



Founded 1769

June 9, 2009

Honorable Council Members
Georgetown County Council
Georgetown, South Carolina

Ladies and Gentlemen:

Traditionally the budget transmittal serves as an overview of the proposed budget and the significant projects that it funds. However, due to the extraordinary economic conditions that exist, and are expected to continue, the message contained in the FY2009-2010 budget transmittal will be different. I feel that it is necessary to document the extreme issues that were faced in preparing this budget as well as the ultimate solutions that were derived.

We entered the FY2008-2009 year facing fuel costs at all-time highs and with the realization that revenues would be less than the previous year, primarily due to the economic slow-down in the building / real estate industry. At mid-year we were pleased that fuel costs had declined below budgeted levels, but we observed that revenues would be even lower than projected and we also learned that reductions in the Local Government Fund at the state level would have a negative impact on our budget in the amount of \$579,000. Thanks to staff and our employees' willingness to make budget adjustments and to essentially "do more with less", and to County Council's wise planning in establishing a Capital Improvement Plan (CIP) with its own funding sources; progress was realized in a number of areas during the past year:

- Completion of Countywide Zoning
- Implementation of Impact Fees
- Completion of the Airport Terminal Building
- Completion of the Corporate Aircraft Hangar
- Completion of the Judicial Center
- Completion of Road Improvement Projects
- Obtained Contractual Agreements for Land Acquisition for CIP
- Began construction of Community Parks
- Adoption of Transportation Master Plan

Progress is expected to continue in FY2009-2010 in the following areas:

- Completion of Carroll Campbell Marine Complex
- Remodeling & reconfigure occupation of existing Courthouse
- Completion of additional Road Improvement Projects
- Complete construction of Community Parks

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- Replacement of Composting Operation with more efficient solution
- Design & Master Plan Park & Recreational sites
- Construction of Stormwater Projects
- Construction of Spec. Building at Highway 521 Business Park
- Obtain State Certification of Business Park
- Enhancement of Code Enforcement

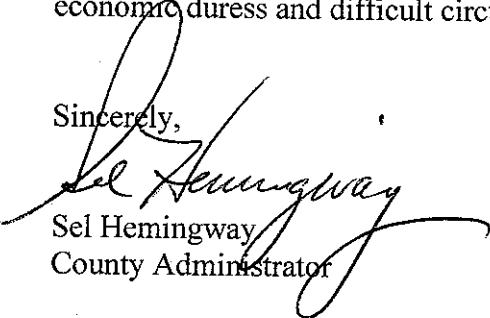
The accompanying FY2009-2010 budget is balanced and contains provisions to accomplish the items listed above as well as the continuance of essential community services. This budget contains no net tax increase and maintains an unrestricted General Fund Balance that exceeds the self-imposed limit established by County Council and recommended by our external auditor.

If this letter were to end at this point, an independent reader would not capture the difficulties of preparing this budget. Unprecedented economic conditions have led to unprecedented actions. All parties including Employees, Staff, Elected Officials and members of Council have worked countless hours and explored numerous alternatives in an effort to minimize the impact to employees and core services. However, a reduction in workforce and a reduction of pay rates were unavoidable. While these difficult decisions were made with much heartfelt pain, they were ultimately necessary to position the County to face future years of economic uncertainty.

This document is filled with elements of success and progress, and testifies to the financial soundness of Georgetown County. However, I cannot, and will not, consider this year a success when employees' lives have been negatively impacted. I will continue to hurt, agonize and pray for them and look forward to the recovery of our County, State and Nation's economy.

Again, I express my sincere appreciation for the cooperation of the County Staff, Elected Officials, agency representatives and County Council in developing this budget under such economic duress and difficult circumstances.

Sincerely,



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County Administrator

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