

ENGAGE GWINNETT  
COMMUNITY SERVICES REPORT  
DECLINING DIGEST SCENARIO  
Worse Case

Scenario Background

As the Community Services work group neared completion of its initial recommendations, it was asked to consider recommendations if a scenario developed where the tax digest declined an additional 10% below 2010 levels. We were informed this scenario would result in a decline of \$34.0MM in property tax revenues from the General Fund and approximately \$2.9MM from the Recreation Fund.

Our work group discussed the implications of this scenario at length. Our shared, but not unanimous, opinion is that under this scenario a disproportionate reduction for Libraries and Parks & Recreation was appropriate to preserve the operational capacity of Public Safety, Courts, Fire and Emergency Services. Therefore, we offer the following recommendations for a declining tax digest scenario that are in addition to the “Status Quo” Recommendations included in our initial report, and included herein as reference.

Declining Digest Scenario Recommendations

**Health & Human Services**

1. Protect the level of funding for HHS from further cuts. Even under a declining digest scenario we believe the current funding for HHS is inadequate to meet existing needs or the anticipated needs over the next 5 years.

**Libraries**

1. Reduce the county contribution to the Library by \$6,500,000 or approximately 33% from current levels.
2. We anticipate this recommendation will require:
  - a. Immediate transition to a Regional Library System.
  - b. The closure of 4 libraries across the system. We recommend these closures should be equitably spread across the county geographically and in consideration of commission district boundaries by closing one library in each of the four commission districts.
  - c. Closed libraries should be either:
    - i. Converted into meeting space to generate rental revenue.
    - ii. Sold or leased.
    - iii. Used for other governmental purposes where needed.
  - d. Significant increases in user fees for past due books, inter-library exchanges, and room cleaning fees.
3. We also urge the Library Board to aggressively leverage the opportunity for sponsorship and naming rights at libraries that remain open.
4. Finally, we augment our previous recommendation related to increasing volunteer hours and recommend that the target be increased to 200,000 hours within 5 years.

## **Parks & Recreation**

1. We recommend that the Recreation Fund millage rate be reduced to 0.8 mils. We estimate this will result in a 19% reduction, or \$7.9MM, from the current Parks & Recreation budget. This includes the \$2.9MM from the reduced value in the digest and an estimated \$5.0MM from the millage rate reduction.
2. We anticipate this recommendation will require:
  - a. The indefinite deferral of the construction of any new parks or the expansion of any existing parks.
  - b. The closure of county swimming facilities or increasing fees to ensure they cover all operating costs. If facilities are closed, they should be sold where allowable by law.
  - c. An aggressive campaign to initiate sponsorships to parks, trails, etc. at county facilities. We note that recently the State of Georgia initiated such a campaign for state parks and we believe that this may also be successful at county facilities. We note the success the county has already seen in this regard at the Environmental & Heritage Center and Coolray Stadium.
  - d. The closure of parks. When necessary, we recommend these closures be equitably distributed across commission districts.
  - e. Significant increases in exchange revenue in areas or programs where fees are charged.
  - f. A significant and sustained effort to engage volunteer groups for park maintenance and improvements.

## **General Recommendations**

While the above recommendations are aggressive, they are insufficient to close a \$34.0MM gap. Therefore, we also include the additional recommendations that transcend beyond the scope of the Community Services work group.

1. Continue salary freezes across all staffing levels in all departments.
2. Initiate 10% salary reductions for all county employees making above 1.5x the median county employee salary.
3. Increase the General Fund millage rate by 0.5 mils.
4. Decrease the Recreation Fund millage rate by 0.2 mil (from 1.0 mil to 0.8 mil) to partially offset General Fund millage rate increase.
5. Increase impact fees for new residential developments.

## **Status Quo Recommendations**

*(Included here for reference.)*

In general, our recommendations below are delivered in the context of the 2010 budget and targeted to the Board of Commissioners. We recognize that in the scope of our work group, there are authorities (e.g., the Library Board) that are separate from the Board of Commissioners and their cooperation for the full implementation of these recommendations cannot be mandated by the Board. We recognize that after several decades of growth in the county tax digest, there is significant potential, if not a likelihood, that further erosion in the county tax digest will be realized in 2010, 2011 and possibly 2012. If this occurs,

the Board of Commissioners will need to make decisions that surpass the reach of the recommendations below.

### **Health and Human Services**

1. Protect the level of funding for HHS from further cuts. When possible, HHS should receive priority consideration for budgetary increases.
2. Establish a more efficient granting process that meets the current needs and anticipates near term future needs. This revised process for grant decisions should be results-based and strategic. It should consider appropriate accountability mechanisms, relevant needs assessments, and long-range strategic plans.
3. Commission a study for senior service needs assessments and the appropriate funding levels to meet the anticipated needs.
4. Advocate for state public health funding to be based on current population rather than 1970 population.

### **Library**

1. Defer the construction of any new library facilities for as long as is possible.
2. Use SPLOST funds to renovate existing libraries in ways that result in operational cost savings.
3. Maintain, or reduce, the county contribution to the Library budget. The county contribution to the Library budget should not be increased.
4. Leverage the influence of the Board of Commissioners to encourage the Library Board to:
  - a. Increase user fees (e.g., late returns) to result in an increase to 5% of the total budget.
  - b. Muster a volunteer recruitment, training and placement campaign, aggressively increasing volunteer hours at all libraries with a five year target goal of 100,000 volunteer hours per year.
  - c. Implement a flexible regional library system targeting a cost savings of 10%, or \$1,800,000.
  - d. Maximize new technologies in manners where operational efficiency, not new services, can be realized.
  - e. Re-engineer the model of maintaining degreed personnel to accomplish tasks that could be accomplished by non-degreed staff or volunteers.

### **Parks & Recreation**

1. Defer the construction of any new park and recreation facilities for as long as is possible. When new parks must be constructed under SPLOST requirements, engage surrounding communities to cover some or all of the operating expenses associated with these new facilities.
2. Use SPLOST money to renovate parks that will result in future operational cost savings. This may include natural landscaping, artificial turf, and “smart” lighting systems.
3. Recover more of the operating costs for active recreational facilities. This will involve additional user fees for active fields and facilities. Youth Athletic Associations should pay the full variable costs associated with their use of the fields, e.g., electric costs for operation of lights, field maintenance, etc. Other groups, e.g., traveling teams, for-profits, adult athletics, should be charged market rates.
4. Increase coordination with Gwinnett County Public Schools for use of ball fields, pools, etc.

5. Privatize, sell or outsource operations of active recreation facilities (e.g., county pools) or increase user fees so they are completely self-supporting, including future capital costs not covered by SPLOST.
6. Develop and implement a work out strategy for the golf course to alleviate future risk associated with the county's debt obligation.

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