

## County remains fiscally resilient after storms

By Gordon Burger

The last few years have been tumultuous for our county: COVID-19, shutdowns and shortages, social unrest, rising crime, inflation, federal deficit spending, polarized political views and locally, Hurricane Ian. All of these factors can be incredibly destabilizing, but Charlotte County government has taken them in stride and remained resilient throughout. From my perspective there are three major factors instrumental to that resilience: great leadership, great organization, and great planning.

I have been in local government for 35 years and the leadership in this organization is the best I've seen; commissioners, county administration, emergency management and department directors all address the key issues and lead by example. County staff are dedicated employees that take pride in what they do and in the fact that they are contributing to their community. But the factor I want to focus on is the planning that underlies everything we do.

This planning takes place across all aspects of operations and is exemplified by our budget process. Our current budget year began Oct. 1 while the process for developing took nearly a year. We began that process by developing four different scenarios by which we would evaluate all requests and develop alternative financial projections. Those scenarios were: what if we continue to see rapid population growth; what if inflation continues for the next two years; what if we see a recession; and what are the long-range implications of hurricane recovery.

**Population growth:** Over the past decade our population grew by 16%. That growth is projected to be more than 26% over this decade. If the current rate of growth continues, we will have added 50,000 citizens to the county by 2029. This will require a significant expansion of service delivery and not just in volume but in the geographic areas in which growth occurs.

**Inflation:** The rate of inflation has begun to decline but that decline is not uniform across the board. An area where we continue to see alarming increases is in construction. This is critical since over half of our budget is capital in nature. Recently, we went out for bid on a wastewater plant expansion. The engineer's estimate was \$56 million; however, the low bid was \$106 million. That's an 89% increase in less than a year.

**Recession:** Economists grow more optimistic that the economy will make a "soft" landing but that certainly isn't guaranteed. How would a national recession translate to our local economy and how will it impact the services we provide?

**Hurricane recovery:** The last issue is not so much a scenario as a reality. On Sept. 28, 2022 we were struck by one of the largest hurricanes to ever make landfall. The clean-up alone after Ian cost the county over \$100 million. Eventually we will be reimbursed for that cost by FEMA, but it is a long, arduous process. A year later we have only been reimbursed \$22 million and the rest could take three to five years. Out of 800 insured assets, over half of them were damaged by the storm. We are working with our insurer to repair everything as quickly as possible, but the sheer magnitude of the damages will take at least another two years to complete.

These are all major issues, but we have a process in place to make sure they are addressed in a planned and comprehensive manner. This County Commission has made long-range fiscal stability a high priority over the past several years and the county is in very good financial position to deal with the ambiguities we face. We are in this position primarily because of three practices we have adopted. First, we provide the board with long-range financial projections so they can see the implication of their decisions. Secondly, we have developed 20-year capital improvement and capital maintenance plans and thirdly, we have maintained a strong reserve policy. It is this long-range planning that enables us to insure this remains a great community no matter what we face.

*Readers may reach Charlotte County Budget Director Gordon Burger at [Gordon.Burger@CharlotteCountyFL.gov](mailto:Gordon.Burger@CharlotteCountyFL.gov).*