 |
| Poultry Veterinary Diagnostic Labs | | | | | | | | | |
| State General Funds | 3,250,683 | 3,140,822 | 2,644 | | | 121,399 | 52,591 | 176,634 | 3,317,456 |
| Total | 3,250,683 | 3,140,822 | 2,644 | | | 121,399 | 52,591 | 176,634 | 3,317,456 |
| TOTAL FUNDS | \$51,472,829 | \$49,605,178 | \$0 | | (\$741) | \$541,497 | \$1,403,154 | \$1,943,910 | \$51,549,088 |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$6,849,321 | \$7,076,968 | (\$227,647) | | | | | (\$227,647) | \$6,849,321 |
| Other Funds | 1,884,689 | 1,657,042 | 227,647 | | | | | 227,647 | 1,884,689 |
| Subtotal | \$8,734,010 | \$8,734,010 | \$0 | | \$0 | \$0 | \$0 | \$0 | \$8,734,010 |
| State General Funds | \$42,738,819 | \$40,871,168 | | | (\$741) | \$541,497 | \$1,403,154 | \$1,943,910 | \$42,815,078 |
| TOTAL STATE FUNDS | \$42,738,819 | \$40,871,168 | \$0 | | (\$741) | \$541,497 | \$1,403,154 | \$1,943,910 | \$42,815,078 |

DEPARTMENT OF AGRICULTURE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$33,089,185 | \$32,691,049 | \$31,853,114 | \$32,674,232 | \$1,324,126 | \$33,998,358 |
| Regular Operating Expenses | 4,328,313 | 4,276,509 | 4,740,645 | 4,328,313 | | 4,328,313 |
| Travel | 1,043,708 | 1,150,246 | 1,170,509 | 1,043,708 | | 1,043,708 |
| Motor Vehicle Purchases | 687,320 | 442,630 | 189,245 | | | |
| Equipment | 291,598 | 493,714 | 654,571 | 291,598 | | 291,598 |
| Computer Charges | 1,337,561 | 758,356 | 729,114 | 830,325 | | 830,325 |
| Real Estate Rentals | 1,172,438 | 1,162,128 | 1,174,316 | 1,172,438 | 237,001 | 1,409,439 |
| Telecommunications | 369,435 | 459,910 | 519,361 | 369,435 | | 369,435 |
| Per Diem and Fees | 31,320 | 293,915 | 999,104 | 31,320 | | 31,320 |
| Contracts | 1,302,641 | | 1,655,264 | 1,302,641 | | 1,302,641 |
| Capital Outlay | | 1,919,536 | 1,853,994 | | | |
| Market Bulletin Postage | | 566,619 | 566,619 | | | |
| Payments to Athens/Tifton Veterinary Labs | 3,419,638 | 3,357,556 | 3,189,678 | 3,271,132 | 213,929 | 3,485,061 |
| Poultry Veterinary Diagnostic Labs | 3,143,881 | 3,042,091 | 2,889,986 | 3,034,986 | 169,595 | 3,204,581 |
| Veterinary Fees | 130,000 | 142,239 | 136,725 | 10,000 | | 10,000 |
| Indemnities | 10,000 | 2,400 | 9,747 | 130,000 | | 130,000 |
| Advertising Contract | 425,000 | 425,000 | 425,000 | 425,000 | | 425,000 |
| Repairs to Major and Minor Markets | 653,000 | 2,301,589 | 786,734 | 653,000 | | 653,000 |
| Contract - Federation of Southern Cooperatives | 37,791 | 39,000 | 37,050 | 37,050 | (741) | 36,309 |
| TOTAL FUNDS | \$51,472,829 | \$53,524,487 | \$53,580,776 | \$49,605,178 | \$1,943,910 | \$51,549,088 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$6,849,321 | \$7,503,433 | \$8,254,081 | \$7,076,968 | (\$227,647) | \$6,849,321 |
| Other Funds | 1,884,689 | 4,851,351 | 5,507,708 | 1,657,042 | 227,647 | 1,884,689 |
| Subtotal | \$8,734,010 | \$12,354,784 | \$13,761,789 | \$8,734,010 | \$0 | \$8,734,010 |
| State General Funds | \$42,738,819 | \$41,169,703 | \$39,818,987 | \$40,871,168 | \$1,943,910 | \$42,815,078 |
| TOTAL STATE FUNDS | \$42,738,819 | \$41,169,703 | \$39,818,987 | \$40,871,168 | \$1,943,910 | \$42,815,078 |
| Positions | 840 | 865 | 840 | 840 | | 840 |
| Motor Vehicles | 295 | 295 | 295 | 295 | | 295 |

DEPARTMENT OF AGRICULTURE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|------------------------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$5,967,006 | \$249,456 | \$6,216,462 | \$6,084,719 | \$328,221 | \$6,412,940 |
| Athens/Tifton Veterinary Labs | 3,271,132 | | 3,271,132 | 3,485,061 | | 3,485,061 |
| Consumer Protection | 20,634,327 | 7,611,373 | 28,245,700 | 22,085,665 | 7,684,221 | 29,769,886 |
| Marketing and Promotion | 7,857,881 | 873,181 | 8,731,062 | 7,842,177 | 721,568 | 8,563,745 |
| Poultry Veterinary Diagnostic Labs | 3,140,822 | | 3,140,822 | 3,317,456 | | 3,317,456 |
| TOTAL FUNDS | \$40,871,168 | \$8,734,010 | \$49,605,178 | \$42,815,078 | \$8,734,010 | \$51,549,088 |

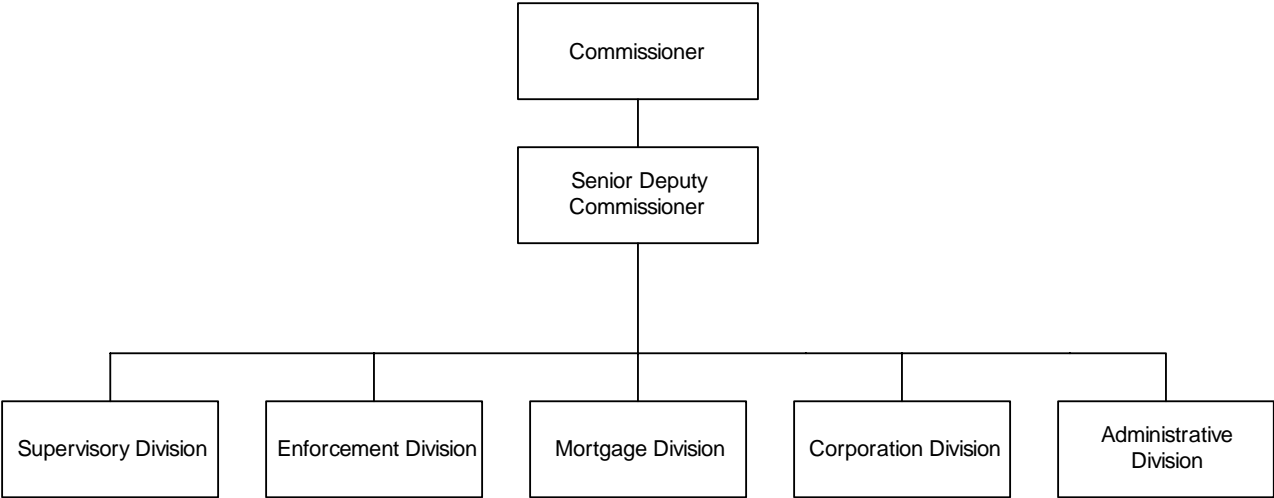
DEPARTMENT OF AGRICULTURE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$40,871,168 |
| Department of Agriculture | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$321,365) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$333,648). | \$655,013 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 440,995 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 70,145 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 237,001 |
| 5. Transfer funds from the Administration program (\$111,683) and the Marketing and Promotion program (\$225,233) to the Consumer Protection program (\$334,272) and the Poultry Veterinary Diagnostic Labs program (\$2,644) to reflect program expenditures. | Yes |
| 6. Transfer funds for equipment purchases from the Consumer Protection program (\$6,322) to Administration program (\$5,504) and Marketing and Promotion program (\$828) to meet expenses. | Yes |
| 7. Reduce the contract with the Federation of Southern Cooperatives. | (741) |
| 8. Fill 3 vacant plant pathologist positions to ensure timely detection of and response to agricultural pests and diseases. | 103,916 |
| 9. Fill 1 vacant inspector position and 1 vacant veterinary district supervisor position in the Meat Inspection program to guarantee the safety of Georgia's meat supply. | 47,480 |
| 10. Fill 3 vacant food safety positions to provide adequate monitoring of Georgia's food supply. | 96,315 |
| 11. Transfer pay raise funds for Athens/Tifton Veterinary Laboratories employees from the Board of Regents to the Department of Agriculture. | 41,542 |
| 12. Fill 1 vacant pathologist position at the Athens/Tifton Veterinary Laboratories for early detection and treatment of diseases affecting livestock, wildlife and companion animals. | 130,845 |
| 13. Provide funding for diagnostic equipment and supplies at the Oakwood Poultry Veterinary Diagnostic Laboratory and branch laboratories to ensure a quick response to avian influenza and other threats. | 121,399 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$1,943,910 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$42,815,078 |

DEPARTMENT OF BANKING AND FINANCE

ORGANIZATIONAL CHART



DEPARTMENT OF BANKING AND FINANCE

Roles and Responsibilities:

The Department of Banking and Finance enforces and administers all state laws, rules and regulations governing the operation of state-chartered financial institutions in Georgia.

The department provides for:

- Safe and sound operation of financial institutions;
- Public confidence in our financial institutions;
- Protection for the interests of the depositors, creditors, and shareholders of financial institutions;
- Service by financial institutions responsive to the convenience and needs of the public; and
- Appropriate competition among all financial institutions to promote economic growth.

The department collects supervision, examination and administrative fees from regulated entities to cover the expenses incurred in the operation of the Department. All fees collected by the department are deposited into the State Treasury. The department is authorized to have 148 positions in five programs: Financial Institution Supervision; Mortgage Supervision; Chartering, Licensing and Applications / Non-Mortgage Entities; Consumer Protection and Assistance; and Administrative.

To accomplish its objectives, the department has four principal functions:

- Supervise and regulate financial institutions
- License mortgage brokers and lenders and money service businesses

- Conduct examinations of financial institutions, mortgage brokers and lenders, and money service businesses, as appropriate and as required by law
- Consumer protection and assistance

SUPERVISION AND REGULATION

The department has the authority to adopt rules and regulations regarding the operation of financial institutions to:

- Allow state-chartered financial institutions to compete fairly with those chartered by the federal government, other states, or foreign governments;
- Protect Georgia financial institutions threatened by economic conditions or technological developments; and
- Prevent unfair, misleading or deceptive business practices by financial services providers.

The Department of Banking and Finance has responsibility for regulating and monitoring the condition of 280 state-chartered banks, 70 credit unions, 258 Georgia holding companies, 4 international bank agencies, 3,326 mortgage brokers and lenders, 581 check cashers, 27 check sellers and 82 money transmitters.

LICENSING AND REGISTRATION

Article 13 of Title 7 of the Official Code of Georgia Annotated requires mortgage lenders and mortgage brokers to be licensed or registered with the department in order to transact business in Georgia. As of September 2005, 3,326 mortgage brokers and lenders were licensed with the department. The department is responsible for licensing money service businesses (check sellers, check cashers and

money transmitters). The department also conducts investigations and resolves consumer complaints regarding residential mortgage lending and money service businesses.

FINANCIAL EXAMINATIONS

The department is responsible for examining all financial institutions--except mortgage lenders/brokers at least once each year. Mortgage lenders/brokers are to be examined at least once every 24 months. Exceptions to these examination frequencies are allowed under specific conditions as provided by law. If necessary, the department may require extra reports and conduct additional examinations to obtain essential information. The department is authorized to issue and enforce orders requiring financial institutions to correct unacceptable conditions discovered through examinations.

OTHER RESPONSIBILITIES

Other responsibilities of the department include approval of all proposals to incorporate as a state-chartered financial institution, approval of requests to change existing articles of incorporation, and approval of mergers and consolidations of financial institutions. Also, the department investigates possible violations of state interest and usury laws. In consultation with the Attorney General, it may issue advisory opinions for the guidance of financial institutions.

AUTHORITY

Title 7 of the Official Code of Georgia Annotated.

DEPARTMENT OF BANKING AND FINANCE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|----------------|------------|------------------|----------------------|------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| State General Funds | \$1,745,137 | \$1,645,199 | | | \$84,719 | \$56,108 | \$140,827 | \$1,786,026 |
| Total | 1,745,137 | 1,645,199 | | | 84,719 | 56,108 | 140,827 | 1,786,026 |
| Chartering, Licensing Applications/ Non-Mortgage Entities | | | | | | | | |
| State General Funds | 500,448 | 495,504 | | | | 17,488 | 17,488 | 512,992 |
| Total | 500,448 | 495,504 | | | | 17,488 | 17,488 | 512,992 |
| Consumer Protection and Assistance | | | | | | | | |
| State General Funds | 519,921 | 515,920 | | | | 13,781 | 13,781 | 529,701 |
| Total | 519,921 | 515,920 | | | | 13,781 | 13,781 | 529,701 |
| Financial Institution Supervision | | | | | | | | |
| State General Funds | 6,790,009 | 6,581,431 | | | 156,007 | 218,845 | 374,852 | 6,956,283 |
| Total | 6,790,009 | 6,581,431 | | | 156,007 | 218,845 | 374,852 | 6,956,283 |
| Mortgage Supervision | | | | | | | | |
| State General Funds | 1,674,753 | 1,738,299 | | | | 58,619 | 58,619 | 1,796,918 |
| Total | 1,674,753 | 1,738,299 | | | | 58,619 | 58,619 | 1,796,918 |
| TOTAL FUNDS | \$11,230,268 | \$10,976,353 | \$0 | \$0 | \$240,726 | \$364,841 | \$605,567 | \$11,581,920 |
| State General Funds | \$11,230,268 | \$10,976,353 | | | \$240,726 | \$364,841 | \$605,567 | \$11,581,920 |
| TOTAL STATE FUNDS | \$11,230,268 | \$10,976,353 | \$0 | \$0 | \$240,726 | \$364,841 | \$605,567 | \$11,581,920 |

DEPARTMENT OF BANKING AND FINANCE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$9,463,623 | \$8,866,662 | \$8,669,697 | \$9,539,598 | \$424,542 | \$9,964,140 |
| Regular Operating Expenses | 299,289 | 291,707 | 333,720 | 299,289 | | 299,289 |
| Travel | 266,940 | 219,455 | 302,189 | 266,940 | | 266,940 |
| Motor Vehicle Purchases | 130,584 | | | | | |
| Equipment | 1,773 | 15,655 | 2,314 | 1,773 | | 1,773 |
| Computer Charges | 376,600 | 173,688 | 173,327 | 187,574 | 170,745 | 358,319 |
| Real Estate Rentals | 565,437 | 524,023 | 557,895 | 565,437 | | 565,437 |
| Telecommunications | 107,500 | 113,560 | 112,537 | 97,220 | 10,280 | 107,500 |
| Per Diem and Fees | 18,522 | 13,840 | 11,986 | 18,522 | | 18,522 |
| TOTAL FUNDS | \$11,230,268 | \$10,218,590 | \$10,163,665 | \$10,976,353 | \$605,567 | \$11,581,920 |
| TOTAL STATE FUNDS | \$11,230,268 | \$10,218,590 | \$10,163,665 | \$10,976,353 | \$605,567 | \$11,581,920 |
| Positions | 143 | 150 | 148 | 148 | 1 | 149 |
| Motor Vehicles | 52 | 53 | 53 | 52 | | 52 |

DEPARTMENT OF BANKING AND FINANCE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$1,645,199 | | \$1,645,199 | \$1,786,026 | | \$1,786,026 |
| Chartering, Licensing, and Applications | | | | | | |
| Non-Mortgage Entities | 495,504 | | 495,504 | 512,992 | | 512,992 |
| Consumer Protection and Assistance | 515,920 | | 515,920 | 529,701 | | 529,701 |
| Financial Institution Supervision | 6,581,431 | | 6,581,431 | 6,956,283 | | 6,956,283 |
| Mortgage Supervision | 1,738,299 | | 1,738,299 | 1,796,918 | | 1,796,918 |
| TOTAL FUNDS | \$10,976,353 | \$0 | \$10,976,353 | \$11,581,920 | \$0 | \$11,581,920 |

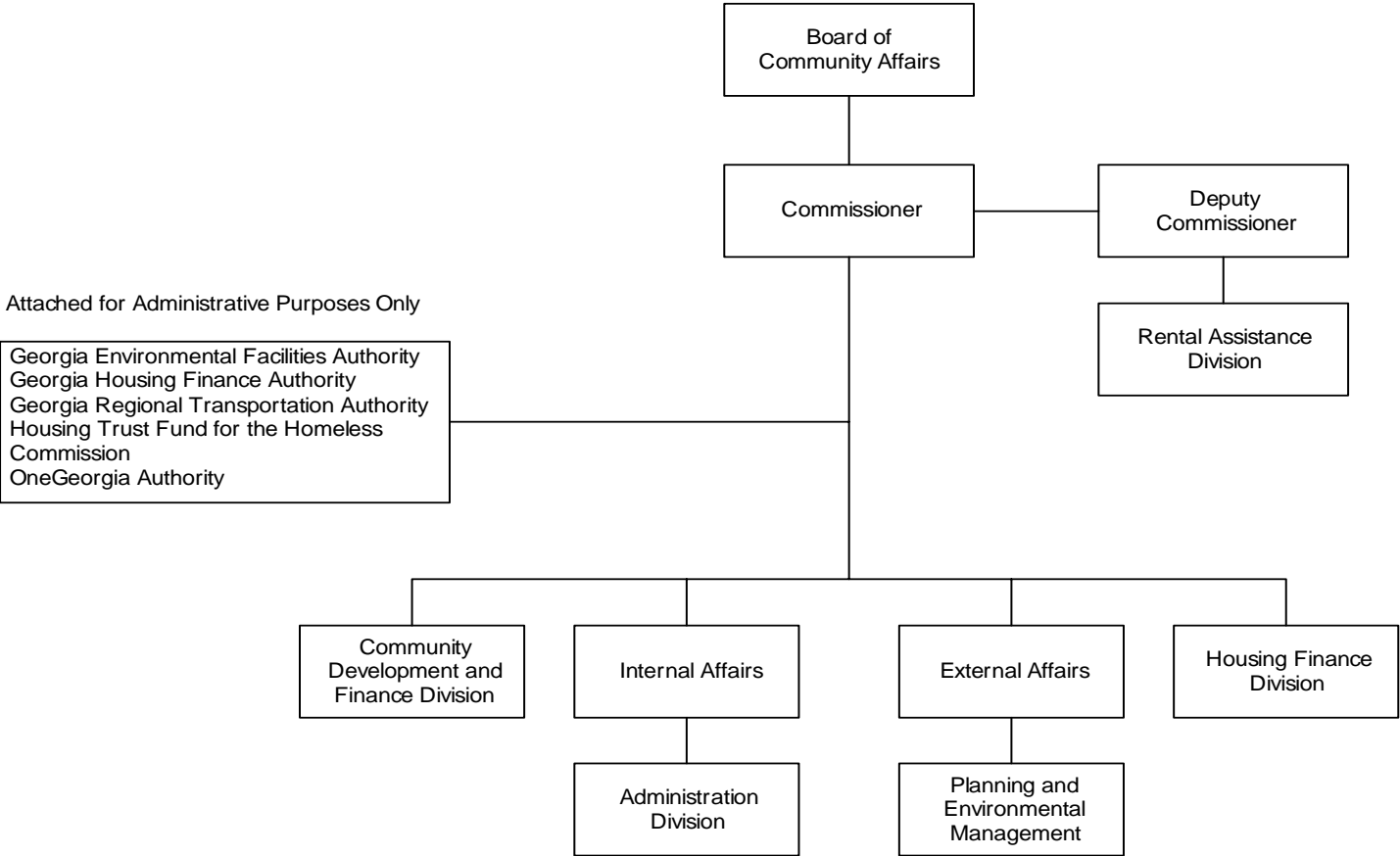
DEPARTMENT OF BANKING AND FINANCE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|-----------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$10,976,353 |
| Department of Banking and Finance | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$83,852) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$88,879). | \$172,731 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 185,394 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 6,716 |
| 4. Increase personal services to add 1 Network Administrator. | 59,701 |
| 5. Purchase field offices phone system. | 181,025 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>\$605,567</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$11,581,920 |

DEPARTMENT OF COMMUNITY AFFAIRS

ORGANIZATIONAL CHART



DEPARTMENT OF COMMUNITY AFFAIRS

Roles and Responsibilities:

The Department of Community Affairs (DCA) operates a host of state and federal grant programs; serves as the state's lead agency in housing finance and development; publishes building codes which are applicable to every structure built in Georgia; provides comprehensive planning, technical and research assistance to local governments; and serves as the lead agency for the state's solid waste reduction efforts. DCA's three core businesses are safe and affordable housing, community and economic development, and local government assistance.

SAFE AND AFFORDABLE HOUSING

DCA supports Georgia communities in addressing their housing needs by offering funding and expertise to communities, non-profit and for-profit organizations, and individuals. The agency provides financing for affordable housing development, mortgages and downpayment loans for moderate-income first-time homebuyers, and financing for housing for people with special needs.

DCA's homeless and special needs housing programs support local programs which provide emergency shelter, transitional housing, essential services and permanent supportive housing for persons who need community support in order to retain stable housing.

The Section 8 Rental Assistance program provides rent subsidies to landlords who agree to maintain their rental properties at the required Housing Quality Standards and to rent to qualified low-income families.

COMMUNITY AND ECONOMIC DEVELOPMENT

DCA's community development programs help the state's communities realize their growth and development goals. The agency administers the federal Community Development Block Grant program, which provides over \$30 million in grants annually to cities and counties outside major metropolitan areas in Georgia. DCA's community service programs deliver over \$5 million annually in funding support to over 20 AmeriCorps programs located throughout the state. The Leadership Development team helps communities to design, develop and execute leadership training programs, and coordinates the regional multi-day Georgia Academy for Economic Development in every rural region of Georgia.

DCA offers economic development incentives and tools designed to help promote growth and job creation throughout the state. Economic development programs deliver over \$50 million in grants and loans annually to Georgia. Grants or loans are available for infrastructure (for businesses creating or retaining jobs), brownfield redevelopment, site acquisition and site prep for Tier 1 and Tier 2 communities, and project funding for North Georgia Appalachian communities. Training, design and technical assistance are also available specifically for downtown development projects.

Planning and quality growth assistance is aimed at helping communities address issues of growth, development and quality of life through implementation of recognized best practices for planning and growth management. This assistance includes advisory clinics, technical assistance, PlanBuilder, quality growth audits, on-site visits by resource teams, special issue workshops and how-to toolkits.

LOCAL GOVERNMENT ASSISTANCE

Regional Services staff maintains partnerships with local, regional, state and federal organizations and agencies and facilitates community issue identification, goal development and implementation of best practices. The agency's Office of Environmental Management serves to integrate the importance of sound environmental management with the overall health and development of Georgia's communities, through such programs as Keep Georgia Beautiful, Solid Waste and Recycling, and WaterFirst. These resources enhance the capacity of local governments and communities to protect the health, safety, and welfare of their residents through the sustainable stewardship of the environment.

The department administers local government surveys related to topics including finance, solid waste, and wages and salaries. It also publishes and maintains information and data about local governments and prepares local government fiscal notes for the General Assembly.

ATTACHED AGENCIES

The following agencies are administratively attached to DCA: **Georgia Housing and Finance Authority, Georgia Regional Transportation Authority, Georgia Environmental Facilities Authority, OneGeorgia Authority, and the State Housing Trust Fund for the Homeless Commission.**

AUTHORITY

Titles 8, 12, 36, 48 and 50 of the Official Code of Georgia Annotated.

DEPARTMENT OF COMMUNITY AFFAIRS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|------------------|--------------------|----------------|----------------------|--------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| Federal Funds | \$22,000 | \$22,000 | | | | | | \$22,000 |
| Other Funds | 2,507,339 | 2,476,773 | | | | | | 2,476,773 |
| State General Funds | 2,140,310 | 1,982,095 | \$95,591 | | | \$63,130 | \$158,721 | 2,140,816 |
| Total | 4,669,649 | 4,480,868 | 95,591 | | | 63,130 | 158,721 | 4,639,589 |
| Building Construction | | | | | | | | |
| Other Funds | 171,722 | 171,722 | | | | | | 171,722 |
| State General Funds | 281,650 | 279,403 | | | | 10,152 | 10,152 | 289,555 |
| Total | 453,372 | 451,125 | | | | 10,152 | 10,152 | 461,277 |
| Coordinated Planning | | | | | | | | |
| State General Funds | 3,645,186 | 3,831,884 | (301,508) | (\$233,045) | \$300,000 | 69,162 | (165,391) | 3,666,493 |
| Total | 3,645,186 | 3,831,884 | (301,508) | (233,045) | 300,000 | 69,162 | (165,391) | 3,666,493 |
| Environmental Education and Assistance | | | | | | | | |
| State General funds | 977,825 | 973,896 | (2,039) | | | 26,996 | 24,957 | 998,853 |
| Total | 977,825 | 973,896 | (2,039) | | | 26,996 | 24,957 | 998,853 |
| Federal Community and Economic Development Programs | | | | | | | | |
| Federal Funds | 36,985,354 | 36,985,354 | | | | | | 36,985,354 |
| State General Funds | 1,617,977 | 1,608,212 | (1,197) | | 100,000 | 53,322 | 152,125 | 1,760,337 |
| Total | 38,603,331 | 38,593,566 | (1,197) | | 100,000 | 53,322 | 152,125 | 38,745,691 |
| Homeownership Programs | | | | | | | | |
| Other Funds | 4,014,155 | 4,014,155 | | | | | | 4,014,155 |
| Total | 4,014,155 | 4,014,155 | | | | | | 4,014,155 |
| Local Assistance Grants | | | | | | | | |
| State General Funds | | 3,881,066 | | (3,881,066) | | | (3,881,066) | 0 |
| Total | | 3,881,066 | | (3,881,066) | | | (3,881,066) | 0 |

DEPARTMENT OF COMMUNITY AFFAIRS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Regional Services | | | | | | | | |
| State General Funds | 3,208,261 | 3,096,517 | 248,373 | | 3,710,508 | 60,536 | 4,019,417 | 7,115,934 |
| Total | 3,208,261 | 3,096,517 | 248,373 | | 3,710,508 | 60,536 | 4,019,417 | 7,115,934 |
| Rental Housing Programs | | | | | | | | |
| Federal Funds | 56,546,807 | 56,546,807 | | | | | | 56,546,807 |
| Other Funds | 2,996,579 | 2,996,579 | | | | | | 2,996,579 |
| State General Funds | 3,287,829 | 3,287,829 | | | | | | 3,287,829 |
| Total | 62,831,215 | 62,831,215 | | | | | | 62,831,215 |
| Research and Surveys | | | | | | | | |
| State General Funds | 634,327 | 667,698 | (38,496) | | | 21,928 | (16,568) | 651,130 |
| Total | 634,327 | 667,698 | (38,496) | | | 21,928 | (16,568) | 651,130 |
| Special Housing Initiatives | | | | | | | | |
| Other Funds | 1,172,459 | | 1,172,459 | | | | 1,172,459 | 1,172,459 |
| State General funds | 3,432,892 | | 3,032,892 | | 300,000 | | 3,332,892 | 3,332,892 |
| Total | 4,605,351 | | 4,205,351 | | 300,000 | | 4,505,351 | 4,505,351 |
| State Community Development Programs | | | | | | | | |
| State General Funds | 1,199,021 | 1,190,051 | (542) | | | 43,041 | 42,499 | 1,232,550 |
| Total | 1,199,021 | 1,190,051 | (542) | | | 43,041 | 42,499 | 1,232,550 |

DEPARTMENT OF COMMUNITY AFFAIRS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|----------------|-------------------|----------------------|-------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| State Economic Development Program | | | | | | | | |
| Federal Funds | 11,887 | 11,887 | | | | | | 11,887 |
| State General Funds | 4,286,347 | 4,201,762 | (182) | | 11,077,444 | | 11,077,262 | 15,279,024 |
| Total | 4,298,234 | 4,213,649 | (182) | | 11,077,444 | | 11,077,262 | 15,290,911 |
| ATTACHED AGENCIES AND AUTHORITIES: | | | | | | | | |
| Payments to Georgia Environmental Facilities Authority | | | | | | | | |
| Other Funds | | | | | | 2,135 | 2,135 | 2,135 |
| State General Funds | 1,282,159 | 700,000 | | | 5,735,782 | | 5,735,782 | 6,435,782 |
| Total | 1,282,159 | 700,000 | | | 5,735,782 | 2,135 | 5,737,917 | 6,437,917 |
| Payments to Georgia Regional Transportation Authority | | | | | | | | |
| State General Funds | 4,476,228 | 4,360,581 | | (2,897) | 90,108 | 122,825 | 210,036 | 4,570,617 |
| Total | 4,476,228 | 4,360,581 | | (2,897) | 90,108 | 122,825 | 210,036 | 4,570,617 |
| Payments to OneGeorgia Authority | | | | | | | | |
| Other Funds | 262,031 | 262,031 | | | | | | 262,031 |
| Tobacco Settlement Funds | 47,123,333 | 47,123,333 | | | | | | 47,123,333 |
| Total | 47,385,364 | 47,385,364 | | | | | | 47,385,364 |

DEPARTMENT OF COMMUNITY AFFAIRS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|----------------------|---------------------|----------------------|---------|---------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Payments to State Housing Trust Fund | | | | | | | | | |
| Other Funds | | 1,172,459 | (1,172,459) | | | | | (1,172,459) | 0 |
| State General Funds | | 3,032,892 | (3,032,892) | | | | | (3,032,892) | 0 |
| Total | | 4,205,351 | (4,205,351) | | | | | (4,205,351) | 0 |
| TOTAL FUNDS | \$182,283,678 | \$184,876,986 | \$0 | (\$4,117,008) | \$21,313,842 | \$473,227 | | \$17,670,061 | \$202,547,047 |
| Less: | | | | | | | | | |
| Federal Funds | \$93,566,048 | \$93,566,048 | | | | | | | \$93,566,048 |
| Other Funds | 11,124,285 | 11,093,719 | | | | \$2,135 | 2,135 | | 11,095,854 |
| Subtotal | \$104,690,333 | \$104,659,767 | \$0 | \$0 | \$0 | \$2,135 | \$2,135 | | \$104,661,902 |
| State General Funds | \$30,470,012 | \$33,093,886 | | (\$4,117,008) | \$21,313,842 | \$471,092 | | \$17,667,926 | \$50,761,812 |
| Tobacco Settlement Funds | 47,123,333 | 47,123,333 | | | | | | | 47,123,333 |
| TOTAL STATE FUNDS | \$77,593,345 | \$80,217,219 | \$0 | (\$4,117,008) | \$21,313,842 | \$471,092 | | \$17,667,926 | \$97,885,145 |

DEPARTMENT OF COMMUNITY AFFAIRS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|-------------|--------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$23,138,628 | \$23,959,469 | \$23,641,142 | \$22,835,541 | \$626,099 | \$23,461,640 |
| Regular Operating Expenses | 1,492,219 | 2,099,903 | 2,449,072 | 1,487,719 | 4,500 | 1,492,219 |
| Travel | 676,475 | 609,489 | 705,940 | 665,475 | 18,100 | 683,575 |
| Motor Vehicle Purchases | | 64,931 | 179,008 | | | |
| Equipment | 141,022 | 187,624 | 192,612 | 141,022 | | 141,022 |
| Computer Charges | 714,223 | 617,219 | 723,252 | 674,713 | 2,500 | 677,213 |
| Real Estate Rentals | 1,470,679 | 1,517,710 | 1,475,381 | 1,465,419 | 3,900 | 1,469,319 |
| Telecommunications | 515,326 | 583,911 | 607,303 | 510,686 | 3,920 | 514,606 |
| Per Diem and Fees | 980,363 | 783,852 | 877,403 | 950,363 | 25,000 | 975,363 |
| Contracts | 1,075,490 | 1,346,315 | 907,112 | 900,490 | 252,200 | 1,152,690 |
| Contracts, Regional Planning and Development | 1,546,548 | 1,823,528 | 1,779,593 | 1,779,593 | (233,045) | 1,546,548 |
| Local Assistance Grants | | (609,817) | 354,356 | 3,881,066 | (3,881,066) | 0 |
| Appalachian Regional Commission Assessment | 163,000 | 160,500 | 163,000 | 163,000 | | 163,000 |
| Payments to Georgia Environmental Facilities Authority | 1,282,159 | 307,125 | 275,000 | 700,000 | 5,737,917 | 6,437,917 |
| HOME Program | 3,287,493 | 2,834,618 | 3,122,606 | 3,287,493 | | 3,287,493 |
| Local Development Fund | 1,250,000 | (18,059) | | 1,500,000 | 3,500,000 | 5,000,000 |
| Payment to State Housing Trust Fund | 3,432,892 | 2,925,000 | 2,778,750 | 3,032,892 | 300,000 | 3,332,892 |
| Payment to Sports Hall of Fame | | 772,189 | 716,733 | | | |
| Regional Economic Business Assistance | 3,167,600 | 2,807,994 | 2,667,600 | 3,167,600 | 6,000,000 | 9,167,600 |
| Community Service Grants | 5,000,000 | 4,934,978 | 4,623,029 | 5,000,000 | | 5,000,000 |
| HUD-Section 8 Rental Assistance | 50,000,000 | 103,722,032 | 105,624,884 | 50,000,000 | | 50,000,000 |
| Regional Economic Development Grants | | (612) | | | | |
| GA Regional Transportation Authority | 4,476,228 | 4,556,478 | 4,334,685 | 4,360,581 | 210,036 | 4,570,617 |
| GHFA - Georgia Cities Foundation | 1,000,000 | 731,250 | 694,687 | 1,000,000 | | 1,000,000 |
| GA Leadership Infrastructure Investment Fund | | 495,000 | 495,000 | | | |
| Quality Growth Program | | 95,000 | | 250,000 | (250,000) | 0 |
| Community Development Block Grants | 30,000,000 | 46,347,440 | 45,819,781 | 30,000,000 | | 30,000,000 |
| Payments to OneGeorgia Authority | 47,123,333 | 65,834,093 | 47,123,333 | 47,123,333 | | 47,123,333 |

DEPARTMENT OF COMMUNITY AFFAIRS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|---------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Life Sciences Facilities Fund | | | 2,000,000 | | 5,000,000 | 5,000,000 |
| Signature Community Program | 350,000 | | | | 350,000 | 350,000 |
| TOTAL FUNDS | \$182,283,678 | \$269,489,160 | \$254,331,262 | \$184,876,986 | \$17,670,061 | \$202,547,047 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$93,566,048 | \$167,428,943 | \$169,697,335 | \$93,566,048 | | \$93,566,048 |
| Other Funds | 11,124,285 | 9,323,253 | 9,264,535 | 11,093,719 | \$2,135 | 11,095,854 |
| Subtotal | \$104,690,333 | \$176,752,196 | \$178,961,870 | \$104,659,767 | \$2,135 | \$104,661,902 |
| State General Funds | \$30,470,012 | \$26,902,871 | \$28,246,059 | \$33,093,886 | \$17,667,926 | \$50,761,812 |
| Tobacco Settlement Funds | 47,123,333 | 65,834,093 | 47,123,333 | 47,123,333 | | 47,123,333 |
| TOTAL STATE FUNDS | \$77,593,345 | \$92,736,964 | \$75,369,392 | \$80,217,219 | \$17,667,926 | \$97,885,145 |
| Positions | 457 | 484 | 478 | 452 | 6 | 458 |
| Motor Vehicles | 165 | 168 | 165 | 165 | | 165 |

DEPARTMENT OF COMMUNITY AFFAIRS

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$1,982,095 | \$2,498,773 | \$4,480,868 | \$2,140,816 | \$2,498,773 | \$4,639,589 |
| Building Construction | 279,403 | 171,722 | 451,125 | 289,555 | 171,722 | 461,277 |
| Coordinated Planning | 3,831,884 | | 3,831,884 | 3,666,493 | | 3,666,493 |
| Environmental Education and Assistance | 973,896 | | 973,896 | 998,853 | | 998,853 |
| Federal Community and Economic Development Programs | 1,608,212 | 36,985,354 | 38,593,566 | 1,760,337 | 36,985,354 | 38,745,691 |
| Homeownership Programs | | 4,014,155 | 4,014,155 | | 4,014,155 | 4,014,155 |
| Local Assistance Grants | 3,881,066 | | 3,881,066 | | | |
| Regional Services | 3,096,517 | | 3,096,517 | 7,115,934 | | 7,115,934 |
| Rental Housing Programs | 3,287,829 | 59,543,386 | 62,831,215 | 3,287,829 | 59,543,386 | 62,831,215 |
| Research and Surveys | 667,698 | | 667,698 | 651,130 | | 651,130 |
| Special Housing Initiatives | | | | 3,332,892 | 1,172,459 | 4,505,351 |
| State Community Development Programs | 1,190,051 | | 1,190,051 | 1,232,550 | | 1,232,550 |
| State Economic Development Program | 4,201,762 | 11,887 | 4,213,649 | 15,279,024 | 11,887 | 15,290,911 |
| Subtotal | \$25,000,413 | \$103,225,277 | \$128,225,690 | \$39,755,413 | \$104,397,736 | \$144,153,149 |
| ATTACHED AGENCIES AND AUTHORITIES: | | | | | | |
| Payments to Georgia Environmental Facilities Authority | \$700,000 | | \$700,000 | \$6,435,782 | \$2,135 | \$6,437,917 |
| Payments to Georgia Regional Transportation Authority | 4,360,581 | | 4,360,581 | 4,570,617 | | 4,570,617 |
| Payments to OneGeorgia Authority | 47,123,333 | \$262,031 | 47,385,364 | 47,123,333 | \$262,031 | 47,385,364 |
| Payments to State Housing Trust Fund | 3,032,892 | 1,172,459 | 4,205,351 | | | |
| Subtotal | \$55,216,806 | \$1,434,490 | \$56,651,296 | \$58,129,732 | \$264,166 | \$58,393,898 |
| TOTAL FUNDS | \$80,217,219 | \$104,659,767 | \$184,876,986 | \$97,885,145 | \$104,661,902 | \$202,547,047 |

DEPARTMENT OF COMMUNITY AFFAIRS

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$33,093,886**

Department of Community Affairs

| | |
|---|--------------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$76,445) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$101,786). | \$178,231 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 146,325 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 23,711 |
| 4. Transfer the Signature Community Program funds of \$250,000 from the Coordinated Planning program to the Regional Services Program. | Yes |
| 5. Transfer GTA rate structure adjustments on computer charges of \$95,591 from multiple programs to the Administration program. | Yes |
| 6. Eliminate one-time funding for local assistance grants. | (3,881,066) |
| 7. Reduce annual contracts to the 16 Regional Development Centers. | (233,045) |
| 8. Enhance funds for the Local Development Fund from \$1,500,000 to \$5,000,000. | 3,500,000 |
| 9. Provide 2 time-limited positions and funding to support the development of a strategy for sound economic development and conservation for Georgia's coastal region by DCA's Coastal Comprehensive Plan Advisory Committee. | 300,000 |
| 10. Provide grants for accessibility improvements at owner-occupied homes in which an individual with a physical disability resides. | 300,000 |
| 11. Add an economic development program manager position to work with state agency partners on life sciences and strategic industries loans. | 77,444 |
| 12. Add 1 human resources position to the Administration program to perform administrative support and transactional activities. | Yes |
| 13. Increase the number of Signature Community grantees from 5 to 7 to assist additional local governments in implementing their comprehensive plan initiatives. | 100,000 |
| 14. Establish a secondary IT infrastructure site to continue key services in the event of an emergency that renders the central office inaccessible. | Yes |
| 15. Add 1 position and travel expenses to implement economic development strategies in rural Georgia. | 110,508 |
| 16. Provide additional funding for the Hands on Georgia contract for community challenge grants. | 100,000 |
| 17. Provide funding to expand the Life Sciences Facilities Fund for investment in entrepreneur-led start-up businesses to promote job growth in Georgia's bioscience industry. | 5,000,000 |
| 18. Provide an enhancement to the State Economic Development Program for critical economic development projects. | 6,000,000 |
| Subtotal | \$11,722,108 |

ATTACHED AGENCIES AND AUTHORITIES:

Georgia Environmental Facilities Authority

| | |
|---|-----------|
| 1. Provide required match funds for the State Energy program. | \$200,000 |
| 2. Provide grant funds for local governments in the Governor's Land Conservation program. | 5,000,000 |

DEPARTMENT OF COMMUNITY AFFAIRS

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------------|
| 3. Provide 1.5 positions and funding to develop the state's energy management capability to reduce cost and usage of energy through improved procurement strategies, data collection and efficient consumption strategies. | 500,000 |
| 4. Provide annual State of Georgia dues to the Southern States Energy Board. | 35,782 |
| Subtotal | <u>\$5,735,782</u> |
| Georgia Regional Transportation Authority | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$33,417) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$35,154). | \$68,571 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 50,537 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 3,717 |
| 4. Redirect \$84,315 and 1 position from the Mitigation/Land Use Planning program to the Transportation Project Planning program to fund 1 senior project engineer to expedite project delivery. | Yes |
| 5. Decrease personal services funding in the Mitigation/Land Use Planning program to reflect the transfer of the position to the Transportation Project Planning program. | (2,897) |
| 6. Provide funding for 1 position in the Transit Implementation program to coordinate transit services and policy. | 90,108 |
| Subtotal | <u>\$210,036</u> |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>\$17,667,926</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$50,761,812 |
| TOTAL TOBACCO SETTLEMENT FUNDS | \$47,123,333 |
| TOTAL STATE FUNDS RECOMMENDED | <u>\$97,885,145</u> |

DEPARTMENT OF COMMUNITY AFFAIRS

BUDGET SUMMARY - FISCAL YEAR 2007

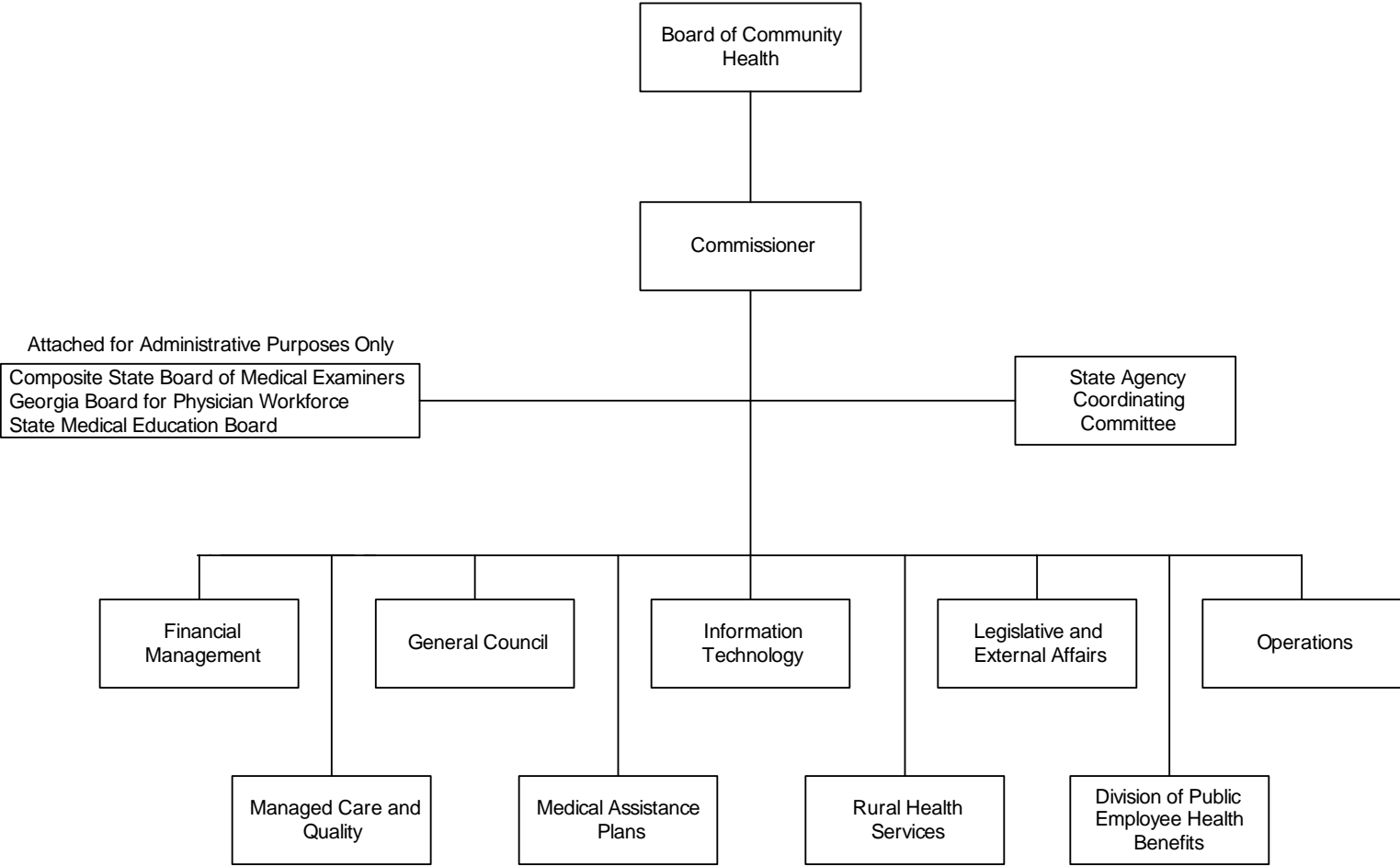
| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|----------------------|
| Georgia Environmental Facilities Authority | | | |
| 1. Provide low interest loans for local water and sewer construction projects. | 20 | \$47,000,000 | \$4,015,210 |
| 2. Provide matching funds for the clean water construction loan program. | 20 | 9,000,000 | 768,870 |
| 3. Provide matching funds for the drinking water construction loan program. | 20 | 3,500,000 | 299,005 |
| 4. Fund corrective construction work of state owned fuel storage tanks. | 20 | 6,000,000 | 512,580 |
| TOTAL | | \$65,500,000 | \$5,595,665 |
| STATE GENERAL FUNDS | | | \$103,480,810 |

DEPARTMENT OF COMMUNITY HEALTH

ORGANIZATIONAL CHART



DEPARTMENT OF COMMUNITY HEALTH

Roles and Responsibilities:

The Department of Community Health (DCH) primary responsibility is to maximize the state's health care purchasing power and create administrative efficiency in the state's health care system. The department works to ensure that quality health care services are provided to a wide array of individuals, including state employees, teachers, and retirees; and those citizens who are eligible for Medicaid or PeachCare for Kids by virtue of being aged, low-income, or disabled. The department is additionally charged with identifying and evaluating available options that would provide health insurance coverage for the estimated 1.3 million Georgians currently uninsured. A nine-person board, appointed by the Governor, has policy-making authority for DCH.

The department has three major divisions: the Division of Medical Assistance Plans, the Division of Managed Care and Quality, and the Division of Public Employee Health Benefits. DCH also targets health care access and improvement through the Office of Rural Health Services.

There are three Boards that are administratively attached to the department: the Composite State Board of Medical Examiners, which licenses physicians; the Georgia Board for Physician Workforce, which provides financial aid to medical schools and residency training programs; and, the State Medical Education Board, which administers medical scholarships and loans to promote medical practice in rural areas.

DIVISION OF MEDICAL ASSISTANCE PLANS

The largest division in the department, the Division of Medical Assistance Plans administers the Medicaid program, which purchases health care on behalf of over 1.3 million persons who are aged, blind, disabled, or indigent. State and federal dollars fund Medicaid with the federal government paying for about 60% of health care costs. A broad array of health care services is available that address the needs of program participants, including hospital, physician, pharmacy, and nursing home services.

The division administers the state's Indigent Care Trust Fund (ICTF), which completed its 15th year of operation in 2005. Utilizing intergovernmental transfers, the ICTF reimburses hospitals serving a disproportionate share of medically indigent Georgians.

The division is also responsible for the PeachCare for Kids Program, Georgia's version of the federal Children's Health Insurance Program. PeachCare provides medical and dental coverage for over 200,000 children whose parents' income is too high to qualify for Medicaid, but who cannot afford private health insurance. Current eligibility allows children in families with incomes between 185% and 235% of the federal poverty level to participate.

DIVISION OF MANAGED CARE AND QUALITY

The Division of Managed Care and Quality is responsible for implementing and directing the state's new care management effort known as Georgia Healthy Families (GHF).

Beginning in April 2006, the department, in partnership with private Care Management Organizations, will provide a more efficient delivery of health care services, better care for members and accountability to taxpayers while at the same time maintaining predictable and sustainable expenditure growth. Children enrolled in PeachCare and children, pregnant women and women with breast or cervical cancer on Medicaid are eligible to participate in GHF. The GHF initiative will be phased in regionally across the state beginning in 2006.

DIVISION OF PUBLIC EMPLOYEE HEALTH BENEFITS

The Division of Public Employee Health Benefits administers the State Health Benefit Plan (SHBP), which provides health insurance coverage to more than a half million state employees, teachers, retirees, and their dependents. The SHBP offers members several coverage options including a preferred provider option (PPO), several HMO choices, and a traditional indemnity plan.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel provides overall guidance and direction for the operation of the department; drafts and reviews procurement documents; provides legal services for all aspects of the State Health Benefit Plan; develops policies and procedures for compliance with federal and state privacy and public records requirements; drafts rules, regulations and policies for consideration by the Board of Community Health; and, administers the Certificate of Need (CONs) process. The CON process helps contain health care costs by avoiding unnecessary duplication of services, equipment, and facilities.

AUTHORITY

Title XIX of the Social Security Act; Title 31-5A, Official Code of Georgia Annotated.

DEPARTMENT OF COMMUNITY HEALTH

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|--------------------|---------------|------------------|----------------------|--------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Administration | | | | | | | | |
| Federal Funds | \$240,705,068 | \$226,434,918 | \$14,130,000 | | | \$505,402 | \$14,635,402 | \$241,070,320 |
| Other Funds | 33,562,456 | 19,390,980 | 14,130,000 | | | 81,443 | 14,211,443 | 33,602,423 |
| State General Funds | <u>62,339,473</u> | <u>62,221,212</u> | | | | <u>580,987</u> | <u>580,987</u> | <u>62,802,199</u> |
| Total | 336,606,997 | 308,047,110 | 28,260,000 | | | 1,167,832 | 29,427,832 | 337,474,942 |
| Health Care Access and Improvement | | | | | | | | |
| Federal Funds | 549,838 | 549,838 | | | | | | 549,838 |
| Other Funds | 100,000 | 100,000 | | | | | | 100,000 |
| State General Funds | <u>5,805,118</u> | <u>5,786,551</u> | | | | <u>63,066</u> | <u>63,066</u> | <u>5,849,617</u> |
| Total | 6,454,956 | 6,436,389 | | | | 63,066 | 63,066 | 6,499,455 |
| Indigent Care Trust Fund | | | | | | | | |
| Federal Funds | 488,978,758 | 219,438,624 | 232,324,956 | | | 37,215,178 | 269,540,134 | 488,978,758 |
| Other Funds | 160,737,322 | 148,828,880 | | | | 11,908,442 | 11,908,442 | 160,737,322 |
| State General Funds | <u>145,500,635</u> | <u>145,500,635</u> | | | <u>3,750,000</u> | | <u>149,250,635</u> | <u>149,250,635</u> |
| Total | 795,216,715 | 368,267,504 | 377,825,591 | | 3,750,000 | 49,123,620 | 430,699,211 | 798,966,715 |
| Medicaid: Aged, Blind, and Disabled | | | | | | | | |
| Federal Funds | 2,601,376,365 | 2,327,230,795 | 360,696,519 | (136,275,642) | 31,983,218 | | 256,404,095 | 2,583,634,890 |
| Other Funds | 367,501,732 | 361,881,842 | 10,516,263 | | | | 10,516,263 | 372,398,105 |
| State General Funds | 991,867,696 | 895,116,272 | 125,223,134 | (52,479,750) | 21,075,434 | | 93,818,818 | 988,935,090 |
| Tobacco Funds | <u>2,143,025</u> | <u>2,143,025</u> | <u>(2,143,025)</u> | | | | <u>(2,143,025)</u> | <u>0</u> |
| Total | 3,962,888,818 | 3,586,371,934 | 494,292,891 | (188,755,392) | 53,058,652 | | 358,596,151 | 3,944,968,085 |
| Medicaid: Low Income Medicaid | | | | | | | | |
| Federal Funds | 1,347,918,330 | 1,439,078,743 | (7,642,430) | (100,775,255) | 1,594,384 | | (106,823,301) | 1,332,255,442 |
| Other Funds | 125,293,290 | 106,701,206 | 5,940,193 | | | | 5,940,193 | 112,641,399 |
| State General Funds | 919,519,853 | 1,034,261,066 | (49,783,473) | (63,113,597) | 998,384 | | (111,898,686) | 922,362,380 |
| Tobacco Funds | <u>50,973,656</u> | <u>50,973,656</u> | | | | | <u>0</u> | <u>50,973,656</u> |
| Total | 2,443,705,129 | 2,631,014,671 | (51,485,710) | (163,888,852) | 2,592,768 | | (212,781,794) | 2,418,232,877 |

DEPARTMENT OF COMMUNITY HEALTH

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | |
|---|------------------------------------|-----------------------------------|----------------|--------------------|--------------------|----------------------|--------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | Total |
| Nursing Home Provider Fee | | | | | | | | |
| Federal Funds | 147,967,356 | 147,967,356 | | (1,446,604) | | | (1,446,604) | 146,520,752 |
| State General Funds | 100,229,284 | 100,229,284 | | (942,108) | | | (942,108) | 99,287,176 |
| Total | 248,196,640 | 248,196,640 | | (2,388,712) | | | (2,388,712) | 245,807,928 |
| PeachCare | | | | | | | | |
| Federal Funds | 182,504,539 | 174,337,041 | | | | 8,167,498 | 8,167,498 | 182,504,539 |
| State General Funds | 62,188,968 | 62,188,968 | | | | | | 62,188,968 |
| Tobacco Funds | 4,970,705 | 4,970,705 | | | | | | 4,970,705 |
| Total | 249,664,212 | 241,496,714 | | | | 8,167,498 | 8,167,498 | 249,664,212 |
| State Health Benefit Plan | | | | | | | | |
| Other Funds | 2,204,442,900 | 1,959,882,468 | | | 206,991,162 | 244,560,432 | 451,551,594 | 2,411,434,062 |
| Total | 2,204,442,900 | 1,959,882,468 | | | 206,991,162 | 244,560,432 | 451,551,594 | 2,411,434,062 |
| <u>ATTACHED AGENCIES:</u> | | | | | | | | |
| Composite Board of Medical Examiners | | | | | | | | |
| State General Funds | 2,195,534 | 2,135,705 | | (3,000) | 5,000 | 64,850 | 66,850 | 2,202,555 |
| Total | 2,195,534 | 2,135,705 | | (3,000) | 5,000 | 64,850 | 66,850 | 2,202,555 |
| Georgia Board of Physician Workforce | | | | | | | | |
| State General Funds | 39,343,477 | 38,566,402 | | | 36,579 | 26,214 | 62,793 | 38,629,195 |
| Total | 39,343,477 | 38,566,402 | | | 36,579 | 26,214 | 62,793 | 38,629,195 |
| State Medical Education Board | | | | | | | | |
| State General Funds | 1,382,452 | 1,352,788 | | | 50,000 | 9,928 | 59,928 | 1,412,716 |
| Total | 1,382,452 | 1,352,788 | | | 50,000 | 9,928 | 59,928 | 1,412,716 |

DEPARTMENT OF COMMUNITY HEALTH

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--------------------------|------------------------------------|-----------------------------------|----------------------|------------------------|---------------------|----------------------|----------------------|------------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| TOTAL FUNDS | \$10,290,097,830 | \$9,391,768,325 | \$848,892,772 | (\$355,035,956) | \$266,484,161 | \$303,183,440 | \$1,063,524,417 | \$10,455,292,742 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$5,010,000,254 | \$4,535,037,315 | \$599,509,045 | (\$238,497,501) | \$33,577,602 | \$45,888,078 | \$440,477,224 | \$4,975,514,539 | |
| Other Funds | 2,891,637,700 | 2,596,785,376 | 30,586,456 | | 206,991,162 | 256,550,317 | 494,127,935 | 3,090,913,311 | |
| Subtotal | \$7,901,637,954 | \$7,131,822,691 | \$630,095,501 | (\$238,497,501) | \$240,568,764 | \$302,438,395 | \$934,605,159 | \$8,066,427,850 | |
| State General Funds | \$2,330,372,490 | \$2,201,858,248 | \$220,940,296 | (\$116,538,455) | \$25,915,397 | \$745,045 | \$131,062,283 | \$2,332,920,531 | |
| Tobacco Funds | 58,087,386 | 58,087,386 | (2,143,025) | | | | (2,143,025) | 55,944,361 | |
| TOTAL STATE FUNDS | \$2,388,459,876 | \$2,259,945,634 | \$218,797,271 | (\$116,538,455) | \$25,915,397 | \$745,045 | \$128,919,258 | \$2,388,864,892 | |

DEPARTMENT OF COMMUNITY HEALTH

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|---------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|-----------------|------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$33,317,069 | \$28,980,642 | \$29,297,435 | \$32,998,615 | \$933,151 | \$33,931,766 |
| Regular Operating Expenses | 6,590,072 | 8,279,228 | 5,878,559 | 6,590,072 | | 6,590,072 |
| Travel | 321,568 | 228,254 | 242,457 | 321,568 | | 321,568 |
| Equipment | 123,791 | 61,412 | 84,238 | 123,791 | | 123,791 |
| Computer Charges | 106,695,319 | 70,512,086 | 107,405,072 | 106,695,319 | | 106,695,319 |
| Real Estate Rentals | 1,714,132 | 1,734,829 | 1,717,613 | 1,714,132 | 297,747 | 2,011,879 |
| Telecommunications | 830,019 | 634,460 | 855,592 | 830,019 | | 830,019 |
| Per Diem and Fees | 1,230,778 | 1,267,373 | 1,277,117 | 1,230,778 | | 1,230,778 |
| Contracts | 340,413,635 | 743,547,092 | 790,883,104 | 320,353,635 | 20,060,000 | 340,413,635 |
| Medicaid / PeachCare Benefits | 7,073,649,283 | 7,197,162,977 | 7,300,373,325 | 6,818,950,823 | 215,055,475 | 7,034,006,298 |
| Audit Contracts | 1,097,500 | 2,646,270 | 2,646,270 | 1,097,500 | | 1,097,500 |
| Purchase of Service Contracts | 183,244 | 167,695 | 167,695 | 183,244 | | 183,244 |
| Grant in Aid to Counties | 544,826 | 2,487,634 | 2,666,093 | 544,826 | | 544,826 |
| Health Insurance Payments | 2,054,442,900 | 1,331,022,368 | 1,473,349,145 | 1,809,882,468 | 451,551,594 | 2,261,434,062 |
| Payments to Nursing Homes | 248,196,640 | 241,559,847 | 255,115,084 | 248,196,640 | (2,388,712) | 245,807,928 |
| Payments to Low Income Medicaid | 377,825,591 | | | | 377,825,591 | 377,825,591 |
| Subtotal | \$10,247,176,367 | \$9,630,292,167 | \$9,971,958,799 | \$9,349,713,430 | \$1,063,334,846 | \$10,413,048,276 |

DEPARTMENT OF COMMUNITY HEALTH

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--------------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------------|-------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| ATTACHED AGENCIES: | | | | | | |
| Composite Board of Medical Examiners | \$2,195,534 | | | \$2,135,705 | \$66,850 | \$2,202,555 |
| Georgia Board of Physician Workforce | 39,343,477 | \$38,195,240 | \$38,005,722 | 38,566,402 | 62,793 | 38,629,195 |
| State Medical Education Board | 1,382,452 | 1,341,846 | 1,273,135 | 1,352,788 | 59,928 | 1,412,716 |
| Subtotal | \$42,921,463 | \$39,537,086 | \$39,278,857 | \$42,054,895 | \$189,571 | \$42,244,466 |
| TOTAL FUNDS | \$10,290,097,830 | \$9,669,829,253 | \$10,011,237,656 | \$9,391,768,325 | \$1,063,524,417 | \$10,455,292,742 |
| Less: | | | | | | |
| Federal Funds | \$5,010,000,254 | \$4,911,990,648 | \$4,809,633,744 | \$4,535,037,315 | \$440,477,224 | \$4,975,514,539 |
| Other Funds | 2,891,637,700 | 2,746,014,642 | 2,959,148,288 | 2,596,785,376 | 494,127,935 | 3,090,913,311 |
| Subtotal | \$7,901,637,954 | \$7,658,005,290 | \$7,768,782,032 | \$7,131,822,691 | \$934,605,159 | \$8,066,427,850 |
| State General Funds | \$2,330,372,490 | \$1,953,736,577 | \$2,183,956,785 | \$2,201,858,248 | \$131,062,283 | \$2,332,920,531 |
| Tobacco Funds | 58,087,386 | 58,087,386 | 58,087,386 | 58,087,386 | (2,143,025) | 55,944,361 |
| TOTAL STATE FUNDS | \$2,388,459,876 | \$2,011,823,963 | \$2,242,044,171 | \$2,259,945,634 | \$128,919,258 | \$2,388,864,892 |
| Positions | 507 | 510 | 510 | 507 | | 507 |
| Motor Vehicles | 24 | 24 | 24 | 24 | | 24 |

DEPARTMENT OF COMMUNITY HEALTH

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--------------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------------|-------------------------------|--------------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$62,221,212 | \$245,825,898 | \$308,047,110 | \$62,802,199 | \$274,672,743 | \$337,474,942 |
| Health Care Access and Improvement | 5,786,551 | 649,838 | 6,436,389 | 5,849,617 | 649,838 | 6,499,455 |
| Indigent Care Trust Fund | | 368,267,504 | 368,267,504 | 149,250,635 | 649,716,080 | 798,966,715 |
| Medicaid: Aged, Blind, and Disabled | 897,259,297 | 2,689,112,637 | 3,586,371,934 | 988,935,090 | 2,956,032,995 | 3,944,968,085 |
| Medicaid: Low Income Medicaid | 1,085,234,722 | 1,545,779,949 | 2,631,014,671 | 973,336,036 | 1,444,896,841 | 2,418,232,877 |
| Nursing Home Provider Fee | 100,229,284 | 147,967,356 | 248,196,640 | 99,287,176 | 146,520,752 | 245,807,928 |
| PeachCare | 67,159,673 | 174,337,041 | 241,496,714 | 67,159,673 | 182,504,539 | 249,664,212 |
| State Health Benefit Plan | | 1,959,882,468 | 1,959,882,468 | | 2,411,434,062 | 2,411,434,062 |
| Subtotal | <u>\$2,217,890,739</u> | <u>\$7,131,822,691</u> | <u>\$9,349,713,430</u> | <u>\$2,346,620,426</u> | <u>\$8,066,427,850</u> | <u>\$10,413,048,276</u> |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Composite Board of Medical Examiners | \$2,135,705 | | \$2,135,705 | \$2,202,555 | | \$2,202,555 |
| Georgia Board of Physician Workforce | 38,566,402 | | 38,566,402 | 38,629,195 | | \$38,629,195 |
| State Medical Education Board | 1,352,788 | | 1,352,788 | 1,412,716 | | 1,412,716 |
| Subtotal | <u>\$42,054,895</u> | <u>\$0</u> | <u>\$42,054,895</u> | <u>\$42,244,466</u> | <u>\$0</u> | <u>\$42,244,466</u> |
| TOTAL FUNDS | <u>\$2,259,945,634</u> | <u>\$7,131,822,691</u> | <u>\$9,391,768,325</u> | <u>\$2,388,864,892</u> | <u>\$8,066,427,850</u> | <u>\$10,455,292,742</u> |

DEPARTMENT OF COMMUNITY HEALTH

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$2,201,858,248**

Department of Community Health

| | |
|---|---------------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$136,828) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$113,904). | \$250,732 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 223,781 |
| 3. Provide funds for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space (Total Funds: \$297,747). | 157,806 |
| 4. Increase personal services to reflect an adjustment in Workers' Compensation premiums (Total Funds: \$23,404). | 11,734 |
| 5. Fund the projected growth in Medicaid Benefits (Total Funds: \$648,561,287). | 221,163,251 |
| 6. Provide funds to replace Indigent Care Trust Funds for Right from the Start Medicaid services for pregnant women and children (Total Funds \$57,780,933). | 22,000,000 |
| 7. Provide funds to replace Upper Payment Limit funds for Medicaid Benefit services (Total Funds: \$146,969,749) | 146,969,749 |
| 8. Fund the cost to move from a cash basis to an accrual basis budget in order to make capitation payments to Care Management Organization (CMO) providers (Total Funds: \$266,202,555). | 102,514,604 |
| 9. Contract with an enrollment broker to assist the care management population in the selection of a CMO plan (Total Funds: \$14,038,314). | 8,460,000 |
| 10. Provide funds to replace Disproportionate Share Hospital payments used for Right from the Start Medicaid eligibility services performed by the Department of Human Resources (Total Funds: \$7,600,000). | 3,800,000 |
| 11. Verify Medicaid eligibility by conducting review procedures (Total Funds: \$3,740,000). | 1,870,000 |
| 12. Appropriate Quality Assessment fee revenues to support care management (Total Funds: \$377,825,591). | 145,500,635 |
| 13. Realize savings generated from Medicaid efficiencies and one-time upper payment limit receipts generated in state Fiscal Year 2005. | (451,391,485) |
| 14. Reflect actual nursing home provider fee revenue in FY 2007 (Total Funds: \$2,388,712). | (942,108) |
| 15. Reduce Medicaid Benefit costs by eliminating self-declaration of income and implementing a centralized third-party verification of income and assets for both enrollment and re-enrollment (Total Funds \$64,918,203). | (25,000,000) |
| 16. Reduce Medicaid costs generated in the Aged, Blind and Disabled populations through the provision of better business practices to ensure that the member receives the right services, at the right time and the right cost (Total Funds: \$51,934,562). | (20,000,000) |
| 17. Perform voluntary interim hospital cost settlements based on "as-filed" cost reports to recover funds from provider over-payment (Total Funds: \$169,430,812). | (70,593,347) |
| 18. Update nursing home reimbursement rates to the FY 2004 cost reports (Total Funds: \$52,013,690). | 20,030,472 |
| 19. Support the operation of Hughes Spalding Children's Hospital. | 3,750,000 |
| 20. Fund Medicaid costs associated with the expansion of the newborn screening program administered by the Department of Human Resources (Total Funds: \$2,592,532). | 998,384 |
| 21. Fund a monthly supplement of \$20 to be used by nursing home residents who receive Supplemental Security Income to purchase personal items such as shampoo and toothpaste. | 1,044,962 |
| 22. Replace Tobacco funds with State funds to support Independent Care Waiver Slots. | 2,143,025 |

DEPARTMENT OF COMMUNITY HEALTH

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------|
| 23. Transfer state funds from the Department of Human Resources Community Services Adult program to the Department of Community Health Low Income Medicaid program to implement Georgia Healthy Families which serves Medicaid clients who receive mental health services. | 17,910,517 |
| 24. Additional cost associated with savings estimates for FY 2006 budget cuts that will not be realized for Disease Management, Emergency Room Pilot Expansion and the transfer of nursing home residents to the SOURCE program (State Funds: \$6,150,348; Total Funds: \$15,594,188). | Yes |
| 25. Reflect projected revenue from increasing the State Health Benefit Plan Employer Premium in FY 2007 (Total Funds: \$206,991,162) | Yes |
| Subtotal | \$130,872,712 |

ATTACHED AGENCIES

Composite Board of Medical Examiners

| | |
|---|----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$17,115) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$15,693) | \$32,808 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 30,446 |
| 3. Increase personal services to reflect an adjustment in the Workers' Compensation rate. | 1,596 |
| 4. Reduce funding for telecommunications. | (3,000) |
| 5. Fund 20 additional peer reviews annually in order to respond to consumer complaints related to physician care. | 5,000 |
| Subtotal | \$66,850 |

Georgia Board of Physician Workforce

| | |
|---|----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$5,747) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$13,261). | \$19,008 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 6,847 |
| 3. Increase personal services to reflect an adjustment in the Workers' Compensation premiums. | 359 |
| 4. Provide funds for two additional slots in the Pediatric Residency Program at the Medical Center of Central Georgia. | \$36,579 |
| Subtotal | \$62,793 |

State Medical Education Board

| | |
|--|---------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$2,608) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$3,872). | \$6,480 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 3,276 |
| 3. Increase personal services to reflect an adjustment in the Workers' Compensation premiums. | 172 |
| 4. Increase (\$15,000) contract with the Georgia Student Finance Commission for monitoring of outstanding loan repayment collections; increase funding for the Medical Fair (\$20,000); and provide additional funds (\$15,000) for physicians seeking to practice in rural Georgia by assisting with medical debt payments. | 50,000 |

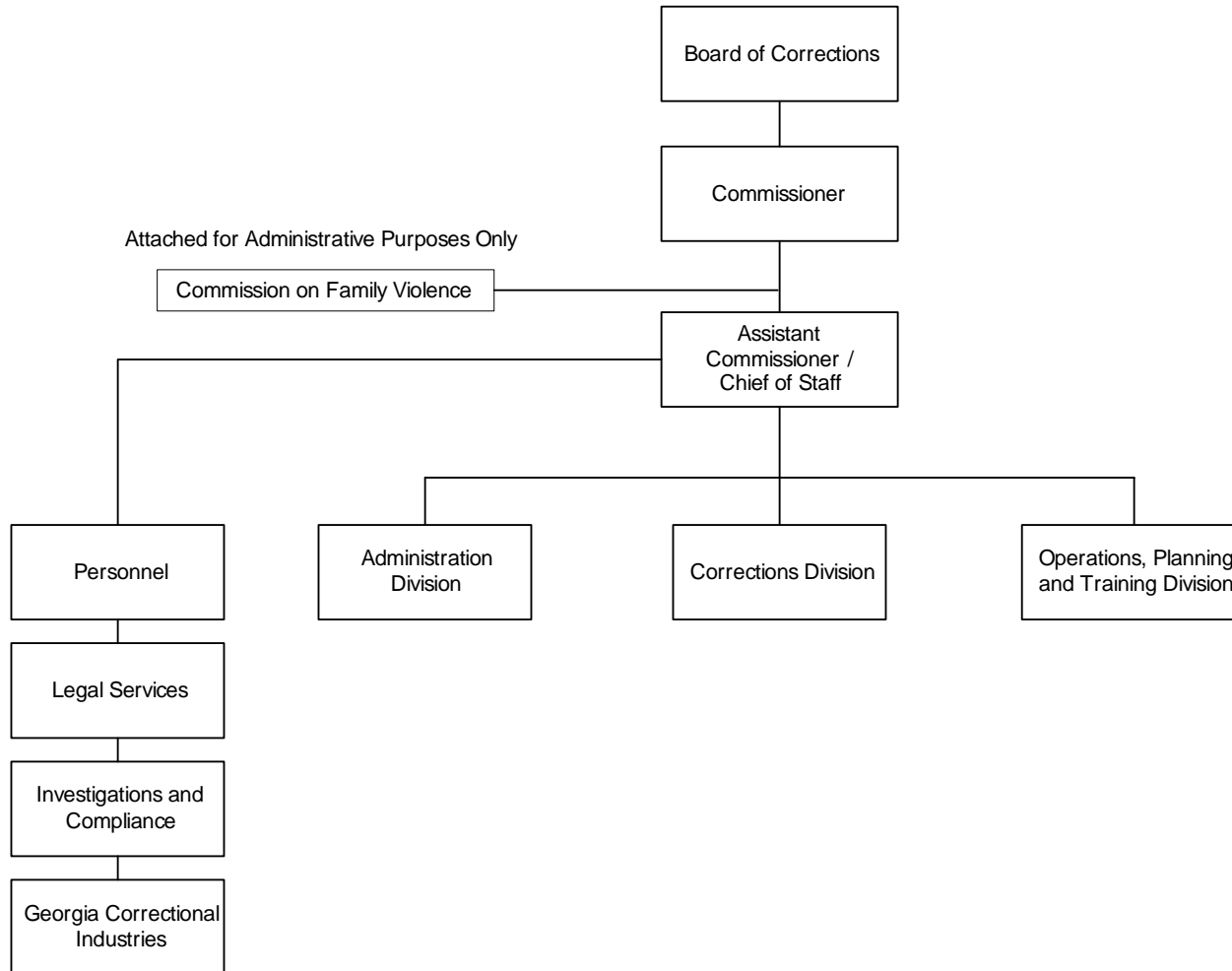
DEPARTMENT OF COMMUNITY HEALTH

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|------------------------|
| Subtotal | \$59,928 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$131,062,283 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$2,332,920,531 |
| FY 2006 TOBACCO SETTLEMENT FUND APPROPRIATIONS | \$58,087,386 |
| Department of Community Health | |
| 1. Replace Tobacco funds with State funds to support Independent Care Waiver Slots. | (\$2,143,025) |
| TOTAL NET TOBACCO SETTLEMENT FUND ADJUSTMENTS | (\$2,143,025) |
| TOTAL TOBACCO SETTLEMENT FUNDS RECOMMENDED | \$55,944,361 |
| TOTAL STATE FUNDS RECOMMENDED | \$2,388,864,892 |

DEPARTMENT OF CORRECTIONS

ORGANIZATIONAL CHART



DEPARTMENT OF CORRECTIONS

Roles and Responsibilities:

The Department of Corrections (DOC) administers the prison and probation sentences of offenders adjudicated by Georgia courts. More than 48,290 of these offenders are serving prison sentences. More than 80,000 offenders are on probation.

The mission of the DOC is to protect the public, serve victims of crime and reduce crimes committed by sentenced offenders by holding offenders accountable and providing safe and secure facilities, effective community supervision and effective methods of self-improvement for offenders. In collaboration with the community and other agencies, DOC provides programs that offer offenders the opportunity to become responsible, productive, law-abiding citizens.

As part of its strategic plan, the department has developed the following priorities:

- Sound correctional practice is founded upon reliable and timely information.
- Citizens are safe from incarcerated and supervised offenders; correctional environments will be safe, secure and disciplined for all staff and offenders.
- Communications are hallmarked by enhanced public awareness, collaborative partnerships and effective departmental teamwork.
- A continuum of balanced sanctions is available to the criminal justice system.
- A highly trained, professional workforce is available to achieve the department's mission, today and in years to come.
- Prepare offenders to accept responsibility for their acts, to restore harm done to the community, and to lead a productive, crime-free life.

DEPARTMENT OPERATIONS

Incarceration offers a highly structured, secure environment, which removes from the community those offenders who pose a high risk. DOC provides legally mandated services in the areas of physical and mental health, counseling, education, vocational training, chaplain services and recreation.

DOC requires offenders in its facilities to work to support the system and the community. Inmates and probationers work on prison farms; in food preparation, laundry, and construction; in facility and landscape maintenance; and performing factory work in Correctional Industries' manufacturing plants. The types of DOC institutions include:

- State Prisons (37). These institutions are typically reserved for felony offenders with more than one year of incarceration to serve.
- County Prisons (24). The state pays a subsidy to county institutions to house and supervise state inmates. Inmates assigned to the county prisons typically work on roadway or construction projects for the county in which they are housed.
- Inmate Boot Camps, Probation Boot Camps, Probation Detention Centers (24). These three programs offer a short-term, intensive incarceration period. The boot camp program enforces strict discipline and military protocol.
- Transitional Centers (10). These community-based centers are designed to allow offenders nearing the end of their prison term to prepare for life in the community. DOC requires offenders to have jobs in the local community, pay room and board to the center, and support their families.
- Probation Diversion Centers (17). Judges may sentence offenders to diversion centers as an

alternative to prison. Like transitional center residents, offenders in the diversion centers work and pay room and board, restitution, fines, and family support.

- Private Prisons (3). D. Ray James prison, owned and operated by Cornell Corrections and prisons in Coffee and Wheeler counties owned and operated by Corrections Corporation of America house state sentenced inmates. Like state prisons, these facilities are typically reserved for felony offenders with more than one year of incarceration to serve.

Probation is designed to enforce judicial sentences in the community. The Statewide Probation Act of 1956 laid the legal foundation for the Probation Division. The law provides for standardized supervision by sworn peace officers of those offenders sentenced to probation, either directly from court on a straight probation sentence, or after completing a specified term of imprisonment on a split sentence.

Probationers are required to be employed and to pay restitution, fees, fines, and court costs. Many probationers are also required to perform community service, unpaid labor for the local community. Probationers are supervised with increasing levels of intensity in accordance with the risk they pose to the community. Requirements at these varied supervision levels may include adherence to a curfew, wearing an electronic device to monitor movements, drug testing, and home and job visits by the probation officer.

AUTHORITY

Titles 9, 42 and 77 of the Official Code of Georgia Annotated.

DEPARTMENT OF CORRECTIONS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---------------------------------------|------------------------------------|-----------------------------------|------------------|--------------------|-------------------|----------------------|--------------------|--------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total | | |
| Administration | | | | | | | | | |
| Federal Funds | \$1,836,000 | \$1,836,000 | | | | | | | \$1,836,000 |
| State General Funds | 55,352,732 | 53,012,017 | \$2,519,381 | (\$149,799) | \$14,528 | \$1,567,873 | \$3,951,983 | 56,964,000 | |
| Total | 57,188,732 | 54,848,017 | 2,519,381 | (149,799) | 14,528 | 1,567,873 | 3,951,983 | 58,800,000 | |
| Bainbridge Probation Substance | | | | | | | | | |
| Federal Funds | 20,743 | 20,743 | | | | | | 20,743 | |
| Other Funds | 7,046 | 7,046 | | | | | | 7,046 | |
| State General Funds | 4,581,031 | 3,226,673 | (24,800) | | 1,389,359 | 99,113 | 1,463,672 | 4,690,345 | |
| Total | 4,608,820 | 3,254,462 | (24,800) | | 1,389,359 | 99,113 | 1,463,672 | 4,718,134 | |
| Compensation Resolutions | | | | | | | | | |
| State General Funds | | 512,377 | | (512,377) | | | (512,377) | 0 | |
| Total | | 512,377 | | (512,377) | | | (512,377) | 4,690,345 | |
| Food and Farm Operations | | | | | | | | | |
| Federal Funds | 22,000 | 22,000 | | | | | | 22,000 | |
| Other Funds | 45,000 | 194,725 | | (149,725) | | | (149,725) | 45,000 | |
| State General Funds | 13,343,501 | 12,407,740 | 1,019,228 | | | 217,402 | 1,236,630 | 13,644,370 | |
| Total | 13,410,501 | 12,624,465 | 1,019,228 | (149,725) | | 217,402 | 1,086,905 | 13,711,370 | |
| Health | | | | | | | | | |
| Other Funds | 8,464,209 | 8,464,209 | | | | | | 8,464,209 | |
| State General Funds | 174,788,318 | 151,543,143 | (402,267) | | 26,345,214 | 878,954 | 26,821,901 | 178,365,044 | |
| Total | 183,252,527 | 160,007,352 | (402,267) | | 26,345,214 | 878,954 | 26,821,901 | 186,829,253 | |
| Jail Subsidy | | | | | | | | | |
| Federal Funds | | 2,501,508 | | (2,501,508) | | | (2,501,508) | 0 | |
| State General Funds | 16,352,000 | 9,653,491 | | (4,854,999) | | | (4,854,999) | 4,798,492 | |
| Total | 16,352,000 | 12,154,999 | | (7,356,507) | | | (7,356,507) | 4,798,492 | |

DEPARTMENT OF CORRECTIONS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|------------------------------------|------------------------------------|-----------------------------------|----------------|-------------|--------------|----------------------|------------------|------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Offender Management | | | | | | | | |
| State General Funds | 44,095,100 | 44,118,606 | 45,302 | | | 229,340 | 274,642 | 44,393,248 |
| Total | 44,095,100 | 44,118,606 | 45,302 | | | 229,340 | 274,642 | 44,393,248 |
| Parole Revocation Centers | | | | | | | | |
| Federal Funds | 10,510 | 10,510 | | | | | | 10,510 |
| Other Funds | 49,138 | 49,138 | | | | | | 49,138 |
| State General Funds | 3,807,012 | 3,835,308 | (2,847) | | | 143,797 | 140,950 | 3,976,258 |
| Total | 3,866,660 | 3,894,956 | (2,847) | | | 143,797 | 140,950 | 4,035,906 |
| Private Prisons | | | | | | | | |
| State General Funds | 76,267,188 | 72,518,200 | | | 4,267,522 | | 4,267,522 | 76,785,722 |
| Total | 76,267,188 | 72,518,200 | | | 4,267,522 | | 4,267,522 | 76,785,722 |
| Probation Detention Centers | | | | | | | | |
| Federal Funds | 1,387,151 | 2,574,466 | (47,014) | (1,140,301) | | | (1,187,315) | 1,387,151 |
| Other Funds | 774,690 | 1,136,399 | (361,709) | | | 53,716 | (307,993) | 828,406 |
| State General Funds | 37,726,422 | 43,455,859 | (5,614,442) | | | 1,586,787 | (4,027,655) | 39,428,204 |
| Total | 39,888,263 | 47,166,724 | (6,023,165) | (1,140,301) | | 1,640,503 | (5,522,963) | 41,643,761 |
| Probation Diversion Centers | | | | | | | | |
| Federal Funds | | 200,000 | | (200,000) | | | (200,000) | |
| Other Funds | 2,759,145 | 3,188,692 | (429,547) | | | 53,716 | (375,831) | 2,812,861 |
| State General Funds | 11,242,526 | 12,784,156 | (1,375,390) | | | 534,216 | (841,174) | 11,942,982 |
| Total | 14,001,671 | 16,172,848 | (1,804,937) | (200,000) | | 587,932 | (1,417,005) | 14,755,843 |
| Probation Supervision | | | | | | | | |
| State General Funds | 68,775,625 | 68,632,697 | (122,728) | | 1,475,348 | 2,660,220 | 4,012,840 | 72,645,537 |
| Total | 68,775,625 | 68,632,697 | (122,728) | | 1,475,348 | 2,660,220 | 4,012,840 | 72,645,537 |

DEPARTMENT OF CORRECTIONS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|-----------------------------|------------------------------------|-----------------------------------|--------------------|----------------------|---------------------|----------------------|---------------------|---------------------|------------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| State Prisons | | | | | | | | | |
| Federal Funds | 3,151,716 | 3,151,716 | | | | | | | 3,151,716 |
| Other Funds | 8,216,141 | 8,216,141 | | | | | 201,191 | 201,191 | 8,417,332 |
| State General Funds | 429,167,271 | 431,214,343 | 1,282,710 | (205,802) | 17,207,426 | 16,150,237 | | 34,434,571 | 465,648,914 |
| Total | 440,535,128 | 442,582,200 | 1,282,710 | (205,802) | 17,207,426 | 16,351,428 | | 34,635,762 | 477,217,962 |
| Transitional Centers | | | | | | | | | |
| State General Funds | 22,836,696 | 20,313,455 | 2,675,853 | | | 38,945 | 694,174 | 3,408,972 | 23,722,427 |
| Total | 22,836,696 | 20,313,455 | 2,675,853 | | | 38,945 | 694,174 | 3,408,972 | 23,722,427 |
| TOTAL FUNDS | \$985,078,911 | \$958,801,358 | (\$838,270) | (\$9,714,511) | \$50,738,342 | \$25,070,736 | | \$65,256,297 | \$1,024,057,655 |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$6,428,120 | \$10,316,943 | (\$47,014) | (\$3,841,809) | \$0 | | \$0 | (\$3,888,823) | \$6,448,312 |
| Other Funds | 20,315,369 | 21,256,350 | (791,256) | (149,725) | | | 308,623 | (632,358) | 20,603,800 |
| Subtotal | \$26,743,489 | \$31,573,293 | (\$838,270) | (\$3,991,534) | \$0 | | \$308,623 | (\$4,521,181) | \$27,052,112 |
| State General Funds | \$958,335,422 | \$927,228,065 | | (\$5,722,977) | \$50,738,342 | | \$24,762,113 | \$69,777,478 | \$997,005,543 |
| TOTAL STATE FUNDS | \$958,335,422 | \$927,228,065 | \$0 | (\$5,722,977) | \$50,738,342 | | \$24,762,113 | \$69,777,478 | \$997,005,543 |

DEPARTMENT OF CORRECTIONS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------|---------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$544,176,035 | \$546,531,128 | \$544,702,653 | \$556,839,232 | \$33,179,518 | \$590,018,750 |
| Regular Operating Expenses | 62,215,144 | 63,500,258 | 61,620,759 | 61,049,892 | 5,434,376 | 66,484,268 |
| Travel | 1,636,441 | 1,214,587 | 1,395,193 | 1,658,529 | 21,448 | 1,679,977 |
| Motor Vehicle Purchases | 1,046,988 | 711,218 | 1,120,018 | 1,222,666 | 335,172 | 1,557,838 |
| Equipment | 2,942,977 | 3,008,774 | 3,234,163 | 2,953,741 | 289,830 | 3,243,571 |
| Computer Charges | 8,685,620 | 5,732,393 | 5,512,990 | 8,757,721 | 7,825 | 8,765,546 |
| Real Estate Rentals | 8,377,089 | 7,713,862 | 7,894,609 | 8,113,089 | 457,062 | 8,570,151 |
| Telecommunications | 7,375,932 | 6,765,060 | 6,376,712 | 7,356,532 | 190,316 | 7,546,848 |
| Per Diem and Fees | 67,637 | 176,560 | 257,290 | 67,637 | | 67,637 |
| Capital Outlay | | 6,274,792 | 17,557,708 | | | |
| Contracts | 82,413,491 | 77,501,905 | 77,488,445 | 78,621,980 | 4,346,055 | 82,968,035 |
| Court Costs | 1,300,000 | 1,135,616 | 1,275,407 | 1,300,000 | | 1,300,000 |
| County Subsidy | 37,726,400 | 35,726,400 | 37,076,400 | 37,726,400 | | 37,726,400 |
| County Subsidy for Jails | 16,352,000 | 17,838,920 | 11,882,282 | 12,154,999 | (7,356,507) | 4,798,492 |
| Central Repair Fund | 720,000 | 1,092,376 | | 500,000 | 220,000 | 720,000 |
| Payments to Central State Hospital for Meals | 4,268,025 | 4,357,496 | 4,490,250 | 4,268,025 | | 4,268,025 |
| Payments to Central State Hospital for Utilities | 1,627,150 | 1,627,061 | 1,631,022 | 1,627,150 | | 1,627,150 |
| Payments to Public Safety | 577,160 | 577,160 | 577,160 | 577,160 | | 577,160 |
| Inmate Release Fund | 1,600,000 | 1,554,697 | 1,599,925 | 1,450,000 | 150,000 | 1,600,000 |
| UGA- College of Veterinary Medicine | 387,944 | 453,504 | 467,005 | 387,944 | | 387,944 |
| Minor Construction Fund | 500,000 | 856,918 | 168,192 | 500,000 | | 500,000 |

DEPARTMENT OF CORRECTIONS

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|----------------------|------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Health Services Purchases | 168,555,758 | 131,975,459 | 151,237,447 | 144,589,014 | 26,306,181 | 170,895,195 |
| Utilities | 32,527,120 | 27,524,589 | 30,977,469 | 27,079,647 | 1,675,021 | 28,754,668 |
| TOTAL FUNDS | \$985,078,911 | \$943,850,733 | \$968,543,098 | \$958,801,358 | \$65,256,297 | \$1,024,057,655 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$6,428,120 | \$10,759,879 | \$10,887,374 | \$10,316,943 | (\$3,868,631) | \$6,448,312 |
| Other Funds | 20,315,369 | 10,772,469 | 44,128,193 | 21,256,350 | (652,550) | 20,603,800 |
| DOAS Indirect Funds | | 450,000 | 450,000 | | | |
| Subtotal | \$26,743,489 | \$21,982,348 | \$55,465,567 | \$31,573,293 | (\$4,521,181) | \$27,052,112 |
| State General Funds | \$958,335,422 | \$921,868,385 | \$913,077,531 | \$927,228,065 | \$69,777,478 | \$997,005,543 |
| TOTAL STATE FUNDS | \$958,335,422 | \$921,868,385 | \$913,077,531 | \$927,228,065 | \$69,777,478 | \$997,005,543 |
| Positions | 15,170 | | 15,696 | 15,185 | 325 | 15,510 |
| Motor Vehicles | 1,929 | | 1,926 | 1,926 | 52 | 1,978 |

DEPARTMENT OF CORRECTIONS

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$53,012,017 | \$1,836,000 | \$54,848,017 | \$56,964,000 | \$1,836,000 | \$58,800,000 |
| Bainbridge Probation Substance Abuse Treatment Center | 3,226,673 | 27,789 | 3,254,462 | 4,690,345 | 27,789 | 4,718,134 |
| Compensation Resolutions | 512,377 | | 512,377 | | | |
| Food and Farm Operations | 12,407,740 | 216,725 | 12,624,465 | 13,644,370 | 67,000 | 13,711,370 |
| Health | 151,543,143 | 8,464,209 | 160,007,352 | 178,365,044 | 8,464,209 | 186,829,253 |
| Jail Subsidy | 9,653,491 | 2,501,508 | 12,154,999 | 4,798,492 | | 4,798,492 |
| Offender Management | 44,118,606 | | 44,118,606 | 44,393,248 | | 44,393,248 |
| Parole Revocation Centers | 3,835,308 | 59,648 | 3,894,956 | 3,976,258 | 59,648 | 4,035,906 |
| Private Prisons | 72,518,200 | | 72,518,200 | 76,785,722 | | 76,785,722 |
| Probation Detention Centers | 43,455,859 | 3,710,865 | 47,166,724 | 39,428,204 | 2,215,557 | 41,643,761 |
| Probation Diversion Centers | 12,784,156 | 3,388,692 | 16,172,848 | 11,942,982 | 2,812,861 | 14,755,843 |
| Probation Supervision | 68,632,697 | | 68,632,697 | 72,645,537 | | 72,645,537 |
| State Prisons | 431,214,343 | 11,367,857 | 442,582,200 | 465,648,914 | 11,569,048 | 477,217,962 |
| Transitional Centers | 20,313,455 | | 20,313,455 | 23,722,427 | | 23,722,427 |
| TOTAL FUNDS | \$927,228,065 | \$31,573,293 | \$958,801,358 | \$997,005,543 | \$27,052,112 | \$1,024,057,655 |

DEPARTMENT OF CORRECTIONS

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$927,228,065**

Department of Corrections

| | |
|--|--------------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$5,378,458) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$7,690,966). | \$13,069,424 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 9,828,451 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 1,671,176 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 193,062 |
| 5. Realign personal services funding to accurately reflect program expenditures. | Yes |
| 6. Realign contract funds to more accurately reflect program expenditures. | Yes |
| 7. Transfer funds from closing a Probation Detention Center to Inmate Release Funds (\$150,000), fuel storage tank maintenance (\$220,000), and food services (\$1,060,905). | Yes |
| 8. Redistribute funds from closing a Probation Detention Center to open Long Inmate Boot Camp attached to Smith State Prison. | Yes |
| 9. Redistribute funds from conversion of 2 Probation Diversion Centers to Transitional Centers. | Yes |
| 10. Redistribute funds from conversion of a Probation Detention Center to a State Prison unit. | Yes |
| 11. Reflect loss of federal funds from State Criminal Alien Assistance Program (SCAAP) (\$3,841,809). | Yes |
| 12. Reflect loss of other funds due to reduced participation in employee meal program (\$149,725). | Yes |
| 13. Remove Inmate Compensation funds originally appropriated in FY 2006 in accordance with HR 108. | (512,377) |
| 14. Eliminate special education program start up funds. | (212,102) |
| 15. Transfer 1 position to the Georgia Peace Officer Standards and Training Council. | (43,499) |
| 16. Eliminate the Bar Association Support to Improve Correctional Services (BASICS) program. | (100,000) |
| 17. Reduce funding for County Subsidy for Jails to reflect reduction in county jail backlog. | (4,854,999) |
| 18. Provide for a 3.5% CPI increase in the per diem rate for contracted prison beds and an additional 470 contracted prison beds. | 4,267,522 |
| 19. Provide operating funds for 918 additional inmate beds at existing facilities to reduce county jail backlogs and meet increased capacity needs. | 5,915,776 |
| 20. Provide operating funds for 768 beds at 4 vacant Probation Detention Centers to be operated as State Prison units to reduce county jail backlogs and meet increased capacity needs. | 11,900,932 |
| 21. Provide start-up (\$1,642,319) and 5 months of operating funds (\$2,595,608) for a 525-bed expansion at Johnson State Prison to reduce county jail backlogs and meet increased capacity needs. | 4,237,927 |
| 22. Provide start-up (\$754,464) and 2 months of operating funds (\$427,924) for a 192-bed expansion at Calhoun State Prison to reduce county jail backlogs and meet increased capacity needs. | 1,182,387 |
| 23. Provide operating funds for 1,348 temporary inmate beds at existing facilities to reduce county jail backlogs and meet increased capacity needs. | 6,216,828 |

DEPARTMENT OF CORRECTIONS

BUDGET SUMMARY - FISCAL YEAR 2007

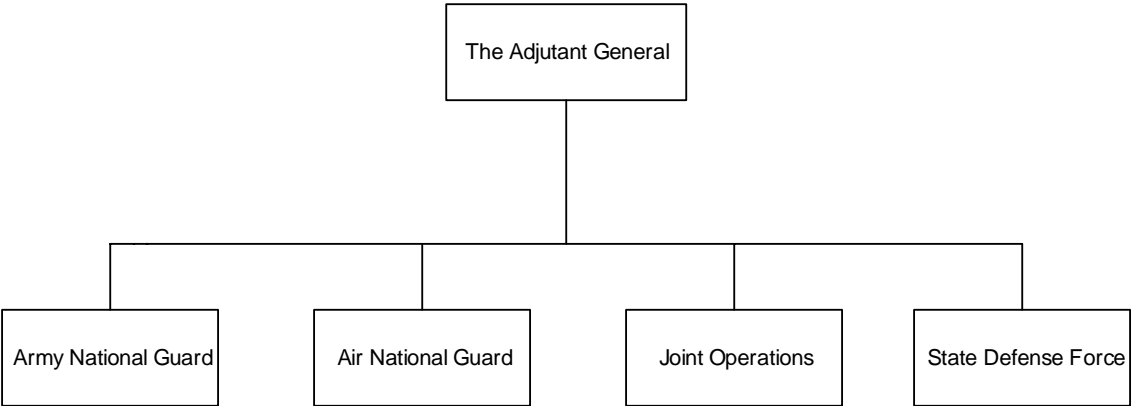
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|----------------------|
| 24. Provide additional funding to adequately staff inmate health services. | 2,173,417 |
| 25. Provide additional funding for Health Services Purchases. | 10,281,484 |
| 26. Provide start-up funding (\$797,339) and 3 months operating (\$770,106) for the Bainbridge Probation Substance Abuse Treatment Center's 192-bed expansion. | 1,567,445 |
| 27. Provide increased funding for inmate mental health care (\$630,101), dental health care (\$63,634) and county correctional institutions' health care (\$115,053). | 808,788 |
| 28. Provide state operating funds for the Griffin Day Reporting Center to replace inmate telephone commission funds no longer available. | 250,000 |
| 29. Provide additional funding to reflect annualized cost of 4 Day Reporting Centers opened in FY 2006. | 1,028,148 |
| 30. Provide additional funding to reflect annualized cost of the special education program. | 291,729 |
| 31. Reflect loss of federal funds for purchase of dry milk powder and milk replacement products needed to feed inmates. | 416,759 |
| 32. Provide funding to replace outdated ballistic vests used for Probation and Surveillance Officers. | 199,200 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$69,777,478 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$997,005,543 |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|----------------------|
| Department of Corrections | | | |
| 1. Minor construction at various locations. | 20 | \$4,515,000 | \$385,716 |
| 2. Central repairs at various locations. | 5 | 1,780,000 | 405,840 |
| 3. Portal security enhancement equipment at various facilities. | 5 | 3,500,000 | 798,000 |
| 4. Security sliding docking device renovations at various locations. | 5 | 2,000,000 | 456,000 |
| 5. Door and window frame replacements at multiple locations. | 5 | 400,000 | 91,200 |
| 6. Lock and control system for Lee State Prison. | 5 | 300,000 | 68,400 |
| 7. Security hardening at Washington State Prison. | 20 | 1,200,000 | 102,516 |
| 8. Renovations for Headquarters and Training Academy relocation to Monroe County. | 20 | 7,500,000 | 640,725 |
| TOTAL | | \$21,195,000 | \$2,948,397 |
| STATE GENERAL FUNDS | | | \$999,953,940 |

DEPARTMENT OF DEFENSE

ORGANIZATIONAL CHART



DEPARTMENT OF DEFENSE

Roles and Responsibilities:

The Department of Defense serves the nation and the State of Georgia by organizing and maintaining National Guard forces, which the President of the United States can call to active duty to augment the nation's regular armed services, or which the Governor, as Commander-in-Chief of the State Militia, can order deployed in instances of disaster, riot, violence, or other dangers threatening the state and its citizens. The department achieves these objectives through its four components: Office of the Adjutant General, Air National Guard, the Army National Guard, and the State Defense Force. Using these components, the department operates and manages approximately 1,200 training, maintenance, and logistics army facilities statewide.

Another responsibility of the Department of Defense is the operation of Youth Challenge Academies for at-risk youth in the State of Georgia.

GEORGIA AIR NATIONAL GUARD

The role of the Georgia Air National Guard is to provide fully equipped, fully trained combat units which are prepared to respond to state or national emergencies. The activation/deactivation, organization, administration, training, equipping, and housing of its units as well as the evaluation of its wartime capability are mandated responsibilities.

GEORGIA ARMY NATIONAL GUARD

The Georgia Army National Guard is responsible for maintaining a level of operational readiness, which allows for immediate and effective response to state or national emergencies, civil disturbances, and natural disasters.

OFFICE OF THE ADJUTANT GENERAL

The role of the Office of the Adjutant General is to provide command and control of the entire organization as well as

centralized administrative support for the department. The Adjutant General also serves as the state's director of the Selective Service System.

STATE DEFENSE FORCE

The role of the State Defense Force is to serve as a caretaker administration in the event of a full mobilization, and to provide assistance during emergencies and natural disasters as well as support for the staging of special events.

AUTHORITY

Title 38 of the Official Code of Georgia Annotated.

DEPARTMENT OF DEFENSE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | |
|------------------------------|------------------------------------|-----------------------------------|------------------|------------|------------------|----------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | Total |
| Administration | | | | | | | | |
| Federal Funds | \$112,295 | \$102,133 | | | | \$11,971 | \$11,971 | \$114,104 |
| Other Funds | 138,791 | 138,791 | | | | | | 138,791 |
| State General Funds | 2,119,003 | 2,275,222 | (\$173,000) | | | 88,832 | (84,168) | 2,191,054 |
| Total | 2,370,089 | 2,516,146 | (173,000) | | | 100,803 | (72,197) | 2,443,949 |
| Civil Support | | | | | | | | |
| Federal Funds | 5,450,835 | 5,670,709 | | | | 105,707 | 105,707 | 5,776,416 |
| State General Funds | 3,423,568 | 3,353,908 | 148,000 | | \$68,323 | 123,068 | 339,391 | 3,693,299 |
| Total | 8,874,403 | 9,024,617 | 148,000 | | 68,323 | 228,775 | 445,098 | 9,469,715 |
| Facilities Management | | | | | | | | |
| Federal Funds | 30,519,107 | 29,888,711 | | | 300,000 | 228,595 | 528,595 | 30,417,306 |
| Other Funds | 2,491,205 | 2,487,661 | | | | 12,772 | 12,772 | 2,500,433 |
| State General Funds | 2,650,037 | 2,254,499 | 25,000 | | 100,000 | 27,583 | 152,583 | 2,407,082 |
| Total | 35,660,349 | 34,630,871 | 25,000 | | 400,000 | 268,950 | 693,950 | 35,324,821 |
| Military Readiness | | | | | | | | |
| Federal Funds | 365,000 | 365,000 | | | | 6,514 | 6,514 | 371,514 |
| State General Funds | 480,938 | 475,776 | | | | 22,253 | 22,253 | 498,029 |
| Total | 845,938 | 840,776 | | | | 28,767 | 28,767 | 869,543 |
| TOTAL FUNDS | \$47,750,779 | \$47,012,410 | \$0 | \$0 | \$468,323 | \$627,295 | \$1,095,618 | \$48,108,028 |
| Less: | | | | | | | | |
| Federal Funds | \$36,447,237 | \$36,026,553 | | | \$300,000 | \$352,787 | \$652,787 | \$36,679,340 |
| Other Funds | 2,629,996 | 2,626,452 | | | | 12,772 | 12,772 | 2,639,224 |
| Subtotal | \$39,077,233 | \$38,653,005 | \$0 | \$0 | \$300,000 | \$365,559 | \$665,559 | \$39,318,564 |
| State General Funds | \$8,673,546 | \$8,359,405 | | | \$168,323 | \$261,736 | \$430,059 | \$8,789,464 |
| TOTAL STATE FUNDS | \$8,673,546 | \$8,359,405 | | | \$168,323 | \$261,736 | \$430,059 | \$8,789,464 |

DEPARTMENT OF DEFENSE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$19,071,377 | \$18,318,221 | \$19,516,027 | \$19,086,732 | \$706,812 | \$19,793,544 |
| Regular Operating Expenses | 25,358,580 | 16,981,278 | 16,199,460 | 24,613,896 | 379,766 | 24,993,662 |
| Travel | 172,825 | 228,233 | 219,665 | 168,825 | 4,000 | 172,825 |
| Motor Vehicle Purchases | | 31,655 | | | | |
| Equipment | 19,800 | 26,200 | 20,774 | 19,800 | | 19,800 |
| Computer Charges | 174,134 | 24,278 | 4,836 | 174,134 | | 174,134 |
| Real Estate Rentals | 245,611 | 117,498 | 173,917 | 245,611 | | 245,611 |
| Telecommunications | 1,189,087 | 1,239,991 | 1,008,301 | 1,197,587 | (8,500) | 1,189,087 |
| Per Diem and Fees | 1,275,365 | 1,383,173 | 730,533 | 1,251,895 | 23,470 | 1,275,365 |
| Contracts | 244,000 | 352,134 | 366,644 | 244,000 | | 244,000 |
| Capital Leases | | | | 9,930 | (9,930) | 0 |
| TOTAL FUNDS | \$47,750,779 | \$38,702,661 | \$38,240,157 | \$47,012,410 | \$1,095,618 | \$48,108,028 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$36,447,237 | \$27,857,089 | \$28,032,393 | \$36,026,553 | \$652,787 | \$36,679,340 |
| Other Funds | 2,629,996 | 2,961,474 | 2,249,574 | 2,626,452 | 12,772 | 2,639,224 |
| Subtotal | \$39,077,233 | \$30,818,563 | \$30,281,967 | \$38,653,005 | \$665,559 | \$39,318,564 |
| State General Funds | \$8,673,546 | \$7,884,098 | \$7,958,190 | \$8,359,405 | \$430,059 | \$8,789,464 |
| TOTAL STATE FUNDS | \$8,673,546 | \$7,884,098 | \$7,958,190 | \$8,359,405 | \$430,059 | \$8,789,464 |
| Positions | 473 | 476 | 473 | 473 | | 473 |
| Motor Vehicles | 88 | 88 | 88 | 88 | | 88 |

DEPARTMENT OF DEFENSE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-----------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$2,275,222 | \$240,924 | \$2,516,146 | \$2,191,054 | \$252,895 | \$2,443,949 |
| Civil Support | 3,353,908 | 5,670,709 | 9,024,617 | 3,693,299 | 5,776,416 | 9,469,715 |
| Facilities Management | 2,254,499 | 32,376,372 | 34,630,871 | 2,407,082 | 32,917,739 | 35,324,821 |
| Military Readiness | 475,776 | 365,000 | 840,776 | 498,029 | 371,514 | 869,543 |
| TOTAL FUNDS | \$8,359,405 | \$38,653,005 | \$47,012,410 | \$8,789,464 | \$39,318,564 | \$48,108,028 |

DEPARTMENT OF DEFENSE

BUDGET SUMMARY - FISCAL YEAR 2007

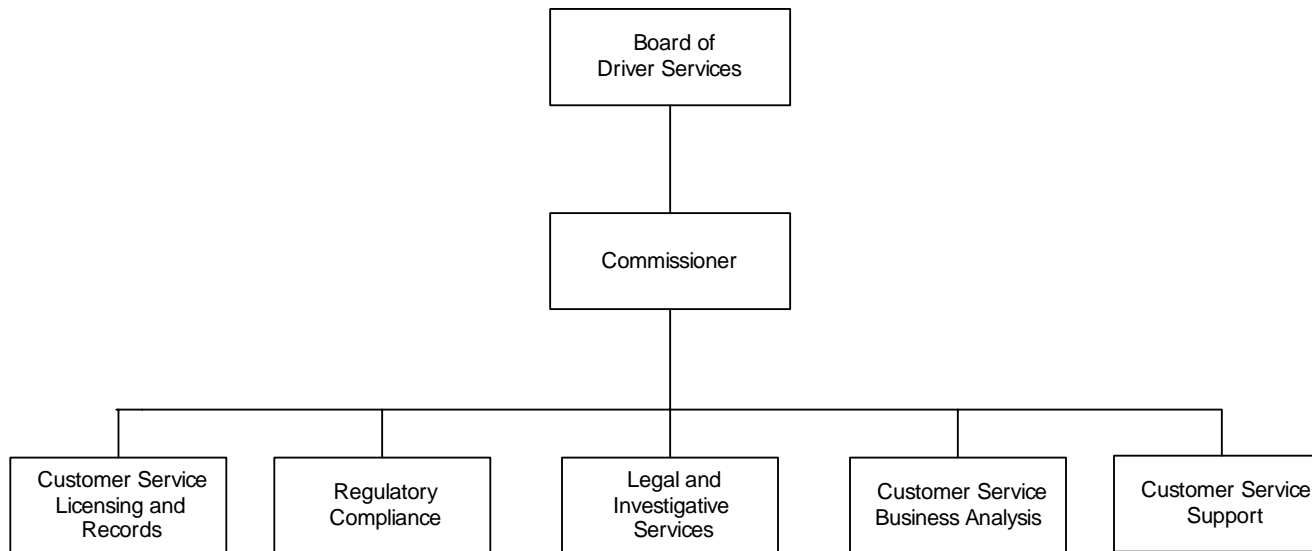
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|--------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$8,359,405 |
| Department of Defense | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$46,953) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$66,271). | \$113,224 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 105,268 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 43,244 |
| 4. Increase regular operating expenses to maintain additional facilities for the JSTARS Unit at Robins Air Force Base (Total Funds: \$400,000). | 100,000 |
| 5. Increase regular operating expenses (\$44,353), telecommunications (\$500), and per diem and fees (\$23,470) to support the Georgia State Defense Force program. | 68,323 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$430,059 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$8,789,464 |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| Department of Defense | | | |
| 1. Renovate and improve various armory facilities statewide. | 20 | \$1,715,000 | \$146,512 |
| STATE GENERAL FUNDS | | | \$8,935,976 |

DEPARTMENT OF DRIVER SERVICES

ORGANIZATIONAL CHART



DEPARTMENT OF DRIVER SERVICES

Roles and Responsibilities:

The Department of Driver Services (DDS) was established by executive order on July 1, 2005, in accordance with HB 501.

CUSTOMER SERVICE SUPPORT

The Customer Service Support Division is responsible for the direction and management of the Department of Driver Services. The function of the division is to provide administrative support for the License Issuance and Regulatory Compliance Divisions. The areas within the division include administrative services, financial services, public information, legal services and information technology.

LICENSE ISSUANCE DIVISION

The issuance of driver's licenses, permits and administration of the commercial driver's license program are carried out by the License Issuance Division. The department utilizes 54 full testing customer service centers, and 4 part-time testing customer service centers. These centers are situated throughout the state. Additional responsibilities include suspension and reinstatement of driver licenses as well as public identification cards. The Driver Services Section strives to provide quality customer service. During FY 2005 the department issued 2,481,054 driver licenses and ID cards.

REGULATORY COMPLIANCE

The Regulatory Compliance Division is responsible for licensing driver training schools and instructors, licensing driver improvement clinics and instructors, and certifying ignition interlock devices and provider centers.

AUTHORITY

Chapter 16 of Title 40 of the Official Code of Georgia Annotated

DEPARTMENT OF DRIVER SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---------------------------------|------------------------------------|-----------------------------------|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Customer Service Support | | | | | | | | | |
| Other Funds | | | | | | | \$857 | \$857 | \$857 |
| State General Funds | \$8,485,359 | \$4,948,415 | \$3,664,357 | (\$16,000) | | | 180,287 | 3,828,644 | 8,777,059 |
| Total | 8,485,359 | 4,948,415 | 3,664,357 | (16,000) | | | 181,144 | 3,829,501 | 8,777,916 |
| License Issuance | | | | | | | | | |
| Other Funds | 200,000 | 200,000 | | | | | 5,251 | 5,251 | 205,251 |
| State General Funds | 37,851,738 | 41,924,451 | (4,826,757) | (79,677) | \$1,404,607 | | 1,067,656 | (2,434,171) | 39,490,280 |
| Total | 38,051,738 | 42,124,451 | (4,826,757) | (79,677) | 1,404,607 | | 1,072,907 | (2,428,920) | 39,695,531 |
| Regulatory Compliance | | | | | | | | | |
| Other Funds | 515,075 | 515,075 | | | | | 273 | 273 | 515,348 |
| State General Funds | 2,020,517 | 291,000 | 1,162,400 | (20,000) | 2,856,218 | | 74,436 | 4,073,054 | 4,364,054 |
| Total | 2,535,592 | 806,075 | 1,162,400 | (20,000) | 2,856,218 | | 74,709 | 4,073,327 | 4,879,402 |
| TOTAL FUNDS | \$49,072,689 | \$47,878,941 | \$0 | (\$115,677) | \$4,260,825 | | \$1,328,760 | \$5,473,908 | \$53,352,849 |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$715,075 | \$715,075 | | | | | \$6,381 | \$6,381 | \$721,456 |
| State General Funds | \$48,357,614 | \$47,163,866 | | (\$115,677) | \$4,260,825 | | \$1,322,379 | \$5,467,527 | \$52,631,393 |
| TOTAL STATE FUNDS | \$48,357,614 | \$47,163,866 | | (\$115,677) | \$4,260,825 | | \$1,322,379 | \$5,467,527 | \$52,631,393 |

DEPARTMENT OF DRIVER SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 * Expenditures | FY 2005 * Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|---------------------------|---------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$34,809,292 | \$58,013,902 | \$56,367,277 | \$33,007,504 | \$2,298,130 | \$35,305,634 |
| Regular Operating Expenses | 2,998,845 | 7,137,254 | 8,066,979 | 3,912,317 | 64,128 | 3,976,445 |
| Travel | 134,598 | 464,062 | 320,548 | 137,598 | (3,000) | 134,598 |
| Motor Vehicle Purchases | 130,000 | 332,206 | 596,547 | 130,000 | | 130,000 |
| Equipment | 206,884 | 345,335 | 762,965 | 206,884 | | 206,884 |
| Computer Charges | 2,537,747 | 12,461,537 | 13,615,848 | 2,228,805 | 358,942 | 2,587,747 |
| Real Estate Rentals | 2,504,039 | 2,730,422 | 2,667,905 | 2,504,039 | | 2,504,039 |
| Telecommunications | 1,140,855 | 2,627,707 | 2,245,315 | 1,141,365 | (510) | 1,140,855 |
| Per Diem and Fees | 208,225 | 343,198 | 77,365 | 208,225 | | 208,225 |
| Contracts | 1,082,056 | 1,318,987 | 3,457,639 | 1,082,056 | 2,756,218 | 3,838,274 |
| Capital Outlay | | | 796,570 | | | |
| Conviction Reports | 329,824 | 348,651 | 147,388 | 329,824 | | 329,824 |
| Driver's License Processing | 2,990,324 | 3,459,434 | 3,826,205 | 2,990,324 | | 2,990,324 |
| Postage | | 750,000 | 750,000 | | | |
| Motor Vehicle Tags and Decals | | | 2,000,000 | | | |
| TOTAL FUNDS | \$49,072,689 | \$90,332,695 | \$95,698,551 | \$47,878,941 | \$5,473,908 | \$53,352,849 |
| <u>Less:</u> | | | | | | |
| Federal Funds | | \$2,496,995 | \$7,085,743 | | | |
| Other Funds | \$715,075 | 7,196,898 | 9,361,188 | \$715,075 | \$6,381 | \$721,456 |
| DOAS Indirect Funds | | 1,960,000 | 1,960,000 | | | |
| Subtotal | <u>\$715,075</u> | <u>\$11,653,893</u> | <u>\$18,406,931</u> | <u>\$715,075</u> | <u>\$6,381</u> | <u>\$721,456</u> |
| State General Funds | <u>\$48,357,614</u> | <u>\$78,678,802</u> | <u>\$77,291,620</u> | <u>\$47,163,866</u> | <u>\$5,467,527</u> | <u>\$52,631,393</u> |
| TOTAL STATE FUNDS | \$48,357,614 | \$78,678,802 | \$77,291,620 | \$47,163,866 | \$5,467,527 | \$52,631,393 |
| Positions | 813 | 1,452 | 1,449 | 764 | 35 | 799 |
| Motor Vehicles | 131 | 326 | 326 | 119 | | 119 |

*The Department of Driver Services was established on July 1, 2005 per HB 501 of the 2005 General Assembly. Prior year expenditures are for the Department of Motor Vehicle Services, and include functions that were transferred to the Department of Revenue, Department of Public Safety, Department of Transportation, and Public Service Commission.

DEPARTMENT OF DRIVER SERVICES

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--------------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Customer Service Support | \$4,948,415 | | \$4,948,415 | \$8,777,059 | \$857 | \$8,777,916 |
| License Issuance | 41,924,451 | \$200,000 | 42,124,451 | 39,490,280 | 205,251 | 39,695,531 |
| Regulatory Compliance | 291,000 | 515,075 | 806,075 | 4,364,054 | 515,348 | 4,879,402 |
| TOTAL FUNDS | \$47,163,866 | \$715,075 | \$47,878,941 | \$52,631,393 | \$721,456 | \$53,352,849 |

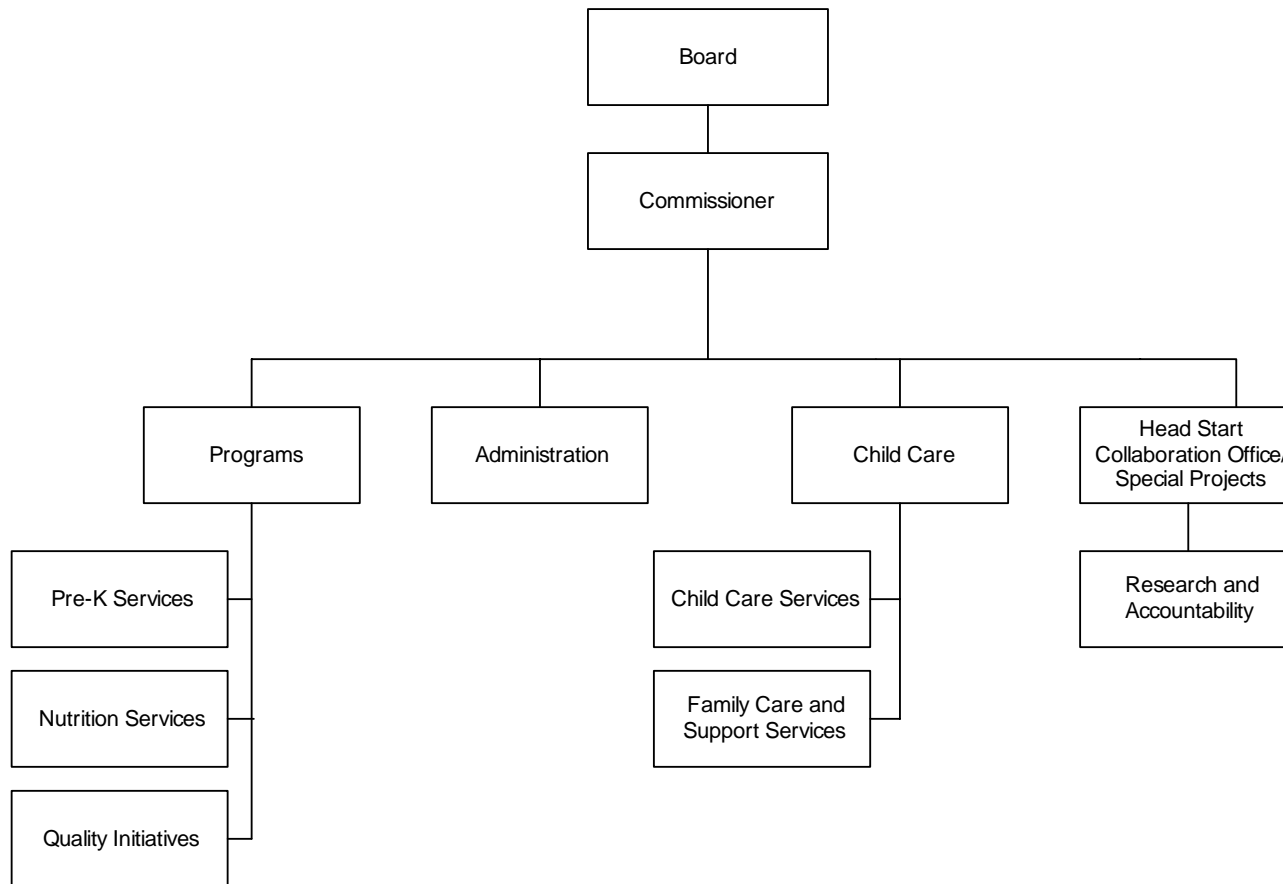
DEPARTMENT OF DRIVER SERVICES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$47,163,866 |
| Department of Driver Services | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$250,470) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$365,961). | \$616,431 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 638,241 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 67,707 |
| 4. Increase the Customer Service Support (\$3,664,357) and Regulatory Compliance (\$1,162,400) programs, and decrease the License Issuance program (\$4,826,757) to establish the base budget for the Department of Driver Services. | Yes |
| 5. Reduce operating expenses in the License Issuance (\$79,677), Customer Service Support (\$16,000), and Regulatory Compliance (\$20,000) programs. | (115,677) |
| 6. Recognize additional revenues collected from fees to support driver's education (SB 226). | 2,756,218 |
| 7. Fund complimentary Photo Identification cards to qualifying individuals. | 100,000 |
| 8. Minimize wait times at DDS locations by adding 35 examiner positions in the License Issuance program and increasing personal services. | 945,665 |
| 9. Improve customer access by expanding agency services available on the internet by increasing operating expenses in the License Issuance program. | 358,942 |
| 10. Provide additional funds for the Regulatory Compliance program for motorcycle safety education. | 100,000 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$5,467,527 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$52,631,393 |

DEPARTMENT OF EARLY CARE AND LEARNING

ORGANIZATIONAL CHART



DEPARTMENT OF EARLY CARE AND LEARNING

Roles and Responsibilities:

Bright from the Start: Georgia Department of Early Care and Learning is responsible for overseeing child care and educational services for Georgia's children ages birth through four and their families and for administering nutrition programs for children and adults. Bright from the Start administers Georgia's lottery-funded Pre-K program; licenses and regulates child care centers, group day care homes, and family day care homes; administers two federal nutrition programs – the Child and Adult Care Food Program and the Summer Food Service Program; houses the Head Start Collaboration Office; implements the Standards of Care Program and Family Homes of Quality; works with child care resource and referral agencies to improve the quality of Georgia's child care; administers federal quality dollars; manages the Even Start Literacy Program; and collaborates with other entities to blend federal, state, and private funds to enhance early care and education.

PRE-KINDERGARTEN SERVICES

Georgia's voluntary Pre-K Program currently serves approximately 74,000 students in 3,770 classes. Georgia's Pre-K Program is one of the largest and most comprehensive Pre-K programs in the nation and continues to be a model for other states.

Georgia's Pre-K Program continues to be funded with dollars from the Georgia Lottery for Education. For FY 2006, \$290,081,308 in lottery funds were appropriated to educate Georgia's four year olds.

Pre-K is offered in public school systems as well as through private providers. Children four years of age on September 1st of the current school year, whose parents are Georgia residents, are eligible, but not required, to attend Georgia's Pre-K Program.

CHILD CARE SERVICES

Child Care Services is responsible for licensing or registering approximately 3,000 child care learning centers, over 6,500 family child care homes, 2,000 informal care providers, and 234 group day care homes. Licensing consultants conduct annual licensing inspections of child care learning centers and make periodic visits to all child care programs to evaluate compliance with state requirements and to provide consultation, training, and technical assistance to child care programs.

Child Care Services also provides regular customer-focused licensing orientation sessions for prospective centers and group day care homes; responds to inquiries from parents, concerned citizens, and others regarding child care programs; and processes criminal records checks on all directors and family day care home providers.

NUTRITION SERVICES

The Nutrition Services Division is responsible for administering the Child and Adult Care Food Program (CACFP) and the Summer Food Service Program (SFSP) for Georgia. The goal of these programs is to ensure that low-income children and adults throughout Georgia have access to nutritious meals while they are in a day care setting and during the summer when school is not in session.

QUALITY INITIATIVES

Bright from the Start works in a number of ways to enhance the quality of early child care and education experiences in Georgia. In partnership with internal and external resources, the Quality Initiatives Division implements innovative strategies that focus on improving the quality of early education, child care, and nutrition for Georgia's children and families. The division oversees the Standards of Care Program, the Homes of Quality Program, and the Even Start Literacy Program; coordinates the resource and referral system; and elevates public awareness surrounding early childhood education issues.

The Quality Initiatives Division distributes the federal Child Care Development Fund quality dollars to improve the quality, affordability, and accessibility of child care for children and families.

Training and professional development are integral parts of all programs administered by Bright from the Start. The Quality Initiatives Division coordinates training and technical assistance for approximately 15,000 child care workers, early education providers, and program sponsors annually.

AUTHORITY

Title 20 of the Official Code of Georgia Annotated.

DEPARTMENT OF EARLY CARE AND LEARNING

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|----------------------------|------------------------------------|-----------------------------------|----------------|--------------------|---------------------|----------------------|---------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Child Care Services | | | | | | | | |
| Federal Funds | \$3,454,020 | \$3,435,255 | | | | \$18,765 | \$18,765 | \$3,454,020 |
| Other Funds | 155,000 | 155,000 | | | | | | 155,000 |
| State General Funds | 4,147,316 | 4,030,671 | | (\$165,000) | \$21,060 | 169,468 | 25,528 | 4,056,199 |
| Total | 7,756,336 | 7,620,926 | | (165,000) | 21,060 | 188,233 | 44,293 | 7,665,219 |
| Nutrition | | | | | | | | |
| Federal Funds | 90,000,835 | 88,000,835 | | | 2,000,000 | | 2,000,000 | 90,000,835 |
| Total | 90,000,835 | 88,000,835 | | | 2,000,000 | | 2,000,000 | 90,000,835 |
| Pre-Kindergarten | | | | | | | | |
| Federal Funds | 667,823 | 667,823 | | | | | | 667,823 |
| Lottery Funds | 296,637,326 | 290,081,308 | | | 5,882,663 | 5,989,476 | 11,872,139 | 301,953,447 |
| Total | 297,305,149 | 290,749,131 | | | 5,882,663 | 5,989,476 | 11,872,139 | 302,621,270 |
| Quality Initiatives | | | | | | | | |
| Federal Funds | 22,370,146 | 18,370,146 | | | 4,000,000 | | 4,000,000 | 22,370,146 |
| Total | 22,370,146 | 18,370,146 | | | 4,000,000 | | 4,000,000 | 22,370,146 |
| TOTAL FUNDS | \$417,432,466 | \$404,741,038 | \$0 | (\$165,000) | \$11,903,723 | \$6,177,709 | \$17,916,432 | \$422,657,470 |
| Less: | | | | | | | | |
| Federal Funds | \$116,492,824 | \$110,474,059 | | | \$6,000,000 | \$18,765 | \$6,018,765 | \$116,492,824 |
| Other Funds | 155,000 | 155,000 | | | | | | 155,000 |
| Subtotal | \$116,647,824 | \$110,629,059 | \$0 | \$0 | \$6,000,000 | \$18,765 | \$6,018,765 | \$116,647,824 |
| State General Funds | \$4,147,316 | \$4,030,671 | | (\$165,000) | \$21,060 | \$169,468 | \$25,528 | \$4,056,199 |
| Lottery Funds | 296,637,326 | 290,081,308 | | | 5,882,663 | 5,989,476 | 11,872,139 | 301,953,447 |
| TOTAL STATE FUNDS | \$300,784,642 | \$294,111,979 | \$0 | (\$165,000) | \$5,903,723 | \$6,158,944 | \$11,897,667 | \$306,009,646 |

DEPARTMENT OF EARLY CARE AND LEARNING

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--------------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|---------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$8,329,828 | \$1,099,074 | \$8,792,744 | \$8,004,132 | \$357,303 | \$8,361,435 |
| Regular Operating Expenses | 1,810,148 | 33,983 | 1,246,227 | 1,066,650 | 584,498 | 1,651,148 |
| Travel | 448,175 | 43,283 | 541,690 | 446,626 | | 446,626 |
| Equipment | 60,500 | | 70,007 | 60,500 | | 60,500 |
| Computer Charges | 457,250 | 2,837 | 58,619 | 507,250 | | 507,250 |
| Real Estate Rentals | 508,242 | | 520,998 | 508,242 | | 508,242 |
| Telecommunications | 282,700 | 10,351 | 315,313 | 282,700 | | 282,700 |
| Per Diem and Fees | 303,100 | 5,000 | 489,090 | 245,700 | 78,460 | 324,160 |
| Contracts | 3,989,587 | | 16,079,298 | 4,091,200 | (80,000) | 4,011,200 |
| Federal Programs | 90,195,529 | 81,438,980 | 85,622,213 | 88,195,529 | 2,000,000 | 90,195,529 |
| Standards of Care | 22,822,366 | 575,116 | | 18,822,366 | 4,000,000 | 22,822,366 |
| Pre-Kindergarten Grants | 288,225,041 | 255,055,426 | 269,169,363 | 282,510,143 | 10,976,171 | 293,486,314 |
| Pre-Kindergarten - Personal Services | | 2,101,129 | | | | |
| Pre-Kindergarten - Operations | | 4,869,875 | | | | |
| TOTAL FUNDS | \$417,432,466 | \$345,235,054 | \$382,905,562 | \$404,741,038 | \$17,916,432 | \$422,657,470 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$116,492,824 | \$82,014,095 | \$103,482,486 | \$110,474,059 | \$6,018,765 | \$116,492,824 |
| Other Funds | 155,000 | | | 155,000 | | 155,000 |
| Subtotal | \$116,647,824 | \$82,014,095 | \$103,482,486 | \$110,629,059 | \$6,018,765 | \$116,647,824 |
| State General Funds | \$4,147,316 | \$1,194,529 | \$3,175,810 | \$4,030,671 | \$25,528 | \$4,056,199 |
| Lottery Funds | 296,637,326 | 262,026,430 | 276,247,266 | 290,081,308 | 11,872,139 | 301,953,447 |
| TOTAL STATE FUNDS | \$300,784,642 | \$263,220,959 | \$279,423,076 | \$294,111,979 | \$11,897,667 | \$306,009,646 |
| Positions | 188 | 86 | 182 | 185 | 0 | 185 |
| Motor Vehicles | 1 | 1 | 1 | 1 | 0 | 1 |

DEPARTMENT OF EARLY CARE AND LEARNING

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---------------------|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Child Care Services | \$4,030,671 | \$3,590,255 | \$7,620,926 | \$4,056,199 | \$3,609,020 | \$7,665,219 |
| Nutrition | | 88,000,835 | 88,000,835 | | 90,000,835 | 90,000,835 |
| Pre-Kindergarten | 290,081,308 | 667,823 | 290,749,131 | 301,953,447 | 667,823 | 302,621,270 |
| Quality Initiatives | | 18,370,146 | 18,370,146 | | 22,370,146 | 22,370,146 |
| TOTAL FUNDS | \$294,111,979 | \$110,629,059 | \$404,741,038 | \$306,009,646 | \$116,647,824 | \$422,657,470 |

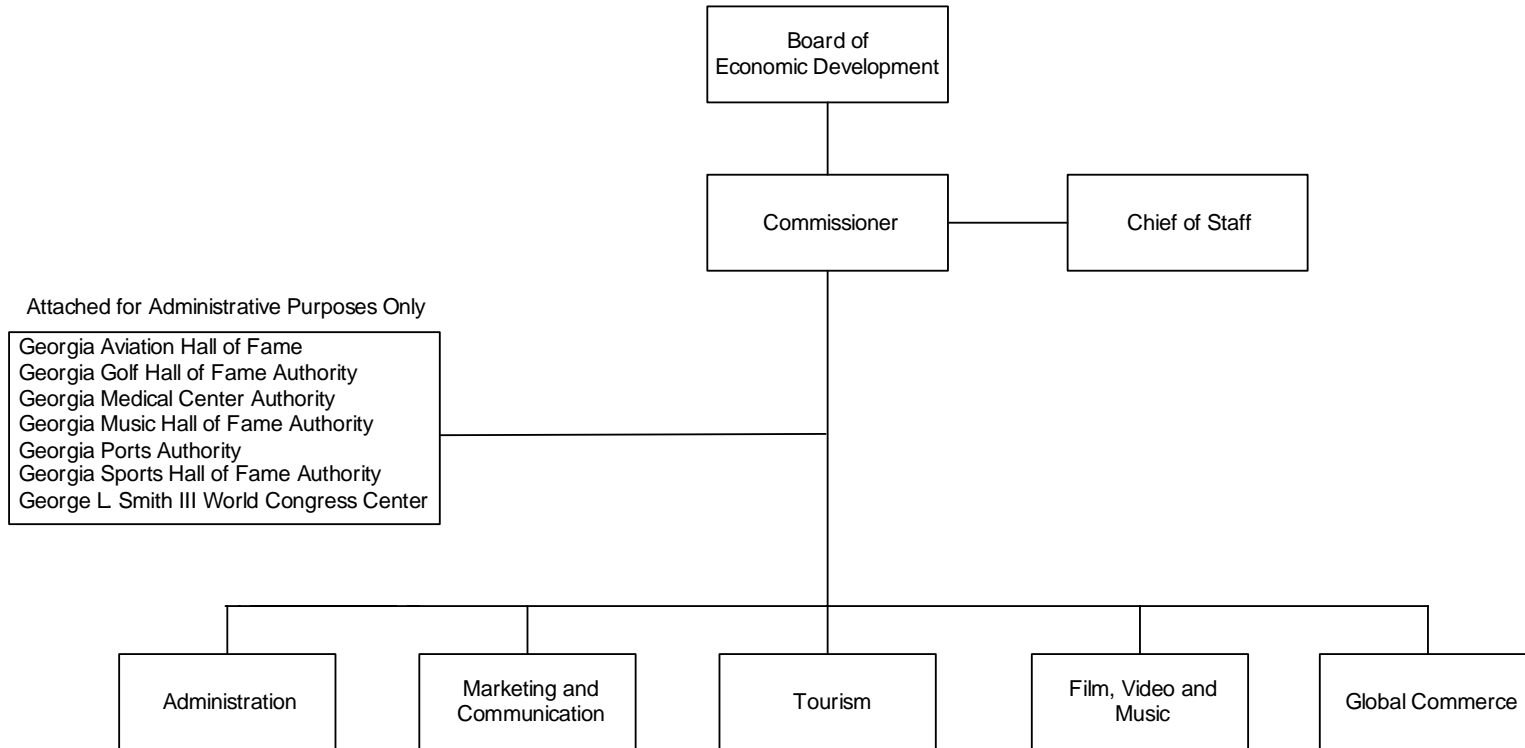
DEPARTMENT OF EARLY CARE AND LEARNING

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$4,030,671 |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$35,981) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$60,640). | \$96,621 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 58,141 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 14,706 |
| 4. Eliminate contract in the Child Care Services program. | (165,000) |
| 5. Provide funds in per diem and fees (\$5,460) and travel (\$15,600) in the Child Care Services program for a new Board of Directors for the Department of Early Care and Learning. | 21,060 |
| 6. Adjust program budgets and object classes to reflect actual budgets. | Yes |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$25,528 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$4,056,199 |
| FY 2006 LOTTERY FUNDS APPROPRIATIONS | \$290,081,308 |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$24,222) and provide for a 4% salary increase for Pre-K teachers effective September 1, 2006 and up to 4% for lottery-funded staff effective January 1, 2007 (\$5,965,254). | \$5,989,476 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | |
| 3. Transfer \$90,000 from contracts to personal services to increase salaries for certified Pre-Kindergarten consultants to make them more comparable to the state teacher salary schedule in the Pre-Kindergarten program. | Yes |
| 4. Expand the Work Sampling System Assessment statewide to improve the evaluation of Pre-Kindergarten students' progress throughout the year in the Pre-Kindergarten program. | 816,898 |
| 5. Increase Pre-Kindergarten grants to fund 1,000 additional slots, bringing total Pre-K enrollment to 75,000 in the Pre-Kindergarten program. | 5,065,765 |
| TOTAL NET LOTTERY FUNDS ADJUSTMENTS | \$11,872,139 |
| TOTAL LOTTERY FUNDS RECOMMENDED | \$301,953,447 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$306,009,646 |

DEPARTMENT OF ECONOMIC DEVELOPMENT

ORGANIZATIONAL CHART



DEPARTMENT OF ECONOMIC DEVELOPMENT

Roles and Responsibilities:

The Department of Economic Development administers programs that promote and encourage the development of tourism and business in the state.

RECRUITMENT, EXPANSION AND RETENTION

The Global Commerce Division promotes Georgia as a location for domestic and international businesses by: providing accurate information on such topics as wages, labor availability and taxes; accompanying industry officials on tours of communities for prospective industrial development; and supporting local communities' business development programs. The division also encourages the continued prosperity of existing Georgia companies in partnership with local and state officials. It assists companies with business expansions to advance the creation of new jobs and investment.

The department provides staff support to the Georgia Allies, a public-private marketing partnership targeting industries that build on Georgia's competitive strengths and position the state well in the economy of the 21st century.

INTERNATIONAL RELATIONS AND TRADE

The Global Commerce Division promotes the sale of Georgia products and services to customers abroad and coordinates all facets of international trade and export in the state. Through the U.S. Export Assistance Center, staff assist small and medium-sized businesses involved in exporting with trade leads, market analysis, trade shows and identification of financial assistance options. Trade

assistance is furthered through contracts with international representatives in key markets for Georgia businesses. The division also coordinates the operations of the overseas offices in Europe and Asia, which are primarily responsible for business recruitment.

ENTREPRENEUR AND SMALL BUSINESS DEVELOPMENT

Through a three-pronged effort, the Global Commerce Division provides strategies and services that target: 1) entrepreneurs and small businesses, 2) communities, and 3) other state agencies with the goal of encouraging entrepreneurship and small business development around the state.

Procurement assistance, outreach, and the Governor's Mentor Protégé Program are available directly to entrepreneurs and small businesses. To help communities develop an entrepreneur and small business strategy, staff have developed a five-step program that upon successful completion leads to a community's designation as "entrepreneur friendly." The division also leads the Georgia Entrepreneur and Small Business Coordinating Network, created to promote interagency collaboration as well as awareness among state service providers of the full spectrum of state resources available to entrepreneurs and small businesses.

FILM, VIDEO AND MUSIC

The Film, Video and Music Office develops and promotes the state's film, television, commercial production, multimedia and recording industries. The office actively pursues film

prospects through direct mail, prospect visits, advertising and trade show participation. Staff provide on-location assistance to production companies and coordinate the filming needs of companies with other state agencies and local governments. The office also promotes Georgia as a recording destination to music producers and artists and provides assistance to recording companies, recording studios, publishers, artists and artist management.

TOURISM

Through marketing and information services, the Tourism Division works to increase the number of people who choose Georgia as a vacation destination. Regional tourism representatives assist local and regional tourism associations in the development of effective tourism programs. The division is also responsible for ensuring that the state's 11 visitor information centers are operated in a manner that encourages visitors to return to Georgia.

The department plays a leadership role in and provides staff support to the Tourism Foundation, a public-private partnership charged with coordinating Georgia's tourism marketing efforts. The foundation is responsible for pooling the state's tourism marketing resources and leveraging the private sector to support the growth of tourism statewide.

AUTHORITY

Title 50-7 of the Official Code of Georgia Annotated.

DEPARTMENT OF ECONOMIC DEVELOPMENT

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| State General Funds | \$6,869,635 | \$6,213,661 | \$47,317 | | | \$162,968 | \$210,285 | \$6,423,946 |
| Total | 6,869,635 | 6,213,661 | 47,317 | | | 162,968 | 210,285 | 6,423,946 |
| Business Recruitment and Expansion | | | | | | | | |
| State General Funds | 6,907,072 | 6,783,664 | (34,395) | | \$182,260 | 146,396 | 294,261 | 7,077,925 |
| Total | 6,907,072 | 6,783,664 | (34,395) | | 182,260 | 146,396 | 294,261 | 7,077,925 |
| Film, Video and Music | | | | | | | | |
| State General Funds | 984,492 | 1,012,337 | (118,000) | | 85,969 | 16,372 | (15,659) | 996,678 |
| Total | 984,492 | 1,012,337 | (118,000) | | 85,969 | 16,372 | (15,659) | 996,678 |
| Innovation and Technology | | | | | | | | |
| State General Funds | 1,584,914 | 1,563,914 | (50,000) | | 1,066,130 | 19,047 | 1,035,177 | 2,599,091 |
| Total | 1,584,914 | 1,563,914 | (50,000) | | 1,066,130 | 19,047 | 1,035,177 | 2,599,091 |
| International Relations and Trade | | | | | | | | |
| State General Funds | 2,020,722 | 2,056,980 | (45,000) | | | 34,190 | (10,810) | 2,046,170 |
| Total | 2,020,722 | 2,056,980 | (45,000) | | | 34,190 | (10,810) | 2,046,170 |
| Music Hall of Fame | | | | | | | | |
| Other Funds | | 767,039 | (767,039) | | | | (767,039) | 0 |
| State General Funds | 787,353 | | | | | | | |
| Total | 787,353 | 767,039 | (767,039) | | | | (767,039) | 0 |

DEPARTMENT OF ECONOMIC DEVELOPMENT

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|-----------------|-----------------|---------------|----------------------|------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Small and Minority Business Development | | | | | | | | |
| Other Funds | 20,244 | 20,244 | | | | | | 20,244 |
| State General Funds | 938,227 | 924,154 | (59,922) | | 66,130 | 29,392 | 35,600 | 959,754 |
| Total | 958,471 | 944,398 | (59,922) | | 66,130 | 29,392 | 35,600 | 979,998 |
| Tourism | | | | | | | | |
| State General Funds | 11,072,695 | 11,096,169 | 260,000 | (98,778) | 79,356 | 125,823 | 366,401 | 11,462,570 |
| Total | 11,072,695 | 11,096,169 | 260,000 | (98,778) | 79,356 | 125,823 | 366,401 | 11,462,570 |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | | | |
| Payments to Georgia Aviation Hall of Fame | | | | | | | | |
| State General Funds | 75,000 | 50,000 | | | | | | 50,000 |
| Total | 75,000 | 50,000 | | | | | | 50,000 |
| Payments to Georgia Golf Hall of Fame Authority | | | | | | | | |
| State General Funds | 158,685 | 58,685 | | | | | | 58,685 |
| Total | 158,685 | 58,685 | | | | | | 58,685 |
| Payments to Georgia Medical Center Authority | | | | | | | | |
| State General Funds | 405,000 | 250,000 | | | | | | 250,000 |
| Total | 405,000 | 250,000 | | | | | | 250,000 |
| Payments to Georgia Music Hall of Fame Authority | | | | | | | | |
| State General Funds | | 767,039 | | (15,341) | 42,322 | 20,050 | 47,031 | 814,070 |
| Total | | 767,039 | | (15,341) | 42,322 | 20,050 | 47,031 | 814,070 |

DEPARTMENT OF ECONOMIC DEVELOPMENT

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|--------------------|--------------------|--------------------|----------------------|--------------------|---------------------|---------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Payments to Georgia Sports Hall of Fame Authority | | | | | | | | | |
| State General Funds | 743,252 | 725,060 | | | | | 16,835 | 16,835 | 741,895 |
| Total | 743,252 | 725,060 | | | | | 16,835 | 16,835 | 741,895 |
| TOTAL FUNDS | \$32,567,291 | \$32,288,946 | (\$767,039) | (\$114,119) | \$1,522,167 | \$571,073 | \$1,212,082 | \$33,501,028 | |
| Less: | | | | | | | | | |
| Other Funds | \$20,244 | \$787,283 | (\$767,039) | | | | (\$767,039) | \$20,244 | |
| State General Funds | \$32,547,047 | \$31,501,663 | | (\$114,119) | \$1,522,167 | \$571,073 | \$1,979,121 | \$33,480,784 | |
| TOTAL STATE FUNDS | \$32,547,047 | \$31,501,663 | \$0 | (\$114,119) | \$1,522,167 | \$571,073 | \$1,979,121 | \$33,480,784 | |

DEPARTMENT OF ECONOMIC DEVELOPMENT

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendation | | |
|---|------------------------------------|-------------------------|-------------------------|-----------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$14,456,245 | \$11,931,388 | \$11,595,042 | \$13,790,754 | \$477,305 | \$14,268,059 |
| Regular Operating Expenses | 1,518,294 | 1,239,753 | 1,204,168 | 1,533,635 | (221,335) | 1,312,300 |
| Travel | 585,543 | 551,820 | 538,152 | 585,543 | (6,187) | 579,356 |
| Motor Vehicle Purchases | 65,000 | | | | | |
| Equipment | 103,197 | 15,568 | 24,097 | 28,197 | (7,500) | 20,697 |
| Computer Charges | 433,225 | 370,721 | 716,364 | 433,225 | (9,253) | 423,972 |
| Real Estate Rentals | 845,026 | 766,012 | 194,456 | 845,026 | | 845,026 |
| Telecommunications | 445,727 | 316,845 | 337,970 | 445,727 | (15,056) | 430,671 |
| Per Diem and Fees | 26,000 | 19,020 | 14,996 | 26,000 | (11,000) | 15,000 |
| Contracts | 1,031,781 | 1,236,435 | 1,589,272 | 981,781 | 962,668 | 1,944,449 |
| Local Welcome Center Contracts | 214,263 | 236,800 | 235,600 | 214,263 | (21,426) | 192,837 |
| Marketing | 11,461,053 | 8,549,149 | 9,052,100 | 11,554,011 | | 11,554,011 |
| Georgia Ports Authority Lease Rentals | | 11,154,653 | | | | |
| Waterway Development in Georgia | | 48,750 | | | | |
| Payments to Georgia Aviation Hall of Fame | 75,000 | | | 50,000 | | 50,000 |
| Payments to Georgia Golf Hall of Fame Authority | 158,685 | | | 58,685 | | 58,685 |
| Payments to Georgia Medical Center Authority | 405,000 | | | 250,000 | | 250,000 |
| Payments to Georgia Music Hall of Fame Authority | | | | 767,039 | 47,031 | 814,070 |
| Payments to Georgia Sports Hall of Fame Authority | 743,252 | | | 725,060 | 16,835 | 741,895 |
| TOTAL FUNDS | \$32,567,291 | \$36,436,914 | \$25,502,217 | \$32,288,946 | \$1,212,082 | \$33,501,028 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$20,244 | | \$100,000 | \$787,283 | (\$767,039) | \$20,244 |
| State General Funds | \$32,547,047 | \$36,436,914 | \$25,402,217 | \$31,501,663 | \$1,979,121 | \$33,480,784 |
| TOTAL STATE FUNDS | \$32,547,047 | \$36,436,914 | \$25,402,217 | \$31,501,663 | \$1,979,121 | \$33,480,784 |
| Positions | 222 | 201 | 191 | 221 | 2 | 223 |
| Motor Vehicles | 11 | 11 | 11 | 11 | | 11 |

DEPARTMENT OF ECONOMIC DEVELOPMENT

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|----------------------------|-------------------------|----------------------------|------------------------------------|-------------------------|----------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$6,213,661 | | \$6,213,661 | \$6,423,946 | | \$6,423,946 |
| Business Recruitment and Expansion | 6,783,664 | | 6,783,664 | 7,077,925 | | 7,077,925 |
| Film, Video and Music | 1,012,337 | | 1,012,337 | 996,678 | | 996,678 |
| Innovation and Technology | 1,563,914 | | 1,563,914 | 2,599,091 | | 2,599,091 |
| International Relations and Trade | 2,056,980 | | 2,056,980 | 2,046,170 | | 2,046,170 |
| Music Hall of Fame | | \$767,039 | 767,039 | | | 0 |
| Small and Minority Business Development | 924,154 | 20,244 | 944,398 | 959,754 | \$20,244 | 979,998 |
| Tourism | 11,096,169 | | 11,096,169 | 11,462,570 | | 11,462,570 |
| Subtotal | <u>\$29,650,879</u> | <u>\$787,283</u> | <u>\$30,438,162</u> | <u>\$31,566,134</u> | <u>\$20,244</u> | <u>\$31,586,378</u> |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | |
| Payments to Georgia Aviation Hall of Fame | \$50,000 | | \$50,000 | \$50,000 | | \$50,000 |
| Payments to Georgia Golf Hall of Fame Authority | 58,685 | | 58,685 | 58,685 | | 58,685 |
| Payments to Georgia Medical Center Authority | 250,000 | | 250,000 | 250,000 | | 250,000 |
| Payments to Georgia Music Hall of Fame Authority | 767,039 | | 767,039 | 814,070 | | 814,070 |
| Payments to Georgia Sports Hall of Fame Authority | 725,060 | | 725,060 | 741,895 | | 741,895 |
| Subtotal | <u>\$1,850,784</u> | <u>\$0</u> | <u>\$1,850,784</u> | <u>\$1,914,650</u> | <u>\$0</u> | <u>\$1,914,650</u> |
| TOTAL FUNDS | <u>\$31,501,663</u> | <u>\$787,283</u> | <u>\$32,288,946</u> | <u>\$33,480,784</u> | <u>\$20,244</u> | <u>\$33,501,028</u> |

DEPARTMENT OF ECONOMIC DEVELOPMENT

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$31,501,663**

Department of Economic Development

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$133,511) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$132,932). | \$266,443 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 255,734 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 12,011 |
| 4. Realign staff and personal services to reflect agency reorganization efforts, transferring funds to the Administration (\$47,317) and Tourism (\$260,000) programs from the Business, Recruitment and Expansion (\$34,395), Film, Video and Music (\$118,000), Innovation and Technology (\$50,000), International Relations and Trade (\$45,000) and Small and Minority Business (\$59,922) programs. | Yes |
| 5. Correct overstatement of funds by eliminating the Music Hall of Fame program (\$767,039 in Other Funds) to properly reflect funds in the Georgia Music Hall of Fame Authority. | Yes |
| 6. Reduce pass-thru funding for local welcome centers by 10% (Bainbridge - \$9,832; local welcome center grant program - \$21,426), continuing the phase-out of state funds. | (31,258) |
| 7. Reduce funding for the Sylvania visitor center by 10% from \$150,205 to \$135,185 and develop a plan for phasing out state funding. | (15,020) |
| 8. Eliminate pass-thru funding for the Historic Chattahoochee Commission. | (52,500) |
| 9. Increase the department's capacity to grow jobs for Georgians by funding 1 new position and 5 vacant positions: 1 consumer sales manager for the Tourism program (new position - \$66,130); 1 project manager for the Innovation and Technology program (\$79,356); 2 regional project managers in the Regional Existing Business/Entrepreneurial Developments subprogram of the Business Recruitment and Expansion program (\$132,260); 1 mentor protégé associate in the Small and Minority Business Development program (\$66,130); and 1 multimedia/new media specialist in the Film, Video and Music program (\$85,969). | 429,845 |
| 10. Expand international trade and recruitment activities by increasing funding for contracts in the Business Recruitment and Expansion program to hire a contractor to focus on Southern Europe (\$35,000) and to cover costs of trade missions (\$15,000). | 50,000 |
| 11. Provide funding to the Innovation and Technology program for a bioscience collaboration project to identify and design public/private partnering opportunities that will leverage private funding to stimulate bioscience industry growth in Georgia. | 1,000,000 |
| Subtotal | \$1,915,255 |

ATTACHED AGENCIES AND AUTHORITIES:

Payments to Georgia Music Hall of Fame Authority

| | |
|--|---------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$4,973) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$4,950). | \$9,923 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 9,526 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 601 |

DEPARTMENT OF ECONOMIC DEVELOPMENT

BUDGET SUMMARY - FISCAL YEAR 2007

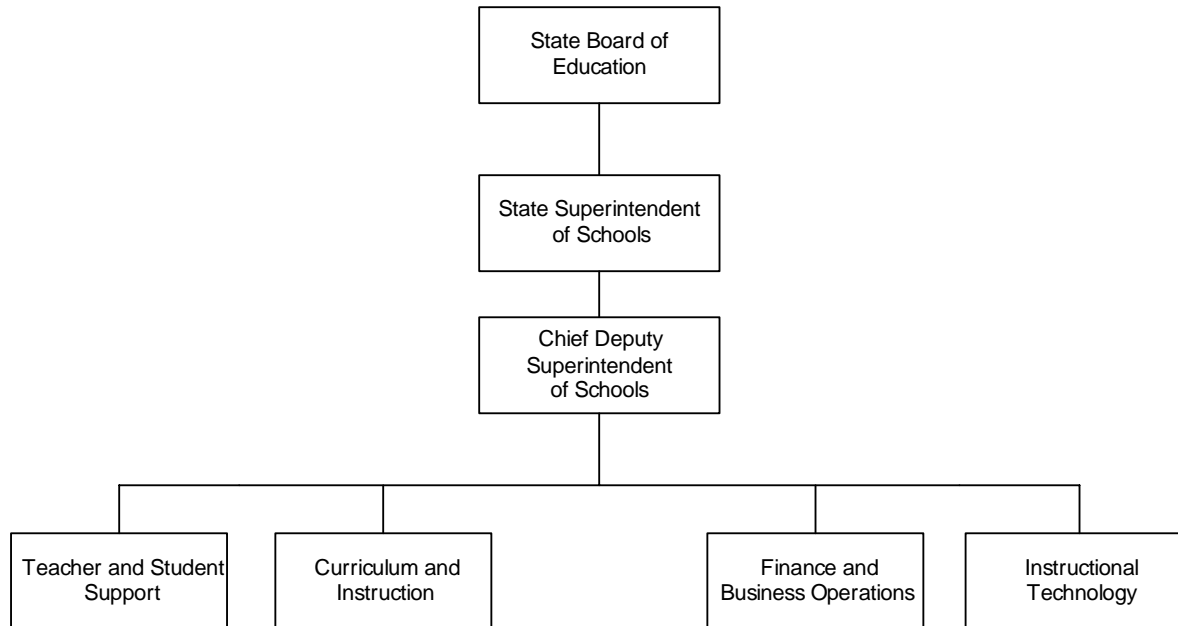
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| 4. Redirect \$15,341 from repairs and maintenance to personal services and provide additional funds for 1 new position to manage and expand the volunteer program (total position cost: \$42,322). | 26,981 |
| Subtotal | \$47,031 |
| Payments to Georgia Sports Hall of Fame Authority | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$3,691) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$4,265). | \$7,956 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 8,205 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 674 |
| Subtotal | \$16,835 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$1,979,121 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$33,480,784 |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| Department of Economic Development | | | |
| 1. Provide funding for the Columbus Trade Center. | 20 | \$11,000,000 | \$939,730 |
| Georgia Ports Authority | | | |
| 1. Complete construction of the Container Berth 8 project in Savannah. | 20 | \$15,900,000 | \$1,358,337 |
| 2. Complete construction of the deepening of the Brunswick harbor. | 20 | 3,200,000 | 273,376 |
| Subtotal | | \$19,100,000 | \$1,631,713 |
| Georgia World Congress Center | | | |
| 1. Fund various facility renovation projects. | 20 | \$5,425,000 | \$463,458 |
| TOTAL | | \$35,525,000 | \$3,034,901 |
| STATE GENERAL FUNDS | | | \$36,515,685 |

STATE BOARD OF EDUCATION

ORGANIZATIONAL CHART



DEPARTMENT OF EDUCATION

Roles and Responsibilities:

The State Board of Education establishes policies that the Georgia Department of Education administers under the direction of the State Superintendent of Schools. The department disburses state education funds, provides technical assistance and support services to local school systems, operates three state schools for hearing- and visually-impaired students, and provides intensive assistance to local schools identified by the Office of Student Achievement.

There are 180 school systems in the state operating more than 2,000 schools. These schools are primarily funded through the Quality Basic Education (QBE) formula - a partnership between the state and local school systems that provides more than \$7 billion in funding for education.

STUDENT LEARNING AND ACHIEVEMENT

The Department of Education provides leadership in developing and implementing the new curriculum, and the Georgia Performance Standards for elementary, middle and secondary students. In addition to providing funds for daily instruction, the Department of Education also administers a number of support services for students in need of additional services. These services include a program for handicapped preschool children, tuition for the multi-handicapped and funding for the Severely Emotionally Disturbed (SED) network.

In an effort to expand educational opportunities for all students in Georgia, the Department of Education opened the Georgia Virtual School in 2005. The Georgia Virtual School provides a number of core curriculum, foreign language, business electives and Advanced Placement (AP) courses online for public, private and home school students.

The Department of Education also provides resources for students preparing for the Scholastic Assessment Test (SAT). The department provides funding for high school sophomores to take the Preliminary Scholastic Assessment Test (PSAT). An additional resource for SAT preparation was added in FY 2006. The department now provides an online SAT prep class for public high school students. The online tool allows students to take practice tests and quizzes that identifies the students' strengths and weaknesses and helps them prepare for the SAT.

SUPPORTING LOCAL SCHOOL SYSTEMS

The department administers funds and provides technical assistance for school improvement. School Improvement Teams serve five statewide regions and provide intensive, targeted support and additional resources for schools and school systems not meeting Adequate Yearly Progress (AYP) under the federal No Child Left Behind (NCLB) Act - particularly schools that have not made AYP for two or more years and are in Needs Improvement (NI) status. The school

improvement program offers a wide array of services ranging from professional development, analysis and planning, and implementation strategies for schools not meeting the standards.

In addition, the State Board oversees the 13 Educational Technology Training Centers (ETTCs) that provide high-quality, low-cost, convenient access to educational technology and training for local school systems. This additional technological support empowers teachers to incorporate modern technology into the teaching and learning process.

The Department of Education also provides funding and support for many state and federal grant programs including: Title I - Improving Basic Programs; Title II-A Improving Teacher Quality; Reading First; Migrant Education; Pupil Transportation; Equalization; and Career, Technical and Agricultural Education.

AUTHORITY

Title 20 of the Official Code of Georgia Annotated.

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|-------------------------------|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Academic Coach | | | | | | | | |
| State General Funds | \$3,621,149 | \$3,899,132 | (\$200,000) | (\$66,000) | \$2,467,578 | | \$2,201,578 | \$6,100,710 |
| Total | 3,621,149 | 3,899,132 | (200,000) | (66,000) | 2,467,578 | | 2,201,578 | 6,100,710 |
| Agricultural Education | | | | | | | | |
| Federal Funds | 126,577 | 126,577 | | | | | | 126,577 |
| Other Funds | 450,000 | 450,000 | | | | | | 450,000 |
| State General Funds | 7,302,033 | 7,423,422 | | | | \$685,237 | 685,237 | 8,108,659 |
| Total | 7,878,610 | 7,999,999 | | | | 685,237 | 685,237 | 8,685,236 |
| Central Office | | | | | | | | |
| Federal Funds | 38,180,833 | 38,180,833 | | | | | | 38,180,833 |
| Other Funds | 6,899,025 | 6,899,025 | | | | | | 6,899,025 |
| State General Funds | 34,679,700 | 34,924,681 | | (762,493) | | 1,465,557 | 703,064 | 35,627,745 |
| Total | 79,759,558 | 80,004,539 | | (762,493) | | 1,465,557 | 703,064 | 80,707,603 |
| Charter Schools | | | | | | | | |
| Federal Funds | 6,729,711 | 6,729,711 | | | | | | 6,729,711 |
| State General Funds | 754,789 | 770,193 | | | | | | 770,193 |
| Total | 7,484,500 | 7,499,904 | | | | | | 7,499,904 |
| Classroom Supplies | | | | | | | | |
| State General Funds | | | | | 10,000,000 | | 10,000,000 | 10,000,000 |
| Total | | | | | 10,000,000 | | 10,000,000 | 10,000,000 |
| Communities in School | | | | | | | | |
| State General Funds | 1,294,211 | 1,320,623 | | | | | | 1,320,623 |
| Total | 1,294,211 | 1,320,623 | | | | | | 1,320,623 |
| Curriculum Development | | | | | | | | |
| State General Funds | 1,739,336 | 1,774,833 | (500,000) | | | | (500,000) | 1,274,833 |
| Total | 1,739,336 | 1,774,833 | (500,000) | | | | (500,000) | 1,274,833 |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Education GO Get It | | | | | | | | |
| State General Funds | | | | | 977,905 | | 977,905 | 977,905 |
| Total | | | | | 977,905 | | 977,905 | 977,905 |
| Equalization | | | | | | | | |
| State General Funds | 371,657,510 | 371,657,510 | | | 55,365,016 | | 55,365,016 | 427,022,526 |
| Total | 371,657,510 | 371,657,510 | | | 55,365,016 | | 55,365,016 | 427,022,526 |
| Federal Programs | | | | | | | | |
| Federal Funds | 817,561,039 | 817,561,039 | | | | | | 817,561,039 |
| Total | 817,561,039 | 817,561,039 | | | | | | 817,561,039 |
| Foreign Language | | | | | | | | |
| State General Funds | 1,559,040 | 1,590,857 | | | | | | 1,590,857 |
| Total | 1,559,040 | 1,590,857 | | | | | | 1,590,857 |
| Georgia Learning Resources System | | | | | | | | |
| Federal Funds | 5,117,573 | 5,117,573 | | | | | | 5,117,573 |
| Total | 5,117,573 | 5,117,573 | | | | | | 5,117,573 |
| Georgia Virtual School | | | | | | | | |
| State General Funds | 2,157,300 | 1,385,000 | | | 800,000 | 3,734 | 803,734 | 2,188,734 |
| Total | 2,157,300 | 1,385,000 | | | 800,000 | 3,734 | 803,734 | 2,188,734 |
| Georgia Youth Science and Technology Centers | | | | | | | | |
| State General Funds | 675,419 | 689,203 | | | | | | 689,203 |
| Total | 675,419 | 689,203 | | | | | | 689,203 |
| Governor's Honors Program | | | | | | | | |
| State General Funds | 1,388,408 | 1,416,743 | | | | 1,480 | 1,480 | 1,418,223 |
| Total | 1,388,408 | 1,416,743 | | | | 1,480 | 1,480 | 1,418,223 |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|----------------------|----------------------|----------------------|------------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| High Performing Principals | | | | | | | | |
| State General Funds | | | | | 3,000,000 | | 3,000,000 | 3,000,000 |
| Total | | | | | <u>3,000,000</u> | | <u>3,000,000</u> | <u>3,000,000</u> |
| High School Completion Counselors | | | | | | | | |
| State General Funds | | | | | 21,175,000 | | 21,175,000 | 21,175,000 |
| Total | | | | | <u>21,175,000</u> | | <u>21,175,000</u> | <u>21,175,000</u> |
| IT Services | | | | | | | | |
| State General Funds | 7,346,619 | 7,496,550 | | | (79,231) | | (79,231) | 7,417,319 |
| Total | <u>7,346,619</u> | <u>7,496,550</u> | | | <u>(79,231)</u> | | <u>(79,231)</u> | <u>7,417,319</u> |
| Local Five Mill Share | | | | | | | | |
| State General Funds | (1,335,476,389) | (1,335,476,389) | | | (104,786,117) | | (104,786,117) | (1,440,262,506) |
| Total | <u>(1,335,476,389)</u> | <u>(1,335,476,389)</u> | | | <u>(104,786,117)</u> | | <u>(104,786,117)</u> | <u>(1,440,262,506)</u> |
| National Board Certification | | | | | | | | |
| State General Funds | 10,817,274 | 11,038,035 | | | | | | 11,038,035 |
| Total | <u>10,817,274</u> | <u>11,038,035</u> | | | | | | <u>11,038,035</u> |
| National Science Center and Foundation | | | | | | | | |
| State General Funds | 1,388,415 | 1,416,750 | | | | | | 1,416,750 |
| Total | <u>1,388,415</u> | <u>1,416,750</u> | | | | | | <u>1,416,750</u> |
| Non-QBE Programs | | | | | | | | |
| State General Funds | 7,534,901 | 7,688,674 | | | (250,000) | | (250,000) | 7,438,674 |
| Total | <u>7,534,901</u> | <u>7,688,674</u> | | | <u>(250,000)</u> | | <u>(250,000)</u> | <u>7,438,674</u> |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|------------------------------|------------------------------------|-----------------------------------|--------------------|------------------|--------------------|----------------------|--------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Nutrition | | | | | | | | |
| Federal Funds | 188,375,722 | 188,375,722 | | | | | | 188,375,722 |
| State General Funds | 35,297,240 | 36,017,592 | | | | 1,506,292 | 1,506,292 | 37,523,884 |
| Total | 223,672,962 | 224,393,314 | | | | 1,506,292 | 1,506,292 | 225,899,606 |
| Preschool Handicapped | | | | | | | | |
| State General Funds | 23,576,799 | 24,008,490 | | | | 2,462,629 | 2,462,629 | 26,471,119 |
| Total | 23,576,799 | 24,008,490 | | | | 2,462,629 | 2,462,629 | 26,471,119 |
| Principal Supplements | | | | | | | | |
| State General Funds | 5,253,902 | 5,361,125 | | | | | | 5,361,125 |
| Total | 5,253,902 | 5,361,125 | | | | | | 5,361,125 |
| Pupil Transportation | | | | | | | | |
| State General Funds | 155,186,797 | 158,353,875 | | | 5,000,000 | 3,098,255 | 8,098,255 | 166,452,130 |
| Total | 155,186,797 | 158,353,875 | | | 5,000,000 | 3,098,255 | 8,098,255 | 166,452,130 |
| QBE Program | | | | | | | | |
| State General Funds | 6,691,181,942 | 6,677,381,942 | | | 367,145,768 | 371,781,789 | 738,927,557 | 7,416,309,499 |
| Total | 6,691,181,942 | 6,677,381,942 | | | 367,145,768 | 371,781,789 | 738,927,557 | 7,416,309,499 |
| RESA | | | | | | | | |
| State General Funds | 11,400,358 | 11,473,253 | | (229,465) | | 489,218 | 259,753 | 11,733,006 |
| Total | 11,400,358 | 11,473,253 | | (229,465) | | 489,218 | 259,753 | 11,733,006 |
| School Improvement | | | | | | | | |
| Other Funds | 100,000 | 100,000 | | | | | | 100,000 |
| State General Funds | 11,403,503 | 11,636,228 | (1,000,000) | | | | (1,000,000) | 10,636,228 |
| Total | 11,503,503 | 11,736,228 | (1,000,000) | | | | (1,000,000) | 10,736,228 |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| School Nurses | | | | | | | | |
| Other Funds | 30,000,000 | 30,000,000 | | | (30,000,000) | | (30,000,000) | 0 |
| Tobacco Settlement Funds | | | | | 30,000,000 | | 30,000,000 | 30,000,000 |
| Total | 30,000,000 | 30,000,000 | | | 0 | | 0 | 30,000,000 |
| Severely Emotionally Disturbed (SED) | | | | | | | | |
| Federal Funds | 7,724,112 | 7,724,112 | | | | | | 7,724,112 |
| State General Funds | 63,516,488 | 64,684,683 | | | | 3,149,783 | 3,149,783 | 67,834,466 |
| Total | 71,240,600 | 72,408,795 | | | | 3,149,783 | 3,149,783 | 75,558,578 |
| State Interagency Transfers | | | | | | | | |
| Federal Funds | 18,888,697 | 18,888,697 | | | | | | 18,888,697 |
| State General Funds | 251,591,693 | 251,591,693 | | | | | | 251,591,693 |
| Total | 270,480,390 | 270,480,390 | | | | | | 270,480,390 |
| State Reading and Math Program | | | | | | | | |
| State General Funds | 26,119,715 | 26,652,770 | | | | | | 26,652,770 |
| Total | 26,119,715 | 26,652,770 | | | | | | 26,652,770 |
| State Schools | | | | | | | | |
| Other Funds | 932,715 | 932,715 | | | | | | 932,715 |
| State General Funds | 18,497,816 | 18,875,323 | | | | 1,323,270 | 1,323,270 | 20,198,593 |
| Total | 19,430,531 | 19,808,038 | | | | 1,323,270 | 1,323,270 | 21,131,308 |
| Technology/Career Education | | | | | | | | |
| Federal Funds | 20,606,546 | 20,606,546 | | | | | | 20,606,546 |
| Other Funds | 4,009,567 | 4,009,567 | | | | | | 4,009,567 |
| State General Funds | 15,018,190 | 15,256,641 | | | | 697,745 | 697,745 | 15,954,386 |
| Total | 39,634,303 | 39,872,754 | | | | 697,745 | 697,745 | 40,570,499 |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-----------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Testing | | | | | | | | | |
| Federal Funds | 9,704,191 | 9,704,191 | | | | | | | 9,704,191 |
| State General Funds | 21,394,632 | 17,709,829 | 1,700,000 | | 1,800,000 | | 3,500,000 | 21,209,829 | |
| Total | 31,098,823 | 27,414,020 | 1,700,000 | | 1,800,000 | | 3,500,000 | 30,914,020 | |
| Tuition for the Multi-Handicapped | | | | | | | | | |
| State General Funds | 1,625,682 | 1,658,859 | | | | | | 1,658,859 | |
| Total | 1,625,682 | 1,658,859 | | | | | | 1,658,859 | |
| TOTAL FUNDS | \$7,604,910,780 | \$7,595,084,428 | \$0 | (\$1,387,189) | \$362,945,150 | \$386,664,989 | \$748,222,950 | \$8,343,307,378 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$1,113,015,001 | \$1,113,015,001 | | | | | | \$1,113,015,001 | |
| Other Funds | 42,391,307 | 42,391,307 | | | (\$30,000,000) | | (\$30,000,000) | 12,391,307 | |
| Subtotal | \$1,155,406,308 | \$1,155,406,308 | \$0 | \$0 | (\$30,000,000) | \$0 | (\$30,000,000) | \$1,125,406,308 | |
| State General Funds | \$6,449,504,472 | \$6,439,678,120 | | (\$1,387,189) | \$362,945,150 | \$386,664,989 | \$748,222,950 | \$7,187,901,070 | |
| Tobacco Settlement Funds | | | | | 30,000,000 | | 30,000,000 | 30,000,000 | |
| TOTAL STATE FUNDS | \$6,449,504,472 | \$6,439,678,120 | \$0 | (\$1,387,189) | \$392,945,150 | \$386,664,989 | \$778,222,950 | \$7,217,901,070 | |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|------------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|---------------|-----------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$55,266,846 | \$37,760,666 | \$40,439,928 | \$55,555,878 | \$2,439,198 | \$57,995,076 |
| Regular Operating Expenses | 10,324,480 | 5,281,719 | 11,149,097 | 10,580,256 | 583,188 | 11,163,444 |
| Travel | 1,733,924 | 807,098 | 1,265,065 | 1,728,924 | 5,000 | 1,733,924 |
| Motor Vehicle Purchases | | | | | | |
| Equipment | 223,103 | 46,037 | 49,525 | 223,103 | | 223,103 |
| Computer Charges | 12,893,307 | 18,275,685 | 12,295,964 | 13,076,394 | (183,087) | 12,893,307 |
| Real Estate Rentals | 1,193,504 | 1,169,645 | 1,156,401 | 1,193,504 | 149,924 | 1,343,428 |
| Telecommunications | 859,420 | 719,160 | 600,713 | 859,420 | | 859,420 |
| Per Diem and Fees | 6,818,424 | 2,872,254 | 2,873,237 | 6,404,424 | 441,700 | 6,846,124 |
| Contracts | 28,768,913 | 17,756,490 | 16,411,677 | 24,954,205 | (471,701) | 24,482,504 |
| Capital Outlay | | | | | | |
| Utilities | 771,396 | 799,895 | 757,488 | 771,396 | | 771,396 |
| QBE Formula Grants: | | | | | | |
| Kindergarten/Grades 1-3 | 1,830,948,258 | 1,701,449,206 | 1,746,714,499 | 1,830,948,258 | 62,685,698 | 1,893,633,956 |
| Grades 4-8 | 1,645,651,363 | 1,558,843,885 | 1,568,914,127 | 1,645,651,363 | 6,193,952 | 1,651,845,315 |
| Grades 9-12 | 837,795,930 | 760,946,059 | 799,396,679 | 837,795,930 | 39,570,390 | 877,366,320 |
| Vocational Education Laboratories | 222,402,854 | 202,217,533 | 213,020,019 | 222,402,854 | 6,397,458 | 228,800,312 |
| Special Education | 871,953,738 | 793,709,927 | 831,601,087 | 871,953,738 | 43,669,413 | 915,623,151 |
| Gifted | 214,291,485 | 191,525,578 | 204,124,464 | 214,291,485 | 21,326,281 | 235,617,766 |
| Remedial Education | 21,815,834 | 22,048,886 | 20,816,983 | 21,815,834 | 2,367,823 | 24,183,657 |
| Limited English-Speaking Students | 81,830,295 | 70,181,744 | 77,913,970 | 81,830,295 | 6,244,327 | 88,074,622 |
| Alternative Programs | 76,540,425 | 72,301,580 | 72,963,054 | 76,540,425 | 1,791,850 | 78,332,275 |
| Additional Instruction | 54,552,504 | 46,869,079 | 48,356,585 | 50,752,504 | 2,203,425 | 52,955,929 |
| Staff and Professional Development | 42,837,833 | 31,146,339 | 31,984,312 | 32,837,833 | 940,874 | 33,778,707 |
| Media | 160,004,070 | 148,678,213 | 153,108,562 | 160,004,070 | 4,871,899 | 164,875,969 |
| Indirect Cost | 963,392,455 | 920,705,498 | 943,561,277 | 963,392,455 | 26,230,077 | 989,622,532 |
| Mid-Term Adjustment | | 23,404,627 | 21,636,338 | | | |
| Teacher Salary Schedule Adjustment | | | | | 216,761,619 | 216,761,619 |
| Teachers' Health Insurance | | | | | 134,507,684 | 134,507,684 |
| Temporary QBE Reduction | (332,835,102) | (283,478,659) | (332,838,099) | (332,835,102) | 163,164,787 | (169,670,315) |
| Local Five Mill Share | (1,335,476,389) | (1,206,225,204) | (1,263,578,711) | (1,335,476,389) | (104,786,117) | (1,440,262,506) |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|---|------------------------------------|-------------------------|-------------------------|------------------------------------|-------------|-------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Other Categorical Grants: | | | | | | |
| Pupil Transportation | 155,186,797 | 157,439,881 | 151,852,510 | 158,353,875 | 8,098,255 | 166,452,130 |
| Equalization Formula | 371,657,510 | 288,182,775 | 345,166,675 | 371,657,510 | 55,365,016 | 427,022,526 |
| Sparsity Grants | 6,225,394 | 6,261,321 | 6,341,321 | 6,352,443 | | 6,352,443 |
| Special Education Low Incidence Grants | 810,188 | 810,249 | 801,327 | 826,722 | | 826,722 |
| Non-QBE Grants | | | | | | |
| Retirement (H.B. 272 and H.B. 1321) | 5,508,750 | 5,239,852 | 5,508,750 | 5,508,750 | | 5,508,750 |
| Health Insurance - Non-Cert. Personnel and Retired Teachers | 242,526,070 | 107,826,070 | 107,826,070 | 242,526,070 | | 242,526,070 |
| High School Program - Ag Ed | 7,878,610 | 11,120,713 | 9,152,057 | 7,999,999 | 685,237 | 8,685,236 |
| High School Program - Tech Ed | 35,898,568 | 37,789,892 | 37,690,952 | 36,060,780 | 697,745 | 36,758,525 |
| Youth Apprenticeship Grants | 3,735,735 | 4,022,450 | 3,747,750 | 3,811,974 | | 3,811,974 |
| High Performing Principals | | | | | 3,000,000 | 3,000,000 |
| High School Completion Counselors | | | | | 21,175,000 | 21,175,000 |
| Classroom Supplies | | | | | 10,000,000 | 10,000,000 |
| Web-based Classroom Accountability Model | | | | | 800,000 | 800,000 |
| Release Time Grants | 587,149 | | | 599,132 | 2,467,578 | 3,066,710 |
| Charter Schools | 7,484,500 | 2,953,487 | 3,769,687 | 7,499,904 | | 7,499,904 |
| Communities in Schools | 1,294,211 | 1,305,919 | 1,320,623 | 1,320,623 | | 1,320,623 |
| Principal Supplements | 5,253,902 | 5,643,290 | 5,361,125 | 5,361,125 | | 5,361,125 |
| Internet Access | 3,464,309 | 3,644,339 | 3,644,339 | 3,535,009 | | 3,535,009 |
| Grants for School Nurses | 30,000,000 | 30,000,000 | 30,000,000 | 30,000,000 | | 30,000,000 |
| National Teacher Certification | 10,817,274 | 5,873,884 | 8,328,770 | 11,038,035 | | 11,038,035 |
| Migrant Education | 499,319 | 267,533 | 267,534 | 509,509 | (250,000) | 259,509 |
| Pre-School Handicapped Program | 23,576,799 | 21,881,401 | 23,501,959 | 24,008,490 | 2,462,629 | 26,471,119 |
| Regional Educational Service Agencies (RESAs) | 11,400,358 | 11,111,515 | 11,183,730 | 11,473,253 | 259,753 | 11,733,006 |
| School Improvement Teams | 11,403,503 | 11,445,400 | 11,585,892 | 11,636,228 | (1,000,000) | 10,636,228 |
| Severely Emotionally Disturbed (SED) | 71,240,600 | 69,438,970 | 69,614,254 | 72,408,795 | 3,149,783 | 75,558,578 |
| Special Education in State Institutions | 3,556,873 | 3,396,000 | 3,445,000 | 3,556,873 | | 3,556,873 |
| Reading and Math Programs | 26,119,715 | 55,535,547 | 28,107,965 | 26,652,770 | | 26,652,770 |
| Student Testing | 17,555,632 | 10,975,646 | 18,368,090 | 17,709,829 | 2,700,000 | 20,409,829 |
| Tuition for the Multi-Handicapped | 1,625,682 | 1,739,775 | 1,658,859 | 1,658,859 | | 1,658,859 |
| School Lunch (State) | 35,297,240 | 36,244,764 | 35,211,286 | 36,017,592 | 1,506,292 | 37,523,884 |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|---------|-------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| School Lunch (Federal) | 188,375,722 | 337,327,801 | 366,658,398 | 188,375,722 | | 188,375,722 |
| Title I-A Improving Basic Programs | 311,537,540 | 390,055,819 | 429,252,427 | 311,537,540 | | 311,537,540 |
| Title I-B Reading First | 50,116,464 | 23,408,941 | 25,266,707 | 50,116,464 | | 50,116,464 |
| Title I-C Migrant Education | 8,548,626 | 10,594,970 | 10,225,431 | 8,548,626 | | 8,548,626 |
| Title I-D Neglected and Delinquent | 2,000,255 | 2,342,674 | 1,189,484 | 2,000,255 | | 2,000,255 |
| Title II Math/Science | 4,212,377 | | 2,709,528 | 4,212,377 | | 4,212,377 |
| Title II-A Improving Teacher Quality | 72,520,695 | 89,245,683 | 89,615,167 | 72,520,695 | | 72,520,695 |
| Title II-D Enhancing Education thru Quality | 19,170,536 | 23,130,663 | 28,601,143 | 19,170,536 | | 19,170,536 |
| Title III-A English Language | 10,629,204 | 10,677,727 | 12,428,105 | 10,629,204 | | 10,629,204 |
| Title IV-A Community Service Grants | | | 1,398,393 | | | |
| Title IV-B 21st Century Comm. Learning Centers | 27,235,252 | 21,823,689 | 34,338,685 | 27,235,252 | | 27,235,252 |
| Title V Innovative Programs | 7,410,479 | 11,575,487 | 9,181,760 | 7,410,479 | | 7,410,479 |
| Title VI-A State Assessment | 9,704,191 | 9,428,919 | 9,428,919 | 9,704,191 | | 9,704,191 |
| Title VI-B Rural and Low Income | 6,946,366 | 8,235,241 | 7,963,677 | 6,946,366 | | 6,946,366 |
| Even Start | 6,391,803 | 7,345,553 | 7,241,735 | 6,391,803 | | 6,391,803 |
| Instructional Services for the Handicapped | 259,777,567 | 286,845,135 | 336,899,092 | 259,777,567 | | 259,777,567 |
| Comprehensive School Reform | 17,222,647 | 8,426,644 | 8,546,470 | 17,222,647 | | 17,222,647 |
| Safe and Drug Free Schools | 9,386,637 | 13,203,368 | 11,863,482 | 9,386,637 | | 9,386,637 |
| Education of Homeless Children/Youth | 1,851,164 | 1,983,154 | 2,263,251 | 1,851,164 | | 1,851,164 |
| Robert C. Byrd Scholarship | 1,212,000 | 1,180,500 | 1,212,000 | 1,212,000 | | 1,212,000 |
| Serve America Program | 752,037 | 469,042 | 590,802 | 752,037 | | 752,037 |
| Georgia Learning Resources System (GLRS) | 5,117,573 | 6,266,102 | 6,860,193 | 5,117,573 | | 5,117,573 |
| Refugee School Impact | 639,390 | 541,507 | 448,886 | 639,390 | | 639,390 |
| Payments of Federal Funds, DTAE | 18,888,697 | 15,300,460 | 19,530,863 | 18,888,697 | | 18,888,697 |
| Next Generation School Grants | 100,000 | 109,800 | 100,000 | 100,000 | | 100,000 |
| Character Education | | 89,629 | | | | |
| Student Achievement Grants | | | 7,639,257 | | | |
| Georgia Virtual School | | | 494,079 | | | |
| Mentor Teacher | | 1,158,316 | 1,098,913 | | | |
| Pay for Performance | | 5,702,222 | 657,400 | | | |
| PSAT | | 719,129 | 754,165 | | | |
| Advanced Placement | | 1,608,000 | 2,632,807 | | | |

STATE BOARD OF EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|-----------------------|------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Joint Evening Programs | | 191,578 | | | | |
| Postsecondary Options | | 2,381,573 | | | | |
| Computers in the Classroom | | 1,442 | | | | |
| TOTAL FUNDS | \$7,604,910,780 | \$7,321,334,381 | \$7,585,241,985 | \$7,595,084,428 | \$748,222,950 | \$8,343,307,378 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$1,113,015,001 | \$1,352,698,011 | \$1,482,512,153 | \$1,113,015,001 | | \$1,113,015,001 |
| Other Funds | 42,391,307 | 51,654,888 | 46,242,632 | 42,391,307 | (\$30,000,000) | 12,391,307 |
| | \$1,155,406,308 | \$1,404,352,899 | \$1,528,754,785 | \$1,155,406,308 | (\$30,000,000) | \$1,125,406,308 |
| State General Funds | \$6,449,504,472 | \$5,916,981,482 | \$6,056,487,200 | \$6,439,678,120 | \$748,222,950 | \$7,187,901,070 |
| Tobacco Settlement Funds | | | | | 30,000,000 | 30,000,000 |
| TOTAL STATE FUNDS | \$6,449,504,472 | \$5,916,981,482 | \$6,056,487,200 | \$6,439,678,120 | \$778,222,950 | \$7,217,901,070 |
| Positions | 828 | 726 | 781 | 826 | 4 | 830 |
| Motor Vehicles | 53 | 55 | 50 | 53 | | 53 |

STATE BOARD OF EDUCATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|-----------------|------------------------------------|-------------------------|-----------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Academic Coach | \$3,899,132 | | \$3,899,132 | \$6,100,710 | | \$6,100,710 |
| Agriculture Education | 7,423,422 | \$576,577 | 7,999,999 | 8,108,659 | \$576,577 | 8,685,236 |
| Central Office | 34,924,681 | 45,079,858 | 80,004,539 | 35,627,745 | 45,079,858 | 80,707,603 |
| Charter Schools | 770,193 | 6,729,711 | 7,499,904 | 770,193 | 6,729,711 | 7,499,904 |
| Classroom Supplies | | | | 10,000,000 | | 10,000,000 |
| Communities in Schools | 1,320,623 | | 1,320,623 | 1,320,623 | | 1,320,623 |
| Curriculum Development | 1,774,833 | | 1,774,833 | 1,274,833 | | 1,274,833 |
| Education GO Get It | | | | 977,905 | | 977,905 |
| Equalization | 371,657,510 | | 371,657,510 | 427,022,526 | | 427,022,526 |
| Federal Programs | | 817,561,039 | 817,561,039 | | 817,561,039 | 817,561,039 |
| Foreign Language | 1,590,857 | | 1,590,857 | 1,590,857 | | 1,590,857 |
| Georgia Learning Resources System (GLRS) | | 5,117,573 | 5,117,573 | | 5,117,573 | 5,117,573 |
| Georgia Virtual School | 1,385,000 | | 1,385,000 | 2,188,734 | | 2,188,734 |
| Georgia Youth Science and Technology Centers | 689,203 | | 689,203 | 689,203 | | 689,203 |
| Governor's Honors Program | 1,416,743 | | 1,416,743 | 1,418,223 | | 1,418,223 |
| High Performing Principals | | | | 3,000,000 | | 3,000,000 |
| High School Completion Counselors | | | | 21,175,000 | | 21,175,000 |
| IT Services | 7,496,550 | | 7,496,550 | 7,417,319 | | 7,417,319 |
| Local Five Mill Share | (1,335,476,389) | | (1,335,476,389) | (1,440,262,506) | | (1,440,262,506) |
| National Board Certification | 11,038,035 | | 11,038,035 | 11,038,035 | | 11,038,035 |
| National Science Center and Foundation | 1,416,750 | | 1,416,750 | 1,416,750 | | 1,416,750 |
| Non-QBE Programs | 7,688,674 | | 7,688,674 | 7,438,674 | | 7,438,674 |
| Nutrition | 36,017,592 | 188,375,722 | 224,393,314 | 37,523,884 | 188,375,722 | 225,899,606 |
| Preschool Handicapped | 24,008,490 | | 24,008,490 | 26,471,119 | | 26,471,119 |
| Principal Supplements | 5,361,125 | | 5,361,125 | 5,361,125 | | 5,361,125 |
| Pupil Transportation | 158,353,875 | | 158,353,875 | 166,452,130 | | 166,452,130 |
| QBE Program | 6,677,381,942 | | 6,677,381,942 | 7,416,309,499 | | 7,416,309,499 |
| Regional Educational Service Agencies (RESAs) | 11,473,253 | | 11,473,253 | 11,733,006 | | 11,733,006 |
| School Improvement | 11,636,228 | 100,000 | 11,736,228 | 10,636,228 | 100,000 | 10,736,228 |
| School Nurses | | 30,000,000 | 30,000,000 | 30,000,000 | | 30,000,000 |
| Severely Emotionally Disturbed (SED) | 64,684,683 | 7,724,112 | 72,408,795 | 67,834,466 | 7,724,112 | 75,558,578 |
| State Interagency Transfers | 251,591,693 | 18,888,697 | 270,480,390 | 251,591,693 | 18,888,697 | 270,480,390 |
| State Reading and Math Program | 26,652,770 | | 26,652,770 | 26,652,770 | | 26,652,770 |

STATE BOARD OF EDUCATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------|-------------------------|------------------------|------------------------------------|-------------------------|------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| State Schools | 18,875,323 | 932,715 | 19,808,038 | 20,198,593 | 932,715 | 21,131,308 |
| Technology/Career Education | 15,256,641 | 24,616,113 | 39,872,754 | 15,954,386 | 24,616,113 | 40,570,499 |
| Testing | 17,709,829 | 9,704,191 | 27,414,020 | 21,209,829 | 9,704,191 | 30,914,020 |
| Tuition for Multi-Handicapped | 1,658,859 | | 1,658,859 | 1,658,859 | | 1,658,859 |
| TOTAL FUNDS | \$6,439,678,120 | \$1,155,406,308 | \$7,595,084,428 | \$7,217,901,070 | \$1,125,406,308 | \$8,343,307,378 |

STATE BOARD OF EDUCATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$6,439,678,120 |
| State Board of Education | |
| 1. Provide for a 4% increase to the state base salary on the teacher salary schedule for the State Board of Education effective September 1, 2006. This proposed 4% salary improvement is in addition to a 3% salary increase awarded to more than half of the certificated personnel through the normal progression on the teacher salary schedule. | \$216,761,619 |
| 2. Provide for a salary increase in FY 2007 of 4% for bus drivers (\$3,098,255) and lunchroom workers (\$1,506,292) effective July 1, 2006. Provide a salary increase in FY 2007 of 4% for Regional Educational Services Agencies (RESAs) (\$260,632), the Severely Emotionally Disturbed (SED) Network (\$1,518,248), Preschool Handicapped (\$1,186,240), High School Agricultural and Technology/Career Programs (\$730,140) and state school teachers (\$746,200) effective September 1, 2006. Provide a salary increase in FY 2007 of up to 4% for central office employees (\$427,521) effective January 1, 2007. | 9,473,528 |
| 3. Annualize the cost of the FY 2006 salary adjustment. | 21,807,878 |
| 4. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 138,410,487 |
| 5. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 47,553 |
| 6. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 163,924 |
| 7. Adjust funding for teacher liability insurance to meet projected cost of policy and transfer \$200,000 to Testing to fund additional students and increased cost of the Preliminary Scholastic Assessment Test (PSAT). | Yes |
| 8. Redirect \$150,000 from Central Office contracts to fund an evaluation of the Reading and Math program. | Yes |
| 9. Redirect \$500,000 from Curriculum Development to Testing to align the Georgia Alternate Assessment (GAA) with the new Georgia Performance Standards (GPS). | Yes |
| 10. Redirect \$1,000,000 from School Improvement to Testing to fund an assessment for English Language Learners to measure English proficiency. | Yes |
| 11. Reduce personal services (\$513,126), regular operating expenses (\$68,280) and computer charges (\$183,087). Reduce funding for the Educational Technology Training Centers (ETTCs) (\$79,231) and RESAs (\$229,465) by 2%. | (1,073,189) |
| 12. Remove one-time funds in Migrant Education for the Bulloch County poultry plant. | (250,000) |
| 13. Eliminate funding for the Global Achievers contract. | (50,000) |
| 14. Reduce funding in real estate rentals to reflect anticipated real estate payments from the Office of Student Achievement. | (14,000) |
| 15. Increase funds for Local Five Mill Share. | (104,786,117) |
| 16. Provide funds for QBE enrollment growth of 2.5% and increase in teacher training and experience. | 201,590,474 |
| 17. Provide funds to reduce the individual maximum class size for Grades K-8. | 163,164,787 |
| 18. Expand the QBE Remedial Education program to include students in Grades 6-8. | 2,390,507 |
| 19. Provide for an increase in Equalization Grants. | 46,575,439 |
| 20. Annualize the correction to Equalization Grant funding to properly reflect millage increase. | 8,789,577 |
| 21. Add funds for Pupil Transportation for rising fuel costs. | 5,000,000 |

STATE BOARD OF EDUCATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|------------------------|
| 22. Improve graduation rates by providing grants to school systems to fund 1 high school completion counselor for every high school. | 21,175,000 |
| 23. Provide grant funds for school districts to recruit high performing principals for target schools. | 3,000,000 |
| 24. Provide funds for teachers for classroom supplies. | 10,000,000 |
| 25. Provide funds for academic coaches in Needs Improvement schools. | 2,467,578 |
| 26. Expand the web-based classroom accountability model. | 800,000 |
| 27. Add funding and 2 positions to expand the Georgia Virtual School by an additional 2,000 seats. | 800,000 |
| 28. Annualize funding for the online SAT preparation software and maintain current contract rate for FY 2007. | 1,000,000 |
| 29. Transfer the Education GO Get It program and 2 positions from the Board of Regents to the Department of Education. | 977,905 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$748,222,950 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$7,187,901,070 |
| FY 2006 TOBACCO SETTLEMENT FUNDS APPROPRIATIONS | \$0 |
| State Board of Education | |
| 1. Replace other funds with tobacco funds for school nurses. | \$30,000,000 |
| TOTAL NET TOBACCO SETTLEMENT FUNDS ADJUSTMENTS | \$30,000,000 |
| TOTAL TOBACCO SETTLEMENT FUNDS RECOMMENDED | \$30,000,000 |
| TOTAL STATE FUNDS RECOMMENDED | \$7,217,901,070 |

STATE BOARD OF EDUCATION

BUDGET SUMMARY - FISCAL YEAR 2007

| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|------------------------|
| State Board of Education | | | |
| 1. Authorize regular funding for local school construction. | 20 | \$107,980,000 | \$9,224,731 |
| 2. Authorize exceptional growth funding for local school construction. | 20 | 147,355,000 | 12,588,538 |
| 3. Authorize regular advance funding for local school construction. | 20 | 120,535,000 | 10,297,305 |
| 4. Authorize low wealth funding for local school construction. | 20 | 6,890,000 | 588,613 |
| 5. Purchase vocational and agricultural equipment for new schools. | 5 | 13,720,000 | 3,128,160 |
| 6. Purchase school buses. | 10 | 50,000,000 | 6,400,000 |
| TOTAL | | \$446,480,000 | \$42,227,347 |
| TOTAL STATE FUNDS | | | \$7,260,128,417 |

STATE BOARD OF EDUCATION

Quality Basic Education Funding Comparison

| Program Area | FY 2005 Expenditures | FY 2006 Current Budget | FY 2007 Recommendations |
|---|---------------------------------|---------------------------------|---------------------------------|
| DIRECT INSTRUCTION | | | |
| Kindergarten, Primary and Elementary Grades (1-3) | \$1,746,714,499 | \$1,830,948,258 | \$1,893,633,956 |
| Middle Grades (4-8) | 1,568,914,127 | 1,645,651,363 | 1,651,845,315 |
| High School Grades (9-12) | 799,396,679 | 837,795,930 | 877,366,320 |
| High School Vocational Labs (9-12) | 213,020,019 | 222,402,854 | 228,800,312 |
| Special Education | 828,543,747 | 868,790,273 | 912,219,102 |
| Gifted | 204,124,464 | 214,291,485 | 235,617,766 |
| Limited English-Speaking | 77,913,970 | 81,830,295 | 88,074,622 |
| Alternative Education | 72,963,054 | 76,540,425 | 78,332,275 |
| Remedial Education | 20,816,983 | 21,815,834 | 21,793,150 |
| TOTAL DIRECT INSTRUCTIONAL | <u>\$5,532,407,542</u> | <u>\$5,800,066,717</u> | <u>\$5,987,682,818</u> |
| STAFF DEVELOPMENT | \$31,984,312 | \$32,837,833 | \$33,778,707 |
| ADDITIONAL INSTRUCTION | 48,356,585 | 50,752,504 | 52,955,929 |
| MEDIA CENTER | 153,108,562 | 160,004,070 | 164,875,969 |
| ITINERANT/SUPPLEMENTAL SPEECH | 3,057,340 | 3,163,465 | 3,404,049 |
| INDIRECT COST | 943,561,277 | 963,392,455 | 989,622,532 |
| MID-TERM ADJUSTMENT RESERVE | 21,636,338 | | |
| EXTEND REMEDIAL PROGRAM TO GRADES 6-8 | | | 2,390,507 |
| TEACHER SALARY SCHEDULE ADJUSTMENT | | | 216,761,619 |
| HEALTH INSURANCE INCREASE | | | 134,507,684 |
| TEMPORARY QBE REDUCTION | (332,838,099) | (332,835,102) | (169,670,315) |
| TOTAL QBE FORMULA EARNINGS | <u>\$6,401,273,857</u> | <u>\$6,677,381,942</u> | <u>\$7,416,309,499</u> |
| OTHER CATEGORICAL GRANTS | | | |
| Pupil Transportation | \$151,852,510 | \$158,353,875 | \$166,452,130 |
| Sparsity Grants | 6,341,321 | 6,352,443 | 6,352,433 |
| Equalization | 345,166,675 | 371,657,510 | 427,022,526 |
| Low-Incidence Special Education | 801,327 | 826,722 | 826,722 |
| TOTAL QBE FUNDS | <u>\$6,905,435,690</u> | <u>\$7,214,572,492</u> | <u>\$8,016,963,310</u> |
| LOCAL FIVE MILL SHARE | <u>(\$1,263,578,711)</u> | <u>(\$1,335,476,389)</u> | <u>(\$1,440,262,506)</u> |
| STATE SHARE | <u>\$5,641,856,979</u> | <u>\$5,879,096,103</u> | <u>\$6,576,700,804</u> |

STATE BOARD OF EDUCATION

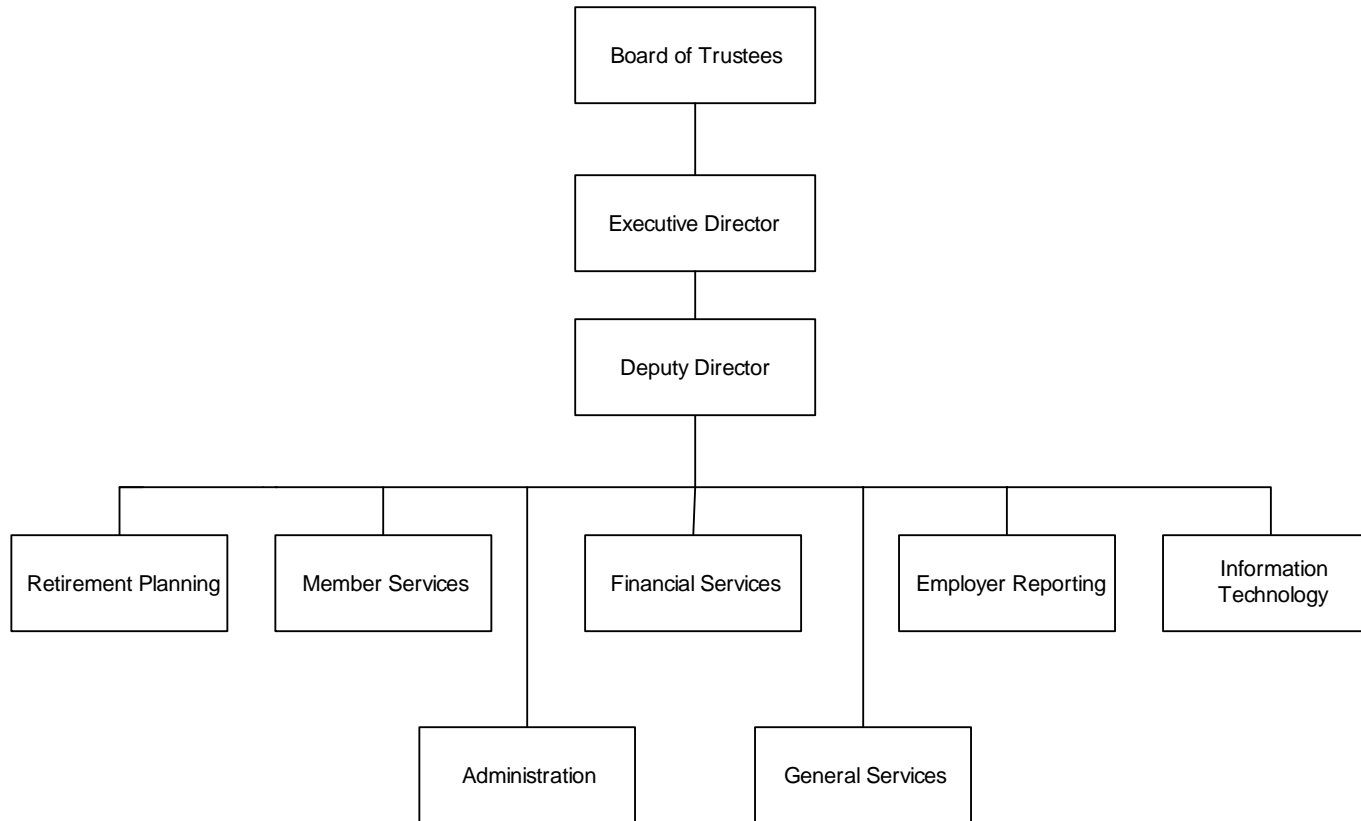
FY 2007 QBE Formula Recommendation

Base Amount (Grades 9-12) = \$2,435.86

| Program | FTE | Weight | Weighted FTE | Total FTE Earnings | Direct Cost Proportion | Direct Instructional Cost Plus Training and Experience |
|--|------------------|--------|------------------|------------------------|------------------------|--|
| Kindergarten - EIP | 12,738 | 2.0258 | 25,805 | \$55,488,025 | 0.9004 | \$76,191,616 |
| Kindergarten | 109,780 | 1.6429 | 180,358 | 376,649,494 | 0.8764 | 509,610,182 |
| Grades 1-3 - EIP | 29,671 | 1.7846 | 52,951 | 111,793,502 | 0.8915 | 161,624,459 |
| Grades 1-3 | 312,715 | 1.2778 | 399,587 | 795,279,655 | 0.8488 | 1,146,207,699 |
| Grades 4-5 - EIP | 18,089 | 1.7782 | 32,166 | 67,876,548 | 0.8910 | 97,928,808 |
| Grades 4-5 | 195,050 | 1.0291 | 200,726 | 378,782,742 | 0.8120 | 546,283,580 |
| Grades 6-8 - Middle Grades | 18,298 | 1.0136 | 18,547 | 35,142,681 | 0.8154 | 51,090,663 |
| Grades 6-8 - Middle School | 305,523 | 1.1166 | 341,147 | 662,840,611 | 0.8321 | 956,542,264 |
| Grades 9-12 | 324,832 | 1.0000 | 324,832 | 613,051,609 | 0.8113 | 877,366,320 |
| Vocational Lab | 69,363 | 1.1911 | 82,618 | 163,058,493 | 0.8392 | 228,800,312 |
| Special Education I | 13,036 | 2.3716 | 30,916 | 65,687,326 | 0.8895 | 93,150,244 |
| Special Education II | 13,893 | 2.7789 | 38,607 | 83,670,830 | 0.9064 | 121,885,205 |
| Special Education III | 45,811 | 3.5378 | 162,070 | 359,930,415 | 0.9252 | 519,395,827 |
| Special Education IV | 7,050 | 5.7332 | 40,419 | 92,810,652 | 0.9520 | 133,798,760 |
| Special Education V | 5,909 | 2.4428 | 14,435 | 30,802,262 | 0.8925 | 43,989,066 |
| Gifted | 49,707 | 1.6527 | 82,151 | 164,068,706 | 0.8436 | 235,617,766 |
| Limited English-Speaking | 11,103 | 2.4963 | 27,716 | 61,390,218 | 0.9277 | 88,074,622 |
| Alternative Education | 17,950 | 1.5877 | 28,499 | 54,107,609 | 0.8033 | 78,332,275 |
| Remedial Education | 5,762 | 1.3035 | 7,511 | 15,105,587 | 0.8563 | 21,793,150 |
| Total Direct Instruction | 1,566,280 | | 2,091,061 | \$4,187,536,965 | | \$5,987,682,818 |
| Staff Development | | | | | | \$33,778,707 |
| Additional Instruction | | | | | | 52,955,929 |
| Media (Including T&E) | | | | | | 164,875,969 |
| Itinerant/Supplemental Speech | | | | | | 3,404,049 |
| Indirect Cost (Including T&E) | | | | | | 989,622,532 |
| Extend Remedial Program to Grades 6-8 | | | | | | 2,390,507 |
| Teacher Salary Schedule Adjustment | | | | | | 216,761,619 |
| Health Insurance Increase | | | | | | 134,507,684 |
| Temporary QBE Reduction | | | | | | (169,670,315) |
| TOTAL QBE FORMULA EARNINGS | | | | | | \$7,416,309,499 |
| Plus: | | | | | | |
| Pupil Transportation | | | | | | \$166,452,130 |
| Sparsity Grants | | | | | | 6,352,433 |
| Equalization | | | | | | 427,022,526 |
| Low-Incidence Special Education | | | | | | 826,722 |
| TOTAL QBE EARNINGS | | | | | | \$8,016,963,310 |
| Less: Local Five Mill Share | | | | | | (\$1,440,262,506) |
| STATE FUNDS -- FY 2007 (Includes \$2,000,689,546 for Training and Experience) | | | | | | \$6,576,700,804 |

EMPLOYEES' RETIREMENT SYSTEM

ORGANIZATIONAL CHART



EMPLOYEES' RETIREMENT SYSTEM

Roles and Responsibilities:

By statute, the staff of the Employees' Retirement System (ERS) administers 9 separate retirement systems and programs: ERS, the Legislative Retirement System (LRS), the Georgia Defined Contribution Plan (GDGP), the Georgia Judicial Retirement System (GJRS), the Public School Employees Retirement System (PSERS), the State Employees' Assurance Department (SEAD), the Georgia Military Pension Fund (GMPF), PeachState Reserves and the Social Security contracts between the state and its political subdivisions.

In general, ERS is a vehicle for collecting employee and employer contributions, investing accumulated funds, and disbursing retirement benefits to members and beneficiaries. As required by Georgia law, the system is examined on an annual basis by an independent actuarial firm that specializes in pension and retirement plans. The firm prepares a yearly valuation on the contingent assets and liabilities of the system, thus revealing its ability to meet the future obligations of each retirement plan. An independent accounting firm also audits the system each year.

EMPLOYEES' RETIREMENT SYSTEM

Since 1950, the staff of ERS has administered retirement benefits for state employees in accordance with the Official Code of Georgia. Full-time employees of participating departments are required to become members of ERS as a condition of employment, with the exception of employees who first become eligible after age 60.

The ERS Board of Trustees is ultimately responsible for administration of the system, while the executive director – who is appointed by the board and serves at the pleasure of its members – is responsible for daily management of ERS operations. The board consists of 7 members as follows:

- Three ex officio members (State Auditor, State Merit System Commissioner, and Office of Treasury and Fiscal Services Director).
- One member appointed by the Governor
- Two members – appointed by the first 4 members – with 5 or more years of creditable service with ERS and
- One member – appointed by the first 6 members – who must not hold public office, not be an ERS member, and have at least 10 years of experience in the investment of money.

The members who are not ex officio members serve 4-year terms.

LEGISLATIVE RETIREMENT SYSTEM (LRS) AND GEORGIA DEFINED CONTRIBUTION PLAN (GDGP)

LRS is a retirement plan for members of the General Assembly, while GDGP is a plan for temporary, seasonal, and part-time employees of the state not covered by ERS or the Teachers Retirement System (TRS). Both plans are placed under the administration of the ERS Board of Trustees.

GEORGIA JUDICIAL RETIREMENT SYSTEM (GJRS)

This system is for members and retirees of the Superior Court Judges Retirement System, the District Attorneys' Retirement System, and the Trial Judges and Solicitors Retirement Fund as well as certain employees of the Attorney General and Legislative Counsel. The GJRS Board of Trustees consists of the 7 ERS trustees plus 3 additional members appointed by the Governor who serve in 1 of the following positions: state court judge, superior court judge, state court solicitor-general, juvenile court judge, or district attorney. These appointments are for 4-year terms.

PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM (PSERS)

PSERS offers a supplemental retirement plan to certain public school employees not covered by TRS. These employees include bus drivers, cafeteria workers, and custodians. The PSERS Board of Trustees consists of the seven ERS trustees plus 2 additional members appointed by the Governor for 4-year terms.

GEORGIA MILITARY PENSION FUND (GMPF)

GMPF provides retirement allowances and other benefits for the Georgia National Guard. A member becomes eligible for benefits upon attainment of age 60 with 20 or more years of credible service (including at least 15 years of service as a member of the National Guard), having served at least 10 consecutive years as a member of the National Guard immediately prior to discharge, and having received an honorable discharge.

PEACHSTATE RESERVES

PeachState Reserves, which was transferred from the Georgia Merit System to ERS by executive order on July 1, 2005, is the deferred compensation retirement plan for the State of Georgia. Through this program, employee contributions and investments in 401k, 430b, and 457 plans are administered by ERS.

AUTHORITY

Title 45 and 47 of the Official Code of Georgia Annotated.

EMPLOYEES' RETIREMENT SYSTEM

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|----------------------|------------------|----------------------|----------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Deferred Compensation | | | | | | | | |
| Other Funds | \$4,054,970 | \$3,128,121 | | | \$616,659 | \$15,778 | \$632,437 | \$3,760,558 |
| Total | 4,054,970 | 3,128,121 | | | 616,659 | 15,778 | 632,437 | 3,760,558 |
| Georgia Military Pension Fund | | | | | | | | |
| State General Funds | 1,005,099 | 890,651 | | | 114,448 | | 114,448 | 1,005,099 |
| Total | 1,005,099 | 890,651 | | | 114,448 | | 114,448 | 1,005,099 |
| Public School Employee's Retirement System | | | | | | | | |
| State General Funds | 4,221,996 | 4,221,996 | | | | | | 4,221,996 |
| Total | 4,221,996 | 4,221,996 | | | | | | 4,221,996 |
| System Administration | | | | | | | | |
| Other Funds | 17,200,487 | 19,985,487 | | (\$2,785,000) | | 108,518 | (2,676,482) | 17,309,005 |
| Total | 17,200,487 | 19,985,487 | | (2,785,000) | | 108,518 | (2,676,482) | 17,309,005 |
| TOTAL FUNDS | \$26,482,552 | \$28,226,255 | \$0 | (\$2,785,000) | \$731,107 | \$124,296 | (\$1,929,597) | \$26,296,658 |
| Less: | | | | | | | | |
| Other Funds | 21,255,457 | 23,113,608 | | (2,785,000) | 616,659 | 124,296 | (2,044,045) | 21,069,563 |
| Subtotal | \$21,255,457 | \$23,113,608 | \$0 | (\$2,785,000) | \$616,659 | \$124,296 | (\$2,044,045) | \$21,069,563 |
| State General Funds | \$5,227,095 | \$5,112,647 | | | \$114,448 | | \$114,448 | \$5,227,095 |
| TOTAL STATE FUNDS | \$5,227,095 | \$5,112,647 | \$0 | \$0 | \$114,448 | \$0 | \$114,448 | \$5,227,095 |

EMPLOYEES' RETIREMENT SYSTEM

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|--------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$6,307,157 | \$3,416,113 | \$4,940,817 | \$6,283,229 | \$124,296 | \$6,407,525 |
| Regular Operating Expenses | 624,722 | 391,153 | 408,420 | 621,910 | | 621,910 |
| Travel | 73,291 | 15,436 | 10,571 | 72,000 | | 72,000 |
| Equipment | 12,450 | 1,000 | 1,700 | 12,450 | | 12,450 |
| Computer Charges | 6,509,486 | 1,366,639 | 3,325,241 | 8,789,200 | (2,279,714) | 6,509,486 |
| Real Estate Rentals | 575,409 | 561,195 | 561,195 | 574,995 | | 574,995 |
| Telecommunications | 96,793 | 130,043 | 77,742 | 96,187 | | 96,187 |
| Per Diem and Fees | 1,142,830 | 1,347,660 | 966,560 | 1,141,000 | | 1,141,000 |
| Contracts | 5,913,319 | 2,883,942 | 2,990,011 | 5,522,637 | 111,373 | 5,634,010 |
| Georgia Military Pension Fund | 1,005,099 | 617,000 | 890,651 | 890,651 | 114,448 | 1,005,099 |
| Public School Employees' Retirement System | 4,221,996 | | 1,420,696 | 4,221,996 | | 4,221,996 |
| TOTAL FUNDS | 26,482,552 | 10,730,181 | 15,593,604 | 28,226,255 | (1,929,597) | 26,296,658 |
| Less: | | | | | | |
| Other Funds | \$21,255,457 | \$10,113,181 | \$13,282,257 | \$23,113,608 | (\$2,044,045) | \$21,069,563 |
| State General Funds | \$5,227,095 | \$617,000 | \$2,311,347 | \$5,112,647 | \$114,448 | \$5,227,095 |
| TOTAL STATE FUNDS | \$5,227,095 | \$617,000 | \$2,311,347 | \$5,112,647 | \$114,448 | \$5,227,095 |
| Positions | 112 | 66 | 87 | 112 | | 112 |
| Motor Vehicles | 1 | 1 | 1 | 1 | | 1 |

EMPLOYEES' RETIREMENT SYSTEM

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Deferred Compensation | | \$3,128,121 | \$3,128,121 | | \$3,760,558 | \$3,760,558 |
| Georgia Military Pension Fund | \$890,651 | | 890,651 | \$1,005,099 | | 1,005,099 |
| Public School Employees' Retirement System | 4,221,996 | | 4,221,996 | 4,221,996 | | 4,221,996 |
| System Administration | | 19,985,487 | 19,985,487 | | 17,309,005 | 17,309,005 |
| TOTAL FUNDS | \$5,112,647 | \$23,113,608 | \$28,226,255 | \$5,227,095 | \$21,069,563 | \$26,296,658 |

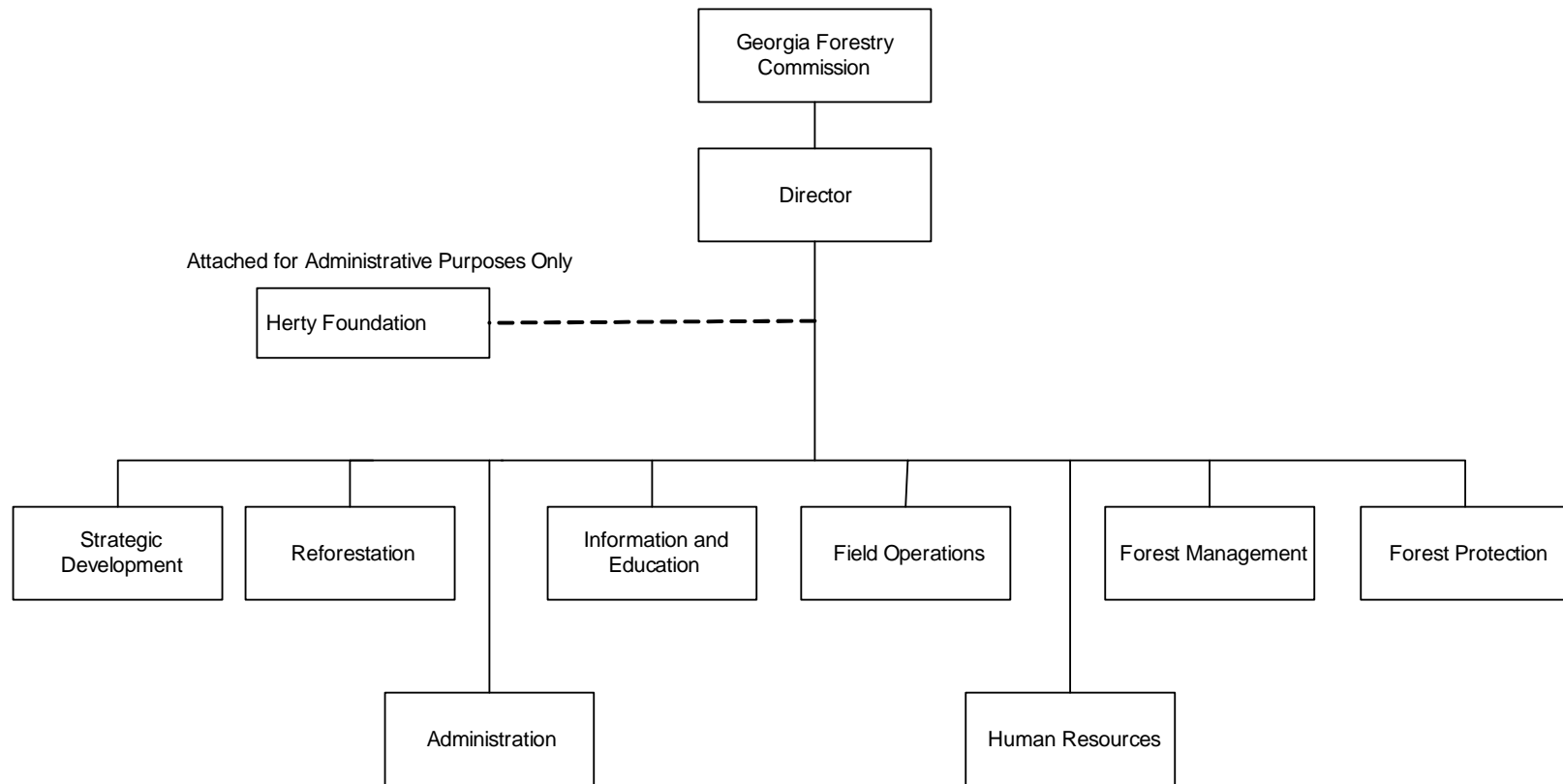
EMPLOYEES' RETIREMENT SYSTEM

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$5,112,647 |
| Employees' Retirement System | |
| 1. Increase other funds (\$119,883) to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | Yes |
| 2. Increase other funds (\$4,413) to reflect an adjustment in the Workers' Compensation premiums. | Yes |
| 3. Reduce other funds in computer charges (\$2,785,000). | Yes |
| 4. Increase the Georgia Military Pension Fund based on current actuarial valuation. | 114,448 |
| 5. Increase other funds (\$505,286) to integrate Deferred Compensation into the ERS computer system and provide contract funding (\$111,373) for a third party administrator. | Yes |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>\$114,448</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | <u>\$5,227,095</u> |

GEORGIA FORESTRY COMMISSION

ORGANIZATIONAL CHART



GEORGIA FORESTRY COMMISSION

Roles and Responsibilities:

The Georgia Forestry Commission is responsible for the preservation of Georgia's public and private forest resources. The commission carries out this mission by protecting the forest through fire and disease control, managing and utilizing forest products, providing educational programs and supplying tree seedlings for reforestation.

The Georgia Forestry Commission protects and manages Georgia's 24 million acres of forestland, which represents an approximate \$36 billion asset. The commission has four main programs: Forest Protection, Forest Management, Tree Improvement, and the Tree Seedling Nursery. The Forestry Commission provides a wide variety of services to rural forest landowners and offers technical assistance to landowners in urban areas through these programs.

FOREST PROTECTION

Forest Protection, the primary function of the Georgia Forestry Commission, is carried out through the Fire Business Activities subprogram. This includes a statewide network of county and district offices supplied with staff and equipment necessary for the suppression of Georgia's over 5,000 annual forest fires. The basic fire suppression function includes the prompt detection and reporting of fires, followed by a powerful initial response from trained firefighters operating crawler tractor-plow units and water trucks. The effectiveness of the Forest Protection program is a direct result of properly maintained equipment, including fire detection aircraft that can be quickly mobilized in the early phases of a forest fire.

The Rural Fire Defense subprogram is the most valuable forest protection community outreach program offered by the Georgia Forestry Commission. This program provides low cost fire equipment, as well as, assistance with training and operations for local, mostly rural, fire departments statewide. Through the Fire Prevention and Education subprogram, the commission provides information about the dangers of wildfires and how to prevent them. They have also established prevention measures such as burn permitting to encourage responsible debris burning among forest landowners.

FOREST MANAGEMENT

In the area of forest management, the commission provides technical assistance and service to private and industrial landowners. The responsibility of the Urban and Community Forestry Assistance subprogram is to provide leadership and technical assistance in establishing and maintaining sustainable urban and community forests and to provide professional expertise to resolve conflicts between development and forest resources. Multiple forest resource management techniques are encouraged and promoted through stewardship management on both public and private lands. Other forest management responsibilities of the Stewardship Management subprogram include forest health monitoring (which includes periodic insect and disease evaluations, surveys and eradication), promotion of forest water quality and cost-share technical assistance to the forest landowner in establishing sound forestry practices. Additionally, the department conducts the management of four state-owned and two non-state owned forests in the State Managed Forests subprogram.

Finally, the commission works to educate the public about forest resources and their contributions to the economy and the environment of Georgia through the Utilization and Marketing subprogram. This subprogram also promotes Georgia forest products both nationally and internationally. Finally, the commission collects data used to inform Georgia residents and policy makers through its Forestry Data Collection and Analysis subprogram.

REFORESTATION

The role of the Reforestation Division is to provide high quality, genetically superior forest tree seedlings to the residents of Georgia at a reasonable price without cost to the taxpayer. Reforestation efforts are accomplished through the commission's Tree Improvement and Tree Seedling Nursery programs. Through these programs, the commission intensively manages the state's Byromville seed orchard, here superior tree seedlings are developed, nurtured, and sold to the public for the expansion of Georgia's forested lands.

ATTACHED AGENCY

The **Herty Foundation** supports Georgia's pulp and paper industry by providing research and product development opportunities to manufacturers at its facility in Savannah. This consists of laboratory services and pilot-scale paper machines that allow Georgia's pulp and paper manufacturers to conduct research, develop new products, and improve existing forest products.

AUTHORITY

Title 12-6 of the Official Code of Georgia Annotated.

GEORGIA FORESTRY COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|------------------------------|------------------------------------|-----------------------------------|--------------------|--------------------|--------------------|----------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| Other Funds | \$173,027 | \$173,027 | | | | | | \$173,027 |
| State General Funds | 8,428,672 | 3,798,610 | \$154,485 | | \$949,722 | \$90,622 | \$1,194,829 | 4,993,439 |
| Total | 8,601,699 | 3,971,637 | 154,485 | | 949,722 | 90,622 | 1,194,829 | 5,166,466 |
| Forest Management | | | | | | | | |
| Federal Funds | 552,000 | 552,000 | | | | | | 552,000 |
| Other Funds | 627,500 | 627,500 | | | | | | 627,500 |
| State General Funds | 3,314,456 | 2,624,712 | (555,373) | | 946,307 | 80,658 | 471,592 | 3,096,304 |
| Total | 4,493,956 | 3,804,212 | (555,373) | | 946,307 | 80,658 | 471,592 | 4,275,804 |
| Forest Protection | | | | | | | | |
| Federal Funds | 200,000 | 200,000 | | | | | | 200,000 |
| Other Funds | 2,676,611 | 2,676,611 | | | | | | 2,676,611 |
| State General Funds | 27,370,593 | 25,575,110 | 447,689 | (\$700,000) | 1,000,000 | 821,457 | 1,569,146 | 27,144,256 |
| Total | 30,247,204 | 28,451,721 | 447,689 | (700,000) | 1,000,000 | 821,457 | 1,569,146 | 30,020,867 |
| Tree Improvement | | | | | | | | |
| State General Funds | 118,659 | 119,123 | (776) | | | 312 | (464) | 118,659 |
| Total | 118,659 | 119,123 | (776) | | | 312 | (464) | 118,659 |
| Tree Seedling Nursery | | | | | | | | |
| Federal Funds | 70,000 | 70,000 | | | | | | 70,000 |
| Other Funds | 1,501,500 | 1,970,991 | (469,491) | | | | (469,491) | 1,501,500 |
| State General Funds | (225,692) | (185,282) | (46,025) | | | 7,194 | (38,831) | (224,113) |
| Total | 1,345,808 | 1,855,709 | (515,516) | | | 7,194 | (508,322) | 1,347,387 |
| TOTAL FUNDS | \$44,807,326 | \$38,202,402 | (\$469,491) | (\$700,000) | \$2,896,029 | \$1,000,243 | \$2,726,781 | \$40,929,183 |
| Less: | | | | | | | | |
| Federal Funds | \$822,000 | \$822,000 | | | | | | \$822,000 |
| Other Funds | 4,978,638 | 5,448,129 | (\$469,491) | | | | (\$469,491) | 4,978,638 |
| Subtotal | \$5,800,638 | \$6,270,129 | (\$469,491) | \$0 | \$0 | \$0 | (\$469,491) | \$5,800,638 |
| State General Funds | \$39,006,688 | \$31,932,273 | | (\$700,000) | \$2,896,029 | \$1,000,243 | \$3,196,272 | \$35,128,545 |
| TOTAL STATE FUNDS | \$39,006,688 | \$31,932,273 | \$0 | (\$700,000) | \$2,896,029 | \$1,000,243 | \$3,196,272 | \$35,128,545 |

GEORGIA FORESTRY COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-----------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$29,020,566 | \$29,332,681 | \$29,617,790 | \$28,324,270 | \$1,444,370 | \$29,768,640 |
| Regular Operating Expenses | 8,776,988 | 7,379,143 | 7,396,082 | 5,496,266 | 1,279,222 | 6,775,488 |
| Travel | 119,311 | 179,625 | 168,255 | 115,311 | | 115,311 |
| Motor Vehicle Purchases | 3,210,989 | 1,098,866 | 769,719 | 662,772 | | 662,772 |
| Equipment | 1,625,068 | 1,786,503 | 1,852,745 | 1,658,268 | (73,200) | 1,585,068 |
| Computer Charges | 714,591 | 555,242 | 391,472 | 574,591 | 107,500 | 682,091 |
| Real Estate Rentals | 11,518 | 29,630 | 25,867 | 11,518 | | 11,518 |
| Telecommunications | 688,990 | 674,923 | 737,341 | 687,990 | 1,000 | 688,990 |
| Per Diem and Fees | 9,500 | 34,591 | 49,295 | 9,500 | | 9,500 |
| Contracts | 541,305 | 2,804,612 | 7,934,979 | 573,416 | (32,111) | 541,305 |
| Ware County-Grant | 60,000 | 60,000 | 60,000 | 60,000 | | 60,000 |
| Ware County-Southern Forest World | 28,500 | 28,500 | 28,500 | 28,500 | | 28,500 |
| TOTAL FUNDS | \$44,807,326 | \$43,964,316 | \$49,032,045 | \$38,202,402 | \$2,726,781 | \$40,929,183 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$822,000 | \$4,912,023 | \$10,171,457 | \$822,000 | | \$822,000 |
| Other Funds | 4,978,638 | 5,840,810 | 7,295,769 | 5,448,129 | (\$469,491) | 4,978,638 |
| Subtotal | \$5,800,638 | \$10,752,833 | \$17,467,226 | \$6,270,129 | (\$469,491) | \$5,800,638 |
| State General Funds | \$39,006,688 | \$33,211,483 | \$31,564,819 | \$31,932,273 | \$3,196,272 | \$35,128,545 |
| TOTAL STATE FUNDS | \$39,006,688 | \$33,211,483 | \$31,564,819 | \$31,932,273 | \$3,196,272 | \$35,128,545 |
| Positions | 708 | 715 | 676 | 676 | 14 | 690 |
| Motor Vehicles | 697 | 716 | 694 | 684 | | 684 |

GEORGIA FORESTRY COMMISSION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-----------------------|----------------------------|---------------------------|----------------------------|------------------------------------|---------------------------|----------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$3,798,610 | \$173,027 | \$3,971,637 | \$4,993,439 | \$173,027 | \$5,166,466 |
| Forest Management | 2,624,712 | 1,179,500 | 3,804,212 | 3,096,304 | 1,179,500 | 4,275,804 |
| Forest Protection | 25,575,110 | 2,876,611 | 28,451,721 | 27,144,256 | 2,876,611 | 30,020,867 |
| Tree Improvement | 119,123 | | 119,123 | 118,659 | | 118,659 |
| Tree Seedling Nursery | (185,282) | 2,040,991 | 1,855,709 | (224,113) | 1,571,500 | 1,347,387 |
| TOTAL FUNDS | <u>\$31,932,273</u> | <u>\$6,270,129</u> | <u>\$38,202,402</u> | <u>\$35,128,545</u> | <u>\$5,800,638</u> | <u>\$40,929,183</u> |

GEORGIA FORESTRY COMMISSION

BUDGET SUMMARY - FISCAL YEAR 2007

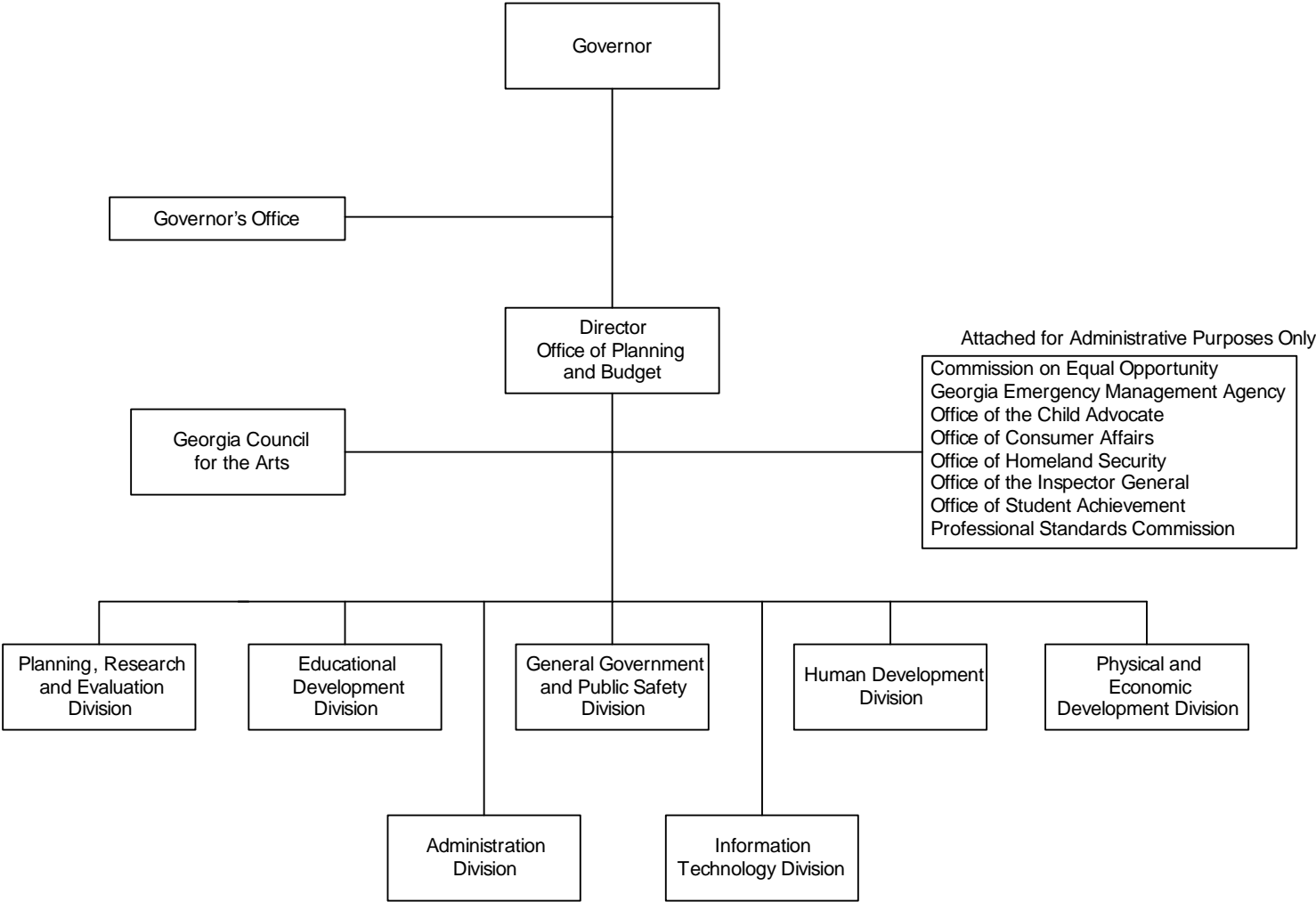
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$31,932,273 |
| Georgia Forestry Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$210,877) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$307,574) | \$518,451 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 399,331 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 82,461 |
| 4. Transfer funds from the Forest Management(\$248,449), Forest Protection (\$55,121), Tree Improvement(\$464) and Tree Seedling Nursery (\$40,064) programs to the Administration program (\$344,098) to properly reflect program expenditures. | Yes |
| 5. Decrease other funds (\$469,491) to accurately reflect collections from seedling sales. | Yes |
| 6. Eliminate equipment funds used for the lease/purchase of a helicopter paid for in FY 2005. | (700,000) |
| 7. Add 1 technical position to support the computer network. | 73,500 |
| 8. Add 4 foresters to preserve water quality through education, training and evaluation of best management practices. | 278,000 |
| 9. Add 5 foresters to address forest pests and diseases in order to preserve the health of Georgia's forest lands. | 292,379 |
| 10. Add 3 positions and funding to implement a carbon sequestration program that will improve air quality, leverage federal funding and provide greater incentives to landowners to plant more trees. | 281,946 |
| 11. Provide funding to address ongoing and deferred maintenance needs, ensuring firefighting readiness. | 876,222 |
| 12. Provide additional funds for maintenance needs to better protect Georgia's forest from wild fires. | 475,000 |
| 13. Fill 15 vacant ranger positions to provide adequate staffing to improve preparedness and response time. | 525,000 |
| 14. Add 1 position for the creation of a bioenergy program to address Georgia's energy needs through the development of bioenergy markets and greater use of forest resources. | 93,982 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>\$3,196,272</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | <u>\$35,128,545</u> |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | Yr. | Principal | Debt Service |
|--|-----|--------------------|---------------------|
| Georgia Forestry Commission | | | |
| 1. Purchase various capital equipment for use statewide. | 5 | \$3,035,000 | \$691,980 |
| 2. Fund major repairs and renovations statewide. | 5 | 1,000,000 | 228,000 |
| TOTAL | | <u>\$4,035,000</u> | <u>\$919,980</u> |
| STATE FUNDS | | | \$36,048,525 |

OFFICE OF THE GOVERNOR

ORGANIZATIONAL CHART



OFFICE OF THE GOVERNOR

Roles and Responsibilities:

The Governor is the Chief Executive Officer of state government. Constitutionally, he is charged with executing the laws of the state and conserving the peace as Commander-in-Chief of the Georgia National Guard. The Governor is also charged statutorily with a number of responsibilities including the economic and fiscal management of state government. To accomplish these duties, the Governor must meet and work with citizens of Georgia, officials of local governments, members of the General Assembly, state agency heads and Federal officials. These activities will move us toward a more educated, healthy, safe and growing state.

To assist in managing state government in an efficient and effective manner, the Governor set up the Commission for a New Georgia, a non-profit corporation led by CEOs and senior executives from all parts of Georgia. Their mission is to bring breakthrough thinking and a fresh perspective to ways state government can better manage its assets and services and map its strategic future. Nearly 300 knowledgeable citizens have served on 17 focused, fast-acting task forces tackling a wide range of issues. The task forces recommended 54 actions to improve cost savings and customer service in government and to open new opportunities for a growing economy. These recommendations are now being put into effect through the Governor's Office of Implementation.

The **Office of Planning and Budget (OPB)** assists the Governor in the development of the state budget; develops and annually updates a State Strategic Plan; assists all state agencies in the development of their own strategic plans and ensures that it conforms to the state plan; and performs financial and personnel functions for the Office of the Governor and attached agencies. OPB also conducts management studies and other evaluations of state government operations. The Governor's Prioritized Program Budget (PPB) initiative dictates that future budgets will be predicated on programs that support departmental business plans and a more effective and efficient, results-oriented, and customer-focused budget process.

ATTACHED AGENCIES

Several agencies are attached to the Office of the Governor for administrative purposes. This reduces administrative costs through consolidation of the administrative support functions. These agencies operate

autonomously; however, their funding is received through the larger agency.

The **Georgia Council for the Arts** contributes to an educated and growing Georgia. The Council for the Arts advises the Governor regarding the study and development of the arts in Georgia and provides grants and technical assistance to local governments and art groups.

The **Professional Standards Commission** and the **Office of Student Achievement** are two administratively attached agencies that work toward the goal of an educated Georgia. The Professional Standards Commission sets policies and procedures for certification of educational personnel in the public schools; reviews and analyzes requests for certification; and develops and enforces the code of ethics and performance standards for teachers in local school systems. The Office of Student Achievement establishes educational accountability policies and standards for the state to establish the "official" education report card and set the passing standards for the CRCT and end of course test.

The **Office of the Child Advocate** for the Protection of Children assists the Office of the Governor in oversight of healthy and safe services for some of Georgia's most important resources – our children. The Child Advocate provides independent oversight of persons, organizations, and agencies responsible for providing services to or caring for children who are victims of child abuse and neglect or whose domestic situation requires intervention by the state.

The attached agencies focusing on a safe Georgia are the **Office of Consumer Affairs**, the **Georgia Emergency Management Agency** and the **Office of Homeland Security**. The **Office of Consumer Affairs** protects consumers and legitimate business enterprises from unfair and deceptive

activities through enforcement of the Fair Business Practices Act and other related consumer protection statutes. The **Office of Homeland Security** was created by an Executive Order and works in conjunction with the Georgia Emergency Management Agency to protect the state from manmade and natural threats and disasters. Both attached agencies work with state and local agencies to carry out a comprehensive emergency and disaster readiness program.

The **Commission on Equal Opportunity's** mission is to protect any individual in public employment from discrimination in the workplace. In addition, the commission ensures that the sale, purchase or rental of housing within the state is free from any discrimination based on race, color, religion, sex, national origin, handicap or age.

The **Office of the State Inspector General** was created by Executive Order to prevent and investigate fraud, waste and abuse in state government. Their goal is to produce a more efficient, cost-effective and trustworthy government.

AUTHORITY

Titles 8, 10, 12, 15, 19, 20, 33, 38, 40, 43, 45 and 46 of the Official Code of Georgia Annotated.

OFFICE OF THE GOVERNOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | |
|---|------------------------------------|-----------------------------------|----------------|---------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | Total |
| Governor's Office | | | | | | | | |
| State General Funds | \$5,043,579 | \$5,056,367 | | | \$50,000 | \$137,992 | \$187,992 | \$5,244,359 |
| Total | 5,043,579 | 5,056,367 | | | 50,000 | 137,992 | 187,992 | 5,244,359 |
| Governor's Emergency Fund | | | | | | | | |
| State General Funds | 3,396,253 | 3,469,576 | | | | | | 3,469,576 |
| Total | 3,396,253 | 3,469,576 | | | | | | 3,469,576 |
| Office of Planning and Budget | | | | | | | | |
| State General Funds | 8,667,416 | 11,302,357 | | (\$2,922,000) | 901,578 | 265,612 | (1,754,810) | 9,547,547 |
| Total | 8,667,416 | 11,302,357 | | (2,922,000) | 901,578 | 265,612 | (1,754,810) | 9,547,547 |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | | | |
| Commission on Equal Opportunity | | | | | | | | |
| Federal Funds | 387,217 | 387,217 | | | | | | 387,217 |
| State General Funds | 687,148 | 695,707 | | (68,700) | 36,826 | 35,388 | 3,514 | 699,221 |
| Total | 1,074,365 | 1,082,924 | | (68,700) | 36,826 | 35,388 | 3,514 | 1,086,438 |
| Council for the Arts | | | | | | | | |
| Federal Funds | 649,680 | 649,680 | | | | | | 649,680 |
| Other Funds | 75,844 | 75,844 | | | | | | 75,844 |
| State General Funds | 3,980,832 | 3,900,546 | | | 73,400 | 7,014 | 80,414 | 3,980,960 |
| Total | 4,706,356 | 4,626,070 | | | 73,400 | 7,014 | 80,414 | 4,706,484 |
| Office of Consumer Affairs | | | | | | | | |
| Other Funds | 567,689 | 567,689 | | | | | | 567,689 |
| State General Funds | 3,319,020 | 3,287,352 | | | 3,505,000 | 155,922 | 3,660,922 | 6,948,274 |
| Total | 3,886,709 | 3,855,041 | | | 3,505,000 | 155,922 | 3,660,922 | 7,515,963 |
| Office of the Child Advocate | | | | | | | | |
| State General Funds | 736,810 | 716,356 | | (2,000) | 6,022 | 22,820 | 26,842 | 743,198 |
| Total | 736,810 | 716,356 | | (2,000) | 6,022 | 22,820 | 26,842 | 743,198 |

OFFICE OF THE GOVERNOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|----------------|----------------------|--------------------|----------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Georgia Emergency Management Agency | | | | | | | | |
| Federal Funds | 4,127,556 | 4,127,556 | | | | | | 4,127,556 |
| Agency Funds | 307,856 | 307,856 | | | | | | 307,856 |
| State General Funds | 2,042,310 | 1,989,168 | | | | 52,249 | 52,249 | 2,041,417 |
| Total | 6,477,722 | 6,424,580 | | | | 52,249 | 52,249 | 6,476,829 |
| Professional Standards Commission | | | | | | | | |
| Federal Funds | 111,930 | 111,930 | | | | | | 111,930 |
| State General Funds | 6,745,859 | 6,579,840 | | | 78,485 | 196,166 | 274,651 | 6,854,491 |
| Total | 6,857,789 | 6,691,770 | | | 78,485 | 196,166 | 274,651 | 6,966,421 |
| Office of Student Achievement | | | | | | | | |
| Federal Funds | 266,000 | 266,000 | | | | | | 266,000 |
| State General Funds | 1,164,690 | 1,135,864 | | | | 27,512 | 27,512 | 1,163,376 |
| Total | 1,430,690 | 1,401,864 | | | | 27,512 | 27,512 | 1,429,376 |
| Office of the Inspector General | | | | | | | | |
| State General Funds | 811,396 | 791,432 | | (15,828) | 31,650 | 23,382 | 39,204 | 830,636 |
| Total | 811,396 | 791,432 | | (15,828) | 31,650 | 23,382 | 39,204 | 830,636 |
| Office of Homeland Security | | | | | | | | |
| State General Funds | 609,418 | 592,905 | | (105,000) | | 17,764 | (87,236) | 505,669 |
| Total | 609,418 | 592,905 | | (105,000) | | 17,764 | (87,236) | 505,669 |
| TOTAL FUNDS | \$43,698,503 | \$46,011,242 | \$0 | (\$3,113,528) | \$4,682,961 | \$941,821 | \$2,511,254 | \$48,522,496 |
| Less: | | | | | | | | |
| Federal Funds | \$5,542,383 | \$5,542,383 | | | | | | \$5,542,383 |
| Other Funds | 951,389 | 951,389 | | | | | | 951,389 |
| Subtotal | \$6,493,772 | \$6,493,772 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,493,772 |
| State General Funds | \$37,204,731 | \$39,517,470 | | (\$3,113,528) | \$4,682,961 | \$941,821 | \$2,511,254 | \$42,028,724 |
| TOTAL STATE FUNDS | \$37,204,731 | \$39,517,470 | \$0 | (\$3,113,528) | \$4,682,961 | \$941,821 | \$2,511,254 | \$42,028,724 |

OFFICE OF THE GOVERNOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-----------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$22,160,338 | \$21,984,840 | \$22,031,676 | \$21,736,735 | \$1,858,853 | \$23,595,588 |
| Regular Operating Expenses | 1,442,256 | 123,495,311 | 60,765,017 | 1,413,912 | 519,860 | 1,933,772 |
| Travel | 346,980 | 349,476 | 364,037 | 357,286 | 31,345 | 388,631 |
| Motor Vehicle Purchases | 14,583 | 123,482 | 21,037 | | | |
| Equipment | 45,870 | 1,033,818 | 175,236 | 52,770 | 488,100 | 540,870 |
| Computer Charges | 715,837 | 1,276,182 | 1,123,844 | 642,036 | 479,165 | 1,121,201 |
| Real Estate Rentals | 1,074,405 | 1,011,609 | 996,090 | 1,114,824 | 140,375 | 1,255,199 |
| Telecommunications | 535,925 | 706,867 | 864,134 | 478,937 | 40,410 | 519,347 |
| Per Diem and Fees | 819,449 | 1,610,890 | 2,725,840 | 1,053,939 | 718,540 | 1,772,479 |
| Contracts | 3,064,946 | 14,638,368 | 12,356,730 | 5,577,728 | (1,914,641) | 3,663,087 |
| Troops to Teachers | 111,930 | 158,151 | 265,412 | 111,930 | | 111,930 |
| Cost of Operations | 4,644,984 | 4,585,529 | 4,445,723 | 4,657,772 | 149,247 | 4,807,019 |
| Mansion Allowance | 40,000 | 40,000 | 40,000 | 40,000 | | 40,000 |
| Governor's Emergency Fund | 3,396,253 | 648,676 | 9,700,000 | 3,469,576 | | 3,469,576 |
| Intern Program Expense | 358,595 | 417,980 | 325,761 | 358,595 | | 358,595 |
| Art Grants of State Funds | 3,358,549 | 3,491,207 | 3,303,831 | 3,374,509 | | 3,374,509 |
| Art Grants of Non-State Funds | 274,194 | 337,256 | 141,317 | 274,194 | | 274,194 |
| Humanities Grant - State Funds | 151,409 | 162,630 | 254,499 | 154,499 | | 154,499 |
| Grants - GEMA Disaster | | 10,646,818 | 37,041,525 | | | |
| Grants - State Declared Disasters | | (585) | | | | |
| Grants - Local EMA | 1,085,000 | 1,194,217 | 558,616 | 1,085,000 | | 1,085,000 |
| Grants - Civil Air Patrol | 57,000 | 57,000 | 57,000 | 57,000 | | 57,000 |
| Grants to Local Systems | | (250) | | | | |
| TOTAL FUNDS | \$43,698,503 | \$187,969,472 | \$157,557,325 | \$46,011,242 | \$2,511,254 | \$48,522,496 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$5,542,383 | \$138,631,047 | \$107,347,170 | \$5,542,383 | | \$5,542,383 |
| Other Funds | 951,389 | 17,050,023 | 9,012,275 | 951,389 | | 951,389 |
| Subtotal | <u>\$6,493,772</u> | <u>\$155,681,070</u> | <u>\$116,359,445</u> | <u>\$6,493,772</u> | <u>\$0</u> | <u>\$6,493,772</u> |
| State General Funds | <u>\$37,204,731</u> | <u>\$32,288,402</u> | <u>\$41,197,880</u> | #REF! | \$2,511,254 | #REF! |
| TOTAL STATE FUNDS | \$37,204,731 | \$32,288,402 | \$41,197,880 | \$39,517,470 | \$2,511,254 | \$42,028,724 |
| Positions | 335 | 344 | 332 | 334 | 6 | 340 |
| Motor Vehicles | 29 | 23 | 28 | 28 | | 28 |

OFFICE OF THE GOVERNOR

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|----------------------------|---------------------------|----------------------------|------------------------------------|---------------------------|----------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Governor's Office | \$5,056,367 | | \$5,056,367 | \$5,244,359 | | \$5,244,359 |
| Governor's Emergency Fund | 3,469,576 | | 3,469,576 | 3,469,576 | | 3,469,576 |
| Office of Planning and Budget | 11,302,357 | | 11,302,357 | 9,547,547 | | 9,547,547 |
| Subtotal | <u>\$19,828,300</u> | <u>\$0</u> | <u>\$19,828,300</u> | <u>\$18,261,482</u> | <u>\$0</u> | <u>\$18,261,482</u> |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | |
| Commission on Equal Opportunity | \$695,707 | \$387,217 | \$1,082,924 | \$699,221 | \$387,217 | \$1,086,438 |
| Council for the Arts | 3,900,546 | 725,524 | 4,626,070 | 3,980,960 | 725,524 | 4,706,484 |
| Office of Consumer Affairs | 3,287,352 | 567,689 | 3,855,041 | 6,948,274 | 567,689 | 7,515,963 |
| Georgia Emergency Management Agency | 1,989,168 | 4,435,412 | 6,424,580 | \$2,041,417 | 4,435,412 | 6,476,829 |
| Office of the Child Advocate | 716,356 | | 716,356 | 743,198 | | 743,198 |
| Professional Standards Commission | 6,579,840 | 111,930 | 6,691,770 | 6,854,491 | 111,930 | 6,966,421 |
| Office of Student Achievement | 1,135,864 | 266,000 | 1,401,864 | 1,163,376 | 266,000 | 1,429,376 |
| Office of the Inspector General | 791,432 | | 791,432 | 830,636 | | 830,636 |
| Office of Homeland Security | 592,905 | | 592,905 | 505,669 | | 505,669 |
| Subtotal | <u>\$19,689,170</u> | <u>\$6,493,772</u> | <u>\$26,182,942</u> | <u>\$23,767,242</u> | <u>\$6,493,772</u> | <u>\$30,261,014</u> |
| TOTAL FUNDS | <u>\$39,517,470</u> | <u>\$6,493,772</u> | <u>\$46,011,242</u> | <u>\$42,028,724</u> | <u>\$6,493,772</u> | <u>\$48,522,496</u> |

OFFICE OF THE GOVERNOR

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$39,517,470 |
| Governor's Office | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$34,408) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$38,745). | \$73,153 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 60,604 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 4,235 |
| 4. Provide funds for a gubernatorial transition as required by OCGA 45-12-195. | 50,000 |
| Subtotal | \$187,992 |
| Office of Planning and Budget | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$46,012) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$57,169). | \$103,181 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 89,420 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 6,048 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 66,963 |
| 5. Reduce consulting contracts for Military Affairs Coordinating Council. | (72,000) |
| 6. Delete one-time funding for the Commission on New Georgia Human Resources Task Force. | (2,850,000) |
| 7. Establish training function within OPB to train state agency staff in budget and performance management by increasing personal services and operating expenses for 2 additional positions. | 173,633 |
| 8. Provide funds to fill 5 vacant budget analyst positions. | 346,835 |
| 9. Improve the effectiveness of agency programs and operations by re-establishing OPB's program evaluation function by filling 4 vacancies and providing operating expenses. | 279,110 |
| 10. Provide for on-going maintenance and support of enterprise budgeting systems. | 102,000 |
| Subtotal | (\$1,754,810) |
| ATTACHED AGENCIES: | |
| Commission on Equal Opportunity | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$5,355) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$5,645). | \$11,000 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 8,830 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 617 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 14,941 |

OFFICE OF THE GOVERNOR

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|-------------|
| 5. Decrease funding for real estate rents due to relocation of office space from Peachtree Center to the Floyd State Office Building. | (68,700) |
| 6. Provide additional funding for a new position to handle housing and employment complaints. | 36,826 |
| Subtotal | \$3,514 |
| Council for the Arts | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$2,274) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$1,773). | \$4,047 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 2,773 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 194 |
| 4. Provide one-time funding for a federally mandated strategic plan to preserve grant eligibility with the National Endowment for the Arts. | 73,400 |
| Subtotal | \$80,414 |
| Office of Consumer Affairs | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$31,912) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$30,239). | \$62,151 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 47,298 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 3,305 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 43,168 |
| 5. Fund the continuing rental expense for the cool room server storage. | 5,000 |
| 6. Provide 5 positions and funding to implement a statewide customer service initiative to make services to citizens faster, friendlier, and easier to access and to capture savings by reducing the cost of call centers and call handling. | 3,500,000 |
| Subtotal | \$3,660,922 |
| Georgia Emergency Management Agency | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$13,358) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$14,547). | \$27,905 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 22,754 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 1,590 |
| 4. Reflect decrease in the position count due to the downsizing of the federal excess property program and the elimination of 3 positions. | Yes |
| Subtotal | \$52,249 |
| Office of Homeland Security | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$4,357) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$5,015). | \$9,372 |

OFFICE OF THE GOVERNOR

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|------------|
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 7,844 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 548 |
| 4. Reduce various object classes. | (105,000) |
| Subtotal | (\$87,236) |
| Office of the Child Advocate | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$6,124) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$6,245). | \$12,369 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 9,768 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 683 |
| 4. Enhance regular operating expenses to cover rising costs due to increasing statewide travel in the course of conducting agency core functions throughout Georgia. | 1,522 |
| 5. Provide yearly maintenance on electronic document software. | 2,500 |
| Subtotal | \$26,842 |
| Office of the Inspector General | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$4,142) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$5,364). | \$9,506 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 8,389 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 586 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 4,901 |
| 5. Reduce various operating expenses pertaining to the investigative function of the office. | (15,828) |
| 6. Provide one-time contract funding for development of a prevention training program for state officials and employees. | 31,650 |
| Subtotal | \$39,204 |
| Professional Standards Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$34,421) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$45,224). | \$79,645 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 70,736 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 4,943 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 40,842 |
| 5. Add 1 senior investigator position (\$63,485) and increase per diem and fees (\$10,000) and travel (\$5,000) expenses related to the position. | 78,485 |
| Subtotal | \$274,651 |

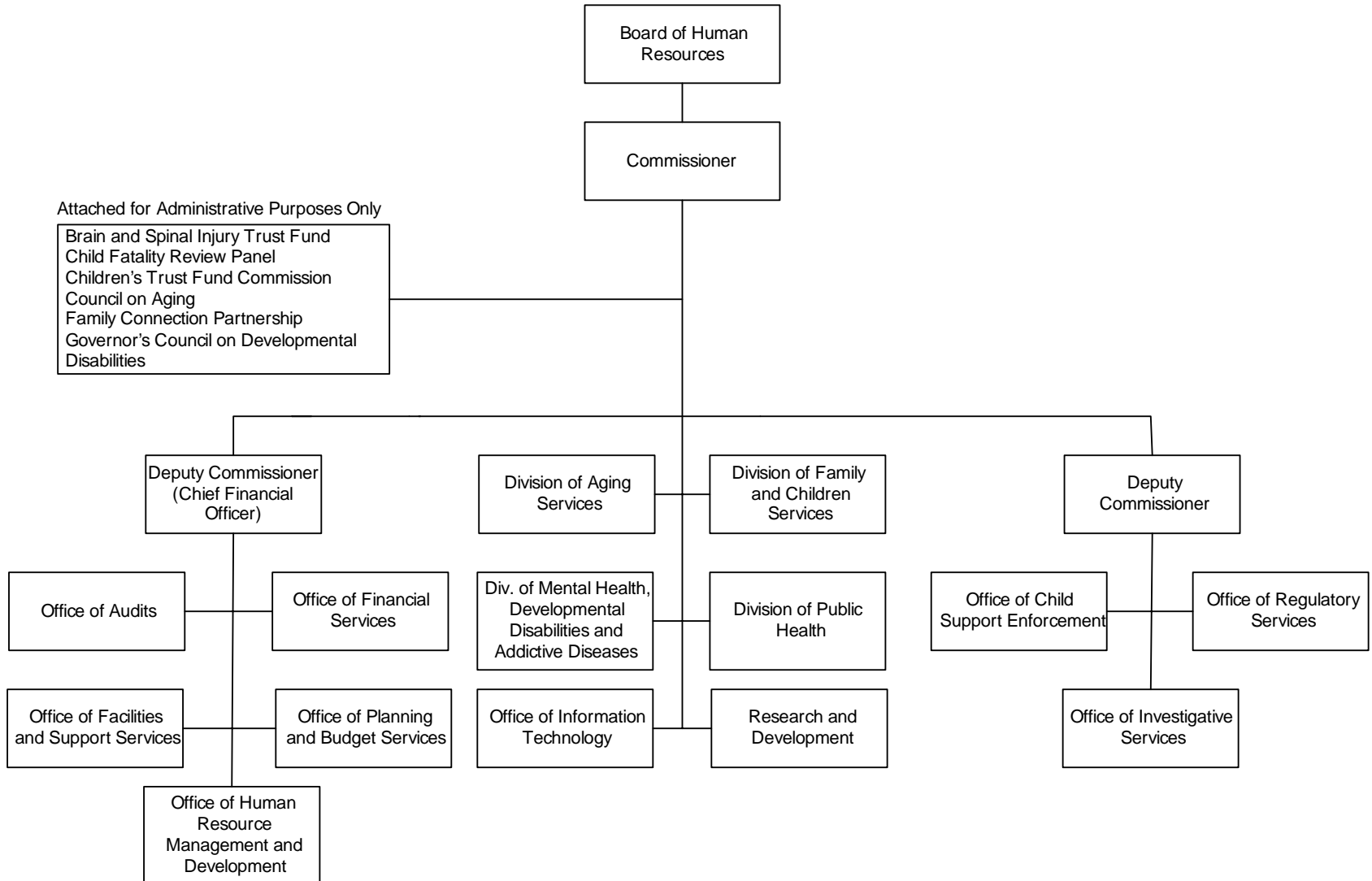
OFFICE OF THE GOVERNOR

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| Office of Student Achievement | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$6,108) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$8,006). | \$14,114 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 12,522 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 876 |
| 4. Increase personal services for an audit position to evaluate why certain schools are not meeting student achievement goals. | Yes |
| Subtotal | \$27,512 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$2,511,254 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$42,028,724 |

DEPARTMENT OF HUMAN RESOURCES

ORGANIZATIONAL CHART



DEPARTMENT OF HUMAN RESOURCES

Roles and Responsibilities:

The Georgia Department of Human Resources (DHR) is responsible for the delivery of health and social services. DHR serves all Georgia citizens through regulatory inspection, direct service and financial assistance programs.

DHR was created by the Georgia General Assembly in the Governmental Reorganization Act of 1972. The Act consolidated the Department of Public Health and the Department of Family and Children Services and other state human service programs. In that same year, the Board of Human Resources established an integrated service delivery system. The integrated system, which utilizes local boards of (public) health and regional boards for mental health, developmental disabilities and addictive diseases, allows Georgians to receive services in the communities where they live.

DHR has four divisions: Aging Services; Public Health; Mental Health, Developmental Disabilities and Addictive Diseases; and Family and Children Services.

AGING SERVICES

The Division of Aging Services administers programs for older Georgians and adults with disabilities. These programs provide in-home services to maintain independence, provide public education and outreach services, health promotion, senior employment, investigative and protective services for vulnerable adults, and an ombudsman program for Georgians in long-term care.

PUBLIC HEALTH

The Division of Public Health is responsible for ensuring conditions that protect the health and well being of Georgia citizens, providing disease control and prevention, reducing the number of avoidable injury-related deaths and disabilities, and promoting healthy lifestyles. The three basic functions of public health include: assessing the health of the community by diagnosing and investigating diseases, injuries, and health conditions and monitoring the health status and needs of individuals and the community; ensuring the health of individuals and the safety of the community through provision of health services; and establishing and implementing sound public health policy.

MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND ADDICTIVE DISEASES

The Division of Mental Health, Developmental Disabilities, and Addictive Diseases (MHDDAD) was created to establish, administer and supervise state programs for mental health, developmental disabilities and addictive diseases. The division is charged by law to: provide adequate mental health, developmental disabilities and addictive diseases services to all Georgians; provide a unified system which encourages cooperation and sharing among government and private providers; and provide service through a coordinated and unified system that emphasizes community-based services.

FAMILY AND CHILDREN SERVICES

The Division of Family and Children Services (DFCS) administers and supervises the state's social services and public assistance programs. There are 159 county departments of family and children services in Georgia. At the state level, the division has an Office of Child Protection and an Office of Family Independence.

ADMINISTRATION

The Administration division provides executive and policy direction to all divisions of DHR, as well as technical and administrative support to all of DHR.

Child Support Enforcement (CSE) helps children by enforcing parental obligation to pay financial support. Services include locating non-custodial parents, confirming paternity, establishing and enforcing child support and medical support orders, and collecting and distributing payments.

The Office of Regulatory Services (ORS) inspects, monitors, licenses, registers, and certifies a variety of health, long-term and childcare programs to ensure that facilities operate at acceptable levels, as mandated by state statutes and by rules and regulations adopted by the Board of Human Resources.

ATTACHED AGENCIES:

The **Brain and Spinal Injury Trust Fund** was established to improve the quality of life of Georgians with traumatic brain and spinal cord injuries by distributing funds and resources.

The **Children's Trust Fund** supports the establishment of community-based educational and service programs

designed to reduce the occurrence of child abuse and neglect in Georgia.

The **Child Fatality Review Panel** provides direction, oversight, and training for each of the 159 Child Fatality Review Committees. The purpose of the local Child Fatality Review Committees is to provide a confidential forum to determine the cause and circumstances of child deaths.

The **Council on Aging** provides leadership to the Coalition of Advocates for Georgia's Elderly (CO-AGE), researches aging issues, publishes fact sheets and other educational materials to increase public awareness and understanding of issues of concern to Georgia's older adult population.

The **Governor's Council on Developmental Disabilities** is the state planning council created by a federal mandate through the Developmental Disabilities Act, and is charged with creating systems change for people with developmental disabilities and their families to increase independence, inclusion, integration, and productivity for people with disabilities.

The **Family Connection Partnership** is a public/private partnership that serves as a resource to state agencies across Georgia to help improve the conditions of children and their families.

AUTHORITY

Titles 3, 5, 8, 9, 12-14, 15-11, 16, 17-7-130, 17-7-131, 18, 19, 25, 26, 29-5-2, 30-5, 31, 34, 36, 37, 38-3-29, 3-40, 43-45, 47-50, Official Code of Georgia Annotated.

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|---------------------|---------------------|--------------|----------------------|-------------------|---------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total | | |
| Administration | | | | | | | | | |
| Federal Funds | \$116,904,993 | \$78,206,511 | \$24,898,482 | | | \$6,793,648 | \$11,103,365 | \$42,795,495 | \$121,002,006 |
| Other Funds | 5,872,044 | 5,872,044 | | | | (1,237,911) | | (1,237,911) | 4,634,133 |
| State General Funds | 101,625,093 | 84,654,193 | 4,286,575 | (\$1,963,854) | | 6,400,000 | 19,168,742 | 27,891,463 | 112,545,656 |
| Tobacco Settlement Funds | 331,340 | 331,340 | (9,356) | | | | | (9,356) | 321,984 |
| Total | 224,733,470 | 169,064,088 | 29,175,701 | (1,963,854) | | 11,955,737 | 30,272,107 | 69,439,691 | 238,503,779 |
| Adoption Services and Supplements | | | | | | | | | |
| Federal Funds | | 25,557,784 | (25,557,784) | | | | | (25,557,784) | 0 |
| Other Funds | | 561,732 | (561,732) | | | | | (561,732) | 0 |
| State General Funds | | 27,839,182 | (27,839,182) | | | | | (27,839,182) | 0 |
| Total | | 53,958,698 | (53,958,698) | | | | | (53,958,698) | 0 |
| Adoption Services | | | | | | | | | |
| Federal Funds | 28,370,544 | 2,812,760 | 25,557,784 | | | | | 25,557,784 | 28,370,544 |
| Other Funds | 561,732 | | 561,732 | | | | | 561,732 | 561,732 |
| State General Funds | 33,278,586 | 5,419,019 | 27,839,182 | (348,668) | | | 44,659 | 27,535,173 | 32,954,192 |
| Total | 62,210,862 | 8,231,779 | 53,958,698 | (348,668) | | | 44,659 | 53,654,689 | 61,886,468 |
| Adult Services | | | | | | | | | |
| Federal Funds | 130,937,155 | 39,672,424 | 79,029,369 | | | 10,684,440 | | 89,713,809 | 129,386,233 |
| Other Funds | 44,846,291 | 54,893,520 | 1,547,240 | | | | | 1,547,240 | 56,440,760 |
| State General Funds | 420,120,924 | 275,025,065 | 128,823,365 | (20,258,997) | | 11,980,163 | 9,210,777 | 129,755,308 | 404,780,373 |
| Tobacco Settlement Funds | 10,255,138 | | 10,255,138 | | | | | 10,255,138 | 10,255,138 |
| Total | 606,159,508 | 369,591,009 | 219,655,112 | (20,258,997) | | 22,664,603 | 9,210,777 | 231,271,495 | 600,862,504 |
| Child and Adolescent Services | | | | | | | | | |
| Federal Funds | 25,542,035 | 22,950,333 | 3,105 | | | 2,328,528 | | 2,331,633 | 25,281,966 |
| Other Funds | 2,747,495 | 1,809,908 | 937,587 | | | | | 937,587 | 2,747,495 |
| State General Funds | 90,371,661 | 81,152,411 | 3,387,684 | (1,002,687) | | 5,687,473 | 1,612,337 | 9,684,807 | 90,837,218 |
| Total | 118,661,191 | 105,912,652 | 4,328,376 | (1,002,687) | | 8,016,001 | 1,612,337 | 12,954,027 | 118,866,679 |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------------|--------------------|-------------------|----------------------|--|----------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Child Protective Services | | | | | | | | | |
| Federal Funds | | 156,710,324 | (156,710,324) | | | | | (156,710,324) | 0 |
| Other Funds | | 13,490,604 | (13,490,604) | | | | | (13,490,604) | 0 |
| State General Funds | | 58,055,835 | (58,055,835) | | | | | (58,055,835) | 0 |
| Tobacco Settlement Funds | | 2,069,048 | (2,069,048) | | | | | (2,069,048) | 0 |
| Total | | <u>230,325,811</u> | <u>(230,325,811)</u> | | | | | <u>(230,325,811)</u> | <u>0</u> |
| Child Support Services | | | | | | | | | |
| Federal Funds | 40,639,108 | 43,247,343 | (120,000) | (388,235) | | | | (508,235) | 42,739,108 |
| Other Funds | 9,060,828 | 9,060,828 | | | | | | | 9,060,828 |
| State General Funds | 17,533,836 | 15,508,672 | | (200,000) | | 274,208 | | 74,208 | 15,582,880 |
| Total | <u>67,233,772</u> | <u>67,816,843</u> | <u>(120,000)</u> | <u>(588,235)</u> | | <u>274,208</u> | | <u>(434,027)</u> | <u>67,382,816</u> |
| Child Welfare Services | | | | | | | | | |
| Federal Funds | 168,015,940 | | 160,385,532 | (1,496,100) | 7,481,975 | | | 166,371,407 | 166,371,407 |
| Other Funds | 13,651,099 | | 13,651,099 | | | | | 13,651,099 | 13,651,099 |
| State General Funds | 59,962,259 | | 60,754,118 | (1,871,590) | 4,437,525 | 449,638 | | 63,769,691 | 63,769,691 |
| Tobacco Settlement Funds | 2,069,048 | | | | | | | | 0 |
| Total | <u>243,698,346</u> | | <u>234,790,749</u> | <u>(3,367,690)</u> | <u>11,919,500</u> | <u>449,638</u> | | <u>243,792,197</u> | <u>243,792,197</u> |
| Chronic Disease Prevention and Health Promotion | | | | | | | | | |
| Federal Funds | 122,311,597 | 123,152,182 | 546,104 | | | | | 546,104 | 123,698,286 |
| Other Funds | 8,904,012 | 70,688 | | 2,281,919 | | | | 2,281,919 | 2,352,607 |
| State General Funds | 38,576,586 | 36,310,088 | 7,001,542 | (2,406,919) | | 984,820 | | 5,579,443 | 41,889,531 |
| Tobacco Settlement Funds | 6,215,632 | 8,215,632 | (3,340,644) | | | | | (3,340,644) | 4,874,988 |
| Total | <u>176,007,827</u> | <u>167,748,590</u> | <u>4,207,002</u> | <u>(125,000)</u> | | <u>984,820</u> | | <u>5,066,822</u> | <u>172,815,412</u> |
| Chronic Disease Treatment and Control | | | | | | | | | |
| Federal Funds | | 1,210,877 | (1,210,877) | | | | | (1,210,877) | 0 |
| State General Funds | | 4,565,157 | (4,565,157) | | | | | (4,565,157) | 0 |
| Tobacco Settlement Funds | | 3,547,455 | (3,547,455) | | | | | (3,547,455) | 0 |
| Total | | <u>9,323,489</u> | <u>(9,323,489)</u> | | | | | <u>(9,323,489)</u> | <u>0</u> |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------------|------------------|-------------------|----------------------|------------------|----------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Community Services - Adult | | | | | | | | | |
| Federal Funds | | 79,014,818 | (79,014,818) | | | | | (79,014,818) | 0 |
| State General Funds | | 126,927,990 | (126,927,990) | | | | | (126,927,990) | 0 |
| Tobacco Settlement Funds | | 10,255,138 | (10,255,138) | | | | | (10,255,138) | 0 |
| Total | | <u>216,197,946</u> | <u>(216,197,946)</u> | | | | | <u>(216,197,946)</u> | <u>0</u> |
| Contracted Client Transportation Services | | | | | | | | | |
| Federal Funds | | 24,898,482 | (24,898,482) | | | | | (24,898,482) | 0 |
| State General Funds | | 4,172,324 | (4,172,324) | | | | | (4,172,324) | 0 |
| Total | | <u>29,070,806</u> | <u>(29,070,806)</u> | | | | | <u>(29,070,806)</u> | <u>0</u> |
| Direct Care Support Services | | | | | | | | | |
| Federal Funds | 4,499,653 | | 4,499,653 | | | | | 4,499,653 | 4,499,653 |
| Other Funds | 49,057,399 | | 49,057,399 | | | | | 49,057,399 | 49,057,399 |
| State General Funds | <u>92,231,519</u> | | <u>94,448,798</u> | <u>1,311,326</u> | | | <u>1,947,333</u> | <u>97,707,457</u> | <u>97,707,457</u> |
| Total | <u>145,788,571</u> | | <u>148,005,850</u> | <u>1,311,326</u> | | | <u>1,947,333</u> | <u>151,264,509</u> | <u>151,264,509</u> |
| Economic Assistance | | | | | | | | | |
| Federal Funds | 442,076,607 | 269,571,016 | 134,119,836 | | 20,337,000 | | | 154,456,836 | 424,027,852 |
| Other Funds | 27,574,063 | 7,574,063 | 20,000,000 | | | | | 20,000,000 | 27,574,063 |
| State General Funds | <u>175,039,255</u> | <u>129,373,870</u> | <u>40,400,000</u> | <u>(631,329)</u> | | | <u>1,119,613</u> | <u>40,888,284</u> | <u>170,262,154</u> |
| Total | <u>644,689,925</u> | <u>406,518,949</u> | <u>194,519,836</u> | <u>(631,329)</u> | <u>20,337,000</u> | | <u>1,119,613</u> | <u>215,345,120</u> | <u>621,864,069</u> |
| Elder Rights and Protection | | | | | | | | | |
| Federal Funds | 7,492,689 | 7,492,689 | | | | | | | 7,492,689 |
| State General Funds | <u>11,513,537</u> | <u>10,718,527</u> | | | | | <u>174,801</u> | <u>174,801</u> | <u>10,893,328</u> |
| Total | <u>19,006,226</u> | <u>18,211,216</u> | | | | | <u>174,801</u> | <u>174,801</u> | <u>18,386,017</u> |
| Emergency Preparedness and Response | | | | | | | | | |
| Federal Funds | 1,147,504 | 1,147,504 | | | | | | | 1,147,504 |
| State General Funds | <u>4,765,983</u> | <u>4,798,557</u> | | | | | <u>43,204</u> | <u>43,204</u> | <u>4,841,761</u> |
| Total | <u>5,913,487</u> | <u>5,946,061</u> | | | | | <u>43,204</u> | <u>43,204</u> | <u>5,989,265</u> |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|------------------|-----------------|------------------|----------------------|-------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Environmental Protection and Hazard Control | | | | | | | | |
| Federal Funds | 543,732 | 543,732 | | | | | | 543,732 |
| State General Funds | 14,335,107 | 13,402,876 | 886,945 | | | 122,362 | 1,009,307 | 14,412,183 |
| Total | 14,878,839 | 13,946,608 | 886,945 | | | 122,362 | 1,009,307 | 14,955,915 |
| Essential Public Health Clinical Services | | | | | | | | |
| Federal Funds | 9,572,706 | 8,361,829 | 1,210,877 | | | | 1,210,877 | 9,572,706 |
| State General Funds | 24,070,382 | 19,093,292 | 4,876,127 | | | 330,192 | 5,206,319 | 24,299,611 |
| Tobacco Settlement Funds | 3,547,455 | | 3,547,455 | | 1,452,545 | | 5,000,000 | 5,000,000 |
| Total | 37,190,543 | 27,455,121 | 9,634,459 | | 1,452,545 | 330,192 | 11,417,196 | 38,872,317 |
| Facility and Provider Regulation | | | | | | | | |
| Federal Funds | 6,463,053 | 6,534,304 | | | | | | 6,534,304 |
| State General Funds | 7,171,460 | 6,752,292 | | (79,589) | 534,716 | 76,584 | 531,711 | 7,284,003 |
| Total | 13,634,513 | 13,286,596 | | (79,589) | 534,716 | 76,584 | 531,711 | 13,818,307 |
| Family Violence Services | | | | | | | | |
| Federal Funds | 3,845,813 | 3,845,813 | | | | | | 3,845,813 |
| Other Funds | 3,617 | 3,617 | | | | | | 3,617 |
| State General Funds | 4,184,108 | 4,701,950 | | | | 1,389 | 1,389 | 4,703,339 |
| Total | 8,033,538 | 8,551,380 | | | | 1,389 | 1,389 | 8,552,769 |
| Fatherhood Initiative | | | | | | | | |
| Federal Funds | 120,000 | | 120,000 | | | | 120,000 | 120,000 |
| Total | 120,000 | | 120,000 | | | | 120,000 | 120,000 |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|--------------------|-----------------|--------------|----------------------|--------------------|--------------------|---------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Health Information and Assessment | | | | | | | | | |
| Federal Funds | 660,545 | 660,545 | | | | | | | 660,545 |
| Other Funds | 750,000 | | | | | | | | |
| State General Funds | 7,118,209 | 6,654,104 | 348,639 | | | 256,607 | 605,246 | 7,259,350 | |
| Tobacco Funds | 115,637 | 115,637 | | | | | | 115,637 | |
| Total | 8,644,391 | 7,430,286 | 348,639 | | | 256,607 | 605,246 | 8,035,532 | |
| Health Promotion and Disease Prevention (Wellness) | | | | | | | | | |
| Federal Funds | | 480,015 | (480,015) | | | | (480,015) | 0 | |
| Total | | 480,015 | (480,015) | | | | (480,015) | 0 | |
| Home and Community Based Services | | | | | | | | | |
| Federal Funds | | 2,534,647 | (2,534,647) | | | | (2,534,647) | 0 | |
| State General Funds | | 3,979,936 | (3,979,936) | | | | (3,979,936) | 0 | |
| Total | | 6,514,583 | (6,514,583) | | | | (6,514,583) | 0 | |
| Home and Community Services | | | | | | | | | |
| Federal Funds | 38,737,654 | 35,472,242 | 3,014,662 | | | 279,618 | 3,294,280 | 38,766,522 | |
| State General Funds | 64,503,708 | 59,057,590 | 3,979,936 | (28,865) | | 1,446,132 | 14,551 | 64,469,344 | |
| Tobacco Settlement Funds | 8,000,392 | 8,000,392 | | | | | | 8,000,392 | |
| Total | 111,241,754 | 102,530,224 | 6,994,598 | (28,865) | | 1,725,750 | 14,551 | 111,236,258 | |
| Independent and Transitional Living Services | | | | | | | | | |
| Federal Funds | | 3,675,208 | (3,675,208) | | | | (3,675,208) | 0 | |
| Other Funds | | 160,495 | (160,495) | | | | (160,495) | 0 | |
| State General Funds | | 629,235 | (629,235) | | | | (629,235) | 0 | |
| Total | | 4,464,938 | (4,464,938) | | | | (4,464,938) | 0 | |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|------------------------------------|------------------------------------|-----------------------------------|----------------------|--------------------|-------------------|----------------------|----------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Infectious Disease Control | | | | | | | | |
| Federal Funds | 19,678,259 | 19,678,259 | | | | | | 19,678,259 |
| Other Funds | 150,000 | | 150,000 | | | | 150,000 | 150,000 |
| State General Funds | 46,115,453 | 41,339,066 | 5,600,884 | | | 996,257 | 6,597,141 | 47,936,207 |
| Tobacco Settlement Funds | 1,226,667 | 1,226,667 | (1,226,667) | | | | (1,226,667) | 0 |
| Total | 67,170,379 | 62,243,992 | 4,524,217 | | | 996,257 | 5,520,474 | 67,764,466 |
| Laboratory Services | | | | | | | | |
| Federal Funds | | 546,104 | (546,104) | | | | (546,104) | 0 |
| Other Funds | | 150,000 | (150,000) | | | | (150,000) | 0 |
| State General Funds | | 10,179,952 | (10,179,952) | | | | (10,179,952) | 0 |
| Total | | 10,876,056 | (10,876,056) | | | | (10,876,056) | 0 |
| Out of Home Care | | | | | | | | |
| Federal Funds | | 118,203,127 | (118,203,127) | | | | (118,203,127) | 0 |
| Other Funds | | 32,925,589 | (32,925,589) | | | | (32,925,589) | 0 |
| State General Funds | | 148,321,478 | (148,321,478) | | | | (148,321,478) | 0 |
| Total | | 299,450,194 | (299,450,194) | | | | (299,450,194) | 0 |
| Out of Home Care | | | | | | | | |
| Federal Funds | 128,453,661 | | 118,203,127 | | 9,361,711 | | 127,564,838 | 127,564,838 |
| Other Funds | 24,925,589 | | 32,925,589 | | | | 32,925,589 | 32,925,589 |
| State General Funds | 141,684,036 | | 148,321,478 | (1,076,904) | 768,199 | 313,862 | 148,326,635 | 148,326,635 |
| Total | 295,063,286 | | 299,450,194 | (1,076,904) | 10,129,910 | 313,862 | 308,817,062 | 308,817,062 |
| Outdoor Therapeutic Program | | | | | | | | |
| Federal Funds | | 3,105 | (3,105) | | | | (3,105) | 0 |
| Other Funds | | 937,587 | (937,587) | | | | (937,587) | 0 |
| State General Funds | | 3,294,177 | (3,294,177) | | | | (3,294,177) | 0 |
| Total | | 4,234,869 | (4,234,869) | | | | (4,234,869) | 0 |
| Prevention | | | | | | | | |
| Federal Funds | 10,512,485 | 10,512,485 | | | | | | 10,512,485 |
| State General Funds | 710,269 | 669,605 | | | | 89,086 | 89,086 | 758,691 |
| Total | 11,222,754 | 11,182,090 | | | | 89,086 | 89,086 | 11,271,176 |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-----------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| State Hospital Facilities - Direct Care Support Services | | | | | | | | |
| Federal Funds | | 4,499,653 | (4,499,653) | | | | (4,499,653) | 0 |
| Other Funds | | 49,057,399 | (49,057,399) | | | | (49,057,399) | 0 |
| State General Funds | | 94,448,798 | (94,448,798) | | | | (94,448,798) | 0 |
| Total | | 148,005,850 | (148,005,850) | | | | (148,005,850) | 0 |
| State Hospital Facilities - Specialty Care | | | | | | | | |
| Federal Funds | | 14,551 | (14,551) | | | | (14,551) | 0 |
| Other Funds | | 1,547,240 | (1,547,240) | | | | (1,547,240) | 0 |
| State General Funds | | 1,495,494 | (1,495,494) | | | | (1,495,494) | 0 |
| Total | | 3,057,285 | (3,057,285) | | | | (3,057,285) | 0 |
| Support for Needy Families - Basic Assistance | | | | | | | | |
| Federal Funds | | 94,788,339 | (94,788,339) | | | | (94,788,339) | 0 |
| Other Funds | | 20,000,000 | (20,000,000) | | | | (20,000,000) | 0 |
| State General Funds | | 14,400,000 | (14,400,000) | | | | (14,400,000) | 0 |
| Total | | 129,188,339 | (129,188,339) | | | | (129,188,339) | 0 |
| Support for Needy Families - Work Assistance | | | | | | | | |
| Federal Funds | | 39,331,497 | (39,331,497) | | | | (39,331,497) | 0 |
| State General Funds | | 26,000,000 | (26,000,000) | | | | (26,000,000) | 0 |
| Total | | 65,331,497 | (65,331,497) | | | | (65,331,497) | 0 |
| ATTACHED AGENCIES: | | | | | | | | |
| Brain and Spinal Injury Trust Fund | | | | | | | | |
| Other State Funds | 3,075,000 | 3,000,000 | | | | 7,691 | 7,691 | 3,007,691 |
| Total | 3,075,000 | 3,000,000 | | | | 7,691 | 7,691 | 3,007,691 |
| Child Fatality Review Panel | | | | | | | | |
| State General Funds | 412,827 | 334,562 | | | | 4,270 | 4,270 | 338,832 |
| Total | 412,827 | 334,562 | | | | 4,270 | 4,270 | 338,832 |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|-----------------------|---------------------|----------------------|----------------------|------------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Children's Trust Fund | | | | | | | | | |
| State General Funds | 5,662,556 | 5,660,703 | 1,272,170 | | | 11,955 | 1,284,125 | 6,944,828 | |
| Tobacco Funds | 1,272,170 | 1,272,170 | (1,272,170) | | | | (1,272,170) | 0 | |
| Total | 6,934,726 | 6,932,873 | 0 | | | 11,955 | 11,955 | 6,944,828 | |
| Council on Aging | | | | | | | | | |
| State General Funds | 149,911 | 148,951 | | | | 5,810 | 5,810 | 154,761 | |
| Total | 149,911 | 148,951 | | | | 5,810 | 5,810 | 154,761 | |
| Family Connection Partnership | | | | | | | | | |
| Federal Funds | 1,475,000 | 1,475,000 | | | | | | 1,475,000 | |
| State General Funds | 9,496,939 | 9,130,281 | | | | 7,291 | 7,291 | 9,137,572 | |
| Total | 10,971,939 | 10,605,281 | | | | 7,291 | 7,291 | 10,612,572 | |
| Governor's Council on Developmental Disabilities | | | | | | | | | |
| Federal Funds | 2,248,393 | 2,248,393 | | | | 13,609 | 13,609 | 2,262,002 | |
| State General Funds | 29,323 | 29,241 | | | | 464 | 464 | 29,705 | |
| Total | 2,277,716 | 2,277,634 | | | | 14,073 | 14,073 | 2,291,707 | |
| TOTAL FUNDS | \$2,905,125,301 | \$2,799,447,161 | \$0 | (\$28,160,492) | \$88,735,762 | \$48,385,477 | \$108,960,747 | \$2,908,407,908 | |
| Less: | | | | | | | | | |
| Federal Funds | \$1,310,249,126 | \$1,229,053,895 | \$0 | (\$1,884,335) | \$57,266,920 | \$11,116,974 | \$66,499,559 | \$1,295,553,454 | |
| Other Funds | 188,104,169 | 198,115,314 | 0 | 2,281,919 | (1,237,911) | 0 | 1,044,008 | 199,159,322 | |
| Subtotal | \$1,498,353,295 | \$1,427,169,209 | \$0 | \$397,584 | \$56,029,009 | \$11,116,974 | \$67,543,567 | \$1,494,712,776 | |
| State General Funds | \$1,370,663,527 | \$1,334,244,473 | \$7,917,885 | (\$28,558,076) | \$31,254,208 | \$37,260,812 | \$47,874,829 | \$1,382,119,302 | |
| Other State Funds | 3,075,000 | 3,000,000 | | | | | 7,691 | 3,007,691 | |
| Tobacco Settlement Funds | 33,033,479 | 35,033,479 | (7,917,885) | | 1,452,545 | | (6,465,340) | 28,568,139 | |
| TOTAL STATE FUNDS | \$1,406,772,006 | \$1,372,277,952 | \$0 | (\$28,558,076) | \$32,706,753 | \$37,260,812 | \$41,417,180 | \$1,413,695,132 | |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------|---------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$453,313,672 | \$477,860,673 | \$476,387,693 | \$458,915,429 | \$39,818,715 | \$498,734,144 |
| Regular Operating Expenses | 88,400,026 | 214,854,369 | 221,378,538 | 88,075,179 | (113,366) | 87,961,813 |
| Travel | 6,331,061 | 4,403,863 | 4,726,299 | 4,928,636 | 1,352,855 | 6,281,491 |
| Motor Vehicle Purchases | 421,961 | 341,894 | 356,738 | 541,444 | (22,222) | 519,222 |
| Equipment | 1,274,779 | 1,381,147 | 1,755,498 | 1,223,975 | 20,804 | 1,244,779 |
| Computer Charges | 78,904,005 | 86,153,286 | 77,942,402 | 56,096,869 | 3,583,536 | 59,680,405 |
| Real Estate Rentals | 13,242,072 | 14,056,467 | 13,411,766 | 13,169,815 | 1,358,181 | 14,527,996 |
| Telecommunications | 14,388,901 | 22,761,632 | 19,776,706 | 14,356,675 | 22,632 | 14,379,307 |
| Per Diem and Fees | 8,981,086 | 19,705,524 | 19,415,477 | 12,871,056 | (5,452,520) | 7,418,536 |
| Capital Outlay | | 883,178 | 5,555,148 | | | |
| Contracts | 49,605,607 | 102,848,376 | 134,080,516 | 51,601,211 | (374,431) | 51,226,780 |
| Utilities | 10,553,668 | 12,611,135 | 12,525,097 | 10,553,668 | | 10,553,668 |
| Postage | 4,179,908 | 6,031,703 | 4,691,447 | 4,367,071 | | 4,367,071 |
| Operating Expenses | 59,158,722 | 73,940,434 | 69,775,747 | 58,983,407 | 1,809,928 | 60,793,335 |
| Service Benefit for Children | 621,910,420 | 521,318,246 | 584,567,560 | 560,759,741 | 70,108,702 | 630,868,443 |
| Purchase of Service Contracts | 170,920,164 | 240,559,628 | 225,718,349 | 162,968,629 | 7,164,866 | 170,133,495 |
| Payments to DCH - Medicaid Benefits | 39,545,303 | 33,944,685 | 37,154,092 | 38,321,053 | 1,166,517 | 39,487,570 |
| Grants to County DFCS - Operations | 364,073,571 | 407,029,184 | 419,652,738 | 393,932,688 | (37,868,670) | 356,064,018 |
| Special Purpose Contracts | 7,278,238 | 11,993,024 | 10,660,256 | 7,796,714 | | 7,796,714 |
| Grant-in-Aid to Counties | 146,408,918 | 198,089,940 | 201,057,710 | 144,120,914 | 1,565,360 | 145,686,274 |
| Medical Benefits | 6,138,072 | 6,683,890 | 6,263,440 | 6,138,072 | 1,452,545 | 7,590,617 |
| Children's Trust Fund | 7,347,553 | 8,602,250 | 7,275,505 | 7,267,435 | 16,225 | 7,283,660 |
| Cash Benefits | 200,930,706 | 183,620,633 | 155,372,751 | 183,910,706 | 8,247,784 | 192,158,490 |
| Major Maintenance and Construction | 2,236,436 | 2,519,238 | 2,155,675 | 2,236,436 | 22,222 | 2,258,658 |

DEPARTMENT OF HUMAN RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|----------------------|------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Community Services | 547,295,691 | 418,916,104 | 503,303,641 | 513,559,498 | 15,081,084 | 528,640,582 |
| Brain and Spinal Trust Fund Benefits | 2,284,761 | 751,240 | 1,700,803 | 2,750,840 | | 2,750,840 |
| TOTAL FUNDS | \$2,905,125,301 | \$3,071,861,743 | \$3,216,661,592 | \$2,799,447,161 | \$108,960,747 | \$2,908,407,908 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$1,310,249,126 | \$1,344,213,642 | \$1,572,429,662 | \$1,229,053,895 | \$66,499,559 | \$1,295,553,454 |
| Other Funds | 188,104,169 | 289,717,115 | 260,109,064 | 198,115,314 | 1,044,008 | 199,159,322 |
| DOAS Indirect Funds | | 5,620,096 | 5,620,100 | | | |
| Subtotal | \$1,498,353,295 | \$1,639,550,853 | \$1,838,158,826 | \$1,427,169,209 | \$67,543,567 | \$1,494,712,776 |
| State General Funds | \$1,370,663,527 | \$1,388,242,309 | \$1,336,520,096 | \$1,334,244,473 | \$47,874,829 | \$1,382,119,302 |
| Other State Funds | 3,075,000 | | | 3,000,000 | 7,691 | 3,007,691 |
| Tobacco Funds | 33,033,479 | 44,068,581 | 41,982,670 | 35,033,479 | (6,465,340) | 28,568,139 |
| TOTAL STATE FUNDS | \$1,406,772,006 | \$1,432,310,890 | \$1,378,502,766 | \$1,372,277,952 | \$41,417,180 | \$1,413,695,132 |
| Positions | 19,049 | 19,215 | 18,446 | 19,289 | 95 | 19,384 |
| Motor Vehicles | 603 | 588 | 606 | 623 | (36) | 587 |
| <u>ATTACHED AGENCIES (Information Only):</u> | | | | | | |
| Brain and Spinal Injury Trust Fund | 3,075,000 | 1,061,878 | 2,218,347 | 3,000,000 | 7,691 | 3,007,691 |
| Child Fatality Review Panel | 412,827 | 379,722 | 464,140 | 334,562 | 4,270 | 338,832 |
| Children's Trust Fund | 6,934,726 | 8,617,065 | 8,260,385 | 6,932,873 | 11,955 | 6,944,828 |
| Council on Aging | 149,911 | 146,578 | 144,853 | 148,951 | 5,810 | 154,761 |
| Family Connection Partnership | 10,971,939 | 11,998,656 | 11,419,279 | 10,605,281 | 7,291 | 10,612,572 |
| Governor's Council on Developmental Disabilities | 2,277,716 | 2,339,062 | 1,758,813 | 2,277,634 | 14,073 | 2,291,707 |
| Positions | 20 | 20 | 20 | 20 | 0 | 20 |

DEPARTMENT OF HUMAN RESOURCES

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|------------------------|-------------------------|---------------|------------------------------------|-------------------------|---------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$84,985,533 | \$84,078,555 | \$169,064,088 | \$112,867,640 | \$125,636,139 | \$238,503,779 |
| Adoption Services and Supplements | 27,839,182 | 26,119,516 | 53,958,698 | | | |
| Adoption Services | 5,419,019 | 2,812,760 | 8,231,779 | 32,954,192 | 28,932,276 | 61,886,468 |
| Adult Services | 275,025,065 | 94,565,944 | 369,591,009 | 415,035,511 | 185,826,993 | 600,862,504 |
| Child and Adolescent Services | 81,152,411 | 24,760,241 | 105,912,652 | 90,837,218 | 28,029,461 | 118,866,679 |
| Child Protective Services | 60,124,883 | 170,200,928 | 230,325,811 | | | |
| Child Support Services | 15,508,672 | 52,308,171 | 67,816,843 | 15,582,880 | 51,799,936 | 67,382,816 |
| Child Welfare Services | | | | 63,769,691 | 180,022,506 | 243,792,197 |
| Chronic Disease Prevention and Health Promotion | 44,525,720 | 123,222,870 | 167,748,590 | 46,764,519 | 126,050,893 | 172,815,412 |
| Chronic Disease Treatment and Control | 8,112,612 | 1,210,877 | 9,323,489 | | | |
| Community Services - Adult | 137,183,128 | 79,014,818 | 216,197,946 | | | |
| Contracted Client Transportation Services | 4,172,324 | 24,898,482 | 29,070,806 | | | |
| Direct Care Support Services | | | | 97,707,457 | 53,557,052 | 151,264,509 |
| Economic Assistance | 129,373,870 | 277,145,079 | 406,518,949 | 170,262,154 | 451,601,915 | 621,864,069 |
| Elder Rights and Protection | 10,718,527 | 7,492,689 | 18,211,216 | 10,893,328 | 7,492,689 | 18,386,017 |
| Emergency Preparedness and Response | 4,798,557 | 1,147,504 | 5,946,061 | 4,841,761 | 1,147,504 | 5,989,265 |
| Environmental Protection and Hazard Control | 13,402,876 | 543,732 | 13,946,608 | 14,412,183 | 543,732 | 14,955,915 |
| Essential Public Health Clinical Services | 19,093,292 | 8,361,829 | 27,455,121 | 29,299,611 | 9,572,706 | 38,872,317 |
| Facility and Provider Regulation | 6,752,292 | 6,534,304 | 13,286,596 | 7,284,003 | 6,534,304 | 13,818,307 |
| Family Violence Services | 4,701,950 | 3,849,430 | 8,551,380 | 4,703,339 | 3,849,430 | 8,552,769 |
| Fatherhood Initiative | | | | | 120,000 | 120,000 |
| Health Information and Assessment | 6,769,741 | 660,545 | 7,430,286 | 7,374,987 | 660,545 | 8,035,532 |
| Health Promotion and Disease Prevention (Wellness) | | 480,015 | 480,015 | | | |
| Home and Community Based Services | 3,979,936 | 2,534,647 | 6,514,583 | | | |
| Home and Community Services | 67,057,982 | 35,472,242 | 102,530,224 | 72,469,736 | 38,766,522 | 111,236,258 |
| Independent and Transitional Living Services | 629,235 | 3,835,703 | 4,464,938 | | | |
| Infectious Disease Control | 42,565,733 | 19,678,259 | 62,243,992 | 47,936,207 | 19,828,259 | 67,764,466 |
| Laboratory Services | 10,179,952 | 696,104 | 10,876,056 | | | |
| Out of Home Care | 148,321,478 | 151,128,716 | 299,450,194 | | | |
| Out of Home Care | | | | 148,326,635 | 160,490,427 | 308,817,062 |
| Outdoor Therapeutic Program | 3,294,177 | 940,692 | 4,234,869 | | | |
| Prevention | 669,605 | 10,512,485 | 11,182,090 | 758,691 | 10,512,485 | 11,271,176 |
| State Hospital Facilities - Direct Care Support Services | 94,448,798 | 53,557,052 | 148,005,850 | | | |

DEPARTMENT OF HUMAN RESOURCES

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|-------------------------------|-------------------------------|-------------------------------|------------------------------------|-------------------------------|-------------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| State Hospital Facilities - Specialty Care | 1,495,494 | 1,561,791 | 3,057,285 | | | |
| Support for Needy Families - Basic Assistance | 14,400,000 | 114,788,339 | 129,188,339 | | | |
| Support for Needy Families - Work Assistance | 26,000,000 | 39,331,497 | 65,331,497 | | | |
| Subtotal | <u>\$1,352,702,044</u> | <u>\$1,423,445,816</u> | <u>\$2,776,147,860</u> | <u>\$1,394,081,743</u> | <u>\$1,490,975,774</u> | <u>\$2,885,057,517</u> |
| ATTACHED AGENCIES: | | | | | | |
| Brain and Spinal Injury Trust Fund | \$3,000,000 | | \$3,000,000 | \$3,007,691 | | \$3,007,691 |
| Child Fatality Review Panel | 334,562 | | 334,562 | 338,832 | | 338,832 |
| Children's Trust Fund | 6,932,873 | | 6,932,873 | 6,944,828 | | 6,944,828 |
| Council on Aging | 148,951 | | 148,951 | 154,761 | | 154,761 |
| Family Connection Partnership | 9,130,281 | \$1,475,000 | 10,605,281 | 9,137,572 | \$1,475,000 | 10,612,572 |
| Governor's Council on Developmental Disabilities | 29,241 | 2,248,393 | 2,277,634 | 29,705 | 2,262,002 | 2,291,707 |
| Subtotal | <u>\$19,575,908</u> | <u>\$3,723,393</u> | <u>\$23,299,301</u> | <u>\$19,613,389</u> | <u>\$3,737,002</u> | <u>\$23,350,391</u> |
| TOTAL FUNDS | <u>\$1,372,277,952</u> | <u>\$1,427,169,209</u> | <u>\$2,799,447,161</u> | <u>\$1,413,695,132</u> | <u>\$1,494,712,776</u> | <u>\$2,908,407,908</u> |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$1,334,244,473 |
| FY 2006 OTHER STATE FUND APPROPRIATIONS | \$3,000,000 |
| DEPARTMENT OF HUMAN RESOURCES | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$8,586,973) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$10,225,296). | 18,812,269 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713% (Total Funds: \$24,978,950). | 14,988,649 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums (Total Funds: \$3,318,211). | 2,602,891 |
| 4. Provide for an adjustment to the Georgia Building Authority real estate rental rate for office space (Total Funds: \$1,224,957). | 827,213 |
| 5. Recognize increase in federal match rate by adjusting state funds in the Family Foster Care subprogram of the Out of Home Care program (\$1,076,904), the Adoption Supplements subprogram of the Adoption Services program (\$348,668), the Temporary Assistance for Needy Families subprogram of the Economic Assistance program (\$631,329), the Child Welfare Services program (\$335,972), the Community Care Services subprogram of the Home and Community Services program (\$28,865), and the Community Services - Adult Developmental Disabilities subprogram of the Adult Services program (\$500,000). | (2,921,738) |
| 6. Reduce administrative costs in General Administration subprogram (\$485,134), Public Health Administration subprogram (\$500,000) and the Information Technology subprogram (\$257,643) of the Administration program, Child Support Services program (\$200,000), and the Child Care Licensing subprogram (\$228), the Health Care Licensing subprogram (\$38,514) and the Long-term Care Licensing subprogram (\$40,847) of the Facility and Provider Regulation program (Total Funds: \$1,910,601). | (1,522,366) |
| 7. Reduce contracts and operating costs in the General Administration subprogram (\$36,077), the Public Health Administration subprogram (\$10,000) and the Information Technology subprogram (\$175,000) of the Administration program, the Health Promotion subprogram (\$125,000) of the Chronic Disease Prevention and Health Promotion program and the Child Welfare program (\$31,718). | (377,795) |
| 8. Replace tobacco funds in the HIV/AIDS subprogram of the Infectious Disease Control Program (\$1,226,667), Comprehensive Child Health subprogram of the Chronic Disease Prevention and Health Promotion program (\$3,350,000), and the Child Welfare Services program (\$2,069,048) with state general funds. | 6,645,715 |
| 9. Provide funds for an additional 500 slots in the Community Care Services Program for eligible elderly clients which will provide services that will enable them to continue to live at home (Total Funds: \$1,725,750). | 1,446,132 |
| 10. Realize efficiencies through the consolidation of DFCS county management in the Child Welfare Services program and eliminate 60 positions through attrition (Total Funds: \$3,000,000). | (1,503,900) |
| 11. Annualize the cost of 500 additional Child Protective Services caseworkers in the Child Welfare Services program (Total Funds: \$9,389,500). | 4,437,525 |
| 12. Increase family foster care per diem rates in the Family Foster Care subprogram in the Out of Home Care program by 3.2%, consistent with the Consumer Price Index (CPI) increase (Total Funds: \$1,581,910). | 768,199 |
| 13. Reduce equipment purchases in the Information Technology subprogram of the Administration program. | (500,000) |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|--------------|
| 14. Provide funds in the Information Technology subprogram of the Administration program for the implementation of the Statewide Automated Child Welfare Information System (Total Funds: \$7,000,000). | 3,500,000 |
| 15. Provide state funds in the General Administration subprogram of the Administration program to replace county funds previously contributed for the cost of the Electronic Benefit Transfer (EBT) card services (Total Funds: \$2,555,737). | 2,200,000 |
| 16. Enhance SUCCESS system to support Medicaid eligibility verification and for changes in TANF in the Information Technology subprogram of the Administration program (Total Funds: \$2,400,000). | 700,000 |
| 17. Transfer state funds from the Adult Services program to the Department of Community Health's Low Income Medicaid program to implement Georgia Healthy Families which serves Medicaid clients that receive mental health services. | (17,910,517) |
| 18. Realize savings by reducing non-Psychiatrist Physicians at Central State Hospital in the State Hospital Services - Adult Mental Health subprogram (\$900,000), the State Hospital Services - Forensic Secure Inpatient Services subprogram (\$300,000) and the State Institutional Services - Adult Developmental Disabilities subprogram of the Adult Services (\$900,000) program. | (2,100,000) |
| 19. Realize savings by consolidating the Craig Nursing Center and the Nursing Home Center in the State Hospital Services - Adult Mental Health subprogram (\$1,041,854), the State Institutional Services - Adult Developmental Disabilities subprogram (\$307,269) and the Direct Care Support Services subprogram (\$150,877) of the Adult Services program and eliminate 38 positions. | (1,500,000) |
| 20. Transfer 19 mentally retarded and seriously emotionally disturbed child and adolescent consumers from Northwest Georgia Regional Hospital to the community in the Child and Adolescent Services program and eliminate 32 positions. | (1,002,687) |
| 21. Fund 750 waiver slots for consumers on the Mental Retardation/Developmental Disabilities Waiting List in the Adult Services program (\$5,277,697) and the Child and Adolescent Services program (\$1,080,974) (Total Funds: \$13,281,233). | 6,358,671 |
| 22. Provide child and adolescent crisis stabilization services in the Child and Adolescent Services program (Total Funds: \$4,050,000). | 3,774,000 |
| 23. Annualize the cost of 925 waiver slots on the Mental Retardation/Developmental Disabilities Waiting List in the Adult Services program (\$2,648,987) and in the Child and Adolescent Services program (\$548,430) (Total Funds: \$8,302,823). | 3,197,417 |
| 24. Provide community services and forensic placements for consumers at West Central Georgia Regional Hospital through the following strategies: | 3,062,846 |
| a. Transfer 20 adult mental health beds to Northwest Georgia Regional Hospital by October 1, 2006; | |
| b. Transfer 35 adult mental health consumers to the community by March 1, 2007; | |
| c. Provide community adult crisis stabilization services by establishing 2 16-bed units by October 1, 2006; | |
| d. Transfer 40 forensic beds to Georgia Regional Hospital Savannah by June 15, 2007; | |
| e. Provide community forensic transition services by establishing a 6-bed community integration home by February 1, 2007; | |
| f. Provide court ordered community placement for 35 forensic consumers by June 1, 2007; | |
| g. Transfer administration of 8 adolescent transition beds to Southwestern State Hospital. | |
| 25. Provide for case management and other support services in the Adult Services program for adult mental health and addictive disease consumers being treated in the community (Total Funds: \$1,989,000). | 1,530,000 |
| 26. Provide funds for one adult crisis stabilization unit in the Adult Services program so that consumers can be served in the community rather than at a state hospital (Total Funds: \$1,773,479). | 1,523,479 |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|-------------|
| 27. Provide funds for provider training and treatment services to 200 methamphetamine-addicted adults with children in the Adult Services program. | 1,000,000 |
| 28. Transfer the American Association of Adapted Sports Program contract from the Department of Labor's Roosevelt Warm Springs Institute program to the Community Services - Child and Adolescent Developmental Disabilities subprogram of the Child and Adolescent Services program. | 284,069 |
| 29. Increase the number of newborn screening tests currently performed from 13 to 29 to improve health and developmental outcomes for children. Reflect a \$40 fee and reduce state funds in the Comprehensive Child Health subprogram (\$2,281,919). | (2,281,919) |
| 30. Provide funds to increase inspection of licensed residential child caring facilities in the Regulatory Compliance program. | 534,716 |
| 31. Realign funds in the following programs to reflect the program restructuring for state fiscal year 2007 to allow for provision of services to Georgia citizens: | |
| a. Transfer federal funds from the Health Promotion and Disease Prevention program to the Home and Community Based Services program (Total Funds: \$480,000); | Yes |
| b. Transfer \$3,979,936 from the Caregiver Resources subprogram and federal funds from the Senior Nutrition subprogram of the Home and Community Based Services Program to the Home and Community Based Services subprogram of the Home and Community Services program (Total Funds: \$6,330,503); | Yes |
| c. Transfer federal funds from the Child Support Enforcement program to the Fatherhood Initiative program (Total Funds: \$120,000); | Yes |
| d. Transfer \$27,839,182 from the Adoptions Services and Supplements program to the Adoptions Supplements subprogram (\$24,310,909) and the Adoption Support subprogram (\$3,528,273) of the Adoption Services program (Total Funds: \$53,958,698); | Yes |
| e. Transfer \$58,055,835 from the Child Protective Services program and \$629,235 from the Independent and Transitional Living Services program to the Child Welfare Services program (Total Funds: \$234,790,749); | Yes |
| f. Transfer \$14,400,000 from the Support for Needy Families - Basic Assistance program and \$26,000,000 from the Support for Needy Families - Work Assistance program to the Temporary Assistance for Needy Families subprogram (\$40,400,000) and federal funds to the Community Programs subprogram of the Economic Assistance program (\$58,685,070) (Total Funds: \$194,519,836); | Yes |
| g. Transfer \$137,183,128 from the Community Services Adult program and \$1,495,494 from the State Hospital Facilities - Specialty Care program to the Adult Services program (Total Funds: \$219,255,231); | Yes |
| h. Transfer \$3,294,177 from the Outdoor Therapeutic program to the Child and Adolescent Services program (Total Funds: \$4,234,869); | Yes |
| i. Transfer \$94,448,798 from the State Hospital Facilities - Direct Care Support Services program to the Direct Care Support Services program (Total Funds: \$148,005,850); | Yes |
| j. Transfer \$4,565,157 from the Chronic Disease Treatment and Control program to the Hypertension Management subprogram (\$4,336,199) and the Cancer State Aid subprogram (\$228,958) of the Essential Public Health Clinical Services program (Total Funds: \$9,323,489); | Yes |
| k. Transfer \$4,172,324 from the Contracted Client Transportation Services program to the General Administration subprogram(\$1,265,144), the MHDDAD Administration subprogram (\$2,036,567), the Aging Services Administration subprogram (\$870,613) and the federal funds in the DFCS Administration subprogram of the Administration program (Total Funds: \$7,635,751). | Yes |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---|
| <p>i. Transfer \$10,179,952 from the Laboratory Services program to the Public Health Administration subprogram of the Administration program (\$598,283), the Laboratory - Chronic Disease subprogram of the Chronic Disease Prevention and Health program (\$3,660,898), the Laboratory - Essential Services subprogram of the Essential Public Health Clinical Services (\$310,970), the Laboratory - Health Assessment subprogram of the Health Information and Assessments program (\$348,639), the Laboratory - Infectious Disease subprogram of the Infectious Disease Control program (\$4,374,217) and the Environmental Health subprogram of the Environmental Protection and Hazard Control program (\$886,945) (Total Funds: \$10,876,056).</p> <p>32. Transfer \$493,388 from the Information Technology subprogram of the Administration program to the Adult Services program (\$399,881) and the Child and Adolescent Services program (\$93,507) to adjust Georgia Technology Authority rate funding.</p> <p>33. Use existing funds in the Information Technology subprogram of the Administration program to develop a business continuity and disaster recovery security standard for statewide department applications.</p> <p>34. Increase the relative care subsidy rate in the Family Foster Care subprogram of the Out of Home Care program to 80% of the family foster care rate using TANF funds to increase the number of children placed with relatives (Total Funds: \$7,450,000).</p> <p>35. Provide TANF funds in the Temporary Assistance for Needy Families subprogram of the Economic Assistance program to enhance TANF employment retention efforts including filling vacant positions to work with and support the most difficult to serve TANF clients (Total Funds: \$18,000,000).</p> <p>36. Provide TANF funds in the Temporary Assistance for Needy Families subprogram of the Economic Assistance program to develop a support system to assist seriously mentally ill or disabled TANF clients applying for SSI or entering a specialized work program (Total Funds: \$1,597,000).</p> <p>37. Provide TANF funds in the Temporary Assistance for Needy Families subprogram of the Economic Assistance program for the TeenWork program to allow for the employment of teenagers in TANF families (Total Funds: \$740,000).</p> <p>38. Provide TANF funds in the Family Foster Care subprogram of the Out of Home Care program for an additional \$100 per month per child to foster parents caring for sibling groups of 3 or more children (Total Funds: \$1,098,000).</p> <p>39. Provide TANF funds in the Child Welfare Services program for Court Appointed Special Advocates to assist an additional 1,000 abused or neglected children in juvenile court deprivation proceedings (Total Funds: \$280,000).</p> <p>40. Provide TANF funds in the Child Welfare Services program for Child Advocacy Centers to help reduce trauma to victims of sexual abuse and increase prosecutions of perpetrators (Total Funds: \$250,000).</p> <p style="margin-left: 20px;">Subtotal</p> | <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <hr style="border: 1px solid black;"/> <p>\$46,572,869</p> |

ATTACHED AGENCIES:

Brain and Spinal Injury Trust Fund

| | |
|--|---------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$854) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$2,136). | \$2,990 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 4,001 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 700 |
| Subtotal | \$7,691 |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|-------------|
| Child Fatality Review Panel | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$160) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$400). | \$560 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 3,360 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 350 |
| Subtotal | \$4,270 |
| Children's Trust Fund | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$1,853) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$4,633). | \$6,486 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 5,002 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 467 |
| 4. Replace tobacco funds in the Children's Trust Fund (\$1,272,170) with state general funds. | 1,272,170 |
| Subtotal | \$1,284,125 |
| Council on Aging | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$960) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$2,400). | \$3,360 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 2,450 |
| Subtotal | \$5,810 |
| Family Connection Partnership | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$1,447) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$3,618). | \$5,065 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 2,226 |
| Subtotal | \$7,291 |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|------------------------|
| Governor's Council on Developmental Disabilities | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$82) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$205). | \$287 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713% (Total Funds: \$13,786). | 177 |
| Subtotal | \$464 |
| TOTAL NET STATE GENERAL FUNDS ADJUSTMENTS | \$1,385,126,993 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$1,385,126,993 |
| FY 2006 TOBACCO SETTLEMENT FUNDS APPROPRIATIONS | \$35,033,479 |
| DEPARTMENT OF HUMAN RESOURCES | |
| 1. Provide funding for the Cancer State Aid sub-program of the Essential Public Health Clinical Services program to treat low-income, uninsured or underinsured patients with survivable cancers. | \$1,452,545 |
| 2. Replace tobacco funds in the HIV/AIDS subprogram of the Infectious Disease Control Program (\$1,226,667), Comprehensive Child Health subprogram of the Chronic Disease Prevention and Health Promotion program (\$3,350,000), the Child Welfare Services program (\$2,069,048), and the Children's Trust Fund (\$1,272,170) with state general funds. | (7,917,885) |
| TOTAL NET TOBACCO SETTLEMENT FUNDS ADJUSTMENTS | (\$6,465,340) |
| TOTAL TOBACCO SETTLEMENT FUNDS RECOMMENDED | \$28,568,139 |
| TOTAL STATE FUNDS RECOMMENDED | \$1,413,695,132 |

DEPARTMENT OF HUMAN RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

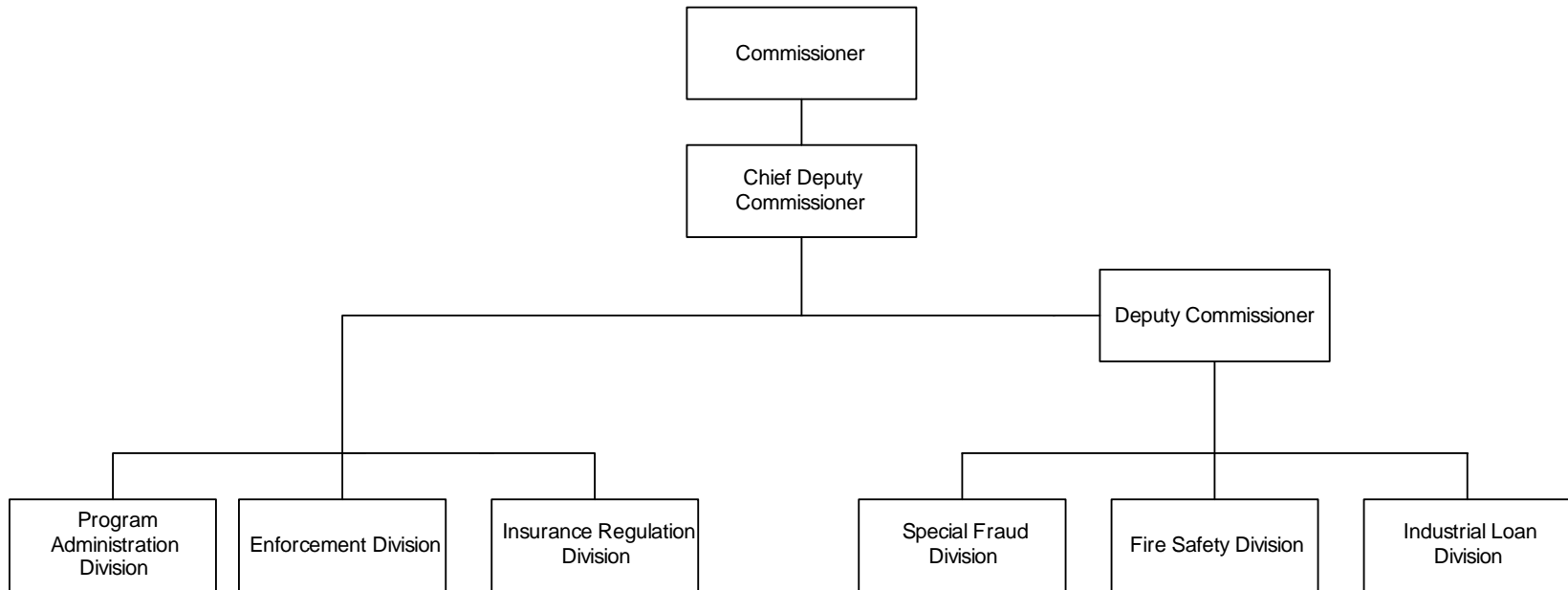
| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | | <u>Debt Service</u> |
|---|------------|------------------|--|------------------------|
| DEPARTMENT OF HUMAN RESOURCES | | | | |
| 1. Fund life safety and HVAC renovations at the Powell Building, Central State Hospital. | 20 | \$980,000 | | \$83,721 |
| 2. Fund facility electrical code compliance upgrades, Allen Building, Central State Hospital. | 20 | 3,005,000 | | 256,717 |
| 3. Replace air handlers in surgery area, Kidd Building, Central State Hospital. | 20 | 375,000 | | 32,036 |
| 4. Fund HVAC replacement, and plumbing and mechanical system replacement, Freeman Building, Central State Hospital. | 20 | 5,560,000 | | 474,990 |
| 5. Install building communication system in 5 buildings, water system upgrades, and completion of steam plant upgrades at Central State Hospital. | 20 | 2,775,000 | | 237,068 |
| 6. Fund facility roof replacement and boiler replacement, Savannah Regional Hospital. | 20 | 2,535,000 | | 216,565 |
| 7. Replace kitchen equipment, East Central Regional Hospital, and laundry equipment East Central Regional Hospital, Gracewood. | 5 | 725,000 | | 165,300 |
| 8. Fund roof replacement and flooring replacement, East Central Regional Hospital, Gracewood. | 20 | 3,290,000 | | 281,065 |
| 9. Renovate Building #15, construct small warehouse, and roof replacement, Atlanta Regional Hospital. | 20 | 2,580,000 | | 220,409 |
| 10. Replace laundry equipment, Northwest Regional Hospital. | 5 | 135,000 | | 30,780 |
| TOTAL | | \$21,960,000 | | \$1,998,651 |
| STATE FUNDS | | | | \$1,415,693,783 |

DEPARTMENT OF INSURANCE

ORGANIZATIONAL CHART



DEPARTMENT OF INSURANCE

Roles and Responsibilities:

The Department of Insurance is accountable for upholding state laws regulating insurance, small loans, fire safety, and manufactured housing. The department organizes its efforts in fulfilling these responsibilities around five divisions as follows.

INTERNAL ADMINISTRATION

The Internal Administration Division provides management, policy direction, and enforcement and administrative support for the department's programs which regulate companies and protect consumers in the areas of insurance, industrial loans, fire safety, manufactured housing, arson investigations, building inspections, and hazardous materials handling and storage. The division's activities include performing accounting, budgetary, personnel, and purchasing duties for all agency divisions. Additionally, the division oversees the establishment and implementation of department policies and procedures.

INSURANCE REGULATION

The Insurance Regulation Division is responsible for administering Georgia insurance laws and regulations.

Staff members process applications for insurance companies to conduct business in the state and insurance agent license applications. The division is also responsible for reviewing and approving insurance company life and health and property and casualty policy forms, and rates as well as regulating group self-insurance funds.

INDUSTRIAL LOAN REGULATION

The Industrial Loan Regulation Division administers the Georgia Industrial Loan Act by performing examinations of all accounts held by industrial loan companies (small loan companies making loans of \$3,000 or less) licensed to do business in Georgia and accounting for all fees and taxes payable by such companies. Additionally, division staff members process applications for new industrial loan company licenses and investigate consumer complaints.

FIRE SAFETY AND MANUFACTURED HOUSING REGULATION

The Fire Safety and Manufactured Housing Regulation Division administers and enforces compliance with state and federal laws regarding fire safety and manufactured housing. The division is charged with reviewing construction plans for

public buildings and manufactured houses and ensuring that the plans meet fire prevention and protection standards. In addition, division staff members process applications for licenses and permits to use/store hazardous or physically unstable substances and materials. The division is also responsible for investigating suspicious fires in the state.

SPECIAL INSURANCE FRAUD UNIT

The Special Insurance Fraud Unit investigates claims of insurance fraud, upon request. This unit was established through enactment of HB 616 by the 1995 General Assembly with the goal of reducing the occurrence of insurance fraud and the resulting financial burden it places on businesses and consumers.

AUTHORITY

State Constitution; Title 45-14 of the Official Code of Georgia Annotated.

DEPARTMENT OF INSURANCE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|-----------------------------|------------------------------------|-----------------------------------|----------------|------------|------------------|----------------------|------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| State General Funds | \$2,236,232 | \$2,203,831 | | | | \$92,105 | \$92,105 | \$2,295,936 |
| Total | 2,236,232 | 2,203,831 | | | | 92,105 | 92,105 | 2,295,936 |
| Enforcement | | | | | | | | |
| State General Funds | 782,482 | 767,482 | | | | 44,748 | 44,748 | 812,230 |
| Total | 782,482 | 767,482 | | | | 44,748 | 44,748 | 812,230 |
| Fire Safety | | | | | | | | |
| Federal Funds | 954,555 | 954,555 | | | | | | 954,555 |
| Other Funds | 81,945 | 81,945 | | | | 15,287 | 15,287 | 97,232 |
| State General Funds | 5,101,286 | 4,955,173 | | | | 179,558 | 179,558 | 5,134,731 |
| Total | 6,137,786 | 5,991,673 | | | | 194,845 | 194,845 | 6,186,518 |
| Industrial Loan | | | | | | | | |
| State General Funds | 703,827 | 688,827 | | | | 34,299 | 34,299 | 723,126 |
| Total | 703,827 | 688,827 | | | | 34,299 | 34,299 | 723,126 |
| Insurance Regulation | | | | | | | | |
| State General Funds | 5,651,036 | 5,396,059 | | | | 221,895 | 221,895 | 5,617,954 |
| Total | 5,651,036 | 5,396,059 | | | | 221,895 | 221,895 | 5,617,954 |
| Special Fraud | | | | | | | | |
| State General Funds | \$3,002,400 | \$2,803,036 | | | \$196,964 | \$102,764 | \$299,728 | \$3,102,764 |
| Total | 3,002,400 | 2,803,036 | | | 196,964 | 102,764 | 299,728 | 3,102,764 |
| TOTAL FUNDS | \$18,513,763 | \$17,850,908 | \$0 | \$0 | \$196,964 | \$690,656 | \$887,620 | \$18,738,528 |
| Less: | | | | | | | | |
| Federal Funds | \$954,555 | \$954,555 | | | | | | \$954,555 |
| Other Funds | 81,945 | 81,945 | | | | \$15,287 | \$15,287 | 97,232 |
| Subtotal | \$1,036,500 | \$1,036,500 | \$0 | \$0 | \$0 | \$15,287 | \$15,287 | \$1,051,787 |
| State General Funds | \$17,477,263 | \$16,814,408 | | | \$196,964 | \$675,369 | \$872,333 | \$17,686,741 |
| TOTAL STATE FUNDS | \$17,477,263 | \$16,814,408 | \$0 | \$0 | \$196,964 | \$675,369 | \$872,333 | \$17,686,741 |

DEPARTMENT OF INSURANCE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$15,977,613 | \$14,486,963 | \$14,628,910 | \$15,358,389 | \$717,684 | \$16,076,073 |
| Regular Operating Expenses | 703,982 | 707,228 | 673,483 | 703,982 | | 703,982 |
| Travel | 396,661 | 370,160 | 365,920 | 383,030 | 13,631 | 396,661 |
| Motor Vehicle Purchases | 80,176 | 51,422 | 77,207 | 80,176 | | 80,176 |
| Equipment | 35,000 | 33,170 | 37,353 | 35,000 | | 35,000 |
| Computer Charges | 304,426 | 225,409 | 238,103 | 304,426 | | 304,426 |
| Real Estate Rentals | 610,509 | 622,027 | 622,027 | 610,509 | 126,305 | 736,814 |
| Telecommunications | 289,354 | 257,691 | 243,164 | 289,354 | | 289,354 |
| Per Diem and Fees | 66,042 | 54,754 | 53,570 | 66,042 | | 66,042 |
| Contracts | 50,000 | | | 20,000 | 30,000 | 50,000 |
| TOTAL FUNDS | \$18,513,763 | \$16,808,824 | \$16,939,737 | \$17,850,908 | \$887,620 | \$18,738,528 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$954,555 | \$730,933 | \$980,761 | \$954,555 | | \$954,555 |
| Other Funds | 81,945 | 123,000 | 121,125 | 81,945 | \$15,287 | 97,232 |
| Subtotal | \$1,036,500 | \$853,933 | \$1,101,886 | \$1,036,500 | \$15,287 | \$1,051,787 |
| State General Funds | \$17,477,263 | \$15,954,891 | \$15,837,851 | \$16,814,408 | \$872,333 | \$17,686,741 |
| TOTAL STATE FUNDS | \$17,477,263 | \$15,954,891 | \$15,837,851 | \$16,814,408 | \$872,333 | \$17,686,741 |
| Positions | 310 | 324 | 310 | 310 | | 310 |
| Motor Vehicles | 51 | 51 | 51 | 51 | | 51 |

DEPARTMENT OF INSURANCE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|----------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$2,203,831 | | \$2,203,831 | \$2,295,936 | | \$2,295,936 |
| Enforcement | 767,482 | | 767,482 | 812,230 | | 812,230 |
| Fire Safety | 4,955,173 | \$1,036,500 | 5,991,673 | 5,134,731 | \$1,051,787 | 6,186,518 |
| Industrial Loan | 688,827 | | 688,827 | 723,126 | | 723,126 |
| Insurance Regulation | 5,396,059 | | 5,396,059 | 5,617,954 | | 5,617,954 |
| Special Fraud | 2,803,036 | | 2,803,036 | 3,102,764 | | 3,102,764 |
| TOTAL | \$16,814,408 | \$1,036,500 | \$17,850,908 | \$17,686,741 | \$1,051,787 | \$18,738,528 |

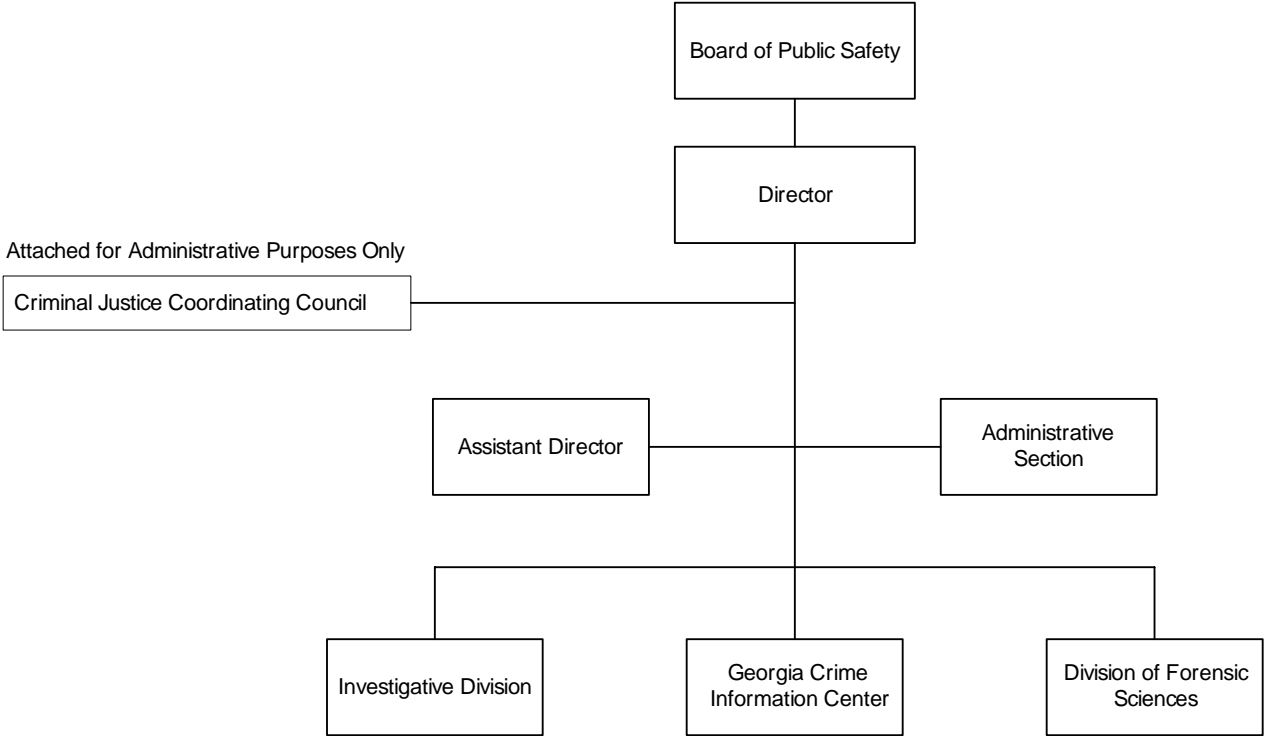
DEPARTMENT OF INSURANCE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|----------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$16,814,408 |
| Department of Insurance | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$129,603) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007(\$133,663). | \$263,266 |
| 2. Provide funds for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 126,305 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 15,869 |
| 4. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 269,929 |
| 5. Increase funding for the Special Fraud program. | 196,964 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$872,333 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$17,686,741 |

GEORGIA BUREAU OF INVESTIGATION

ORGANIZATIONAL CHART



GEORGIA BUREAU OF INVESTIGATION

Roles and Responsibilities:

The Georgia Bureau of Investigation (GBI) serves as the primary state-level investigative and enforcement agency in Georgia's fight against crime and corruption. Upon request, the GBI provides investigative and enforcement support services to local, state, and federal law enforcement agencies throughout Georgia. In addition to conducting general and specialized investigations, the GBI provides forensic laboratory examinations and collects data on crime and criminals. Numerous programs are operational and the latest technological advancements in crime fighting are in place to combat drug trafficking and other crimes.

The operations of the GBI include a staff of 815 employees. These employees are assigned to GBI Headquarters, 15 regional field offices, 3 regional drug enforcement offices and 7 regional crime laboratories through which the various support services are carried out.

GENERAL INVESTIGATION

The Investigative Division, under the direction of the Deputy Director for Investigations, is the largest division of the GBI. Operations are based out of regional offices, regional drug enforcement offices and other work units that provide specialized services in criminal investigations.

Special agents from the Investigative Division respond to requests for assistance from criminal justice officials to investigate major crimes such as: homicide, rape, child abuse, armed robbery, fraud, corruption, and other felonies. Investigations of crimes occurring on state property and drug investigations can be initiated without request.

The majority of the manpower resources of the investigative division are distributed among the 15 regional field offices and the 3 regional drug enforcement offices. The regional field offices conduct general investigations of all crimes. The regional drug enforcement offices investigate all levels of drug trafficking with an emphasis on major violators.

There are numerous specialized areas of operations:

- State Health Care Fraud Control Unit
- Financial Investigations Unit
- Intelligence Unit
- Multi-Jurisdictional Drug Task Forces
- Polygraph Unit
- Georgia Information Sharing and Analysis Center
- Special Operations Unit/Bomb Disposal Unit
- State Drug Task Force

FORENSIC SERVICES

The Division of Forensic Sciences operates the headquarters laboratory in Atlanta and seven regional laboratories in Savannah, Columbus, Augusta, Moultrie, Macon, Summerville and Cleveland. The laboratories examine submitted evidence, report scientific conclusions about that submitted evidence, and testify in court about results. These services must be timely and as up-to-date as possible to satisfy the needs of the courts and the police. The Headquarters Laboratory consists of the following programs:

- Implied Consent
- Criminalistics
- Photography
- DNA Database
- Toxicology

- Drug Identification
- Latent Prints
- Serology/DNA
- Firearms ID
- Questioned Documents
- Medical Examiner Services

GEORGIA CRIME INFORMATION CENTER

The role of the Georgia Crime Information Center (GCIC) includes the operation of a statewide Criminal Justice Information System (CJIS) Network, linking criminal justice agencies to automated state and national information databases. GCIC is responsible for auditing all Georgia criminal justice agencies that are part of the CJIS network. GCIC also operates and maintains the central repository of criminal records for the State of Georgia, utilizing an Automated Fingerprint Identification System and linking with local law enforcement agencies and courts for real time updates of information. GCIC collects and maintains statistical data describing the extent and nature of reported crime and participates in the national uniform crime reporting system operated by the Federal Bureau of Investigation. GCIC's newest services include the Georgia Sex Offender and Protective Order Registries.

AUTHORITY

Title 35 of the Official Code of Georgia Annotated.

GEORGIA BUREAU OF INVESTIGATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|------------|----------------|----------------------|------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Administration | | | | | | | | |
| Federal Funds | \$6,812 | \$6,812 | | | | | | \$6,812 |
| Other Funds | | | | | | \$1,434 | \$1,434 | 1,434 |
| State General Funds | 9,497,088 | 9,463,895 | | | | 170,182 | 170,182 | 9,634,077 |
| Total | 9,503,900 | 9,470,707 | | | | 171,616 | 171,616 | 9,642,323 |
| Centralized Scientific Services | | | | | | | | |
| Other Funds | | | | | | 3,601 | 3,601 | 3,601 |
| State General Funds | 13,585,946 | 12,160,701 | | | | 444,850 | 444,850 | 12,605,551 |
| Total | 13,585,946 | 12,160,701 | | | | 448,451 | 448,451 | 12,609,152 |
| Services | | | | | | | | |
| Other Funds | | | | | | 2,604 | 2,604 | 2,604 |
| State General Funds | 9,698,804 | 9,252,470 | | | \$184,250 | 321,914 | 506,164 | 9,758,634 |
| Total | 9,698,804 | 9,252,470 | | | 184,250 | 324,518 | 508,768 | 9,761,238 |
| GISAC | | | | | | | | |
| Other Funds | | | | | | 479 | 479 | 479 |
| State General Funds | 782,547 | 775,258 | | | | 42,916 | 42,916 | 818,174 |
| Total | 782,547 | 775,258 | | | | 43,395 | 43,395 | 818,653 |
| Regional Forensic Services | | | | | | | | |
| Other Funds | | | | | | 2,255 | 2,255 | 2,255 |
| State General Funds | 8,020,073 | 7,926,106 | | | | 289,560 | 289,560 | 8,215,666 |
| Total | 8,020,073 | 7,926,106 | | | | 291,815 | 291,815 | 8,217,921 |
| Regional Investigative Services | | | | | | | | |
| Other Funds | | | | | \$198,483 | 5,999 | 204,482 | 204,482 |
| State General Funds | 19,940,385 | 19,213,518 | | | (198,483) | 1,018,090 | 735,377 | 1,554,984 |
| Total | 19,940,385 | 19,213,518 | | | 0 | 1,018,090 | 741,376 | 1,759,466 |
| SHCFU | | | | | | | | |
| Other Funds | | | | | | 387 | 387 | 387 |

GEORGIA BUREAU OF INVESTIGATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|----------------|--------------------|--------------------|----------------------|--------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| State General Funds | 1,096,467 | 1,092,276 | | | | 31,845 | 31,845 | 1,124,121 |
| Total | 1,096,467 | 1,092,276 | | | | 32,232 | 32,232 | 1,124,508 |
| Special Operations Unit | | | | | | | | |
| Other Funds | | | | | | 200 | 200 | 200 |
| State General Funds | 680,067 | 673,951 | | | | 25,203 | 25,203 | 699,154 |
| Total | 680,067 | 673,951 | | | | 25,403 | 25,403 | 699,354 |
| Task Forces | | | | | | | | |
| Other Funds | | | | | | 376 | 376 | 376 |
| State General Funds | 7,092 | 1,033,347 | | (91,877) | | 42,207 | (49,670) | 983,677 |
| Total | 7,092 | 1,033,347 | | (91,877) | | 42,583 | (49,294) | 984,053 |
| <u>ATTACHED AGENCIES:</u> | | | | | | | | |
| Criminal Justice Coordinating Council | | | | | | | | |
| Federal Funds | 34,548,113 | 34,548,113 | | | | | | 34,548,113 |
| Other Funds | | | | | | 455 | 455 | 455 |
| State General Funds | 838,834 | 818,629 | | | 432,745 | 32,082 | 464,827 | 1,283,456 |
| Total | 35,386,947 | 35,366,742 | | | 432,745 | 32,537 | 465,282 | 35,832,024 |
| TOTAL FUNDS | \$98,702,228 | \$96,965,076 | \$0 | (\$91,877) | \$1,635,085 | \$2,153,926 | \$3,697,134 | \$100,662,210 |
| <u>Less:</u> | | | | | | | | |
| Federal Funds | \$34,554,925 | \$34,554,925 | | | | | | \$34,554,925 |
| Other Funds | | | | \$198,483 | | \$17,790 | \$216,273 | 216,273 |
| Subtotal | \$34,554,925 | \$34,554,925 | \$0 | \$198,483 | \$0 | \$17,790 | \$216,273 | \$34,771,198 |
| State General Funds | \$64,147,303 | \$62,410,151 | | (\$290,360) | \$1,635,085 | \$2,136,136 | \$3,480,861 | \$65,891,012 |
| TOTAL STATE FUNDS | \$64,147,303 | \$62,410,151 | \$0 | (\$290,360) | \$1,635,085 | \$2,136,136 | \$3,480,861 | \$65,891,012 |

GEORGIA BUREAU OF INVESTIGATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|----------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------------|-------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$47,992,602 | \$50,912,022 | \$49,957,443 | \$48,031,647 | \$2,896,339 | \$50,927,986 |
| Regular Operating Expenses | 5,885,331 | 9,583,119 | 9,683,996 | 5,899,136 | 70,575 | 5,969,711 |
| Travel | 386,550 | 598,953 | 609,504 | 380,550 | 7,500 | 388,050 |
| Motor Vehicle Purchases | 418,056 | 803,034 | 976,905 | 233,921 | 244,420 | 478,341 |
| Equipment | 198,636 | 1,685,061 | 1,694,536 | 198,636 | | 198,636 |
| Computer Charges | 3,377,531 | 1,240,534 | 1,191,739 | 3,193,104 | 300 | 3,193,404 |
| Real Estate Rentals | 520,412 | 1,437,173 | 1,385,904 | 518,412 | 4,000 | 522,412 |
| Telecommunications | 1,125,368 | 1,410,914 | 1,629,884 | 1,112,368 | 14,000 | 1,126,368 |
| Per Diem and Fees | 1,458,859 | 3,839,911 | 4,726,235 | 1,413,859 | 45,000 | 1,458,859 |
| Capital Outlay | 3,715,799 | | 28,836 | | | |
| Contracts | | 2,201,289 | 5,363,900 | 2,360,359 | 15,000 | 2,375,359 |
| Evidence Purchased | 288,667 | 887,983 | 682,080 | 288,667 | | 288,667 |
| Crime Victims Assistance Program | 4,000,000 | | 12,905,766 | 4,000,000 | | 4,000,000 |
| Criminal Justice Grants | 29,334,417 | | 32,897,502 | 29,334,417 | 400,000 | 29,734,417 |
| TOTAL FUNDS | \$98,702,228 | \$74,599,993 | \$123,734,229 | \$96,965,076 | \$3,697,134 | \$100,662,210 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$29,883,487 | \$14,747,634 | \$50,692,733 | \$29,883,487 | | \$29,883,487 |
| Other Funds | 4,671,438 | 342,893 | 12,445,615 | 4,671,438 | \$216,273 | 4,887,711 |
| Subtotal | \$34,554,925 | \$15,090,527 | \$63,138,348 | \$34,554,925 | \$216,273 | \$34,771,198 |
| State General Funds | \$64,147,303 | \$59,509,466 | \$60,595,881 | \$62,410,151 | \$3,480,861 | \$65,891,012 |
| TOTAL STATE FUNDS | \$64,147,303 | \$59,509,466 | \$60,595,881 | \$62,410,151 | \$3,480,861 | \$65,891,012 |
| Positions | 821 | 845 | 829 | 839 | (2) | 837 |
| Motor Vehicles | 530 | 540 | 537 | 540 | | 540 |

GEORGIA BUREAU OF INVESTIGATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---------------------------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$9,463,895 | \$6,812 | \$9,470,707 | \$9,634,077 | \$8,246 | \$9,642,323 |
| Centralized Scientific Services | 12,160,701 | | 12,160,701 | 12,605,551 | 3,601 | 12,609,152 |
| Criminal Justice Information Services | 9,252,470 | | 9,252,470 | 9,758,634 | 2,604 | 9,761,238 |
| GISAC | 775,258 | | 775,258 | 818,174 | 479 | 818,653 |
| Regional Forensic Services | 7,926,106 | | 7,926,106 | 8,215,666 | 2,255 | 8,217,921 |
| Regional Investigative Services | 19,213,518 | | 19,213,518 | 20,768,502 | 204,482 | 20,972,984 |
| SHCFU | 1,092,276 | | 1,092,276 | 1,124,121 | 387 | 1,124,508 |
| Special Operations Unit | 673,951 | | 673,951 | 699,154 | 200 | 699,354 |
| Task Forces | 1,033,347 | | 1,033,347 | 983,677 | 376 | 984,053 |
| Subtotal | \$61,591,522 | \$6,812 | \$61,598,334 | \$64,607,556 | \$222,630 | \$64,830,186 |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Criminal Justice Coordinating Council | \$818,629 | \$34,548,113 | \$35,366,742 | \$1,283,456 | \$34,548,568 | \$35,832,024 |
| TOTAL | \$62,410,151 | \$34,554,925 | \$96,965,076 | \$65,891,012 | \$34,771,198 | \$100,662,210 |

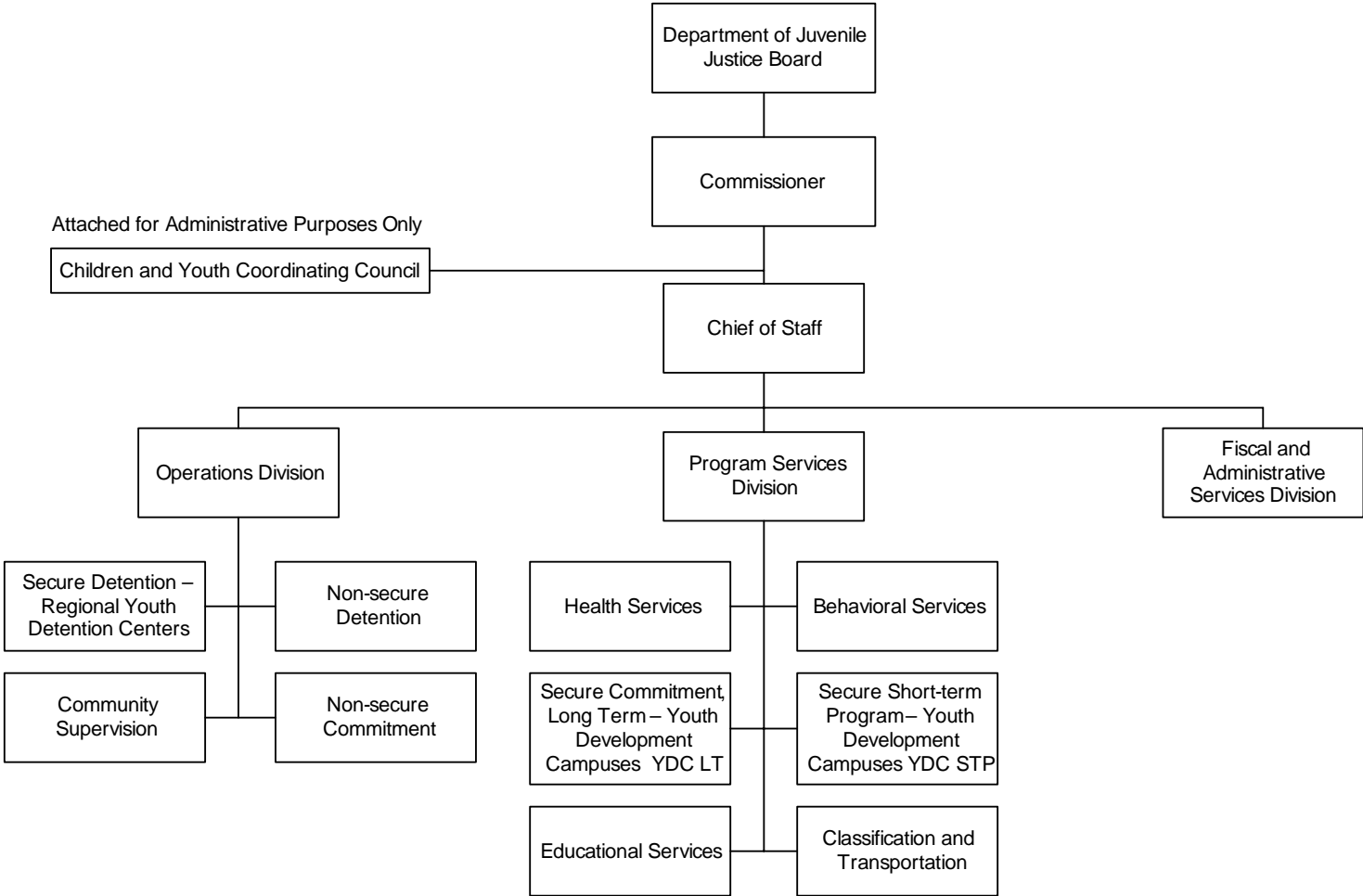
GEORGIA BUREAU OF INVESTIGATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$62,410,151 |
| Georgia Bureau of Investigation | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$485,116) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$642,104). | \$1,127,220 |
| 2. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 91,284 |
| 3. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 885,550 |
| 4. Realign budgeted funds to meet projected expenditures by programs. | Yes |
| 5. Eliminate the High-Intensity Drug Trafficking Area (HIDTA) program, including 2 positions, which duplicates existing local government efforts. | (91,877) |
| 6. Replace state funds for applicant polygraph testing in the Polygraph Unit with revenues generated from fee-for-service collections. | (198,483) |
| 7. Establish the Meth Force to investigate methamphetamine-related crimes by funding an agent school to fill 15 agent vacancies and associated operating expenses. | 1,018,090 |
| 8. Provide funds to maintain the Uniform Crime Reporting (UCR) Unit. | 184,250 |
| Subtotal | \$3,016,034 |
| <u>ATTACHED AGENCIES:</u> | |
| Criminal Justice Coordinating Council | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$3,833) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$4,500). | \$8,333 |
| 2. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 544 |
| 3. Increase funds to reflect an adjustment in the employershare of State Health Benefit Plan premiums from 14.20% to 16.713% (Other funds: \$455). | 23,205 |
| 4. Realign funds for purchases and expenditures for FY2007. | Yes |
| 5. Increase personal services and operating funds to leverage Federal grant money to be administered in the State. | 32,745 |
| 6. Establish a DUI Court grant program to reduce repeat drunk driving offenses. | 400,000 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$3,480,861 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$65,891,012 |

DEPARTMENT OF JUVENILE JUSTICE

ORGANIZATIONAL CHART



DEPARTMENT OF JUVENILE JUSTICE

Roles and Responsibilities:

The Department of Juvenile Justice (DJJ) was created by the General Assembly in its 1992 session. The department's role is twofold:

- Provide for the supervision, detention and rehabilitation of juvenile delinquents committed to the state's custody or supervision
- Provide necessary public safety services by appropriately separating youth offenders from the community

The department accomplishes its mission through the operation of its five programs: Community Non-Secure Services, Community Supervision, Secure Detention, Secure Commitment and Administration. DJJ provides its services to nearly 60,000 youth every year, and maintains a daily population of about 22,000. Youth who enter into the department's care include those sentenced to probation, short-term incarceration or committed to the state's custody as part of a long-term secure confinement plan.

Youth placed in the department's care receive a variety of rehabilitative services, as well as required educational programming. The department operates as a separate state school district, and has received full Southern Association of Colleges and Schools (SACS) accreditation for both its regular and vocational education components. Many therapeutic and counseling services are offered to these juvenile offenders as deterrents to future delinquent activity. One of the department's foremost principles is that of Balanced and Restorative Justice, a set of values that ask that the primary stakeholders in a crime be involved in repairing the harm caused and work to ensure that the community is a stronger place following the incident.

DJJ operates under the guidance of a 15-member board appointed by the Governor.

COMMUNITY NON-SECURE SERVICES AND COMMUNITY SUPERVISION

These programs house the services provided to youth offenders placed in community settings as a result of directives issued by the Juvenile Court system. A broad continuum of specific programs delivering supervisory and rehabilitative services are offered to these youth offenders, including residential therapeutic treatment, wilderness programs, group homes, multi-systemic therapy services, intensive supervision programs and electronic monitoring. Some 20,000 youth reside in community-based settings on any given day while in the department's care.

The Community Supervision program contains all employees responsible for administering those programs housed within the Community Non-Secure Services program. Over 850 of the department's 4,200 staff members are part of the Community Supervision program. Most of these are Juvenile Probation and Parole Specialists, whose primary task is to supervise and maintain continuous interaction with youths placed in their charge.

SECURE DETENTION

All of the state's 21 Regional Youth Detention Centers (RYDCs) are included in the Secure Detention program. RYDC facilities are designed to provide a secure placement for youth awaiting formal adjudication for an offense. Nearly 1,700 staff work in these facilities, located across the state and housing an average daily population of approximately 1,200 youth.

SECURE COMMITMENT

The state currently operates nine Youth Detention Campus (YDC) facilities, which house juvenile offenders committed to the state for a maximum of two years, and those youth sentenced to a short-term incarceration program for a maximum of 60 days. These facilities employ approximately 1,400 staff who provide services to an average daily population of nearly 1,000 youth.

Both RYDC and YDC facilities provide the youths housed therein with a variety of services, including academic, recreational, vocational, medical, counseling and other therapeutic programs.

ATTACHED AGENCY

The **Children and Youth Coordinating Council (CYCC)** is attached for administrative purposes to DJJ, and operates under the guidance of a five-member board. The Council's goal is to assist local communities in preventing juvenile delinquency through the provision of state and federal grants, technical assistance, training of service providers, and juvenile justice law projects.

CYCC currently funds over 200 Georgia programs totaling approximately \$11.5 million in five program areas: delinquency prevention and early intervention, underage drinking enforcement, the Juvenile Accountability Block Grant (JABG), Title V prevention and abstinence education.

AUTHORITY

Titles 15-11, 39-3, and 49-4A, Official Code of Georgia Annotated.

DEPARTMENT OF JUVENILE JUSTICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--------------------------------------|------------------------------------|-----------------------------------|------------------|--------------------|------------------|----------------------|------------------|------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| Other Funds | \$198,219 | \$198,219 | | | | | \$4,333 | \$4,333 | \$202,552 |
| State General Funds | 26,845,455 | 26,168,662 | \$177,557 | (\$300,000) | \$499,524 | | 680,706 | 1,057,787 | 27,226,449 |
| Total | 27,043,674 | 26,366,881 | 177,557 | (300,000) | 499,524 | | 685,039 | 1,062,120 | 27,429,001 |
| Community Non-Secure Services | | | | | | | | | |
| Other Funds | 10,002,619 | 10,002,619 | | | | | 520 | 520 | 10,003,139 |
| State General Funds | 47,711,838 | 47,552,864 | (468,733) | (1,792,309) | 1,719,366 | | 46,380 | (495,296) | 47,057,568 |
| Total | 57,714,457 | 57,555,483 | (468,733) | (1,792,309) | 1,719,366 | | 46,900 | (494,776) | 57,060,707 |
| Community Supervision | | | | | | | | | |
| Other Funds | 4,347,003 | 4,347,003 | | | | | 7,898 | 7,898 | 4,354,901 |
| State General Funds | 41,575,552 | 36,202,265 | | (74,514) | 4,520,999 | | 1,280,615 | 5,727,100 | 41,929,365 |
| Total | 45,922,555 | 40,549,268 | | (74,514) | 4,520,999 | | 1,288,513 | 5,734,998 | 46,284,266 |
| Secure Commitment | | | | | | | | | |
| Federal Funds | 1,032,056 | 1,032,056 | | | | | | | 1,032,056 |
| Other Funds | 2,319,170 | 2,319,170 | | | | | 15,470 | 15,470 | 2,334,640 |
| State General Funds | 83,394,123 | 83,766,215 | (299,960) | (144,396) | | | 2,572,295 | 2,127,939 | 85,894,154 |
| Total | 86,745,349 | 87,117,441 | (299,960) | (144,396) | | | 2,587,765 | 2,143,409 | 89,260,850 |
| Secure Detention | | | | | | | | | |
| Other Funds | 1,503,960 | 1,503,960 | | | | | 20,741 | 20,741 | 1,524,701 |
| State General Funds | 91,329,711 | 89,536,547 | 591,136 | (278,525) | | | 3,205,229 | 3,517,840 | 93,054,387 |
| Total | 92,833,671 | 91,040,507 | 591,136 | (278,525) | | | 3,225,970 | 3,538,581 | 94,579,088 |

DEPARTMENT OF JUVENILE JUSTICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|----------------------|--------------------|----------------------|---------------------|----------------------|------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| ATTACHED AGENCIES: | | | | | | | | | |
| Children and Youth Coordinating Council | | | | | | | | | |
| Federal Funds | 1,861,000 | 1,861,000 | | | | | 77 | 77 | 1,861,000 |
| Other Funds | | | | | | | 77 | 77 | 77 |
| State General Funds | 1,314,904 | 1,337,914 | | | | | 12,956 | 12,956 | 1,350,870 |
| Total | 3,175,904 | 3,198,914 | | | | | 13,033 | 13,033 | 3,211,947 |
| TOTAL FUNDS | \$313,435,610 | \$305,828,494 | \$0 | (\$2,589,744) | \$6,739,889 | \$7,847,220 | \$11,997,365 | \$317,825,859 | |
| Less: | | | | | | | | | |
| Federal Funds | \$2,893,056 | \$2,893,056 | | | | | | | \$2,893,056 |
| Other Funds | 18,370,971 | 18,370,971 | \$0 | \$0 | \$0 | \$49,039 | \$49,039 | 18,420,010 | |
| Subtotal | \$21,264,027 | \$21,264,027 | \$0 | \$0 | \$0 | \$49,039 | \$49,039 | \$21,313,066 | |
| State General Funds | \$292,171,583 | \$284,564,467 | | (\$2,589,744) | \$6,739,889 | \$7,798,181 | \$11,948,326 | \$296,512,793 | |
| TOTAL STATE FUNDS | \$292,171,583 | \$284,564,467 | \$0 | (\$2,589,744) | \$6,739,889 | \$7,798,181 | \$11,948,326 | \$296,512,793 | |

DEPARTMENT OF JUVENILE JUSTICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2006 Current Budget | FY 2007 Governor's Recommendation | |
|---|------------------------------------|-------------------------|-------------------------|---------------------------|-----------------------------------|----------------------|
| | | | | | Changes | Total |
| Personal Services | \$6,300,296 | \$161,968,787 | \$171,832,176 | \$184,468,630 | \$13,531,276 | \$197,999,906 |
| Regular Operating Expenses | 498,837 | 16,847,507 | 17,956,332 | 15,216,554 | 230,497 | 15,447,051 |
| Travel | 45,015 | 1,998,653 | 2,112,533 | 2,011,189 | 145,500 | 2,156,689 |
| Motor Vehicle Purchases | | 213,015 | 295,410 | 348,077 | | 348,077 |
| Equipment | 97,000 | 603,359 | 899,187 | 808,353 | 97,000 | 905,353 |
| Computer Charges | 145,500 | 4,070,128 | 3,985,654 | 4,239,122 | 145,500 | 4,384,622 |
| Real Estate Rentals | 320,100 | 4,203,109 | 4,158,825 | 4,083,629 | 320,100 | 4,403,729 |
| Telecommunications | 104,654 | 2,296,548 | 2,335,373 | 2,413,807 | 106,700 | 2,520,507 |
| Per Diem and Fees | 847,962 | 4,993,262 | 6,060,039 | 4,930,630 | (100,000) | 4,830,630 |
| Contracts | (2,707,566) | 6,419,614 | 4,937,339 | 4,343,911 | (2,688,066) | 1,655,845 |
| Capital Outlay | | 407,554 | | | | |
| Service Benefits for Children | 1,264,385 | 88,201,893 | 74,276,290 | 75,896,268 | (59,175) | 75,837,093 |
| Children and Youth Grants | | 189,182 | 200,000 | | | |
| Juvenile Justice Grants | | 7,105,866 | 5,471,121 | | | |
| Institutional Repairs and Maintenance | 255,000 | 359,986 | 382,574 | 382,600 | 255,000 | 637,600 |
| Utilities | 458,943 | 4,248,602 | 3,697,709 | 3,486,810 | | 3,486,810 |
| TOTAL FUNDS | \$7,630,126 | \$304,127,065 | \$298,600,563 | \$302,629,580 | \$11,984,332 | \$314,613,912 |
| <u>Less:</u> | | | | | | |
| Federal Funds | | \$24,018,145 | \$12,601,367 | \$1,032,056 | | \$1,032,056 |
| Other Funds | | 9,762,581 | 638,005 | 18,370,971 | \$48,962 | 18,419,933 |
| Subtotal | \$0 | \$33,780,726 | \$13,239,371 | \$19,403,027 | \$48,962 | \$19,451,989 |
| State General Funds | \$7,630,126 | \$270,635,317 | \$285,361,192 | \$283,226,553 | \$11,935,370 | \$295,161,923 |
| TOTAL STATE FUNDS (Excludes attached agency) | \$7,630,126 | \$270,635,317 | \$285,361,192 | \$283,226,553 | \$11,935,370 | \$295,161,923 |
| Positions | 131 | 4,356 | 4,293 | 4,239 | 165 | 4,404 |
| Motor Vehicles | 2 | 272 | 276 | 276 | | 276 |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Children and Youth Coordinating Council | (\$23,010) | \$11,486,918 | \$13,791,224 | \$3,198,914 | \$13,033 | \$3,211,947 |

DEPARTMENT OF JUVENILE JUSTICE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|-----------------------------|----------------------------|-----------------------------|------------------------------------|----------------------------|-----------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$26,168,662 | \$198,219 | \$26,366,881 | \$27,226,449 | \$202,552 | \$27,429,001 |
| Community Non-Secure Services | 47,552,864 | 10,002,619 | 57,555,483 | 47,057,568 | 10,003,139 | 57,060,707 |
| Community Supervision | 36,202,265 | 4,347,003 | 40,549,268 | 41,929,365 | 4,354,901 | 46,284,266 |
| Secure Commitment | 83,766,215 | 3,351,226 | 87,117,441 | 85,894,154 | 3,366,696 | 89,260,850 |
| Secure Detention | 89,536,547 | 1,503,960 | 91,040,507 | 93,054,387 | 1,524,701 | 94,579,088 |
| Subtotal | <u>\$283,226,553</u> | <u>\$19,403,027</u> | <u>\$302,629,580</u> | <u>\$295,161,923</u> | <u>\$19,451,989</u> | <u>\$314,613,912</u> |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Children and Youth Coordinating Council | \$1,337,914 | \$1,861,000 | \$3,198,914 | \$1,350,870 | \$1,861,077 | \$3,211,947 |
| TOTAL FUNDS | <u>\$284,564,467</u> | <u>\$21,264,027</u> | <u>\$305,828,494</u> | <u>\$296,512,793</u> | <u>\$21,313,066</u> | <u>\$317,825,859</u> |

DEPARTMENT OF JUVENILE JUSTICE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$284,564,467 |
| Department of Juvenile Justice | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$1,912,078) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$2,215,657). | \$4,127,735 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.71%. | 3,193,581 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 463,909 |
| 4. Transfer funds from Secure Commitment (\$241,949) to Secure Detention (\$241,949) and add 56 positions to perform all facility maintenance services in house rather than by contract. | Yes |
| 5. Transfer contract inflation adjustment and other funds from Community Non-Secure Services (\$468,733) and Secure Commitment (\$58,011) to Administration (\$177,557) and Secure Detention (\$349,187) to reflect actual program expenditures. | Yes |
| 6. Reduce 15 Short-Term Intermediate Intervention Program beds by utilizing existing capacity at the Augusta YDC facility and reducing contract costs. | (1,314,000) |
| 7. Reduce the costs of part-time positions, excluding mission critical positions in medical, education and behavioral health. | (511,203) |
| 8. Reduce Administration program costs to realize efficiencies in per diem and fees (\$100,000) and personal services (\$200,000). | (300,000) |
| 9. Reflect savings in contract costs due to the closure of beds at the Department of Human Resource's West Central Regional Hospital (\$307,541) and Northwest Regional Hospital (\$157,000). | (464,541) |
| 10. Add 67 Juvenile Probation and Parole Specialist positions to improve community-based services and reduced caseloads. | 3,214,336 |
| 11. Expand the Intensive Supervision Program by providing 30 additional staff to offer increased monitoring and rehabilitative services to youth placed in community settings. | 1,306,663 |
| 12. Increase Multi-Systemic Therapy services by providing 30 additional slots, serving an additional 120 youth. | 582,212 |
| 13. Provide additional Wrap-Around program services to reduce out of home placements and provide stabilization services following placement in a community setting. | 400,000 |
| 14. Provide funding for additional contract staff in the Tracking program to allow for statewide monitoring of youth in community settings. | 737,154 |
| 15. Add 12 Facility-Based Investigations staff to satisfy timeliness requirements for incident investigations. | 499,524 |
| 16. Convert 16 part-time medical clerk positions to 16 full-time staff to improve medical records maintenance. | Yes |
| 17. Convert 11 part-time dental positions to 4 full-time dentists, 5 full-time dental assistants and 2 full-time hygienists to satisfy current need for dental services. | Yes |
| 18. Provide additional funds for utilities (\$315,539) and other supplies and materials (\$373,022) to cover the costs of inflation and projected shortfalls. | Yes |
| Subtotal | \$11,935,370 |

DEPARTMENT OF JUVENILE JUSTICE

BUDGET SUMMARY - FISCAL YEAR 2007

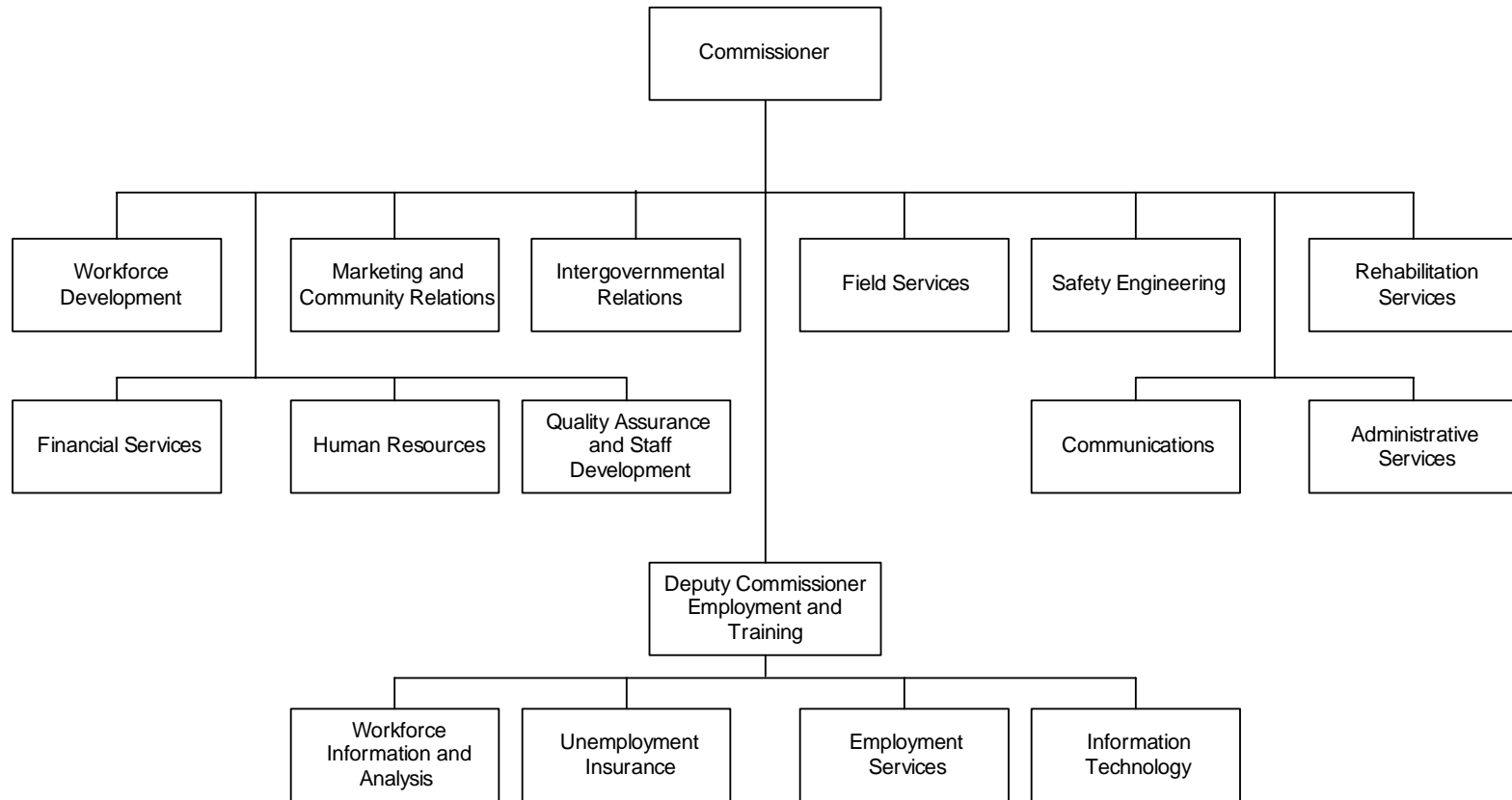
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------|
| ATTACHED AGENCIES: | |
| Children and Youth Coordinating Council | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$3,748) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$3,474). | \$7,222 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.71%. | 5,007 |
| 3. Increase funds to reflect an adjustment in the workers' compensation premiums. | 727 |
| Subtotal | \$12,956 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$11,948,326 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$296,512,793 |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|----------------------|
| Department of Juvenile Justice | | | |
| 1. Major repairs at various facilities statewide. | 5 | \$5,270,000 | \$1,201,560 |
| 2. Minor construction and renovations at various facilities statewide. | 5 | 5,485,000 | 1,250,580 |
| TOTAL | | \$10,755,000 | \$2,452,140 |
| STATE GENERAL FUNDS | | | \$298,964,933 |

DEPARTMENT OF LABOR

ORGANIZATIONAL CHART



DEPARTMENT OF LABOR

Roles and Responsibilities:

The Department of Labor is empowered to administer federal labor programs and to enforce various state laws pertaining to labor, with an overall mission to promote the economic well-being of the state. The department's core businesses include:

ECONOMIC STABILITY

The department reduces the adverse impact of unemployment by providing monetary payments to eligible individuals for a limited period and by assisting employers in minimizing their unemployment insurance tax liability.

Disability Adjudication Services determines eligibility for Supplemental Security Income and Social Security Disability Income benefits to ensure that individuals who are no longer eligible to receive these services discontinue receiving benefits.

The department also administers Georgia laws regulating the employment of children.

EMPLOYMENT, EMPLOYABILITY AND TRAINING ASSISTANCE

In a joint partnership with businesses and other community leaders, the department provides job training to economically disadvantaged individuals, non-traditional employees and dislocated workers to increase employment opportunities and improve the quality of the labor force in Georgia. The one-stop system delivers these comprehensive workforce development services to customers. For employers, the department provides "no cost" labor exchange services that include the

maintenance of interstate and intrastate job banks, employment screening, on the job training programs, and tax credits through the Worker Opportunities Tax Credit Act.

One of the department's primary responsibilities is the administration of the public employment service in the state through a statewide network of 53 offices. The department provides an array of services, including: the referral of qualified applicants to employers; counseling and other services to help evaluate workers' job skills and better prepare them for available jobs; and the referral to services provided by other agencies in the community, such as job training, adult education, vocational rehabilitation, veterans' programs, medical care, and supportive services.

The Division of Rehabilitation Services provides opportunities for work and personal independence for Georgians with disabilities. In pursuit of this goal, the division administers several programs: the Business Enterprise Program, which assists severely visually impaired individuals in becoming private vendors; Georgia Industries for the Blind, which provides employment for severely visually impaired and disabled individuals; Vocational Rehabilitation, which assists people with disabilities to go to work; and Roosevelt Warm Springs Institute for Rehabilitation.

Additionally, the department serves at-risk youth through its Jobs for Georgia Graduates program, which offers career exploration, leadership skill development and mentoring services to assist high school students in completing their secondary education and to prepare them for higher education, military service or employment.

Compiling and disseminating labor market information is another responsibility of the department. Available information includes data on employment, worker availability, wages and historic projected trends. Several of the statistical series published by the department, such as Georgia Labor Market Trends and Area Labor Profiles, serve as key indicators of the state's economic health.

ROOSEVELT WARM SPRINGS INSTITUTE

The institute, also a part of the Division of Rehabilitation Services, is a statewide comprehensive rehabilitation facility serving people with severe disabilities. The goal of the institute is to increase the self-sufficiency of people with disabilities so they can better manage their disabilities, live independently and maintain employment.

WORKPLACE SAFETY

The department has regulatory responsibility for equipment such as elevators, escalators, safety glass, amusement and carnival rides, high voltage apparatus, boilers and pressure vessels.

AUTHORITY

Titles 8, 30-2, 34, 39 and 46 of the Official Code of Georgia Annotated. The U.S. Vocational Rehabilitation Act of 1973, as amended; Georgia Rehabilitation Act. Public Laws 93-112, 93-516, 94-230, 95-602, 98-221, 99-506, 100-230 and the Social Security Act, as amended.

DEPARTMENT OF LABOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|--------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Administration - A | | | | | | | | |
| Federal Funds | \$10,859,309 | \$10,859,309 | | | | | | \$10,859,309 |
| State General Funds | 3,232,933 | 3,236,310 | | (\$14,035) | | \$57,420 | \$43,385 | 3,279,695 |
| Total | 14,092,242 | 14,095,619 | | (14,035) | | 57,420 | 43,385 | 14,139,004 |
| Administration - B | | | | | | | | |
| Federal Funds | 1,481,868 | 1,481,868 | | | | | | 1,481,868 |
| State General Funds | 2,153,433 | 2,167,612 | | (19,084) | | 25,667 | 6,583 | 2,174,195 |
| Total | 3,635,301 | 3,649,480 | | (19,084) | | 25,667 | 6,583 | 3,656,063 |
| Business Enterprise Program | | | | | | | | |
| Federal Funds | 1,316,085 | 1,316,085 | | | | | | 1,316,085 |
| State General Funds | 416,935 | 339,720 | | | \$76,000 | 4,582 | 80,582 | 420,302 |
| Total | 1,733,020 | 1,655,805 | | | 76,000 | 4,582 | 80,582 | 1,736,387 |
| Commission on Women | | | | | | | | |
| State General Funds | 93,172 | 93,172 | | | | | | 93,172 |
| Total | 93,172 | 93,172 | | | | | | 93,172 |
| Disability Adjudication Section | | | | | | | | |
| Federal Funds | 55,598,820 | 55,598,820 | | | | | | 55,598,820 |
| Total | 55,598,820 | 55,598,820 | | | | | | 55,598,820 |
| Georgia Industries for the Blind | | | | | | | | |
| Other Funds | 11,099,375 | 11,099,375 | | | | | | 11,099,375 |
| State General Funds | 697,065 | 692,348 | | | | 17,786 | 17,786 | 710,134 |
| Total | 11,796,440 | 11,791,723 | | | | 17,786 | 17,786 | 11,809,509 |
| Labor Market Information | | | | | | | | |
| Federal Funds | 2,249,873 | 2,249,873 | | | | | | 2,249,873 |
| State General Funds | 861,374 | 671,271 | | | | 11,082 | 11,082 | 682,353 |
| Total | 3,111,247 | 2,921,144 | | | | 11,082 | 11,082 | 2,932,226 |

DEPARTMENT OF LABOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|------------------|--------------|----------------------|------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Roosevelt Warm Springs Institute | | | | | | | | |
| Federal Funds | 6,233,170 | 6,233,170 | | | | | | 6,233,170 |
| Other Funds | 18,434,320 | 18,434,320 | | | | | | 18,434,320 |
| State General Funds | 7,034,048 | 6,662,908 | | (297,829) | | 119,795 | (178,034) | 6,484,874 |
| Total | 31,701,538 | 31,330,398 | | (297,829) | | 119,795 | (178,034) | 31,152,364 |
| Safety Inspections | | | | | | | | |
| Federal Funds | 168,552 | 168,552 | | | | | | 168,552 |
| State General Funds | 2,859,275 | 2,664,002 | | | | 37,777 | 37,777 | 2,701,779 |
| Total | 3,027,827 | 2,832,554 | | | | 37,777 | 37,777 | 2,870,331 |
| Unemployment Insurance | | | | | | | | |
| Federal Funds | 36,610,816 | 36,610,816 | | | | | | 36,610,816 |
| State General Funds | 12,777,107 | 10,056,056 | | | | 156,797 | 156,797 | 10,212,853 |
| Total | 49,387,923 | 46,666,872 | | | | 156,797 | 156,797 | 46,823,669 |
| Vocational Rehabilitation | | | | | | | | |
| Federal Funds | 66,344,924 | 66,344,924 | | | | | | 66,344,924 |
| Other Funds | 3,306,216 | 3,306,216 | | | | | | 3,306,216 |
| State General Funds | 17,615,316 | 16,784,521 | | (83,210) | | 179,157 | 95,947 | 16,880,468 |
| Total | 87,266,456 | 86,435,661 | | (83,210) | | 179,157 | 95,947 | 86,531,608 |

DEPARTMENT OF LABOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|------------------------------|------------------------------------|-----------------------------------|----------------|--------------------|-----------------|----------------------|------------------|----------------------|---------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Workforce Development | | | | | | | | | |
| Federal Funds | 80,214,178 | 80,214,178 | | | | | | | 80,214,178 |
| Other Funds | 10,401,217 | 10,401,217 | | | | | | | 10,401,217 |
| State General Funds | 11,680,033 | 7,642,713 | | | | 111,158 | 111,158 | 7,753,871 | |
| Total | 102,295,428 | 98,258,108 | | | | 111,158 | 111,158 | 98,369,266 | |
| TOTAL FUNDS | \$363,739,414 | \$355,329,356 | \$0 | (\$414,158) | \$76,000 | \$721,221 | \$383,063 | \$355,712,419 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$261,077,595 | \$261,077,595 | | | | | | | \$261,077,595 |
| Other Funds | 43,241,128 | 43,241,128 | | | | | | 43,241,128 | |
| Subtotal | \$304,318,723 | \$304,318,723 | \$0 | \$0 | \$0 | \$0 | \$0 | \$304,318,723 | |
| State General Funds | \$59,420,691 | \$51,010,633 | | (\$414,158) | \$76,000 | \$721,221 | \$383,063 | \$51,393,696 | |
| TOTAL STATE FUNDS | \$59,420,691 | \$51,010,633 | \$0 | (\$414,158) | \$76,000 | \$721,221 | \$383,063 | \$51,393,696 | |

DEPARTMENT OF LABOR

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$189,152,541 | \$189,064,738 | \$186,649,862 | \$181,216,320 | \$783,186 | \$181,999,506 |
| Regular Operating Expenses | 23,166,299 | 29,888,832 | 30,007,391 | 23,002,299 | | 23,002,299 |
| Travel | 3,529,275 | 3,313,523 | 3,710,247 | 3,529,275 | | 3,529,275 |
| Motor Vehicle Purchases | 93,953 | 56,867 | 34,156 | 93,953 | | 93,953 |
| Equipment | 1,658,028 | 4,460,984 | 3,556,194 | 1,658,028 | | 1,658,028 |
| Computer Charges | 4,889,207 | 8,274,741 | 8,938,311 | 4,889,207 | | 4,889,207 |
| Real Estate Rentals | 9,239,241 | 9,668,830 | 11,660,805 | 9,239,241 | | 9,239,241 |
| Telecommunications | 5,106,765 | 4,686,324 | 8,044,749 | 5,106,765 | | 5,106,765 |
| Per Diem and Fees | 10,071,668 | 8,707,590 | 9,029,565 | 10,071,668 | | 10,071,668 |
| Contracts | 5,163,034 | 28,656,657 | 19,560,357 | 5,176,794 | (297,829) | 4,878,965 |
| Capital Outlay | 350,000 | 1,478,116 | 789,048 | 350,000 | | 350,000 |
| Special Purpose Contracts | 1,126,104 | 1,286,142 | 1,521,364 | 1,145,188 | (19,084) | 1,126,104 |
| Purchase of Service Contracts | 12,782,239 | 13,549,704 | 12,986,814 | 12,758,949 | (83,210) | 12,675,739 |
| Payments to State Treasury | 1,287,478 | | 1,287,478 | 1,287,478 | | 1,287,478 |
| Case Services | 41,623,582 | 45,603,086 | 38,590,180 | 41,304,191 | | 41,304,191 |
| WIA Contracts | 54,500,000 | 73,984,563 | 72,276,624 | 54,500,000 | | 54,500,000 |
| TOTAL FUNDS | \$363,739,414 | \$422,680,697 | \$408,643,145 | \$355,329,356 | \$383,063 | \$355,712,419 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$261,077,595 | \$313,369,272 | \$300,788,294 | \$261,077,595 | | 261,077,595 |
| Other Funds | 43,241,128 | 56,480,304 | 59,375,027 | 43,241,128 | | 43,241,128 |
| Indirect DOAS Funding | | 150,000 | 150,000 | | | |
| Subtotal | \$304,318,723 | \$369,999,576 | \$360,313,321 | \$304,318,723 | \$0 | \$304,318,723 |
| State General Funds | \$59,420,691 | \$52,681,121 | \$48,329,824 | \$51,010,633 | \$383,063 | \$51,393,696 |
| TOTAL STATE FUNDS | \$59,420,691 | \$52,681,121 | \$48,329,824 | \$51,010,633 | \$383,063 | \$51,393,696 |
| Positions | 3,893 | 3,882 | 3,882 | 3,887 | 2 | 3,889 |
| Motor Vehicles | 84 | 84 | 84 | 84 | | 84 |

DEPARTMENT OF LABOR

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-----------------------------------|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration - A | \$3,236,310 | \$10,859,309 | \$14,095,619 | \$3,279,695 | \$10,859,309 | \$14,139,004 |
| Administration - B | 2,167,612 | 1,481,868 | 3,649,480 | 2,174,195 | 1,481,868 | 3,656,063 |
| Business Enterprise Program | 339,720 | 1,316,085 | 1,655,805 | 420,302 | 1,316,085 | 1,736,387 |
| Commission on Women | 93,172 | | 93,172 | 93,172 | | 93,172 |
| Disability Adjudication Section | | 55,598,820 | 55,598,820 | | 55,598,820 | 55,598,820 |
| Georgia Industries for the Blind | 692,348 | 11,099,375 | 11,791,723 | 710,134 | 11,099,375 | 11,809,509 |
| Labor Market Information | 671,271 | 2,249,873 | 2,921,144 | 682,353 | 2,249,873 | 2,932,226 |
| Roosevelt Warm Springs Institute | 6,662,908 | 24,667,490 | 31,330,398 | 6,484,874 | 24,667,490 | 31,152,364 |
| Safety Inspections | 2,664,002 | 168,552 | 2,832,554 | 2,701,779 | 168,552 | 2,870,331 |
| Unemployment Insurance | 10,056,056 | 36,610,816 | 46,666,872 | 10,212,853 | 36,610,816 | 46,823,669 |
| Vocational Rehabilitation Program | 16,784,521 | 69,651,140 | 86,435,661 | 16,880,468 | 69,651,140 | 86,531,608 |
| Workforce Development | 7,642,713 | 90,615,395 | 98,258,108 | 7,753,871 | 90,615,395 | 98,369,266 |
| TOTAL FUNDS | \$51,010,633 | \$304,318,723 | \$355,329,356 | \$51,393,696 | \$304,318,723 | \$355,712,419 |

DEPARTMENT OF LABOR

BUDGET SUMMARY - FISCAL YEAR 2007

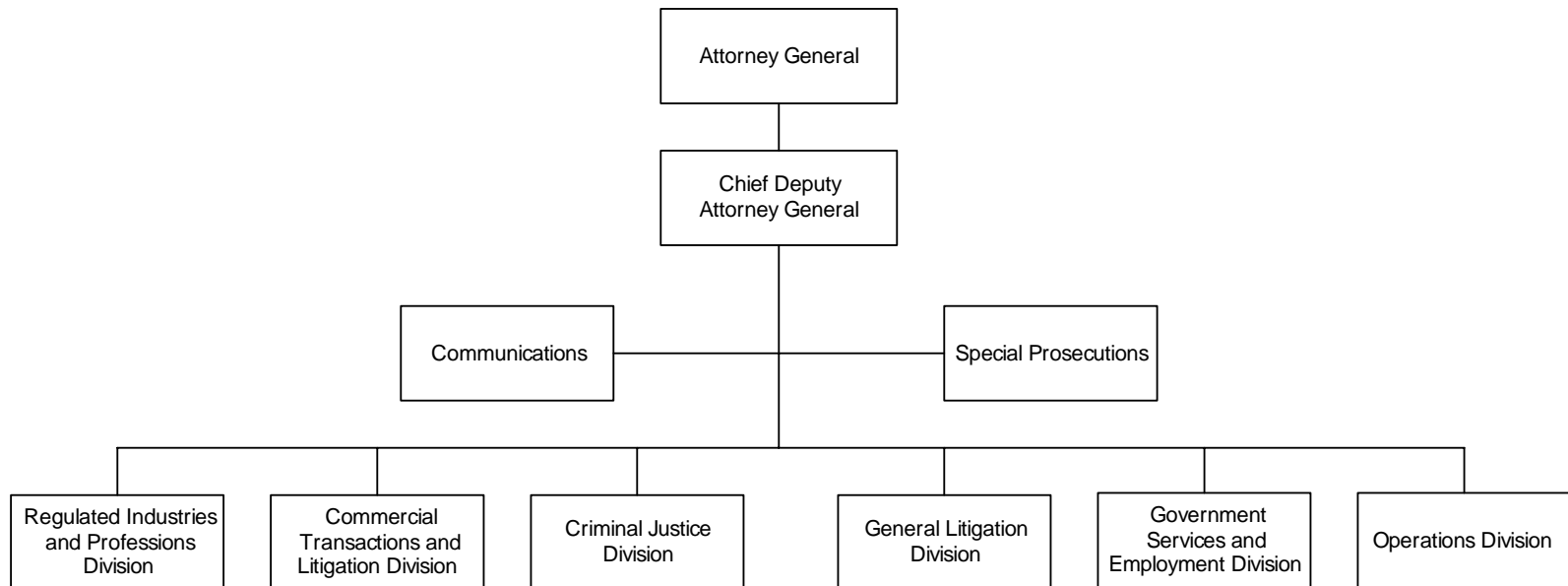
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$51,010,633 |
| Department of Labor | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$122,714) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$163,213). | \$285,927 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 229,296 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 205,998 |
| 4. Reduce personal services in the Labor Administration program. | (14,035) |
| 5. Reduce contracts (\$297,829), Special Purpose Contracts (\$19,084) and Purchase of Service contracts (\$83,210) by 2% within the Rehabilitation Services division. | (116,054) |
| 6. Transfer the American Association of Adapted Sports Programs contract to the Department of Human Resources. | (284,069) |
| 7. Provide 2 positions and funding for the Business Enterprise Program. | 76,000 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$383,063 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$51,393,696 |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|--------------------|---------------------|
| Department of Labor | | | |
| 1. Provide funds for roof replacement of 5 buildings at Roosevelt Warm Springs Institute. | 5 | \$1,070,000 | \$243,960 |
| 2. Provide funds for sprinkler and fire alarm system improvement program at various facilities statewide. | 5 | 1,400,000 | 319,200 |
| TOTAL | | \$2,470,000 | \$563,160 |
| STATE GENERAL FUNDS | | | \$51,956,856 |

DEPARTMENT OF LAW

ORGANIZATIONAL CHART



DEPARTMENT OF LAW

Roles and Responsibilities:

The Department of Law, headed by the Attorney General, provides legal representation and advice to the departments, officials, and employees of the executive branch of state government. The Attorney General is a constitutional officer elected to a four-year term in the same general election as the Governor.

The Department of Law represents the state in any civil and criminal case to which the state is a party, in all capital felony actions before the Georgia Supreme Court, and in all actions before the Supreme Court of the United States.

As the chief legal officer of the state and the legal advisor to the executive branch of state government, it is the duty of the Attorney General to provide opinions on

any question of law involving the interests of the state or duties of any department. It is also the responsibility of the Attorney General to prepare and review contracts and other legal documents in which the state is interested and to draft proposed legislation or rules and regulations for state departments.

When directed by the Governor, the Attorney General, as head of the Department of Law and chief legal officer of the state, is authorized to institute and conduct investigations at any time into the affairs of the state and its departments and agencies or the official conduct of any state official or employee, as well as the affairs of any person, firm, or corporation for violations in their dealings with the state. The Attorney General is also vested with complete and exclusive authority and jurisdiction in all matters of law relating to state authorities.

ATTORNEY GENERAL DIVISION

The Department of Law is organized into five legal divisions and an operations division, all of which are headed by the Attorney General. The specialized legal divisions – Regulated Industries and Professions, Commercial Transactions and Litigation, Criminal Justice, General Litigation, and Government Services – provide a full range of legal services to state departments, agencies, authorities, boards, bureaus, commissions, and institutions. These Executive Branch entities reimburse the department for the litigation expenses incurred, such as court costs, witness fees, filing costs, and reporting costs. In addition, the Special Prosecutions Unit carries out the prosecutorial functions vested in the Department of Law.

AUTHORITY

Title 35 of the Official Code of Georgia Annotated.

DEPARTMENT OF LAW

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--------------------------|------------------------------------|-----------------------------------|----------------|------------------|-----------------|----------------------|--------------------|---------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Law | | | | | | | | | |
| Other Funds | \$32,445,588 | \$21,801,423 | | (\$5,835) | | \$30,652 | \$24,817 | \$21,826,240 | |
| State General Funds | 14,720,163 | 13,659,592 | | | \$24,483 | 986,464 | 1,010,947 | 14,670,539 | |
| Total | 47,165,751 | 35,461,015 | | (5,835) | 24,483 | 1,017,116 | 1,035,764 | 36,496,779 | |
| TOTAL FUNDS | \$47,165,751 | \$35,461,015 | \$0 | (\$5,835) | \$24,483 | \$1,017,116 | \$1,035,764 | \$36,496,779 | |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$32,445,588 | \$21,801,423 | | (\$5,835) | | \$30,652 | \$24,817 | \$21,826,240 | |
| State General Funds | \$14,720,163 | \$13,659,592 | | | \$24,483 | \$986,464 | \$1,010,947 | \$14,670,539 | |
| TOTAL STATE FUNDS | \$14,720,163 | \$13,659,592 | \$0 | \$0 | \$24,483 | \$986,464 | \$1,010,947 | \$14,670,539 | |

DEPARTMENT OF LAW

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$14,792,550 | \$15,214,254 | \$15,041,138 | \$13,787,428 | \$848,360 | \$14,635,788 |
| Regular Operating Expenses | 805,564 | 828,048 | 712,385 | 805,564 | | 805,564 |
| Travel | 181,781 | 182,051 | 155,998 | 181,781 | | 181,781 |
| Equipment | | 23,945 | 18,530 | 5,835 | (5,835) | |
| Computer Charges | 388,425 | 294,813 | 297,093 | 388,425 | | 388,425 |
| Real Estate Rentals | 853,769 | 856,254 | 856,234 | 798,320 | 193,239 | 991,559 |
| Telecommunications | 143,662 | 151,071 | 145,206 | 143,662 | | 143,662 |
| Per Diem and Fees | 30,000,000 | 31,974,472 | 33,388,656 | 19,350,000 | | 19,350,000 |
| Books for State Library | | 191,307 | 99,935 | | | |
| TOTAL FUNDS | \$47,165,751 | \$49,716,215 | \$50,715,175 | \$35,461,015 | \$1,035,764 | \$36,496,779 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$32,445,588 | \$35,679,742 | \$37,404,318 | \$21,801,423 | \$24,817 | 21,826,240 |
| State General Funds | \$14,720,163 | \$14,036,473 | \$13,310,857 | \$13,659,592 | \$1,010,947 | 14,670,539 |
| TOTAL STATE FUNDS | \$14,720,163 | \$14,036,473 | \$13,310,857 | \$13,659,592 | \$1,010,947 | \$14,670,539 |
| Positions | 192 | 192 | 192 | 192 | | 192 |
| Motor Vehicles | 1 | 1 | 1 | 1 | | 1 |

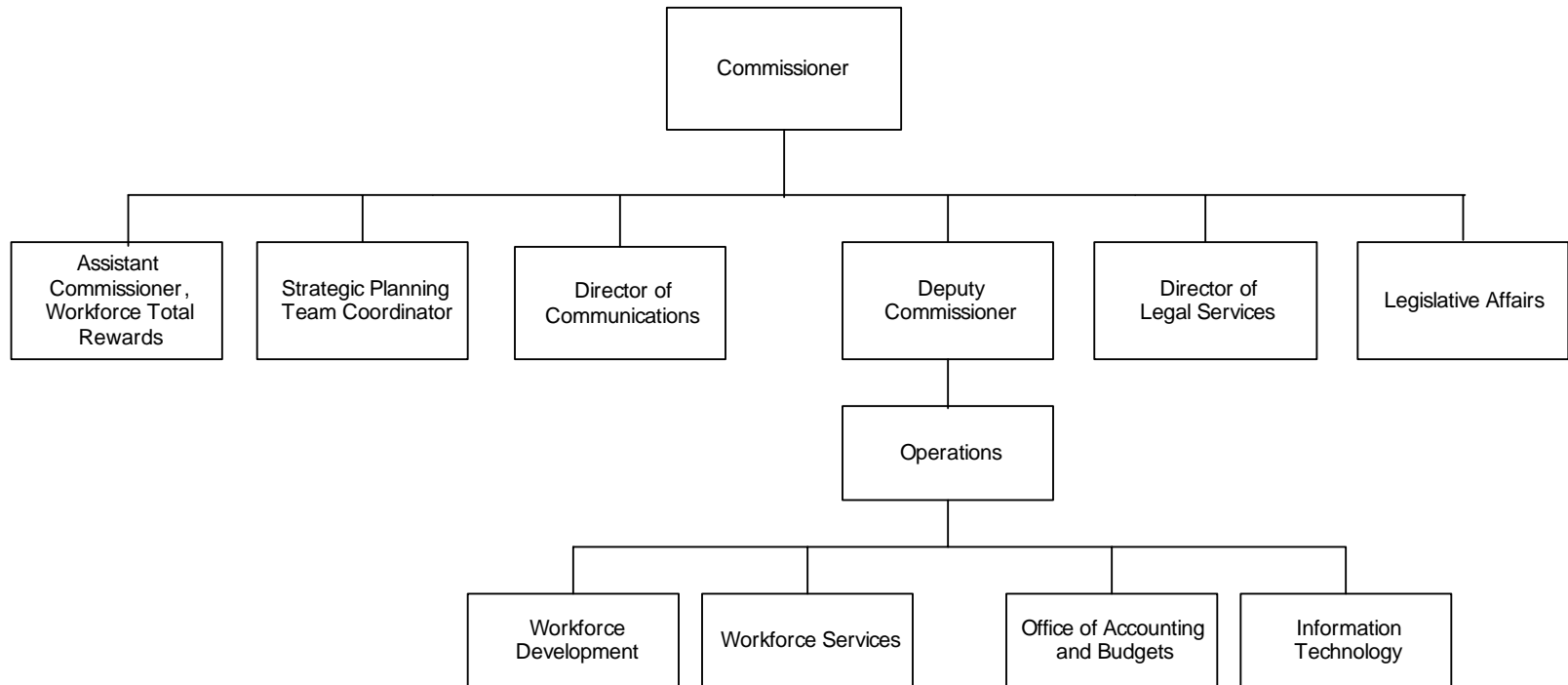
DEPARTMENT OF LAW

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$13,659,592 |
| Department of Law | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$127,303) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$395,883). | \$523,186 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 285,674 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 8,848 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 168,756 |
| 6. Reduce other funds in equipment (\$5,835). | Yes |
| 7. Increase real estate rentals to meet contractual commitments. | 24,483 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$1,010,947 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$14,670,539 |

MERIT SYSTEM OF PERSONNEL ADMINISTRATION

ORGANIZATIONAL CHART



MERIT SYSTEM OF PERSONNEL ADMINISTRATION

Roles and Responsibilities:

The Merit System of Personnel Administration is the state's central agency for assisting state agencies in recruiting qualified individuals for positions within the executive branch of state government. The agency is also the state's central recordkeeping agency for state employee data and the central means of monitoring state personnel practices.

SB 635, which the General Assembly approved during the 1996 session, decentralized the state's personnel administration system. The legislation transferred responsibility for a variety of personnel recruitment and administration duties from the Merit System to state agencies.

COMMISSIONER'S OFFICE

The Commissioner's Office provides overall direction, leadership, and management of the agency. Functions covered by the office include legal services, marketing and public relations, and policy analysis and development. The office also coordinates requests for proposal processes for statewide benefit plans and contract negotiations and management.

ADMINISTRATION AND SYSTEMS

The Administration and Systems Division furnishes administrative and technology support to the Georgia Merit System and, to a lesser degree, other state agencies.

Administrative services provided by the division include budgeting, financial services, mailroom operations, purchasing, and strategic planning. Technology services provided by the division include long-range information planning, design and maintenance of the FLEX system that supports the Flexible Benefits program, and design and maintenance of custom applications (PM Tools, Atlas, etc.) used by the Georgia Merit System and other state agencies.

WORKFORCE TOTAL REWARDS

The Compensation and Staffing Division assists state agencies with recruiting, hiring and retaining employees who will get the state's business done for the best dollar value. Staff members perform job market research and analysis, develop and implement equitable pay and rewards processes, design and administer competency-based screening procedures, and develop and maintain mode; processes. The section is also responsible for conducting evaluations of agency personnel practices pursuant to Act 816.

The Employee Benefits Division administers the Flexible Benefits Plan available to state employees. The plan includes benefits such as group term and dependent life insurance, accidental death and dismemberment insurance, dental insurance, disability insurance, legal insurance, and medical and childcare spending accounts. Staff members maintain employee eligibility records, monitor contractors, and work to improve benefit plans and products.

WORKFORCE SERVICES

The Customer Services Division is responsible for managing the state's charitable contributions, employee recognition, and employee suggestion programs. In addition, staff members provide counseling and education on equal employment opportunity and management and employee relations issues. Employees of the division also assist state agencies with general human resource services such as personnel policy consultation and rule interpretation.

WORKFORCE DEVELOPMENT

The Training and Organization Development Division is responsible for providing training and workforce development assessments, production and delivery of skill-based employee training programs, management training on the state's pay for performance and results-based budgeting processes, and assistance to agencies in development and implementation of customized performance improvement strategies. This section also coordinates agency use of the Georgia Merit System Training Center.

AUTHORITY

Titles 20 and 45 of the Official Code of Georgia Annotated.

MERIT SYSTEM OF PERSONNEL ADMINISTRATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|-------------|--------------|----------------------|-------------|------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| Other Funds | \$4,797,568 | \$4,217,257 | \$607,355 | (\$52,911) | \$750,000 | \$143,764 | \$1,448,208 | \$5,665,465 | |
| Total | 4,797,568 | 4,217,257 | 607,355 | (52,911) | 750,000 | 143,764 | 1,448,208 | 5,665,465 | |
| Recruitment and Staffing Services | | | | | | | | | |
| Other Funds | 1,119,496 | 1,321,434 | (207,078) | (5,500) | | 56,193 | (156,385) | 1,165,049 | |
| Total | 1,119,496 | 1,321,434 | (207,078) | (5,500) | | 56,193 | (156,385) | 1,165,049 | |
| Total Compensation and Rewards | | | | | | | | | |
| Other Funds | 4,043,676 | 4,566,259 | (464,686) | (88,281) | | 107,212 | (445,755) | 4,120,504 | |
| Total | 4,043,676 | 4,566,259 | (464,686) | (88,281) | | 107,212 | (445,755) | 4,120,504 | |
| Workforce Development and Alignment | | | | | | | | | |
| Other Funds | 3,529,669 | 3,505,219 | 64,409 | (65,476) | | 64,944 | 63,877 | 3,569,096 | |
| Total | 3,529,669 | 3,505,219 | 64,409 | (65,476) | | 64,944 | 63,877 | 3,569,096 | |
| TOTAL FUNDS | \$13,490,409 | \$13,610,169 | \$0 | (\$212,168) | \$750,000 | \$372,113 | \$909,945 | \$14,520,114 | |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$13,490,409 | \$13,610,169 | \$0 | (\$212,168) | \$750,000 | \$372,113 | \$909,945 | \$14,520,114 | |
| State General Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| TOTAL STATE FUNDS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |

MERIT SYSTEM OF PERSONNEL ADMINISTRATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$8,564,007 | \$8,460,287 | \$8,150,136 | \$8,555,880 | \$193,270 | \$8,749,150 |
| Regular Operating Expenses | 787,260 | 748,245 | 849,491 | 862,171 | (74,911) | 787,260 |
| Travel | 95,213 | 85,674 | 89,247 | 95,213 | | 95,213 |
| Computer Charges | 1,449,194 | 1,474,483 | 1,776,111 | 1,449,194 | | 1,449,194 |
| Real Estate Rentals | 717,480 | 697,127 | 707,103 | 717,480 | 94,562 | 812,042 |
| Telecommunications | 155,752 | 173,209 | 163,571 | 155,752 | | 155,752 |
| Per Diem and Fees | 140,489 | 158,851 | 150,856 | 178,465 | (37,976) | 140,489 |
| Contracts | 739,413 | 910,674 | 1,243,007 | 754,413 | (15,000) | 739,413 |
| Payments to State Treasury | 841,601 | | 691,601 | 841,601 | 750,000 | 1,591,601 |
| TOTAL FUNDS | \$13,490,409 | \$12,708,550 | \$13,821,123 | \$13,610,169 | \$909,945 | \$14,520,114 |
| Less: | | | | | | |
| Other Funds | \$13,490,409 | \$12,708,550 | \$13,821,124 | \$13,610,169 | \$909,945 | \$14,520,114 |
| TOTAL STATE FUNDS | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Positions | 147 | 149 | 149 | 138 | (2) | 136 |

MERIT SYSTEM OF PERSONNEL ADMINISTRATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-------------------------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | | \$4,217,257 | \$4,217,257 | | \$5,665,465 | \$5,665,465 |
| Recruitment and Staffing Services | | 1,321,434 | 1,321,434 | | 1,165,049 | 1,165,049 |
| Total Compensation and Rewards | | 4,566,259 | 4,566,259 | | 4,120,504 | 4,120,504 |
| Workforce Development and Alignment | | 3,505,219 | 3,505,219 | | 3,569,096 | 3,569,096 |
| TOTAL FUNDS | | \$13,610,169 | \$13,610,169 | | \$14,520,114 | \$14,520,114 |

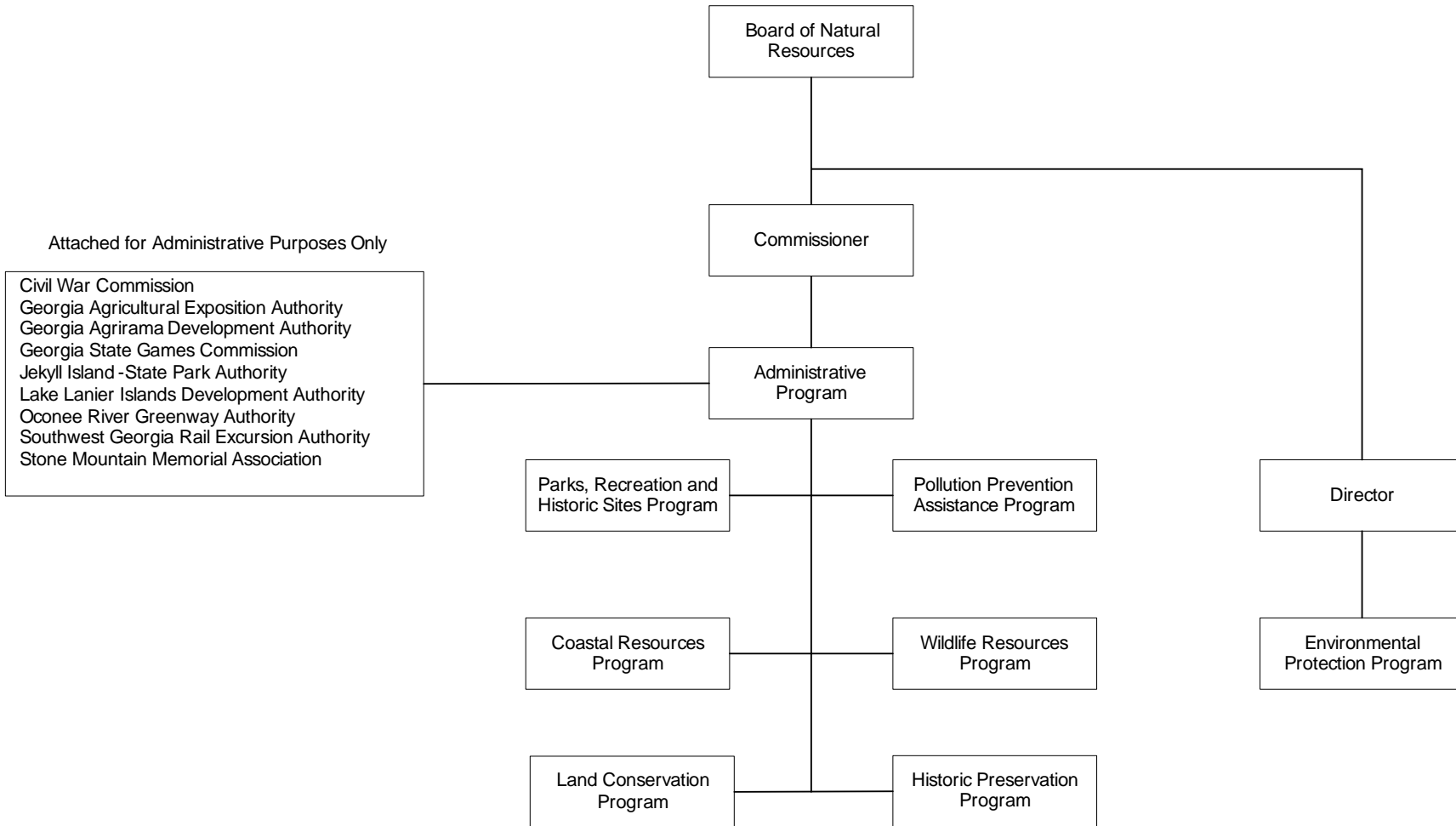
MERIT SYSTEM OF PERSONNEL ADMINISTRATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------|
| FY 2006 AGENCY FUND APPROPRIATIONS | \$13,610,169 |
| Merit System of Personnel Administration | |
| 1. Annualize the cost of the FY 2006 salary adjustment. | \$92,408 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 176,299 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 8,844 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for storage and office space. | 94,562 |
| 5. Redistribute operating expenses from Total Compensation and Rewards (\$464,686) and Recruitment and Staffing Services (\$207,078) to Administration (\$607,355) and Workforce Development and Alignment (\$64,409) to more appropriately capture expenditures. | Yes |
| 6. Reduce personal services by eliminating 2 positions from Total Compensation and Rewards. | (84,281) |
| 7. Reduce regular operating expenses (\$74,911), and reduce per diem and fees (\$37,976). | (112,887) |
| 8. Reduce contracts to eliminate funding for the state orientation video. | (15,000) |
| 9. Increase payments to State Treasury. | 750,000 |
| TOTAL FUND ADJUSTMENTS | \$909,945 |
| TOTAL AGENCY FUNDS RECOMMENDED | \$14,520,114 |

DEPARTMENT OF NATURAL RESOURCES

ORGANIZATIONAL CHART



DEPARTMENT OF NATURAL RESOURCES

Roles and Responsibilities:

The Department of Natural Resources provides natural resource development, management, and protection services to Georgia's citizens and local governments. These services include the operation of state parks and historic sites; management and protection of wildlife and coastal resources; enforcement of wildlife, boating safety, and environmental laws; promotion of and assistance with pollution prevention; and protection and management of the state's water, air, and land resources in accordance with various state and federal laws.

PARKS, RECREATION AND HISTORIC SITES

The program provides recreational opportunities to the citizens of Georgia through the development and operation of 48 parks and 15 historic sites. These parks and historic sites attracted over 12 million visitors during FY 2005. The program manages over 72,000 acres with such amenities as campgrounds, cottages, lodges, swimming pools, group camps and golf courses.

WILDLIFE RESOURCES

Lands and freshwater habitats are managed by Wildlife Resources for public hunting, fishing and educational purposes. This program also promotes the conservation and wise use of game and nongame wildlife resources. All state laws and departmental regulations regarding wildlife, fishery resources, wild animals, boating safety and hunter safety are enforced by the law enforcement section. The program manages public fishing areas, wildlife management areas and produces fish in state hatcheries.

COASTAL RESOURCES

The primary objectives of this program are to ensure the optimum commercial and recreational utilization of

Georgia's marine fisheries resources over the long term for the benefit of all Georgians and to protect, conserve and restore populations of marine turtles and mammals. These objectives are accomplished through research, artificial reef development and activities geared toward the protection of threatened and endangered marine species.

ENVIRONMENTAL PROTECTION

The program is largely a regulatory body whose main objective is to enforce state and federal laws, rules and regulations regarding water quality, water supply, air quality, solid waste, and hazardous waste. These objectives are accomplished through a permitting process coupled with monitoring, inspection, investigation and enforcement activities. The program also manages the Hazardous Waste Trust Fund and the Solid Waste Trust Fund.

HISTORIC PRESERVATION

The program provides historic preservation services and assistance to governmental agencies, private organizations and individuals. Duties include proposing properties for nomination to both the National and the Georgia Register of Historic Places; providing grants to support state and local preservation projects; and offering technical assistance and information on tax incentives, archaeological matters and other preservation programs.

POLLUTION PREVENTION

The program is a non-regulatory organization designed to serve as a one-stop source for Georgia businesses interested in finding ways to reduce their hazardous waste, solid waste, water, and air pollution problems through preventive measures.

ATTACHED AGENCIES

The **Georgia State Games Commission** promotes amateur athletic competition through the Georgia State Games.

The **Civil War Commission** encourages preservation of Civil War sites and promotes tourism to these sites.

The **Lake Lanier Islands Development Authority** is responsible for managing through contract the development and operation of tourist, convention and recreational areas and facilities on the islands.

The **Jekyll Island State Park Authority** is responsible for the development and operation of tourist, convention and recreational areas and facilities on the island.

The **Stone Mountain Memorial Association** is responsible for managing through contract the operation of tourist, convention and recreational areas and facilities at the mountain.

The **Georgia Agricultural Exposition Authority** promotes, develops and serves agriculture and agricultural business interests of the state; produces and operates the Georgia National Fair; and encourages the agricultural accomplishments of Georgia's youth.

The **Georgia Agrirama Development Authority** serves as the state's official living history museum, depicting life in Georgia in the late 19th century.

The **Southwest Georgia Rail Excursion Authority** is an economic development initiative that seeks to bring tourists through historic middle Georgia.

The **Oconee River Greenway Authority** is responsible for preserving greenspace along the Oconee River.

AUTHORITY

Titles 8, 12, 16, 27, 31, 43, 44, 46 and 52, Official Code of Georgia Annotated and Public Laws 92-500, 93-523, 88-206, 94-580.

DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|-----------------------------------|------------------------------------|-----------------------------------|--------------------|---------------------|------------------|----------------------|--|---------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| Federal Funds | | \$53,814 | | (\$53,814) | | | | (\$53,814) | \$0 |
| State General Funds | \$9,685,336 | 9,368,088 | \$232,360 | | \$60,303 | \$398,306 | | 690,969 | 10,059,057 |
| Total | 9,685,336 | 9,421,902 | 232,360 | (53,814) | 60,303 | 398,306 | | 637,155 | 10,059,057 |
| Coastal Resources | | | | | | | | | |
| Federal Funds | 170,862 | 170,862 | | | | | | | 170,862 |
| State General Funds | 2,438,937 | 2,323,120 | | | 69,136 | 98,362 | | 167,498 | 2,490,618 |
| Total | 2,609,799 | 2,493,982 | | | 69,136 | 98,362 | | 167,498 | 2,661,480 |
| Environmental Protection | | | | | | | | | |
| Federal Funds | 3,437,011 | 59,799,940 | 73,850 | (56,436,779) | | | | (56,362,929) | 3,437,011 |
| Other Funds | 6,797,557 | 309,758 | | 6,487,799 | | | | 6,487,799 | 6,797,557 |
| State General Funds | 39,231,811 | 26,207,788 | 9,100,000 | (690,000) | 5,943,190 | 1,460,144 | | 15,813,334 | 42,021,122 |
| Total | 49,466,379 | 86,317,486 | 9,173,850 | (50,638,980) | 5,943,190 | 1,460,144 | | (34,061,796) | 52,255,690 |
| Hazardous Waste Trust Fund | | | | | | | | | |
| Federal Funds | | 73,850 | (73,850) | | | | | (73,850) | 0 |
| State General Funds | | 7,600,000 | (7,600,000) | | | | | (7,600,000) | 0 |
| Total | | 7,673,850 | (7,673,850) | | | | | (7,673,850) | 0 |
| Historic Preservation | | | | | | | | | |
| Federal Funds | 490,000 | 544,351 | | (54,351) | | | | (54,351) | 490,000 |
| State General Funds | 2,137,938 | 1,904,709 | | (34,000) | 12,510 | 99,541 | | 78,051 | 1,982,760 |
| Total | 2,627,938 | 2,449,060 | | (88,351) | 12,510 | 99,541 | | 23,700 | 2,472,760 |
| Land Conservation | | | | | | | | | |
| State General Funds | 445,032 | 415,605 | 27,000 | | 2,572 | 21,203 | | 50,775 | 466,380 |
| Total | 445,032 | 415,605 | 27,000 | | 2,572 | 21,203 | | 50,775 | 466,380 |

DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|--------------------|--------------------|----------------|----------------------|--|--------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Parks, Recreation and Historic Sites | | | | | | | | | |
| Federal Funds | 845,941 | 2,871,092 | | (2,025,151) | | | | (2,025,151) | 845,941 |
| Other Funds | 18,622,529 | 18,635,848 | | 10,000 | (665,966) | | | (655,966) | 17,979,882 |
| State General Funds | 17,430,678 | 17,234,816 | (2,284) | | 1,033,284 | 758,737 | | 1,789,737 | 19,024,553 |
| Total | 36,899,148 | 38,741,756 | (2,284) | (2,015,151) | 367,318 | 758,737 | | (891,380) | 37,850,376 |
| Pollution Prevention Assistance | | | | | | | | | |
| Other Funds | 103,913 | 677,763 | | (573,850) | | | | (573,850) | 103,913 |
| State General Funds | 13,402 | | | | 5,574 | 10,501 | | 16,075 | 16,075 |
| Total | 117,315 | 677,763 | | (573,850) | 5,574 | 10,501 | | (557,775) | 119,988 |
| Solid Waste Trust Fund | | | | | | | | | |
| State General Funds | | 1,500,000 | (1,500,000) | | | | | (1,500,000) | 0 |
| Total | | 1,500,000 | (1,500,000) | | | | | (1,500,000) | 0 |
| Wildlife Resources | | | | | | | | | |
| Federal Funds | 4,737,509 | 9,313,355 | | (4,186,564) | | | | (4,186,564) | 5,126,791 |
| Other Funds | 277,446 | 2,952,250 | | (2,674,804) | | | | (2,674,804) | 277,446 |
| State General Funds | 29,487,607 | 28,915,612 | (257,076) | (48,577) | 639,506 | 1,438,826 | | 1,772,679 | 30,688,291 |
| Total | 34,502,562 | 41,181,217 | (257,076) | (6,909,945) | 639,506 | 1,438,826 | | (5,088,689) | 36,092,528 |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | | | | |
| Civil War Commission | | | | | | | | | |
| State General Funds | 50,000 | 50,000 | | | | | | | 50,000 |
| Total | 50,000 | 50,000 | | | | | | | 50,000 |
| Payments to Georgia Agricultural Exposition Authority | | | | | | | | | |
| State General Funds | 1,601,868 | 1,601,868 | | | | 39,766 | | 39,766 | 1,641,634 |
| Total | 1,601,868 | 1,601,868 | | | | 39,766 | | 39,766 | 1,641,634 |

DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|-----------------------|--------------------|----------------------|-----------------------|----------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Payments to Georgia Agrirama Development Authority | | | | | | | | | |
| State General Funds | 820,514 | 820,514 | | | 32,820 | 18,877 | 51,697 | 872,211 | |
| Total | 820,514 | 820,514 | | | 32,820 | 18,877 | 51,697 | 872,211 | |
| Georgia State Games Commission | | | | | | | | | |
| Other Funds | 332,213 | 332,213 | | (332,213) | | | (332,213) | 0 | |
| State General Funds | 101,152 | 50,149 | | (50,149) | | | (50,149) | 0 | |
| Total | 433,365 | 382,362 | | (382,362) | | | (382,362) | 0 | |
| Payments to Lake Allatoona Preservation Authority | | | | | | | | | |
| State General Funds | 100,000 | 100,000 | | (100,000) | | | (100,000) | 0 | |
| Total | 100,000 | 100,000 | | (100,000) | | | (100,000) | 0 | |
| Payments to Southwest Georgia Railroad Excursion Authority | | | | | | | | | |
| State General Funds | 371,964 | 371,964 | | | | | | 371,964 | |
| Total | 371,964 | 371,964 | | | | | | 371,964 | |
| TOTAL FUNDS | \$139,731,220 | \$194,199,329 | \$0 | (\$60,762,453) | \$7,132,929 | \$4,344,263 | (\$49,285,261) | \$144,914,068 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$9,681,323 | \$72,827,264 | | (\$62,756,659) | | | (\$62,756,659) | \$10,070,605 | |
| Other Funds | 26,133,658 | 22,907,832 | | 2,916,932 | (\$665,966) | | 2,250,966 | 25,158,798 | |
| Subtotal | \$35,814,981 | \$95,735,096 | \$0 | (\$59,839,727) | (\$665,966) | \$0 | (\$60,505,693) | \$35,229,403 | |
| State General Funds | \$103,916,239 | \$98,464,233 | | (\$922,726) | \$7,798,895 | \$4,344,263 | \$11,220,432 | \$109,684,665 | |
| TOTAL STATE FUNDS | \$103,916,239 | \$98,464,233 | \$0 | (\$922,726) | \$7,798,895 | \$4,344,263 | \$11,220,432 | \$109,684,665 | |

DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|----------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|-------------|--------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$83,795,292 | \$115,040,793 | \$114,076,337 | \$85,932,156 | \$2,512,162 | \$88,444,318 |
| Regular Operating Expenses | 17,766,099 | 21,161,156 | 21,814,221 | 15,130,739 | 2,786,059 | 17,916,798 |
| Travel | 838,800 | 890,565 | 922,665 | 832,214 | 6,586 | 838,800 |
| Motor Vehicle Purchases | 1,100,000 | 683,314 | 1,073,804 | 60,000 | 40,000 | 100,000 |
| Equipment | 1,407,686 | 2,981,099 | 3,195,359 | 1,321,455 | 86,231 | 1,407,686 |
| Computer Charges | 1,192,648 | 2,170,961 | 1,515,644 | 1,188,898 | 3,750 | 1,192,648 |
| Real Estate Rentals | 3,206,573 | 4,844,135 | 4,959,307 | 3,206,573 | 266,702 | 3,473,275 |
| Telecommunications | 1,290,761 | 2,144,966 | 2,143,207 | 1,288,496 | 4,000 | 1,292,496 |
| Per Diem and Fees | 1,934,267 | 2,182,850 | 3,354,101 | 527,605 | 206,662 | 734,267 |
| Contracts | 5,236,321 | 59,704,675 | 56,778,415 | 4,807,821 | (424,000) | 4,383,821 |
| Advertising and Promotion | 689,910 | 859,751 | 904,522 | 689,910 | | 689,910 |
| Cost of Material for Resale | 1,314,100 | 3,256,166 | 3,686,579 | 1,293,300 | 25,000 | 1,318,300 |
| Capital Outlay: | | | | | | |
| New Construction | 635,734 | 6,007,279 | 4,134,297 | 635,734 | | 635,734 |
| Repairs and Maintenance | 3,309,750 | 4,277,967 | 4,289,982 | 3,309,750 | | 3,309,750 |
| WMA Land Acquisition | 777,442 | 1,432,354 | | 982,330 | | 982,330 |
| Paving | | 546,579 | 1,253,585 | | | |
| Parkpass Project | | 1,983,951 | 2,089,135 | | | |
| Waterfowl Habitat | | 291,449 | 340,059 | | | |
| Grants: | | | | | | |
| Land & Water Conservation | 800,000 | 224,614 | 701,008 | 800,000 | | 800,000 |
| Georgia Heritage 2000 | 129,276 | 241,180 | 127,568 | 129,276 | | 129,276 |
| National Park Service | | 75,269 | 55,603 | | | |
| Other | 200,000 | 2,449,915 | 2,204,183 | | | |
| Hazardous Waste Trust Fund | 7,673,850 | 10,773,397 | 6,245,856 | 7,673,850 | | 7,673,850 |
| Solid Waste Trust Fund | 3,000,000 | 5,950,693 | 3,356,822 | 1,500,000 | 5,000,000 | 6,500,000 |
| Nongame Wildlife Conservation | | 6,307,847 | 8,461,527 | | | |
| Payments to Baker County | 31,000 | 31,000 | 31,000 | 31,000 | | 31,000 |
| Payments to Calhoun County | 24,000 | 24,000 | 24,000 | 24,000 | | 24,000 |
| Payments to McIntosh County | 100,000 | 100,000 | 100,000 | 100,000 | | 100,000 |
| Payments to Civil War Commission | 50,000 | 57,465 | | 50,000 | | 50,000 |

DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|-----------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Payments to Georgia Agricultural Exposition Authority | 1,601,868 | 1,703,228 | 1,594,360 | 1,601,868 | 39,766 | 1,641,634 |
| Payments to Georgia Agrirama Development Authority | 820,514 | 903,941 | 818,963 | 820,514 | 51,697 | 872,211 |
| Payments to Georgia State Games Commission | 433,365 | 97,500 | 75,000 | 382,362 | (382,362) | 0 |
| Payments to Southwest Georgia Rail Excursion Authority | 371,964 | 407,696 | 383,468 | 371,964 | | 371,964 |
| Undesignated Object Class | | | | 59,507,514 | (59,507,514) | 0 |
| TOTAL FUNDS | \$139,731,220 | \$259,807,755 | \$250,710,577 | \$194,199,329 | (\$49,285,261) | \$144,914,068 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$9,681,323 | \$50,002,088 | \$51,094,479 | \$72,827,264 | (\$62,756,659) | \$10,070,605 |
| Other Funds | 26,133,658 | 117,809,749 | 108,253,518 | 22,907,832 | 2,250,966 | 25,158,798 |
| Subtotal | \$35,814,981 | \$167,811,837 | \$159,347,997 | \$95,735,096 | (\$60,505,693) | \$35,229,403 |
| State General Funds | \$103,916,239 | \$91,995,918 | \$91,362,580 | \$98,464,233 | \$11,220,432 | \$109,684,665 |
| TOTAL STATE FUNDS | \$103,916,239 | \$91,995,918 | \$91,362,580 | \$98,464,233 | \$11,220,432 | \$109,684,665 |
| Positions | 1,563 | 2,074 | 2,095 | 1,646 | 16 | 1,662 |
| Motor Vehicles | 1,553 | 1,511 | 1,542 | 1,601 | (2) | 1,599 |

DEPARTMENT OF NATURAL RESOURCES

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$9,368,088 | \$53,814 | \$9,421,902 | \$10,059,057 | | \$10,059,057 |
| Coastal Resources | 2,323,120 | 170,862 | 2,493,982 | 2,490,618 | \$170,862 | 2,661,480 |
| Environmental Protection | 26,207,788 | 60,109,698 | 86,317,486 | 42,021,122 | 10,234,568 | 52,255,690 |
| Hazardous Waste Trust Fund | 7,600,000 | 73,850 | 7,673,850 | | | |
| Historic Preservation | 1,904,709 | 544,351 | 2,449,060 | 1,982,760 | 490,000 | 2,472,760 |
| Land Conservation | 415,605 | | 415,605 | 466,380 | | 466,380 |
| Parks, Recreation and Historic Sites | 17,234,816 | 21,506,940 | 38,741,756 | 19,024,553 | 18,825,823 | 37,850,376 |
| Pollution Prevention Assistance | | 677,763 | 677,763 | 16,075 | 103,913 | 119,988 |
| Solid Waste Trust Fund | 1,500,000 | | 1,500,000 | | | |
| Wildlife Resources | 28,915,612 | 12,265,605 | 41,181,217 | 30,688,291 | 5,404,237 | 36,092,528 |
| Subtotal | \$95,469,738 | \$95,402,883 | \$190,872,621 | \$106,748,856 | \$35,229,403 | \$141,978,259 |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | |
| Civil War Commission | \$50,000 | | \$50,000 | \$50,000 | | \$50,000 |
| Payments to Georgia Agricultural Exposition Authority | 1,601,868 | | 1,601,868 | 1,641,634 | | 1,641,634 |
| Payments to Georgia Agrirama Development Authority | 820,514 | | 820,514 | 872,211 | | 872,211 |
| Georgia State Games Commission | 50,149 | \$332,213 | 382,362 | | | |
| Payments to Lake Allatoona Preservation Authority | 100,000 | | 100,000 | | | |
| Payments to Southwest Georgia Railroad Excursion Authority | 371,964 | | 371,964 | 371,964 | | 371,964 |
| Subtotal | \$2,994,495 | \$332,213 | \$3,326,708 | \$2,935,809 | \$0 | \$2,935,809 |
| TOTAL FUNDS | \$98,464,233 | \$95,735,096 | \$194,199,329 | \$109,684,665 | \$35,229,403 | \$144,914,068 |

DEPARTMENT OF NATURAL RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$98,464,233 |
| Department of Natural Resources | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$762,886) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$1,209,840). | \$1,972,726 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 1,770,813 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 275,379 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 266,702 |
| 5. Realign programs to properly reflect FY 2007 expenditures by transferring funds to Administration (\$232,360) and Land Conservation (\$27,000) from Parks, Recreation and Historic Sites (\$2,284) and Wildlife Resource (\$257,076). | Yes |
| 6. Transfer the Hazardous Waste Trust Fund and Solid Waste Trust Fund programs to the Environmental Protection program. | Yes |
| 7. Remove undesignated object classes and fund sources to properly reflect expenditures (Total Funds \$59,507,514). | Yes |
| 8. Eliminate funds in Environmental Protection for a coastal groundwater study that will be completed in FY 2006. | (390,000) |
| 9. Reduce contract funds with the Soil and Water Conservation Commission to reflect the cyclical needs of the Erosion and Sedimentation Certification program. | (300,000) |
| 10. Eliminate 1 position and operating expenses for aquatic plant control of public and private waters. | (48,577) |
| 11. Reduce the number of contracted historic planners from 14 to 12 based on state service delivery regions. | (34,000) |
| 12. Provide funds to correct a shortfall in funding for the employer share of State Health Benefit Plan premiums. | 743,959 |
| 13. Enhance water modeling and monitoring in the Environmental Protection program. | 400,000 |
| 14. Increase funding for the Solid Waste Trust Fund from \$1.5 million to \$6.5 million. | 5,000,000 |
| 15. Add 8 positions for erosion and sedimentation control in Environmental Protection to increase the number of inspections in high growth | 300,000 |
| 16. Fund operating costs for opening the Flat Creek public fishing area including 2 fishery technician positions and 2 motor vehicles. | 218,225 |
| 17. Provide operating funds and add 6 positions for staffing the new conference facility and dining hall at the Charlie Elliott Wildlife Center. | 200,000 |
| 18. Add operating funds and 1 position for opening a new interpretive center and museum at Sweetwater Creek State Park. | 184,000 |
| 19. Enhance water quality sampling efforts by increasing contract funds and adding 1 position in Coastal Resources in order to meet stricter water quality standards on Georgia's coast. | 53,925 |
| 20. Replace payments from the Lake Lanier Islands Development Authority with state general funds. | 665,966 |
| Subtotal | <u>\$11,279,118</u> |

DEPARTMENT OF NATURAL RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|----------------------|
| ATTACHED AGENCIES AND AUTHORITIES: | |
| Payments to Georgia Agricultural Exposition Authority | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$8,481) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$11,000). | \$19,481 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 16,164 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 4,121 |
| Subtotal | \$39,766 |
| Payments to Georgia Agrirama Development Authority | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$2,604) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$6,000). | \$8,604 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.2% to 16.713%. | 8,980 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 1,293 |
| 4. Increase repairs and maintenance funding for restoration of the historic village. | 32,820 |
| Subtotal | \$51,697 |
| Georgia State Games Commission | |
| 1. Eliminate state funds, 1 position and 4 motor vehicles. | (\$50,149) |
| Payments To Lake Allatoona Preservation Authority | |
| 1. Eliminate one-time funding for shoreline restoration, educational programs, a watershed study and other projects. | (\$100,000) |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$11,220,432 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$109,684,665 |

DEPARTMENT OF NATURAL RESOURCES

BUDGET SUMMARY - FISCAL YEAR 2007

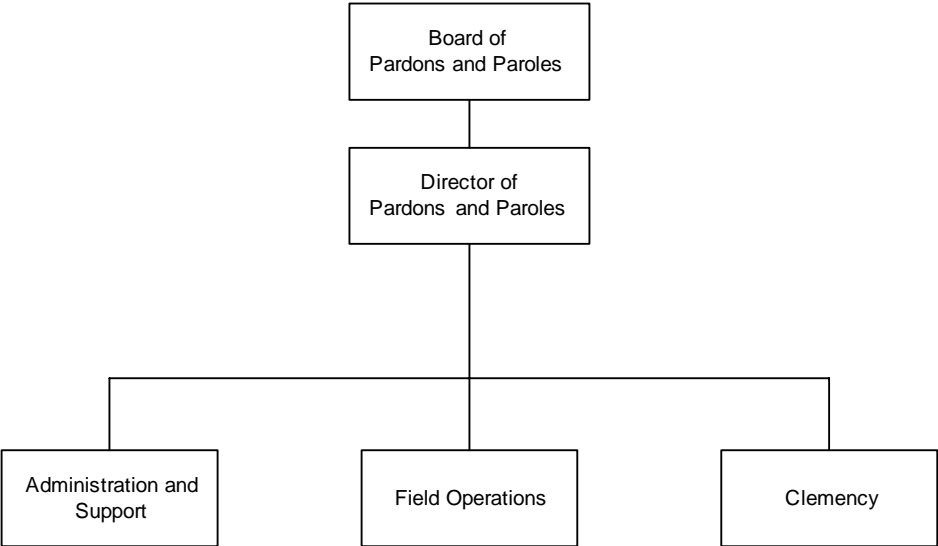
| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | | <u>Debt Service</u> |
|---|------------|------------------|--|----------------------|
| Department of Natural Resources | | | | |
| 1. Construct and purchase equipment for the Suwannee River Eco-Lodge meeting facility. | 20 | \$2,000,000 | | \$170,860 |
| 2. Fund North Georgia lodge renovations at Amicalola Falls, Unicoi, and Red Top Mountain state parks. | 5 | 1,000,000 | | 228,000 |
| 3. Complete state funding for the Hardman Farm restoration. | 20 | 2,000,000 | | 170,860 |
| TOTAL | | \$5,000,000 | | \$569,720 |
| STATE GENERAL FUNDS | | | | \$110,254,385 |

STATE BOARD OF PARDONS AND PAROLES

ORGANIZATIONAL CHART



STATE BOARD OF PARDONS AND PAROLES

Roles and Responsibilities:

The State Board of Pardons and Paroles is comprised of five members appointed by the Governor and empowered to grant, deny, condition and revoke executive clemency. The board reviews the sentences of all inmates to determine what degree of executive clemency may be warranted, directs the clemency action, and supervises the offenders who have been paroled or conditionally released from prison until the completion of their sentences.

DEPARTMENT OPERATIONS

In order to accomplish its mission, the agency has identified two core businesses:

- Making Informed Parole Decisions (Clemency)
- Transitioning Offenders Back into the Community (Field Supervision)

The agency has re-engineered its entire organization to ensure that business processes, strategic objectives, performance measures, programs and budget are all aligned with the core mission. The organizational structure of the agency also reflects the core businesses and mission of the agency, with only two divisions, Clemency and Field Operations. Administration and Support Services support the mission.

The Clemency Division works most closely with the Board on a day-to-day basis, gathering information and preparing cases for the Board to make informed parole decisions. The Clemency Division manages requests for restoration of rights and pardons. This division is also responsible for communication with victims and victims groups to make sure board members know and understand their needs and concerns.

The Field Operations Division assists the Clemency Division by completing important investigations that are used in the clemency decision process. Inmates who are granted the privilege of parole to community supervision are supervised by this division's parole officers, who work in 56 offices throughout the state. Field parole officers provide offender oversight through a balanced approach to supervision which blends both surveillance and enforcement along with referrals to treatment and self help programs.

Parole officers spend a majority of their time in the community intervening with parolees and their families, talking to employers, networking with police officials and staying in touch with treatment providers to ensure parolee

compliance with the conditions of parole. As certified peace officers, parole officers also execute board warrants and provide backup to local law enforcement as needed.

Administration and Support Services supports the internal operations of the agency including budget/fiscal, staff training, personnel services, quality assurance audits, research, evaluation and technology, legislative liaison, internal affairs and public information. Administration is dedicated to using innovative technology to reduce costs and improve service delivery to all agency staff. The agency leads the state in automated business processes and leads the nation in automated field case management.

AUTHORITY

State Constitution: Official Code of Georgia Annotated Titles 9, 42 and 77.

STATE BOARD OF PARDONS AND PAROLES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---------------------------|------------------------------------|-----------------------------------|------------------|------------------|------------------|----------------------|--------------------|---------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| Federal Funds | | \$100,000 | | (\$100,000) | | | | (\$100,000) | |
| Other Funds | | | | | | | | | |
| State General Funds | \$4,755,520 | 4,326,255 | \$400,000 | | \$20,652 | \$144,957 | 565,609 | \$4,891,864 | |
| Total | 4,755,520 | 4,426,255 | 400,000 | (100,000) | 20,652 | 144,957 | 465,609 | 4,891,864 | |
| Clemency Decisions | | | | | | | | | |
| Federal Funds | | | | | | | | | |
| Other Funds | | | | | | | | | |
| State General Funds | 9,972,150 | 9,769,111 | | | 65,452 | 332,847 | 398,299 | 10,167,410 | |
| Total | 9,972,150 | 9,769,111 | | | 65,452 | 332,847 | 398,299 | 10,167,410 | |
| Parole Supervision | | | | | | | | | |
| Federal Funds | | | | | | | | | |
| Other Funds | | | | | | | | | |
| State General Funds | 34,578,340 | 33,015,382 | (400,000) | | 561,081 | 1,079,671 | 1,240,752 | 34,256,134 | |
| Total | 34,578,340 | 33,015,382 | (400,000) | | 561,081 | 1,079,671 | 1,240,752 | 34,256,134 | |
| Victim Services | | | | | | | | | |
| Federal Funds | | | | | | | | | |
| Other Funds | | | | | | | | | |
| State General Funds | 519,737 | 516,467 | | | | 15,194 | 15,194 | 531,661 | |
| Total | 519,737 | 516,467 | | | | 15,194 | 15,194 | 531,661 | |
| TOTAL FUNDS | \$49,825,747 | \$47,727,215 | \$0 | (100,000) | \$647,185 | \$1,572,669 | \$2,119,854 | \$49,847,069 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | | \$100,000 | | (\$100,000) | | | (\$100,000) | | |
| State General Funds | \$49,825,747 | \$47,627,215 | | | \$647,185 | \$1,572,669 | \$2,219,854 | \$49,847,069 | |
| TOTAL STATE FUNDS | \$49,825,747 | \$47,627,215 | | | \$647,185 | \$1,572,669 | \$2,219,854 | \$49,847,069 | |

STATE BOARD OF PARDONS AND PAROLES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$40,962,254 | \$38,248,983 | \$35,618,746 | \$38,264,914 | \$1,467,039 | \$39,731,953 |
| Regular Operating Expenses | 1,588,013 | 2,014,416 | 1,886,426 | 1,538,013 | 259,507 | 1,797,520 |
| Travel | 333,800 | 303,372 | 301,832 | 333,800 | 137,678 | 471,478 |
| Motor Vehicle Purchases | | 409,059 | 314,287 | | | |
| Equipment | 260,253 | 317,683 | 393,395 | 260,253 | | 260,253 |
| Computer Charges | 1,048,458 | 677,906 | 705,351 | 1,048,458 | | 1,048,458 |
| Real Estate Rentals | 2,728,514 | 2,818,059 | 2,610,931 | 2,728,514 | 55,630 | 2,784,144 |
| Telecommunications | 1,072,900 | 1,015,634 | 982,345 | 1,072,900 | | 1,072,900 |
| Per Diem and Fees | 1,034,575 | 753,273 | 1,555,262 | 523,304 | 1,440,079 | 1,963,383 |
| Contracts | 79,480 | 214,427 | 99,750 | 1,319,559 | (1,240,079) | 79,480 |
| Health Services Purchases | | 3,768 | 20,000 | 20,000 | | 20,000 |
| County Jail Subsidy | 717,500 | 657,495 | 617,490 | 617,500 | | 617,500 |
| TOTAL FUNDS | \$49,825,747 | \$47,434,075 | \$45,105,815 | \$47,727,215 | \$2,119,854 | \$49,847,069 |
| <u>Less:</u> | | | | | | |
| Federal Funds | | \$777,078 | \$874,565 | \$100,000 | (\$100,000) | \$0 |
| Other Funds | | 31,592 | 14,138 | | | |
| Subtotal | \$0 | \$808,670 | \$888,703 | \$100,000 | (\$100,000) | \$0 |
| State General Funds | \$49,825,747 | \$46,625,405 | \$44,217,112 | \$47,627,215 | \$2,219,854 | \$49,847,069 |
| TOTAL STATE FUNDS | \$49,825,747 | \$46,625,405 | \$44,217,112 | \$47,627,215 | \$2,219,854 | \$49,847,069 |
| Positions | 821 | 839 | 818 | 821 | | 821 |
| Motor Vehicles | 164 | 170 | 170 | 164 | | 164 |

STATE BOARD OF PARDONS AND PAROLES

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$4,326,255 | \$100,000 | \$4,426,255 | \$4,891,864 | | \$4,891,864 |
| Clemency Decisions | 9,769,111 | | 9,769,111 | 10,167,410 | | 10,167,410 |
| Parole Supervision | 33,015,382 | | 33,015,382 | 34,256,134 | | 34,256,134 |
| Victim Services | 516,467 | | 516,467 | 531,661 | | 531,661 |
| TOTAL FUNDS | \$47,627,215 | \$100,000 | \$47,727,215 | \$49,847,069 | | \$49,847,069 |

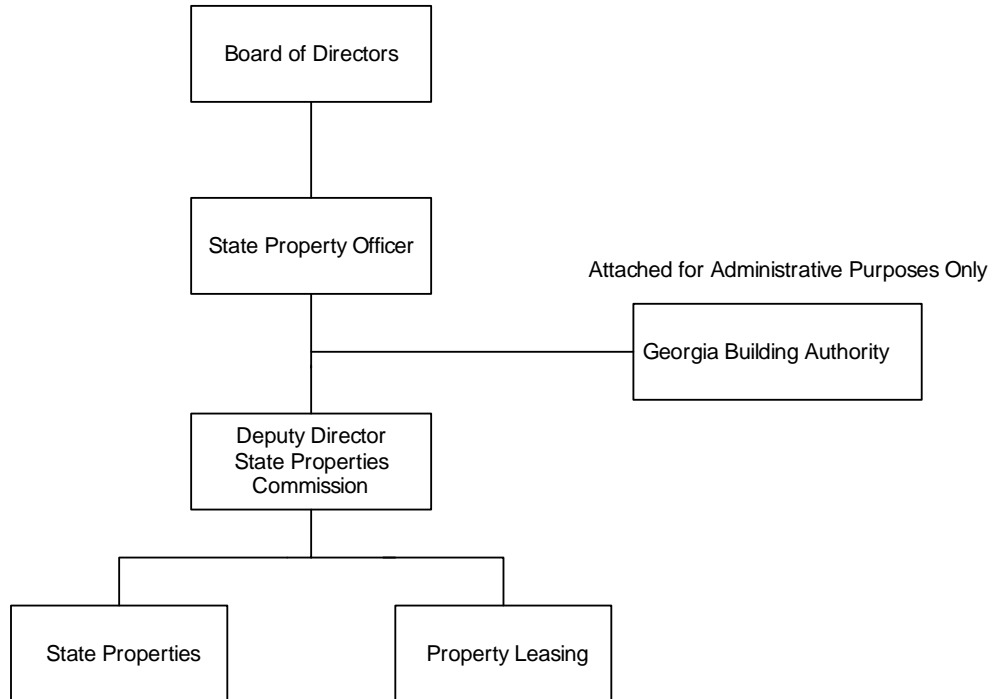
STATE BOARD OF PARDONS AND PAROLES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$47,627,215 |
| State Board of Pardons and Paroles | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$309,873) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$408,779). | \$718,652 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 694,751 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 53,636 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 105,630 |
| 5. Transfer \$1,240,079 from contracts to per diem and fees to align budget with proper expenditure classification. | Yes |
| 6. Align personal services funding to accurately align program delivery and personnel. | Yes |
| 7. Eliminate one-time federal funding used for Parole Risk guidelines improvement. | Yes |
| 8. Provide additional funding for substance abuse assessment and treatment. | 300,000 |
| 9. Provide additional funding for utilities (\$41,146), fuel (\$168,361) and mileage reimbursement (\$137,678). | 347,185 |
| 10. Increase regular operating funds (\$50,000) to cover costs of records retention. | Yes |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$2,219,854 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$49,847,069 |

STATE PROPERTIES COMMISSION

ORGANIZATIONAL CHART



STATE PROPERTIES COMMISSION

Roles and Responsibilities:

The State Properties Commission coordinates the purchase, management, inventory records and disposition of real property acquired and owned by the state. Its core business is the regulation of state property acquisitions and dispositions and the maintenance of accurate and up-to-date records.

SB 158 of the 2005 General Assembly established the State Properties Commission as an independent agency, removing ties to the Department of Administrative Services. Under that same legislation, the Georgia

Building Authority was detached from the Department of Administrative Services and attached to the State Properties Commission.

ATTACHED AGENCIES

The **Georgia Building Authority** provides maintenance, grounds keeping, food service, parking and security for the employees and facilities within the Capitol Hill office complex and other specified areas.

Space Management assists agencies in the location of adequate and safe space in state-owned facilities or

commercially leased space and assists agencies in the design of space. This unit maintains a current computerized inventory of all state-owned buildings on Capitol Hill and state-occupied commercially leased space.

AUTHORITY

Title 50-5B Georgia Code Annotated.

STATE PROPERTIES COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|--------------------|----------------------|--------------------|----------------------|--------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Leasing | | | | | | | | |
| Other Funds | | | \$371,491 | | | \$31,164 | \$402,655 | \$402,655 |
| State General Funds | \$374,853 | | | | | | | |
| Total | <u>374,853</u> | | <u>371,491</u> | | | <u>31,164</u> | <u>402,655</u> | <u>402,655</u> |
| State Properties | | | | | | | | |
| Other Funds | | | 558,553 | | | 29,872 | 588,425 | 588,425 |
| State General Funds | 564,660 | | | | | | | |
| Total | <u>564,660</u> | | <u>558,553</u> | | | <u>29,872</u> | <u>588,425</u> | <u>588,425</u> |
| State Properties Commission | | | | | | | | |
| Other Funds | | | | | | | | |
| State General Funds | | 558,553 | (558,553) | | | | (558,553) | 0 |
| Total | | <u>558,553</u> | <u>(558,553)</u> | | | | <u>(558,553)</u> | <u>0</u> |
| <u>ATTACHED AGENCIES AND AUTHORITIES:</u> | | | | | | | | |
| Payments to Georgia Building Authority | | | | | | | | |
| Other Funds | 3,000,000 | | 2,329,042 | (1,150,000) | 3,000,000 | 706,539 | 4,885,581 | 4,885,581 |
| State General Funds | 1,306,457 | | | | | | | |
| Total | <u>\$3,000,000</u> | | <u>\$2,329,042</u> | <u>(\$1,150,000)</u> | <u>\$3,000,000</u> | <u>\$706,539</u> | <u>\$4,885,581</u> | <u>\$4,885,581</u> |
| TOTAL FUNDS | <u>\$5,245,970</u> | <u>\$558,553</u> | <u>\$2,700,533</u> | <u>(\$1,150,000)</u> | <u>\$3,000,000</u> | <u>\$767,575</u> | <u>\$5,318,108</u> | <u>\$5,876,661</u> |
| <u>Less:</u> | | | | | | | | |
| Other Funds | \$3,000,000 | | \$3,259,086 | (\$1,150,000) | \$3,000,000 | \$767,575 | \$5,876,661 | \$5,876,661 |
| State General Funds | \$2,245,970 | \$558,553 | (\$558,553) | | | | (\$558,553) | 0 |
| TOTAL STATE FUNDS | \$2,245,970 | \$558,553 | (\$558,553) | \$0 | \$0 | \$0 | (\$558,553) | \$0 |

STATE PROPERTIES COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 * Expenditures | FY 2005 * Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|---------------------------|---------------------------|------------------------------------|--------------------|--------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Direct Payments to GBA - Operations | \$5,245,970 | | | \$558,553 | \$5,318,108 | \$5,876,661 |
| TOTAL FUNDS | \$5,245,970 | \$0 | \$0 | \$558,553 | \$5,318,108 | \$5,876,661 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$3,000,000 | | | | \$5,876,661 | \$5,876,661 |
| State General Funds | \$2,245,970 | | | \$558,553 | (\$558,553) | \$0 |
| TOTAL STATE FUNDS | \$2,245,970 | \$0 | \$0 | \$558,553 | (\$558,553) | \$0 |
| <u>ATTACHED AGENCIES AND AUTHORITIES (Information Only):</u> | | | | | | |
| Georgia Building Authority | \$42,385,606 | | | \$39,910,982 | \$5,182,790 | \$45,093,772 |
| Positions | 289 | | | 289 | | 289 |
| Motor Vehicles | 57 | | | 57 | | 57 |

*The State Properties Commission was established as an independent agency on July 1, 2005 per SB 158 of the 2005 General Assembly. Prior year expenditures are listed in the Department of Administrative Services.

STATE PROPERTIES COMMISSION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Leasing | | | | | \$402,655 | \$402,655 |
| State Properties | \$558,553 | | \$558,553 | | 588,425 | 588,425 |
| Subtotal | \$558,553 | | \$558,553 | | \$991,080 | \$991,080 |
| <u>ATTACHED AUTHORITY:</u> | | | | | | |
| Payments to Georgia Building Authority | | | | | \$4,885,581 | \$4,885,581 |
| Subtotal | | | | | \$4,885,581 | \$4,885,581 |
| TOTAL | \$558,553 | | \$558,553 | | \$5,876,661 | \$5,876,661 |
| <u>ATTACHED AGENCIES - FOR INFORMATION ONLY:</u> | | | | | | |
| Georgia Building Authority | | \$39,910,982 | \$39,910,982 | | \$45,093,772 | \$45,093,772 |

STATE PROPERTIES COMMISSION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$558,553**

State Properties Commission

- | | |
|---|-------------|
| 1. Annualize the cost of the FY 2006 salary adjustment (Total Funds: \$136,884) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$93,367). | Yes |
| 2. Increase funds to reflect an adjustment in the employershare of State Health Benefit Plan premiums from 14.20% to 16.713% (Total Funds: \$488,558). | Yes |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums (Total Funds: \$37,526). | Yes |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space (Total Funds: \$11,240). | Yes |
| 5. Transfer the Space Management program (\$371,491) and the Payments to GBA program (\$2,331,288) from the Department of Administrative Services to the State Properties Commission. | Yes |
| 6. Adjust annualizer to reflect updated projections. | Yes |
| 7. Eliminate one-time funding for the purchase of property around Capitol Hill (Total Funds: \$1,150,000). | Yes |
| 8. Adjust agency rental rates to create a maintenance and repair fund in the Facilities program (Total Funds: \$3,000,000). | Yes |
| 9. Replace state funds with agency funds for the operation of the State Properties Commission. | (558,553) |
| Subtotal | (\$558,553) |

ATTACHED AGENCIES AND AUTHORITIES:

Georgia Building Authority

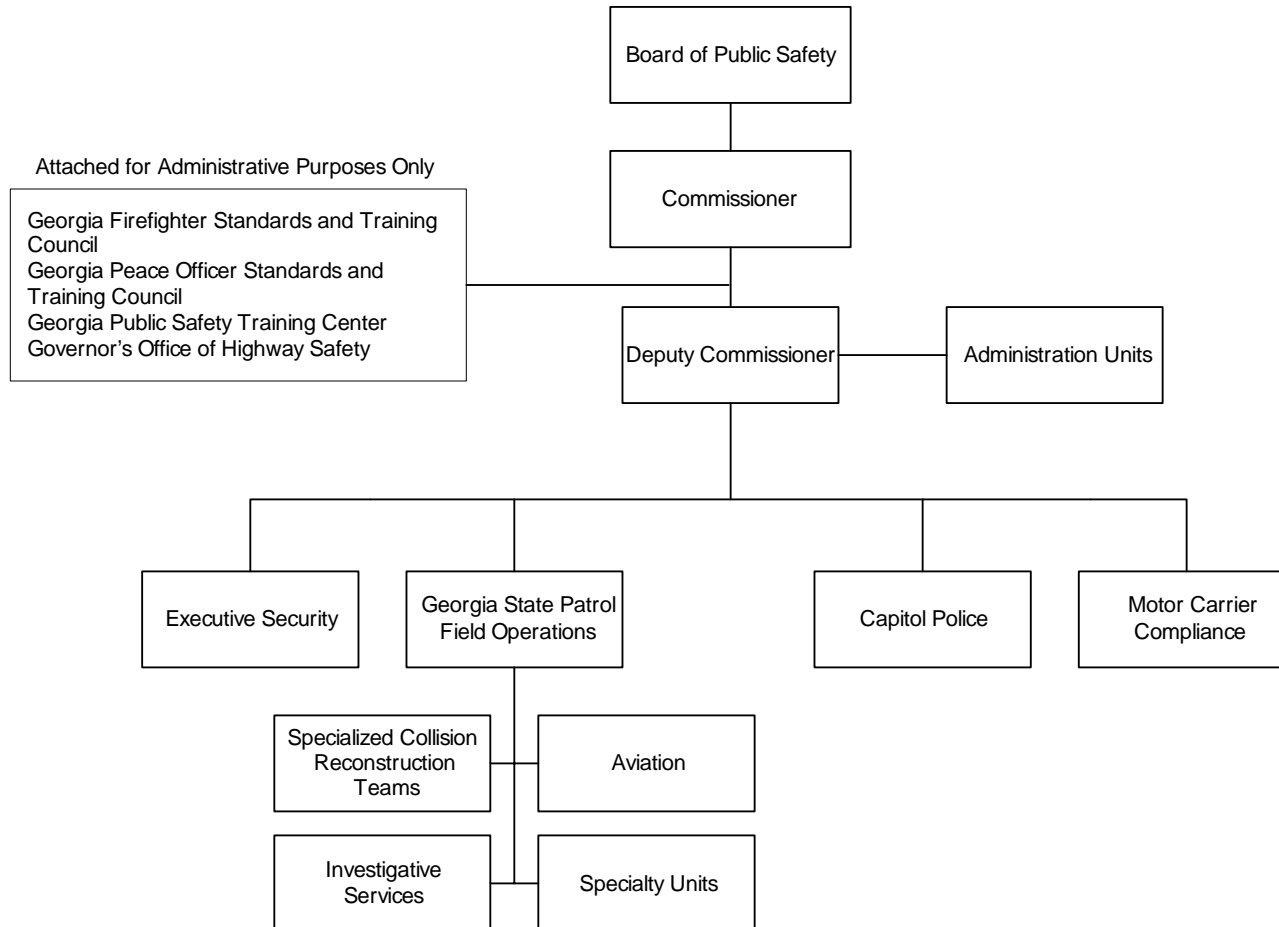
- | | |
|--|-----|
| 1. Annualize the cost of the FY 2006 salary adjustment (Total Funds: \$127,415) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$86,044). | Yes |
| 2. Increase funds to reflect an adjustment in the employershare of State Health Benefit Plan premiums from 14.20% to 16.713% (Total Funds: \$457,908). | Yes |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums (Total Funds: \$35,172). | Yes |
| 4. Transfer the Payments to GBA program (\$2,331,288) from the Department of Administrative Services and adjust annualizers to reflect updated projections. | Yes |
| 5. Eliminate one-time funding for the purchase of property around Capitol Hill (Total Funds: \$1,150,000). | Yes |
| 6. Adjust agency rental rates to create a maintenance and repair fund in the Facilities program (Total Funds: \$3,000,000). | Yes |
| 7. Provide \$3,100,000 in state funds for capital projects at Northwest Georgia Regional Hospital (\$1,402,000), Southwestern State Hospital (\$1,549,000), and East Central Regional Hospital - Augusta Campus (\$149,000). | Yes |

TOTAL NET STATE GENERAL FUND ADJUSTMENTS **\$0**

| | |
|--|------------|
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$0 |
|--|------------|

DEPARTMENT OF PUBLIC SAFETY

ORGANIZATIONAL CHART



DEPARTMENT OF PUBLIC SAFETY

Roles and Responsibilities:

The Georgia Department of Public Safety is responsible for patrolling the public roads and highways of the state of Georgia, safeguarding the lives and property of the public, and investigating traffic accidents. The department's troopers work to reduce accidents and injuries by enforcing traffic laws, encouraging seat belt use, and by stopping drivers under the influence of drugs and alcohol. They also investigate traffic accidents and are involved in highway drug interdiction. The agency is responsible for Executive Security for the Governor and First Lady and the safety and security of employees, visitors and facilities of the Capitol Hill Area. In addition, the department provides law enforcement assistance to the public and other agencies of the criminal justice community in areas such as special units, fugitive apprehension, and Homeland Security.

Effective July 1st, 2005, the department assumed the responsibility for operations of the Motor Carrier Compliance Division. This unit has the responsibility of enforcing Georgia's commercial vehicle regulations. In addition, this unit is responsible for the enforcement of the High Occupancy Lanes in the Metro Atlanta Area.

A staff of 1,792 employees (including 953 sworn positions) supports the operations of the department. To carry out its duties, the State Patrol operates a headquarters facility, 48 patrol posts, 6 aviation hangers, and 19 weight stations statewide.

In an effort to provide the services to the State and public as directed by the department, the State Patrol has several unique units that contribute to the overall mission. These units are as follows:

- Field Operations
- Training Administration
- Executive Security
- Specialized Collision Reconstruction Team
- Investigative Services
- Safety Education
- Aviation
- Criminal Interdiction Unit
- SWAT
- Capitol Police
- Motor Carrier Compliance
- Administration

The department, for administrative purposes only, maintains four additional program units. The additional programs are as follows:

The **Georgia Public Safety Training Center** provides instruction and support services for the training of state and local law enforcement officers, firefighters, correctional officers, and emergency personnel.

The **Georgia Firefighter Standards and Training Council** is responsible for establishing uniform standards for the employment and training of firefighters. Additionally, the Council establishes curriculum requirements and approves schools and facilities for the purpose of fire training.

The **Georgia Peace Officer Standards and Training Council** is responsible for improving law enforcement in the state by enforcing legislatively established standards for the employment and training of peace officers. The citizens of Georgia can be assured the adequate protection of persons and property through the establishment of minimum standards and professionalism developed and supported by law enforcement training.

The **Governor's Office of Highway Safety** is responsible for the development and administration of statewide highway safety programs. The agency coordinates programs funded through federal highway grants designed to reduce the number of highway deaths and to promote safety.

AUTHORITY

Title 25, 35, and 40 of the Official Code of Georgia Annotated; Georgia Laws 1980, Act 875 and Act 866.

DEPARTMENT OF PUBLIC SAFETY

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|-------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Administration | | | | | | | | |
| State General Funds | \$9,861,979 | \$9,816,239 | | (\$373,178) | | \$241,443 | (\$131,735) | \$9,684,504 |
| Total | 9,861,979 | 9,816,239 | | (373,178) | | 241,443 | (131,735) | 9,684,504 |
| Aviation | | | | | | | | |
| State General Funds | 2,318,934 | 2,307,130 | | | | 58,765 | 58,765 | 2,365,895 |
| Total | 2,318,934 | 2,307,130 | | | | 58,765 | 58,765 | 2,365,895 |
| Capitol Police Services | | | | | | | | |
| Other Funds | 3,151,435 | 3,151,435 | | | | | | 3,151,435 |
| Total | 3,151,435 | 3,151,435 | | | | | | 3,151,435 |
| Executive Security Services | | | | | | | | |
| State General Funds | 1,061,306 | 1,050,978 | | | | 41,376 | 41,376 | 1,092,354 |
| Total | 1,061,306 | 1,050,978 | | | | 41,376 | 41,376 | 1,092,354 |
| Field Offices and Services | | | | | | | | |
| State General Funds | 63,822,256 | 60,086,195 | | | \$277,500 | 3,081,159 | 3,358,659 | 63,444,854 |
| Total | 63,822,256 | 60,086,195 | | | 277,500 | 3,081,159 | 3,358,659 | 63,444,854 |
| Motor Carrier Compliance | | | | | | | | |
| Federal Funds | 3,861,998 | 2,561,998 | \$1,300,000 | | | | 1,300,000 | 3,861,998 |
| Other Funds | 5,896,898 | 7,196,898 | (1,300,000) | | | | (1,300,000) | 5,896,898 |
| State General Funds | 7,026,483 | 6,329,515 | | | | 283,421 | 283,421 | 6,612,936 |
| Total | 16,785,379 | 16,088,411 | 0 | | | 283,421 | 283,421 | 16,371,832 |
| Specialized Collision Reconstruction Team | | | | | | | | |
| State General Funds | 2,168,703 | 2,150,997 | | | | 89,548 | 89,548 | 2,240,545 |
| Total | 2,168,703 | 2,150,997 | | | | 89,548 | 89,548 | 2,240,545 |

DEPARTMENT OF PUBLIC SAFETY

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|----------------|--------------------|------------------|----------------------|--------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Troop J Specialty Units | | | | | | | | |
| State General Funds | 2,222,733 | 2,204,535 | | | | 87,220 | 87,220 | 2,291,755 |
| Total | 2,222,733 | 2,204,535 | | | | 87,220 | 87,220 | 2,291,755 |
| <u>ATTACHED AGENCIES:</u> | | | | | | | | |
| Firefighters Standards and Training Council | | | | | | | | |
| State General Funds | 677,966 | 551,565 | | | 66,080 | 20,580 | 86,660 | 638,225 |
| Total | 677,966 | 551,565 | | | 66,080 | 20,580 | 86,660 | 638,225 |
| Georgia Public Safety Training Center | | | | | | | | |
| Other Funds | 1,634,073 | 1,634,073 | | | | | | 1,634,073 |
| State General Funds | 11,274,492 | 10,988,058 | | | 35,000 | 348,598 | 383,598 | 11,371,656 |
| Total | 12,908,565 | 12,622,131 | | | 35,000 | 348,598 | 383,598 | 13,005,729 |
| Office of Highway Safety | | | | | | | | |
| Federal Funds | 3,166,937 | 3,166,937 | | | | | | 3,166,937 |
| State General Funds | 500,121 | 485,876 | | | | 18,009 | 18,009 | 503,885 |
| Total | 3,667,058 | 3,652,813 | | | | 18,009 | 18,009 | 3,670,822 |
| Peace Officers Standards and Training Council | | | | | | | | |
| State General Funds | 2,087,158 | 1,905,971 | | | | 102,796 | 102,796 | 2,008,767 |
| Total | 2,087,158 | 1,905,971 | | | | 102,796 | 102,796 | 2,008,767 |
| TOTAL FUNDS | \$120,733,472 | \$115,588,400 | | (\$373,178) | \$378,580 | \$4,372,915 | \$4,378,317 | \$119,966,717 |
| <u>Less:</u> | | | | | | | | |
| Federal Funds | \$7,028,935 | \$5,728,935 | \$1,300,000 | | | | \$1,300,000 | \$7,028,935 |
| Other Funds | 10,682,406 | 11,982,406 | (1,300,000) | | | | (1,300,000) | 10,682,406 |
| Subtotal | \$17,711,341 | \$17,711,341 | \$0 | \$0 | \$0 | \$0 | \$0 | \$17,711,341 |
| State General Funds | \$103,022,131 | \$97,877,059 | | (\$373,178) | \$378,580 | \$4,372,915 | \$4,378,317 | \$102,255,376 |
| TOTAL STATE FUNDS | \$103,022,131 | \$97,877,059 | \$0 | (\$373,178) | \$378,580 | \$4,372,915 | \$4,378,317 | \$102,255,376 |

DEPARTMENT OF PUBLIC SAFETY

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|---|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$80,899,830 | \$65,633,393 | \$64,626,721 | \$79,692,461 | \$3,509,754 | \$83,202,215 |
| Regular Operating Expenses | 9,696,476 | 9,579,464 | 10,272,958 | 9,643,326 | 53,150 | 9,696,476 |
| Travel | 181,145 | 243,406 | 355,095 | 181,145 | | 181,145 |
| Motor Vehicle Purchases | 5,734,145 | 2,876,034 | 2,031,457 | 2,682,209 | | 2,682,209 |
| Equipment | 607,378 | 1,199,090 | 1,668,616 | 383,028 | 224,350 | 607,378 |
| Computer Charges | 1,007,868 | 807,659 | 826,549 | 1,007,868 | | 1,007,868 |
| Real Estate Rentals | 107,695 | 104,413 | 103,033 | 107,695 | | 107,695 |
| Telecommunications | 2,248,846 | 1,730,872 | 1,584,468 | 2,248,846 | | 2,248,846 |
| Per Diem and Fees | 195,772 | 162,495 | 168,223 | 195,772 | | 195,772 |
| Contracts | 404,333 | 602,005 | 2,261,763 | 404,333 | | 404,333 |
| State Patrol Posts Repairs and Maintenance | 309,237 | 317,401 | 404,573 | 309,237 | | 309,237 |
| TOTAL FUNDS | \$101,392,725 | \$83,256,232 | \$84,303,456 | \$96,855,920 | \$3,787,254 | \$100,643,174 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$9,048,333 | \$4,122,119 | \$7,538,523 | \$10,348,333 | (\$1,300,000) | \$9,048,333 |
| Federal Funds | 3,861,998 | 2,748,080 | 4,365,205 | 2,561,998 | 1,300,000 | 3,861,998 |
| Subtotal | \$12,910,331 | \$6,870,199 | \$11,903,728 | \$12,910,331 | \$0 | \$12,910,331 |
| State General Funds | \$88,482,394 | \$76,386,033 | \$72,399,728 | \$83,945,589 | \$3,787,254 | \$87,732,843 |
| TOTAL STATE FUNDS (Excludes attached agencies) | \$88,482,394 | \$76,386,033 | \$72,399,728 | \$83,945,589 | \$3,787,254 | \$87,732,843 |
| Positions | 1,792 | 1,435 | 1,493 | 1,792 | 1 | 1,793 |
| Motor Vehicles | 1,352 | 1,178 | 1,165 | 1,352 | | 1,352 |

DEPARTMENT OF PUBLIC SAFETY

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| <u>ATTACHED AGENCIES (For information only):</u> | | | | | | |
| Firefighters Standards and Training Council | \$677,966 | \$404,566 | \$467,908 | \$551,565 | \$86,660 | \$638,225 |
| Georgia Public Safety Training Center | 12,908,565 | 17,178,965 | 16,199,241 | 12,622,131 | 383,598 | 13,005,729 |
| Office of Highway Safety | 3,667,058 | 11,073,955 | 12,491,836 | 3,652,813 | 18,009 | 3,670,822 |
| Peace Officers Standards and Training Council | 2,087,158 | 1,495,520 | 2,219,313 | 1,905,971 | 102,796 | 2,008,767 |
| TOTAL FUNDS | \$19,340,747 | \$30,153,006 | \$31,378,298 | \$18,732,480 | \$591,063 | \$19,323,543 |
| Positions | 203 | 229 | 229 | 202 | 1 | 203 |
| Motor Vehicles | 79 | 89 | 89 | 90 | | 90 |

DEPARTMENT OF PUBLIC SAFETY

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$9,816,239 | | \$9,816,239 | \$9,684,504 | | \$9,684,504 |
| Aviation | 2,307,130 | | 2,307,130 | 2,365,895 | | 2,365,895 |
| Capitol Police Services | | \$3,151,435 | 3,151,435 | | \$3,151,435 | 3,151,435 |
| Executive Security Services | 1,050,978 | | 1,050,978 | 1,092,354 | | 1,092,354 |
| Field Offices and Services | 60,086,195 | | 60,086,195 | 63,444,854 | | 63,444,854 |
| Motor Carrier Compliance | 6,329,515 | 9,758,896 | 16,088,411 | 6,612,936 | 9,758,896 | 16,371,832 |
| Specialized Collision Reconstruction Team | 2,150,997 | | 2,150,997 | 2,240,545 | | 2,240,545 |
| Troop J Specialty Units | 2,204,535 | | 2,204,535 | 2,291,755 | | 2,291,755 |
| Subtotal | \$83,945,589 | \$12,910,331 | \$96,855,920 | \$87,732,843 | \$12,910,331 | \$100,643,174 |
| ATTACHED AGENCIES: | | | | | | |
| Firefighters Standards and Training Council | \$551,565 | | \$551,565 | \$638,225 | | \$638,225 |
| Georgia Public Safety Training Center | 10,988,058 | \$1,634,073 | 12,622,131 | 11,371,656 | \$1,634,073 | 13,005,729 |
| Office of Highway Safety | 485,876 | 3,166,937 | 3,652,813 | 503,885 | 3,166,937 | 3,670,822 |
| Peace Officers Standards and Training Council | 1,905,971 | | 1,905,971 | 2,008,767 | | 2,008,767 |
| Subtotal | \$13,931,470 | \$4,801,010 | \$18,732,480 | \$14,522,533 | \$4,801,010 | \$19,323,543 |
| TOTAL FUNDS | \$97,877,059 | \$17,711,341 | \$115,588,400 | \$102,255,376 | \$17,711,341 | \$119,966,717 |

DEPARTMENT OF PUBLIC SAFETY

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$97,877,059**

Department of Public Safety

| | |
|--|-------------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$755,697) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$881,023). | \$1,636,720 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 1,280,369 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 232,783 |
| 4. Reduce personal services in the Administration program. | (373,178) |
| 5. Provide funds to implement a 10 Trooper Motorcycle Unit located in the Metro Atlanta area. | 277,500 |
| 6. Transfer 1 position and \$30,000 in personal services from the Georgia Department of Revenue. | 30,000 |
| 7. Annualize the cost of two Trooper Schools. | 703,060 |
| Subtotal | \$3,787,254 |

ATTACHED AGENCIES:

Firefighters Standards and Training Council

| | |
|--|----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$3,879) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$6,146). | \$10,025 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 8,931 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 1,624 |
| 4. Increase per diem and fees to provide state certified firefighters to evaluate firefighters certification tests. | 50,000 |
| 5. Increase computer charges for hardware to implement SB 169 that requires FFSTC to certify volunteer firefighters. | 16,080 |
| Subtotal | \$86,660 |

Georgia Public Safety Training Center

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$76,195) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$100,240). | \$176,435 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 145,677 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 26,486 |
| 4. Increase regular operating expenses to provide meals and lodging for students enrolled in the Basic Communications Officer course. | 35,000 |
| Subtotal | \$383,598 |

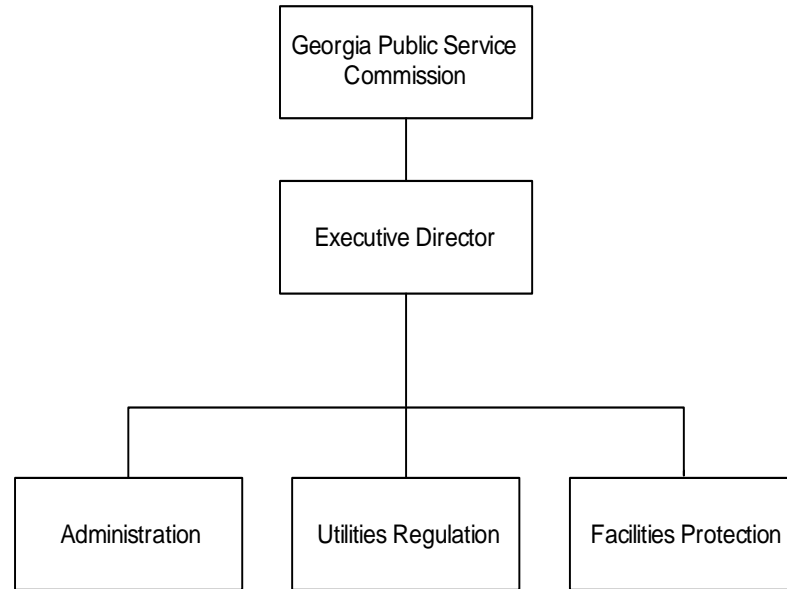
DEPARTMENT OF PUBLIC SAFETY

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------|
| Office of Highway Safety | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$4,528) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$4,961). | \$9,489 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 7,209 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 1,311 |
| Subtotal | \$18,009 |
| Peace Officers Standards and Training Council | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$11,237) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$17,685). | \$28,922 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 25,702 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 4,673 |
| 4. Annualize the cost of 1 position transferred from the Georgia Department of Corrections to POST. | 43,499 |
| Subtotal | \$102,796 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$4,378,317 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$102,255,376 |

PUBLIC SERVICE COMMISSION

ORGANIZATIONAL CHART



PUBLIC SERVICE COMMISSION

Roles and Responsibilities:

The Public Service Commission (PSC) is responsible for regulating public utility companies under its jurisdiction. In carrying out its responsibilities, the commission promulgates and enforces rules governing regulated companies, assists consumers of regulated companies with questions and problematic situations, and educates the public on consumer rights and responsibilities in the evolving regulatory environment. Above all, the Commission aims to ensure that the best value in electric, natural gas, transportation and telecommunications service is delivered to Georgia consumers and that the level of pipeline safety and utility facility protection practiced in the state remains high.

The PSC is a quasi-legislative, quasi-judicial agency directed by a five-member board of commissioners. Commissioners are elected through statewide general elections and serve six-year terms. The agency's staff includes accountants, analysts, engineers, information systems specialists, inspectors, and various administrative personnel who assist the commissioners in fulfilling their duties. The Commission has two programs: Facilities Protection and Utilities Regulation.

FACILITIES PROTECTION

Through its safety program, the Georgia Public Service Commission protects people, property and the

environment from physical harm from an accidental release of natural gas or other liquid, and averts interruptions of utility service resulting from damage to utility facilities caused by blasting or excavating operations. The commission fulfills its responsibilities by enforcing industry compliance with safety rules and regulations and by educating the system operators. By training operators, the Commission ensures that industry personnel understand proper procedures for locating and marking utility facilities before blasting or excavating. The combination of enforcement and education is highly effective and contributes to the health and security of Georgia.

TRANSPORTATION

Under legislation adopted by the 2005 General Assembly, the Commission assumed the regulation of household goods movers, luxury limousines, buses and non-consensual towers. The Commission sets maximum rates to be charged and ensures that these carriers are properly licensed, insured and able to comply with all safety regulations. The transportation unit is part of the utilities regulation division.

UTILITIES REGULATION

The goal of utilities regulation is to ensure that telecommunications, electric and natural gas providers serve the state with affordable rates and quality service.

Even though the natural gas and telecommunications industries have been partially opened to competition, the PSC remains responsible for monitoring the rates and service standards of electric, transportation, natural gas, and telecommunications companies. Additionally, it is the role of the commission to approve supply plans for electric and natural gas companies, monitor utility system and telecommunications network planning, arbitrate complaints among competitors, provide consumer protection and education, and certify competitive transportation, natural gas and telecommunications providers.

The PSC recognizes that its responsibility to ensure that utility services are reliable and reasonably priced has not changed even as utility markets become more competitive. The Public Service Commission believes that Georgians should continue to have access to high quality utility services, whether those services are priced in a competitive market or through economic regulation.

AUTHORITY

Article 4, Section 1 of the Constitution of the State of Georgia; Titles 40 and 46 of the Official Code of Georgia Annotated.

PUBLIC SERVICE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|------------------------------|------------------------------------|-----------------------------------|----------------|--------------------|------------------|----------------------|------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| State General Funds | \$1,148,039 | \$1,401,396 | (\$87,986) | (\$175,000) | | \$48,655 | (\$214,331) | \$1,187,065 |
| Total | 1,148,039 | 1,401,396 | (87,986) | (175,000) | | 48,655 | (214,331) | 1,187,065 |
| Facilities Protection | | | | | | | | |
| Federal Funds | 388,452 | 273,311 | | | | | | 273,311 |
| State General Funds | 724,676 | 665,164 | (60,519) | | | 25,679 | (34,840) | 630,324 |
| Total | 1,113,128 | 938,475 | (60,519) | | | 25,679 | (34,840) | 903,635 |
| Utilities Regulation | | | | | | | | |
| State General Funds | 7,018,530 | 6,339,307 | 148,505 | | \$310,215 | 231,679 | 690,399 | 7,029,706 |
| Total | 7,018,530 | 6,339,307 | 148,505 | | 310,215 | 231,679 | 690,399 | 7,029,706 |
| TOTAL FUNDS | \$9,279,697 | \$8,679,178 | \$0 | (\$175,000) | \$310,215 | \$306,013 | \$441,228 | \$9,120,406 |
| <u>Less:</u> | | | | | | | | |
| Federal Funds | \$388,452 | \$273,311 | | | | | \$0 | \$273,311 |
| State General Funds | \$8,891,245 | \$8,405,867 | | (\$175,000) | \$310,215 | \$306,013 | \$441,228 | \$8,847,095 |
| TOTAL STATE FUNDS | \$8,891,245 | \$8,405,867 | \$0 | (\$175,000) | \$310,215 | \$306,013 | \$441,228 | \$8,847,095 |

PUBLIC SERVICE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|--------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$7,264,410 | \$6,493,935 | \$6,431,840 | \$6,881,352 | \$364,588 | \$7,245,940 |
| Regular Operating Expenses | 250,711 | 269,924 | 291,120 | 425,711 | (175,000) | 250,711 |
| Travel | 89,376 | 85,990 | 87,638 | 89,376 | | 89,376 |
| Motor Vehicle Purchases | 48,900 | 19,634 | 16,474 | | | 0 |
| Equipment | 28,400 | 21,357 | 65,630 | 15,300 | | 15,300 |
| Computer Charges | 337,030 | 262,458 | 220,172 | 237,030 | | 237,030 |
| Real Estate Rentals | 550,329 | 494,933 | 501,955 | 550,329 | 51,640 | 601,969 |
| Telecommunications | 112,186 | 88,484 | 80,340 | 112,186 | | 112,186 |
| Per Diem and Fees | 598,355 | 1,013,925 | 983,456 | 367,894 | 200,000 | 567,894 |
| Contracts | | 290,474 | | | | |
| TOTAL FUNDS | \$9,279,697 | \$9,041,114 | \$8,678,625 | \$8,679,178 | \$441,228 | \$9,120,406 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$388,452 | | | \$273,311 | | \$273,311 |
| State General Funds | \$8,891,245 | \$9,041,114 | \$8,678,625 | \$8,405,867 | \$441,228 | \$8,847,095 |
| TOTAL STATE FUNDS | \$8,891,245 | \$9,041,114 | \$8,678,625 | \$8,405,867 | \$441,228 | \$8,847,095 |
| Positions | 103 | 94 | 94 | 96 | 2 | 98 |
| Motor Vehicles | 22 | 19 | 19 | 19 | | 19 |

PUBLIC SERVICE COMMISSION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-----------------------|------------------------|-------------------------|--------------------|------------------------------------|-------------------------|--------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$1,401,396 | | \$1,401,396 | \$1,187,065 | | \$1,187,065 |
| Facilities Protection | 665,164 | \$273,311 | 938,475 | 630,324 | \$273,311 | 903,635 |
| Utilities Regulation | 6,339,307 | | 6,339,307 | 7,029,706 | | 7,029,706 |
| TOTAL FUNDS | \$8,405,867 | \$273,311 | \$8,679,178 | \$8,847,095 | \$273,311 | \$9,120,406 |

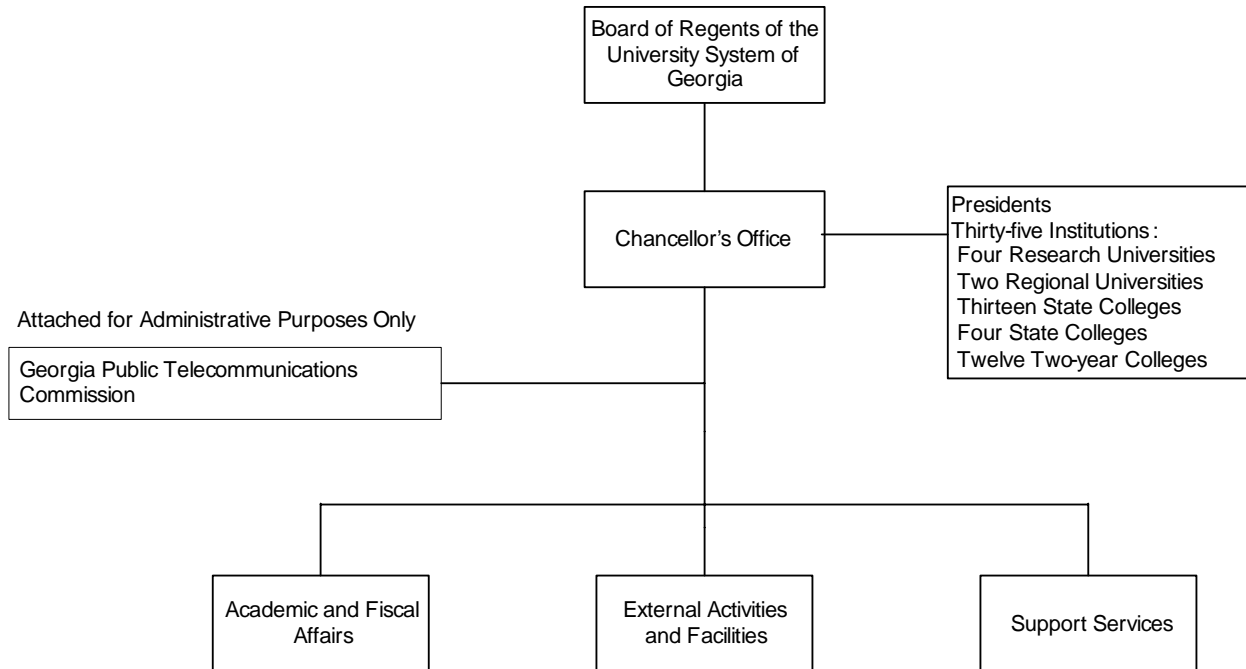
PUBLIC SERVICE COMMISSION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|--------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$8,405,867 |
| Public Service Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$65,757). | \$126,929 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 118,286 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 9,158 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 51,640 |
| 5. Transfer \$87,986 from the Administration program to the Utilities Regulation program; transfer \$60,519 from the Facilities Protection program to the Utilities Regulation program; and transfer a position from the Utilities Regulation program to the Facilities Protection program to accurately reflect program expenditures. | Yes |
| 6. Reduce one-time funding for moving expenses in the Administration program. | (175,000) |
| 7. Provide funding for per diem and fees in the Utilities Regulation program to hire outside consultants and expert witnesses for upcoming rate proceedings. | 200,000 |
| 8. Add 2 positions to the Transportation unit of the Utilities Regulation program to perform audits and training and to update maximum rate tariffs. | 110,215 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$441,228 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$8,847,095 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

ORGANIZATIONAL CHART



REGENTS, UNIVERSITY SYSTEM OF GEORGIA

Roles and Responsibilities:

The University System of Georgia (USG), through its 35 public colleges and universities, is charged with providing higher education to a wide range of Georgia residents from those seeking doctoral degrees, to undergraduates, to others desiring to enhance their job skills. The System works to create a more educated Georgia through its core missions of instruction, research and public service.

In the fall of 2005, the System enrolled over 253,000 students – its highest enrollment ever. Also during FY 2005, the USG granted 42,136 degrees. The awarding of degrees reflects the System's primary mission – instruction – that is funded through the Teaching program. However, there are 23 other programs that comprise the BOR budget which touch on economic development, agriculture, research, and service.

INSTRUCTION

Access to higher education is critical to the economic development of the state. Currently 90% of Georgia citizens are within commuting distance of one of the 35 USG institutions. Twelve two-year colleges offer programs leading to an associate degree. Four state colleges offer associate degrees and limited baccalaureate degrees. Thirteen state universities offer baccalaureate degrees, and most offer associate and graduate degrees.

Two regional and four research universities offer baccalaureate, masters, doctoral and professional degrees, along with some associate degrees. Also, four institutions offer technical programs through an arrangement with the Department of Technical and Adult Education (DTAE).

RESEARCH

Research is concentrated in four research universities: the University of Georgia, Georgia Institute of Technology, Georgia State University, and the Medical College of Georgia. Funding for research is derived from the funding formula, federal or private sponsored research, special state programs like the Georgia Research Alliance, Traditional Industries, and special research institutes.

For example, the Georgia Research Alliance (GRA) is a partnership between Georgia's public and private research universities and private corporations to promote economic development by focusing Georgia's research capabilities in targeted technologies that offer significant potential for economic and industrial growth.

Another example is the Traditional Industries Program which provides applied research grants in the areas of food processing, pulp and paper production, and carpet and textiles. Researchers team up with industry to solve problems critical to the growth and sustainability of Georgia's traditional industries.

SERVICE

The University System also has as one of its missions direct service to farmers, businesses, industry, and communities. Assistance is provided through continuing education, public service institutes, and special services and organizations.

For example, ATDC/EDI encourages industrial and economic development by providing an extension service that meets the technical, informational and other needs of industry and local development groups as well as working on incubation of new technology companies.

Cooperative Extension Service provides assistance to Georgia farmers through a network of county extension agents who share information and research developed through the Agricultural Experiment Stations. Cooperative Extension also provides useful and practical information to the people of Georgia on subjects related to natural resources, home economics, youth development, rural development, and family support.

OTHER ACTIVITIES

The Board of Regents also oversees the Public Libraries Service which has a purpose of providing assistance, information, and materials to meet the needs of local communities throughout the state. There are 58 public library systems that operate 370 public libraries statewide, in addition to the state's library for the blind and physically handicapped.

ATTACHED AGENCY

Attached to the University System is the **Georgia Public Telecommunications Commission (GPTC)** which provides a 9-station television and 13-station radio network designed to meet the educational, cultural and informational needs of the people of Georgia. Additionally, GPTC focuses on providing electronically delivered classroom support for all Georgia learners.

AUTHORITY

Titles 12, 20, 49 and 50 of the Official Code of Georgia Annotated.

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|-----------------|-----------------|------------------|----------------------|------------------|-------------------|--------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Agricultural Experiment Station | | | | | | | | | |
| Other Funds | \$32,441,262 | \$32,441,262 | | | | | | \$0 | \$32,441,262 |
| State General Funds | 39,782,040 | 38,481,866 | (19,908) | | 826,208 | 918,698 | 1,724,998 | 40,206,864 | |
| Total | 72,223,302 | 70,923,128 | (19,908) | | 826,208 | 918,698 | 1,724,998 | 72,648,126 | |
| ATDC/EDI | | | | | | | | | |
| Other Funds | 12,875,000 | 12,875,000 | | | | | | | 12,875,000 |
| State General Funds | 31,036,367 | 9,178,704 | 200,000 | (55,031) | 5,020,388 | 228,154 | 5,393,511 | 14,572,215 | |
| Total | 43,911,367 | 22,053,704 | 200,000 | (55,031) | 5,020,388 | 228,154 | 5,393,511 | 27,447,215 | |
| Athens/Tifton Vet Labs | | | | | | | | | |
| Other Funds | 4,737,054 | 4,653,970 | | | | | 0 | 4,653,970 | |
| State General Funds | | 41,542 | | | | 41,542 | 41,542 | 83,084 | |
| Total | 4,737,054 | 4,695,512 | | | | 41,542 | 41,542 | 4,737,054 | |
| Cooperative Extension Service | | | | | | | | | |
| Other Funds | 23,094,137 | 23,094,137 | | | | | 0 | 23,094,137 | |
| State General Funds | 32,895,654 | 31,779,748 | (6,262) | (80,000) | 814,350 | 851,438 | 1,579,526 | 33,359,274 | |
| Total | 55,989,791 | 54,873,885 | (6,262) | (80,000) | 814,350 | 851,438 | 1,579,526 | 56,453,411 | |
| Forestry Cooperative Extension | | | | | | | | | |
| State General Funds | 670,578 | 632,486 | 6,262 | (12,650) | 2,432 | 18,262 | 14,306 | 646,792 | |
| Total | 670,578 | 632,486 | 6,262 | (12,650) | 2,432 | 18,262 | 14,306 | 646,792 | |
| Forestry Research | | | | | | | | | |
| State General Funds | 3,222,130 | 3,011,535 | 19,908 | (60,231) | 15,887 | 87,011 | 62,575 | 3,074,110 | |
| Total | 3,222,130 | 3,011,535 | 19,908 | (60,231) | 15,887 | 87,011 | 62,575 | 3,074,110 | |
| Georgia Radiation Therapy Center | | | | | | | | | |
| Other Funds | 3,625,810 | 3,625,810 | | | | | 0 | 3,625,810 | |
| Total | 3,625,810 | 3,625,810 | | | | | 0 | 3,625,810 | |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|-------------|--------------|----------------------|------------------|-------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Georgia Tech Research Institute | | | | | | | | |
| Other Funds | 122,917,958 | 122,917,958 | | | | | 0 | 122,917,958 |
| State General Funds | <u>7,629,464</u> | <u>6,842,095</u> | (200,000) | | 709,313 | 197,074 | <u>706,387</u> | <u>7,548,482</u> |
| Total | 130,547,422 | 129,760,053 | (200,000) | | 709,313 | 197,074 | 706,387 | 130,466,440 |
| Marine Extension Service | | | | | | | | |
| Other Funds | 1,184,800 | 1,184,800 | | | | | 0 | 1,184,800 |
| State General Funds | <u>1,471,205</u> | <u>1,426,750</u> | | | 61,071 | 40,386 | <u>101,457</u> | <u>1,528,207</u> |
| Total | 2,656,005 | 2,611,550 | | | 61,071 | 40,386 | 101,457 | 2,713,007 |
| Marine Institute | | | | | | | | |
| Other Funds | 767,633 | 767,633 | | | | | 0 | 767,633 |
| State General Funds | <u>949,232</u> | <u>923,165</u> | | | 1,936 | 18,815 | <u>20,751</u> | <u>943,916</u> |
| Total | 1,716,865 | 1,690,798 | | | 1,936 | 18,815 | 20,751 | 1,711,549 |
| MCG Hospitals and Clinics | | | | | | | | |
| State General Funds | <u>32,391,395</u> | <u>31,510,080</u> | | | | 762,564 | <u>762,564</u> | <u>32,272,644</u> |
| Total | 32,391,395 | 31,510,080 | | | | 762,564 | 762,564 | 32,272,644 |
| Office of Minority Business Enterprise | | | | | | | | |
| State General Funds | <u>880,777</u> | <u>860,499</u> | | (17,210) | 2,714 | 14,158 | <u>(338)</u> | <u>860,161</u> |
| Total | 880,777 | 860,499 | | (17,210) | 2,714 | 14,158 | (338) | 860,161 |
| Public Libraries | | | | | | | | |
| Other Funds | 2,509,208 | 2,509,208 | | | | | 0 | 2,509,208 |
| State General Funds | <u>36,916,178</u> | <u>35,748,543</u> | (69,356) | (2,000,000) | 1,177,307 | 1,112,204 | <u>220,155</u> | <u>35,968,698</u> |
| Total | 39,425,386 | 38,257,751 | (69,356) | (2,000,000) | 1,177,307 | 1,112,204 | 220,155 | 38,477,906 |
| Public Service/Special Funding Initiatives | | | | | | | | |
| Tobacco Settlement Funds | 5,000,000 | 5,000,000 | | | | | 0 | 5,000,000 |
| State General Funds | <u>44,517,167</u> | <u>24,821,275</u> | | (1,882,435) | 3,027,430 | 409,959 | <u>1,554,954</u> | <u>26,376,229</u> |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|-------------|--------------|----------------------|------------------|---------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Total | 49,517,167 | 29,821,275 | | (1,882,435) | 3,027,430 | 409,959 | 1,554,954 | 31,376,229 |
| Regents Central Office | | | | | | | | |
| State General Funds | 7,454,027 | 7,264,505 | 69,356 | | 290,500 | 360,016 | 719,872 | 7,984,377 |
| Total | 7,454,027 | 7,264,505 | 69,356 | | 290,500 | 360,016 | 719,872 | 7,984,377 |
| Research Consortium | | | | | | | | |
| Tobacco Settlement Funds | 11,232,554 | 11,232,554 | | (500,000) | | | (500,000) | 10,732,554 |
| State General Funds | 24,804,308 | 20,537,489 | | | 4,950,000 | 162,762 | 5,112,762 | 25,650,251 |
| Total | 36,036,862 | 31,770,043 | | (500,000) | 4,950,000 | 162,762 | 4,612,762 | 36,382,805 |
| Skidaway Institute of Oceanography | | | | | | | | |
| Other Funds | 5,658,000 | 5,658,000 | | | | | 0 | 5,658,000 |
| State General Funds | 1,607,127 | 1,557,477 | | | 34,323 | 42,273 | 76,596 | 1,634,073 |
| Total | 7,265,127 | 7,215,477 | | | 34,323 | 42,273 | 76,596 | 7,292,073 |
| Student Education Enrichment | | | | | | | | |
| State General Funds | 311,340 | 304,035 | | | | 4,280 | 4,280 | 308,315 |
| Total | 311,340 | 304,035 | | | | 4,280 | 4,280 | 308,315 |
| Teaching | | | | | | | | |
| Other Funds | 2,519,332,893 | 2,519,332,893 | | | | | 0 | 2,519,332,893 |
| State General Funds | 1,629,927,486 | 1,558,562,243 | | (887,727) | 56,025,084 | 44,068,576 | 99,205,933 | 1,657,768,176 |
| Total | 4,149,260,379 | 4,077,895,136 | | (887,727) | 56,025,084 | 44,068,576 | 99,205,933 | 4,177,101,069 |
| Veterinary Medicine Experiment Station | | | | | | | | |
| State General Funds | 3,283,012 | 3,148,784 | | | 19,501 | 81,292 | 100,793 | 3,249,577 |
| Total | 3,283,012 | 3,148,784 | | | 19,501 | 81,292 | 100,793 | 3,249,577 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|----------------------|---------------------|----------------------|----------------------|------------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Veterinary Medicine Teaching Hospital | | | | | | | | |
| Other Funds | 6,700,000 | 6,700,000 | | | | | 0 | 6,700,000 |
| State General Funds | 494,019 | 478,173 | | | 1,548 | 10,006 | 11,554 | 489,727 |
| Total | 7,194,019 | 7,178,173 | | | 1,548 | 10,006 | 11,554 | 7,189,727 |
| <u>ATTACHED AGENCIES:</u> | | | | | | | | |
| Payments to Georgia Military College | | | | | | | | |
| State General Funds | 2,500,092 | 2,500,092 | | (107,985) | 187,453 | 80,500 | 159,968 | 2,660,060 |
| Total | 2,500,092 | 2,500,092 | | (107,985) | 187,453 | 80,500 | 159,968 | 2,660,060 |
| Payments to Georgia Public Telecommunications Commission | | | | | | | | |
| Other Funds | 14,224,291 | 14,224,291 | | | | | | 14,224,291 |
| State General Funds | 16,954,058 | 16,954,058 | | (339,081) | 33,485 | 374,681 | 69,085 | 17,023,143 |
| Total | 31,178,349 | 31,178,349 | | (339,081) | 33,485 | 374,681 | 69,085 | 31,247,434 |
| TOTAL FUNDS | \$4,685,998,256 | \$4,562,782,660 | \$0 | (\$5,942,350) | \$73,200,930 | \$49,884,651 | \$117,143,231 | \$4,679,925,891 |
| <u>Less:</u> | | | | | | | | |
| Other Funds | \$2,750,068,046 | \$2,749,984,962 | | | | | | \$2,749,984,962 |
| Tobacco Settlement Funds | \$16,232,554 | \$16,232,554 | | (\$500,000) | | | (\$500,000) | \$15,732,554 |
| State General Funds | 1,919,697,656 | 1,796,565,144 | | (5,442,350) | 73,200,930 | 49,884,651 | 117,643,231 | 1,914,208,375 |
| TOTAL STATE FUNDS | \$1,935,930,210 | \$1,812,797,698 | \$0 | (\$5,942,350) | \$73,200,930 | \$49,884,651 | \$117,143,231 | \$1,929,940,929 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|----------------------|------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$2,917,298,526 | | | \$2,860,396,122 | \$76,529,629 | \$2,936,925,751 |
| Personal Services - General and Departmental | | \$1,884,742,909 | \$1,904,677,286 | | | |
| Personal Services - Sponsored Operations | | 541,909,174 | 537,702,380 | | | |
| Operating Expenses - General and Departmental | 739,884,074 | 585,031,753 | 655,737,336 | 673,892,407 | 40,397,204 | 714,289,611 |
| Operating Expenses - Sponsored Operations | 869,976,286 | 621,401,670 | 624,813,379 | 870,415,386 | (419,542) | 869,995,844 |
| Special Funding Initiative | | 31,086,419 | 28,826,647 | | | |
| Research Consortium | | 27,910,038 | 25,783,490 | | | |
| Agricultural Research | | 2,628,207 | 2,483,445 | | | |
| ATDC/EDI | | 17,802,974 | 18,729,038 | | | |
| Forestry Research | | 955,831 | 842,059 | | | |
| Medical College of Georgia Health Inc. Contract | | 33,168,087 | 31,761,251 | | | |
| Office of Minority Business Enterprises | | 988,769 | 890,329 | | | |
| Student Education Enrichment Program | | 326,721 | 311,163 | | | |
| Center for Rehabilitation Technology | | 5,533,335 | 4,804,120 | | | |
| Regents Opportunity Grants | | 478,121 | | | | |
| Prior Year ETACT--UGA | | 1,638,711 | | | | |
| Prior Year ETACT--Georgia State | | 1,063,196 | | | | |
| Capital Outlay | 90,896,375 | 13,326,251 | 52,987,853 | 90,896,375 | | 90,896,375 |
| SREB Payments | 782,950 | 798,733 | 81,900 | 767,598 | 264,550 | 1,032,148 |
| Payments to Georgia Military College | 2,500,092 | 1,745,496 | 2,831,338 | 2,500,092 | 159,968 | 2,660,060 |
| Payments to Georgia Public Telecommunications Commission | 31,178,349 | 30,284,013 | 28,303,859 | 31,178,349 | 69,085 | 31,247,434 |
| Public Library (Grants) | 33,481,604 | 31,107,680 | 30,341,483 | 32,736,331 | 142,337 | 32,878,668 |
| TOTAL FUNDS | \$4,685,998,256 | \$3,833,928,088 | \$3,951,908,356 | \$4,562,782,660 | \$117,143,231 | \$4,679,925,891 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$2,750,068,046 | \$2,203,897,312 | \$2,275,590,887 | \$2,749,984,962 | | \$2,749,984,962 |
| Tobacco Settlement Funds | \$16,232,554 | \$6,244,639 | \$6,243,177 | \$16,232,554 | (\$500,000) | \$15,732,554 |
| State General Funds | 1,919,697,656 | 1,623,786,137 | 1,670,074,292 | 1,796,565,144 | 117,643,231 | 1,914,208,375 |
| TOTAL STATE FUNDS | \$1,935,930,210 | \$1,630,030,776 | \$1,676,317,469 | \$1,812,797,698 | \$117,143,231 | \$1,929,940,929 |
| Positions | 33,881 | 31,301 | 31,801 | 33,865 | 233 | 34,098 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|------------------------|-------------------------|------------------------|------------------------------------|-------------------------|------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Agricultural Experiment Station | 38,481,866 | \$32,441,262 | \$70,923,128 | \$40,206,864 | \$32,441,262 | \$72,648,126 |
| ATDC/EDI | 9,178,704 | 12,875,000 | 22,053,704 | 14,572,215 | 12,875,000 | 27,447,215 |
| Athens/Tifton Vet Labs | 41,542 | 4,653,970 | 4,695,512 | 83,084 | 4,653,970 | 4,737,054 |
| Cooperative Extension Service | 31,779,748 | 23,094,137 | 54,873,885 | 33,359,274 | 23,094,137 | 56,453,411 |
| Forestry Cooperative Extension | 632,486 | | 632,486 | 646,792 | | 646,792 |
| Forestry Research | 3,011,535 | | 3,011,535 | 3,074,110 | | 3,074,110 |
| Georgia Radiation Therapy Center | | 3,625,810 | 3,625,810 | | 3,625,810 | 3,625,810 |
| Georgia Tech Research Institute | 6,842,095 | 122,917,958 | 129,760,053 | 7,548,482 | 122,917,958 | 130,466,440 |
| Marine Extension Service | 1,426,750 | 1,184,800 | 2,611,550 | 1,528,207 | 1,184,800 | 2,713,007 |
| Marine Institute | 923,165 | 767,633 | 1,690,798 | 943,916 | 767,633 | 1,711,549 |
| MCG Hospitals and Clinics | 31,510,080 | | 31,510,080 | 32,272,644 | | 32,272,644 |
| Office of Minority Business Enterprises | 860,499 | | 860,499 | 860,161 | | 860,161 |
| Public Libraries | 35,748,543 | 2,509,208 | 38,257,751 | 35,968,698 | 2,509,208 | 38,477,906 |
| Public Service/Special Funding Initiatives | 29,821,275 | | 29,821,275 | 31,376,229 | | 31,376,229 |
| Regents Central Office | 7,264,505 | | 7,264,505 | 7,984,377 | | 7,984,377 |
| Research Consortium | 31,770,043 | | 31,770,043 | 36,382,805 | | 36,382,805 |
| Skidaway Institute of Oceanography | 1,557,477 | 5,658,000 | 7,215,477 | 1,634,073 | 5,658,000 | 7,292,073 |
| Student Education Enrichment Program | 304,035 | | 304,035 | 308,315 | | 308,315 |
| Teaching | 1,558,562,243 | 2,519,332,893 | 4,077,895,136 | 1,657,768,176 | 2,519,332,893 | 4,177,101,069 |
| Veterinary Medicine Experiment Station | 3,148,784 | | 3,148,784 | 3,249,577 | | 3,249,577 |
| Veterinary Medicine Teaching Hospital | 478,173 | 6,700,000 | 7,178,173 | 489,727 | 6,700,000 | 7,189,727 |
| Subtotal | \$1,793,343,548 | \$2,735,760,671 | \$4,529,104,219 | \$1,910,257,726 | \$2,735,760,671 | \$4,646,018,397 |
| ATTACHED AGENCIES: | | | | | | |
| Payments to Georgia Military College | \$2,500,092 | | \$2,500,092 | \$2,660,060 | | \$2,660,060 |
| Payments to Georgia Public Telecommunications Commission | 16,954,058 | \$14,224,291 | 31,178,349 | 17,023,143 | \$14,224,291 | 31,247,434 |
| Subtotal | \$19,454,150 | \$14,224,291 | \$33,678,441 | \$19,683,203 | \$14,224,291 | \$33,907,494 |
| TOTAL FUNDS | \$1,812,797,698 | \$2,749,984,962 | \$4,562,782,660 | \$1,929,940,929 | \$2,749,984,962 | \$4,679,925,891 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$1,796,565,144 |
| Regents, University System of Georgia | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$16,347,032) and provide for a salary increase in FY 2007 of 4% effective January 1, 2007 (\$30,697,844) for the University System of Georgia. | \$47,044,876 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713% for Public Libraries. | 403,141 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums for the University System of Georgia (\$1,782,468), Regents Central Office (\$21,026), Public Libraries (\$2,867) and Skidaway Institute of Oceanography (\$4,779). | 1,811,140 |
| 4. Provide for an adjustment to the Georgia Building Authority real estate rental rate for office space for Regents Central Office (\$164,752) and Public Libraries (\$47,103). | 211,855 |
| 5. Adjust personal services to reflect an increase in the employer share of premiums in the University System of Georgia Health Plan. | 406,033 |
| 6. Align program budgets and object classes to reflect actual expenditures. | Yes |
| 7. Transfer \$69,356 from Public Libraries to Regents Central Office to correct an error in the GBA real estate rental rate. | Yes |
| 8. Transfer FY 2006 payraise funds budgeted to the Athens/Tifton Veterinary Labs to the contract within the Department of Agriculture. | (41,542) |
| 9. Reduce funding for the Business Insight Initiative in the ATDC/EDI program. | (55,031) |
| 10. Eliminate one-time funds for the Formosan Termite Project in the Cooperative Extension Service program. | (80,000) |
| 11. Eliminate funds for a part-time administrative support position in the Forestry Cooperative Extension program. | (12,650) |
| 12. Eliminate funds for 1.5 support positions in the Forestry Research program. | (60,231) |
| 13. Apply a 2% reduction to the Office of Minority Business Enterprise program. | (17,210) |
| 14. Eliminate one-time funds for major repairs and renovations in the Public Libraries program. | (2,000,000) |
| 15. Transfer Education GO Get it in the Public Service/Special Funding Initiatives program to the Department of Education. | (977,905) |
| 16. Eliminate funding for the Water Policy Institute in the Special Funding Initiatives program. | (543,200) |
| 17. Fund the Nurse Anesthetist program in the Special Funding Initiatives program from Resident Instruction in the Teaching program. | (361,330) |
| 18. Eliminate the School of Law - Export Study and the Center for Trade and Technology Transfer in the Teaching program. | (495,080) |
| 19. Eliminate Georgia Career Information Services in the Teaching program. | (92,647) |
| 20. Eliminate funds for the Greenbelt Study at the Georgia Tech School of Urban Planning in the Teaching program. | (200,000) |
| 21. Remove one-time funds for North Georgia College and State University in the Teaching program. | (100,000) |
| 22. Provide funding to expand ATDC Seed Capital Fund for investment in entrepreneur-led start-up companies to promote job growth in Georgia's bioscience industry. | 5,000,000 |
| 23. Add funds for maintenance and operations for the Agricultural Experiment Station (\$700,000) and the Cooperative Extension Service (\$300,000). | 1,000,000 |
| 24. Add 3 county extension agents for animal poultry and 2 positions for 4-H agents in the Cooperative Extension Service program. | 386,000 |
| 25. Provide funds to hire 1 position to aid the fishing and shrimping industries in the Marine Extension Service program. | 57,070 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------|
| 26. Provide funds to correct an error in personal services for the Georgia Tech Research Institute. | 552,811 |
| 27. Provide start-up funds for the worker safety technology program at the Georgia Tech Research Institute. | 141,014 |
| 28. Provide an enhancement to the New Directions funding formula for the Georgia Public Library System grants. | 900,000 |
| 29. Add funds to pay increase in real estate rentals to enable the Georgia Public Library System to re-locate to mission suitable appropriate | 50,000 |
| 30. Adjust personal services to reflect an increase in the employer share of the State Health Benefit plan to correct an error for Public Libraries. | 220,000 |
| 31. Add funds for the UGA-Griffin campus to expand current course offerings. | 500,000 |
| 32. Provide funds to ICAPP Health to collect data on the shortage of nursing educators and to determine the best strategy for producing more nursing educators. | 27,430 |
| 33. Add funds for the Georgia Leadership Institute for School Improvement in the Special Funding Initiatives program to provide additional leadership development programs for principals. | 1,500,000 |
| 34. Add start-up funds for 15 faculty members at Georgia Gwinnett College in the Special Funding Initiatives program. | 1,000,000 |
| 35. Increase funding for the SREB Regional Contract program and the Minority Doctoral Scholars program to meet actual contract costs and add 4 additional students. | 264,550 |
| 36. Provide a one-time increase in the Research Consortium program for the Georgia Research Alliance Eminent Scholar Endowment to attract prominent research scientists to Georgia Research Universities. | 250,000 |
| 37. Provide funding for Georgia Research Alliance's VentureLab and a Patent Fund for investment in entrepreneur-led start-up companies to promote job growth in Georgia's bioscience industry and 2 eminent scholars to implement an energy policy and research agenda in the Research Consortium program. | 4,700,000 |
| 38. Increase funds for the Fiscal Research Center to reflect actual costs of current level of service in the Teaching program. | 38,145 |
| 39. Provide funds to fully fund enrollment growth based on a 1.6% increase in semester credit hours and operating expenses related to additional square footage. | 55,309,821 |
| 40. Adjust debt service payback amount for the Student Center construction project at Georgia Southern University in the Teaching program. | 677,118 |
| Subtotal | \$117,414,178 |

ATTACHED AGENCIES:

Georgia Public Broadcasting

| | |
|---|-----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$70,567) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$143,916). | \$214,483 |
| 2. Increase funds for to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 143,208 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 6,446 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 10,544 |
| 5. Align program budgets to properly reflect actual expenditures. | Yes |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|------------------------|
| 6. Reduce operating expenses in the Education Technology Services program to reflect anticipated reduction in costs associated with contracts and publications | (339,081) |
| 7. Increase funds in the Educational Technology Services program (\$25,114) and the Public Broadcast Services program (\$8,371) to correct a GTA rate adjustment error. | 33,485 |
| Subtotal | \$69,085 |
| Georgia Military College | |
| 1. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | \$61,347 |
| 2. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 19,153 |
| 3. Reduce personal services for the Junior College program. | (12,985) |
| 4. Eliminate one-time design funds for the preparatory school classroom facility. | (95,000) |
| 5. Adjust personal services to reflect an increase in the employer share of the State Health Benefit Plan for non-certificated employees. | 187,453 |
| Subtotal | \$159,968 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$117,643,231 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$1,914,208,375 |
| FY 2006 TOBACCO SETTLEMENT FUNDS APPROPRIATIONS | \$16,232,554 |
| Regents, University System of Georgia | |
| 1. Reflect the completion of the Georgia Cancer Cohort Study. | (\$500,000) |
| TOTAL NET TOBACCO SETTLEMENT FUNDS ADJUSTMENTS | (\$500,000) |
| TOTAL TOBACCO SETTLEMENT FUNDS RECOMMENDED | \$15,732,554 |
| TOTAL STATE FUNDS RECOMMENDED | \$1,929,940,929 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

BUDGET SUMMARY - FISCAL YEAR 2007

| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | Yr. | Principal | Debt Service |
|--|-----|---------------|------------------------|
| Regents, University System of Georgia | | | |
| 1. Fund statewide major renovations and rehabilitation. | 20 | \$68,240,000 | \$5,829,743 |
| 2. Construct a Teaching Laboratory Building, Georgia State University. | 20 | 37,500,000 | 3,203,625 |
| 3. Design and construct a campus-wide infrastructure and Huntington Hall Stabilization, Fort Valley Sta | 20 | 3,900,000 | 333,177 |
| 4. Design and construct an infrastructure-Utilities Corridor and Road, East Georgia Colleg | 20 | 1,400,000 | 119,602 |
| 5. Design, construct and purchase equipment for the Student Center Addition, Gainesville College. | 20 | 5,000,000 | 427,150 |
| 6. Design, construct and purchase equipment for the renovation of Social Science, Library and Wilson Buildings, | 20 | 4,900,000 | 418,607 |
| 7. Fund design and construction for the renovation of historic Hill Hall, Savannah State Univers | 20 | 3,800,000 | 324,634 |
| 8. Design, construct and purchase equipment for the renovation of the historic Education Building, North Georgia College and State University. | 20 | 4,700,000 | 401,521 |
| 9. Design, construct and purchase equipment for the renovation and addition to the Callaway Building, University of West Georgia. | 20 | 4,700,000 | 401,521 |
| 10. Fund Georgia Research Alliance R&D infrastructure for research universities. | 5 | 21,500,000 | 4,902,000 |
| 11. Complete the design, construction, and equipment for the Nanotechnology Research Center Building, Georgia | 20 | 38,000,000 | 3,246,340 |
| 12. Design, construct and purchase equipment for the Marine Bioscience Research and Instructional Center, Skidaway Institute of Oceanography. | 20 | 5,000,000 | 427,150 |
| 13. Design, construct and equipment for the addition to Building A, Waycross College. | 20 | 2,300,000 | 196,489 |
| 14. Design, construct and purchase equipment for the addition to Burnett Hall for a Leadership Hall, Armstrong Atlantic State University. | 20 | 5,000,000 | 427,150 |
| 15. Design, construct and purchase equipment for the a new academic building located at the Whitfield Career Academy, Dalton State College | 20 | 4,650,000 | 397,250 |
| 16. Design, construct and purchase equipment for the addition to Herty Hall, Georgia College and State University. | 20 | 4,850,000 | 414,336 |
| 17. Design, construct and purchase equipment for the Animal and Dairy Livestock Facility in Oglethorpe County, University of Georgia. | 20 | 5,000,000 | 427,150 |
| 18. Construct the new Epheaus Public Library, West Georgia Regional Library System, Heard County. | 20 | 650,000 | 55,530 |
| 19. Construct the new Headquarters Library, East Central Georgia Regional Library System, Richmond County. | 20 | 2,000,000 | 170,860 |
| 20. Construct the new Post Road Branch Library, Forsyth County Public Library System, Forsyth County. | 20 | 2,000,000 | 170,860 |
| 21. Construct the new Hamilton Mill Branch Library, Gwinnett County Public Library System, Gwinnett County. | 20 | 2,000,000 | 170,860 |
| 22. Purchase research equipment for the Traditional Industries Program | 5 | 900,000 | 205,200 |
| TOTAL | | \$227,990,000 | \$22,670,755 |
| STATE GENERAL FUNDS | | | \$1,952,611,684 |

REGENTS, UNIVERSITY SYSTEM OF GEORGIA

Funding for Instruction

A. ACADEMIC POSITIONS REQUIRED

| Program | Semester Credit Hours | | | ÷ | Instructional Productivity | | | = | Academic Positions | | | Total |
|---------|-----------------------|--------------------|-----------|---|----------------------------|-------|----------|---|--------------------|-------|----------|--------|
| | Lower | Upper | Graduate | | Lower | Upper | Graduate | | Lower | Upper | Graduate | |
| Group 1 | 1,450,572 | 340,299 | 111,971 | | 884 | 624 | 265 | | 1,641 | 545 | 423 | 2,609 |
| Group 2 | 1,045,630 | 738,264 | 333,524 | | 794 | 693 | 429 | | 1,317 | 1,065 | 777 | 3,159 |
| Group 3 | 1,260,538 | 513,146 | 302,698 | | 627 | 512 | 227 | | 2,010 | 1,002 | 1,333 | 4,345 |
| Group 4 | 270,676 | | | | 1,888 | | | | 143 | 0 | 0 | 143 |
| Group 5 | | | 117,506 | | | | 253 | | 0 | 0 | 464 | 464 |
| TOTALS | 4,027,416 | 1,591,709 | 865,698 | | | | | | 5,111 | 2,612 | 2,997 | 10,720 |
| | | Total Credit Hours | 6,484,822 | | | | | | | | | |

B. ACADEMIC SALARIES

| Program | Academic Positions | | | X | Average Salary Rate | = | Academic Position Salary Amount | | | Total |
|---------|--------------------|-------|----------|---|---------------------|---|---------------------------------|---------------|---------------|---------------|
| | Lower | Upper | Graduate | | | | Lower | Upper | Graduate | |
| Group 1 | 1,641 | 545 | 423 | | \$57,961 | | \$95,113,482 | \$31,588,573 | \$24,517,369 | \$151,219,424 |
| Group 2 | 1,317 | 1,065 | 777 | | 62,845 | | 82,767,342 | 66,930,311 | 48,830,846 | 198,528,499 |
| Group 3 | 2,010 | 1,002 | 1,333 | | 70,211 | | 141,124,902 | 70,351,817 | 93,591,788 | 305,068,507 |
| Group 4 | 143 | 0 | 0 | | 45,557 | | 6,514,656 | 0 | 0 | 6,514,656 |
| Group 5 | 0 | 0 | 464 | | 141,612 | | 0 | 0 | 65,707,952 | 65,707,952 |
| TOTALS | 5,111 | 2,612 | 2,997 | | | | \$325,520,382 | \$168,870,701 | \$232,647,955 | \$727,039,038 |

C. INSTRUCTIONAL SUPPORT POSITIONS AND SALARIES

| Program | Academic Positions | | | ÷ | Position Ratio | X | Salary Rate | = | Instructional Support Salary Amount | | | Total |
|---------|--------------------|-------|----------|---|----------------|---|-------------|---|-------------------------------------|--------------|--------------|---------------|
| | Lower | Upper | Graduate | | | | | | Lower | Upper | Graduate | |
| Group 1 | 1,641 | 545 | 423 | | 3.3 | | \$34,645 | | \$17,228,173 | \$5,721,727 | \$4,440,900 | \$27,390,800 |
| Group 2 | 1,317 | 1,065 | 777 | | 3.3 | | 34,645 | | 13,826,632 | 11,180,990 | 8,157,398 | 33,165,020 |
| Group 3 | 2,010 | 1,002 | 1,333 | | 2.4 | | 34,645 | | 29,015,456 | 14,464,421 | 19,242,588 | 62,722,465 |
| Group 4 | 143 | 0 | 0 | | 2.4 | | 34,645 | | 2,064,284 | 0 | 0 | 2,064,284 |
| Group 5 | 0 | 0 | 464 | | 1.5 | | 34,645 | | 0 | 0 | 10,716,952 | 10,716,952 |
| TOTALS | 5,111 | 2,612 | 2,997 | | | | | | \$62,134,545 | \$31,367,138 | \$42,557,838 | \$136,059,521 |

D. INSTRUCTIONAL OPERATING EXPENSE

| Program | Semester Credit Hours | | | X | Expense Per Hour | = | Operating Expense | | | Total |
|---------|-----------------------|-----------|----------|---|------------------|---|-------------------|--------------|--------------|--------------|
| | Lower | Upper | Graduate | | | | Lower | Upper | Graduate | |
| Group 1 | 1,450,572 | 340,299 | 111,971 | | 12.66 | | \$18,364,242 | \$4,308,185 | \$1,417,553 | \$24,089,980 |
| Group 2 | 1,045,630 | 738,264 | 333,524 | | 12.66 | | 13,237,676 | 9,346,416 | 4,222,408 | 26,806,500 |
| Group 3 | 1,260,538 | 513,146 | 302,698 | | 12.66 | | 15,958,411 | 6,496,428 | 3,832,154 | 26,286,993 |
| Group 4 | 270,676 | 0 | 0 | | 12.66 | | 3,426,758 | 0 | 0 | 3,426,758 |
| Group 5 | 0 | 0 | 117,506 | | 12.66 | | 0 | 0 | 1,487,620 | 1,487,620 |
| TOTALS | 4,027,416 | 1,591,709 | 865,698 | | | | \$50,987,087 | \$20,151,029 | \$10,959,735 | \$82,097,851 |

E. INSTRUCTIONAL PROGRAM COST SUMMARY

| | Lower | Upper | Graduate | Total |
|---------|---------------|---------------|---------------|---------------|
| Group 1 | \$130,705,897 | \$41,618,485 | \$30,375,822 | \$202,700,204 |
| Group 2 | 109,831,650 | 87,457,717 | 61,210,652 | 258,500,019 |
| Group 3 | 186,098,769 | 91,312,666 | 116,666,530 | 394,077,965 |
| Group 4 | 12,005,698 | 0 | 0 | 12,005,698 |
| Group 5 | 0 | 0 | 77,912,524 | 77,912,524 |
| TOTALS | \$438,642,014 | \$220,388,868 | \$286,165,528 | \$945,196,414 |

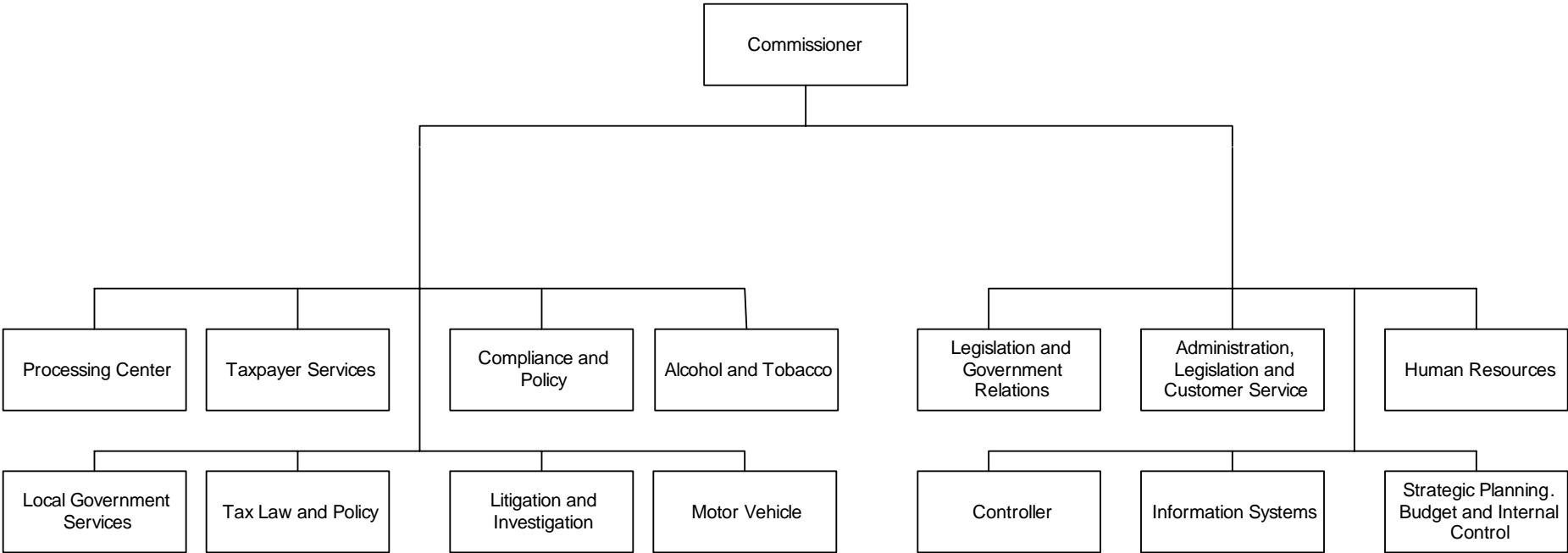
REGENTS, UNIVERSITY SYSTEM OF GEORGIA

Formula Presentation - Fiscal Year 2007

| | | |
|--|-----------------|------------------------|
| PART I: INSTRUCTION AND RESEARCH | | |
| A. Instruction | | \$945,196,410 |
| B. Research (equal to graduate instruction academic salaries) | | 232,647,955 |
| TOTAL FUNDING BASE | | \$1,177,844,365 |
| PART II: ACADEMIC SUPPORT (18.9% of the Funding Base) | | 222,612,585 |
| PART III: STUDENT SERVICES AND INSTITUTIONAL SUPPORT (26.9% of the Funding Base) | | 316,840,134 |
| PART IV: OPERATION AND MAINTENANCE OF PLANT | | |
| A. Regular Operations (43,814,600 square feet at \$4.8662 per square foot) | | 213,209,170 |
| B. Major Repair/Rehabilitation Fund (See General Obligation Debt Sinking Fund for bond funded items) | | 0 |
| C. Utilities (43,814,600 square feet at \$1.6828 per square foot) | | 80,920,446 |
| PART V: FRINGE BENEFITS | | |
| A. Fringe Benefits (FICA, health and life insurance, workers' compensation, etc.) | | 367,965,821 |
| B. Teachers' Retirement | | 119,694,817 |
| PART VI: PUBLIC SERVICE AND COMMUNITY EDUCATION | | |
| A. Public Service Institutes | | 12,838,913 |
| B. Community Education (Cap at 427,375 CEU's at \$40.73 per unit for all CEU's) | | 17,407,219 |
| C. Campus Coordinators (one professional and one support position per institution) | | 4,037,953 |
| D. Minority Education Program | | 2,000,000 |
| | | \$2,535,371,423 |
| PART VII: TECHNOLOGY ENHANCEMENT PROGRAM (1.70% Factor) | | 43,101,314 |
| Total Formula Requirement | | \$2,578,472,737 |
| Sustained Budget Reductions | | (272,572,228) |
| Public Service Institute Reductions | | (1,942,172) |
| Internal Revenue: | | |
| Student Tuition | (\$629,204,607) | |
| Graduate Assistant Fee Reduction | 5,400,000 | |
| Debt Service Payments | (21,606,788) | |
| Other Funds and Programs | (778,766) | |
| Total Internal Revenue | | (\$646,190,161) |
| Formula Requirement - Fiscal Year 2007 | | \$1,657,768,176 |

DEPARTMENT OF REVENUE

ORGANIZATIONAL CHART



DEPARTMENT OF REVENUE

Roles and Responsibilities:

Since 1938, the Department of Revenue has been responsible for administering the state's tax laws and collecting and processing state revenue. Additionally, the department is charged with enforcing laws and regulations pertaining to the control of alcoholic beverages and tobacco products, overseeing county property tax systems, and managing unclaimed property. Auditors, accountants, collectors, field representatives, and various specialists and administrative personnel work as authorized agents of the department's commissioner to carry out the Department of Revenue's responsibilities. In a typical year, these agents maintain and update millions of taxpayer accounts and enforce compliance with numerous laws and regulations.

The Department of Revenue processes more than 9 million documents per year, including more than 1.6 million electronic tax returns, and issues more than \$2 billion in tax refunds annually.

ORGANIZATION

To accomplish its duties, the department is comprised of the following seven divisions that report to the Commissioner:

- Administrative Division
- Taxpayer Services Division
- Compliance and Policy Division
- Alcohol and Tobacco Division
- Local Government Services Division
- Information Technology Division
- Processing Center

Each division plays a strategic role in meeting department goals and objectives.

TAX ADMINISTRATION AND COLLECTION

The Department of Revenue net state revenue collections for FY 2004 totaled just over \$14.7 billion. The major taxes and fees collected by the department include Personal Income Taxes, General Sales and Use Taxes, Corporation Income and License Taxes, Selective Sales Taxes (Motor Fuels, Liquor, etc.), Estate Taxes, and Property Taxes.

In addition to collecting and processing state revenue, each year the department also collects over \$3.2 billion in taxes designated for local counties, schools and municipalities. This amount includes a 1% sales tax in Fulton and DeKalb Counties that is used as dedicated revenue for the construction and operation of the Metropolitan Atlanta Rapid Transit Authority (MARTA). Other 1% sales taxes designated for local entities are the local option sales tax, the special purpose local option sales tax, the homestead local option sales tax, and the education local option sales tax.

ALCOHOL AND TOBACCO REGULATION

The department enforces all laws and regulations pertaining to the manufacture, possession, transportation, and sale of alcoholic beverages and the possession, transportation, and sale of tobacco products within the state, as well as, the operation of coin-operated amusement machines. The department's Alcohol and Tobacco Division is comprised of a criminal investigative unit and an audit and operations unit. Agents assigned to the investigative unit carry

out specialized investigations that focus on licensing and enforcement agencies and lend assistance to outside parties. The audit and operations staff conducts audits of manufacturers, shippers, and distributors of alcoholic beverages and tobacco products. In addition, they promote voluntary compliance with the state's alcoholic beverage and tobacco excise tax laws.

STATE BOARD OF EQUALIZATION

The State Board of Equalization is attached to the Department of Revenue for administrative purposes only. The board appoints hearing officers that evaluate appeals by local governing authorities on issues relating to the Revenue Commissioner's disapproval of county tax digests.

AUTHORITY

Title 48 of the Official Code of Georgia Annotated

DEPARTMENT OF REVENUE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|----------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| State General Funds | \$4,026,239 | \$3,979,012 | | | | | \$74,800 | \$74,800 | \$4,053,812 |
| Total | 4,026,239 | 3,979,012 | | | | | 74,800 | 74,800 | 4,053,812 |
| Customer Service | | | | | | | | | |
| Other Funds | 2,110,135 | 2,110,135 | | | | | | | 2,110,135 |
| State General Funds | 10,437,397 | 9,644,919 | \$539,948 | | \$212,968 | | 311,383 | 1,064,299 | 10,709,218 |
| Total | 12,547,532 | 11,755,054 | 539,948 | | 212,968 | | 311,383 | 1,064,299 | 12,819,353 |
| Grants and Distributions | | | | | | | | | |
| State General Funds | | 8,825,027 | (8,825,027) | | | | | (8,825,027) | |
| Total | | 8,825,027 | (8,825,027) | | | | | (8,825,027) | |
| Homeowners Tax Relief Grants | | | | | | | | | |
| State General Funds | 454,000,000 | 432,290,501 | | | 1,709,499 | | | 1,709,499 | 434,000,000 |
| Total | 454,000,000 | 432,290,501 | | | 1,709,499 | | | 1,709,499 | 434,000,000 |
| Industry Regulation | | | | | | | | | |
| Tobacco Settlement Funds | 150,000 | 150,000 | | | | | | | 150,000 |
| State General Funds | 4,296,675 | 4,366,392 | | | | | 130,579 | 130,579 | 4,496,971 |
| Total | 4,446,675 | 4,516,392 | | | | | 130,579 | 130,579 | 4,646,971 |
| Local Tax Officials Retirement and FICA | | | | | | | | | |
| State General Funds | 3,785,079 | | 3,785,079 | | | | | 3,785,079 | 3,785,079 |
| Total | 3,785,079 | | 3,785,079 | | | | | 3,785,079 | 3,785,079 |
| Revenue Processing | | | | | | | | | |
| Other Funds | 426,769 | 426,769 | | | | | | | 426,769 |
| State General Funds | 42,401,954 | 28,891,183 | 4,500,000 | (\$30,000) | 6,340,526 | | 893,352 | 11,703,878 | 40,595,061 |
| Total | 42,828,723 | 29,317,952 | 4,500,000 | (30,000) | 6,340,526 | | 893,352 | 11,703,878 | 41,021,830 |

DEPARTMENT OF REVENUE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|------------------------------------|------------------------------------|-----------------------------------|----------------|-------------------|--------------------|----------------------|---------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Salvage Inspection | | | | | | | | |
| State General Funds | 1,499,586 | 1,527,364 | | | | 53,795 | 53,795 | 1,581,159 |
| Total | 1,499,586 | 1,527,364 | | | | 53,795 | 53,795 | 1,581,159 |
| State Board of Equalization | | | | | | | | |
| State General Funds | 5,000 | 5,000 | | | | | | 5,000 |
| Total | 5,000 | 5,000 | | | | | | 5,000 |
| Tag and Title Registration | | | | | | | | |
| Other Funds | 652,681 | 652,681 | | | | | | 652,681 |
| State General Funds | 22,960,148 | 22,099,571 | | | | 442,206 | 442,206 | 22,541,777 |
| Total | 23,612,829 | 22,752,252 | | | | 442,206 | 442,206 | 23,194,458 |
| Tax Compliance | | | | | | | | |
| Other Funds | 3,815,763 | 3,815,763 | | | | | | 3,815,763 |
| State General Funds | 27,661,913 | 26,724,660 | | | 1,027,538 | 851,008 | 1,878,546 | 28,603,206 |
| Total | 31,477,676 | 30,540,423 | | | 1,027,538 | 851,008 | 1,878,546 | 32,418,969 |
| TOTAL FUNDS | \$578,229,339 | \$545,508,977 | \$0 | (\$30,000) | \$9,290,531 | \$2,757,123 | \$12,017,654 | \$557,526,631 |
| <u>Less:</u> | | | | | | | | |
| Other Funds | \$7,005,348 | \$7,005,348 | | | | | | \$7,005,348 |
| State General Funds | \$571,073,991 | \$538,353,629 | | (\$30,000) | \$9,290,531 | \$2,757,123 | \$12,017,654 | \$550,371,283 |
| Tobacco Settlement Funds | 150,000 | 150,000 | | | | | | 150,000 |
| TOTAL STATE FUNDS | \$571,223,991 | \$538,503,629 | \$0 | (\$30,000) | \$9,290,531 | \$2,757,123 | \$12,017,654 | \$550,521,283 |

DEPARTMENT OF REVENUE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|---------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$67,779,332 | \$60,940,867 | \$59,836,465 | \$69,235,815 | \$2,510,761 | \$71,746,576 |
| Regular Operating Expenses | 7,943,796 | 8,353,964 | 6,450,119 | 7,943,796 | | \$7,943,796 |
| Travel | 1,246,036 | 990,862 | 1,105,439 | 1,121,036 | | \$1,121,036 |
| Motor Vehicle Purchases | 100,110 | 54,241 | 46,111 | 64,110 | | \$64,110 |
| Equipment | 278,858 | 157,507 | 233,866 | 278,858 | | \$278,858 |
| Computer Charges | 25,960,292 | 13,423,131 | 13,091,377 | 15,583,166 | 6,340,526 | \$21,923,692 |
| Real Estate Rentals | 7,322,112 | 7,078,938 | 6,839,501 | 7,322,112 | 216,362 | \$7,538,474 |
| Telecommunications | 4,525,150 | 1,511,157 | 1,236,547 | 3,945,214 | 212,968 | \$4,158,182 |
| Per Diem and Fees | 281,847 | 848,462 | 651,390 | 281,847 | | \$281,847 |
| Contracts | 3,006,727 | 2,489,737 | 5,843,689 | 1,657,443 | 1,027,538 | \$2,684,981 |
| County Tax Officials Retirement and FICA | 3,785,079 | 3,982,280 | 3,785,079 | 3,785,079 | | \$3,785,079 |
| Investment for Modernization | | 7,422,915 | 2,120,536 | | | |
| Tag and Title Registration | 2,000,000 | | | 2,000,000 | | \$2,000,000 |
| Homeowners' Tax Relief Grants | 454,000,000 | 379,999,062 | 420,437,228 | 432,290,501 | 1,709,499 | \$434,000,000 |
| TOTAL FUNDS | 578,229,339 | 487,253,123 | 521,677,347 | 545,508,977 | 12,017,654 | 557,526,631 |
| Less: | | | | | | |
| Federal Funds | | 387,935 | 542,577 | | | |
| Other Funds | 7,005,348 | 17,445,394 | 15,426,202 | 7,005,348 | | 7,005,348 |
| DOAS Indirect Funds | | 2,537,496 | 2,544,988 | | | |
| Subtotal | \$7,005,348 | \$20,370,825 | \$18,513,767 | \$7,005,348 | | \$7,005,348 |
| State General Funds | \$571,073,991 | \$466,732,298 | \$503,013,580 | \$538,503,629 | \$12,017,654 | \$550,371,283 |
| Tobacco Settlement Funds | 150,000 | 150,000 | 150,000 | 150,000 | | 150,000 |
| TOTAL STATE FUNDS | \$571,223,991 | \$466,882,298 | \$503,163,580 | \$538,653,629 | \$12,017,654 | \$550,521,283 |
| Positions | 1,326 | 1,075 | 1,075 | 1,366 | (1) | 1,365 |
| Motor Vehicles | 96 | 74 | 74 | 94 | | 94 |

DEPARTMENT OF REVENUE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$3,979,012 | | \$3,979,012 | \$4,053,813 | | \$4,053,813 |
| Customer Service | 9,644,919 | \$2,110,135 | 11,755,054 | 10,709,219 | \$2,110,135 | 12,819,354 |
| Grants and Distribution | 8,825,027 | | 8,825,027 | | | |
| Homeowners' Tax Relief Grants | 432,290,501 | | 432,290,501 | 434,000,000 | | 434,000,000 |
| Industry Regulation | 4,516,392 | | 4,516,392 | 4,646,970 | | 4,646,970 |
| Local Tax Officials Retirement and FICA | | | | 3,785,079 | | 3,785,079 |
| Revenue Processing | 28,891,183 | 426,769 | 29,317,952 | 40,595,061 | 426,768 | 41,021,829 |
| Salvage Inspection | 1,527,364 | | 1,527,364 | 1,581,159 | | 1,581,159 |
| State Board of Equalization | 5,000 | | 5,000 | 5,000 | | 5,000 |
| Tag and Title Registration | 22,099,571 | 652,681 | 22,752,252 | 22,541,777 | 652,681 | 23,194,458 |
| Tax Compliance | 26,724,660 | 3,815,763 | 30,540,423 | 28,603,205 | 3,815,764 | 32,418,969 |
| TOTAL FUNDS | \$538,503,629 | \$7,005,348 | \$545,508,977 | \$550,521,283 | \$7,005,348 | \$557,526,631 |

DEPARTMENT OF REVENUE

BUDGET SUMMARY - FISCAL YEAR 2007

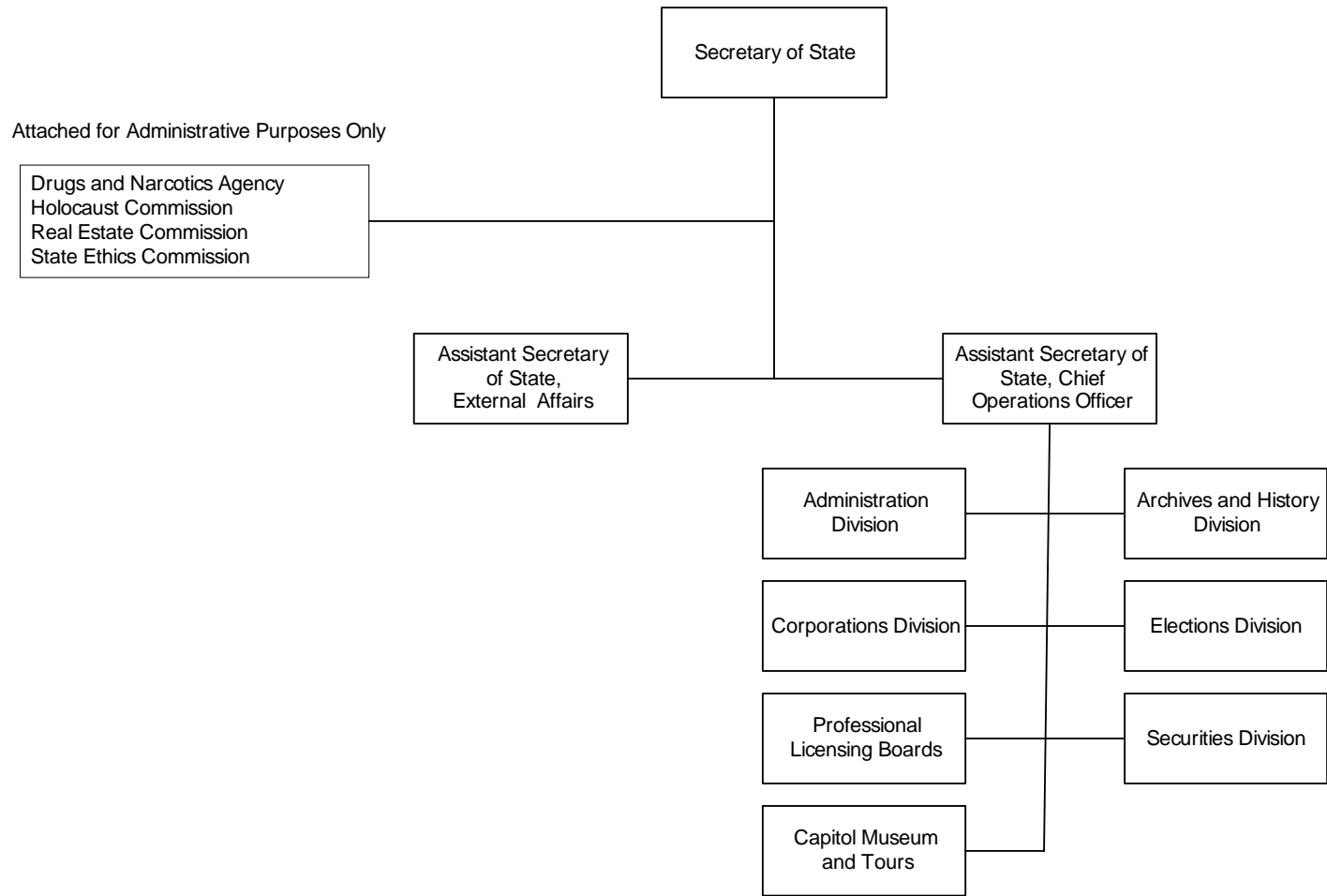
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|----------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$538,353,629 |
| Department of Revenue | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$589,077) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$663,125). | \$1,252,202 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 1,193,439 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 95,119 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for storage and office space. | 216,363 |
| 5. Redirect Local Sales Tax Distribution (\$8,825,027) to Revenue Processing (\$4,500,000), Customer Service (\$539,948) and Local Tax Officials Retirement and FICA (\$3,785,079). | Yes |
| 6. Transfer 1 position to the Department of Public Safety. | (30,000) |
| 7. Increase funding to \$434,000,000 for Homeowners' Tax Relief Grants. | 1,709,499 |
| 8. Increase contracts for collection of delinquent taxes. | 1,027,538 |
| 9. Increase computer charges to ensure accurate and timely tax collection. | 6,340,526 |
| 10. Increase funding to telecommunications to improve customer service. | 212,968 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$12,017,654 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$550,371,283 |
| TOTAL TOBACCO SETTLEMENT FUNDS | \$150,000 |
| TOTAL STATE FUNDS RECOMMENDED | \$550,521,283 |

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|----------------------|
| Department of Revenue | | | |
| 1. Continue procurement of an integrated tax system. | 5 | \$3,000,000 | \$684,000 |
| STATE GENERAL FUNDS | | | \$551,055,283 |

SECRETARY OF STATE

ORGANIZATIONAL CHART



SECRETARY OF STATE

Roles and Responsibilities:

The Secretary of State is the keeper of the Great Seal of Georgia and custodian of the State flag. The Office of the Secretary of State provides many services for the public, businesses, state agencies, and city and county governments. These services include:

- Licensing the practice of over 66 professions and registration of other activities
- Election and voter registration, campaign finance disclosure
- Business activity monitoring and enforcement of many financial regulations
- Management and preservation of public records
- Museum and Tour programs in the Capitol

The office is comprised of Internal Administration, Archives and History, Elections, Corporations, Securities and Business Regulation, and State Professional Licensing Boards. The attached agencies are the Georgia Commission on the Holocaust, Georgia Drugs and Narcotics Agency, State Ethics Commission, and the Georgia Real Estate Commission and Appraisers Board.

REGULATORY RESPONSIBILITIES

As a regulatory agency, the office offers education and examinations, issues licenses, collects fees for

licenses, investigates complaints or violations of the law and orders reprimands. The Securities Division is responsible for regulating securities, and has the authority to adopt necessary rules to monitor the securities industry, including registration of brokers and securities. The division registers cemeteries, and regulates perpetual care cemeteries, charitable organizations and paid solicitors.

The Corporations Division serves as custodian of filings for foreign and domestic charters, nonprofit organizations and other types of corporate entity activities. In addition, the division registers and renews trademarks and servicemarks.

The Professional Licensing Boards Division manages 35 occupational and professional regulatory boards. The duties include reviewing and approving applications to practice, scheduling examinations, issuing licenses, maintaining records, investigating violations and resolution of complaints.

STATE ELECTIONS ACTIVITY

The Office of the Secretary of State monitors all activities related to officials and elections. The Elections Division's primary function is to perform all activities related to federal, state, county and municipal elections, including authorization of election results.

MANAGEMENT OF PUBLIC RECORDS

The Division of Archives and History collects, manages, and preserves official records of Georgia from 1732 to the present. The division administers the state records management program under the direction of the State Records Committee, chaired by the Secretary of State, and a record center for the storage and maintenance of non-permanent records of state agencies.

EDUCATIONAL PROGRAMS

The Capitol Museum and Tours Program provides tours of the Capitol.

The Internal Administration Division contains the general administrative support functions of accounting, purchasing, budgeting, human resources and information technology, as well as two non-internally focused activities: the Georgia Capitol Museum and Tour program; and the Administrative Procedures Section, responsible for administering the rules promulgation process pursuant to the Administrative Procedures Act for the State.

AUTHORITY

Titles 10, 14, 21, 28, 43, 44, 45 of the Official Code of Georgia Annotated; Public Law 93-443, 1993; Resolution Act 11, Georgia Laws 1993.

SECRETARY OF STATE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--------------------------------------|------------------------------------|-----------------------------------|----------------|-------------|--------------|----------------------|------------------|------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| Other Funds | \$30,000 | \$30,000 | | | | | | \$30,000 |
| State General Funds | 4,680,684 | 4,642,318 | | | | \$165,136 | \$165,136 | 4,807,454 |
| Total | 4,710,684 | 4,672,318 | | | | 165,136 | 165,136 | 4,837,454 |
| Archives | | | | | | | | |
| Other Funds | 506,085 | 504,234 | | | | 4,519 | 4,519 | 508,753 |
| State General Funds | 5,919,128 | 5,856,020 | | | | 116,302 | 116,302 | 5,972,322 |
| Total | 6,425,213 | 6,360,254 | | | | 120,821 | 120,821 | 6,481,075 |
| Capitol Education Center | | | | | | | | |
| State General Funds | 152,679 | 151,672 | | | | 4,105 | 4,105 | 155,777 |
| Total | 152,679 | 151,672 | | | | 4,105 | 4,105 | 155,777 |
| Corporations | | | | | | | | |
| Other Funds | 739,350 | 739,350 | | | | 162 | 162 | 739,512 |
| State General Funds | 1,145,335 | 1,312,934 | | (\$180,000) | | 64,855 | (115,145) | 1,197,789 |
| Total | 1,884,685 | 2,052,284 | | (180,000) | | 65,017 | (114,983) | 1,937,301 |
| Elections | | | | | | | | |
| Other Funds | 20,000 | 20,000 | | | | | | 20,000 |
| State General Funds | 5,058,083 | 5,545,164 | (\$106,548) | (395,759) | | 66,806 | (435,501) | 5,109,663 |
| Total | 5,078,083 | 5,565,164 | (106,548) | (395,759) | | 66,806 | (435,501) | 5,129,663 |
| Professional Licensing Boards | | | | | | | | |
| Other Funds | 150,000 | 150,000 | | | | | | 150,000 |
| State General Funds | 11,095,265 | 9,318,609 | | | \$1,151,518 | 784,308 | 1,935,826 | 11,254,435 |
| Total | 11,245,265 | 9,468,609 | | | 1,151,518 | 784,308 | 1,935,826 | 11,404,435 |
| Securities | | | | | | | | |
| Other Funds | 50,000 | 50,000 | | | | | | 50,000 |
| State General Funds | 1,977,997 | 1,961,222 | | | | 79,206 | 79,206 | 2,040,428 |
| Total | 2,027,997 | 2,011,222 | | | | 79,206 | 79,206 | 2,090,428 |

SECRETARY OF STATE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|--------------------|--------------------|----------------------|--------------------|---------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| ATTACHED AGENCIES: | | | | | | | | | |
| Georgia Real Estate Commission | | | | | | | | | |
| State General Funds | 3,187,922 | 2,891,088 | | | 298,732 | 63,576 | 362,308 | 3,253,396 | |
| Total | 3,187,922 | 2,891,088 | | | 298,732 | 63,576 | 362,308 | 3,253,396 | |
| State Ethics Commission | | | | | | | | | |
| State General Funds | 1,859,030 | 824,434 | 106,548 | | | 25,620 | 132,168 | 956,602 | |
| Total | 1,859,030 | 824,434 | 106,548 | | | 25,620 | 132,168 | 956,602 | |
| Georgia Commission on the Holocaust | | | | | | | | | |
| State General Funds | 242,988 | 245,915 | | | | 7,497 | 7,497 | 253,412 | |
| Total | 242,988 | 245,915 | | | | 7,497 | 7,497 | 253,412 | |
| Georgia Drugs and Narcotics Agency | | | | | | | | | |
| State General Funds | 1,326,517 | 1,288,769 | | | 31,540 | 42,575 | 74,115 | 1,362,884 | |
| Total | 1,326,517 | 1,288,769 | | | 31,540 | 42,575 | 74,115 | 1,362,884 | |
| TOTAL FUNDS | \$38,141,063 | \$35,531,729 | \$0 | (\$575,759) | \$1,481,790 | \$1,424,667 | \$2,330,698 | \$37,862,427 | |
| Less: | | | | | | | | | |
| Other Funds | \$1,495,435 | \$1,493,584 | | | | \$4,681 | \$4,681 | \$1,498,265 | |
| State General Funds | \$36,645,628 | \$34,038,145 | | (\$575,759) | \$1,481,790 | \$1,419,986 | \$2,326,017 | \$36,364,162 | |
| TOTAL STATE FUNDS | \$36,645,628 | \$34,038,145 | \$0 | (\$575,759) | \$1,481,790 | \$1,419,986 | \$2,326,017 | \$36,364,162 | |

SECRETARY OF STATE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$19,202,571 | \$19,109,445 | \$17,072,795 | \$17,655,871 | \$2,027,016 | \$19,682,887 |
| Regular Operating Expenses | 3,426,090 | 4,796,471 | 5,176,958 | 3,523,073 | (96,983) | 3,426,090 |
| Travel | 428,949 | 284,525 | 291,278 | 356,754 | 72,195 | 428,949 |
| Motor Vehicle Purchases | 90,000 | 34,532 | | | 90,000 | 90,000 |
| Equipment | 21,904 | 69,694 | 84,038 | 54,404 | (32,500) | 21,904 |
| Computer Charges | 1,661,222 | 4,192,083 | 5,604,461 | 1,822,494 | (161,272) | 1,661,222 |
| Real Estate Rentals | 3,995,997 | 4,379,715 | 4,372,126 | 3,939,514 | 87,694 | 4,027,208 |
| Telecommunications | 648,567 | 1,065,276 | 1,103,344 | 865,271 | (216,704) | 648,567 |
| Per Diem and Fees | 178,167 | 1,821,992 | 766,404 | 173,003 | 5,164 | 178,167 |
| Contracts | 1,506,804 | 1,043,466 | 18,016,608 | 1,526,804 | (20,000) | 1,506,804 |
| Election Expenses | 364,335 | 641,276 | 406,521 | 364,335 | | 364,335 |
| TOTAL FUNDS | \$31,524,606 | \$37,438,475 | \$52,894,532 | \$30,281,523 | \$1,754,610 | \$32,036,133 |
| <u>Less:</u> | | | | | | |
| Federal Funds | | \$1,940,277 | \$19,486,782 | | | |
| Other Funds | \$1,495,435 | 3,557,596 | 3,248,120 | \$1,493,584 | \$4,681 | \$1,498,265 |
| Subtotal | \$1,495,435 | \$5,497,873 | \$22,734,902 | \$1,493,584 | \$4,681 | \$1,498,265 |
| State General Funds | \$30,029,171 | \$31,940,602 | \$30,159,630 | \$28,787,939 | \$1,749,929 | \$30,537,868 |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Georgia Real Estate Commission | \$3,187,922 | \$2,347,420 | \$2,710,187 | \$2,891,088 | \$362,308 | \$3,253,396 |
| State Ethics Commission | 1,859,030 | | 691,203 | 824,434 | 132,168 | 956,602 |
| Georgia Commission on the Holocaust | 242,988 | | 323,210 | 245,915 | 7,497 | 253,412 |
| Georgia Drugs and Narcotics Agency | 1,326,517 | | 1,354,997 | 1,288,769 | 74,115 | 1,362,884 |
| TOTAL STATE FUNDS | \$36,645,628 | \$34,288,022 | \$35,239,227 | \$34,038,145 | \$2,326,017 | \$36,364,162 |

SECRETARY OF STATE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-------------------------------------|----------------------------|---------------------------|----------------------------|------------------------------------|---------------------------|----------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$4,642,318 | \$30,000 | \$4,672,318 | \$4,807,454 | \$30,000 | \$4,837,454 |
| Archives | 5,856,020 | 504,234 | 6,360,254 | 5,972,322 | 508,753 | 6,481,075 |
| Capitol Education Center | 151,672 | | 151,672 | 155,777 | | 155,777 |
| Corporations | 1,312,934 | 739,350 | 2,052,284 | 1,197,789 | 739,512 | 1,937,301 |
| Elections | 5,545,164 | 20,000 | 5,565,164 | 5,109,663 | 20,000 | 5,129,663 |
| Professional Licensing Boards | 9,318,609 | 150,000 | 9,468,609 | 11,254,435 | 150,000 | 11,404,435 |
| Securities | 1,961,222 | 50,000 | 2,011,222 | 2,040,428 | 50,000 | 2,090,428 |
| Subtotal | <u>\$28,787,939</u> | <u>\$1,493,584</u> | <u>\$30,281,523</u> | <u>\$30,537,868</u> | <u>\$1,498,265</u> | <u>\$32,036,133</u> |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Georgia Real Estate Commission | \$2,891,088 | | \$2,891,088 | \$3,253,396 | | \$3,253,396 |
| State Ethics Commission | 824,434 | | 824,434 | 956,602 | | 956,602 |
| Georgia Commission on the Holocaust | 245,915 | | 245,915 | 253,412 | | 253,412 |
| Georgia Drugs and Narcotics Agency | 1,288,769 | | 1,288,769 | 1,362,884 | | 1,362,884 |
| Subtotal | <u>\$5,250,206</u> | <u>\$0</u> | <u>\$5,250,206</u> | <u>\$5,826,294</u> | <u>\$0</u> | <u>\$5,826,294</u> |
| TOTAL FUNDS | <u>\$34,038,145</u> | <u>\$1,493,584</u> | <u>\$35,531,729</u> | <u>\$36,364,162</u> | <u>\$1,498,265</u> | <u>\$37,862,427</u> |

SECRETARY OF STATE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|
|--|---------|

FY 2006 STATE GENERAL FUND APPROPRIATIONS **\$34,038,145**

Secretary of State

- | | |
|--|-----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$158,916) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$183,243) | \$342,159 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 267,765 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 26,478 |
| 4. Provide funds for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 87,694 |
| 5. Realign budgeted funds to meet projected expenditures by programs. | Yes |
| 6. Realign fund sources to meet projected expenditures by programs. | Yes |
| 7. Transfer remaining budget of the Elections Campaign and Financial Disclosure program to the Georgia Ethics Commission. | (106,548) |
| 8. Reflect reductions in the Elections (\$395,759) and Corporations (\$180,000) divisions. | (575,759) |
| 9. Annualize funding for the Residential and General Contractors Board in the Professional Licensing Boards Division. | 556,622 |
| 10. Enable the Professional Licensing Boards (PLB) to fill critical support and inspection/investigative vacancies in the Consumer Services, Allied Health Fields, and Health and Consumer sections as well as in the Businesses and Professions and Health Care Investigative Units (\$475,562); fund 12 new support and inspection/investigative positions for the following boards: Barber, Construction, Cosmetology, Dentistry, Engineers/Land Surveyors, Funeral Services, Registered Nurses, and Used Motor Vehicles and Parts Dealers (\$488,491) and related position start-up purchases and operating costs (\$132,900); and fund increase in PLB board member travel expenses (\$54,565). | 1,151,518 |

| | |
|----------|-------------|
| Subtotal | \$1,749,929 |
|----------|-------------|

ATTACHED AGENCIES:

Georgia Real Estate Commission

- | | |
|--|----------|
| 1. Annualize the cost of the FY 2006 salary adjustment (\$16,102) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$16,992). | \$33,094 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 27,739 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 2,743 |
| 4. Realign budgeted funds to meet projected expenditures by programs. | Yes |
| 5. Fill 2 vacant positions, add 1 position and 1 vehicle, and meet increasing technology demands for investigative purposes. | 298,732 |

| | |
|----------|-----------|
| Subtotal | \$362,308 |
|----------|-----------|

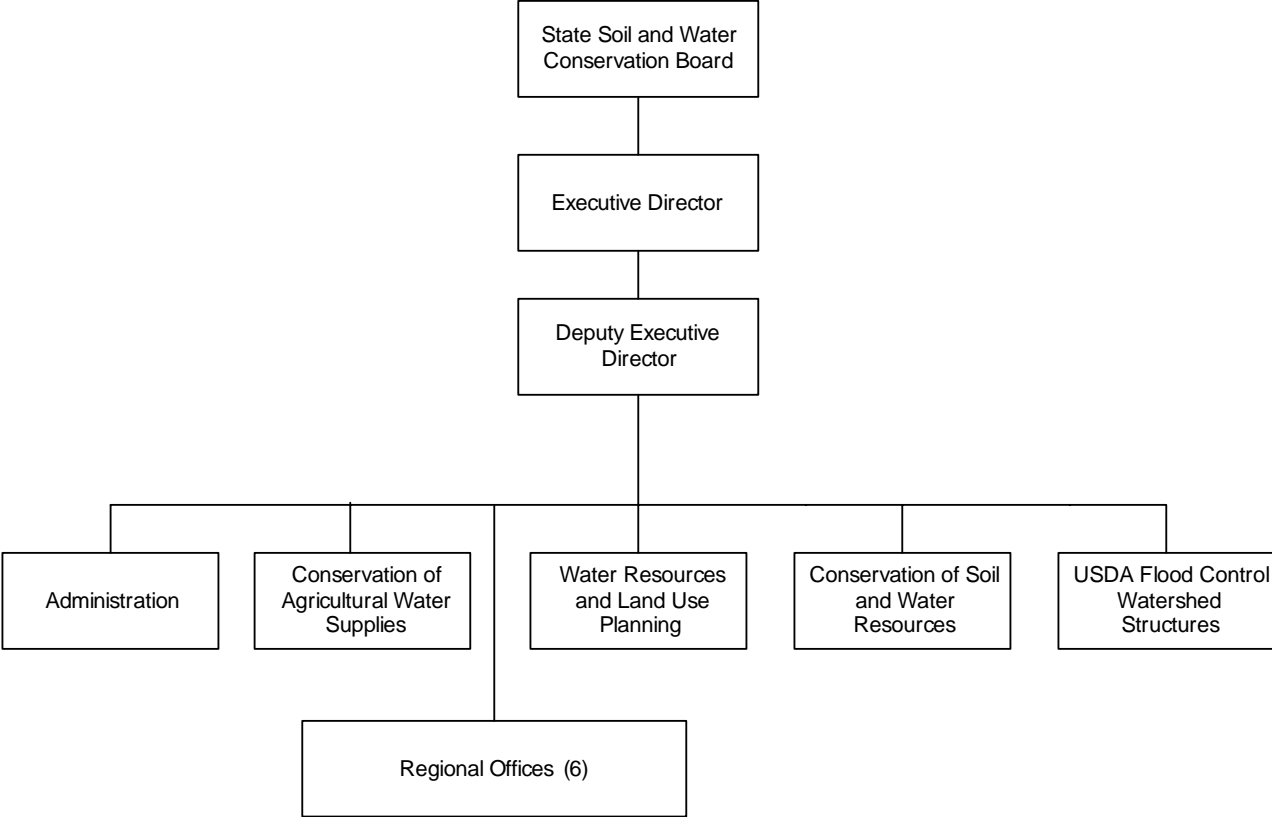
SECRETARY OF STATE

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| State Ethics Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$4,106) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$5,281). | \$9,387 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 9,643 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 954 |
| 4. Provide funds for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 5,636 |
| 5. Transfer remaining budget of the Elections Campaign and Financial Disclosure program, along with 3 positions, from the Secretary of State to the Ethics Commission. | 106,548 |
| Subtotal | \$132,168 |
| Georgia Commission on the Holocaust | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$1,991) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$1,892) | \$3,883 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 3,289 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 325 |
| Subtotal | \$7,497 |
| Georgia Drugs and Narcotics Agency | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$9,812) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$10,966). | \$20,778 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 17,878 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 1,768 |
| 4. Provide additional funds to meet contractual rent obligations. | 2,151 |
| 5. Increase funding to new technology initiatives. | 31,540 |
| Subtotal | \$74,115 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$2,326,017 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$36,364,162 |

SOIL AND WATER CONSERVATION COMMISSION

ORGANIZATIONAL CHART



STATE SOIL AND WATER CONSERVATION COMMISSION

Roles and Responsibilities:

The Georgia Soil and Water Conservation Commission (GASWCC) was formed to protect, conserve, and improve the soil and water resources of the State of Georgia. The commission's goal is to make Georgia a better place for its citizens through the wise use and protection of basic soil and water resources and to achieve practical water quality goals.

There are 159 counties and 40 Soil and Water Conservation Districts in Georgia. Each county has at least two supervisor representatives on the District Board of Supervisors. Serving as the coordinator and guide to these efforts is a commission appointed by Governor Perdue and comprised of five supervisors from different regions of the state. Commission members are appointed by the Governor to serve five-year terms; there are five commission members in all, one of whom is designated Chairman. The commission, headquartered in Athens with six regional offices, has a professional staff whose primary duty is to serve and advance the goals of Georgia's Soil and Water Conservation Districts. The regional offices are located in Rome, Athens, Conyers, Milledgeville, Dawson, and Statesboro.

CONSERVATION OF AGRICULTURAL WATER SUPPLIES

This program exists to assist agricultural water users in quantifying water use, conserving existing water

supplies through irrigation audits, and reducing dependence on ground water and surface water supplies through agricultural catchments. The Soil and Water Conservation Commission accomplishes this through agricultural water metering, in which water meters are installed on farmers' irrigation systems. This allows the commission to determine water use and obtain data to be used by policy makers. Through incentive programs, the commission works to increase the uniformity and efficiency of agricultural irrigation systems and develop agricultural water catchments for irrigation of cropland in South Georgia.

CONSERVATION OF SOIL AND WATER RESOURCES

This program is intended to support landowners in protecting soil and water resources through the use of voluntary best management practices to meet water quality standards. Best management practices prevent erosion and pollution on both agricultural and urban lands.

Three subprograms in the Conservation of Soil and Water Resources program address different types of land and conservation issues. The Agricultural Lands subprogram helps to reduce soil erosion and non-point source pollutants on agricultural lands; Urban Lands addresses erosion on development sites by educating developers, local governments, and erosion and sediment control professionals on best management practices; and Conservation District Education and Outreach promotes increased awareness of the

importance of soil and water conservation by supplying Georgia citizens with research data, mapping systems, and soil and water resource data.

WATER RESOURCES AND LAND USE PLANNING

The Water Resources and Land Use Planning program exists to conduct planning activities that further the understanding of water use and to develop basin plans that improve water management throughout the state. The program identifies water issues and then provides research and analysis on those issues, supporting stakeholders and policy makers in the water planning process.

WATERSHED FLOOD CONTROL DAMS

There are 357 USDA-constructed flood control watershed dams in the State of Georgia, most of them located in the northern part of the state. This program provides for proper operation and maintenance of the dams by working with federal, local, and Soil and Water District officials. Through the program, the commission helps to ensure that dams meet the Georgia Safe Dams Act standards for structural integrity, operate efficiently to provide multi-purpose use, and ensure flood protection for nearby communities.

AUTHORITY

Title 2-6 of the Official Code of Georgia Annotated.

STATE SOIL AND WATER CONSERVATION COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-----------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| Other Funds | | \$175 | | (\$175) | | | (\$175) | |
| State General Funds | \$600,073 | 583,098 | | | | \$16,607 | 16,607 | \$599,705 |
| Total | 600,073 | 583,273 | | (175) | | 16,607 | 16,432 | 599,705 |
| Conservation of Agricultural Water Supplies | | | | | | | | |
| Federal Funds | 750,000 | 750,000 | | | | | | \$750,000 |
| Other Funds | 6,729,922 | 6,749,922 | | | | | | 6,749,922 |
| State General Funds | 265,407 | 227,332 | \$18,461 | | \$10,833 | 7,403 | 36,697 | 264,029 |
| Total | 7,745,329 | 7,727,254 | 18,461 | | 10,833 | 7,403 | 36,697 | 7,763,951 |
| Conservation of Soil and Water Resources | | | | | | | | |
| Federal Funds | 545,526 | 863,526 | | (318,000) | | | (318,000) | 545,526 |
| Other Funds | 658,646 | 680,295 | | (380,000) | | | (380,000) | 300,295 |
| State General Funds | 1,162,601 | 1,092,694 | (18,461) | | 64,385 | 32,776 | 78,700 | 1,171,394 |
| Total | 2,366,773 | 2,636,515 | (18,461) | (698,000) | 64,385 | 32,776 | (619,300) | 2,017,215 |
| Watershed Flood Control Dams | | | | | | | | |
| State General Funds | 104,605 | 19,655 | 77,853 | | 6,834 | 721 | 85,408 | 105,063 |
| Total | 104,605 | 19,655 | 77,853 | | 6,834 | 721 | 85,408 | 105,063 |

STATE SOIL AND WATER CONSERVATION COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|----------------------|-----------------|----------------------|----------------------|---------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Water Resources and Land Use Planning | | | | | | | | | |
| Federal Funds | | 67,000 | | (67,000) | | | | (67,000) | |
| State General Funds | 898,146 | 1,783,417 | (77,853) | (750,000) | 1,670 | 52 | (826,131) | 957,286 | |
| Total | 898,146 | 1,850,417 | (77,853) | (817,000) | 1,670 | 52 | (893,131) | 957,286 | |
| TOTAL FUNDS | \$11,714,926 | \$12,817,114 | \$0 | (\$1,515,175) | \$83,722 | \$57,559 | (\$1,373,894) | \$11,443,220 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$1,295,526 | \$1,680,526 | | (\$385,000) | | | (\$385,000) | \$1,295,526 | |
| Other Funds | 7,388,568 | 7,430,392 | | (380,175) | | | (380,175) | 7,050,217 | |
| Subtotal | \$8,684,094 | \$9,110,918 | \$0 | (\$765,175) | \$0 | \$0 | (\$765,175) | \$8,345,743 | |
| State General Funds | \$3,030,832 | \$3,706,196 | \$0 | (\$750,000) | \$83,722 | \$57,559 | (\$608,719) | \$3,097,477 | |
| TOTAL STATE FUNDS | \$3,030,832 | \$3,706,196 | \$0 | (\$750,000) | \$83,722 | \$57,559 | (\$608,719) | \$3,097,477 | |

STATE SOIL AND WATER CONSERVATION COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|----------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$2,635,702 | \$1,978,852 | \$2,376,780 | \$2,544,493 | \$111,590 | \$2,656,083 |
| Regular Operating Expenses | 3,662,957 | 359,263 | 1,135,727 | 3,662,957 | | 3,662,957 |
| Travel | 112,659 | 46,085 | 58,125 | 99,799 | | 99,799 |
| Motor Vehicle Purchases | | 81,501 | | 41,649 | | 41,649 |
| Equipment | 32,344 | 76,445 | 25,876 | 32,344 | | 32,344 |
| Computer Charges | 11,960 | 13,034 | 31,961 | 11,960 | | 11,960 |
| Real Estate Rentals | 123,699 | 202,127 | 121,424 | 123,699 | | 123,699 |
| Telecommunications | 60,438 | 40,828 | 46,784 | 60,438 | | 60,438 |
| Per Diem and Fees | 126,176 | 114,614 | 90,183 | 96,660 | 29,516 | 126,176 |
| Contracts | 4,948,991 | 2,551,976 | 3,937,232 | 6,143,115 | (1,515,000) | 4,628,115 |
| TOTAL FUNDS | \$11,714,926 | \$5,464,725 | \$7,824,092 | \$12,817,114 | (\$1,373,894) | \$11,443,220 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$1,295,526 | \$1,424,476 | \$2,399,443 | \$1,680,526 | (\$385,000) | \$1,295,526 |
| Other Funds | 7,388,568 | 865,359 | 2,454,645 | 7,430,392 | (380,175) | 7,050,217 |
| Subtotal | \$8,684,094 | \$2,289,835 | \$4,854,088 | \$9,110,918 | (\$765,175) | \$8,345,743 |
| State General Funds | \$3,030,832 | \$3,174,890 | \$2,970,004 | \$3,706,196 | (\$608,719) | \$3,097,477 |
| TOTAL STATE FUNDS | \$3,030,832 | \$3,174,890 | \$2,970,004 | \$3,706,196 | (\$608,719) | \$3,097,477 |
| Positions | 52 | 44 | 51 | 52 | | 52 |
| Motor Vehicles | 25 | 23 | 23 | 25 | | 25 |

STATE SOIL AND WATER CONSERVATION COMMISSION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$583,098 | \$175 | \$583,273 | \$599,705 | | \$599,705 |
| Conservation of Agricultural Water Supplies | 227,332 | 7,499,922 | 7,727,254 | 264,029 | \$7,499,922 | 7,763,951 |
| Conservation of Soil and Water Resources | 1,092,694 | 1,543,821 | 2,636,515 | 1,171,394 | 845,821 | 2,017,215 |
| Watershed Flood Control Dams | 19,655 | | 19,655 | 105,063 | | 105,063 |
| Water Resources and Land Use Planning | 1,783,417 | 67,000 | 1,850,417 | 957,286 | | 957,286 |
| TOTAL FUNDS | \$3,706,196 | \$9,110,918 | \$12,817,114 | \$3,097,477 | \$8,345,743 | \$11,443,220 |

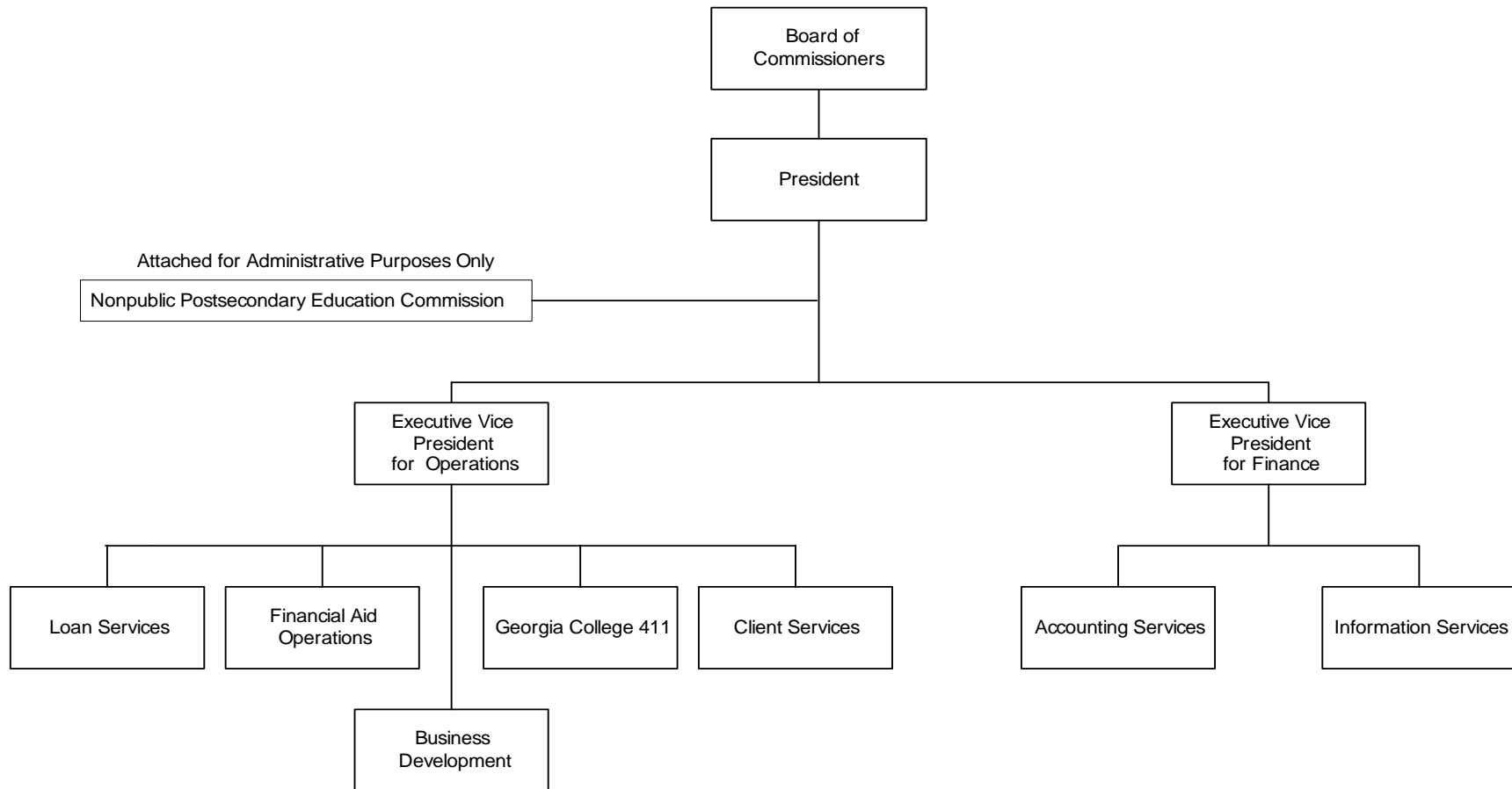
STATE SOIL AND WATER CONSERVATION COMMISSION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$3,706,196 |
| STATE SOIL AND WATER CONSERVATION COMMISSION | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$14,423) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$19,884). | 34,307 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.21% to 16.713%. | 18,808 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 4,444 |
| 4. Redirect state funds from the Water Resources and Land Use Planning program to the Flood Control Watershed Structures program to complete maintenance on 5 Category 1 dams. | Yes |
| 5. Reallocate funds from the Conservation of Soil and Water Resources program to the Conservation of Agricultural Water Supplies program for the Region V office in Dawson to better reflect staff activities. | Yes |
| 6. Remove federal funds (\$385,000) for 4 federal contracts completed in FY 2005. | Yes |
| 7. Remove other funds (\$380,000) for an EPD Erosion and Sedimentation Control contract completed in FY 2005. | Yes |
| 8. Eliminate one-time funding for regional reservoir planning. | (750,000) |
| 9. Fund an increase in the reimbursement rate for district supervisors from \$25 to \$30 per required monthly meeting. | 29,516 |
| 10. Provide personal services funding for a rural program manager. | 33,398 |
| 11. Provide personal services funding for a resource specialist. | 20,808 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>(\$608,719)</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$3,097,477 |

GEORGIA STUDENT FINANCE COMMISSION

ORGANIZATIONAL CHART



GEORGIA STUDENT FINANCE COMMISSION

Roles and Responsibilities:

The commission is the executive branch agency responsible for administering student financial aid programs. The programs, which include the Helping Outstanding Pupils Educationally (HOPE) Scholarship Program, GAcollege 411, service-cancelable loans, financial aid consultation and other educational scholarships and grants, are supported by lottery proceeds and state general fund appropriations.

GEORGIA HIGHER EDUCATION ASSISTANCE CORPORATION

The Georgia Higher Education Assistance Corporation is a nonprofit public corporation of the state and is responsible for administering a program of guaranteed educational loans to eligible students and parents in accordance with state law and the requirements of the Federal Higher Educational Loan Act. In FY 2005, the corporation guaranteed over 76,800 new loans for eligible students and parents. The value of those loans exceeded \$273.4 million.

GEORGIA STUDENT FINANCE AUTHORITY

The Georgia Student Finance Authority, a nonprofit public corporation of the state, is responsible for providing student financial aid to eligible Georgians through loan, scholarship and grant assistance programs as prescribed by the General Assembly. In FY 2005, the authority disbursed over \$36.9 million in state general funds and agency revenues to over 40,000 students in addition to over \$442.3 million in HOPE Scholarship and other lottery funded grant and scholarship programs to 260,000 students.

The authority is also authorized to be a lender under the Georgia Higher Educational Loan Program. In FY 2005, the authority originated over \$52.9 million in student loans, and the total value of loans serviced exceeded \$311.2 million.

The authority has the responsibility of performing all management, supervisory, clerical and administrative functions required by the corporation and the commission. The authority also provides administrative and operational support services

at no state cost, to the Georgia Nonpublic Postsecondary Education Commission (NPEC), which is attached for administrative purposes.

ATTACHED AGENCY

The **Georgia Nonpublic Postsecondary Education Commission** is responsible for regulating private postsecondary schools in this state in order to protect the financial investment of Georgians participating in their programs.

AUTHORITY

Official Code of Georgia Annotated 20-3-230 et seq., 20-3-250 et seq., 20-3-260 et seq. and 20-3-310 et seq.

GEORGIA STUDENT FINANCE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Accel | | | | | | | | |
| Lottery Funds | \$6,000,000 | \$6,000,000 | | | | | | \$6,000,000 |
| Total | 6,000,000 | 6,000,000 | | | | | | 6,000,000 |
| Engineer Scholarship | | | | | | | | |
| Lottery Funds | 760,000 | 760,000 | | | | | | 760,000 |
| Total | 760,000 | 760,000 | | | | | | 760,000 |
| Georgia Military College Scholarship | | | | | | | | |
| Lottery Funds | 770,477 | 770,477 | | | | | | 770,477 |
| Total | 770,477 | 770,477 | | | | | | 770,477 |
| Governor's Scholarship Program | | | | | | | | |
| State General Funds | 2,282,616 | 2,329,200 | | | | | | 2,329,200 |
| Total | 2,282,616 | 2,329,200 | | | | | | 2,329,200 |
| Guaranteed Educational Loans | | | | | | | | |
| Other Funds | | | | | \$280,000 | | 280,000 | 280,000 |
| State General Funds | 5,215,684 | 3,799,883 | | | | | | 3,799,883 |
| Total | 5,215,684 | 3,799,883 | | | 280,000 | | 280,000 | 4,079,883 |
| HERO Scholarship | | | | | | | | |
| State Funds | | | | | 200,000 | | 200,000 | 200,000 |
| Total | | | | | 200,000 | | 200,000 | 200,000 |
| HOPE Administration | | | | | | | | |
| Lottery Funds | 5,213,931 | 5,111,697 | | | | \$116,623 | 116,623 | 5,228,320 |
| Total | 5,213,931 | 5,111,697 | | | | 116,623 | 116,623 | 5,228,320 |
| HOPE GED | | | | | | | | |
| Lottery Funds | 2,461,614 | 2,840,694 | (\$379,080) | | | | (379,080) | 2,461,614 |
| Total | 2,461,614 | 2,840,694 | (379,080) | | | | (379,080) | 2,461,614 |

GEORGIA STUDENT FINANCE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|------------------|-------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| HOPE Grant | | | | | | | | |
| State General Funds | 108,162,105 | 122,784,173 | | | | | | 122,784,173 |
| Total | 108,162,105 | 122,784,173 | | | | | | 122,784,173 |
| HOPE Scholarships-Private Schools | | | | | | | | |
| Lottery Funds | 45,651,732 | 45,751,850 | (100,118) | | | | (100,118) | 45,651,732 |
| Total | 45,651,732 | 45,751,850 | (100,118) | | | | (100,118) | 45,651,732 |
| HOPE Scholarships-Public Schools | | | | | | | | |
| Lottery Funds | 344,500,917 | 326,011,143 | 553,788 | | 17,935,986 | | 18,489,774 | 344,500,917 |
| Total | 344,500,917 | 326,011,143 | 553,788 | | 17,935,986 | | 18,489,774 | 344,500,917 |
| Law Enforcement Dependents Grant | | | | | | | | |
| State General Funds | 49,893 | 50,911 | | | | | | 50,911 |
| Total | 49,893 | 50,911 | | | | | | 50,911 |
| Leveraging Educational Assistance Partnership Program (LEAP) | | | | | | | | |
| Federal Funds | 520,653 | 520,653 | | | | | | 520,653 |
| State General Funds | 966,757 | 966,757 | | | | | | 966,757 |
| Total | 1,487,410 | 1,487,410 | | | | | | 1,487,410 |
| North Georgia Military Scholarship | | | | | | | | |
| Other Funds | | | | | 1,010,402 | | 1,010,402 | 1,010,402 |
| State General Funds | 670,272 | 683,951 | | | | | | 683,951 |
| Total | 670,272 | 683,951 | | | 1,010,402 | | 1,010,402 | 1,694,353 |
| North Georgia ROTC Grants | | | | | | | | |
| State General Funds | 423,829 | 432,479 | | | | | | 432,479 |
| Total | 423,829 | 432,479 | | | | | | 432,479 |

GEORGIA STUDENT FINANCE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|-------------------------------------|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|--|------------------|------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Promise II Scholarship | | | | | | | | | |
| Lottery Funds | | 74,590 | (74,590) | | | | | (74,590) | 0 |
| Total | | 74,590 | (74,590) | | | | | (74,590) | 0 |
| Promise Scholarship | | | | | | | | | |
| Lottery Funds | 5,855,278 | 5,855,278 | | | | | | | 5,855,278 |
| Total | 5,855,278 | 5,855,278 | | | | | | | 5,855,278 |
| Public Memorial Safety Grant | | | | | | | | | |
| Lottery Funds | 255,850 | 255,850 | | | | | | | 255,850 |
| Total | 255,850 | 255,850 | | | | | | | 255,850 |
| Teacher Scholarship | | | | | | | | | |
| Lottery Funds | 5,332,698 | 5,332,698 | | | | | | | 5,332,698 |
| Total | 5,332,698 | 5,332,698 | | | | | | | 5,332,698 |
| Tuition Equalization Grants | | | | | | | | | |
| Other Funds | | | | | 5,483,198 | | | 5,483,198 | 5,483,198 |
| State General Funds | 28,431,831 | 29,031,802 | | | | | | | 29,031,802 |
| Total | 28,431,831 | 29,031,802 | | | 5,483,198 | | | 5,483,198 | 34,515,000 |

GEORGIA STUDENT FINANCE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|---------------------|----------------------|---------------------|----------------------|-----------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| ATTACHED AGENCIES: | | | | | | | | | |
| Nonpublic Postsecondary Education Commission | | | | | | | | | |
| State General Funds | 663,483 | 645,204 | | | | | 26,038 | 26,038 | 671,242 |
| Total | 663,483 | 645,204 | | | | | 26,038 | 26,038 | 671,242 |
| TOTAL FUNDS | \$564,189,620 | \$560,009,290 | \$0 | \$0 | \$24,909,586 | \$142,661 | \$25,052,247 | \$585,061,537 | |
| Less: | | | | | | | | | |
| Federal Funds | \$520,653 | \$520,653 | | | | | | | \$520,653 |
| Other Funds | | | | | \$6,773,600 | | \$6,773,600 | 6,773,600 | |
| Subtotal | \$520,653 | \$520,653 | \$0 | \$0 | \$6,773,600 | \$0 | \$6,773,600 | \$7,294,253 | |
| Lottery Funds | 524,964,602 | 521,548,450 | | | 17,935,986 | 116,623 | 18,052,609 | 539,601,059 | |
| State General Funds | 38,704,365 | 37,940,187 | | | 200,000 | 26,038 | 226,038 | 38,166,225 | |
| TOTAL STATE FUNDS | \$563,668,967 | \$559,488,637 | \$0 | \$0 | \$18,135,986 | \$142,661 | \$18,278,647 | \$577,767,284 | |

GEORGIA STUDENT FINANCE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|------------|-------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$542,849 | \$551,299 | \$519,733 | \$537,474 | \$26,038 | \$563,512 |
| Regular Operating Expenses | 17,915 | 12,705 | 11,752 | 17,915 | | 17,915 |
| Travel | 16,000 | 10,869 | 13,473 | 20,000 | | 20,000 |
| Equipment | 15,100 | 7,629 | 8,377 | 8,300 | | 8,300 |
| Computer Charges | 14,000 | 3,392 | 5,723 | 6,000 | | 6,000 |
| Real Estate Rentals | 31,900 | 48,990 | 39,411 | 31,900 | | 31,900 |
| Telecommunications | 6,046 | 8,989 | 8,368 | 6,046 | | 6,046 |
| Per Diem and Fees | | | | | | |
| Contracts | 19,673 | 13,549 | 47,626 | 17,569 | | 17,569 |
| Accel | 6,000,000 | | 4,112,740 | 6,000,000 | | 6,000,000 |
| Engineer Scholarship | 760,000 | 760,000 | 760,000 | 760,000 | | 760,000 |
| Georgia Military/North Georgia College Transfer Scholarship | | | 22,427 | | | |
| Georgia Military College Scholarship | 770,477 | 770,477 | 770,477 | 770,477 | | 770,477 |
| Governor's Scholarship Program | 2,282,616 | 2,701,634 | 2,530,150 | 2,329,200 | | 2,329,200 |
| Guaranteed Educational Loans/Service Cancelable | 5,215,684 | 3,665,449 | 3,477,477 | 3,799,883 | 280,000 | 4,079,883 |
| HERO Scholarship | | | | | 200,000 | 200,000 |
| HOPE Financial Aid-Books | 57,372,568 | 50,474,983 | 48,483,236 | 58,352,250 | 1,848,979 | 60,201,229 |
| HOPE Financial Aid-Fees | 75,186,356 | 63,411,502 | 61,878,214 | 73,541,670 | 3,328,158 | 76,869,828 |
| HOPE Financial Aid-Tuition | 322,565,712 | 255,757,755 | 280,034,856 | 319,742,090 | 12,933,557 | 332,675,647 |
| HOPE Scholarship-Private College | 45,651,732 | 44,305,270 | 34,016,499 | 45,751,850 | (100,118) | 45,651,732 |
| Law Enforcement Dependents' Grants | 49,893 | 64,655 | 61,339 | 50,911 | | 50,911 |
| Leveraging Educational Assistance Partnership Program (LEAP) | 1,487,410 | 1,487,410 | 1,528,599 | 1,487,410 | | 1,487,410 |
| North Georgia College Military Scholarship | 670,272 | 685,560 | 661,524 | 683,951 | 1,010,402 | 1,694,353 |
| North Georgia College ROTC Grants | 423,829 | 455,856 | 432,479 | 432,479 | | 432,479 |
| Operating Expenses-HOPE Administration | 2,541,807 | 2,892,663 | 2,722,561 | 2,546,773 | | 2,546,773 |
| Personal Services-HOPE Administration | 2,672,124 | 1,909,508 | 1,933,859 | 2,564,924 | 116,623 | 2,681,547 |
| Promise II Scholarships | | 559,090 | 374,590 | 74,590 | (74,590) | |
| Promise Scholarships | 5,855,278 | 5,855,278 | 5,855,278 | 5,855,278 | | 5,855,278 |
| Public Safety Memorial Grant | 255,850 | 143,282 | 143,282 | 255,850 | | 255,850 |
| Teacher Scholarships | 5,332,698 | 5,332,698 | 5,332,698 | 5,332,698 | | 5,332,698 |
| Tuition Equalization Grants | 28,431,831 | 29,108,559 | 28,820,624 | 29,031,802 | 5,483,198 | 34,515,000 |

GEORGIA STUDENT FINANCE COMMISSION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|---|------------------------------------|-------------------------|-------------------------|------------------------------------|---------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| North Georgia College Graduates Scholarship | | 22,427 | | | | |
| TOTAL FUNDS | \$564,189,620 | \$471,021,478 | \$484,607,372 | \$560,009,290 | \$25,052,247 | \$585,061,537 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$520,653 | \$520,653 | \$561,842 | \$520,653 | | \$520,653 |
| Other Funds | | 46,366 | | | 6,773,600 | 6,773,600 |
| Subtotal | \$520,653 | \$567,019 | \$561,842 | \$520,653 | \$6,773,600 | \$7,294,253 |
| Lottery Funds | \$524,964,602 | \$432,172,506 | \$446,441,596 | \$521,548,450 | \$18,052,609 | \$539,601,059 |
| State General Funds | 38,704,365 | 38,281,953 | 37,627,239 | 37,940,187 | 226,038 | 38,166,225 |
| TOTAL STATE FUNDS | \$563,668,967 | \$470,454,459 | \$484,045,530 | \$559,488,637 | \$18,278,647 | \$577,767,284 |
| Positions | 60 | 50 | 51 | 60 | | 60 |
| Motor Vehicles | 2 | 1 | 2 | 2 | | 2 |

GEORGIA STUDENT FINANCE COMMISSION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|--|-----------------------------|-------------------------|-----------------------------|------------------------------------|---------------------------|-----------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Accel | \$6,000,000 | | \$6,000,000 | \$6,000,000 | | \$6,000,000 |
| Engineer Scholarship | 760,000 | | 760,000 | 760,000 | | 760,000 |
| Georgia Military College Scholarship | 770,477 | | 770,477 | 770,477 | | 770,477 |
| Governor's Scholarship Program | 2,329,200 | | 2,329,200 | 2,329,200 | | 2,329,200 |
| Guaranteed Educational Loans | 3,799,883 | | 3,799,883 | 3,799,883 | \$280,000 | 4,079,883 |
| HERO Scholarship | | | | 200,000 | | 200,000 |
| HOPE Administration | 5,111,697 | | 5,111,697 | 5,228,320 | | 5,228,320 |
| HOPE GED | 2,840,694 | | 2,840,694 | 2,461,614 | | 2,461,614 |
| HOPE Grant | 122,784,173 | | 122,784,173 | 122,784,173 | | 122,784,173 |
| HOPE Scholarships-Private Schools | 45,751,850 | | 45,751,850 | 45,651,732 | | 45,651,732 |
| HOPE Scholarships-Public Schools | 326,011,143 | | 326,011,143 | 344,500,917 | | 344,500,917 |
| Law Enforcement Dependents Grant | 50,911 | | 50,911 | 50,911 | | 50,911 |
| Leveraging Educational Assistance Partnership Program (LEAP) | 966,757 | \$520,653 | 1,487,410 | 966,757 | 520,653 | 1,487,410 |
| North Georgia Military Scholarship | 683,951 | | 683,951 | 683,951 | 1,010,402 | 1,694,353 |
| North Georgia ROTC Grants | 432,479 | | 432,479 | 432,479 | | 432,479 |
| Promise II Scholarship | 74,590 | | 74,590 | | | 0 |
| Promise Scholarship | 5,855,278 | | 5,855,278 | 5,855,278 | | 5,855,278 |
| Public Memorial Safety Grant | 255,850 | | 255,850 | 255,850 | | 255,850 |
| Teacher Scholarship | 5,332,698 | | 5,332,698 | 5,332,698 | | 5,332,698 |
| Tuition Equalization Grants | 29,031,802 | | 29,031,802 | 29,031,802 | 5,483,198 | 34,515,000 |
| Subtotal | <u>\$558,843,433</u> | <u>\$520,653</u> | <u>\$559,364,086</u> | <u>\$577,096,042</u> | <u>\$7,294,253</u> | <u>\$584,390,295</u> |
| <u>ATTACHED AGENCIES:</u> | | | | | | |
| Nonpublic Postsecondary Education Commission | \$645,204 | | \$645,204 | \$671,242 | | \$671,242 |
| TOTAL FUNDS | <u>\$559,488,637</u> | <u>\$520,653</u> | <u>\$560,009,290</u> | <u>\$577,767,284</u> | <u>\$7,294,253</u> | <u>\$585,061,537</u> |

GEORGIA STUDENT FINANCE COMMISSION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$37,940,187 |
| Georgia Student Finance Commission | |
| 1. Increase Tuition Equalization Grants from \$900 to \$1,000 per award (Other Funds: \$5,483,198). | Yes |
| 2. Increase North Georgia College and State University Service Cancelable Loan by \$1,010,402 to fund 118 additional students returning from military deployment (Other Funds: \$1,010,402). | Yes |
| 3. Increase funding for service cancelable loans to fund 100 additional nursing slots (Other Funds \$280,000). | Yes |
| 4. Provide funds for the HERO Scholarship of \$2,000 per award. | \$200,000 |
| Subtotal | \$200,000 |
| ATTACHED AGENCIES: | |
| Nonpublic Postsecondary Education Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$5,375) and provide a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$10,164). | \$15,539 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 10,184 |
| 3. Increase funds to reflect an adjustment in Workers' Compensation premiums. | 315 |
| Subtotal | \$26,038 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$226,038 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$38,166,225 |

| | |
|---|----------------------|
| FY 2006 LOTTERY FUNDS APPROPRIATIONS | \$521,548,450 |
|---|----------------------|

| | |
|---|-----------|
| Georgia Student Finance Commission | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$20,940) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$87,275). | \$108,215 |
| 2. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 8,408 |
| 3. Eliminate remaining funds in Promise II (\$74,590) as part of a planned phase out and transfer funds to HOPE Scholarship-Public Schools to provide for projected growth. | Yes |
| 4. Reduce HOPE GED (\$379,080) and HOPE Scholarship-Private Schools (\$100,118) to reflect true need and transfer funds to HOPE Scholarship-Public Schools to provide for projected growth. | Yes |

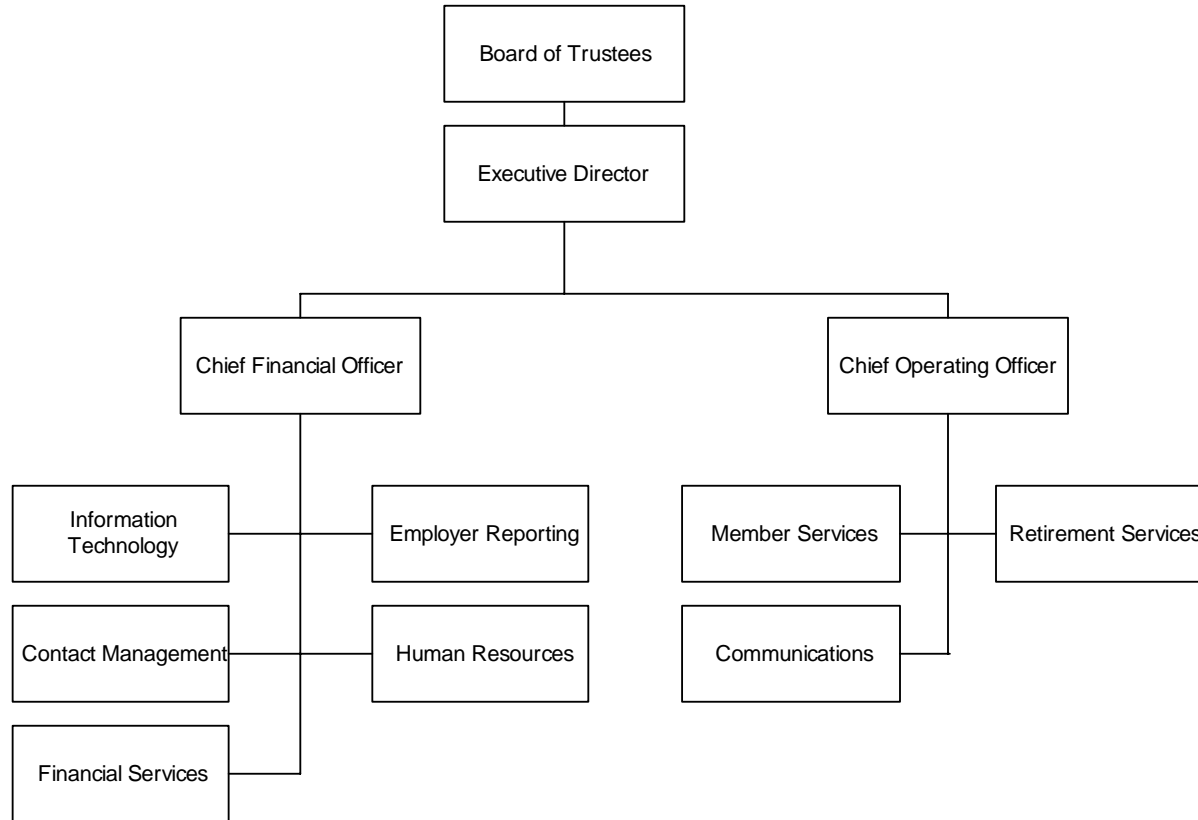
GEORGIA STUDENT FINANCE COMMISSION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|----------------------|
| 5. Increase funds in HOPE Administration to provide 2 positions to implement the mandated grade point transcript exchange initiative. | Yes |
| 6. Increase funds for HOPE Scholarship-Public Schools to reflect projected growth. | 17,935,986 |
| TOTAL NET LOTTERY FUNDS ADJUSTMENTS | <u>\$18,052,609</u> |
| TOTAL LOTTERY FUNDS RECOMMENDED | \$539,601,059 |
| TOTAL STATE FUNDS RECOMMENDED | \$577,767,284 |

TEACHERS' RETIREMENT SYSTEM

ORGANIZATIONAL CHART



TEACHERS' RETIREMENT SYSTEM

Roles and Responsibilities:

The Teachers' Retirement System (TRS) is a vehicle for collecting employee and employer contributions, investing accumulated funds, and disbursing retirement benefits to members and beneficiaries. As required by Georgia law, the system is examined on an annual basis by an independent actuarial firm that specializes in pension and retirement plans. The firm prepares a yearly valuation on the contingent assets and liabilities of the system, thus revealing its ability to meet future obligations. In addition, an independent accounting firm audits the system annually.

Administration of the system is ultimately the responsibility of the TRS Board of Trustees, while daily management of system operations is the responsibility of the executive director. The executive director is appointed by the board and serves at the pleasure of its members. The board consists of 10 members as follows:

- State Auditor, ex officio
- Director, Office of Treasury and Fiscal Services, ex officio
- Two classroom teachers (both active members of TRS) appointed by the Governor
- One school administrator (an active member of TRS) appointed by the Governor
- One Board of Regents employee (an active member of TRS) appointed by the Board of Regents
- One trustee appointed by the Governor who must be an active member of TRS
- One trustee appointed by the Governor
- One retired member of TRS elected by the trustees
- One citizen (not a TRS member) experienced in the investment of money elected by the trustees

MEMBERSHIP

All individuals employed half time or more in covered positions of the State's public school systems, regional libraries, county libraries, and regional educational service agencies are required to be TRS members as a condition of employment. Similarly, employees in covered positions of the University System of Georgia are required to be TRS members unless eligible for participation in an optional retirement plan administered by the University System's Board of Regents. Covered positions include teachers, administrators, supervisors, clerks, teacher aides, secretaries, public school nurses, and paraprofessionals. Also eligible for TRS membership are certain employees of the State Department of Education and the Department of Technical and Adult Education, along with public school lunchroom, maintenance, warehouse, and transportation managers and supervisors.

INVESTMENTS

TRS has its own "in-house" Investment Services Division, which handles day-to-day investment transactions. Securities lending and portfolio officers, securities and investment analysts, and investment assistants are all part of the TRS investment team. Six members of the TRS Board of Trustees, along with the executive director, comprise the Investment Committee. Committee members convene with the directors of the Investment Services Division and hear recommendations from outside investment advisors at monthly meetings. Investment recommendations made by the committee require approval by the entire board.

COLA FUNDS FOR LOCAL SYSTEM RETIREES

Teachers who retired prior to July 1, 1978 from a local retirement system (Atlanta City Schools, Chatham County

Schools, Fulton County Schools, and Rome City Schools) receives a post-retirement cost of living adjustment (COLA) to their monthly benefit whenever such adjustment is granted to teachers who retire under TRS. These funds are appropriated to TRS annually.

FLOOR FUNDS FOR LOCAL SYSTEM RETIREES

Any teacher who has retired from a local retirement system (Atlanta City Schools, Chatham County Schools, Fulton County Schools, and Rome City Schools) prior to July 1, 1978 shall receive a minimum allowance upon retirement of not less than \$17.00 per month for each year of creditable service, not to exceed 40 years of service. These funds are appropriated to TRS annually.

AUTHORITY

Title 47, Chapter 3 of the Official Code of Georgia Annotated.

TEACHERS' RETIREMENT SYSTEM

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|------------------------------|------------------------------------|-----------------------------------|----------------|----------------------|--------------------|----------------------|--|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Local/Floor COLA | | | | | | | | | |
| State General Funds | \$1,760,000 | \$1,980,000 | | (\$220,000) | \$2,143,200 | | | \$1,923,200 | \$3,903,200 |
| Total | 1,760,000 | 1,980,000 | | (220,000) | 2,143,200 | | | 1,923,200 | 3,903,200 |
| System Administration | | | | | | | | | |
| Other Funds | 21,742,451 | 22,762,451 | | (1,020,000) | | \$296,680 | | (723,320) | 22,039,131 |
| Total | 21,742,451 | 22,762,451 | | (1,020,000) | | 296,680 | | (723,320) | 22,039,131 |
| TOTAL FUNDS | \$23,502,451 | \$24,742,451 | \$0 | (\$1,240,000) | \$2,143,200 | \$296,680 | | \$1,199,880 | \$25,942,331 |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$21,742,451 | \$22,762,451 | | (\$1,020,000) | | \$296,680 | | (\$723,320) | \$22,039,131 |
| State General Funds | \$1,760,000 | \$1,980,000 | | (\$220,000) | \$2,143,200 | | | \$1,923,200 | \$3,903,200 |
| TOTAL STATE FUNDS | \$1,760,000 | \$1,980,000 | \$0 | (\$220,000) | \$2,143,200 | \$0 | | \$1,923,200 | \$3,903,200 |

TEACHERS' RETIREMENT SYSTEM

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-----------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$16,839,632 | \$12,608,113 | \$14,158,288 | \$16,839,632 | \$296,680 | \$17,136,312 |
| Regular Operating Expenses | 814,844 | 723,583 | 682,264 | 814,844 | | 814,844 |
| Travel | 65,000 | 40,349 | 32,869 | 65,000 | | 65,000 |
| Equipment | 25,000 | 85,412 | 22,337 | 25,000 | | 25,000 |
| Computer Charges | 2,520,000 | 7,817,484 | 7,723,446 | 3,540,000 | (1,020,000) | 2,520,000 |
| Real Estate Rentals | 723,975 | 723,975 | 723,975 | 723,975 | | 723,975 |
| Telecommunications | 280,000 | 180,403 | 219,511 | 280,000 | | 280,000 |
| Per Diem and Fees | 474,000 | 481,700 | 426,279 | 474,000 | | 474,000 |
| Floor Fund, Local System Retirees | 60,000 | 86,500 | 74,735 | 80,000 | (20,000) | 60,000 |
| COLA Fund, Local System Fund | 1,700,000 | 2,086,544 | 1,864,619 | 1,900,000 | 1,943,200 | 3,843,200 |
| TOTAL FUNDS | \$23,502,451 | \$24,834,063 | \$25,928,323 | \$24,742,451 | \$1,199,880 | \$25,942,331 |
| Less: | | | | | | |
| Other Funds | \$21,742,451 | \$22,661,017 | \$23,988,969 | \$22,762,451 | (\$723,320) | \$22,039,131 |
| State General Funds | \$1,760,000 | \$2,173,046 | \$1,939,354 | \$1,980,000 | \$1,923,200 | \$3,903,200 |
| TOTAL STATE FUNDS | \$1,760,000 | \$2,173,046 | \$1,939,354 | \$1,980,000 | \$1,923,200 | \$3,903,200 |
| Positions | 182 | 166 | 173 | 182 | | 182 |
| Motor Vehicles | 1 | 1 | 1 | 1 | | 1 |

TEACHERS' RETIREMENT SYSTEM

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-----------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Local/Floor COLA | \$1,980,000 | | \$1,980,000 | \$3,903,200 | | \$3,903,200 |
| System Administration | | \$22,762,451 | 22,762,451 | | \$22,039,131 | 22,039,131 |
| TOTAL FUNDS | \$1,980,000 | \$22,762,451 | \$24,742,451 | \$3,903,200 | \$22,039,131 | \$25,942,331 |

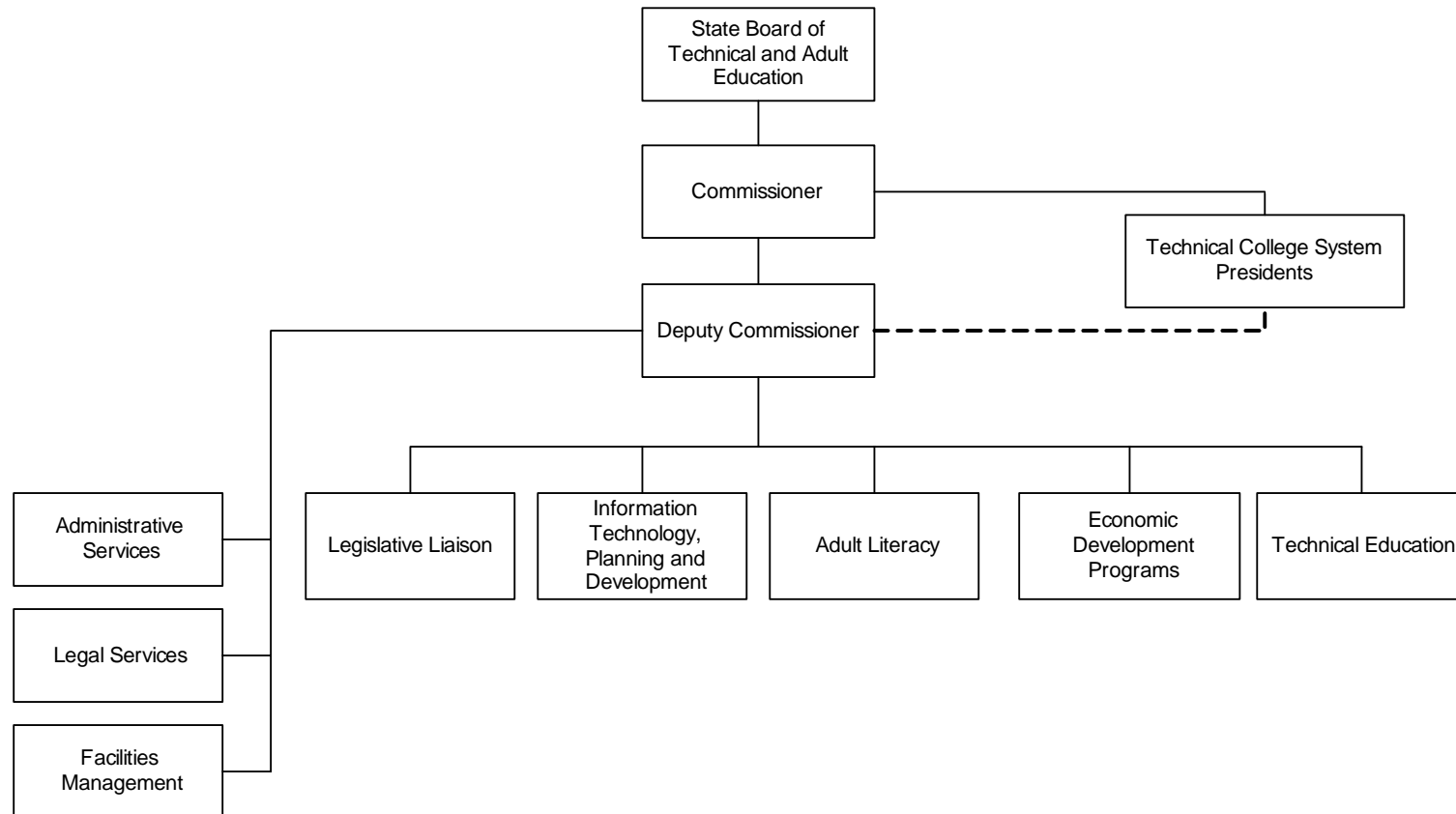
TEACHERS' RETIREMENT SYSTEM

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$1,980,000 |
| Teachers' Retirement System | |
| 1. Increase other funds (\$228,299) to reflect an adjustment in State Health Benefit Plan premiums from 14.20% to 16.713%. | Yes |
| 2. Increase other funds (\$8,451) to reflect an adjustment in the Workers' Compensation premiums. | Yes |
| 3. Reduce Local/Floor Cost of Living Adjustment (COLA) to reflect anticipated reduction in the number of eligible retirees. | (\$220,000) |
| 4. Reduce other funds (\$1,020,000) in computer charges to reflect anticipated costs. | Yes |
| 5. Provide for a COLA for teacher retirees per HB 400 passed in the 2005 session. | 2,143,200 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>\$1,923,200</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | <u>\$3,903,200</u> |

DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

ORGANIZATIONAL CHART



DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

Roles and Responsibilities:

The Quality Basic Education Act of 1985 created a separate State Board of Postsecondary Vocational Education within the Department of Education to promote the economic growth and development of Georgia by providing leadership, direction, and state-level management of public postsecondary technical schools, programs, and services. The new board was created as an agency separate from the Department of Education in 1987 to provide guidance to public technical institutes operated by the state or by local boards of education. The board was renamed the State Board of Technical and Adult Education in 1988 to govern the newly created Department of Technical and Adult Education (DTAE).

On July 1, 2005, the only remaining locally governed public technical institute converted to state-governance and became Gwinnett Technical College. This college is one of the largest in the technical college system serving more than 7,000 students annually. With the addition of this new college, DTAE now oversees 34 state-governed technical colleges, 31 branch campuses and 7 technical education centers. In addition, there are four technical education divisions housed within four of the University System colleges.

The department is divided into four programs: Technical Education, Adult Literacy, Economic Development and Administration.

TECHNICAL EDUCATION

Georgia's Technical College System includes 34 colleges and a total of 76 delivery sites. The colleges offer more than 1,200 programs and provide opportunities for students to learn new skills or upgrade existing skills to keep pace with technology and competition in a world market. Students attending technical colleges have the option of short-term programs as well as courses of study leading to certificates, diplomas, and associate degrees. These programs can range in duration from a few weeks to two years. The technical colleges serve approximately 150,000 credit students annually and produce about 50,000 graduates each year.

ADULT LITERACY

The Adult Literacy program, through its network of 37 service delivery areas throughout the state, promotes and provides adult basic education and literacy programs, including the GED Testing program that awards GED diplomas. The program is the primary fiscal agent for the U.S. Department of Education adult literacy funds. It is also the largest adult literacy provider for other state agencies and facilitates collaboration among state and local entities to improve literacy efforts for adults needing basic, English literacy, or specialized skills instruction.

ECONOMIC DEVELOPMENT

The Economic Development program provides employee training services to new and expanding industries at

no cost through Quick Start. Quick Start plays a key role in the State's business recruitment and retention efforts by serving as a State training incentive. Supported by DTAE's network of technical colleges, Quick Start has provided training for new jobs in virtually every technology required by Georgia's manufacturing and service sectors.

ADMINISTRATION

The Administration program fulfills overall administrative roles for the central office and the 34 technical colleges. These activities include budgeting, accounting, purchasing, asset management, personnel, information technology, public information, facilities management, legal services, planning, and evaluation.

AUTHORITY

Title 20 of The Official Code of Georgia Annotated.

DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | Total Changes | Total |
|-----------------------------|------------------------------------|-----------------------------------|--------------------|--------------------|--------------------|----------------------|---------------------|----------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | |
| Administration | | | | | | | | |
| Federal Funds | \$2,059,788 | | \$2,059,788 | | | | \$2,059,788 | \$2,059,788 |
| State General Funds | 8,862,078 | \$4,728,848 | 3,840,176 | (\$171,380) | \$414,434 | \$371,941 | 4,455,171 | 9,184,019 |
| Total | 10,921,866 | 4,728,848 | 5,899,964 | (171,380) | 414,434 | 371,941 | 6,514,959 | 11,243,807 |
| Adult Literacy | | | | | | | | |
| Federal Funds | 6,669,526 | 7,021,333 | (351,807) | | | | (351,807) | 6,669,526 |
| Other Funds | 1,121,886 | 1,121,886 | | | | | | 1,121,886 |
| State General Funds | 11,242,526 | 11,853,450 | (649,197) | | 159,014 | 588,417 | 98,234 | 11,951,684 |
| Total | 19,033,938 | 19,996,669 | (1,001,004) | | 159,014 | 588,417 | (253,573) | 19,743,096 |
| Economic Development | | | | | | | | |
| State General Funds | 12,087,939 | 11,889,779 | | | 372,280 | 351,841 | 724,121 | 12,613,900 |
| Total | 12,087,939 | 11,889,779 | | | 372,280 | 351,841 | 724,121 | 12,613,900 |
| Technical Education | | | | | | | | |
| Federal Funds | 11,085,145 | 12,793,126 | (1,707,981) | | | | (1,707,981) | 11,085,145 |
| Other Funds | 54,810,772 | 54,810,772 | | | | | | 54,810,772 |
| State General Funds | 298,925,197 | 292,105,724 | (3,190,979) | | 190,188 | 13,496,528 | 10,495,737 | 302,601,461 |
| Total | 364,821,114 | 359,709,622 | (4,898,960) | | 190,188 | 13,496,528 | 8,787,756 | 368,497,378 |
| TOTAL FUNDS | \$406,864,857 | \$396,324,918 | \$0 | (\$171,380) | \$1,135,916 | \$14,808,727 | \$15,773,263 | \$412,098,181 |
| Less: | | | | | | | | |
| Federal Funds | \$19,814,459 | \$19,814,459 | | | | | | \$19,814,459 |
| Other Funds | 55,932,658 | 55,932,658 | | | | | | 55,932,658 |
| Subtotal | \$75,747,117 | \$75,747,117 | \$0 | \$0 | \$0 | \$0 | \$0 | \$75,747,117 |
| State General Funds | \$331,117,740 | \$320,577,801 | | (\$171,380) | \$1,135,916 | \$14,808,727 | \$15,773,263 | \$336,351,064 |
| TOTAL STATE FUNDS | \$331,117,740 | \$320,577,801 | \$0 | (\$171,380) | \$1,135,916 | \$14,808,727 | \$15,773,263 | \$336,351,064 |

DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|---------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$8,785,772 | \$8,547,302 | \$8,646,344 | \$8,492,718 | \$614,995 | \$9,107,713 |
| Regular Operating Expenses | 344,037 | 563,315 | 656,201 | 344,037 | | 344,037 |
| Travel | 271,524 | 348,690 | 255,838 | 271,524 | | 271,524 |
| Equipment | 6,096 | 22,806 | 23,910 | 6,096 | | 6,096 |
| Computer Charges | 338,561 | 466,504 | 395,780 | 338,561 | | 338,561 |
| Real Estate Rentals | 785,866 | 858,666 | 773,855 | 785,866 | | 785,866 |
| Telecommunications | 121,556 | 177,153 | 152,452 | 121,556 | | 121,556 |
| Per Diem and Fees | 114,492 | 77,010 | 78,358 | 114,492 | | 114,492 |
| Contracts | 153,962 | 894,552 | 552,470 | 153,962 | | 153,962 |
| Personal Services - Colleges | 285,753,120 | 287,778,731 | 302,231,059 | 275,742,668 | 21,158,885 | 296,901,553 |
| Operating Expenses - Colleges | 75,715,377 | 126,921,539 | 121,539,452 | 75,715,377 | (7,500,000) | 68,215,377 |
| Adult Literacy Grants | 19,033,938 | 35,553,554 | 32,711,944 | 18,995,665 | 747,431 | 19,743,096 |
| Regents Program | 3,352,617 | 4,359,417 | 4,038,089 | 3,352,617 | 27,831 | 3,380,448 |
| Quick Start Program | 12,087,939 | 12,829,311 | 12,217,712 | 11,889,779 | 724,121 | 12,613,900 |
| Job Partnership Training Act | | 2,324,808 | 2,396,296 | | | |
| Area School Program | | 6,374,553 | 5,806,953 | | | |
| TOTAL FUNDS | \$406,864,857 | \$488,097,911 | \$492,476,713 | \$396,324,918 | \$15,773,263 | \$412,098,181 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$19,814,459 | \$67,708,834 | \$59,078,690 | \$19,814,459 | | \$19,814,459 |
| Other Funds | 55,932,658 | 119,744,850 | 136,345,961 | 55,932,658 | | 55,932,658 |
| Subtotal | \$75,747,117 | \$187,453,684 | \$195,424,651 | \$75,747,117 | \$0 | \$75,747,117 |
| State General Funds | \$331,117,740 | \$300,644,227 | \$297,052,062 | \$320,577,801 | \$15,773,263 | \$336,351,064 |
| TOTAL STATE FUNDS | \$331,117,740 | \$300,644,227 | \$297,052,062 | \$320,577,801 | \$15,773,263 | \$336,351,064 |
| Positions | 3,506 | 3,506 | 3,506 | 3,506 | | 3,506 |
| Motor Vehicles | 1 | 1 | 1 | 1 | | 1 |

DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|----------------------|------------------------|-------------------------|----------------------|------------------------------------|-------------------------|----------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$4,728,848 | | \$4,728,848 | \$9,184,019 | \$2,059,788 | \$11,243,807 |
| Adult Literacy | 11,853,450 | \$8,143,219 | 19,996,669 | 11,951,684 | 7,791,412 | 19,743,096 |
| Economic Development | 11,889,779 | | 11,889,779 | 12,613,900 | | 12,613,900 |
| Technical Education | 292,105,724 | 67,603,898 | 359,709,622 | 302,601,461 | 65,895,917 | 368,497,378 |
| TOTAL FUNDS | \$320,577,801 | \$75,747,117 | \$396,324,918 | \$336,351,064 | \$75,747,117 | \$412,098,181 |

DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$320,577,801 |
| Department of Technical and Adult Education | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$2,537,284) and provide for a salary increase in FY 2007 of 4% effective January 1, 2007 (\$5,658,208). | \$8,195,492 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 6,309,780 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 303,455 |
| 4. Realign programs to meet actual expenditures and properly reflect funds for the administration program by transferring funds from Adult Literacy (Total Funds: \$1,001,004) and Technical Education (Total Funds: \$4,898,960). | Yes |
| 5. Redirect \$7,500,000 in one-time funds for HVAC and roof repair from Operating Expenses - Colleges to Personal Services - Colleges in the Technical Education program to help correct personal services error. | Yes |
| 6. Add funds to correct a personal services error in the Administration (\$414,434), Adult Literacy (\$159,014), Economic Development (\$372,280) and Technical Education (\$190,188) programs. | 1,135,916 |
| 7. Reduce funding in the Administration program by 2%. | (171,380) |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$15,773,263 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$336,351,064 |

DEPARTMENT OF TECHNICAL AND ADULT EDUCATION

BUDGET SUMMARY - FISCAL YEAR 2007

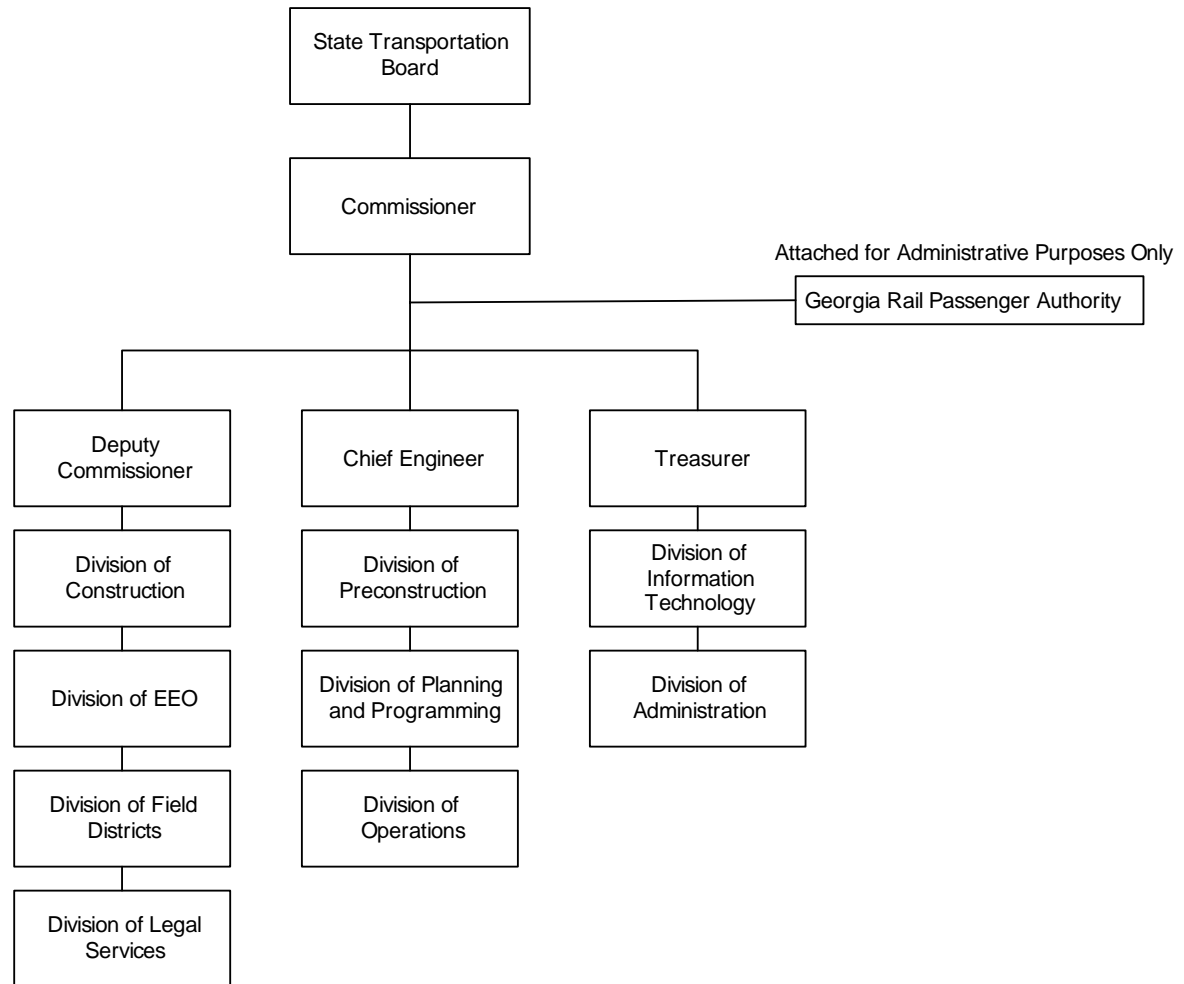
| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|---|------------|------------------|----------------------|
| Department of Technical and Adult Education | | | |
| 1. Purchase equipment related to facility construction projects at Heart of Georgia Technical College, Southeastern Technical College, Augusta Technical College, and West Georgia Technical College. | 5 | \$7,660,000 | \$1,746,480 |
| 2. Design and construct the Allied Health Building, Okefenokee Technical College. | 20 | 10,300,000 | 879,929 |
| 3. Design and construct the Technology Building, Savannah Technical College. | 20 | 15,325,000 | 1,309,215 |
| 4. Design and construct the Classroom Building, Forsyth County Campus, Lanier Technical College. | 20 | 11,170,000 | 954,253 |
| 5. Design and construct the Classroom Building, Paulding County Campus, Chattahoochee Technical College. | 20 | 11,255,000 | 961,515 |
| 6. Design and construct the Classroom Building, Douglasville Campus, West Central Technical College. | 20 | 4,995,000 | 426,723 |
| 7. Design, construct and purchase equipment for the Commercial Truck Driving and Fire Science Building, Ogeechee Technical College. | 20 | 1,620,000 | 138,397 |
| 8. Design, construct and purchase equipment for the renovation of the Alma Center, Alma Campus, Okefenokee Technical College. | 20 | 2,115,000 | 180,684 |
| TOTAL | | \$64,440,000 | \$6,597,196 |
| STATE GENERAL FUNDS | | | \$342,948,260 |

DEPARTMENT OF TRANSPORTATION

ORGANIZATIONAL CHART



DEPARTMENT OF TRANSPORTATION

Roles and Responsibilities:

The Department of Transportation plans, constructs, maintains and improves the state's roads and bridges; provides planning and financial support for other modes of transportation; and provides air travel to state departments.

The majority of the department's resources are applied to maintaining and improving the state's network of roads and bridges. Proceeds from the state's motor fuel taxes are constitutionally earmarked solely for use on Georgia's roads and bridges.

The department is governed by a board comprised of members from each of the state's congressional districts elected by each district's state representatives and senators. The board in turn appoints a commissioner.

PLANNING, CONSTRUCTION, MAINTENANCE AND IMPROVEMENTS

The department plans, maintains and improves the roads and bridges of the state highway system. As part of this responsibility, personnel provide a long-range state multimodal transportation plan and long-range plans for urban areas; maintain an approved construction work program of priority projects; perform location and environmental studies; conduct mapping and photogrammetric surveys; acquire rights-of-way necessary to construct and maintain highways; supervise all construction and maintenance activities let to contract; ensure the quality of materials used in construction; and conduct research to improve planning and engineering methods.

The department is also responsible for maintenance and repairs to the roads and bridges of the state highway system. The goal is to preserve the existing road network

and improve its safety by programming and supervising major reconstruction and resurfacing or rehabilitation projects let to contract; performing certain heavy and specialized maintenance such as emergency repairs; making spot improvements and safety modifications; performing routine maintenance such as patching pavement, repairing shoulders, maintaining drainage, mowing rights-of-way, erecting and maintaining warning and directional signs, and inspecting roadside parks and rest areas; maintaining state welcome centers and rest areas; and issuing permits for special vehicles such as overweight carriers.

INFORMATION AND TRAVELER SERVICES

The department provides critical information and services concerning transportation to government agencies and the public. Data collected include truck weight, traffic volume and speed. The department also maintains an inventory of the public road system and produces the official state transportation map along with county maps.

The accident reporting unit receives all accident reports from law enforcement agencies throughout the state. These reports are available for a fee and are frequently used by insurance companies and attorneys.

The HEROs and the Navigator system provide critical services and information to ensure the safe and efficient operation of the state's highways. The Navigator system uses video cameras, road sensors, weather stations and other technology to collect data and control traffic. Information is then made available to the public through various outlets. HERO units respond to traffic incidents on Metro Atlanta freeways to minimize any impact on traffic flow. These units are on duty at all times patrolling 220 miles on 13 freeways responding to incidents such as road debris, spills, disabled vehicles and crashes.

MULTIMODAL SERVICES

The Transit program provides financial and technical assistance to urban and rural transit systems. It matches local and federal funds for buses and vans, urban and rural capital projects, urban planning, light density rail and statewide Park and Ride lots.

The Airport Aid program provides financial assistance to cities and counties for airport planning, construction, approach aids, maintenance, and other services as needed. It also maintains the state airport system plan; publishes a state aeronautical chart and airport directory; and lends management and technical assistance to local governments to develop, maintain and improve air service.

The Rail program acquires and maintains rail for freight and passenger use.

The Ports and Waterways program is responsible for the provision and maintenance of land, dikes and control works necessary for storage of dredge materials removed from the Savannah Harbor and River Navigation Channel. Navigation dredging is performed by the U.S. Army Corps of Engineers and the dredge materials are placed inside designated storage areas prepared by the department.

AIR TRANSPORTATION

The Air Transportation program operates aircraft for use by state officials and performs various aerial photography services for the department in the course of construction or road and bridge improvement.

AUTHORITY

Titles 6 and 32 of the Official Code of Georgia Annotated.

DEPARTMENT OF TRANSPORTATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|-------------------|------------------|-------------------|----------------------|-------------------|------------------|--------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administration | | | | | | | | | |
| Federal Funds | \$9,533,343 | \$9,533,343 | | | | | | | \$9,533,343 |
| Other Funds | 898,970 | 2,304,236 | | | (\$1,405,266) | | (\$1,405,266) | | 898,970 |
| Motor Fuel Funds | 58,294,078 | 41,468,294 | \$14,548,907 | | 1,922,075 | \$1,293,575 | 17,764,557 | | 59,232,851 |
| State General Funds | 485,483 | 100,000 | 476,841 | (\$100,000) | 4,716 | 16,051 | 397,608 | | 497,608 |
| Total | 69,211,874 | 53,405,873 | 15,025,748 | (100,000) | 521,525 | 1,309,626 | 16,756,899 | | 70,162,772 |
| Air Transportation | | | | | | | | | |
| Other Funds | 657,795 | 657,795 | | | | | | | 657,795 |
| State General Funds | 1,431,494 | 1,354,828 | | | 92,000 | 48,707 | 140,707 | | 1,495,535 |
| Total | 2,089,289 | 2,012,623 | | | 92,000 | 48,707 | 140,707 | | 2,153,330 |
| Airport Aid | | | | | | | | | |
| Federal Funds | 6,000,000 | 6,000,000 | | | | | | | 6,000,000 |
| State General Funds | 5,454,694 | 5,459,409 | (69,321) | | 676,379 | 11,508 | 618,566 | | 6,077,975 |
| Total | 11,454,694 | 11,459,409 | (69,321) | | 676,379 | 11,508 | 618,566 | | 12,077,975 |
| Data Collection, Compliance and Reporting | | | | | | | | | |
| Federal Funds | 8,270,257 | 3,784,538 | 2,686,579 | | 1,799,140 | | 4,485,719 | | 8,270,257 |
| Other Funds | 62,257 | 115,101 | | | (52,844) | | (52,844) | | 62,257 |
| Motor Fuel Funds | 3,159,005 | 1,581,031 | 1,043,595 | | 499,126 | 128,526 | 1,671,247 | | 3,252,278 |
| State General Funds | 848,395 | 815,763 | | | 53,162 | 26,705 | 79,867 | | 895,630 |
| Total | 12,339,914 | 6,296,433 | 3,730,174 | | 2,298,584 | 155,231 | 6,183,989 | | 12,480,422 |
| Local Road Assistance | | | | | | | | | |
| Federal Funds | 69,658,670 | 67,429,038 | | | 2,229,632 | | 2,229,632 | | 69,658,670 |
| Other Funds | 595,233 | 3,584,325 | | | (2,989,092) | | (2,989,092) | | 595,233 |
| Motor Fuel Funds | 111,643,594 | 88,634,898 | 2,064,106 | | 51,043,865 | 696,020 | 53,803,991 | | 142,438,889 |
| Total | 181,897,497 | 159,648,261 | 2,064,106 | | 50,284,405 | 696,020 | 53,044,531 | | 212,692,792 |

DEPARTMENT OF TRANSPORTATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|---|------------------------------------|-----------------------------------|----------------|------------|--------------|----------------------|--------------|------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Payments to State Road and Tollway Authority | | | | | | | | | |
| Motor Fuel Funds | 54,000,000 | 54,000,460 | | | (7,001,607) | | (7,001,607) | 46,998,853 | |
| Total | 54,000,000 | 54,000,460 | | | (7,001,607) | | (7,001,607) | 46,998,853 | |
| Ports and Waterways | | | | | | | | | |
| State General Funds | 850,432 | 1,119,230 | (74,541) | (305,000) | 109,000 | 7,094 | (263,447) | 855,783 | |
| Total | 850,432 | 1,119,230 | (74,541) | (305,000) | 109,000 | 7,094 | (263,447) | 855,783 | |
| Rail | | | | | | | | | |
| State General Funds | 798,521 | 657,658 | (123,383) | (235,700) | 7,000 | 10,794 | (341,289) | 316,369 | |
| Total | 798,521 | 657,658 | (123,383) | (235,700) | 7,000 | 10,794 | (341,289) | 316,369 | |
| State Highway System | | | | | | | | | |
| Construction and Improvement | | | | | | | | | |
| Federal Funds | 875,644,270 | 846,325,475 | (8,103,577) | | 37,422,372 | | 29,318,795 | 875,644,270 | |
| Other Funds | 165,000 | 10,569,488 | | | (10,404,488) | | (10,404,488) | 165,000 | |
| Motor Fuel Funds | 251,899,324 | 223,494,656 | (7,827,673) | | (24,204,410) | 2,210,556 | (29,821,527) | 193,673,129 | |
| Total | 1,127,708,594 | 1,080,389,619 | (15,931,250) | | 2,813,474 | 2,210,556 | (10,907,220) | 1,069,482,399 | |
| State Highway System Maintenance | | | | | | | | | |
| Federal Funds | 153,104,852 | 148,458,050 | (127,592) | | 4,774,394 | | 4,646,802 | 153,104,852 | |
| Other Funds | 3,049,770 | 9,336,571 | | | (6,286,801) | | (6,286,801) | 3,049,770 | |
| Motor Fuel Funds | 176,439,821 | 177,960,168 | (12,462,568) | | 10,166,082 | 2,829,734 | 533,248 | 178,493,416 | |
| Total | 332,594,443 | 335,754,789 | (12,590,160) | | 8,653,675 | 2,829,734 | (1,106,751) | 334,648,038 | |
| State Highway System Operations | | | | | | | | | |
| Federal Funds | 35,670,542 | 24,469,556 | 5,544,590 | | 5,656,396 | | 11,200,986 | 35,670,542 | |
| Other Funds | 4,026,240 | 4,605,026 | | | (578,786) | | (578,786) | 4,026,240 | |
| Motor Fuel Funds | 22,164,178 | 17,240,493 | 2,633,633 | | 2,098,887 | 696,971 | 5,429,491 | 22,669,984 | |
| Total | 61,860,960 | 46,315,075 | 8,178,223 | | 7,176,497 | 696,971 | 16,051,691 | 62,366,766 | |

DEPARTMENT OF TRANSPORTATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--------------------------|------------------------------------|-----------------------------------|------------------|--------------------|---------------------|----------------------|---------------------|------------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Transit | | | | | | | | | |
| Federal Funds | 18,629,445 | 12,858,431 | | | 5,771,014 | | 5,771,014 | 18,629,445 | |
| Other Funds | 2,000 | 2,000 | | | | | | 2,000 | |
| State General Funds | 14,725,480 | 5,129,480 | (209,596) | | 2,020,000 | 13,278 | 1,823,682 | 6,953,162 | |
| Total | 33,356,925 | 17,989,911 | (209,596) | | 7,791,014 | 13,278 | 7,594,696 | 25,584,607 | |
| TOTAL FUNDS | \$1,888,163,143 | \$1,769,049,341 | \$0 | (\$640,700) | \$73,421,946 | \$7,989,519 | \$80,770,765 | \$1,849,820,106 | |
| <u>Less:</u> | | | | | | | | | |
| Federal Funds | \$1,176,511,379 | \$1,118,858,431 | | | \$57,652,948 | | \$57,652,948 | \$1,176,511,379 | |
| Other Funds | 9,457,265 | 31,174,542 | | | (21,717,277) | | (21,717,277) | 9,457,265 | |
| Subtotal | \$1,185,968,644 | \$1,150,032,973 | \$0 | \$0 | \$35,935,671 | \$0 | \$35,935,671 | \$1,185,968,644 | |
| State General Funds | \$24,594,499 | \$14,636,368 | | (\$640,700) | \$2,962,257 | \$134,137 | \$2,455,694 | \$17,092,062 | |
| Motor Fuel Funds | 677,600,000 | 604,380,000 | | | 34,524,018 | 7,855,382 | 42,379,400 | 646,759,400 | |
| TOTAL STATE FUNDS | \$702,194,499 | \$619,016,368 | \$0 | (\$640,700) | \$37,486,275 | \$7,989,519 | \$44,835,094 | \$663,851,462 | |

DEPARTMENT OF TRANSPORTATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendation | | |
|--|------------------------------------|-------------------------|-------------------------|-----------------------------------|---------------------|------------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$268,982,664 | \$247,790,725 | \$250,000,106 | \$263,684,472 | \$11,127,901 | \$274,812,373 |
| Regular Operating Expenses | 84,344,194 | 89,099,640 | 91,367,713 | 76,444,046 | 7,851,218 | 84,295,264 |
| Travel | 2,111,016 | 1,792,099 | 1,764,715 | 2,076,485 | 33,831 | 2,110,316 |
| Motor Vehicle Purchases | 1,927,751 | 2,300,169 | 3,746,056 | 1,927,751 | | 1,927,751 |
| Equipment | 6,129,566 | 12,927,044 | 13,964,000 | 5,484,025 | 698,673 | 6,182,698 |
| Computer Charges | 11,707,816 | 22,513,152 | 16,059,765 | 8,933,331 | 2,790,800 | 11,724,131 |
| Real Estate Rentals | 1,830,782 | 1,807,055 | 2,018,706 | 1,830,782 | | 1,830,782 |
| Telecommunications | 4,858,546 | 4,029,489 | 4,034,108 | 4,530,747 | 327,799 | 4,858,546 |
| Per Diem and Fees | 7,539,237 | 13,270,156 | 14,351,408 | 7,366,388 | (79,401) | 7,286,987 |
| Contracts | 55,927,804 | 67,474,169 | 64,509,564 | 43,412,005 | 12,084,724 | 55,496,729 |
| Capital Outlay | 1,344,809,967 | 1,529,888,384 | 1,717,306,136 | 1,270,572,073 | 44,697,634 | 1,315,269,707 |
| Capital Outlay - Airport Aid Program | 11,057,386 | 10,270,882 | 15,244,185 | 11,007,783 | 664,179 | 11,671,962 |
| Mass Transit Grants | 32,256,414 | 28,291,459 | 32,262,051 | 16,902,993 | 7,771,014 | 24,674,007 |
| Harbor/Intra-Coastal Waterways Maintenance | 680,000 | 722,087 | 721,355 | 876,000 | (196,000) | 680,000 |
| Payments to the State Road and Tollway Authority | 54,000,000 | 49,322,488 | 80,026,243 | 54,000,460 | (7,001,607) | 46,998,853 |
| Guaranteed Revenue Debt Common Reserve Fund | | 24,407,019 | | | | |
| TOTAL FUNDS | \$1,888,163,143 | \$2,105,906,017 | \$2,307,376,111 | \$1,769,049,341 | \$80,770,765 | \$1,849,820,106 |
| <u>Less:</u> | | | | | | |
| Federal Funds | \$1,176,511,379 | \$926,752,381 | \$1,230,356,690 | \$1,118,858,431 | \$57,652,948 | \$1,176,511,379 |
| Other Funds | 9,457,265 | 505,137,426 | 364,161,129 | 31,174,542 | (21,717,277) | 9,457,265 |
| Subtotal | \$1,185,968,644 | \$1,431,889,807 | \$1,594,517,819 | \$1,150,032,973 | \$35,935,671 | \$1,185,968,644 |
| State General Funds | \$24,594,499 | \$12,803,652 | \$16,212,873 | \$14,636,368 | \$2,455,694 | \$17,092,062 |
| Motor Fuel Funds | 677,600,000 | 661,212,558 | 696,645,419 | 604,380,000 | 42,379,400 | 646,759,400 |
| TOTAL STATE FUNDS | \$702,194,499 | \$674,016,210 | \$712,858,292 | \$619,016,368 | \$44,835,094 | \$663,851,462 |
| Positions | 6,058 | 6,041 | 6,041 | 6,058 | | 6,058 |
| Motor Vehicles | 4,645 | 4,646 | 4,646 | 4,645 | | 4,645 |

DEPARTMENT OF TRANSPORTATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|------------------------|------------------------------------|-------------------------|------------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$41,568,294 | \$11,837,579 | \$53,405,873 | \$59,730,459 | \$10,432,313 | \$70,162,772 |
| Air Transportation | 1,354,828 | 657,795 | 2,012,623 | 1,495,535 | 657,795 | 2,153,330 |
| Airport Aid | 5,459,409 | 6,000,000 | 11,459,409 | 6,077,975 | 6,000,000 | 12,077,975 |
| Data Collection, Compliance and Reporting | 2,396,794 | 3,899,639 | 6,296,433 | 4,147,908 | 8,332,514 | 12,480,422 |
| Local Road Assistance | 88,634,898 | 71,013,363 | 159,648,261 | 142,438,889 | 70,253,903 | 212,692,792 |
| Payments to State Road and Tollway Authority | 54,000,460 | | 54,000,460 | 46,998,853 | | 46,998,853 |
| Ports and Waterways | 1,119,230 | | 1,119,230 | 855,783 | | 855,783 |
| Rail | 657,658 | | 657,658 | 316,369 | | 316,369 |
| State Highway System Construction and Improvement | 223,494,656 | 856,894,963 | 1,080,389,619 | 193,673,129 | 875,809,270 | 1,069,482,399 |
| State Highway System Maintenance | 177,960,168 | 157,794,621 | 335,754,789 | 178,493,416 | 156,154,622 | 334,648,038 |
| State Highway System Operations | 17,240,493 | 29,074,582 | 46,315,075 | 22,669,984 | 39,696,782 | 62,366,766 |
| Transit | 5,129,480 | 12,860,431 | 17,989,911 | 6,953,162 | 18,631,445 | 25,584,607 |
| TOTAL FUNDS | \$619,016,368 | \$1,150,032,973 | \$1,769,049,341 | \$663,851,462 | \$1,185,968,644 | \$1,849,820,106 |

DEPARTMENT OF TRANSPORTATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$14,636,368 |
| Department of Transportation | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$32,332) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$30,361). | \$62,693 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 64,117 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 7,327 |
| 4. Realign personal services funds from the Administration (\$1,553), Airport Aid (\$63,620), Ports and Waterways (\$55,006), and Rail (\$98,263) programs to the Transit program (\$218,442) to properly reflect expenditures. | Yes |
| 5. Transfer funds from the Airport Aid (\$5,701), Ports and Waterways (\$19,535), Rail (\$25,120) and Transit (\$428,038) programs to the Administration program (\$478,394) to consolidate administrative functions. | Yes |
| 6. Delete funding for the I-3 and I-4 Interstate Highway Association in the Administration program. | (100,000) |
| 7. Reduce funding for the maintenance of state-owned dredge spoils and mosquito control (\$300,000) to reflect activity cost, and eliminate funding for motor vehicle expenses (\$5,000) in the Ports and Waterways program. | (305,000) |
| 8. Delete one-time funding for the Atlanta-to-Charlotte high-speed rail study in the Rail program. | (203,500) |
| 9. Reduce funding for the Georgia Rail Passenger Authority contract in the Rail program. | (32,200) |
| 10. Increase funding to meet operating costs in the Administration (\$4,716), Airport Aid (\$12,200), Data Collection, Compliance and Reporting (\$53,162) and Rail (\$7,000) programs. | 77,078 |
| 11. Provide for aircraft inspections required by the Federal Aviation Administration for 2 KingAirs in the Air Transportation program. | 92,000 |
| 12. Increase grant funding for the Airport Aid program to provide for needed maintenance and improvements at Georgia's public airports. | 664,179 |
| 13. Provide funds to the Ports and Waterways program for South Carolina's projected property tax increase for department-owned land in Jasper County, South Carolina. | 109,000 |
| 14. Increase funding for mass transit grants in the Transit program leveraging additional local and federal funds. | 2,000,000 |
| 15. Provide funding for the Transit program to cover a cost increase in the rail safety oversight contract. | 20,000 |
| 16. Increase federal funds from the Federal Transit Agency (\$5,771,014) in the Transit program. | Yes |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$2,455,694 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$17,092,062 |

DEPARTMENT OF TRANSPORTATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|----------------------|
| FY 2006 MOTOR FUEL FUND APPROPRIATIONS | \$604,380,000 |
| Department of Transportation | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$2,633,311) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$3,138,382). | \$5,771,693 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 5,222,071 |
| 3. Transfer funds from the Administration (Total Funds: \$495,078) and State Highway System Construction and Improvement (Total Funds: \$161,013) programs to the Data Collection, Compliance and Reporting (Total Funds: \$161,013), Local Road Assistance (Total Funds: \$274,658) and State Highway System Operations (Total Funds: \$220,420) programs to reverse action taken in Amendment 1, correcting the base budget to comply with Section 56 of HB 85. | Yes |
| 4. Transfer funds from the State Highway System Construction and Improvement (Total Funds: \$15,770,237) and State Highway System Maintenance (Total Funds: \$12,590,160) programs to the Administration (Total Funds: \$15,043,985), Data Collection, Compliance and Reporting (Total Funds: \$3,569,161), Local Road Assistance (Total Funds: \$1,789,448) and State Highway System Operations (Total Funds: \$7,957,803) programs to properly align personal services, equipment, motor vehicle and other expenses, and to complete the consolidation of the materials and research office. | Yes |
| 5. Decrease payments to the State Road and Tollway Authority from \$54,000,460 to \$46,998,853 to reflect the current debt service payment schedule. | (7,001,607) |
| 6. Provide \$117,000,000 for the local road initiative "Paving the Way Home" by increasing the Local Assistance Road Program (LARP) from \$38 million to \$60 million, state fund construction/off-system from \$18,562,534 to \$34 million and state fund construction/most-needed from \$6,583,667 to \$23 million. | 53,853,799 |
| 7. Provide funding for the construction of a new District 2 office building in Tennille, Washington County. | 8,000,000 |
| 8. Increase funds from the Federal Highway Administration (FHWA) by \$51,881,934 from \$1.1 billion to \$1,151,881,934. | Yes |
| 9. Provide the state match (\$11,388,717) for the additional FHWA federal funds, offset by toll credits (\$59,271,758). | (47,883,041) |
| 10. Replace prior-year motor fuel funds with current-year motor fuel funds. | 21,717,277 |
| 11. Restore contract funds that were used to fund the first 6 months of the FY 2006 pay raise. | 2,699,208 |
| TOTAL NET MOTOR FUEL FUND ADJUSTMENTS | \$42,379,400 |
| TOTAL MOTOR FUEL FUNDS RECOMMENDED | \$646,759,400 |
| TOTAL STATE FUNDS RECOMMENDED | \$663,851,462 |

DEPARTMENT OF TRANSPORTATION

BUDGET SUMMARY - FISCAL YEAR 2007

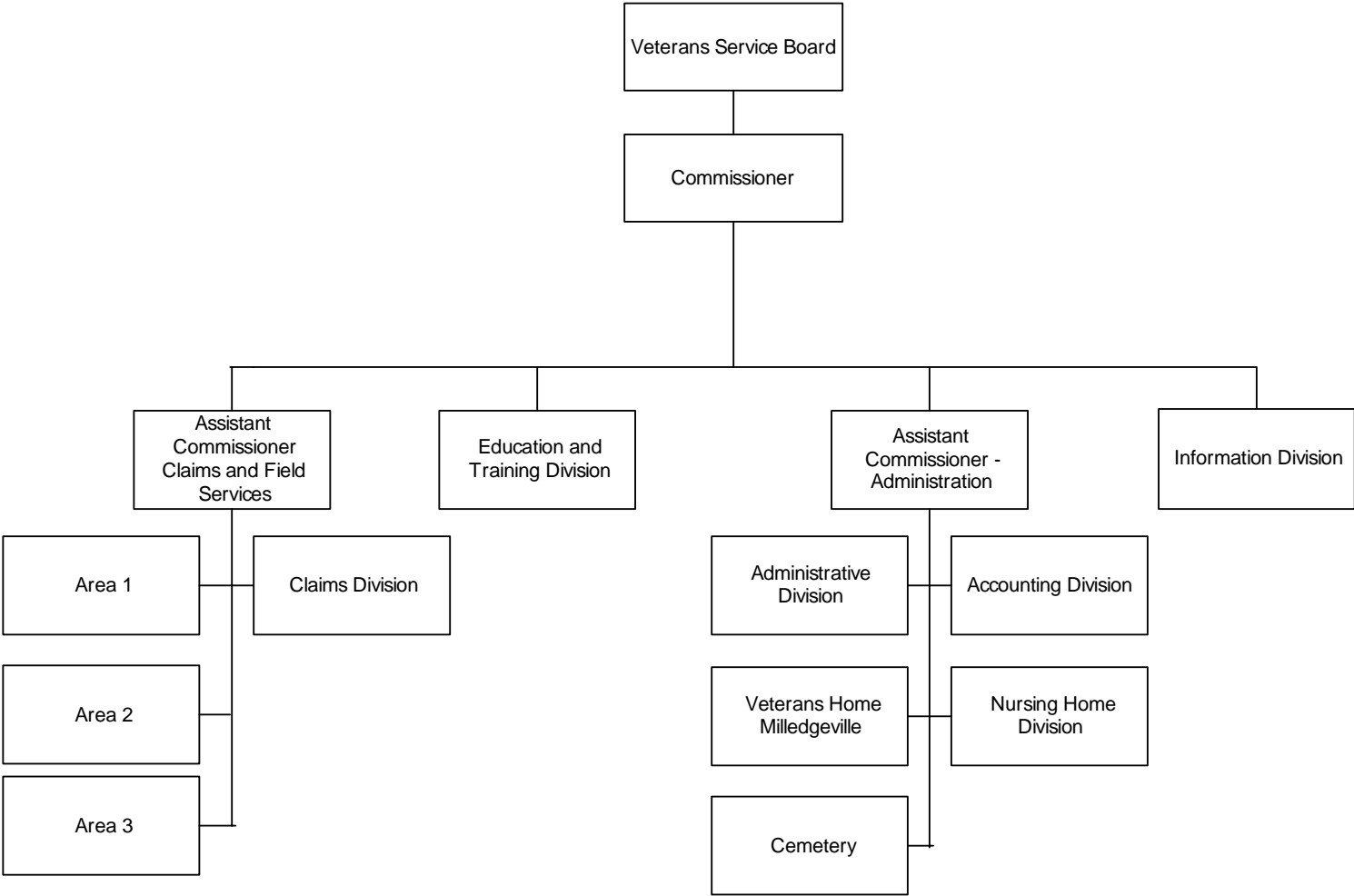
| | |
|--|---------|
| Governor's Recommended Adjustments to the Current Budget | Amounts |
|--|---------|

CAPITAL OUTLAY SUMMARY - FISCAL YEAR 2007

| | <u>Yr.</u> | <u>Principal</u> | <u>Debt Service</u> |
|--|------------|------------------|---------------------|
| Department of Transportation | | | |
| 1. Fund freight rail track rehabilitation, Vidalia. | 20 | \$550,000 | \$46,987 |
| 2. Fund freight rail track rehabilitation, Cordele to Cedar Creek. | 20 | 800,000 | 68,344 |
| TOTAL | | \$1,350,000 | \$115,331 |
| STATE GENERAL FUNDS | | | \$17,207,393 |

DEPARTMENT OF VETERANS SERVICE

ORGANIZATIONAL CHART



DEPARTMENT OF VETERANS SERVICE

Roles and Responsibilities:

The Department of Veterans Service serves more than 775,000 Georgia veterans, their dependents, and beneficiaries in all matters pertaining to veterans' affairs. Since all veterans' benefits must be applied for, the major activities of the department generally consist of informing veterans and their families about all available state and federal benefits and directly assisting and advising them in obtaining those benefits to which they are entitled.

VETERANS ASSISTANCE

The first priority in the department's mission of Veterans Assistance is accomplished with a claims staff, field offices, an information division and a central office. The claims staff processes claims and appeals of Georgia veterans. The field offices, located throughout the state, provide direct assistance to veterans at the local level. Department field office representatives provide counsel and assistance in gathering documentation and information required to process a claim. The Information Division keeps Georgia veterans informed about issues and their possible impact. The Central Office manages and supports all administrative requirements.

STATE VETERANS NURSING HOMES

The Department operates two State veterans' nursing homes:

- The Georgia War Veterans Home, Milledgeville, is a 550-bed facility licensed to provide skilled nursing and domiciliary care to eligible Georgia war veterans. It consists of three skilled nursing care buildings, a domiciliary, and an Alzheimer's Care facility.
- The Georgia War Veterans Nursing Home is a 192-bed skilled nursing care facility located adjacent to the Medical College of Georgia Hospital and the U.S. Department of Veterans Affairs Medical Center in Augusta. In addition to providing care for eligible Georgia war veterans, the Georgia War Veterans Nursing Home serves as a teaching facility to acquaint medical and allied health students with medical conditions and diseases that confront the elderly.

GEORGIA VETERANS MEMORIAL CEMETERY

The Georgia Veterans Memorial Cemetery is located in Milledgeville and will eventually be a final resting place for more than 100,000 Georgia veterans, their spouses and their dependents.

A second State veterans' cemetery will be constructed in Glennville, Georgia by the summer of 2007.

VETERANS EDUCATION ASSISTANCE

As the state-approving agency for the federally sponsored Veterans Education Assistance Program, the department is responsible for approving and supervising all institutions (including public and private schools and establishments offering on-the-job training and apprenticeship programs) in Georgia, which participate in this program. In addition to approving these institutions, the Department of Veterans Service also inspects them regularly to ensure that all criteria for continued approval are met. This function is 100% federally funded and is staffed with eight employees.

GOVERNING AND RESPONSIBILITIES

The seven-member Veterans Service Board appointed by the Governor, and confirmed by the Senate, governs the Department of Veterans Service. The day-to-day operation of the department is the responsibility of a Commissioner who is appointed by the Board for a four-year term.

AUTHORITY

Title 38-4, Official Code of Georgia Annotated; Chapter 36, Title 38, United States Code.

DEPARTMENT OF VETERANS SERVICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total |
|--|------------------------------------|-----------------------------------|----------------|-------------------|------------------|----------------------|--------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | Total Changes | |
| Administration | | | | | | | | |
| Federal Funds | \$79,875 | \$79,875 | | | | \$1,494 | \$1,494 | \$81,369 |
| State General Funds | 590,276 | 676,034 | | | (\$38,879) | 27,469 | (11,410) | 664,624 |
| Total | 670,151 | 755,909 | | | (38,879) | 28,963 | (9,916) | 745,993 |
| Georgia Veterans Memorial Cemetery | | | | | | | | |
| Federal Funds | 9,558 | | | | | | | |
| State General Funds | 393,276 | 297,683 | | | 98,267 | 10,233 | 108,500 | 406,183 |
| Total | 402,834 | 297,683 | | | 98,267 | 10,233 | 108,500 | 406,183 |
| Georgia War Veterans Nursing Home - Milledgeville | | | | | | | | |
| Federal Funds | 7,225,135 | 7,225,135 | | | | | | 7,225,135 |
| State General Funds | 10,684,728 | 10,392,240 | | | 775,873 | | 775,873 | 11,168,113 |
| Total | 17,909,863 | 17,617,375 | | | 775,873 | | 775,873 | 18,393,248 |
| Georgia War Veterans Nursing Home - Augusta | | | | | | | | |
| Federal Funds | 3,104,750 | 3,104,750 | | | | | | 3,104,750 |
| State General Funds | 4,657,621 | 4,437,230 | | | | 98,309 | 98,309 | 4,535,539 |
| Total | 7,762,371 | 7,541,980 | | | | 98,309 | 98,309 | 7,640,289 |
| Veterans Benefits | | | | | | | | |
| Federal Funds | \$574,391 | \$574,391 | | | | 3,366 | 3,366 | 577,757 |
| State General Funds | 5,692,358 | 5,537,168 | | (\$11,920) | 38,879 | 206,447 | 233,406 | 5,770,574 |
| Total | 6,266,749 | 6,111,559 | | (11,920) | 38,879 | 209,813 | 236,772 | 6,348,331 |
| TOTAL FUNDS | \$33,011,968 | \$32,324,506 | \$0 | (\$11,920) | \$874,140 | \$347,318 | \$1,209,538 | \$33,534,044 |
| <u>Less:</u> | | | | | | | | |
| Federal Funds | 10,993,709 | 10,984,151 | | | | 4,860 | 4,860 | 10,989,011 |
| State General Funds | 22,018,259 | 21,340,355 | | (11,920) | 874,140 | 342,458 | 1,204,678 | 22,545,033 |

DEPARTMENT OF VETERANS SERVICE

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--------------------------|------------------------------------|-----------------------------------|----------------|-------------------|------------------|----------------------|--------------------|---------------------|-------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| TOTAL STATE FUNDS | \$22,018,259 | \$21,340,355 | \$0 | (\$11,920) | \$874,140 | \$342,458 | \$1,204,678 | \$22,545,033 | |

DEPARTMENT OF VETERANS SERVICES

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|--------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$6,170,549 | \$5,556,705 | \$5,399,877 | \$6,100,113 | \$322,645 | \$6,422,758 |
| Regular Operating Expenses | 384,439 | 418,022 | 347,953 | 278,909 | | 278,909 |
| Travel | 122,400 | 102,991 | 106,794 | 152,400 | | 152,400 |
| Motor Vehicle Purchases | 38,000 | | | | | |
| Equipment | 107,279 | 98,473 | 100,765 | 93,822 | 8,825 | 102,647 |
| Computer Charges | 30,724 | 409 | 2,842 | 30,724 | | 30,724 |
| Real Estate Rentals | 187,925 | 211,766 | 212,299 | 211,765 | 12,711 | 224,476 |
| Telecommunications | 82,664 | 81,670 | 83,238 | 82,664 | | 82,664 |
| Per Diem and Fees | 20,994 | 24,350 | 20,560 | 19,994 | | 19,994 |
| Contracts | 17,909,683 | 18,193,726 | 18,126,956 | 17,617,375 | 767,048 | 18,384,423 |
| Payments to Medical College of Georgia (GWVNH-Augusta) | 7,762,371 | 8,539,717 | 8,233,004 | 7,541,980 | 98,309 | 7,640,289 |
| Regular Operating Expenses/Projects and Insurance | 194,760 | 193,842 | 298,878 | 194,760 | | 194,760 |
| TOTAL FUNDS | \$33,011,788 | \$33,421,671 | \$32,933,166 | \$32,324,506 | \$1,209,538 | \$33,534,044 |
| <u>Less:</u> | | | | | | |
| Other Funds | | | \$41,347 | | | |
| Federal Funds | \$10,993,709 | \$11,611,561 | 11,974,865 | \$10,984,151 | \$4,860 | \$10,989,011 |
| Subtotal | \$10,993,709 | \$11,611,561 | \$12,016,212 | \$10,984,151 | \$4,860 | \$10,989,011 |
| State General Funds | 22,018,259 | 21,810,110 | 20,916,954 | 21,340,355 | 1,204,678 | 22,545,033 |
| TOTAL STATE FUNDS | \$22,018,259 | \$21,810,110 | \$20,916,954 | \$21,340,355 | \$1,204,678 | \$22,545,033 |
| Positions | 134 | 129 | 129 | 129 | 5 | 134 |
| Motor Vehicles | 8 | 4 | 4 | 5 | | 5 |

DEPARTMENT OF VETERANS SERVICE

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|---|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administration | \$676,034 | \$79,875 | \$755,909 | \$664,624 | \$81,369 | \$745,993 |
| Georgia Veterans Memorial Cemetery | 297,683 | | 297,683 | 406,183 | | 406,183 |
| Georgia War Veterans Home - Milledgeville | 10,392,240 | 7,225,135 | 17,617,375 | 11,168,113 | 7,225,135 | 18,393,248 |
| Georgia War Veterans Nursing Home - Augusta | 4,437,230 | 3,104,750 | 7,541,980 | 4,535,539 | 3,104,750 | 7,640,289 |
| Veterans Benefits | 5,537,168 | 574,391 | 6,111,559 | 5,770,574 | 577,757 | 6,348,331 |
| TOTAL FUNDS | \$21,340,355 | \$10,984,151 | \$32,324,506 | \$22,545,033 | \$10,989,011 | \$33,534,044 |

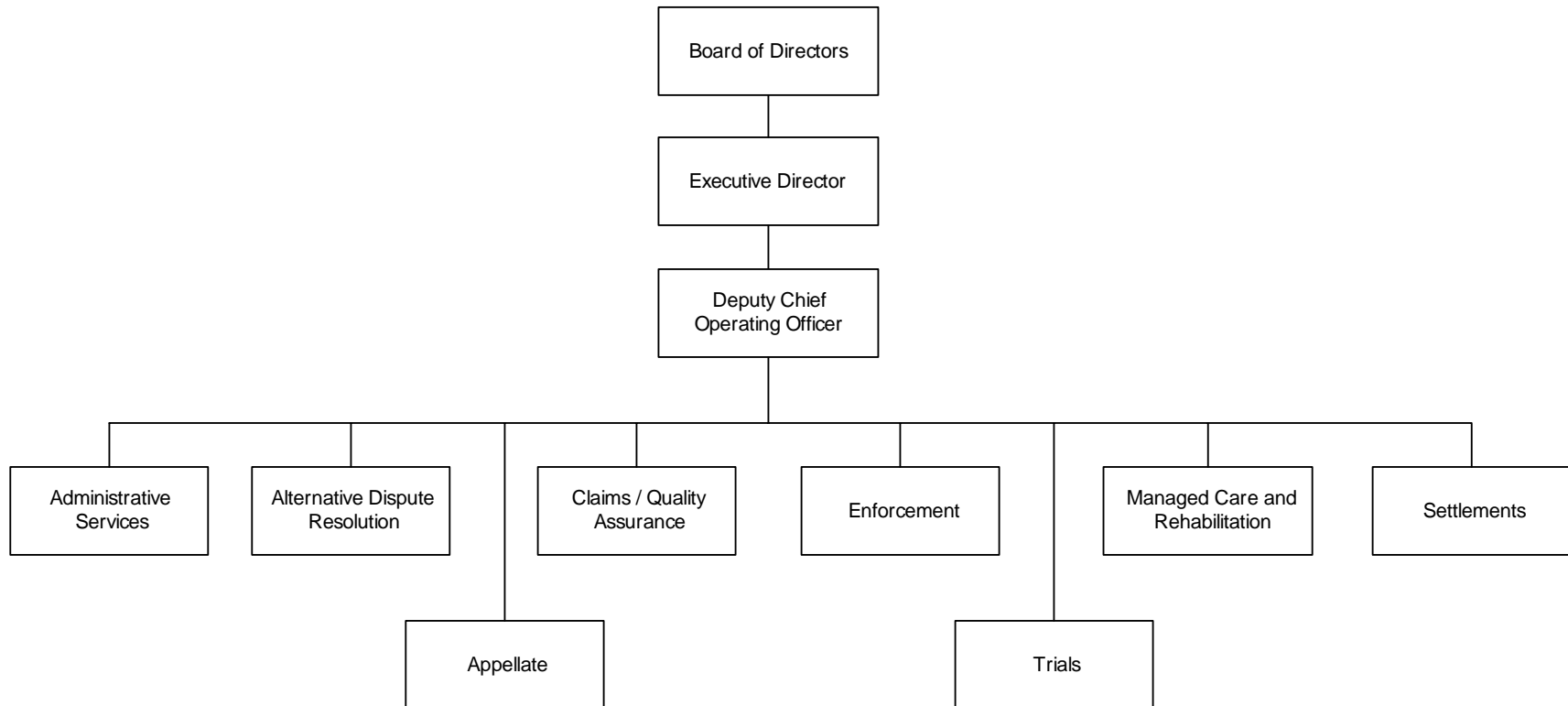
DEPARTMENT OF VETERANS SERVICES

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|------------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$21,340,355 |
| Department of Veterans Services | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$98,140) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$103,050). | \$201,190 |
| 2. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 105,833 |
| 3. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 10,804 |
| 4. Provide for an adjustment to the Georgia Building Authority (GBA) real estate rental rate for office space. | 24,631 |
| 5. Reduce real estate rentals for the Savannah field office in the Veteran Benefits program. | (11,920) |
| 6. Increase contracts to re-open the 2nd floor of the Vinson Building at the Georgia War Veterans Home in Milledgeville. | 767,048 |
| 7. Increase personal services for start-up funding of 5 positions at the Georgia Veterans Memorial Cemetery in Glennville. | 98,267 |
| 8. Replace 5 hospital beds at the Georgia War Veterans Home in Milledgeville. | 8,825 |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | <u>\$1,204,678</u> |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$22,545,033 |

STATE BOARD OF WORKERS' COMPENSATION

ORGANIZATIONAL CHART



STATE BOARD OF WORKERS' COMPENSATION

Roles and Responsibilities:

WORKERS' COMPENSATION LAW

Most Georgia employees are covered by the state's workers' compensation law. Since passage of this law, employees may now gain benefits from employers when injured on the job. The law ensures employees certain benefits paid to them as a result of on-the-job injuries. The same law also provides employers with a form of limited liability from these injuries.

The state's workers' compensation law applies to all employers that have at least 3 full-time, part-time, or seasonal employees. Some categories of workers are exempt, however, including: federal employees, railroad workers, farmers, domestic servants, business partners, independent contractors, and some corporate officers.

The state created the State Board of Workers' Compensation to oversee the workers' compensation law. The board may create rules, regulations, and policies to enforce this area of law. The board is also vested with the responsibility of conducting training seminars that educate employers, employees, insurers, self-insurers, physicians, and rehabilitation suppliers about workers' compensation law changes and other related issues.

If either the employer or an employee involved in a workers' compensation claim wishes to contest the facts involved in the case, an administrative law judge under the board or a board mediator may be used to settle the issue. Either party disagreeing with this ruling may appeal the decision through the appellate division, state superior or appellate courts; however, that avenue may only be used to debate points of law, not facts of a case.

ORGANIZATIONAL STRUCTURE

The board consists of three directors, 1 of which is the chair, and all are appointed by the Governor. The directors promulgate workers' compensation regulations, and develop workers' compensation policy. They also hear appeals of administrative law judges' decisions and render rulings on appeals, and approve and submit budget requests for the agency.

The executive director/chief operating officer oversees the operations of the board. The executive director also provides management supervision, makes presentations to various groups as requested, assists the directors as needed, and acts as peer review of medical services.

The Alternative Dispute Resolution Division mediates appropriate issues, issues orders, and makes presentations to various groups as requested.

The Appellate Division researches cases that are appealed to the board, recommends appropriate action, receives and processes documents regarding appealed cases, and sets calendars for appellate hearings.

The Claims/Quality Assurance Division maintain the file room and filing system, screen requests for hearings, operate the mailroom, process mail and forward files and mail to divisions, locate files and resolve problems caused by duplicate files, code and enters data, and perform quality assurance reviews of insurers and self-insurers.

The Enforcement Division investigates incidents of non-compliance and incidents alleging fraud, maintains information

on employers' insurance coverage, and makes presentations to various groups regarding fraud/compliance.

The Trials Division holds formal hearings, and makes presentations to various groups as requested.

The Managed Care and Rehabilitation Division processes requests for rehabilitation services, performs quality assurance reviews of rehabilitation suppliers, holds conferences to resolve disputes, reviews and approves rehabilitation plans, reviews applications of managed care organizations, and registers rehabilitation suppliers.

The Settlements Division reviews and processes stipulated settlements and requests for advances.

AUTHORITY

Title 34-9, Official Code of Georgia Annotated.

STATE BOARD OF WORKERS' COMPENSATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY PROGRAM - FISCAL YEAR 2007

| Program / Fund Sources | FY 2007 Agency Request Total | FY 2007 Governor's Recommendation | | | | | | Total Changes | Total |
|--|------------------------------------|-----------------------------------|----------------|--------------------|--------------|----------------------|------------------|------------------|---------------------|
| | | FY 2006 Current Budget | Redistribution | Reductions | Enhancements | Other Adjustments | | | |
| Administer the Workers' Comp Laws | | | | | | | | | |
| State General Funds | \$9,807,636 | \$9,366,793 | \$179,293 | | | | \$355,360 | \$534,653 | \$9,901,446 |
| Total | 9,807,636 | 9,366,793 | | | | | 355,360 | 534,653 | 9,901,446 |
| Administration | | | | | | | | | |
| Other Funds | 120,000 | 240,000 | | (\$120,000) | | | | (120,000) | 120,000 |
| State General Funds | 6,304,927 | 6,330,487 | (179,293) | | | | 47,959 | (131,334) | 6,199,153 |
| Total | 6,424,927 | 6,570,487 | (179,293) | (120,000) | | | 47,959 | (251,334) | 6,319,153 |
| TOTAL FUNDS | \$16,232,563 | \$15,937,280 | \$0 | (\$120,000) | \$0 | | \$403,319 | \$283,319 | \$16,220,599 |
| <u>Less:</u> | | | | | | | | | |
| Other Funds | \$120,000 | \$240,000 | | (\$120,000) | | | | (\$120,000) | \$120,000 |
| State General Funds | \$16,112,563 | \$15,697,280 | | | | | \$403,319 | \$403,319 | \$16,100,599 |
| TOTAL STATE FUNDS | \$16,112,563 | \$15,697,280 | \$0 | \$0 | \$0 | | \$403,319 | \$403,319 | \$16,100,599 |

STATE BOARD OF WORKERS' COMPENSATION

DEPARTMENT BUDGET FINANCIAL SUMMARY BY OBJECT CLASS - FISCAL YEAR 2007

| Object Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|-------------------------------|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------|---------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| Personal Services | \$10,693,496 | \$10,015,026 | \$9,881,076 | \$10,180,759 | \$617,938 | \$10,798,697 |
| Regular Operating Expenses | 492,115 | 470,115 | 420,010 | 470,115 | | 470,115 |
| Travel | 150,600 | 140,600 | 153,246 | 140,600 | 10,000 | 150,600 |
| Equipment | 50,048 | 44,048 | 44,048 | 44,048 | | 44,048 |
| Computer Charges | 457,596 | 3,261,976 | 398,377 | 474,596 | 33,000 | 507,596 |
| Real Estate Rentals | 1,301,555 | 1,296,009 | 1,233,174 | 1,276,009 | | 1,276,009 |
| Telecommunications | 176,580 | 176,744 | 194,245 | 176,580 | | 176,580 |
| Per Diem and Fees | 173,100 | 183,100 | 169,424 | 183,100 | | 183,100 |
| Contracts | 306,686 | | | 366,686 | (60,000) | 306,686 |
| Payment to State Treasury | 2,430,787 | 1,423,053 | 2,514,787 | 2,624,787 | (317,619) | 2,307,168 |
| TOTAL FUNDS | \$16,232,563 | \$17,010,671 | \$15,008,387 | \$15,937,280 | \$283,319 | \$16,220,599 |
| <u>Less:</u> | | | | | | |
| Other Funds | \$120,000 | \$364,000 | | \$240,000 | (\$120,000) | \$120,000 |
| State General Funds | \$16,112,563 | \$16,646,671 | \$15,008,387 | \$15,697,280 | \$403,319 | \$16,100,599 |
| TOTAL STATE FUNDS | \$16,112,563 | \$16,646,671 | \$15,008,387 | \$15,697,280 | \$403,319 | \$16,100,599 |
| Positions | 166 | 166 | 166 | 166 | | 166 |
| Motor Vehicles | 1 | 1 | 1 | 1 | | 1 |

STATE BOARD OF WORKERS' COMPENSATION

PROGRAM BUDGET SUMMARY - FISCAL YEAR 2007

| Program Budgets | FY 2006 Current Budget | | | FY 2007 Governor's Recommendations | | |
|-----------------------------------|------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
| | State Funds | Federal and Other Funds | Total | State Funds | Federal and Other Funds | Total |
| Administer the Workers' Comp Laws | \$9,366,793 | | \$9,366,793 | \$9,901,446 | | \$9,901,446 |
| Administration | 6,330,487 | \$240,000 | 6,570,487 | 6,199,153 | \$120,000 | 6,319,153 |
| TOTAL | \$15,697,280 | \$240,000 | \$15,937,280 | \$16,100,599 | \$120,000 | \$16,220,599 |

STATE BOARD OF WORKERS' COMPENSATION

BUDGET SUMMARY - FISCAL YEAR 2007

| Governor's Recommended Adjustments to the Current Budget | Amounts |
|---|---------------------|
| FY 2006 STATE GENERAL FUND APPROPRIATIONS | \$15,697,280 |
| State Board of Workers' Compensation | |
| 1. Annualize the cost of the FY 2006 salary adjustment (\$95,474) and provide for a salary increase in FY 2007 of up to 4% effective January 1, 2007 (\$102,515). | \$197,989 |
| 2. Increase funds to reflect an adjustment in the Workers' Compensation premiums. | 12,635 |
| 3. Increase funds to reflect an adjustment in the employer share of State Health Benefit Plan premiums from 14.20% to 16.713%. | 192,695 |
| 4. Reflect other funds reduction in the Administrative program. | Yes |
| 5. Redirect funds from contracts (\$60,000) and Payments to State Treasury (\$317,619) to 5 vacant positions (\$334,619), travel (\$10,000), and purchase tracking software (\$33,000). | Yes |
| TOTAL NET STATE GENERAL FUND ADJUSTMENTS | \$403,319 |
| TOTAL STATE GENERAL FUNDS RECOMMENDED | \$16,100,599 |

GENERAL OBLIGATION DEBT SINKING FUND

DEPARTMENT BUDGET FINANCIAL SUMMARY - FISCAL YEAR 2007

| Budget Classes / Fund Sources | FY 2007 Agency Request Total | FY 2004 Expenditures | FY 2005 Expenditures | FY 2007 Governor's Recommendations | | |
|--|------------------------------------|-------------------------|-------------------------|------------------------------------|------------------------|----------------------|
| | | | | FY 2006 Current Budget | Changes | Total |
| General Obligation Debt Sinking Fund (Issued) | | | | | | |
| State General Funds | \$570,040,628 | \$624,479,942 | \$551,344,198 | \$699,197,751 | (\$129,157,123) | \$570,040,628 |
| Motor Fuel Tax Funds | 155,000,000 | 51,000,000 | 92,542,936 | 155,000,000 | | 155,000,000 |
| Subtotal | <u>\$725,040,628</u> | <u>\$675,479,942</u> | <u>\$643,887,134</u> | <u>\$854,197,751</u> | <u>(\$129,157,123)</u> | <u>\$725,040,628</u> |
| General Obligation Debt Sinking Fund (New) | | | | | | |
| State General Funds | \$141,313,984 | | | \$50,197,429 | \$91,116,555 | \$141,313,984 |
| Motor Fuel Tax Funds | | | | 30,620,000 | (30,620,000) | 0 |
| Subtotal | <u>\$141,313,984</u> | <u>\$0</u> | <u>\$0</u> | <u>\$80,817,429</u> | <u>\$60,496,555</u> | <u>\$141,313,984</u> |
| TOTAL STATE FUNDS | \$866,354,612 | \$675,479,942 | \$643,887,134 | \$935,015,180 | (\$68,660,568) | \$866,354,612 |

GENERAL OBLIGATION BONDS GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BOND PROJECTS - FISCAL YEAR 2007

| GENERAL OBLIGATION BOND PROJECTS | Term | Principal | Debt Service |
|----------------------------------|------|-----------|--------------|
|----------------------------------|------|-----------|--------------|

FY 2006 STATE APPROPRIATIONS

\$935,015,180

Existing Obligations

| | | | |
|--|--|--|------------------------|
| 1. Decrease debt service for existing obligation on issued bonds. | | | (\$129,078,823) |
| 2. Adjust debt service for Motor Fuel Tax Funds for transportation related bonds. | | | (30,620,000) |
| 3. Repeal the authorization of \$900,000 in 20-year bonds for the Traditional Industries Program research equipment. | | | (78,300) |
| TOTAL EXISTING OBLIGATIONS | | | (\$159,777,123) |

NEW ISSUES

The Governor recommends \$91,116,555 in additional debt service payments to authorize the following projects:

Educated Georgia

Department of Education

| | | | |
|--|----|---------------|--------------|
| 1. Authorize regular funding for local school construction. | 20 | \$107,980,000 | \$9,224,731 |
| 2. Authorize exceptional growth funding for local school construction. | 20 | 147,355,000 | 12,588,538 |
| 3. Authorize regular advance funding for local school construction. | 20 | 120,535,000 | 10,297,305 |
| 4. Authorize low wealth funding for local school construction. | 20 | 6,890,000 | 588,613 |
| 5. Purchase vocational and agricultural equipment for new schools. | 5 | 13,720,000 | 3,128,160 |
| 6. Purchase school buses. | 10 | 50,000,000 | 6,400,000 |
| Subtotal | | \$446,480,000 | \$42,227,347 |

Board of Regents, University System of Georgia

| | | | | |
|--|---|----|--------------|-------------|
| 1. Fund statewide major renovations and rehabilitation. | S | 20 | \$68,240,000 | \$5,829,743 |
| 2. Construct a Teaching Laboratory Building, Georgia State University. | | 20 | 37,500,000 | 3,203,625 |
| 3. Design and construct a campus-wide Infrastructure & Huntington Hall Stabilization, Fort Valley State University. | S | 20 | 3,900,000 | 333,177 |
| 4. Design and construct an Infrastructure-Utilities Corridor & Road, East Georgia College. | S | 20 | 1,400,000 | 119,602 |
| 5. Design, construct, and purchase equipment for the Student Center Addition, Gainesville College. | | 20 | 5,000,000 | 427,150 |
| 6. Design, construct, and purchase equipment for the renovation of Social Science, Library, & Wilson Buildings, Kennesaw State University. | S | 20 | 4,900,000 | 418,607 |

GENERAL OBLIGATION BONDS GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BOND PROJECTS - FISCAL YEAR 2007

| GENERAL OBLIGATION BOND PROJECTS | Term | Principal | Debt Service |
|---|------|---------------|--------------|
| 7. Fund design and construction for the renovation of historic Hill Hall, Savannah State University. | S 20 | 3,800,000 | 324,634 |
| 8. Design, construct, and purchase equipment for the renovation of the historic Education Building, North Georgia College & State University. | S 20 | 4,700,000 | 401,521 |
| 9. Design, construct, and purchase equipment for the renovation and addition to the Callaway Building, University of West Georgia. | S 20 | 4,700,000 | 401,521 |
| 10. Fund Georgia Research Alliance R&D infrastructure for research universities. | 5 | 21,500,000 | 4,902,000 |
| 11. Complete the design, construction, and equipment for the Nanotechnology Research Center Building, Georgia Institute of Technology. | 20 | 38,000,000 | 3,246,340 |
| 12. Design, construct, and purchase equipment for the Marine Bioscience Research and Instructional Center, Skidaway Institute of Oceanography. | 20 | 5,000,000 | 427,150 |
| 13. Design, construct, and purchase equipment for the addition to Building A, Waycross College. | 20 | 2,300,000 | 196,489 |
| 14. Design, construct, and purchase equipment for the addition to Burnett Hall for a Leadership Hall, Armstrong Atlantic State University. | 20 | 5,000,000 | 427,150 |
| 15. Design, construct, and purchase equipment for the a new academic building located at the Whitfield Career Academy, Dalton State College. | 20 | 4,650,000 | 397,250 |
| 16. Design, construct, and purchase equipment for the addition to Herty Hall, Georgia College and State University. | 20 | 4,850,000 | 414,336 |
| 17. Design, construct, and purchase equipment for the Animal and Dairy Livestock Facility in Oglethorpe County, University of Georgia. | 20 | 5,000,000 | 427,150 |
| 18. Construct the new Epheaus Public Library, West Georgia Regional Library System, Heard County. | 20 | 650,000 | 55,530 |
| 19. Construct the new Headquarters Library, East Central Georgia Regional Library System, Richmond County. | 20 | 2,000,000 | 170,860 |
| 20. Construct the new Post Road Branch Library, Forsyth County Public Library System, Forsyth County. | 20 | 2,000,000 | 170,860 |
| 21. Construct the new Hamilton Mill Branch Library, Gwinnett County Public Library System, Gwinnett County. | 20 | 2,000,000 | 170,860 |
| 22. Purchase research equipment for the Traditional Industries Program. | 5 | 900,000 | 205,200 |
| Subtotal | | \$227,990,000 | \$22,670,754 |
| Department of Technical and Adult Education | | | |
| 1. Purchase equipment related to facility construction projects at Heart of Georgia Technical College, Southeastern Technical College, Augusta Technical College, and West Georgia Technical College. | 5 | \$7,660,000 | \$1,746,480 |
| 2. Design and construct the Allied Health Building, Okefenokee Technical College. | 20 | 10,300,000 | 879,929 |
| 3. Design and construct the Technology Building, Savannah Technical College. | 20 | 15,325,000 | 1,309,215 |
| 4. Design and construct the Classroom Building, Forsyth County Campus, Lanier Technical College. | 20 | 11,170,000 | 954,253 |

GENERAL OBLIGATION BONDS GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BOND PROJECTS - FISCAL YEAR 2007

| GENERAL OBLIGATION BOND PROJECTS | Term | Principal | Debt Service |
|--|------|----------------------|---------------------|
| 5. Design and construct the Classroom Building, Paulding County Campus, Chattahoochee Technical College. | 20 | 11,255,000 | 961,515 |
| 6. Design and construct the Classroom Building, Douglasville Campus, West Central Technical College. | 20 | 4,995,000 | 426,723 |
| 7. Design, construct, and purchase equipment for the Commercial Truck Driving and Fire Science Building, Ogeechee Technical College. | 20 | 1,620,000 | 138,397 |
| 8. Design, construct, and purchase equipment for the renovation of the Alma Center, Alma Campus, Okefenokee Technical College. | 20 | 2,115,000 | 180,684 |
| Subtotal | | \$64,440,000 | \$6,597,195 |
| TOTAL \$91,640,000 for Asset Stewardship (S) | | \$738,910,000 | \$71,495,296 |

Healthy Georgia

Department of Human Resources

| | | | | |
|---|---|----|---------------------|--------------------|
| 1. Fund life safety and HVAC renovations at the Powell Building, Central State Hospital. | S | 20 | \$980,000 | \$83,721 |
| 2. Fund facility electrical code compliance upgrades, Allen Building, Central State Hospital. | S | 20 | 3,005,000 | 256,717 |
| 3. Replace air handlers in surgery area, Kidd Building, Central State Hospital. | S | 20 | 375,000 | 32,036 |
| 4. Fund HVAC replacement, and plumbing and mechanical system replacement, Freeman Building, Central State Hospital. | S | 20 | 5,560,000 | 474,991 |
| 5. Install building communication system in 5 buildings, water system upgrades, and completion of steam plant upgrades at Central State Hospital. | S | 20 | 2,775,000 | 237,068 |
| 6. Fund facility roof replacement and boiler replacement, Savannah Regional Hospital. | S | 20 | 2,535,000 | 216,565 |
| 7. Replace kitchen equipment, East Central Regional Hospital, and laundry equipment East Central Regional Hospital, Gracewood . | S | 5 | 725,000 | 165,300 |
| 8. Fund roof replacement and flooring replacement, East Central Regional Hospital, Gracewood. | S | 20 | 3,290,000 | 281,065 |
| 9. Renovate Building #15, construct small warehouse, and roof replacement, Atlanta Regional Hospital. | S | 20 | 2,580,000 | 220,409 |
| 10. Replace laundry equipment, Northwest Regional Hospital. | S | 5 | 135,000 | 30,780 |
| Subtotal | | | \$21,960,000 | \$1,998,653 |
| TOTAL \$21,960,000 for Asset Stewardship (S) | | | \$21,960,000 | \$1,998,653 |

GENERAL OBLIGATION BONDS GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BOND PROJECTS - FISCAL YEAR 2007

| GENERAL OBLIGATION BOND PROJECTS | Term | Principal | Debt Service |
|----------------------------------|------|-----------|--------------|
|----------------------------------|------|-----------|--------------|

Safe Georgia

Department of Corrections

| | | | | |
|--|---|----|--------------|-------------|
| 1. Fund minor construction at various locations. | S | 20 | \$4,515,000 | \$385,716 |
| 2. Fund Central repairs at various locations. | S | 5 | 1,780,000 | 405,840 |
| 3. Fund portal security enhancement equipment at various facilities. | S | 5 | 3,500,000 | 798,000 |
| 4. Fund security sliding docking device renovations at various locations. | S | 5 | 2,000,000 | 456,000 |
| 5. Fund door and window frame replacements at multiple locations. | S | 5 | 400,000 | 91,200 |
| 6. Fund lock and control system for Lee State prison. | S | 5 | 300,000 | 68,400 |
| 7. Fund security hardening at Washington State prison. | S | 20 | 1,200,000 | 102,516 |
| 8. Fund renovations for Headquarters and Training Academy relocation to Monroe County. | S | 20 | 7,500,000 | 640,725 |
| Subtotal | | | \$21,195,000 | \$2,948,397 |

Department of Defense

| | | | | |
|--|---|----|-------------|-----------|
| 1. Renovate and improve various armory facilities statewide. | S | 20 | \$1,715,000 | \$146,512 |
| Subtotal | | | \$1,715,000 | \$146,512 |

Department of Juvenile Justice

| | | | | |
|---|---|---|--------------|-------------|
| 1. Fund major repairs at various facilities statewide. | S | 5 | \$5,270,000 | \$1,201,560 |
| 2. Fund minor construction and renovations at various facilities statewide. | S | 5 | 5,485,000 | 1,250,580 |
| Subtotal | | | \$10,755,000 | \$2,452,140 |

TOTAL

\$33,665,000 for Asset Stewardship (S)

| | | | | |
|--|--|--|--------------|-------------|
| | | | \$33,665,000 | \$5,547,050 |
|--|--|--|--------------|-------------|

Best Managed State

Georgia Environmental Facilities Authority

| | | | | |
|--|---|----|--------------|-------------|
| 1. Provide low interest loans for local water and sewer construction projects. | S | 20 | \$47,000,000 | \$4,015,210 |
| 2. Provide matching funds for the clean water construction loan program. | S | 20 | 9,000,000 | 768,870 |
| 3. Provide matching funds for the drinking water construction loan program. | S | 20 | 3,500,000 | 299,005 |
| 4. Fund corrective construction work of state owned fuel storage tanks. | S | 20 | 6,000,000 | 512,580 |
| Subtotal | | | \$65,500,000 | \$5,595,665 |

GENERAL OBLIGATION BONDS GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BOND PROJECTS - FISCAL YEAR 2007

| GENERAL OBLIGATION BOND PROJECTS | Term | Principal | Debt Service |
|---|------|---------------------|--------------------|
| State Forestry Commission | | | |
| 1. Purchase various statewide capital equipment for statewide use. | S 5 | \$3,035,000 | \$691,980 |
| 2. Fund major repairs and renovations statewide. | S 5 | 1,000,000 | 228,000 |
| Subtotal | | \$4,035,000 | \$919,980 |
| Department of Labor | | | |
| 1. Fund roof replacement of various buildings at Roosevelt Warm Springs Institute. | S 5 | \$1,070,000 | \$243,960 |
| 2. Upgrade the sprinkler and fire alarm system improvement program at various facilities statewide. | S 5 | 1,400,000 | 319,200 |
| Subtotal | | \$2,470,000 | \$563,160 |
| Department of Natural Resources | | | |
| 1. Construct and purchase equipment for the Suwannee River Eco-Lodge meeting facility. | 20 | \$2,000,000 | \$170,860 |
| 2. Fund North Georgia lodge renovations at Amicalola Falls, Unicoi, and Red Top Mountain state parks. | S 5 | 1,000,000 | 228,000 |
| 3. Complete state funding for the Hardman Farm restoration. | S 20 | 2,000,000 | 170,860 |
| Subtotal | | \$5,000,000 | \$569,720 |
| Department of Revenue | | | |
| 1. Continue funding for procurement of an integrated tax system. | 5 | \$3,000,000 | \$684,000 |
| Subtotal | | \$3,000,000 | \$684,000 |
| TOTAL | | \$80,005,000 | \$8,332,525 |
| <i>\$67,005,000 for Asset Stewardship (S)</i> | | | |
| Growing Georgia | | | |
| Department of Economic Development | | | |
| 1. Provide funding for the Columbus Trade Center. | 20 | \$11,000,000 | \$939,730 |
| Subtotal | | \$11,000,000 | \$939,730 |

GENERAL OBLIGATION BONDS GROUPED BY POLICY AREA

GOVERNOR'S RECOMMENDED BOND PROJECTS - FISCAL YEAR 2007

| GENERAL OBLIGATION BOND PROJECTS | Term | Principal | Debt Service | | | | | | | | | | | | |
|---|-----------------------------|-----------------------------|----------------------------|------------------------------------|--------------|--------------|-------------------------------------|------------|-----------|-------------------------------------|-------------|------------|--|-----------------------------|----------------------------|
| Georgia Ports Authority | | | | | | | | | | | | | | | |
| 1. Complete construction of the Container Berth 8 project in Savannah. | 20 | \$15,900,000 | \$1,358,337 | | | | | | | | | | | | |
| 2. Complete construction of the deepening of the Brunswick harbor. | S 20 | 3,200,000 | 273,376 | | | | | | | | | | | | |
| Subtotal | | <u>\$19,100,000</u> | <u>\$1,631,713</u> | | | | | | | | | | | | |
| Georgia World Congress Center | | | | | | | | | | | | | | | |
| 1. Fund various facility renovation projects. | S 20 | \$5,425,000 | \$463,458 | | | | | | | | | | | | |
| Subtotal | | <u>\$5,425,000</u> | <u>\$463,458</u> | | | | | | | | | | | | |
| Georgia State Financing and Investment Commission | | | | | | | | | | | | | | | |
| 1. Fund statewide ADA related facility accessibility improvements. | S 5 | \$2,600,000 | \$592,800 | | | | | | | | | | | | |
| Subtotal | | <u>\$2,600,000</u> | <u>\$592,800</u> | | | | | | | | | | | | |
| Department of Transportation | | | | | | | | | | | | | | | |
| 1. Fund freight rail track rehabilitation, Vidalia | S 20 | \$550,000 | \$46,987 | | | | | | | | | | | | |
| 2. Fund freight rail track rehabilitation, Cordele to Cedar Creek. | S 20 | 800,000 | 68,344 | | | | | | | | | | | | |
| Subtotal | | <u>\$1,350,000</u> | <u>\$115,331</u> | | | | | | | | | | | | |
| TOTAL | | <u>\$39,475,000</u> | <u>\$3,743,031</u> | | | | | | | | | | | | |
| <i>\$12,575,000 for Asset Stewardship (S)</i> | | | | | | | | | | | | | | | |
| TOTAL NEW ISSUES | | <u>\$914,015,000</u> | <u>\$91,116,555</u> | | | | | | | | | | | | |
| <i>Total of \$234,845,000 for Asset Stewardship (S)</i> | | | | | | | | | | | | | | | |
| TOTAL STATE FUNDS | | | \$866,354,612 | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Total FY 2007 5-year bond projects</td> <td style="text-align: right;">\$76,480,000</td> <td style="text-align: right;">\$17,437,440</td> </tr> <tr> <td style="text-align: right;">Total FY 2007 10-year bond projects</td> <td style="text-align: right;">50,000,000</td> <td style="text-align: right;">6,400,000</td> </tr> <tr> <td style="text-align: right;">Total FY 2007 20-year bond projects</td> <td style="text-align: right;">787,535,000</td> <td style="text-align: right;">67,279,115</td> </tr> <tr> <td style="text-align: right;">Total FY 2007 recommended bond projects</td> <td style="text-align: right;"><u>\$914,015,000</u></td> <td style="text-align: right;"><u>\$91,116,555</u></td> </tr> </table> | | | | Total FY 2007 5-year bond projects | \$76,480,000 | \$17,437,440 | Total FY 2007 10-year bond projects | 50,000,000 | 6,400,000 | Total FY 2007 20-year bond projects | 787,535,000 | 67,279,115 | Total FY 2007 recommended bond projects | <u>\$914,015,000</u> | <u>\$91,116,555</u> |
| Total FY 2007 5-year bond projects | \$76,480,000 | \$17,437,440 | | | | | | | | | | | | | |
| Total FY 2007 10-year bond projects | 50,000,000 | 6,400,000 | | | | | | | | | | | | | |
| Total FY 2007 20-year bond projects | 787,535,000 | 67,279,115 | | | | | | | | | | | | | |
| Total FY 2007 recommended bond projects | <u>\$914,015,000</u> | <u>\$91,116,555</u> | | | | | | | | | | | | | |

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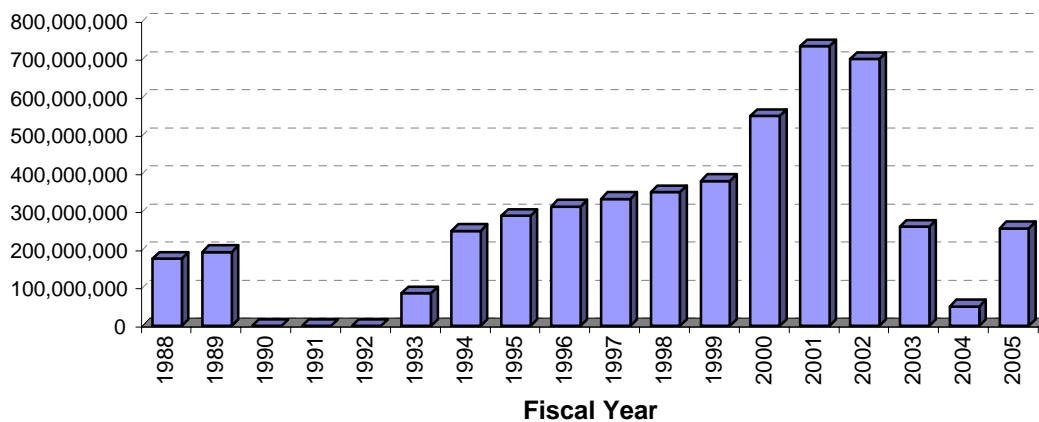


REVENUE SHORTFALL RESERVE

The 1976 session of the General Assembly created the initial Revenue Shortfall Reserve in lieu of the Working Reserve. This reserve acts as a savings account or "rainy day" fund for the state should revenue collections decline unexpectedly or uncontrollably. The reserve cannot exceed 10% of the previous fiscal year's net revenue. For each fiscal year, the General Assembly may appropriate from this fund an amount up to 1% of the net revenue collections of the preceding fiscal year for funding increased K-12 needs. The Governor has the authority to release funds from the reserve in excess of 4% of the net revenue of the preceding fiscal year. Amounts below do not include any funds used for mid-year K-12 adjustment.

| Fiscal Year | Revenue Shortfall Reserve | |
|-------------|---------------------------|--|
| 1988 | \$176,727,306 | |
| 1989 | 194,030,593 | |
| 1990 | - 0 - | |
| 1991 | - 0 - | |
| 1992 | - 0 - | |
| 1993 | 85,537,891 | <i>Partially filled</i> |
| 1994 | 249,484,896 | <i>Partially filled</i> |
| 1995 | 288,769,754 | |
| 1996 | 313,385,534 | |
| 1997 | 333,941,806 | |
| 1998 | 351,545,470 | |
| 1999 | 380,883,294 | |
| 2000 | 551,277,500 | <i>Maximum increased from 3% to 4%</i> |
| 2001 | 734,449,390 | <i>Maximum increased from 4% to 5%</i> |
| 2002 | 700,273,960 | |
| 2003 | 260,600,570 | <i>Partially filled</i> |
| 2004 | 51,577,479 | <i>Partially filled</i> |
| 2005 | 256,664,658 | <i>Partially filled</i> |

Revenue Shortfall Reserve Amounts

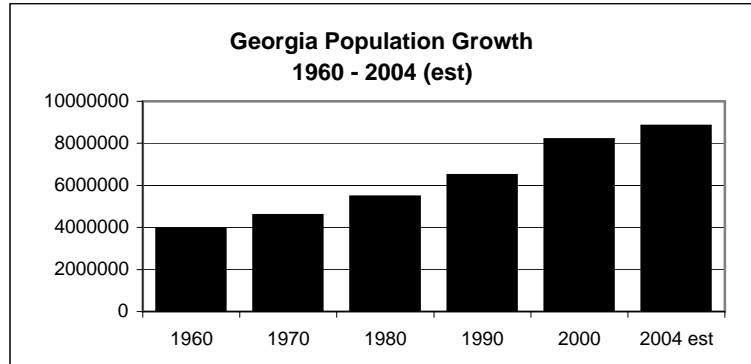


GEORGIA STATISTICS

Socio-Economic Characteristics, Population and Demographics

Georgia Population Growth

| | |
|----------|-----------|
| 1960 | 3,943,116 |
| 1970 | 4,587,930 |
| 1980 | 5,462,989 |
| 1990 | 6,478,149 |
| 2000 | 8,186,453 |
| 2004 est | 8,829,383 |



- ~ Georgia's population more than doubled between 1960 and 2000.
- ~ Georgia grew by almost 642,930 people between 2000 and 2004, more than all but 3 states.
- ~ Georgia's growth of 7.9 percent between 2000 and 2004 was the 5th fastest in the nation.
- ~ Georgia's percentage of minority residents is almost 39.8 percent, higher than all but 7 states.
- ~ Georgia's Hispanic population grew by 32 percent between 2000 and 2004, from 435,277 to 576,113.
- ~ Georgia has a higher percentage of young persons than the national average.
- ~ Georgia has a lower percentage of the population aged 65 and over than all but two states.

| <u>Population</u> | <u>Georgia</u> | <u>U.S.</u> | <u>State Rank</u> |
|------------------------------------|----------------|-------------|-------------------|
| Population 2004 Census Estimates | 8,829,383 | 293,655,404 | 9 |
| % of Population Age 17 and Under | 26.4% | 25.0% | 7 |
| % of Population 65 and Older | 9.2% | 12.0% | 49 |
| % of Population by Race (2004) | | | |
| White Only | 63.6% | 75.6% | 46 |
| African American/Black Only | 28.7% | 12.2% | 5 |
| Asian Only | 2.8% | 4.2% | 17 |
| All Other Races/Multiple Races | 4.9% | 8.0% | 42 |
| % of Population Hispanic/Latino | 6.7% | 14.2% | |
| % of Population Non-Hispanic White | 60.2% | 67.4% | 44 |

Rank is based on 1 being the highest

Population Density

In 2000 Georgia had a population density of 141 people per square land mile. Five Georgia counties have 1,000 or more people per square land mile: DeKalb, Fulton, Clayton, Cobb and Gwinnett. Of the ten largest states in population, only Texas has a lower population density than Georgia. In the Southeast, Florida, North Carolina and Virginia have higher populations per square land mile than Georgia.

GEORGIA STATISTICS

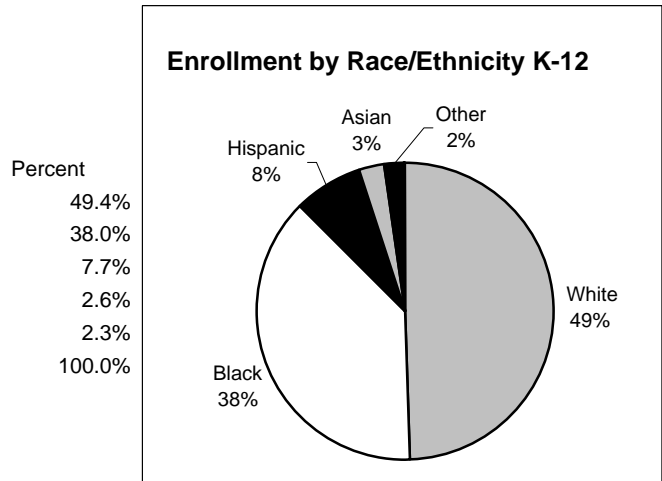
Education Characteristics

| | |
|-------------------------------|-----|
| Number of School Districts | 180 |
| Post Secondary Institutions | |
| Board of Regents | 34 |
| Technical and Adult Education | 33 |

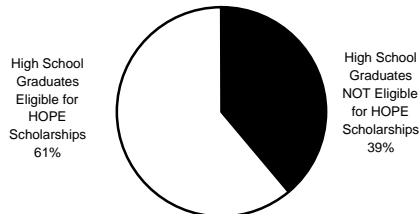
Georgia 2005 Fall K-12 Enrollment

Enrollment by Race/Ethnicity K-12

| | | | |
|----------|-----------|--|--------|
| White | 748,954 | | 49.4% |
| Black | 575,213 | | 38.0% |
| Hispanic | 116,220 | | 7.7% |
| Asian | 39,865 | | 2.6% |
| Other | 35,394 | | 2.3% |
| Total | 1,515,646 | | 100.0% |



Student Eligibility for HOPE Scholarship Awards 2005



Students Receiving HOPE Scholarship Awards

| | |
|--------------------------------------|--------|
| High School Graduates 2005 | 70,504 |
| Number Eligible for HOPE Scholarship | 43,080 |
| Percent Eligible | 61.1% |

HOPE SCHOLARSHIP PROGRAM TOTALS

1994-2005

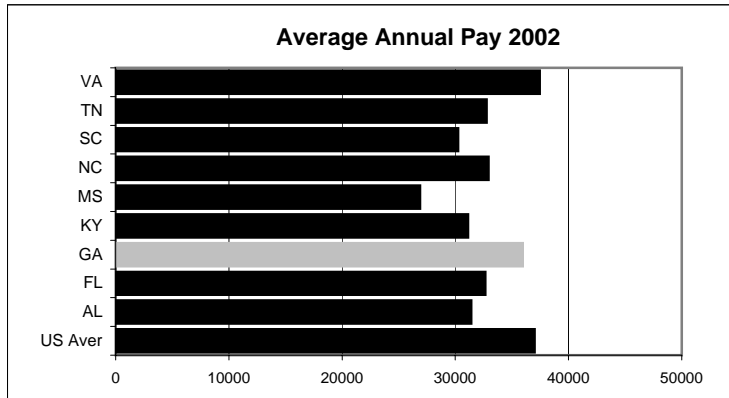
| | Number of Awards | Value of Awards |
|-----------------------------------|------------------|-----------------|
| University System | 1,616,683 | \$1,716,819,519 |
| Technical Colleges | 1,917,536 | \$642,421,139 |
| Private Colleges and Universities | 429,825 | \$397,509,418 |
| Total* | 756,212 | \$2,756,750,076 |

Numbers of Awards (Dollars Paid to One Student for One Term)

GEORGIA STATISTICS

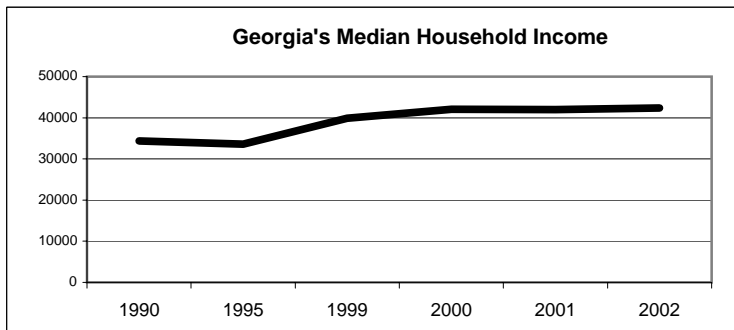
Employment and Income Statistics

- ~ Georgia's median household income of \$42,359 in 2002 was higher than any southern state, except Virginia.
- ~ Georgia per capita income in 2000 was \$30,051, third highest in the South, and 93 percent of the national average.
- ~ Georgia had the second highest average annual pay in the Southeast in 2002



Average Annual Pay 2002

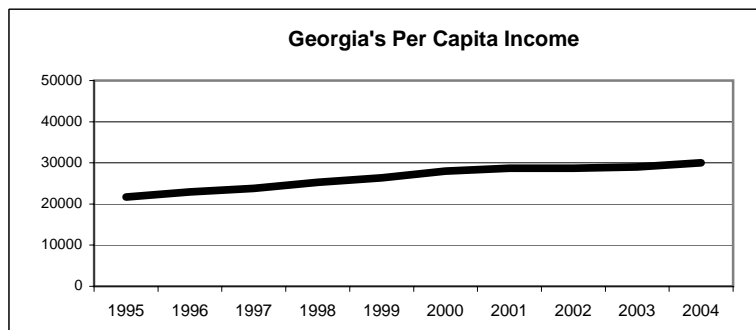
| | |
|-----------------------|----------|
| United States Average | \$36,764 |
| Alabama | \$31,163 |
| Florida | \$32,426 |
| Georgia | \$35,734 |
| Kentucky | \$30,904 |
| Mississippi | \$26,665 |
| North Carolina | \$32,689 |
| South Carolina | \$30,003 |
| Tennessee | \$32,531 |
| Virginia | \$37,222 |



Georgia's Growth in Median Household Income

| | |
|------|----------|
| 1990 | \$34,372 |
| 1995 | \$33,623 |
| 1999 | \$39,910 |
| 2000 | \$42,057 |
| 2001 | \$42,006 |
| 2002 | \$42,359 |

Georgia Per Capita Income 1995-2004

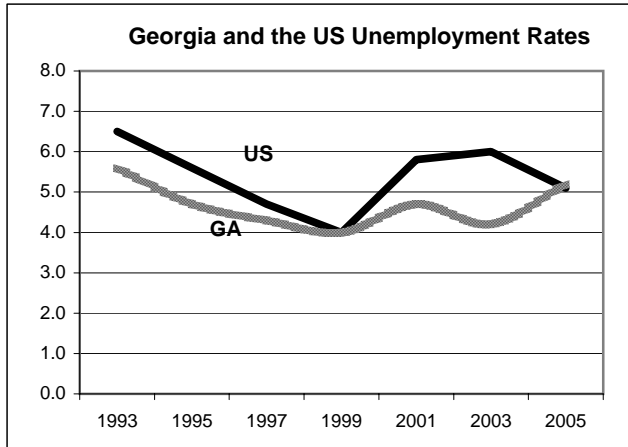


Georgia's Growth in Per Capita Income

| | |
|------|-----------|
| 1995 | \$ 21,677 |
| 1996 | \$ 22,945 |
| 1997 | \$ 23,795 |
| 1998 | \$ 25,279 |
| 1999 | \$ 26,359 |
| 2000 | \$ 27,989 |
| 2001 | \$ 28,675 |
| 2002 | \$ 28,689 |
| 2003 | \$ 29,000 |
| 2004 | \$ 30,051 |

GEORGIA STATISTICS

Employment and Income Statistics

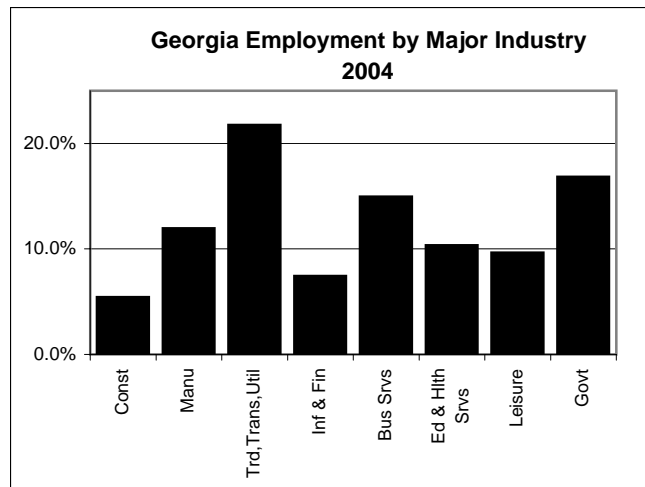


Georgia and United States Unemployment Rates

| | US | Georgia |
|------|-----|---------|
| 1993 | 6.5 | 5.6 |
| 1995 | 5.6 | 4.7 |
| 1997 | 4.7 | 4.3 |
| 1999 | 4.0 | 4.0 |
| 2001 | 5.8 | 4.7 |
| 2003 | 6.0 | 4.2 |
| 2005 | 5.1 | 5.2 |

Employment by Major Industry 2004

| | |
|----------------------------------|--------|
| Georgia Total | |
| Construction | 5.2% |
| Manufacturing | 11.7% |
| Trade, Transportation, Utilities | 21.5% |
| Information & Finance | 7.2% |
| Business Services | 14.7% |
| Education and Health Services | 10.1% |
| Leisure | 9.4% |
| Government | 16.6% |
| note: minor categories not shown | 3.6% |
| | 100.0% |



Physical Characteristics

| | |
|--------------------------------|-----------------------------|
| Land Area | 57,919 Square Miles |
| Number of Counties | 159 |
| Highest Point | Brasstown Bald, 4,784 feet |
| Lowest Point | Sea Level |
| Density Per Square Mile (2004) | 152 |
| Record High Temperature | 112 1952 Louisville |
| Record Minimum Temperature | -17 1940 CCC Camp F-16 |
| Land Under Public Ownership | 4,982 Square Miles (9%) |

GLOSSARY

A

ADJUSTED BASE -- The beginning point for development of the state budget for the upcoming fiscal year. The adjusted base consists of the current fiscal year Annual Operating Budget, less non-recurring expenditures, plus the amount to annualize pay for performance.

AGENCY FUNDS -- Funds collected by the various agencies of state government and retained to be spent on agency programs. These funds are estimated in the Governor's Budget Report and the Appropriations Act. The agencies can change the amount of these funds by amendments to the Annual Operating Budget based on actual collections during the year. Also known as Other Funds.

ALCOHOLIC BEVERAGE (DISTILLED SPIRITS) TAX -- A state excise tax of 50 cents per liter upon the first sale, use, or final delivery within the state and an import tax of 50 cents per liter of distilled spirits; an excise tax of 70 cents per liter upon the first sale, use, or final delivery within the state and an import tax of 50 cents per liter on all alcohol.

ALLOTMENT -- The authorization for a state agency to withdraw funds from the state treasury for expenditure. Before each fiscal year begins, agencies must file an annual operating budget plan based on an Appropriations Act. Allotments are requested quarterly based on the plan. Once a quarterly allotment is approved for an agency, that agency can draw funds as needed.

AMENDED BUDGET REPORT -- A document submitted by the Governor to the General Assembly in which the Governor recommends spending changes in the current fiscal year for the agencies of state government. The Amended Budget Report can involve budget additions, budget deletions or transfers of funds within agency object classes. Also known as the "supplemental budget" or the "little budget."

ANNUAL OPERATING BUDGET (AOB) -- A plan for annual expenditures based on the Appropriations Act, by agency and functional budget. The plan details a level of expenditure by object class for a given fiscal year and must be approved by OPB before taking effect.

ANNUAL OPERATING BUDGET AMENDMENT -- Revisions to the annual operating budget, which must be submitted to OPB for approval. Typically, these revisions are due to the receipt of funding that was not included during the appropriations process or transfer of funds from one activity/function to another.

APPROPRIATION -- An authorization by the General Assembly to a state agency to spend, from public funds, a sum of money not in excess of the sum specified for the purposes in the authorization.

APPROPRIATIONS ACT -- Legislation that has been passed by the General Assembly to authorize expenditure of state, federal and other funds during a given fiscal year. While under consideration, it is called an appropriations bill.

ATTACHED AGENCIES -- Smaller agencies are sometimes attached to a larger state agency for "administrative purposes only" to reduce administrative costs by consolidation. These small agencies operate autonomously but receive funding through the larger agency. Authorities by law cannot directly

receive state funds and are attached to budgeted state agencies for any state appropriations that might occur.

ATTRITION -- A means of reducing state employment, especially during economic slowdowns, by eliminating positions as they become vacant rather than filling them with new employees.

AUTHORITY -- A public corporation formed to undertake a state responsibility that operates in a competitive financial and business environment and should be run like a business corporation. Most authorities generate revenue and need to operate without the strict regiment of rules that confine most departments of government. Authorities usually have the power to issue revenue bonds to construct facilities.

B

BUDGET -- A complete financial plan for a specific fiscal year as proposed in the Governor's Budget Report and as modified and adopted by appropriations and revenue acts.

BUDGET ACCOUNTABILITY AND PLANNING ACT -- An Act passed by the 1993 General Assembly that fundamentally changed Georgia's budget process. The Act made accountability and efficiency the driving forces behind budget decisions, as well as the attainment of agreed-upon goals that have been outlined in comprehensive strategic plans for the state and each of its agencies. The requirement for outcome based budgeting is provided through the performance and results measures in Prioritized Program Budgeting. The measure mandated an ongoing review of agency continuation budgets and a more detailed review of expenditures at the individual program level. Procedures and requirements for grant awards by state agencies also were established.

BUDGET CLASS -- See Object Class.

BUDGET CYCLE -- A period of time in which a specific budget is in effect, usually 12 months. See fiscal year for dates applying to state and federal budgets.

BUDGET ESTIMATE -- A statement which accompanies explanations, as required by state law, in which a budget unit states its financial requirements and requests for appropriations. Also known as an agency's budget request, which must be submitted to OPB by September 1 of each year.

BUDGET MESSAGE -- A speech by the Governor to the General Assembly in which the Governor outlines his spending proposals and revenue projections, including recommendations for increasing or decreasing revenues, that are embodied in an accompanying budget document. The formal budget message, dealing primarily with the following year's budget, is made to a joint session during the first week that the Legislature convenes. A speech detailing the Governor's Amended Budget recommendations is made to a joint session of the House and Senate Appropriations Committees during the week before the session.

BUDGET REPORT -- A document that displays all programs, efforts and expenditures that are recommended by the Governor for each agency during a specific fiscal year. The Budget Report includes the Governor's official estimate of state revenue to be collected during the fiscal year and details any surplus, reserve or other funds that are available for

GLOSSARY

expenditure. The fund availability outlined by the Governor determines the size of the budget for any given year. The Budget Report for the upcoming fiscal year is also known as the "big budget," the "outyear budget" and the "Governor's budget." The Amended Budget Report, which recommends changes to the current fiscal year budget, is also known as the "little budget."

BUDGET UNIT -- A department, board, commission, office, institution or other unit of organization that has, under general law, an independent existence and thus is authorized to receive and expend an appropriation. A department or agency may have one or more budget units in the Appropriations Act.

C

CAPITAL OUTLAY -- Funds designated specifically to acquire, construct, renovate or repair public facilities and other assets. These funds may be appropriated in cash - from state general funds, lottery funds or other funds - or be provided through the sale of general obligation bonds or revenue bonds.

CONFERENCE COMMITTEE -- A group of six legislators—three Representatives and three Senators—who are appointed by the presiding officers of the respective houses to reconcile different versions of the appropriations bill and other legislation that have been passed by the House and Senate.

CORPORATE INCOME TAX -- The tax is a non-graduated percentage tax based on a corporation's federal taxable net income. The tax rate is 6% of a corporation's taxable net income attributed to business done in Georgia.

D

DEDICATED FUNDS -- Funds collected from a specific revenue source that must be appropriated for a specific expenditure. An example in Georgia is motor fuel tax funds, which must be constitutionally appropriated for programs related to providing and maintaining an adequate system of public roads and bridges.

DEBT LIMITATION -- The State Constitution places a ceiling on state indebtedness by limiting general obligation bond debt service payments to 10% of net treasury receipts for the prior fiscal year.

E

EMERGENCY FUND -- An appropriation to the Office of the Governor that is set aside for the Governor to provide grants to state agencies to meet emergency needs. Grants from the fund cannot involve a recurring obligation.

ENHANCEMENT FUNDS -- Funding for required services that are above adjusted base level.

ENTITLEMENT PROGRAMS -- Certain programs, usually federal in origin, that provide benefits to individuals based on specific eligibility requirements. Medicaid is the largest entitlement program operated by the state.

ESTATE (INHERITANCE) TAX -- Based on the value of the estate of residents as required to be reported for federal tax purposes. The tax is the amount equal to the amount allowable as a credit for state tax credits under the Internal Revenue Code.

F

FEDERAL FUNDS -- Funding from the federal government to pay for all or portions of specific programs. Often, federal funds require a state fund "match" in order to receive the federal allocation.

FISCAL AFFAIRS SUBCOMMITTEE -- Twenty members of the House of Representatives and the Senate comprise the Fiscal Affairs Subcommittee, which is authorized to meet when the General Assembly is not in session to consider fiscal affairs transfers as described below at the request of the Governor. The membership includes the House Speaker and four other State Representatives appointed by the Speaker, the Lieutenant Governor and four Senators appointed by the Lieutenant Governor, and five members of each house appointed by the Governor.

FISCAL AFFAIRS TRANSFERS -- Appropriations are made through allocations to specific object classes, and funds must be spent within those object classes. Language in each Appropriations Act states that "...no funds whatsoever, shall be transferred between object classes without the prior approval of at least 11 members of the Fiscal Affairs Subcommittee in a meeting called to consider said transfers. This...shall apply to all funds of each budget unit whatever source derived." Fiscal affairs transfers can be considered at any time at the Governor's request but are usually considered near the end of the fiscal year to help agencies to meet emergency needs and to address unanticipated budget problems.

FISCAL YEAR -- Any 12-month period at the end in which financial accounts are balanced. The state fiscal year begins July 1 and ends June 30. The federal fiscal year begins October 1 and ends September 30.

FRINGE BENEFITS -- Benefits that are provided to state employees over and above their salaries, as an inducement to employment. These benefits include retirement, health insurance and employer Social Security contributions. Fringe benefits are about 32% of an employee's salary.

FUNDS [i.e., state, total, other] -- As used for the general purposes of the budget summaries and schedules in this document, unless otherwise noted, refers to state revenues available or received. The state's specific governmental accounting fund classifications are documented in the state Comprehensive Annual Financial Report prepared by the Department of Audits and Accounts.

G

GENERAL FUNDS -- State money that is used for general purposes of state government. General funds are derived from taxes, fees and other general revenues and are appropriated to finance the ordinary operations of governmental units. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes.

GENERAL OBLIGATION BONDS -- Bonds sold by the state to fund major capital outlay projects or for the management of state debt. The bonds are backed by "the full faith, credit and taxing power of the state."

GLOSSARY

GUARANTEED REVENUE BONDS -- State-sold bonds that have the principal and interest payable from earnings of a public enterprise. The state is required by law to appropriate one year's debt payment and to retain the total at that level until the bonds have been retired. Guaranteed Revenue Bonds can only be issued for specific purposes as outlined in the State Constitution.

H

HOUSE BUDGET OFFICE -- An agency within the Legislative Branch that serves as budget advisor to the House of Representatives.

I

INDIGENT CARE TRUST FUNDS -- A program that involves the use of Medicaid funds to compensate disproportionate share hospitals for indigent care and to support expanding primary care programs. Participating hospitals make payments into the Trust Fund, and these payments are used to match with Medicaid funds. Most of the funds are then returned to the hospitals, with a small amount used for state-level programs. An amendment to the State Constitution authorized the newly revamped program and restricts the use of these funds. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes.

INDIRECT FUNDING -- The Appropriations Act each year allocates direct funding to the Department of Administrative Services (DOAS) for computer and telecommunications services to be provided to seven state agencies. These funds are allocated in this manner to facilitate cash flow for DOAS but are available to DOAS only as services are provided to each agency.

INDIVIDUAL INCOME TAX -- The tax is based upon an individual's federal adjusted gross income with specific adjustments as provided by state law. The tax is computed at a graduated rate and assessed in a range of 1% to 6% dependent on income levels and filing status.

INSURANCE PREMIUM TAX -- Tax based on premiums on persons, property, or risks in Georgia written by insurance companies conducting business in the state. The tax rate is 2.25% of gross direct premiums, with reductions for companies with certain percentages of their assets in Georgia.

INTER-AGENCY TRANSFERS -- A transfer of funds between state departments, either in an Appropriations Act or by the State Office of Planning and Budget pursuant to a legislative authorization.

L

LAPSE -- The automatic termination of an appropriation. Since most appropriations are made for a single fiscal year, any unexpended or unencumbered fund balances at the end of the fiscal year lapse into the state's general treasury, unless otherwise provided by law. There are two kinds of lapses. Non-allotted lapses occur when appropriations are never allotted to a state agency for expenditure and automatically revert to the state treasury on June 30 of each year. Audited lapses occur when budgeted funds are allotted to a state agency for expenditure but are not spent. These unspent funds are identified and lapsed by the State Auditor in the annual audit of each state agency.

LAPSE FACTOR -- A budgeting tool that withholds funds from appropriations, based on anticipated employee turnover and lower employee replacement costs.

LINE-ITEM APPROPRIATION -- An appropriation spelled out in language in the Appropriations Act that authorizes specific expenditures for a state agency. Line-items appropriations may be vetoed by the Governor.

LOTTERY FUNDS -- The net proceeds from the sale of lottery tickets dedicated to funding educational purposes and programs. By law educational purposes include capital outlay projects for educational facilities; tuition grants, scholarships or loans to citizens of Georgia to attend post-secondary institutions in Georgia; training to teachers in the use of electronic instructional technology; costs associated with purchasing, repairing and maintaining advanced electronic instructional technology; a voluntary pre-kindergarten program; and an education shortfall reserve. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes.

LUMP SUM -- A single appropriation for a specific purpose that does not specify a breakdown by object class expenditure.

M

MALT BEVERAGE TAX -- Taxed at \$1.08 per standard case of 24 12-ounce containers.

MATCHING FUNDS -- A type of federal or state grant that requires the government or agency receiving the grant to commit funding for a certain percentage of costs to be eligible for it.

MIDTERM ADJUSTMENT -- Additional appropriations to the State Board of Education in an Amended or Supplementary Budget to fund State Quality Basic Education (QBE) requirements for increased enrollment. Initial QBE funding cannot fully and accurately anticipate future enrollment. Midterm adjustments in funding are based on full-time equivalent enrollment counts during the fall quarter.

MIDYEAR ADJUSTMENT RESERVE -- A reserve of funds that was set aside each year from prior fiscal year surplus funds to provide additional spending in an Amended or Supplementary Budget. The reserve totaled 1% of prior year's net revenue, to the extent that surplus funds were available. Eliminated in calendar 2005 as part of the creation of a new Revenue Shortfall Reserve, which is explained elsewhere.

MOTOR FUEL RESERVES -- If actual motor fuel tax collections exceed the estimate, these funds are set-aside in a reserve and are appropriated to the State Department of Transportation in a subsequent Appropriations Act.

MOTOR FUEL TAX FUNDS -- All motor fuel revenue collections are allocated for public highway and bridge construction or maintenance by provisions of the State Constitution. These funds are included in the Governor's Revenue Estimate and are a part of the State's Budget Fund for accounting purposes. The state excise tax is 7½ cents per gallon. There is an additional tax of 4% of the retail sales price (1% sales tax and 3% on motor fuel tax). This tax is based upon an indexed retail sales price that is converted to a cent per gallon rate and is collected at the time of sale by the licensed distributor.

GLOSSARY

MOTOR VEHICLE LICENSE TAX -- Collected for the title registration and license tags of motor vehicles, trailers, and truck tractors. The cost of a regular license plate for a passenger car or light truck is \$20.

N

NON-APPROPRIATED FUNDS -- Monies received or spent that are not contemplated by an Appropriations Act. These funds must be amended into an agency's budget through a request to the Office of Planning and Budget.

O

OBJECT CLASS -- A grouping of similar expenditure items that form the basis of appropriations and records of expenditure. Establishment of budget object classes and changes are coordinated with the State Auditor's Chart of Accounts to ensure consistency in statewide financial reports. Common object classes are those that are shared by almost all agencies, including personal services, regular operating expenses, travel, motor vehicle purchases, postage, equipment, computer charges, real estate rentals and telecommunications. Unique object classes are those that apply to only one or a few agencies, such as public library materials and driver's license processing.

OFFICE OF PLANNING AND BUDGET (OPB) -- A part of the Office of the Governor with the responsibility of providing the Governor with assistance in the development and management of the state budget. OPB also is responsible for working with the State Auditor's Office in evaluating each program in state government at least once every 10 years. The Governor is the Director of the Budget.

ORIGINAL APPROPRIATION -- The first budget passed that sets appropriations for all of state government for the next full year after a legislative session. The budget is generally amended in midyear to more accurately reflect current needs of state agencies.

OTHER FUNDS -- Funds received by state agencies and institutions for services performed such as tuition fees paid by students to colleges, universities and technical colleges and fees collected by state parks. These funds are not turned into the state treasury but are retained by agencies and spent in accordance with an Appropriations Act or state law. Also known as agency funds.

P

PERFORMANCE MEASURES -- Quantitative or qualitative criteria by which to gauge a program's performance.

PERSONAL SERVICES -- The cost of state employees, including salary, fringe benefits and other expenses. This also includes temporary labor.

PRIVATIZATION -- A general term for the strategy that refers to the transfer of public sector activities to the private sector. Georgia's current privatization efforts are based on three considerations: government should not be in the business; and the private sector can perform more effectively, and more efficiently.

PROGRAM -- Systematic set of activities undertaken to accomplish an agency's core businesses.

PRIORITIZED PROGRAM BUDGET -- A performance/results and customer-focused method of budgeting wherein agency programs are identified and are funded based upon their importance in carrying out the agency's mission and core businesses. Programs are measured on their effectiveness and efficiency in achieving desired outcomes.

PROPERTY TAX -- Taxable value (assessed value) of real and personal property is 40% of fair market value, except for certain property as specified in state law. The state millage rate is 0.25 mills, or 25 cents per \$1,000 of assessed value. The state tax is collected locally with local property taxes and is remitted to the state.

R

RESULTS MEASURES -- Indicators by which to assess the impact of a program on its customers or community.

REVENUE ESTIMATE -- An estimate of revenues that will be collected by the state during a fiscal year. These revenues include taxes, fees and sales, and other general revenues that flow into the state treasury and are available for expenditure in a budget recommended by the Governor and approved by the General Assembly.

REVENUE SHORTFALL RESERVE -- An account established to make up shortages that might occur in revenue collections at the end of the fiscal year. Commonly known as the "rainy day" fund. The reserve cannot exceed 10% of the previous fiscal year's net revenue. For each existing fiscal year, the General Assembly may appropriate from this fund an amount up to 1% of the net revenue collections for the preceding fiscal year for funding increased K-12 needs. The Governor has the authority to release funds from the reserve in excess of 4% of the net revenue of the preceding fiscal year.

S

SALES TAX -- Common name for the state Sales and Use Tax levied upon retail sales, rentals, leases, use or consumption of tangible personal property, and certain services. The statewide sales tax rate is 4%. Various items are exempt from the state sales tax by state law.

SENATE BUDGET OFFICE -- An agency within the Legislative Branch that serves as budget advisor to the Senate.

STATE AID -- Grants and other funding provided by Georgia's state government to assist cities, counties, public schools and other allied groups in providing various services and programs to the citizens of Georgia.

STATE FUNDS -- Includes: (1) The taxes and fees collected by the state and deposited directly into the state treasury to be appropriated; (2) Reserves; (3) Surplus funds; (4) Lottery receipts; (5) Indigent Care Trust Funds; (6) Motor Fuel tax funds; and (7) Tobacco Settlement funds, all of which form the basis for the Governor's revenue estimate.

STATEMENT OF FINANCIAL CONDITION -- A statement which discloses the assets, liabilities, reserves and equities of the state and its governmental units at the end of each fiscal year.

STATE TREASURY -- A function of state government that receives, manages, invests and allocates all state revenues

GLOSSARY

that are available for expenditure through the state's general fund budgetary process. The function is managed by the Office of Treasury and Fiscal Services within the Department of Administrative Services.

STRATEGIC PLANNING -- The process through which a preferred future direction and organizational mission are established and periodically updated in light of changing trends and issues. Goals, objectives and strategies are adopted and implemented to guide an organization toward that preferred future direction.

SUB-OBJECT CLASS -- The lowest level of detail used in recording expenditures. Supplies and materials is a sub-object class of regular operating expenses.

SUPPLEMENTARY APPROPRIATIONS -- Increased funding that is approved by the General Assembly in a separate, stand-alone Appropriations Act, usually passed early in the session to get new money into projects with a high time priority. A supplementary appropriations act, which is often called a "speedy bill," cannot reduce spending or transfer funds previously appropriated.

SURPLUS -- Unspent funds at the end of a fiscal year. Surplus funds come from two sources: excess revenue collections over the revenue estimate, and unspent appropriations that were lapsed back to the state treasury and are available for re-appropriation.

T

TOBACCO SETTLEMENT FUNDS -- Funds received as part of the 1998 national settlement with five major tobacco manufacturers to recover smoking related costs. The settlement provides for annual payments to Georgia based on a formula, with annual adjustments based on inflation and

future national sales of cigarettes. These funds are included in the Governor's Revenue Estimate and are part of the State's Budget Fund for accounting purposes.

TOBACCO TAX -- The state tax on cigars is 23% of the wholesale cost price; the tax on cigarettes is 37 cents per pack of 20 (\$3.70 per carton). The state tax on loose or smokeless tobacco is 10% of the wholesaler's cost.

U

UNIT -- A state agency or a division within an agency that is authorized to receive an appropriation. Functions or activities are a part of a unit.

USER TAXES AND FEES -- Charges associated with using a particular service provided by state government to its citizens. The charge generally recovers the cost of providing the service. Examples include state park receipts and driver's licenses.

V

VETO -- An action by the Governor that rejects appropriations passed by the General Assembly. The Governor is authorized to veto by line-item specific spending authorizations, or language within an appropriations bill, or the entire bill. Line-item vetoes are more customary.

W

WINE TAX -- An excise tax of 11 cents per liter on the first sale, use, or final delivery within the state and an import tax of 29 cents per liter for table wines; dessert wines (more than 14%, but not more than 21% alcohol by volume) have an excise tax of 27 cents per liter and an import tax of 40 cents per liter.

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