

**A Review
of the
‘Report on the City of South Fulton: Potential Revenues and Expenditures’
by Charles A. Hammonds¹**

Drs. Eger and Matthews offer the reader of their report the “opportunity to assess our assumptions” (page iii). Well, even a cursory assessment of the assumptions of both the South Fulton Concerned Citizens (in requesting the report) and the authors finds several of them to be questionable.

First, South Fulton Concerned Citizens appears to have determined that the creation of a new city in south Fulton County is best for all residents in the unincorporated area (except for the area designated to become the City of Chattahoochee Hills). Hence, it commissioned a study, not of the options of remaining unincorporated, annexing to an existing city or creating a new city, but only of the latter. As a student and teacher of local governance, I would expect that, given the pros and con of the three options and depending on their individual circumstances, some residents would choose to remain in unincorporated Fulton County, some would choose to be annexed into an existing city and others would choose to become a part of at new city. However, instead of commissioning a study of all three options and presenting the findings to the residents of south Fulton County, South Fulton Concerned Citizens apparently determined that the formation of a new city was best for its representatives and then somehow made the assumption that what is best for them is best for everyone else. I, for one, am not convinced that “one size fits all” and I do not think South Fulton Concerned Citizens (or any other organization) knows enough about each resident’s personal circumstances to know what is best for them. In a democracy, especially at the local level, usually it is better to provide adequate information to citizens so they can, rather than having someone decide for them.

Let me reiterate this point in another way. Following the creation of the City of Sandy Springs, many residents of the unincorporated section of south Fulton County began asking whether or not they would be better off in terms of services and taxes by having their property remain in unincorporated Fulton County, annexed to an existing city or be included in a new City of South Fulton.² Unfortunately the Report of the City of South Fulton: Potential Revenues and Expenditures by Robert J. Eger III, Ph.D. and John Matthews, Ph.D., July 25, 2006, (hereinafter, Report) does not address their question. In fact, the Report begins, “The task of this report is to provide a series of budgetary estimates for the new municipality of the City of South Fulton” (p. iii). Therefore, the most serious shortcoming of the Report is that it provides an answer to a question that most residents are not asking. Of what use is a solution to a problem that does not exist? It may be a good academic exercise, but residents are asking a more subjective, personal question about their particular situation. “Which of the three options will give me and my family a better deal on public services, including the cost of these services?” Even public officials such as State Representative Roger Bruce are aware of the failure of the report to address this basic question that is being raised by residents in unincorporated south Fulton County.³

Second, the Report itself is necessarily filled with various statements that warn the reader about the reliability of its predictions, stating, “the task of predicting ... is not an exact science” and it has three basic assumptions that need to be examined. Look at the assumption that “the City of South Fulton will continue to provide a similar set of services, at the same range and level, as currently provided by the Fulton County SSD” (p. iii). No one I have talked with in unincorporated south Fulton County is satisfied with the current level of public services provided by the Fulton County SSD. One example was highlighted in a meeting in June 2006 with recently departed Fire Chief I. David Daniels during which he stated that the Fire Station on Cascade Road had no working fire engine because the one assigned to the station had long passed its useful life and was out of service because of the difficulty of finding parts for repairs. He stated that this meant a slower response time for fires in the West Cascade area because a fire engine would have to come from a more distant fire station.⁴ Other issues frequently raised by residents include inadequate funding for codes enforcement, parks and public schools.⁵ This means projections in the Report may be based on a lower than desired range and level of public services and therefore underestimate projected expenditures.

Why not assume that citizens of south Fulton County want the same level of public services as other metropolitan cities of similar size such as Smyrna (pop. 46,000), Marietta (61,000), Roswell (78,000) and Alpharetta (35,000),⁶ Why assume that residents of south Fulton County would not want, or are less deserving of, the same level of public services as residents in other metropolitan cities? The average per capita cost of public services in these four representative cities could be used as a basis for projections rather than the inadequate level of public services currently provided in the Fulton County SSD. At the very least, both sets of figures could be provided for the purpose of comparison. But one should not automatically assume that citizens of south Fulton want a lower level of public services than residents in other cities with comparable populations..

Another assumption that should be examined is the assumption that “the City of South Fulton would incur similar administrative, general governance, and infrastructure costs as those found in the Fulton County SSD and other cities of Georgia” (p. iii). While the costs incurred by the Fulton County SSD may be excessive due to inefficiency, the costs of public services other cities of Georgia are not representative of cities in the metropolitan Atlanta area, primarily due to personnel costs. For example, the starting salary for a rookie police officer in many areas of Georgia is about \$18,000, and in Albany, Georgia is \$25,850,⁷ while the median for metropolitan Atlanta cities is \$31,554.⁸ Since personnel costs (salary and other compensation) make up from 80 to 90% of the operating budgets of police and fire departments,⁹ they need to be given particular consideration when estimating the cost of administrative and general governance. The Report did acknowledge higher costs for police and fire services (p. 13), but not for other agencies. Bottom line: one should be skeptical of public service costs estimates for a city in the Atlanta metropolitan area that use State of Georgia average municipal costs for administrative and general governance.

Similarly, one should be careful using statewide averages for infrastructure costs. The cost of labor is a concern because in many areas of the state, laborers on

infrastructure projects are paid close to the minimum wage of \$5.15 per hour, while in the metropolitan Atlanta area, the cost of unskilled labor often begins above \$7 per hour. Also the congestion (traffic, existing underground utilities, etc.) in the metropolitan area tends to drive up the cost of building and maintaining infrastructure. Atlanta metropolitan area averages for existing cities should be used as a basis for expenditure projections for a new municipality in the Atlanta metropolitan area. Using statewide averages risks underestimating the cost of these public services.

Still another assumption that needs to be examined more closely is the assumption that “the City of South Fulton would provide all current services to both Oakley and Fulton Industrial areas” (p. iii). In a recent meeting, Arthur E. Ferdinand, Ph.D., advised the audience to be careful when looking for tax advantages from annexing Fulton Industrial Boulevard because “it may be that providing fire and police services for this district cost more than is collected in taxes.” After the meeting I approached him privately and he stated that there are a lot of empty buildings there and that tax incentives provided to induce property owners to relocate in the industrial park reduce the amount of taxes they pay.¹⁰ I am not sure if tax incentives were also given in the Oakley Industrial area, but both areas may need to be examined more closely. The Report gives revenue figures for both areas (p. iii), but no figure for the estimated cost of public services provided to these areas. It is possible that the Fulton and Oakley industrial areas do not significantly add to the financial bottom line when both revenues and expenditures are taken into consideration.

Beyond the assumptions above, the Report appears to do a masterful job of crunching numbers to arrive at its conclusion that a City of South Fulton would be financially viable. However, each resident is left with the original question, “Will my family be better off staying in unincorporated Fulton County, annexing to an existing city or becoming a part of a new city with its startup costs, the creation of another layer of government and other “unpredictables,” depending first on its appoint leadership and then on newly elected leadership?” Obviously, the decision about which option is best may not solely be determined by the financial viability of a new city and, in fact, may not even be relevant in the decision-making process of many residents.¹¹

Finally, analyzing the Report would have been easier if the authors had supplied traditional footnotes or notes on their data sources. Verification of data would be easier if references had been more specific than those found in Data Sources on page 4.

Notes

1. Charles A. Hammonds is a 19-year resident of the Putters Village subdivision in the West Cascades area, a retired City of Decatur Public Works Director and a part-time instructor at Georgia State University, Andrew Young School of Policy Studies, where he teaches an undergraduate course entitled, "Local Governance."
2. As Campaign Manager Co-Chair for the Committee to Elect Art Geter, I accompanied Mr. Geter to countless meetings throughout south Fulton County in March, May, June and July 2006, and did not hear a single person ask about the financial feasibility of a City of South Fulton, but numerous persons asked for if they would be better off by remaining in unincorporated Fulton County, being annexed into an existing city or becoming a part of a new city. Their requests were for a side-by-side comparison of the pros and cons of each of the three options.
3. In an email to me on July 6, 2006, State Representative Roger Bruce, stated, "...we attempted to get funding in the state budget to pay for the study that you are recommending. I believe the cost was in excess of \$350,000."
4. Meeting with Chief Daniels to discuss Fulton County Fire Department concerns, 7 AM, Thursday, June 8, 2006.
5. During the Fulton County District 7 Commissioner William "Bill" Edwards 2006 Community Listening Session, 7 PM, May 25, 2006, South Fulton Service Center, various speakers voiced their concerns in three broad areas: (1) "out of control development and developers," "increased taxes and reduced services," especially with parks and recreation," and poor planning for and overcrowded public schools. To this observer, there appeared to be a general dissatisfaction with the quality of public services in south Fulton County.
6. Estimates of city populations may be found on various web sites, including, <http://www.citypopulation.de/USA-Georgia.html>.
7. For police starting salary in Albany, GA, look at <http://www.careerjet.com/cgi-bin/user/result.cgi?a=16057902> and, according to GeorgiaTrend.Com, "...a rookie cop's salary in many Georgia rural areas is in the \$18,000 range." (See <http://www.georgiatrend.com/site/www.suntrust.com/personal/solutions/page7799.html>).
8. http://www.decaturga.com/client_resources/budget%2006-07.pdf, page A-5.
9. Ditto, pages 31-32, 35-36.
10. Meeting held at Southwest Regional Library with District 5 Fulton County Commissioner Emma Darnell, 7 PM, July 13, 2006.
11. After doing rather extensive research, my wife and I decided we would be better off with our property being annexed into the City of Atlanta because of our proximity to the city limits and because of the predictability of taxes and public services. We do not want our primary government to be controlled by elected officials living in other cities in north Fulton and we did not want to risk being a part of a City of South Fulton with all the complication and unpredictability of creating a new city. We have been closely observing the new City of Sandy Springs with its substantial property tax base and do not wish to be involved in a similar situation.

More importantly, it is not just about what one can get from the city, but it is also about what one can give. Atlanta is a great international city and we believe that, instead to being critical of what it is not doing, we should welcome an opportunity to help make it better while partaking of its amenities such as Hartsfield-Jackson Airport, Centennial Olympic Park, Turner Field, Georgia World Congress Center, Georgia Aquarium, For Theater, Alliance Theater, High Museum, etc.