

SPECIAL CALLED MEETING, APRIL 4, 2013, 8:00 A.M., COUNCIL CHAMBERS ROOM 803, CITY-COUNTY COMPLEX, 180 N. IRBY STREET, FLORENCE, SOUTH CAROLINA

PRESENT:

James T. Schofield, Chairman
Alphonso Bradley, Vice Chairman
Waymon Mumford, Secretary-Chaplain
Mitchell Kirby, Council Member
Roger M. Poston, Council Member
Kent C. Caudle, Council Member
Willard Dorriety, Jr., Council Member
Jason M. Springs, Council Member
K. G. Rusty Smith, Jr., County Administrator
D. Malloy McEachin, Jr., County Attorney
Connie Y. Haselden, Clerk to Council

ALSO PRESENT:

Kevin V. Yokim, Finance Director
Ryon Watkins, EMS Director
Robert Franks, IT Director
Chief Deputy Glen Kirby, Sheriff's Office
Dominic Owens, Sheriff's Office IT
John Sweeney, Morning News

ABSENT:

Russell W. Culberson, Council Member

A notice of the regular meeting of the Florence County Council appeared in the April 3, 2013 edition of the **MORNING NEWS**. In compliance with the Freedom of Information Act, copies of the Meeting Agenda and Proposed Additions to the Agenda were provided to members of the media, members of the public requesting copies, and posted in the lobby of the City-County Complex, the Doctors Bruce and Lee Foundation Public Library and all branch libraries, and on the County's website (www.florenceco.org).

Chairman Schofield called the meeting to order. Secretary-Chaplain Mumford provided the invocation and Vice Chairman Bradley led the Pledge of Allegiance to the American Flag. Chairman Schofield welcomed everyone attending the meeting.

COMPLEX SPACE COMMITTEE:

Chairman Schofield announced that he appointed a Complex Space Committee to work with the architects and Justice Planning Associates with the following individuals serving: The Honorable Connie Reel-Shearin, The Honorable Michael Nettles, The Honorable A. E. Morehead, III, The Honorable Ed Clements, The Honorable W. Kenney Boone, Kevin V. Yokim, Suzanne S. King, Sandy Bridges, Jr., and Kathy Elmore.

REPORTS TO COUNCIL:

ADMINISTRATION/FINANCE

DISCUSSION OF THE FISCAL YEAR 2014 BUDGET

County Administrator Rusty Smith commended Finance Director Kevin Yokim and his staff for an outstanding job in putting together a proposed budget that started out with a \$7.8 million deficit. Mr. Yokim provided an overview of the Fiscal Year 2014 proposed budget. Mr. Yokim stated the projected timeline for the three readings of the budget ordinance were 1st reading on April 18th, 2nd reading and Public Hearing on May 16th and 3rd reading on June 20th. In conjunction with the public hearing and pursuant to State law, the proposed millage must be included in the ad and the ad must be run 15 days prior to the meeting. So Council would need to set millage by the last week of April in order to advertise the public hearing for 2nd reading on May 16th.

Mr. Yokim stated the revenue stream for Florence County was basically flat. Based on State law, the maximum the County could increase millage would be 3.5 mills. The amount needed to fund mandated increases or items Council already committed to fund, was 2.2 mills, which left a balance of only 1.3 mills for next fiscal year's budget. A \$1.00 increase in the household solid waste fee was included in anticipation of the annual cost increase in the contract with Waste Management. An upgrade in the medical priorities software system (\$20,000) and the CAD and telephone system (\$650,000) for the E911 Enterprise Fund were also included in the budget.

Councilman Caudle stated he had a real 'gut check' when it came to raising property taxes and asked if there were any other recommendations for alternate revenue sources. Mr. Yokim replied that there were some fees that the County could possibly tweak but the County was extremely limited in revenue sources due mostly to changes in State law. For clarification, Councilman Caudle asked if users were charged the actual cost for the provision of solid waste services, would \$1 million remain in the County General Fund that was currently budgeted to supplement the solid waste fund. Mr. Yokim responded that was correct. Chairman Schofield asked if he was correct that the County could not impose a fee on residents of the City of Florence, due to the fact that they already paid a fee for curbside pick-up. Mr. Yokim responded that that was his understanding as well, but the County Attorney would need to verify as far as legality.

Councilman Mumford stated Council had debated the possibility of the implementation of a business license several years ago, but, based on the limitations for revenue stream, it may be time to re-visit that issue again. Chairman Schofield asked Mr. Smith if there wasn't something passed recently in the Legislature that instead of a business license, counties could implement a business registration fee. Mr. Smith responded that he thought the County was precluded from the business license fee because of that and one of the arguments against the business registration fee was that businesses, particularly small businesses in the County, pay a large portion of the property taxes (probably 60 to 70%) and the feeling at the time was that this type of fee would further inhibit economic growth. In the past the County was losing large amounts of revenue because there was no mechanism in place to enforce business personal property tax and the discussion of the

business license or business registration fee was discussed as a means to assist in the collection of that tax. There were only a few counties in the State that had a business license fee. The collateral damage might be greater than the actual benefit derived from the fee. He stated the County Attorney could certainly check into the feasibility/legality of the implementation of a business license fee or business registration fee. Chairman Schofield asked the County Attorney to be prepared to brief Council on the business license and the difference between it and the business registration fee at the next meeting.

Mr. Smith stated another area the County needed to work on was the experience factor, which created the increase in health insurance costs. He was working to implement a wellness program to assist employees in improving overall health care and hopefully reduce the experience factor, thereby reducing health insurance costs.

Councilman Bradley asked about the potential for countywide curbside trash pickup. Mr. Smith stated several months ago Council asked staff to look into that issue and some numbers should be forthcoming this month. He did not anticipate it would be cheaper; it could be close in cost but the County could minimize the number of manned convenience centers maintained. Chairman Schofield stated one of the advantages he saw for the taxpayer was that they would no longer have to haul household garbage to the dump. Mr. Smith stated one thing that would be beneficial for folks on fixed income would be the potential to pay the fee over a 12 month period versus once a year on the tax notice.

In response to a question from Councilman Kirby, Mr. Yokim responded that the County currently imposed Accommodations Tax and a Hospitality Fee, which was primarily funding the Museum. These sources of revenue were very restricted in what the funds could be used for and could not be used to augment the general fund. The County already had the maximum rates allowable by law in place.

Chairman Schofield asked Mr. Yokim to make a note of the following items from the budget work book and get back with him:

- xxi – typo referencing Total Road Maintenance Fund
- Page 1 of the Budget referenced Franchise Fees: he asked why the big drop from FY2012 to FY2013. Mr. Yokim responded that the only franchise fee the County could charge, by State law, was for cable services. In FY2012 Time Warner changed its method of paying those fees which created the overage in FY2012. Chairman Schofield pointed out that this was another big difference in how municipalities and counties were treated: a municipality had a list of franchise fees it could collect but a county governing body could only collect on cable franchise fees.
- Page 149 – splash pad deck refurbishment: Mr. Yokim was asked to provide when it was installed and how often it was being refurbished.
- Page R62 – Human Resources Department: Chairman Schofield pointed out to Council that there was a \$13,500 estimated cost for computer software then an \$11,000 annual license fee for ensuing years. He expressed concerns regarding the purchase of software by the County and the fact that many software purchases were followed by annual license and maintenance fees. He pointed out that on

Page R135 the cost for Microsoft was \$152,500. Maintenance fees were becoming a larger part of the budget.

- Page R341 he noticed that the jail asked for replacement of a dishwasher that was not included in the budget; find out the age of the current one.
- Chairman Schofield requested a 10 year history of the purchase of Motorgraders.
- When was the last time the County completed a comprehensive review of fees in all departments?

Councilman Dorriety asked how far the County was below being fully funded through the LGF (Local Government Fund). Mr. Yokim responded that if the County were fully funded next year, the County would be \$750,000 to \$1 million higher in revenue.

EXECUTIVE SESSION:

Councilman Dorriety made a motion Council Enter Executive Session, Pursuant To Section 30-4-70 Of The South Carolina Code Of Laws 1976, As Amended, for two (2) issues: A Personnel Matter with EMS and Development of Security Policy, etc. Councilman Springs seconded the motion, which was approved unanimously. Mr. Smith stated that while he understood the need for transparency in government, the item for executive session pertaining to the development of security policy was an effort to divert potential cyber-attacks and exercise due diligence and extreme caution as it related to security so that the County would not be susceptible like the State was to computer attacks.

Council entered executive session at 8:45 a.m. Council reconvened at 10:04 a.m.

(Councilman Kirby did not return to the meeting after Executive Session.)

Subsequent to Executive Session, Council took the following action:

Councilman Mumford made a motion Council Increase The Appropriation For The FY2013 IT Department Budget By \$450,000, And The Appropriation To Be Funded From The General Fund Fund Balance, And To Be Included In The Year-End Budget Amendment Ordinance. Councilman Dorriety seconded the motion, which was approved unanimously.

There being no further business to come before Council, Councilman Culberson made a motion to adjourn. Councilman Caudle seconded the motion, which was approved unanimously.

COUNCIL MEETING ADJOURNED AT 10:05 A.M.