

**2010 CEO Budget Meeting
St. Timothy's United Methodist Church
February 11, 2010**

Jana Johnson, Chairman of the PRISM Board opened the session by welcoming participants and introducing CEO Ellis.

CEO Ellis then welcomed the attendees and acknowledged the elected officials present: Senator Steve Henson, Councilwoman Rose Marie Nelson, Councilman Emmanuel Ransom, Judge Purdom, State Representative Michelle Henson, Councilwoman Swaney and Mayor Swaney, Commissioner Barnes Sutton, Sheriff Thomas Brown, and Chief Judge Nellie Willis.

The CEO then made opening remarks regarding the difficult budget process in the current economic climate and gave a general overview of the proposed budget. He stated that he believes that the budget his administration has prepared will put DeKalb County in a strong position once the economy rebounds.

CEO: Slide presentation of DeKalb County 2010 Budget

Questions/Comments:

1. Sheriff Brown noted that he has prepared a DeKalb County budget over his long career as a DeKalb County employee. He noted that he understands the struggle to balance the budget and strongly agrees that Public Safety has to be the hallmark of the County budget. He went on to say that he is speaking as a taxpayer in DeKalb and is very concerned with the budget and its impact on Sheriff's Office should the tax increase not be approved. What dialogue if any is taking place to ensure that the Commissioners understand the relationship and operations of how this government works before only looking at the raw numbers from the budget proposal?

Response from the CEO: All of us as elected officials try to listen and sort out and keep an ongoing dialogue between the CEO's office and the Board of Commissioners as well as conversations with the public and our employees. We anticipate there will be more changes to the budget. We do not want to start out with a false premise. We are not in a conventional wisdom time. We need to hear from the public. We have reached that level where we can adjust the budget a little bit but we cannot cut our way out of this deficit. I think we have put together a responsible budget and it is not in my vested interest to grand stand. We worked with a professional trained finance staff to come up with this budget.

2. Mr. McKenzie? - Public Safety is a number one priority and they are the salt of the earth. In regards to the \$75 increase, are the Commissioners aware of this number? We are not talking a lot of money. If they vote not then we have a bigger problem than this budget. It is not a lot of money.

-The CEO asks for comments from any available Commissioners. Commissioner Johnson just happened to be walking in at this time but no other Commissioners are available to comment. Commissioner Barnes Sutton had stepped out of the room.

Response from the CEO: We will be spending the next two weeks working on this budget and we need to hear from you. If you do nothing then it will not happen. If you want us to do something other than this then tell us but you need to also understand the impact it will have on all of us. Don't stop with just your immediate representative or Commissioner, call all of us and show up at meetings.

3. On slide number 28, due to state legislation....can you elaborate on that?

Response from the CEO: Challenging Economic Environment slide: In regards to the loss of property tax digest by \$1 Billion. They have put a freeze on the amount that the assessed value can be increased. Once the economy begins to rebound we will have a cap on how high we can assess your property. To equalize the property values we have been forced to do a millage increase.

4. Judge Carriere - The arrest does not make our neighborhood safe it is the follow through that makes the neighborhood safe. I support the \$75 increase. Asked 2 questions of the audience, what is the single most important factor in the value of real estate? The answer is location. 2. What is the single most important factor in a relationship? The answer is communication.

Response from the CEO: I do not want to minimize what we are asking you to do because we understand that there are other increases you have to deal with, including fuel and groceries. We understand there are other sacrifices you have to make too. Even in putting together this budget to protect public safety we did not really do enough to protect our court system so we are making some adjustments. We will try to figure out how to incorporate our court system responsibly.

5. I work in the finance dept under Dr. Bell. I know that we have streamlined and I feel we will have to tighten our belt. I want you to consider the burden on us from furloughs and the increased pension contributions. We need to find a balance and help employees to understand that it is not so one-sided so that it will not affect morale.

Response from the CEO: There are some proposals on the table including more furlough days even after streamlining the workforce. There is a proposal to change the pension contributions. We cannot balance the budget just on the backs of the employees. We have to smartsize and not just downsize so that we can maintain a responsible level of public safety and customer service.

6. I am the treasurer for the Memorial Drive Presbyterian Church on Memorial drive. We have had some break-ins. The police took the report over the phone. I am looking for a bigger police presence in our neighborhood. It is frustrating.

Response from the CEO: Introduced Chief O'Brien and stated he would talk with the gentleman after the meeting.

7. Judge Purdom - I want to echo what Sheriff Brown stated. There is more money to be made up...possibly around \$20 million. I would ask people to not stop paying attention to this on Feb 23rd. We need to know that it is highly unlikely we can balance the budget just on the backs of the employees.

Response from the CEO: Understand that what I do as a CEO is to propose a budget. It may look very different in the end. You have to keep pressure on me and the Commissioners. The Commissioners actually adopt the budget. Should we have to make an adjustment mid-year, there may be more cuts. Do not be distracted. In regards to the CEO budget and what you may have heard in the media, we cut our budget 6 ½% last year, we have taken on more functions within the CEO's office and that is the reason for the reported 17% budget increase. Over the last year, the CEO budget overall is coming down. My budget has gone up 9% and the Board of Commissioners budget went up 17% and both went up for the same reason, we both took on additional responsibilities. You have to look at it holistically to get the whole picture. This economy cannot be explained in a soundbite for the media.

8. Explain to the public and Commissioners that a reduction in public safety will lead to a big impact on services. We will end up paying more to recapture what we would lose if we do not pay these dollars now.

9. Once you raise taxes they rarely come down. What are we going to do when the recovery comes?

Response from the CEO: Even as property values are down, there will be a cap on the assessed value of your property. As your assessed value goes up we would not be able to raise your taxes beyond the 3% cap.

Dr. Bell stated that under law we cannot go above what the value was in Jan 2007.

CEO stated that it allows you to get a re-assessment if it falls but we cannot increase it above 3% each year. I understand that we compare what we paid last year and what we paid this year but we need to look at neighboring jurisdictions and you would be paying a significant amount more. Millage rates can be adjusted down but right now everything has been adjusted up.

10. I would be happy to pay if I knew that some of that money was going to our local libraries. They are an important part of DeKalb and I don't want to see them taken away.

Response from the CEO: We may be looking at closing libraries on certain days and/or a reduction in library services if we do not do this increase.

11. I moved from Detroit, 8-9 months ago, to the Wade Walker Park area, because of the beauty of the park. We have been having some wild dogs in the area and it had become dangerous for my young children to play outside since we live directly behind the park. We happened to notice the police presence in the park and we are thankful for it. \$75 more is not too much. I am also starting an architectural charter school and would like your support.

Response from the CEO: Thank you very much for your comment. Public Safety is very important and I would like to talk with you about the charter school idea.

12. The basic role of government is to protect us from crime. If there are cuts to public safety, courts, etc. there will be a domino effect. I agree. Please leave Public Safety alone.

The CEO concluded the meeting by thanking participants for engaging in the conversation and reminded everyone to stay involved and to make their feelings known to him and the Commissioners.

Representative Michelle Henson thanked the attendees for coming and invited them to visit the PRISM website.