

# No New Central Library At A Cost Of Over \$200 Million!



could easily serve as the Central Library for decades to come. The FCTF has requested a copy of any Feasibility Study for the new Central Library. **According to a County Commissioner, there was never any feasibility study done on the Central Library project.** I personally visit the Central Library several times each month to conduct research for the FCTF newsletters. I can attest the facility is in reasonable condition, but sadly under-utilized.



In an effort to present all the facts, the proposed new Central Library will only move forward if the voters approve of the referendum and if the private donations are raised to match the funds included in the proposed bond referendum. If the referendum is approved by the voters, 8 new libraries will also move forward as phase one. The proposed Central Library - included in the same referendum - will be funded no later than five years after the first issue of bonds for the 8 new libraries. If sufficient matching contributions for the new Central Library have not been raised during the five year period, the existing Central Library will be renovated.

In times of the worst financial crisis since the Great Depression, it is not fair to the taxpayers that the Board of Commissioners has passed such a huge, unnecessary expenditure, even with the private sector fund-raising initiative.

The New Central Library referendum will appear – together with other new libraries – on the November 4<sup>th</sup> ballot. **Taxpayers of Fulton County should vote based on the facts.**

John S. Sherman  
President,  
Fulton County Taxpayers Foundation

**Background:**  
On November 4<sup>th</sup>, a referendum on new libraries in Fulton County will be voted on by the voters of Fulton County. Included among the new libraries is a new Central Library in downtown Atlanta at a cost of over \$200 million + interest on the bonds.

**Current Situation:**  
We are currently facing unprecedented economic times. The financial crisis in the US is not just limited to exotic forms of financial instruments like interest rates swaps and collateralized debt obligations.

A recent New York Times article (September 27, 2008) headlined “Municipalities Also Find Credit Is Scarce”, outlines the current challenges in financing city and county projects. The article highlights several city and county projects across the country that failed to raise the necessary bond issues. According to The Bond Buyer, a trade publication, “Investors shied away from municipal bonds, traditionally considered among the safest investments. As a result, yields on municipal bonds rose to their highest level in nearly nine years, 6.28 percent.”

Given this situation, it behooves the Fulton County Board of Commissioners to clearly distinguish between Discretionary and Non-Discretionary Expenditures. Surely, a new public library at this time is unnecessary.

Based on moderate to low customer-usage, the present Central Library – designed by the world-renowned architect Marcel Breuer – is perfectly suited to continue as a Central Library. The size of the present Central Library is 280,000 square feet. With the internet taking the place of libraries, the present Central Library

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# FULTON COUNTY TAXPAYERS FOUNDATION

501©(3) Non-Profit Advocate of Lower Property Taxes in Atlanta/Fulton

November 2008

## Fulton County: Wasteful & Unnecessary Spending Resulting In A Financial Crisis!

### The Problem

Several months ago, the Fulton County Finance Department informed the Fulton County Board of Commissioners of the financial outlook for the 2009 budget. According to the County Finance Department, the County’s projected revenue is \$615 million versus projected expenditures of \$689 million, a projected deficit of \$74 million. A large portion of Fulton County reserves have already been used in prior years to balance the County budget. Unless the wasteful and unnecessary spending stops, the financial rating of Fulton County will be down-graded.

### What Do Governments & Corporations Do In A Recession?

Governments and corporations drastically cut waste, unnecessary expenses and surplus employees during a recession. According to the official Fulton County “Funded Positions & Personnel Overview”, Fulton County employs 6,037 Full-Time Employees, 362 Part-Time Employees, 713 Temporary Positions, and 30 Seasonal Positions, in all funds, as of September 15, 2008.

### Ten Steps Which Taxpayers Feel Should Be Approved & Implemented Without Delay By The Fulton County Board of Commissioners:

**1. Significantly Reducing the Number Of County Employees:** Fulton County employs over 7,000 employees, full-time, part-time, temporary, seasonal., Similar size counties – with 95% incorporated areas - average **3,800 employees**. Each of the incorporated cities provide Police, Fire, Parks and Recreation, Public Works, Planning & Zoning, etc. To his credit, the recently appointed County Manager Zachary L. Williams, is developing a Performance Audit Program to formulate production and quality metrics for every County job, thereby reducing waste and non-productivity.

**2. Reducing the Cost of Government:** Outsourcing all County services other than Police and Courts, with the employees of each Department competing with the private sector. **According to the Reason Foundation, a growing number of counties have outsourced most of their operations.**

**3. Sell Or Lease County Property:** The County owns many properties that should be considered for sale or lease. Fulton County, for example, should not be in the airport business. **In the midst of an economic recession, Fulton County should consider selling or leasing Charley Brown Airport.**

**4. Limit County Spending:** There must be a legal requirement that states “appropriations and expenditures as approved in the final budgets for the General Fund and the Special Services District Funds shall not exceed anticipated revenues projected by the Finance Department. **Final budgets should not utilize surplus or reserve monies.**”

**5. Incremental Revenue Initiatives:** An example is combining Fulton County services with other regional counties to effect economies of scale.

**6. No New Central Library At A Cost Of Over \$200 Million:** Based on customer usage, the present Central Library (designed by the world-renowned architect Marcel Breuer) is perfectly suited – with cosmetic improvements - to continue as a Central Library. I research at the Central Library, visiting at least three times monthly. The C. Library, when I visit, is a huge facility with few occupants. In times of an economic recession, it is disheartening for the Board of Commissioners to have passed such a huge, unnecessary expenditure, even with the private sector matching fund-raising initiative. In view of the present financial recession, the taxpayers should insist that the Board of Commissioners reconsider their vote. **Fortunately, the taxpayers will have the opportunity to voice their vote in a Referendum on November 4<sup>th</sup>.**

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**7. Wolf Creek Amphitheater In South Fulton Costing Over \$6 Million On A Non-Essential Government Project:** On April 2<sup>nd</sup>, the Board of Commissioners approved a construction contract of over \$6 million for the Wolf Creek Amphitheater in violation of its own Board policy. (Yes=Boxill, Darnell, Edwards, Eaves; No=Lowe, Riley; Not Voting = Pitts). A Resolution adopted by the Board of Commissioners in 1999 calls for staff to advise the Board of the total fiscal impact of all capital projects before approval of a project. This includes planning, design, engineering, land costs, construction, equipment and furnishings, annual maintenance of the facility, landscaping, annual operation including staffing, utilities, telecommunications, computer service charges and other recurring expenses associated with the facility. **This did not occur in this case.**

**8. South Fulton Fire Department At \$15 million:** There are over 151 personnel in the South Fulton Fire Department, with a projected budget of \$15 million, the highest expenditure in the South Fulton Tax District.. In 2002, Bain & Company prepared the Turnaround Plan for the City of Atlanta, On page 53, Bain describes outsourcing services (with government employees competing with the private sector). **Included among the government services is “Fire Services” with potential savings of up to 50% .**

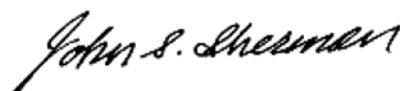
**9. Collecting Over-Due Invoices:** According to a memo dated May 20<sup>th</sup>, 2008 from Dr. Kim Turner, Interim Director, Dept. of Health & Wellness, Southern Hope Humane Society of Roswell owes Fulton County as of May 20, 2008, the sum of \$493,710, dating back to 2007 and forward. How many other delinquent accounts are there and why should we continue doing business with such firms? **Why shouldn't these long-past due invoices be turned over to a reputable collection agency?**

**10. “Critical Facilities Repairs Needed Immediately”:** In a recent Fulton County Facilities Assessment Report, there is mention of “\$18 million in critical facilities repairs needed immediately, with \$3 million needed in repairs to bring specific facilities to code standards.” To date, none of these repairs have been authorized nor have any funds been allocated for these projects. **The County has no capital reserve funding program, paying for repairs from yearly operating budgets.**

## Conclusion

With the country facing the worst financial crisis since the Great Depression in 1929; the unemployment rate in Fulton County is 6.2% plus an additional 4.8% whose unemployment benefits have expired; Fulton County has one of the highest home foreclosure rates in the country; many of the banks in Fulton County are seeking capital and, if capital is not found, will go bankrupt. In the midst of such a financial crisis, the taxpayers demand that the Fulton County Board of Commissioners stop its wasteful and unnecessary spending by adopting the 10 steps mentioned above.

**John S. Sherman**



**President**

## Response from Fulton County Manager, Zachary L. Williams

Our goal as an organization is to “simultaneously deliver quality programs and services, outstanding customer value, and sound financial performance.” In order to achieve this, we must strategically manage our organizational performance. We have several initiatives in the works that move us in that direction, namely an ongoing customer service initiative, the introduction of outcome budgeting, and the creation of strategic management and performance audit functions.

The “Your County @ Your Service” program, which was initiated in early 2008, established minimum standards for customer service for all employees and more than 850 County staff have been trained thus far. We are identifying ways to broaden the initiative to achieve one of our organizational values of Service Excellence, which addresses not just service delivery but the quality of the services we provide.

Similarly, we introduced an updated budget process that will help ensure the County’s sound financial performance. In years past, Fulton County has employed an incremental budgeting approach, usually giving departments budget targets that represented an inflationary adjustment over the prior year. While this has been a commonly-used approach, such a process includes little, if any, examination of how the County’s programs and services are performing and whether or not we are providing the right programs and services.

By contrast, the retooled FY 2009 budget process will begin to align department budgets with Board of Commissioner priorities. It is worth noting that numerous governments have begun using a more outcome-driven budgeting approach in recent years. Since this process is new to Fulton County, we expect to refine and improve it going forward. We will be working with departments over the next year to collect more robust data and to establish performance measurement expertise throughout the organization, which will enable more data-driven decision making in the future.

A central feature of the plan to continuously improve Fulton County Government is the creation of a Strategic

Management function. Strategic Management staff will be proficient in the use of quality tools and proven management approaches and will be tasked with creating standards and practices for our performance management activities; training County staff in the development and use of performance measures; evaluating business processes to identify opportunities for efficiency; and collecting and reporting on department performance measures.

Finally, the new performance audit program will allow proactive and regular evaluation of the efficiency, economy, and effectiveness of our various operations. Performance audit staff will primarily focus on the following:

- Evaluating program performance against industry benchmarks
- Evaluating operational cost effectiveness
- Assessing soundness of policies and procedures
- Assessing compliance with policies and procedures
- Making performance improvement recommendations
- Monitoring implementation of corrective action plans

The benefits of performance auditing are well documented. Performance auditing increases government accountability to the public and implementation of audit recommendations often results in reduced costs, increased revenue, and improved services. Given that local government fiscal pressures are likely to continue, performance auditing will offer the County a vehicle to do more with less and will serve as one more tool to assist in the overall improvement of the organization.

Creating and sustaining a culture of accountability and continuous improvement requires deliberate and ongoing effort within the limits of our human and financial resources; therefore, the implementation of our performance improvement activities will be phased in order to ensure comprehensive understanding, organizational buy-in, and meaningful, lasting change.

I look forward to demonstrating these improvements to Fulton County citizens in the coming year.