



Fulton County 2009 Budget Update:

The Fulton County Board of Commissioners adopted the 2009 countywide General Fund budget along with various other county budgets at its meeting on January 20th. The final General Fund budget was passed on a 4-2 vote (**Yes** = Boxill, Darnell, Eaves, Edwards; **No** = Riley, Pitts; **Not Voting** =Lowe). While the 2009 General Fund budget contains many good policy initiatives, I could not vote in favor of the final version. I have no confidence in the projected revenues for 2009. Our current economic conditions have caused many public and private organizations to modify revenue projections, but Fulton County has not followed suit. Should our revenues be lower than projected, the Commission will be forced to make spending cuts at mid-year. I feel that a more prudent course of action would be to proactively restrict spending. We must anticipate lower sales tax revenues, lower fees and lower investment income. We should expect reduced property tax collections, in light of the foreclosure rate, an increased homestead tax exemption, and the wave of property value reductions that so many taxpayers are requesting in 2009.

I did not vote in favor of the 2009 South Fulton Special Services District Fund. My colleagues approved a 2.5 mil increase in the tax rate for South Fulton property owners, an action I could not support. This budget also included the use of prior year's reserve funds in the amount of \$2 million dollars. I have always opposed any subsidy from a reserve account to pay for current year's operations, and will continue to do so in the future.

Grady Health System

The Board of Commissioners set Grady's annual appropriation at \$50 million for 2009. Funds will be released to the Health System on a monthly basis following the receipt of substantiated evidence of patient care eligibility. An additional \$26.5 million was placed in a contingency fund that would be released only if Hospital Authority officials complete the negotiation of updated contract terms with Fulton County. Information provided by Grady officials indicates that Fulton County incurred only \$22 million of true indigent care responsibility in 2007, but provided the Grady System with over \$85 million in funding that year. Fulton County paid \$80 million in 2008 to Grady, again without any evidence of true costs incurred. The motion passed 4-3 (**Yes** = Riley, Pitts, Edwards, Darnell; **No**= Boxill, Eaves, Lowe).

Other Post Employment Benefits (OPEB) Resolution:

Fulton County has established and maintains certain employee and retirement benefit plans that provide post-employment benefits other than pensions ("OPEB"), including but not limited to medical, dental, vision and prescription-drug coverage, to participants and their dependents who are eligible for coverage.

In an effort to save taxpayers millions of dollars, I introduced a resolution last January (co-sponsored by Commissioner Boxill) to create a trust fund that will generate investment revenue to help offset costs the county incurs in providing post employment benefits. The resolution passed in January 2008 5-1 (**Yes** = Riley, Lowe, Eaves, Darnell, Boxill; **No** = Pitts; **Not Voting** = Edwards). I am happy to report that the Board of Commissioners began the process of funding this trust by allocating \$2.185 million to it for 2009.

To view the final 2009 Budgets, please visit my website: www.lynnriley.com