



Finance Committee Meeting Minutes FY11 Budget Presentations

Glynn County Board of Commissioners

10:00 a.m., Monday, April 12, 2010

Third Floor Conference Room

W. Harold Pate Courthouse Annex

Brunswick, Georgia

Present:

Committee Members: *J. Clark, D. Hogan and T. Thaw*

Other Commissioners: *B. Coleman, H. Lynn, T. Sublett*

Staff: *D. Chunn, M. Doering, B. Gerhardt, P. McNicoll, Andrea Reichenbach, B. Rowell, C. Stewart, C. Temple*

Press: *N. Batiwalla*

Others: *S. Kelly, J. Kilgore, A. McCann, R. Strickland*

1. Budget Summary by Funds

Mr. Charles Stewart, County Administrator, stated that the FY 11 budget revenue down by about 11% or \$6.1 million from the current fiscal year. Budgeted revenue for the last two fiscal years is down almost \$9.4 million. Mr. Bobby Gerhardt has estimated a 10-12% drop in the property tax digest for the coming year and the budget presented represents a 12% decrease in the digest. The other two major revenue sources are local option sales tax and bed tax and those revenues are down by 14% and 17%, respectively. Property taxes, sales tax and bed tax represent 80-85% of the total General Fund revenue budget.

As in the current fiscal year, the budget presented has no employee merit increase, no career track promotions, no sick leave bonuses, no tuition reimbursement. There is a reduction in overtime and training. There are no Christmas gift certificates, employee picnic, or wellness bonuses in the digest. In this budget we are also recommending a reduction in the contingency, capital reductions, and the deletion of eleven vacant positions.

The Fire Department budget is almost completely funded by ad valorem taxes and staff has recommended that the shortfall in revenue be funded by the Fire Fund fund balance.

Mr. Stewart then introduced Mr. Bobby Gerhardt, Chief Appraiser, and requested that he talk about the property valuations.

Mr. Gerhardt stated that he was confident that the property values would be down about 10% but he was two weeks away from having all revaluations entered into the computer system. He stated that Hampton Point is down 45-50%, Frederica Township is down 20%, Island Club is down 20-25% and Limeburn is down 35-40%. The northern end of the island has taken the biggest hits. Liberty Harbor took a tremendous hit.

Commissioner Hogan stated that we need to consider tax collections also.

Mr. Gerhardt stated that there were 1,279 sales in 2009. He said they considered all bank sales, short sales and foreclosures but one sale does not mean market value. If a whole subdivision had nothing but foreclosures then they would use those foreclosures in the valuation.

He stated that if there was only one sale but it was an increase, then they didn't consider it. If there was only one sale and it was a decrease, then they did consider it.

He stated that the County had received a little over 3 thousand returns compared to 2,500 last year.

2. Outside Agency Appropriations

Mr. Stewart stated that the Outside Agencies listed in the attached memo were all still in the budget at the FY10 level. The table in the memo showed the reduction if all agencies except EDA were budgeted at 10% below the FY10 allocation. He stated that this reduction was a suggestion but asked the Committee for their recommendation regarding these cuts.

Commissioner Hogan questioned how much the Board of Education and City of Brunswick contribute to the libraries. Staff will get that information and report back to the Committee.

Commissioner Thaw stated that the District Attorney and Public Defender are trying to move cases through the court system and the state has already cut their budgets. He was concerned that any additional cuts made by the County would result in more inmates in jail. Commissioner Thaw asked if District Attorney Stephen Kelly would like to speak.

Mr. Stephen Kelly stated that the state has furloughed employees 23 days since September 8, 2009. He has a vacant position that he has not filled in order to pay for some of his state employees instead of furloughing them. He stated that he hasn't asked for additional funding from Glynn County in several years and was using up his reserves. He has laid off two grant-paid interns and is using those funds to pay for two full time Glynn County employees. He asked that the County leave his budget at the current level. If the Glynn County appropriation is reduced, he would be required to lay off employees and that would be devastating for the jail.

Commissioner Thaw asked staff to work with the District Attorney and Public Defender before any cuts are made to their budgets.

3. Personnel Requests

Mr. Stewart stated that staff was recommending the deletion of eleven positions which results in a budget reduction of \$487 thousand.

a) Historical Staffing Levels

Mr. Stewart reviewed the County's historical staffing levels and stated that they increased from 1999 to 2008 and have decreased since 2008 from 814.9 positions to 789.4 positions recommended for 2011. Commissioner Hogan questioned whether the Building Inspections positions that were deleted in FY10 were filled positions and Mr. Stewart stated that they were vacant positions.

4. Capital Requests

a) General Fund

Mr. Stewart stated that capital budgets had been reduced to \$230 thousand in the General Fund.

b) Building Roads & Equipment Fund

The Building Roads & Equipment Fund budget has been reduced to \$390 thousand for FY11. This recommended budget only includes three heavy equipment items. Mr. Stewart stated that Splost funds will be used for the majority of public works capital expenditures in the next fiscal year.

c) Administrative Services Fund

This fund's capital budget includes only one communication device for the Information Technology Department.

5. Commissioner Comments.

Commissioner Thaw stated that staff is headed in the right direction. When property value appeals come through, he thinks we may need to cut more positions or furlough employees.

Commissioner Clark asked if the County Administrator was still considering furloughs and Mr. Stewart responded that there is always that possibility.

Commissioner Hogan stated that there would be no millage increase.

Commissioner Sublett asked if staff had done a sensitivity study, i.e. what ifs. He stated that we should prioritize possible future cuts. He also comments that he felt that wellness physicals were an investment and we need to add those back if possible. He asked if the decrease in County Administration was the reduction in the contingency budget and Mr. Stewart responded that it was. Mr. Stewart stated that the 2009 digest was anticipated to decrease but it actually increased 1.4% and the BOC made the decision to hold the millage rates at the last year's rate. The additional funds were moved in the contingency. Commissioner Sublett stated that he did not agree with the District Attorney and Public Defender reductions and questioned the Police Department reductions.

Commissioner Lynn stated that as the State cuts back, the County has to pick up the slack. He commented that if the County cuts back on mental health it would impact the jail and the health care facility. He stated that staff needs to look at how to save those departments. He stated that the County has more chiefs than lower employees and that we may need to cut back on department heads.

Commissioner Clark asked if our costs will increase with the reduction of state efforts.

Commissioner Sublet asked staff to provide an analysis of the effect of Federal and State Mandates.

6. Schedule the next Finance Committee Budget Meeting.