



Gwinnett County Government Communications Division NEWS RELEASE

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COUNTY TO REVIEW COST-CUTTING MEASURES THAT WOULD HELP BALANCE BUDGET

(Lawrenceville, Ga., Feb. 25, 2011) – As part of its ongoing effort to balance its 2011 budget, the Gwinnett County Commission is scheduled to consider four proposed cost-cutting measures when it meets on Tuesday, March 1.

The Board of Commissioners will review the following proposed agenda items on March 1:

- Reducing the county's annual payroll by approximately \$2.8 million by counting four of the county's eight remaining annual holidays as furlough days and not paying employees for those days off. The holidays that would be treated as unpaid furlough days are Independence Day (July 4), Labor Day (September 5), the Friday after Thanksgiving (November 25), and Christmas Eve (to be observed this year on December 23). About \$2.1 million of the total savings will reduce the general fund deficit.
- Accepting \$1.36 million in newly proposed budget reductions from a number of county departments, with \$847,000 of the total reductions coming from the general fund. The cuts are made possible by eliminating at least seven vacant positions, eliminating the advertising budget for employee recruitment and cutting part-time salaries in the police department, among other measures.
- Realizing approximately \$5 million in total savings by reducing the County's contributions to its Risk Management and Workers' Compensation funds and its Fleet/Equipment Capital Project Fund. The proposed reductions to the Risk Management and Worker's Compensation Funds are based on the fact that claims against both funds dropped significantly in 2010. The reduction in taxpayer-funded claims can be attributed to a program initiated in 2009 to carefully manage the County's exposure to risk. The cut to the Fleet/Equipment Capital Project fund is possible because the County eliminated approximately 250 vehicles in 2009 and 2010, which had the effect of lowering the annual contribution to the County's annual fleet replacement budget. This action will reduce the general fund deficit by \$4 million.

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County Reviews Cost-Cutting Measures/Page 2

- Paying off a 2002 general obligation bond and redirecting the .23 mill tax levy that had been dedicated to servicing that debt to general operations. This change would reallocate approximately \$4.8 million from debt service to general operations but would not increase the existing millage rate.

These efforts are all part of an ongoing process of closing an \$18 million gap in the 2011 budget. Earlier measures had brought the gap down to approximately \$14.4 million. The four measures scheduled for consideration next week would, if approved, leave the county only about \$2.6 million to fill the remainder of the general fund shortfall.

“The items up for consideration by the Board next Tuesday will make a significant dent in our budget shortfall this year, and yet the changes themselves will have minimal impact on the level of service we provide to our citizens,” said Commission Vice Chair Shirley Lasseter. “I appreciate our staff and citizens for thinking outside the box and bringing forward sound solutions to our budgetary challenges.”

“We’ve had some excellent input and guidance from local citizens through the Engage Gwinnett process, and county managers and staff have risen to the challenge and helped us identify much-needed cost savings,” said Aaron Bovos, Deputy County Administrator and Chief Financial Officer for the county government. “If these changes are approved by the Commission, we will be very close to balancing the 2011 budget, and I’m confident we can finish that job very quickly.

“But that doesn’t mean our work is done,” he added. “Fiscal Year 2012 promises to continue to be challenging. Right now we expect to have a significant deficit for next year, so we have to continue this work and begin thinking about how we can close that gap.”

Citizens can keep track of the progress being made by visiting the new interactive graphic located on the Gwinnett County website. The graphic reveals all of the County’s efforts toward filling the gap, including approved revenue enhancements, efficiency improvements and service reductions.

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