

**State of Gwinnett County 2011 by Charlotte J. Nash, Chairman
Gwinnett County Board of Commissioners**

As prepared for delivery on May 18, 2011, to Gwinnett Chamber of Commerce and Council for Quality Growth

Introduction and Welcome

Thank you, Michael (Parrish). And thank you to the Chamber and the Council for Quality Growth for your sponsorship of the State of the County address since its inception many years ago.

Whether you have attended every State of the County address or this is your first time to attend, I appreciate each of you who are here today. It's an honor to address you as Gwinnett Commission Chairman.

You know, sitting at the table here, I thought back to some of my public speaking experiences. Of course, the first ones were at church and school, but some of the most memorable were related to 4-H. How many of you were 4-H'ers? Then you know about doing demonstrations and giving reasons for judging events.

I was fortunate enough to be an active 4-H'er in Gwinnett when Wayne Shackelford was County Extension Agent. There was nothing like facing critique from the master himself. We all learned either to be truly confident with our presentations or to fake it convincingly. There was no room for uncertainty or being timid. Today I am glad for that training because it is just a little intimidating to look over this crowd.

I am humbled to be able to serve our community as Commission Chairman, and I'm mindful of the responsibilities that are involved.

There are important decisions to be made and actions to be taken. As Commission Chairman, I have a role to play in these. However, the Chairman must depend upon support and collaboration from the four district commissioners who have also been elected to the Board.

I'd like to take a moment and ask the district commissioners to stand and be recognized.

(District Commissioners stand)

The full Board sets the vision and direction for County government, after considering the needs and desires of the entire community.

(Directed to the district commissioners) I want to thank you four for the work you've already done for Gwinnett. Each of you bring your own strengths and skills to your service as commissioner, and the Board is stronger for that. I look forward to working together to continue serving this community.

(Directed to audience) Would you join me in showing your appreciation for the service and contributions of my fellow Board members, please?

(Commissioners seated)

Considering the state of the national economy, we have our work cut out for us. But we have the good fortune to be in Gwinnett County and that comes with several advantages:

- We have the best schools in the United States, including our post-secondary institutions at Gwinnett Tech and Georgia Gwinnett College. Thank you, Alvin, School Board, Sharon, and Dan!
- We have a vibrant Gwinnett business community led by the most dynamic Chamber of Commerce in the region and the Council for Quality Growth that is now regional in focus. Thank you, Jim and Michael, along with your staffs and directors.
- We have one of the best overall healthcare networks in the country. Thank you, Kim at Eastside Medical, Phil at Gwinnett Medical, and all the other medical professionals here in Gwinnett.
- We have a diverse community, rich with fresh ideas and energy. Thanks to all our varied community members, whether newcomers or natives.
- We serve alongside teams of other dedicated elected officials who are ready to work with us at the state level, at the regional level, here at the County, in our cities, and through our CIDs.
- We have a rich array of non-profit, service, and faith organizations.
- And let's not forget that we have a talented, educated workforce and involved residents who want the best for our community.

These are some of our blessings that I repeat to myself as I think about the difficult challenges which face us over the rest of 2011 and in 2012.

County Employees

Gwinnett County employees are one more blessing on my list. I'd like to introduce you to a handful of men and women that most of you have never heard of.

The first one is **Joyon Richardson**.

I believe she's sitting at a table over here. Joy – would you please stand up for a moment?

Joy is a call taker and dispatcher in the County's 911 center. You'd probably rather not meet her in her official capacity because that would mean you're somehow involved in or witness to a very serious problem.

However, you can all rest better knowing Joy is answering calls and if you'll direct your attention to the screens, I'd like to show you why...

(VIDEO of 911 center/emergency response)

Joy is just one of the people who contribute to making Gwinnett great.

Another is **Kevin Toney**. Kevin is a mechanic who works in the County's Fleet division.

He provides routine service and emergency repairs to the vehicles used to provide services across Gwinnett's 437 square miles. Kevin, would you stand for a moment...

Kevin is like a lot of Gwinnett employees who don't provide a direct service to Gwinnett's citizens, but, without whom, those direct services could not be provided. If you'd please direct your attention towards the screens, you'll see why...

(VIDEO of fleet center and John working on an emergency service vehicle)

Joy can't dispatch medics or firefighters to an emergency if the ambulance or fire truck isn't in good working order. Thanks to Kevin and his colleagues at Fleet, our ambulances, backhoes, police cars, bucket trucks, fire trucks – all of the vehicles we use to deliver our core services – will get to their destinations in good working order.

One of the folks relying on Kevin is **Phil Page**, who works in our Department of Water Resources. Phil often travels through Gwinnett maintaining the pipes and pumps that make up our water infrastructure.

How many of you are sitting here worrying about whether you'll have safe, clean drinking water at your home tonight? Not many, I bet!

Phil, please stand up. Ladies and gentlemen, Phil and many of his colleagues make sure you can take for granted access to one of life's most precious resources. If you'll direct your attention to the screens, I'll show you more...

(VIDEO showing pipe repair and field work)

I've introduced you to three individuals who are examples of the County employees who play a key role in delivering services despite not usually being in the public eye. These three individuals are representative of the County workforce.

Folks – we have about 4,600 employees, including those who work for Constitutional Officers and Judges. Some of them provide direct services to you while others support those who provide direct services – and they all have similar stories.

From the police officers who are patrolling our streets or the sheriff's deputies who are watching over jail detainees to the people in the support offices who ensure our employees get paid, we have a highly skilled workforce.

Beginning almost 20 years ago, we started calculating and tracking a ratio for employees to residents. For 2010, using the census population figure, this ratio stood at just under 6.0 employees per 1,000 residents. This is the lowest the ratio has been in several years.

Looking at the overall ratio, though, does not tell the entire story. Based on the changes over the last few years, a larger percentage than ever of County staff is working within the Public safety and Judicial areas while support functions and others have seen substantial reductions in personnel. In fact, over two-thirds of County employees are assigned to Public Safety and Judicial. This is one way in which the County has honored the priority the community places on public safety.

The last few years have not been the best times for County employees just as they have been difficult for you and your employees. They have dealt with layoffs, mandatory retirements, growing workloads, increased benefits costs, and unpaid holidays. In addition, though, County employees have had to deal with the public's criticism of County decisions and to the drama which played out at levels above them. Despite the ups and downs of the past few years, County employees have continued to ensure services are delivered to our community.

These people are the primary reason that I can confidently and proudly proclaim to you today that the state of the county is strong.

Joyon, Kevin, Phil – Thank you and thanks to all of your colleagues for your commitment and dedication to Gwinnett County.

Accomplishments

As a further testament to the quality work of Gwinnett County employees, you'll find a document at your seats that outlines just some of the things accomplished by your county government in 2010.

While I can't take credit for these achievements, I am proud of every bullet listed, as well as the day-to-day operations of this organization.

But there is one accomplishment I'd like to highlight, because it is so much more than just a one-time achievement... it is a designation of the overall health of your county

government... and it represents over 20 years of hard work. Of course, it also saves Gwinnett taxpayers and water customers millions of dollars over the years. I'm talking about our triple AAA bond rating.

Being designated as one of a few dozen counties in the U.S. to have the highest credit rating for the past 13 years demonstrates a strong tradition of fiscal management, quality infrastructure, and leadership.

We are fortunate to maintain that rating during these fiscally and politically challenging times. Many other jurisdictions have seen their bond ratings drop. We are going to work hard to keep this coveted rating even though the County faces more challenging times over the next few years.

Challenges

Now I want to shift the conversation to talk more about some of our specific challenges and how we are going to address these.

County Workforce

Just as our employees are one of the most positive things the County has going for it, there are associated challenges. County employees have had a rough few years, and this has not been without effect on morale. Yet we depend on employees to be able to deliver services.

The County's single biggest recurring investment is in its workforce. The fire trucks, police cars, ambulances, courtrooms, computer systems, parks, roads, and bridges – all of these other investments would not be useful without the people who provide county services and maintain the infrastructure.

The reductions in force and early retirements of 2008 and 2009 changed the County workforce in numbers, experience, and expectations. We have a smaller, less experienced group of employees facing a higher demand for County services. And, they are coping with the public's overall frustration with government.

Our challenge now is to provide a sense of stability for employees in the midst of an environment which continues to change so that we can rebuild morale.

I want to enlist your help in this effort by asking that frustration with County government be directed at the organization's leaders where it belongs. Remember that, in many cases, County employees are your friends and neighbors – and they are part of this community. Your county employees usually are simply trying to do their jobs, which contribute to the economic vitality and quality of life in this County.

Financial Issues

The most immediate and pressing challenges this organization faces are financial.

County operations are primarily funded through property taxes, which have been a stable and reliable source of revenue for decades. However, over the past few years, nationally and in Gwinnett, real estate values have tumbled. That loss in value has resulted directly in a dramatic drop in our property tax revenue – 1.2 percent in 2009 and 8.1 percent in 2010 for a total of 9.2 percent prior to this year. We are projecting that the digest values will shrink almost 9 percent this year. Thus, this year's budget will be based on a digest that is over 18 percent less than the 2008 tax digest. This translates into a loss of more than \$70 million in tax revenues. During that same period in time, our population has continued to grow and many of our services have seen increased demands.

The 2011 General Fund Budget as originally adopted was based on using about \$38 million in fund balance. This meant that 2011 budgeted expenditures exceeded 2011 anticipated revenues by \$38. Over the course of the last few months, this gap has shrunk with the help of County officials and staff across the organization. Actions approved yesterday almost closed the gap although we still have to wrestle with setting the 2011 millage rate and the philosophy that will be applied (i.e., shifting .23 mills from bond to M&O, which translates into almost \$5 million in revenues). We also are anxiously waiting to see actual tax digest values. If these values drop more than the 8.7 percent projected, then property tax revenues will be less than currently anticipated.

As we have continued to find more areas where we can trim costs, the funds saved have been placed in a budget stabilization reserve. These funds are specifically accumulated to offset potential uncertainty in the tax digest values for 2011 and to prepare for future years. Forecasts for 2012 through 2014 indicate that the picture is no better going forward. The smart approach is to take steps now to prepare for future budget years rather than waiting to do so. Otherwise, more drastic actions will be necessary later.

Our departments and agencies are currently operating under instructions to review their operations to find more savings. As a result, the Board was able also to amend the budget yesterday to account for another \$530,000 in reductions. I want to commend all departments and agencies, including Constitutional Officers and Judges, for what they have accomplished.

We have underway a thorough examination of our employee benefits package. The County Administrator appointed an 11-member employee task force to work with our Human Resources staff and external consultants in this important effort. While we know that more changes must be made in order to control costs, we are committed to giving employees a say in this process, so employees will be given an opportunity to weigh in through focus groups and surveys.

In addition to those actions, we'll need to continue to hone our efficiency. We will explore additional areas where contracting with the private sector may help lower costs. However, we are approaching the point at which there will be few options other than

taking a harder look at the relative importance of services currently provided by the County.

In conjunction with the development of the Chairman's proposed budget for 2012, we will seek public input specifically on which services residents are most willing to see cut or eliminated.

To aid this effort, I intend to use an expanded Citizens Budget Review Team, which will begin its work earlier in the process than has been the case in the past. These folks will be asked to delve into County services and evaluate the relative merit of different services. I want to directly poll residents on their service priorities so that we can gain an accurate view of the public's opinion about the value of different services in comparison with others. Cost of services analysis will help us determine services for which we are not recovering an adequate portion of the actual costs for the service and give us concrete data on which to base charges for services.

I think it's important to remind everyone that Gwinnett County has overcome hard times like these before.

While most of us have never experienced an economic recession this severe, when we were going through our first waves of growth in the 70s and early 80s, this county government had to fund most of its operations and non-water-related infrastructure with a property tax.

We didn't have a penny sales tax like we do now. That puts us in a similar situation to the one we face today – making tough choices and prioritizing important services with no wiggle room at all.

Some of you may remember the days when the County scattered some gravel on a road, spread a little asphalt over it and declared it a paved road.

We worked through those tough times and moved on to achieve great success as a community. And together, we'll work through our current financial challenges too.

Economy and Jobs

Another way we hope to improve our financial position is to continue to work with Partnership Gwinnett to invigorate the local economy. We recognize that small businesses traditionally account for a large portion of job creation and typically lead the way out of recessions. We hope to piggyback on Partnership Gwinnett's small business development work plan to launch a new initiative to strengthen our small business environment. We anticipate reaching out to small businesses and business associations across the County to explore the barriers they see to success and what role County government needs to play in addressing these.

I specifically want this initiative to include a thorough review of County ordinances and regulations whereby we look critically at the necessity and effectiveness of all those

which affect small businesses. We know that many times the best thing that government can do is to get out of the way.

Infrastructure

Transportation and water and sewer continue to be the most important infrastructure areas that require attention. The role these play in economic development make them especially critical as we work towards recovery.

We continue to face challenges to our use of Lake Lanier as both a source of drinking water. We are dependent on the state to negotiate with Alabama and Florida. However, we are directly pursuing the right outcome through legal channels and discussions with the state and the Corps of Engineers regarding options. We cannot afford to ignore any alternative, whether the proposal to raise the level of Lake Lanier or partnering with other water systems on reservoirs.

We also must demonstrate an aggressive approach to conservation and wise use of water. Every year, we become better stewards of our water. Annual water usage in 2010 was actually down more than 14.5 percent from usage in 2006. With the completion of the pipeline from the F. Wayne Hill Water Resources Center to Lake Lanier last year, we can now return almost two thirds of the water we take from Lake Lanier back to the Lake and to the Chattahoochee River basin – and the water is cleaner than when we removed it. All of this positions us to argue convincingly that Gwinnett is doing its part to manage our water resources properly.

In the transportation area, we continue to move ahead with the projects which are funded with the 2009 SPLOST program. Of course, we now are involved in the process related to the proposed regional sales tax for transportation. For decades, the number one citizen complaint in Gwinnett County has been about traffic. Our local SPLOST program has funded substantial improvements inside the County over the years, but that hasn't helped us move across the metro area outside Gwinnett. Gwinnett, along with our neighboring counties, may soon have an opportunity to decide upon funding transportation improvements through voting upon a regional penny sales tax. First, though, the designated decision makers who make up the Regional Roundtable must grapple with development of a project list that will not only improve mobility, but which will also appeal to voters. Bucky Johnson, Mayor of Norcross and Roundtable Chair, and I are personally spending a lot of time representing Gwinnett's interests in this discussion and will continue to do so.

Service Delivery Strategy

As all of you know, the County and the 15 cities wholly or partially within Gwinnett have been unable to successfully negotiate a service delivery agreement as required by State law. This dispute is the subject of ongoing litigation, and the parties are awaiting the court's decision. However, I am happy to announce that the Board of Commissioners and Gwinnett's cities have resumed talks, at least on an informal basis, to resolve the lawsuit among ourselves.

One of the reasons Gwinnett has stayed ahead of the curve for decades is the partnership and collaboration among all of our community stakeholders. None of us in leadership positions at the County or in our cities want to jeopardize that successful tradition. This is a complex situation. If it were simple, Judge Barrett would have made a quick decision back in August when the trial wrapped up. However, we are going to try again to finally resolve the matter ourselves in a way that is reasonable and equitable.

Public Trust

As this Board grapples with all of these challenges, we recognize how important it is that we keep lines of communication open with you and all the community. We also recognize how important it is that you trust us to conduct your business.

I know that some have lost their trust in the Board of Commissioners over the past few years. My goal, and a goal shared by every commissioner on this Board, is to regain that trust. There are several ways we plan to do that:

1. Stronger Ethics Ordinance

All Board members agree that our Ethics Ordinance needs to be revised. I have proposed that we use the model ordinance drafted by the Association of County Commissioners of Georgia as our beginning point and pull the best provisions from other counties' ordinances. Our legal staff is in the process of putting recommendations together for consideration by the Board. I hope that we will be able to adopt a revised Ordinance within 90 days.

2. Revised Land Acquisition process

All Board members are anxious that we formally adopt a tougher process for future land acquisition. In the meantime, land acquisition activity, other than right-of-way for ongoing projects, has been temporarily ceased. Staff is drafting for Board review a recommended process that addresses concerns raised by the Special Grand Jury. I hope a final version of this process will be adopted within 60 days or so.

3. Communication

We are committed to making county government as transparent as possible. We plan to do this by:

- a) Continuing to leverage technology
- b) Continuing to post county business and news to our website at gwinnettcounty.com
- c) Continuing to email important information to you folks who subscribe to alerts and updates through our website
- d) Looking for other ways to provide you with information and to get your feedback, but we need your help. I encourage you all to sign up for our e-mail newsletters – like *News for Neighborhoods* or *What's New on TVgwinnett*.

We'd love for you to be able to take county government for granted, but I hope you won't. I hope you'll tune in to TVgwinnett on cable or at TVgwinnett.com and watch our Commission meetings. I hope you come to a meeting and speak when you have an opinion about a case or an issue. I hope you'll call our offices when you have a concern or a question. We intend to earn your trust, but blind trust in government is never healthy. We want you to be able to observe and participate to the point that you'll trust because you are able to verify.

Conclusion

So – yes, we have our challenges, but we are not going to sit and wring our hands. We are going to move forward and meet them head on. But let me remind you all again – we are Gwinnett County, and that means that we have the resources, the talent, and the community support to succeed. County government will continue to do its part. We've been doing it for decades, and the effects of this economic downturn may slow us down and force us to change our strategies. However, we still have a vision of what Gwinnett can be, and we are not going to give up on that. We are going to work hard to make it happen.

Of course, we can't do our job as a Board of Commissioners in isolation from the community.

(Directed to the audience) I hope that we can count on your participation and help. I look forward to working in partnership with you all and the rest of the Gwinnett community. Now, let's stop talking and get to work!

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