

## GRADY COUNTY BOARD OF COMMISSIONERS

### MEETING MINUTES

October 23, 2019 Budget Public Meeting 6:00 pm

The Grady County Board of Commissioners met on October 23, 2019 at 6:00 pm for the Budget Public Hearing meeting. Chair LaFaye Copeland, Vice-Chair Keith Moye, Commissioners Phillip Drew, June Knight, Ray Prince, County Administrator Buddy Johnson, County Clerk John White, Financial Director Holly Murkerson and Executive Assistant Mary Griffin were present.

Deputy John Jackson opened the meeting with prayer and the pledge to the flag.

Motion by Mrs. Knight, second by Mr. Prince to adopt the agenda as presented. The motion was approved.

#### Public Hearing

Mrs. Copeland reviewed the rules for the public hearing.

Mr. Johnson, County Administrator, opened the hearing by stating where we are in the budget process.

- There have been no changes to the proposed budget that would positively impact the millage rate increase needs for Grady County. We have made major overhauls of the failed financial reporting issues that plagued the County in previous years and through that process we have uncovered many shortfalls in revenues that are not performing or simply no longer exist.
- We have also uncovered many budgeting shortfalls that either were underbudgeted or simply not budgeted properly.
- We have inventoried our capital assets and equipment this past year which to no surprise is in dire need of updating in many Departments and Offices throughout the County.
  - Our Roads and Bridges equipment is extremely outdated and is costing us a large amount of funding through repairs and basic upkeep of old and outdated equipment.
  - The Sheriff's Office and jail both have requested over a half million dollars in capital asset needs, personnel, and equipment that they deem required for the performance of public safety.
  - EMS and Fire both need vehicles to replace the outdated or down vehicles in their departments.
  - We have undergone an emergency overhaul of the sanitation/garbage site issues in our County this year that will roll into 2020 to complete.

We have cut all the possible fat we can to offset some of these costs however the additional funding needs have unfortunately placed the County in an emergency budgetary crisis that will require increased revenues to correct the problems that persist and will not correct themselves without intervention.

- The County Road Maintenance/Construction needs must be addressed
- Construction Equipment/vehicles must be updated
- Public Safety Vehicles and Equipment must be purchased and updated
- Sanitation and garbage site renovation and restructure must be completed
- Bonds and incurred debt must be paid on time to avoid penalties and further credit rating drops.
- Tired Creek Lake maintenance and upkeep plus economic development research must continue.
- Lost Budgetary Revenues must be replenished with sustainable revenues
- **Note** we are utilizing fund balance moneys for this budget, but that fund balance cannot sustain the county over two years (even if the economy stays strong) and if no decision is made to increase the revenues, we will deplete the available cash fund balance by 2021.
- ☐ **Sustainable Revenue options for the County are generated in three basic ways.**
  - 1) Property Taxes
  - 2) Special Purpose Local Option Sales Tax (SPLOST),
  - 3) Local Option Sales Tax (LOST).

A fourth option is the Transportation Special Purpose Local Option Sales Tax (TSPLOST), which the county does not have available currently.
- **SPLOST passing will allow for some relief to the millage increase if passed by the voters on November 5<sup>th</sup>, 2019. (Approximately 2.75 mils)**
- **Millage increase needed is 4.75 prior to the SPLOST referendum.**

- **A mil is estimated at \$555,000.**
- **SPLOST Generates approximately \$1 . 5 Million per year.**

This past year, while a challenge, has been extremely productive and we are ahead of where I personally expected us to be as far as improvements and necessary structural changes.

- We have updated our required technical deficiencies that would have inevitably opened us up to cyberattacks and viruses going into 2020.
- We have made great strides in the administrative office as to the efficiency, effectiveness and oversight of the financial and human resources departments that were previously in total disarray and out of compliance to the point of significant findings in the annual audit reports. These findings have been corrected and we have put things in place that have us on track to ensure the audit will continue to show the county functioning above the basic requirements in 2020.
- We have mended all the government and many of the citizen relationships that were a hindrance to progressive success, and we are now working in unison for economic growth and positive changes for the future.
- We have attacked the garbage and trash issues head on and moved forward with a strategic plan to eliminate the sanitation problems that have embarrassed our great County in the past.
- We have attacked the road issues with what force we possibly could. Utilizing manpower and innovative ideas to overcome the shortfalls in equipment and funding.
- We have cleaned up our grant fund issues and are working to ensure the deficiencies in those areas are never repeated.

Above all we have turned the ship around for the county and in the right direction and now we must get the coal to produce the steam to make that ship move toward financial stability and economic success.

Paula Mobley 1450 5<sup>th</sup> St NW

Mrs. Mobley stated she is struggling now to pay her property taxes. She stated the Grady County taxes are \$400.00 more than some of her family who live in Gulf Breeze Florida. You can see pride in that community, and it is clean. If the property taxes are raised this much, then she will have to move. A lot of people live on shoestring budgets. Please reconsider raising taxes this much. Everything is going up. People must have food, medicine and transportation. Where is the money going? I do not see it with my eyes.

Amy Castleberry, 1476 7<sup>th</sup> St NW

Mrs. Castleberry granted her time to Richard Jordan.

Richard Jordan, 303 Jordan Rd.

Mr. Jordan has attended all the commissioner's meetings except since 2017. He watched things get voted on since then to show where we are at.

Did a competitive bid on employee health insurance that would have saved the county almost \$225,000.00 and did not go with the bid.

Lawn mower bid was approved with an additional cost of \$1,600.00 and had less warranty.

Changed the travel policy to a per diem rate of \$50.00 rather than a reimbursement rate.

Leased a 2019 GMC truck for the County Administrator at the cost of just under \$600.00 per month.

Paying Will Butler just under \$6,000.00 for consultant for the lake and not giving updates to the public.

Had two consultants give presentations that were tabled.

Been hearing that the previous administration did this but does not accept that. You all knew what you were getting when you signed up for this. Gave hats off to Mrs. June while her colleagues continue to ignore it. Do what is right.

Mr. Johnson requested a copy of all the numbers Mr. Jordan presented tonight and he will clarify the numbers at the November 7, 2019 meeting.

John and Barbara Herdsman, 985 5<sup>th</sup> St SE

Mr. Herdsman stated 2019 cost of living increase was 2.8% and for 2020 it will be 1.6%. You are talking about doubling the tax bill.

Mrs. Herdsman stated they have lived here for 20 years and seen a lot of things go and come. She stated they cannot afford the tax increase. Please reconsider the tax.

Terry Akridge, 111 Wood duck Dr

Does anyone know what we paid in Millage last year?

Mr. Akridge stated he hates to say this about the Boys and Girls Club as he is for those type of issues, but we just cannot afford it. \$20,000.00 is a lot of money and it is an issue. He also spoke about the Johnson Rd project and asked where the money will come from if it goes over the \$600,000.00 grant and he was told that it will come from the general fund.

Mr. Johnson stated he will send him information on the Boys and Girls Club.

Elaine Sasser, 411 11<sup>th</sup> Ave NW

Mrs. Sasser stated that 2 years ago her husband died, and her income was cut more than in half. She must make decisions on how she will pay things at home. She stated she cannot afford to pay the taxes if they keep going up.

James Lewis, Hwy 93 S

Mr. Lewis does not know a whole lot about you guys budget. He is just making an observation. He stated he feels the budget is where it is. He stated everyone he has talked to is in favor of the SPLOST and it is the fairest tax. Just consider where the money is coming from. He owns property in Tennessee, and it is half the amount of property tax, but they also have a sales tax of 12.75%. Tax increases effects everyone as increased property taxes are passed on to the renters. Hopes to find some other way to do this.

Mr. Johnson made it clear that Georgia Law stops us from raising the sales tax more than .01 at a time.

Betty Godwin, 369 Pine Park Rd

Mrs. Godwin stated that we all know about the storm Michael and that should have been considered before raising the millage rate. It should have been considered before giving money to a charity or a Christian organization. No citizen should have to pay taxes to give money to a religion. Grady EMC has had quite and increase in service charge for electricity that people are having to deal with. Concerning the SPLOST, according to the add it will allow the county to borrow several million dollars and citizens have no control over the projects and have no input on the projects. Mrs. Godwin feels that sales tax is not a good thing as people buy from catalogs. Mrs. Smith stated the county does not value the citizens and feels as if the citizens should develop a plan for the county and not someone who does not live in the county.

Gloria Smith, 885 Stagecoach Rd

Harm that was done to the citizens of the county with chicken houses. Mrs. Smith stated this is because the county needs money. There are 52 chicken houses in the northern part of the county. Need money for Tired Creek. Board does not care about the issues with the chicken houses. Same thing with the motor cross. Chicken houses are affecting the valuation of the property.

Kyle Miller, 142 Lakeview Dr

Asked why we are not using all taxes that are available.

Mr. Johnson stated that the process to put the TSPLOST in place has not been started but may very well be started in the future.

Mr. Miller stated we knew this was coming so why was it not already in place?

Mr. Johnson stated it was not in place when he got here and will be working to get it in place but must take things one step at a time and had to get the SPLOST renewed first.

Mr. Miller stated we need to promote growth and embrace the Motor cross racing as a source of revenue to be grown instead of fighting it. Need to reconsider the whole 30% tax increase thing.

Elaine Sasser asked if the SPLOST passes how much will the mill rate increase? Several commissioners stated that it would go up between 1.5 and 2 mills.

Barbara Herdsman asked what the commissioners are doing to ensure that all the county people are keeping their budget in line and making sure all the fat is in the budget?

Mr. Johnson stated he oversees the departments but not the budget of the constitutional officers. Mr. Johnson stated that he asked them to cut 2% off what they were already spending, and they did. There

have been lots of cuts and our employees do a tremendous job. The equipment is outdated, and they get everything they can out of what they have.

Betty Bearden, 2331 Ga Hwy 188

Mrs. Bearden asked if anyone knows how much the average per capita is in Grady County? Mr. Prince stated around \$24,000.00.

She stated the SPLOST would be great and is the only way we will sustain the county.

In Lowndes County they pay an extra tax based on the gross sales. She also stated that in Alabama and are over the age of 65, you do not pay property taxes.

It is hard to raise property taxes with the per capita of \$24,000.00. We need to increase industry in Grady County.

Richard Jordan asked why would we forgo a \$218,000.00 annual savings?

Mr. Johnson stated that he will research it and will respond to that at the November 7, 2019 meeting.

Gloria Smith asked what type of budget for Tired Creek Lake?

Mr. Johnson stated that the budget for Tired Creek Lake is \$534,893.00 and \$1.73 million for the revenue bonds.

Mrs. Smith asked if that budget included replacement of equipment worn out working on Tire Creek Lake?

Mr. Johnson stated that a lot of the equipment is in bad shape due to work done on Tired Creek.

Mr. Miller asked how much is owed on the Lake? Mr. Johnson stated that currently owed \$21 million dollars and if paid out it will be \$40 million if paid out through 2040.

Mr. Johnson stated that he needed to be clear that the bonds must be paid. You cannot default on the bonds or the Superior Court judge will be setting the millage high enough to pay the bonds.

Mr. Herdsman asked what income is being produced from the lake and Mr. Johnson stated around \$20,000.00 in the fishing fees.

Mr. Prince stated that taxes will start to come into the county.

Mrs. Copeland thanked people for coming.

**ADJOURNMENT:**

Motion to adjourn was made by Mr. Prince and second by Mrs. Knight. The motion was approved.

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LAFAYE COPELAND, CHAIR

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KEITH MOYE, VICE-CHAIR

ATTEST:

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RAY PRINCE, COMMISSIONER

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JOHN WHITE, COUNTY CLERK

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JUNE KNIGHT, COMMISSIONER

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PHILLIP DREW, COMMISSIONER

