



DEKALB COUNTY BOARD OF COMMISSIONERS

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Why I can't and won't support a tax increase!

On Tuesday February 23, 2010 the Board of Commissioners passed a budget that did *NOT* increase taxes and did *NOT* furlough employees. However, we had to make some decisions that continued to cut our budget by millions of dollars. To put the difficulty of our job into perspective, we passed a budget in 2009 that was \$616 million. On yesterday, we passed a budget that was \$564 million, this is a reduction of \$52 million. Recent reports and internal reviews have exposed an even greater shortfall in the 2010 DeKalb County budget than originally proposed by our CEO Burrell Ellis. As a result, we are looking at another reduction in revenues, close to \$20 million.

The deficit itself is primarily the result of the economy experiencing record job losses and foreclosures. Record job losses have contributed to our revenue deficit in a number of ways: 1) no jobs means less household purchases, which means less sales taxes generated for the operation of county government. 2) no jobs exacerbate the foreclosure rates in the county which directly affects our quality of life. Record foreclosures hurt our collection rate of property taxes. Our state legislature also passed a bill that allowed appraisals to include foreclosures of neighboring houses when calculating the value of ones your property. This brought the value of houses down throughout the entire county. As taxpayers the amount of taxes you pay is contingent on the value of your home and the tax (or millage) rate itself. Thus, we are facing an economic tsunami around the country and DeKalb is no different.

As a result of this major revenue shortfall we must do what every American is having to do in there respective households. We must learn how to operate within an economy that has fundamentally changed. Entire industries are having to fundamentally change its modus operandi or risk facing extinction. Likewise, DeKalb County Government must fundamentally change how it does business. We must insure that we are operating more efficiently than ever, with less revenues at our disposal. "We are facing a near permanent reduction in state tax revenues that will require us to reduce the size and scope of our state governments" states Rob Gurwitt of *Governing Magazine*. County governments are products of the state, and thus is not a far stretch to think that if states are experiencing fundamental changes, so are

county governments. This past year we have seen this when the State of Georgia withheld a 10 year tradition of sending financial assistance to all counties in Georgia for property tax relief this, this cost DeKalb County approximately \$15 million this year.

We must learn how to efficiently render services to DeKalb County residents with less resources and revenues. We must, as a government, find new revenue opportunities to help fund government, not on the backs of its residents. We must cut expenditures by restructuring, reorganizing and even downsizing our government. We must re-think the role of local government. Beyond Public Safety (Police, Fire, DA, Solicitors, Courts, Jail), Roads/Drainage, Water/Sewer, basic transportation we must determine exactly what the role of local government is in the lives of its citizens.

Each year the CEO by law has to present a balanced budget to the Board of Commissioners (BOC) by December 15th. The BOC has only until March 1 to pass a budget for the year. This year CEO Ellis presented a budget to the BOC that proposed a tax increase to cover a sizeable portion of the revenue shortfall. The CEO offered this proposal without a corresponding strategic plan to make us more efficient. We have all talked about cutting fat in county government, I still believe there is more fat to cut, but more importantly is our efforts to become more efficient. Efficiency in government **MUST** be our #1 priority. I am asking the CEO to offer a strategic plan for efficiency in government, before I can even consider increasing taxes.

As the CEO toured the County to present his budget, he made comments to the fact that if we did not raise taxes that we would have to eliminate over 100 police officers, over 90 Sheriff Deputies, and over 40 people in the District Attorneys office, essentially making DeKalb an unsafe place. However, we passed a budget that did exactly the opposite. We did *NOT* raise taxes and we *PRESERVED* the current levels of all of our public safety departments. No police officers will be let go, no Sheriff Deputies will be terminated and no lawyers or officers in the District Attorney's office will be removed. We have preserved our public safety without raising taxes.

As a side note we did take one action that in effect reduces the pay of our county employees. We voted to un-fund the remaining paid vacation days for county workers. This was a tough decision but it had to be done in concert with the other \$52 million in cuts in order to balance our budget. This action gave us an additional \$7million of cuts to the budget. My commitment to the county workers was that we would not balance the budget on the backs of our workers and we did as best as we could to cut the originally proposed combination of 18 furlough days and unpaid vacation days.

As I stated previously we have a lot of work to do to fix the many problems in our budget, so the mid year adjustment to our budget in June will see a lot of fine tuning and additional cuts to the budget, with a potential tax increase (if proposed correctly).

Thus for our county workers, there is a real opportunity to restore some of the vacation pay days. In addition, myself and other Commissioners committed some *WEEKS* ago to reduce our pay to the same degree as other county employees. If we are cutting benefits of our staff we ought to feel the pain as well. I applaud the CEO for following *OUR* lead on this matter as stated in the BOC meeting on February 23, 2010.

Our work continues regarding our County budget. The mid year adjustment to the 2009 budget will include the following:

1. The Early Retirement Program Results that will let us know how many people voluntarily left the county
2. The Georgia State Staffing Study that will let us know how to best reduce our staffing levels based upon a professional and scientific approach (this is separate from early retirement program)
3. Policy Initiatives that I and other commissioners will be offering to enhance our budgeting process and make our county more efficient.

Now admittedly, Tuesdays vote was just the beginning of major work that must be undertaken to fix our county. In June, we will undertake many actions that will hopefully transform our county. The Board of Commissioners stand together in our efforts to resolve the major issues of our county and we will continue to make DeKalb County a great place to live, work and play!