Written by Jessie Williams
Friday, August 24, 2012

The Macon County Committee of the Whole convened last Monday, August 13th, during which time Macon County Mayor Shelvy Linville informed commissioners that the county's expenditures for the 2012-2013 Budget are estimated to be more than the county's revenues – a situation that will require budget cuts in order to reduce expenditures and an inevitable tax increase to boost county revenues.

Mayor Linville presented the committee with spreadsheets to show that numerous department budgets have increased over the last few years and a second spreadsheet that illustrated the county deficit over the last three years.

The county deficit spreadsheet shows a total deficit of -$2,459,980 over the last three years, with this year's deficit projected to be -$1,006,769, if there are no changes made to decrease expenditures and increase revenues. The spreadsheet reads as follows:

FY 2009-2010:
Budgeted $8,394,539
Actual Expenditures $9,379,270
Actual Revenues $8,227,565
Deficit -$1,151,705
FY 2010-2011:
Budgeted $8,375,587
Actual Expenditures $8,719,803
Actual Revenues $8,468,494
Deficit -$251,309
FY 2011-2012:
Budgeted $9,044,212
Actual Expenditures $9,623,495
Actual Revenues $8,566,529
Deficit -$1,056,966
FY 2012-2013 Projections
Estimated Expenditures $9,013,997
Estimated Revenues $8,007,228
Deficit -$1,006,769

Mayor Linville further explained that an inter-fund loan transfer in the amount of $1,086,790 has to be made from the county's Debt Service Fund to the county's Operating Fund because the

Operating Fund has become too low to cover the county's bills. The county will have to put back the transferred funds into its Debt Service account by the end of the Fiscal Year. A copy of the approval letter from the Comptroller's office for the inter-fund loan was presented to the Commissioners.

The department budget spreadsheet demonstrated that from FY 2007-2008 until now, 17 of the 23 departments' budgets have increased between 1% and 133%. Six departments out of the 23 have actually decreased their budgets since the 2007-2008 FY.
Following Mayor Linville's presentation, the motion was made to request a 10 percent budget cut from each department and defer to the next meeting. The motion carried on roll call.

Each department will be submitting their budget, with the 10% decrease, which will then go before the Budget Committee and be presented to commissioners on Monday, August 20th, for approval. "If we don't balance the budget now, we are looking at about a $0.34 tax increase and we don't want to do that," Mayor Linville said. "We need to cut the budgets as much as possible, everywhere we can. We will still have a tax increase but hopefully not over $0.15. The way the economy is, we don't want to put a big burden on residents."

Mayor Linville acknowledged that Macon County has not had a property tax increase since 2003, and that the budget cuts are a necessary step to ensure the increase stays within the $0.10 to $0.15 range.

"Every department may not be able to cut 10 percent, because they're already working as close to the vest as they can," said Mayor Linville. "On the other hand, the departments with the biggest budgets hopefully will. From there, we'll look at all the numbers and see what the next step is."
The county Highway Department and School Department, both funded by a portion of local tax dollars, will not be included in the budget cut requirement.
In an effort to begin the increase of county revenues, the motion carried to bring the hotel/motel tax issue back up at the next commissioner's meeting and set it at 5 percent with the proceeds to go directly into the General Fund. The hotel/motel tax has been voted down by commissioners in the past.
"We will also be looking for other ways to increase revenues in the future," Mayor Linville said.

In other business:
• Motion #1 by Gammons, 2nd by Bartley to approve the minutes as presented from the 7/16/12

Court Meeting, 5/15/12 Planning Meeting, 6/19/12 Planning Meeting, 7/26/12 Loss Control Meeting and defer to the next meeting. Motion Carried

• Motion #2 by Ray, 2nd by Boles to approve Resolution # 38-8/2012 – Macon County School's Federal Project Fund, Resolution # 39-8/2012 – Litter and Trash Collection Grant, Resolution # 40-8/2012 – Amended Debt Management Policy and defer to the next meeting. Motion Carried

• Motion #3 by Gammons, 2nd by Hughes for the Commissioners to look into and recommend a 2-way or a 4-way stop at the intersection of White Road and New Bethel Road and defer to the next meeting. Motion Carried

• Motion #4 by Bullington, 2nd by Driver to allow the Sheriff Department to proceed with the calendar and defer to the next meeting. Motion Carried

• Motion #6 by Hesson, 2nd by Ray to approve Michael Wells for a 3 year term to the Library Board and defer to the next meeting. Motion Carried

• Motion #7 by Ray, 2nd by Hesson to accept the building (located on Main Street) as a gift from the Lafayette Masonic Lodge and use for storage for the county and defer to the next meeting. Motion Carried

• Motion #8 by Boles, 2nd by Ray to Honor Rick Noble with a Resolution at the next meeting. Motion Carried

• Motion #9 by Hughes, 2nd by Driver to approve the resignation of Rick Noble, effective immediately, as Constable for the 5th and 6th District and defer to the next meeting. Motion Carried

• The E-911 budget was presented to the County Commission. No action was taken.

• Motion #10 by Snow, 2nd Bartley to accept the EMS report and approve the 3% rate increase effective September 1st and defer to the next meeting. Motion Carried

• Motion #11 by Boles, 2nd by Hesson to approve the financial reports for County Court Clerk, Register of Deeds, Trustee, Circuit Court Clerk, Chancery Court, General Sessions and Juvenile Court and defer to the next meeting. Motion Carried

• Motion #12 by Tucker, 2nd by Bartley to post a 30mph speed limit sign on Antioch Road; not because we think that it is an unsafe speed to travel, but because the citizens have requested it. Motion Carried

• Absent: Dewayne Whittemore, Todd Doss, Kenneth Witte