



Gwinnett County Government Communications Division NEWS RELEASE

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COMMISSIONERS APPROVE BUDGET, ISSUE CALL TO REDUCE DEFICIT

(Lawrenceville, Ga., Jan. 4, 2011) – The Gwinnett County Board of Commissioners on Tuesday adopted a budget for 2011 while charging County staff to take another hard look at operations with the goal of eliminating an \$18 million deficit. The 2011 budget, prepared with input from citizens who served alongside elected officials and staff on a budget review committee, is based upon departmental business plans and incorporates many recommendations from the Engage Gwinnett citizens committee.

The budget totaling \$1.3 billion is comprised of \$977.5 million in operating funds and \$337.3 million in capital project funds. The operating budget is 3.2 percent less than the 2010 revised budget while the capital budget is 39.1 percent less than the 2010 plan. In total, the County's 2011 budget is \$248 million less than fiscal year 2010, representing an overall 16 percent reduction.

Declining real estate values combined with a tough economy have created budgetary challenges for local governments throughout Georgia and across the United States. Property tax is a vital source of revenue for Gwinnett County that funds operational expenses such as public safety, courts, libraries and parks. The tax digest declined almost nine percent in 2010, is forecast to contract by another nine percent this year and will likely shrink again in 2012. The County responded to the resulting reduction in operating revenues by making substantial service cuts and staff reductions over the past two years. Core services have been preserved where possible and no new services were added in the 2011 budget.

The budget includes voluntary departmental reductions of \$5.7 million, plus \$2.3 million in further service reductions. These reductions include a 15 percent reduction to libraries and a 50 percent reduction in subsidies to external agencies, excluding the Coalition for Health and Human Services which was funded at its 2010 levels. The only increases are due to state and federal mandates.

Board Vice Chairman Shirley Lasseter made the motion to approve the 2011 budget. "Using our reserves to plug the budget gap is unsustainable and it forces the county into a deeper deficit in 2012. It's a bad trade-off and one that I want to make clear is not on the table for the County's sake," said Lasseter.

Chief Financial Officer Aaron Bovos replied that staff has designed a work plan that categorizes activities in six areas that will help balance the County's financial plan. "I can assure you that many of these actions are already underway and represent a significant focus for senior staff. We look forward to continued input from employees, citizens, and the work groups and task forces participating in these processes," said Bovos.

The complete budget is available online at www.gwinnettcountry.com.

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