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Coweta County Board of Commissioners

Called Meeting/Work Session

Tuesday, July 25, 2023 | **3:00 PM** | **Commission Chambers**

~ Minutes ~

COWETA COUNTY BOARD OF COMMISSIONERS

Call to Order

Attendee Name	Title	Status	Arrived
John Reidelbach	District 4 - Chairman	Present	
Paul Poole	District 1 - Vice Chairman	Present	
Bill McKenzie	District 2	Present	
Bob Blackburn	District 3	Present	3:04 PM
Al Smith	District 5	Present	
Michael Fouts	County Administrator	Present	
Kelly Mickle	Assistant Administrator	Present	
Eddie Whitlock	Associate Administrator	Present	
Nathan Lee	County Attorney	Absent	
Shannon Zerangue	County Clerk	Present	

The Honorable Board of Commissioners of Coweta County, Georgia met in Called Meeting/Work Session on July 25, 2023 at 3:00 p.m.

REGULAR SESSION

1. 13968 Discussion Regarding the Fiscal Year 2024 Budget

Administrator Fouts explained that the budget is presented to the Board at a Public Hearing each year followed by adoption at a separate meeting, but given the needs of the organization and other factors, staff requested that the Board conduct a Work Session to garner feedback from the Commissioners prior to finalization of the proposed budget. The first step crucial to the process is the adoption of the millage rate. He expressed appreciation to the Coweta County budget team (Finance Director Hans Wilson, Assistant Finance Director Amy Henson, Budget Analyst Jennifer Dailey, and Assistant Administrator Kelly Mickle) and explained that the Department Directors and Elected Officials have been working diligently on their budget requests and many are present to field any questions from the Board.

Administrator Fouts provided a history of the incorporated and unincorporated millage rates since 2000. He also provided a history of the countywide net tax digest and millage rates explaining that the total digest of all properties (county and all municipalities) during that time frame has increased from $2.49 billion in 2001 to $7.93 billion in 2023. He pointed out that throughout the years as the digest has grown, the millage rate has been reduced. He noted that since 2000, the Board has only increased the millage rate four (4) times to fund strategic operational enhancements, including a state mandated stormwater requirement.

Administrator Fouts reviewed the millage rate and budget timeline and highlighted the following Fiscal Year 2024 initiatives and goals:

- Maintain current levels of service, programs and operations
- Consider a per diem for board/authority members

- Fund annual performance/merit increases for employees
- Reimburse Firefighter and Peace Officers' Annuity and Benefit (POAB) fees for participants
- Absorb health insurance increases
- Support critical personnel requests including some support staff for a third State Court Judge and the Jail Expansion
- Fund necessary capital and debt service

Administrator Fouts fielded questions from the Board regarding staffing requests by the Sheriff's office, staffing for the new Jail expansion, recruitment, training and certification of Detention Officers, target date to open the new Jail expansion, safety enhancements for patrol cars, and existing vacancies at the Sheriff's office versus new positions.

Associate Administrator Whitlock fielded a question from Commissioner McKenzie regarding whether equipment for the infirmary and kitchen at the Jail expansion had been ordered explaining that the project team has been doing a good job integrating lead times for materials and equipment.

Major Warren Campbell explained that currently the Sheriff's office has 18-20 existing vacancies at the Jail and 9-12 existing vacancies in the Patrol Division. There are 15-18 existing vacancies across all Divisions for sworn officers, and sworn officers differ from detention officers in the Jail division.

Commissioner McKenzie explained that his constituents have expressed concerns regarding the ongoing costs associated with personnel and do not understand why the vacancies need to be filled if there are no issues with operations without those positions. He also expressed that if it has been difficult to fill existing vacancies, it will be just as difficult to fill new positions when the Jail expansion is completed. In closing, he expressed his belief that all vacancies need to be filled as quickly as possible for all County departments.

Major Campbell noted the effects of the COVID-19 pandemic on the work force and explained that operating with a "skeleton crew" is unsafe.

Administrator Fouts also explained that to date vacancies at the Jail have been managed by utilizing existing employees to work overtime hours. Overall, all public safety departments have faced challenges with filling positions related to the pandemic.

Major Campbell fielded a question from Chairman Reidelbach regarding vacancies in all Divisions at the Sheriff's office through 2023.

In response to a question from Commissioner McKenzie regarding personnel versus capital needs, Major Campbell explained that personnel might be more expensive long-term, but the Jail has 408 beds and averages 435-450 inmates per day. Additionally, continuous staffing shortages coupled with overtime is unsafe and results in burnout.

Assistant Administrator Mickle clarified that staff does not budget the full per employee cost for health insurance for every vacant position as a means to reduce the overall budget.

Chairman Reidebach explained that the majority of the capital costs are funded by Special Purpose Local Option Sales Tax (SPLOST) which cannot be used for operational costs.

Administrator Fouts explained that in the current proposed budget staff is supporting approximately $1 million of non-SPLOST expenditures for the Sheriff's office that will be funded from the General Fund in addition to the SPLOST projects.

Major Campbell fielded questions from Chairman Reidelbach regarding remaining competitive in the job market. He explained that pay/benefits, incentives and benchmarks, core values, and a focus on creating successful team leaders are tools that help the County retain employees.

In response to a question from Commissioner Smith regarding contributions from the municipalities to help fund the County Jail, Administrator Fouts explained that the County Maintenance and Operations (M&O) millage rate applies to every property owner regardless of where he/she lives, so the taxpayers help fund that operation. In addition, the Sheriff has agreements with the various municipalities associated with a small per diem. The next draft of these agreements will take into account what is needed to help offset these operational costs.

In response to a question from Commissioner McKenzie regarding SPLOST funding, Administrator Fouts explained that SPLOST law does allow for Level 1 and Level 2 funding of projects. The Justice Center and Historic Courthouse are examples of Level 1 projects. Level 2 projects are designated for countywide services provided for all citizens, but SPLOST funds can only be utilized for capital projects not operational expenses.

In response to questions from Chairman Reidelbach regarding funding from the School System for School Resource Officers (SROs), Administrator Fouts explained that the School System currently funds 65% of the costs for labor and 100% of the costs for vehicles. The County and the School System each share 50% of the costs for equipment (weapons, training, etc). Additionally, the School System plans to purchase four (4) SRO replacement vehicles for 2024.

In response to a question from Commissioner Poole regarding the cost of health insurance, Administrator Fouts explained that the broker is estimating a 4-9% increase in costs. In the proposed budget, staff projected a 5% increase and is trying to accommodate the increase so that the cost will not be passed along to the employees.

In response to a question from Commissioner McKenzie, Administrator Fouts explained that staff has considered/explored alternate ideas such as an on-staff nurse practitioner. There are counties nearby that have had some success with this model so staff is revisiting the idea to determine the pros and cons. Previously, staff even considered partnering with the School System and the City of Newnan regarding this possibility.

Administrator Fouts continued his presentation explaining that staff is projecting $7-$8 million additional revenue and the draft budget is based upon the Board taking the full rollback when setting the millage rate. As projected with the requests staff is supporting, there is a deficit of $3.4 million in the proposed budget which does not include costs associated with the addition of Jail staff or additional capital items that are not included. Staff is seeking the Board's direction regarding the proposed budget as to whether to make additional cuts or consider utilizing Fund Balance to balance the Fiscal Year 2024 budget. Finance Director Wilson is projecting the Fund Balance to be approximately $34 million at the end of Fiscal Year 2023. During Fiscal Year 2023, some Fund Balance has been earmarked for certain capital projects.

In response to a question from Commissioner Smith regarding the rollback, Administrator Fouts explained that each year staff presents a balanced budget for the Board's consideration. Staff has based the proposed Fiscal Year 2024 budget on the assumption that the Board will set the millage rate based upon adopting the full rollback. The largest portion of the County's budget is personnel and benefits which correlates with the fact that the County provides services to its citizens.

Chairman Reidelbach explained that he does not have an objection to utilizing some Fund

Balance to fund the deficit in the proposed budget, but expressed his belief that the Board should consider adopting a Fund Balance Policy to establish a threshold and protect the County's credit ratings.

In response to a question from Commissioner Smith, Administrator Fouts reiterated that the proposed budget is based upon the assumption that the Board will adopt the full rollback rate when setting the millage rates. He further explained how the rollback rate is determined by the State of Georgia and explained that should the Board choose to hold the millage rate the same, it is considered an increase.

In response to a question from Commissioner Poole, Administrator Fouts explained that he is unsure what the School System and the City of Newnan have decided regarding their millage rates.

Commissioner McKenzie expressed appreciation to staff for the work they have done to establish the proposed budget. However, his constituents are concerned about rising costs and their personal budgets. He requested that staff, the Department Directors and Elected Officials revisit their requests and determine those items that are an absolute necessity.

Commissioner Poole and Commissioner Blackburn expressed appreciation to everyone in attendance and to the budget team and all the departments for their hard work.

In response to a question from Chairman Reidelbach, Administrator Fouts explained that based upon the feedback from the Board, staff will re-evaluate the proposed budget for additional cuts/savings. Additionally, staff will draft a Fund Balance Policy for consideration by the Board at a future meeting.

In response to a question from Commissioner Poole, Administrator Fouts explained that public safety is the primary share of the County's budget.

In response to a request from Commissioner McKenzie, Administrator Fouts explained that a third State court Judge was approved by the Georgia General Assembly to be effective July 1, 2024. Staff is anticipating a decision by the Governor in the second quarter of the year. Aside from the Judge's salary, the largest impact to the budget is the additional staff that will be required from multiple agencies to support a third State Court Judge, including the State Court Clerk’s office, the Solicitor’s office, Adult Probation, and the Sheriff’s office.

Finance Director Hans Wilson noted that the current millage rate is used as the basis to calculate to following year's millage rate. Additionally, he noted that the County was affected by increases in the Consumer Price Index (CPI) across non-personnel operating costs, such as the cost of food and groceries for the prison and the rising cost for health insurance benefits.

In closing, Administrator Fouts pointed out to that the State of Georgia is providing a one-time tax credit to property owners in 2023. Property owners with the homestead exemption will receive a reduction in their assessed value of $18,000. This tax credit will most likely not be given by the State again next year which will look like a tax increase on next year’s assessment notice and tax bill.

Chairman Reidelbach called for any further discussion. There was none.

RESULT:	**ACCOMPLISHED**

ADJOURNMENT

Motion To: **Adjourn**

The Board voted to adjourn the meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Bill McKenzie, District 2
SECONDER:	Paul Poole, District 1 - Vice Chairman
AYES:	Reidelbach, Poole, McKenzie, Blackburn, Smith