

Budget Questions sent in 12/2/15 by a Whitfield County Citizen:

1. I understand that you don't think you can reduce the budgets for constitutional offices but why are their departments included in COLA? Have you asked our attorney or other counties how they manage their constitutional offices budget requests?

Answer: The benefits of the constitutional officers and their employees fall under and are paid through the County budget. The salaries of the constitutional officers are set by the State. Pay scales and benefits for all the County employees are handled through the Human Resources Department. Pay scales are based on position classifications. The Whitfield County Chief Financial Officer has visited other county CFO's and compared financial operations and procedures. We compare ourselves to other counties on spending per capita, number of county employees per capita, total spending and millage rates.

2. Why is the Family Support Council included in the general budget?

Answer: Whitfield County has supported the CASA (Court Appointed Special Advocates) program since it became a program of the Family Support Council in 2004.

3. What is the justification for the recreation department increase?

Answer: The original Recreation 2016 budget request was an increase of 12.8% over the 2015 budget. This increase is due to 3 factors. First of all, there are the personnel benefit factors. Pension has been put back in the budget and that expense accounts for 1.3% of that 12.8% and increased health insurance costs account for 2.0%. Secondly, a new Program Coordinator position is being funded which accounts for 4.5% of the 12.8%. This position is needed due to the increased participation in the sports programs. Correspondingly, revenue generated by the Recreation Department is projected to increase by almost \$30,000 which covers about 72% of this new position. Thirdly, 2.6% of the 12.8% increase is due to operating expenses for the new gym at Edwards Park. However, the plans now call for that facility to not be operational until early 2017. Therefore, we have been able to reduce the 2016 budget request and the increase over the 2015 budget is now only 9.3%.

4. Why the 10% increase in the Transit System budget?

Answer: The Transit budget has increased mainly due to the county-wide COLA of 3% and the pension funding. 84% of Transit's budget is projected to be funded by grants and fare revenue.

5. Why a 41% increase in the Public Safety travel?

Answer: In the area of Public Safety travel, the 2016 General Fund budget shows an increase of only .5% from the 2015 budget and an increase of only 3.8% from the 2014 budget. When comparing the 2016 budget to 2014 actuals, there is a 39.22% increase for Public Safety travel. The main driver behind this difference is in Corrections. For the budget years of 2014-2016, their travel budget has been set at \$57,500. Certification for Corrections is a long process and thus increasingly expensive and maintaining certification requires continued training. In addition, Corrections has historically experienced high turnover which is one reason in 2015 that Public Safety salary adjustments were approved.

6. Why such a large increase in the District Attorney budget?

Answer: In 2007 the sitting DA and the sitting BOC agreed to a State contract where all the assistant DA's would be paid the same and receive the same State benefits and the State would be reimbursed by the County. The cost of benefits to the State have skyrocketed over the past few years, especially for retirement. The BOC has negotiated with the present DA to bring the employees off of that system. There will be some savings this year but most of the savings will appear in 2017 and forward.

7. How much do we pay for the Trade Center?

Answer: The County is budgeted to provide a total of \$611,501 to the Trade Center for 2016. \$418,644 is to be paid from the County's General Fund and \$192,857 is to be paid from the County's Hotel/Motel tax. The BOC is in discussions with the City of Dalton about the costs at the Trade Center. The City of Dalton receives enough Hotel/Motel tax to pay its share of the over-run from those taxes. The County does not receive enough Hotel/Motel tax to cover the over run and has to pull money from the General Fund to cover part of the over run. The Trade Center costs have been addressed many times in the past and different management systems have been tried. Like most Trade and Convention Centers, it does not bring in enough direct income to cover its costs. Trade Centers contribute to the local treasury through the spending of the guests who come to town to use the Trade Center. The local Trade Center is hampered by not having a connecting Hotel.

8. Why the line item for the Joint Development Authority?

Answer: The JDA is funded through the Special Tax District. The JDA pursues economic development through new and expanding businesses.

9. Why not sell property in Carbondale Business Park?

Answer: The BOC has listened to the community which is saying that the County economy needs to be diversified. The Carbondale Business Park is the best chance at doing that. It is a GRAD (Georgia Ready for Accelerated Development) that is on the State Department of Economic Development list of sites to show to businesses interested in doing business in GA. It brings business contacts to our area even if they don't locate in the park. The most recent new business is a good example of a company that came because of our park but was placed in another area that fit their needs better. Selling the Carbondale Business Park at bid or auction would not fit the present plan for economic development in the County.

10. What is the cost to the county for economic development?

Answer: The better question is what is the cost to the County for no economic development support? The present BOC has determined to be competitive with other counties that offer support and incentives to attract and keep business. The County dedicated \$16,695,000 toward kicking off this economic development support. This money is in the support of three large businesses built since 2010 and the purchase and development of the Carbondale Business Park. The payment toward the bonds is currently \$1.9 million per year. Three of the bonds had terms of 10 years and will be paid off in 2019, 2020 and 2021. The fourth bond will be paid off in 2025. There are also tax abatement costs that vary from business to business depending on amount of investment by the company, number of jobs produced, and average employee pay. The County also has "claw-back" clauses in all the agreements concerning tax abatements that state that the County will collect the abated taxes if the company does not reach the promised investment, # of jobs, or average pay.