

Gwinnett County Government

NEWS RELEASE

Charles E. Bannister, Chairman
Board of Commissioners

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GWINNETT COMMISSIONERS ACCEPT MID-YEAR BUDGET

(Lawrenceville, Ga., Aug. 17, 2010) – A revised fiscal year 2010 budget was approved by the Gwinnett Board of Commissioners on Tuesday. This customary process adjusts the current year's spending plan to address changes that have taken place since the Board adopted the 2010 budget in January. This year's reconciliation budget includes declining property values that produced a \$31 million shortfall.

"I'm pleased to announce that this budget gets us through 2010 without additional service cuts," said Chairman Charles Bannister. "It doesn't balance projected budgets for future years, but County staff is working on additional measures to ensure Gwinnett's long-term financial strength. As we rebuild our 2011 through 2015 financial plan, we'll focus on core services and mindfully consider the Engage Gwinnett committee recommendations."

The revised budget totals \$1.56 billion. CFO Aaron Bovos noted that most of the changes within the County's financial plan relate to the capital project funds as a result of carrying unspent project balances forward from 2009. The capital plan also includes a \$49.4 million reduction as a result of sales tax (SPLOST) revenues being below projections.

The revised operating budget totals \$1.01 billion, which takes into account the impacts of declining property values and the subsequent decrease in property tax revenue. Ambulance service fees were also down along with alcohol-related taxes and fire permits.

Property tax revenue from a millage rate increase late last year will provide \$18 million to help reduce this year's deficit as recommended by Engage Gwinnett and allows \$21.2 million to be applied to reduce accrued liabilities. An additional \$10 million is planned to be used to pay outstanding debt and \$5 million will complete a commitment to the Gwinnett Hospital Authority. This one-time property tax revenue came from a March 2010 billing that made up the difference between a temporary millage rate billed in August 2009 and the final tax rate set in December 2009.

"Using a portion of the one-time tax revenue to balance the 2010 budget frees County leaders to focus on future budget challenges," said Engage Gwinnett Co-Chairman Mike Levengood. "There are certain to be some tough choices ahead, but many of the Engage Gwinnett recommendations will serve as a roadmap to meet those challenges."

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