

**Remarks of Charles Bannister
Chairman, Gwinnett County Board of Commissioners
As Prepared for Delivery to the Gwinnett County Chamber of Commerce
September 16, 2009**

Thank you, Jim, for that kind introduction and good afternoon to all of you.

I'm pleased you've given your time to be here.

Every January, as most of you know, the chairman of the county commission uses this forum to deliver a State of the County address to the people of Gwinnett. For each of the five years I've been privileged to deliver that address, I've had the good fortune to be able to report on a series of great accomplishments that I hope are a source of pride and confidence to you and all the citizens of our county.

So this address is admittedly a little unusual, and I'm sure that some of you are thinking that one of these each year is aplenty.

Ordinarily, I wouldn't argue with you. But there's nothing ordinary about our current situation, so I asked Jim Maran and the Chamber to work with us to create this mid-year forum so that we can begin to focus on the very real – and unprecedented – challenges we face as a community. And, again, Jim, I appreciate your assistance and support. It's yet another measure of the extraordinary – and I think healthy – spirit of collaboration we have in Gwinnett between our public and private sectors. So thank you.

Let me also recognize and thank all the elected officials who are here today. These people give their best for Gwinnett County every day, so I'd like to ask all the folks here who hold elective office in Gwinnett County to please stand.

I also want to take a moment to recognize the people at this table. Each of them supports Gwinnett and wants the county to move in a positive direction. They are seated together today, united in the desire to make Gwinnett County the very best it can be.

Three of my fellow Commission members are here: Bert Nasuti, Shirley Lasseter, and Kevin Kenerly. Mike Beaudreau had a commitment that kept him away today. I also want to recognize Jim Maran; State Representative Clay Cox; Dave Williams, Chairman of the Gwinnett Municipal Association and Mayor of Suwanee; Gwinnett Medical Center President and CEO Philip Wolfe; Mike Levengood of McKenna, Long and Aldridge; Cisco Systems Director of Community Relations Bill McCargo; David McClesky with Gwinnett County Public Schools – David also serves as Acting Chairman of the Gwinnett Health System;

Gwinnett Convention and Visitors Bureau Executive Director Caryn McGarity; Council for Quality Growth President and CEO Michael Paris; our outgoing County Administrator Jock Connell; and our newly-appointed County Administrator Glenn Stephens.

Thank you all for being here.

As I've already suggested, these are trying times for our county. We're all trying to do more with less. It's also an environment that tests traditionally positive and productive working relationships among different jurisdictions and officials. One of the things I'm hoping we can all do – in the interest of the citizens we serve – is find a way to quickly bridge some of the political differences that now separate us so that we can focus on the larger common challenges facing this county.

In truth, I could focus this entire speech on any one of a handful of critical subjects – Service Delivery Strategy ... Solid Waste ... Water. Those and other issues are vitally important.

But in the main, I want to focus today on our budget challenges and their implications for the kind of community we will be 10 and 20 and 50 years from now. And make no mistake about it – the budget decisions we are now making will ripple through the years and decades ahead, and could well lead to a very different Gwinnett County ... and not one, frankly, that any of us in this room would want.

The Gwinnett County of 2009 did not just happen. Yes, we have benefited from our location and the fact that we were one of the communities in a position to take advantage of the economic growth and expansion that really took hold in Metropolitan Atlanta in the 1950s and '60s. But that growth did not have to come to Gwinnett County.

In my view, our growth and prosperity over the last 50 years owes in very large measure to the fact that we have been blessed with generations of exceptional public and private sector leaders – able men and women of vision and courage – who have taken on the hard work of building this community. Just two weeks ago we lost one of the greatest of those leaders. Wayne Shackelford spent his lifetime working to make Gwinnett County the dynamic, successful community it is today. And his impact will be felt for many generations.

I understand that a community's vitality is related directly to the strength of its private sector – businesses large and small that provide the jobs people need. But the public sector plays an essential role in creating an environment that is attractive to those businesses, and within which they can prosper. This, to me, is the beauty of Gwinnett County.

We have had a remarkably productive partnership that has made it possible to build a community and a market that is the envy of the rest of this state and, for that matter, the nation. Next year's census will most likely put us over 800,000 people. And if current population trends hold, we'll top one million by 2026.

I've been around long enough to appreciate just how amazing that is. About 50 years ago I was a student at Tucker High School next door in DeKalb County at a time when that county was just beginning to explode. Its population in 1960 was just over a quarter of a million. Gwinnett's was approaching 44,000. Just think about that for a minute.

Since then, DeKalb has almost tripled in population. We've grown nearly twenty-fold. That kind of growth could have easily overwhelmed a community and its governmental bodies. That hasn't happened here – at least not so far.

Our school system is the best in the state and one of the finest in the nation. It's one of five districts in the country under consideration for the Broad Prize, which is described as the Nobel Prize of education. In fact, our School Superintendent Alvin Wilbanks and the members of the Board of Education are not with us today because they are in Washington DC for the announcement of the winning school district.

Our county parks and recreation system has been recognized as literally the best in the United States of America – as has our water system.

Over the years, we've made steady improvements in our police and fire departments, and we've made continuing investments in our transportation system.

Gwinnett Medical Center anchors a strong and growing health care community.

Since 2006 – just three years ago – Georgia Gwinnett College has begun to rise from 160 acres of land donated by the county government, and by next year could easily have 8,000 students.

These are some of the features of a successful community desired by so many other local governments – and we stand proud of our accomplishments.

All of these constitute the building blocks of a community that would have been unimaginable 50 years ago. These and many other elements have made it possible for us to grow in ways that make us not just bigger, but better. By virtually any metric, Gwinnett County's population is better educated and more affluent than the vast majority of communities in this country.

For all of these reasons, the Atlanta Braves decided in January 2008 to relocate their AAA minor league baseball team to Gwinnett County ... and we were able to accommodate them.

For all of these reasons, Asbury Automotive, a Fortune 500 Company, announced in July 2008 it would relocate its corporate offices from New York City and Stamford, Connecticut ... and we were able to accommodate them.

For all of these reasons, NCR, another Fortune 500 Company, decided earlier this year to move its corporate headquarters from Dayton, Ohio, to Gwinnett County ... and we were able to accommodate them.

I could go on, but I hope you get my point. Working together, Gwinnett County's public and private sectors have built and sustained the elements necessary to maintain a strong and vibrant community.

Today, however, we stand at a crossroads. Past accomplishment is no guarantee of future success, and today, we face challenges that will go a long way toward shaping what this county will look like 50 years from now. I have no idea whether our predecessors in 1959 and '60 could have foreseen what this county would become by 2010. I doubt it, frankly. But that is precisely the challenge before us today ... to peer into the future... to understand the social, political, and economic forces that will shape that future ... and to make the best informed decisions possible so that Gwinnett will continue to be one of the best places in this nation to live, work and raise a family.

We in county government have worked very hard to do exactly that. As business owners and executives, you put together annual business plans that pull together your best projections of market demand, production capabilities, and financial wherewithal to set business goals and objectives. Depending on the nature of your business, you probably do this on an annual basis and over longer time horizons, usually three to five years.

Your county government does much the same thing – and for good reason. It's a \$1.56 billion a year operation. With more than 4,700 employees, we're the second largest employer in the county. Every year, the county administrator's office requires all department heads to develop annual operational plans that forecast demand for the services they provide and the human and financial resources they will need to meet those demands. We benchmark our employees and spending per capita against peer counties in Georgia and nationally, and I can tell you that – even before we got into the current budget crunch – we compared very favorably on both of those measures.

The fact that Gwinnett County has been able to maintain our Triple Triple A bond rating for 12 years didn't just happen. It's the result of years of conservative fiscal policy and sound financial management – and it's more than just a point of pride.

Our bond rating saves you, as taxpayers, millions of dollars each year on the bond debt we've incurred over the years to construct our world-class water system ... to expand the pre-trial detention center ... and to build the highly-successful Gwinnett Arena.

But the county's business planning – and that's exactly what it is, business planning – goes beyond one-year and even five-year scenarios. Five years ago, we launched a much longer-term planning process. In a sense, we set out to build a crystal ball. We don't pretend to be able to see 50 years into the future anymore than our predecessors could have 50 years ago. But we have tried to take a thorough, deliberate, systematic look at where we stand today, and forecast where we're likely to stand – or at least what our options are – for 2030.

The result of that process is this document. [Holds up Unified Plan.] It's probably not the most exciting thing you'll ever read, but it is one of the most important – at least to your future as a citizen and property owner and businessperson in Gwinnett County. It's called the *2030 Unified Plan* and it reflects, again, five years of work on the part of both the county planning department and dozens of citizens who volunteered their time and served on various committees that studied everything from land use patterns and transportation needs to population growth and demographic trends.

The Board of Commissioners adopted the Unified Plan earlier this year, but the research and planning that went into it has been shaping our thinking for some time. In fact, this plan influenced the five-year operational plan upon which our original 2010 budget was to be based and that budget, of course, could only be properly funded with a tax increase.

This fact was not a secret to any of us on the Commission, and in fact, it had been discussed publicly and reported in both the Gwinnett Daily Post and the AJC. For at least five years now, we've been able to see that 2009 would be the year when our natural revenue and expense lines would cross, and not for the better.

For most of the past four decades, Gwinnett County's revenue growth has been fueled by our extraordinary population growth and rising land values. As an example, between 2004 and 2008, the value of the county's taxable property grew 34.8 percent. During that same four-year period, our population grew 14 percent. You combine these increases and you get a pretty fair bump in revenues. So much so, that during that same time frame we were able to reduce the property tax rate by about four percent and still fund the vast majority of the county's operations.

Inevitably, however, the rate of our population growth has begun to slow – even as the public need for county services has continued to grow and become more complex. Again, we've known for several years that this would be the year when

status quo expenses would exceed the revenue produced by natural growth – and that was before we were hit by the economic downturn that began in earnest right at a year ago. Because of that downturn, the property tax digest that had been growing so nicely for all those years suddenly took a turn for the worse. The tax assessor’s office earlier this year reported that the 2009 county tax digest had dropped by one billion dollars as compared to the 2008 value.

Even so, the Board of Commissioners voted in March to approve a budget that continued to fund the operation of county programs and services and included a modest – and in my opinion – much-needed expansion of our police, fire, and emergency services operations. That budget was clearly predicated on the need for a property tax increase that would have to be adopted later in the year, once the tax digest was finalized. Again, that fact was discussed and reported in the local media.

During that period, frankly, we got very little public feedback about the budget or the necessity for a tax increase. But after the tax digest was calculated, and we publicized the magnitude of the proposed tax hike, that changed. It didn’t help that our situation was coming to a head in the midst of the current huge run-up in federal spending, but the fact remains that the Gwinnett citizens who spoke up were virtually 100 percent opposed to any millage rate increase.

We heard that opposition in public hearings and in phone calls and e-mails. Accordingly, the Board listened to those citizens and voted down the proposed increase.

That set in motion the process of eliminating both proposed and existing services that had been part of the budget our Board approved in March. The rejection of the proposed tax hike required us to completely rethink the budget and the way we provide county services and programs. The first round of cuts required 81 million dollars in reductions to balance the ’09 budget and then further cuts to avoid another 60 million dollar shortfall anticipated for 2010. We’ve got more work to do to make all those cuts, and then we’ll still have to deal with additional shortfalls in 2011 and 2012.

As the cuts necessitated by the millage rate decision were announced, we began to hear from the public again – this time from citizens urging us not to make the cuts or to make them in other areas.

Folks, we can’t have it both ways. I’ll tell anybody who wants to know that your county government is a lean, professional, efficient organization. That was true before we got into this budget crisis – and it still is – although, frankly, we’re on the verge of cutting into bone and crippling our ability to provide the core services our citizens need and deserve.

Public safety and the courts account for 60 percent of our operating budget. It's impossible to make cuts this deep without affecting every department and every level of service. And it's inevitable that you will see the effects of these reductions in everything from roadside maintenance to traffic enforcement to fire and EMS response times.

The Commission has, of course, been criticized for responding to public opposition to the proposed millage rate increase with budget cuts that are somehow politically inspired and retaliatory in nature. I want to address that head-on and state flatly that is simply not so.

The reductions we've had to make cut deeply into areas that are near and dear to my own heart and that I campaigned on, including strengthening public safety and improving the efficiency of county operations. Both of those priorities suffer badly from the reductions we've had to make, and I am sick about it. But the magnitude of the required reductions makes those cuts, and others, impossible to avoid.

By the end of this year, we will eliminate more than 250 positions from county government. And let me digress for a moment and tell you that we're losing some good people and a lot of important experience and institutional knowledge. Those of us who run for office and serve on the Board of Commissioners come and go, but much of the strength and stability of our county government rests with the professional staff that has been developed and seasoned over the years.

I'm confident that a new generation of managers will rise to the challenge, but I would be remiss if I did not acknowledge the significance of the management transition triggered by these budget cuts and the retirement incentive program. We're going to find a more appropriate way to pay tribute to the service of all these people, but today I especially want to recognize the strong leadership and wise counsel we've received over the years from Jock Connell and Mike Comer.

As county administrator and deputy administrator, Jock and Mike have led what I believe is the most professional public administration team in Georgia – and that's at any level of government. I want to ask them to stand and be recognized, and I hope all of you will take a moment today to thank them for their great service to the people of this county.

As I reflect on how we got to this point, I will tell you that I struggle with the wisdom of the fiscal and tax policies we've operated under these past several years. As a matter of political philosophy, your Board members have been united in a belief that the government should take only what it requires to deliver needed services, and that any surplus, beyond essential reserves, should be returned in some way to the taxpayers.

That's why we've reduced the millage rate by more than four percent in the last four years and by a total of 18 percent over the past 10 years. That equals \$839 million that we did not collect as a result of the property tax roll backs.

At the same time, as I've said, we've seen our revenue and expense lines converging for some time but the consensus of the Board was to stay with the pay-as-you-go philosophy and keep taxes as low as possible until the last possible moment. The only problem with that strategy is that the last possible moment turned out to be 2009. Sometimes reality has a way of knocking the daylights out of philosophy.

At this point, however, the important thing is to learn from our experience, dust ourselves off, and figure out how we can solve these problems. That's really why we're here today. On one level, there is a need to do a better job of explaining the current situation to the voters and taxpayers in this county, and I hope today's message contributes to that effort.

On another level, however, we have to find a way to come together as a community and decide what kind of future we want for our county. I'm sure some of you are thinking that's what we elected you folks to do – and it is. But there are times when the issues involved are so big and complicated and important that you need to try to engage the community on a broader level, so that you can make sure that everybody has their say and that the problems are fully discussed and understood.

That's what we're trying to do now. The county government has worked with the Chamber of Commerce to recruit and organize a group of about 40 people who reflect the wide diversity of our population and come to the table with a wide range of expertise and different points of view.

We're calling it *Engage Gwinnett*. And while the county and the Chamber have collaborated in pulling this group together, I want to emphasize that these citizens will be working independently and autonomously. They will have access to any and all county information they want, and they will be able to call on county staff – and Board members, for that matter – for any counsel or guidance they might need.

I also want to emphasize that we've made an effort to ensure that this committee has representation from throughout the county. Many stakeholder groups in the county are represented – the business community, homeowners associations, civic and religious leaders, and different ethnic groups, among others. In addition, 10 citizens not associated with any particular stakeholder or interest groups have volunteered to serve on the committee, and their involvement is welcomed.

What we're hoping for is a good-faith, transparent review of the county's challenges by this representative group of county citizens. It never hurts to put

fresh eyes on a problem, and it never hurts to ask the citizens we serve what they want and need. That's what this process is about.

My own hope is that this committee will find consensus on the hard questions we now face. As a community, what are our major priorities? In what areas are we willing to settle for less? Are there things we're willing to pay more for – even in the current economy? If so, how much?

At the end of the day, the Board of Commissioners will still have to make the hard decisions, but I'm certain we will be well served by this process.

Engage Gwinnett is being co-chaired by Mike Levengood and Bill McCargo, and I'd like to ask them to stand, along with the members of their steering committee.

In addition, many of the other volunteers serving on this committee are here today, and I'd like to ask them all to stand and be recognized as well.

The committee's work will begin next month and I'm asking for at least preliminary recommendations by February, in time to influence final decisions on the 2010 budget.

These good citizens deserve our thanks and encouragement as they undertake this difficult task. I'm confident they will help our community build a genuine consensus around the hard questions we now face and that current and future generations of Gwinnett County citizens will benefit from this important civic service.

Mike and Bill, I want to thank you and your fellow "Engage Gwinnett" members in advance for the hard work I know you are going to do, and for the fresh insight and good counsel that I know you will provide in the weeks and months to come. I know I speak for all of my fellow commission members when I wish you well in this undertaking and pledge to assist you in any manner possible.

So, again, on behalf of the commission and indeed all Gwinnett County citizens, thank you very much for all you are about to do.

[Pause]

I know that everybody here is familiar with our two famous water towers at I-85 and Jimmy Carter Boulevard.

And you may have heard that we plan to tear them down. We don't need them anymore and they're expensive to paint and maintain.

But I'll have to confess that I'm kind of sorry to see them go. They've been Gwinnett icons for as long as most of the folks in this room have been alive. The first one was built in 1968, the second in '72.

I'll also have to confess that I find a certain irony in the fact that we just happen to be tearing down those two symbols of the Gwinnett spirit as we come to this particular crossroads. I'm sure the newspaper folks will have a field day with that.

But I've been around long enough to see it for what it is – the beginning of a new and grander chapter in Gwinnett history. I know that something bigger and better and more memorable will rise in the place of the old water towers.

I also know that the credos on those towers will live on...

Gwinnett Is GREAT.

SUCCESS Lives Here.

Thank you all for your time and support of our community.

God bless America and God bless Gwinnett County!

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