

May 19, 2009
Statesboro, GA

Workshop

The Board of Commissioners reconvened for a Workshop at 9:20 a.m. following the regularly scheduled meeting.

The following commissioners were present: Chairman Nevil, Commissioner Simmons, Commissioner Jackson, Commissioner Thompson, and Commissioner Gibson. The following staff were present: County Manager Thomas Couch, Staff Attorney Jeff Akins, Statesboro Bulloch County Parks and Recreation Director Mike Rollins, Chief Financial Officer Harry Starling, Public Safety Director Ted Wynn, and Planning and Zoning Development Director Andy Welch.

Chairman Nevil called the Workshop to order. County Manager Thomas Couch directed the Board's attention to a Power Point Presentation regarding the FY 2010 General Appropriations Budget Workshop: Focus on the General Fund. Mr. Couch stated that the main topic of discussion would be the General Fund since it is the County's primary reporting vehicle for finances within the entire budget. Mr. Couch stated that most of the other Special Revenue and Enterprise Funds are of lesser concern in terms of adverse financial condition and budgeting. Mr. Couch began the presentation with an overview summarizing the economic outlook and impact upon the budget and stated that unless economic recovery occurs, the County will be challenged to achieve the target for reserve stabilization in the General Fund for FY 2010, which would extend achieving the ideal rate of fund reserve to at least 2015. Mr. Couch re-stated concerns from the mid-year 2009 fiscal report that building permits are at their lowest level in a decade, sales taxes are static, but stable; and unemployment still hovers at around 8.0%, which are indicators for continuing revenue deficiency.

Mr. Couch stated that the principal issues facing the County are: (1) The declining economy has eroded recurring elastic revenues sources such as business taxes and charges for services at a level of \$750,000.00 annually which will restrict the ability to address unmet needs or level of service improvements requested above the recommended budget; (2) The decline in ad valorem personal property taxes wipes out any additional revenue cushion that would have been created by the state's elimination of the

Homeowners Tax Relief Credit/Grant; (3) Addressing the quality of the county employee retirement plan that is sub-standard compared to our peer counties; (4) Preserving the reserve stabilization plan for the county's General Fund is paramount. The stabilization plan is underfunded which will extend the amount of time needed to reach the ideal ratio of 25%, from four years to six or seven; and (5) The E-911 Special Revenue Fund and the Agribusiness Center Enterprise Fund will use existing fund balance as a planned deficit. The 911 Fund is paying off equipment debt, but has sufficient fund reserves to absorb debt payments until expiration. The Agribusiness Center budget may require future supplements from the General Fund at a level of \$15,000 annually beginning in FY 2011.

In conclusion, Mr. Couch stated the following principal budgeting strategies for FY 2010: (1) Adopt a budget that maintains the existing level of service; (2) All supplemental personnel related needs (including COLA's), minor capital outlays and outside agency funding requested must be deferred to the Unmet Needs Schedule (UNS) to be prioritized and reviewed periodically by the Board of Commissioners; (3) No funds from the UNS shall be obligated during the FY unless it is a critical or emergency non-personnel related item, or until recurring revenue becomes available; Items on the Unmet Needs Schedule need to be prioritized by July 1, 2009; (4) Remaining 2002 SPLOST funds should be re-allocated by the BOC before July 1, 2009 to maintain commitments until 2007 SPLOST funds become available in late 2009-early 2010; (5) 2007 SPLOST funds, which are expected to become available in late 2009-early 2010, will have a category allocation budget for FY 2010, with the Board selecting and budgeting specific projects by October 1, 2009; (6) The General Fund is expected to balance at about \$29.2 million; and (7) There is no room for negotiation except for prioritizing the UNS. Mr. Couch asked the Board for any questions or comments regarding his presentation. Hearing none, Mr. Couch yielded the floor to the Chairman.

Next, Chairman Nevil introduced Mr. Earl Dabbs, Mr. Anderson, and Mr. Holland of the Development Authority. Mr. Dabbs stated that he was addressing the Board about the Development Authority's Budget because he thought the mission of this year's budget was to create a sole standing Development Authority by hiring an Economic Developer and a full-time Assistant. Mr. Dabbs stated that Mrs. Peggy Chapman prepared the budget to reflect that mission, but reported to him that Mr.

Couch's revised budget only allotted a \$100,000.00 increase. Mr. Dabbs stated that the increase would not be enough to fund a standalone Development Authority because the salary and benefits for one full time employee would absorb half of that increase.

After further discussion, Mr. Dabbs asked the Board if they are not willing to fund the proposal, then what does the Board want the Development Authority to do for the future. Commissioner Thompson stated that he needed to review the Development Authority's budget proposal further before he was prepared to make a decision because there are so many unmet needs for other county departments. Chairman Nevil stated that the proposal is just a start to move forward in the right direction, but that funding the infrastructure for the standalone operation is not obtainable in this year's budget. Chairman Nevil stated that reviewing the budget and making budgetary decisions is their first priority right now, and will be evaluating the needs and wants of all departments. Chairman Nevil stated that he supports the mission of the Development Authority, and that the Board will review their proposal very seriously.

After further discussion, Chairman Nevil asked for further questions or comments from the Board. Hearing none, Commissioner Simmons offered a motion to adjourn the Workshop. Commissioner Jackson seconded the motion, and it carried unanimously.

J. Garrett Nevil, Chairman

Attest: Maggie Fitzgerald, Clerk of the Board