

BUDGET WORKSESSION
DARLINGTON COUNTY COUNCIL
DARLINGTON, SC

May 11, 2016

A budget worksession of the County Council of Darlington County was held this 11th day of May 2016, at 9 a.m., at Pee Dee Regional Council of Governments Conference Center, 2314 Pisgah Road, Florence, South Carolina.

NOTICE OF MEETING

In compliance with the Freedom of Information Act, a copy of the meeting notice giving the date, time, and place of the meeting was mailed in advance to the local newspapers, persons requesting notification, and posted on the county's website and the bulletin board at the entrance to the County Administrator's Office

COUNCIL MEMBERS PRESENT

Chairman Bobby Hudson, Vice Chairman Robbin Brock, Chaplain Dannie Douglas, Jr., Mr. David Coker, Mrs. Wilhelmina P. Johnson, and Mr. Robert L. Kilgo, Jr.

COUNCIL MEMBERS ABSENT

Mr. Marvin Le Flowers and Ms. Mozella Nicholson.

ALSO PRESENT

County Administrator Terence Arrington, Clerk to Council J. JaNet Bishop, Interim Recreation Director Lee Andrews, Tax Collector Mae Helen Burch, Historical Commission Director Brian Gandy, Finance Director Sherman Dibble, Assistant Environmental Services Director Paula Newton, Roads and Bridges Director Bobby Richardson, Central Communications Director Gary White, Emergency Medical Services Director Michelle Moore, Human Resource Manager Ginger Winburn, Fire Chief Kenny Stratton, Assessor Kyle Johnson, Interim Development Services Director Terri Cribb, Environmental Services Director Renee Howle, Emergency Management Director Mac McDonald, Airport Manager Barry Kennett, Corrections Director Waddell Coe, Economic Development Director Frank Willis, Library Director Jimmie Epling, Prison Farm Staff Octavia Benjamin, and others.

REPORTERS PRESENT

Ms. Samantha Lyles of the News and Press.

Budget Worksession

Chairman Hudson called the worksession to order.

Mr. Arrington explained that the purpose of the worksession was to talk about the proposed budget and departmental requests that were included in the books that Council received on May 2, 2016.

Finance Director Sherman Dibble distributed the General Ledger Report of Hospitality revenue as of July. The county had collected \$170,000.

Mr. Arrington said the big binders that Council members received on May 2, 2016 contained the departmental requests, although Council would not be able to fund all the requests or all the priorities established at the recent Planning Workshop. He talked about unfunded mandates and future cost increase for retirement contribution.

Mr. Dibble talked about the increases that came in a few weeks ago and the South Carolina Association of Counties urging counties to budget the previous amount of local government funds without an increase.

Mr. Arrington indicated that an individual from the Department of Correction would appear at Council's Special Meeting on May 23, 2016 to request a plan regarding the detention center. A letter from the Department of Corrections was given to Council on May 2nd.

Chairman Hudson questioned why \$5,000 was taken from each departmental budget to pay a lawsuit.

Mr. Arrington explained that Council discussed the lawsuit during a previous executive session wherein the Sheriff indicated that his department could not fund the entire amount, but would provide one-half of the cost since the lawsuit was caused by a previous County Administrator. He said Council agreed that \$30,000 would be taken from various line items in the General Fund to pay half of the cost.

Mr. Brock questioned the uses for Hospitality Tax revenue.

Mr. Arrington responded that Hospitality Tax revenue must be used on tourism related activities and any infrastructure improvements connected with tourism. He stated that previously, he presented a plan for Lake Darpo which could have been funded with such funds. Mr. Arrington pointed out that the Hospitality Tax revenue statute (SC Code of Laws Section 6-1-700) was included in several agenda packages (February 1, 2016 and April 4, 2016) under the Consent Agenda.

Chairman Hudson requested that Interim Recreation Director Lee Andrews visit all the ballfields and present to Council what needs to be done to bring the concessions up to DHEC (South Carolina Department of Health and Environmental Control) standards.

Mr. Dibble pointed out that Hospitality Tax revenue was not yet appropriated in the current budget. However, these funds could be included in next year's budget and earmarked for such purposes.

Mr. Kilgo suggested that Council include \$180,000 in next year's budget and then look at items to use it for. He also suggested that Hospitality Tax revenue be used to offset costs

in the Recreation Department. He said using Hospitality Tax revenue on items for Recreation would free up General Fund monies. Mr. Kilgo also stated that he would be requesting that Greater Darlington Chamber of Commerce receive \$15,000 in Hospitality Tax revenue for Freedom Fest scheduled to be held at Darlington Raceway. He stated that if these two requests were agreeable with Council, he would like them included in the proposed budget.

Mr. Kilgo pointed out that the county gives funds to the Solicitor, the Public Defender, and the Animal Shelter. The County requires a report from the Animal Shelter. He suggested that Council also require a report from the Solicitor and the Public Defender explaining how they are using county funds.

Mr. Kilgo then suggested transitioning to a two-year budget by duplicating the proposed budget for FY2017/2018. He said this would not mean that Council could not amend it at a later date. This would allow the Administrator to focus on big issues and not have to worry about the budget nine months out of the year. Mr. Kilgo felt that the proposed budget was fine, as presented, but would like his three items added.

Mr. Arrington will confirm whether the county can use Hospitality Tax revenue for Recreation operations. He will also submit Mr. Kilgo's request to the Solicitor and the Public Defender.

Mr. Kilgo commented that if the Solicitor and Public Defender refuse to provide the report, then Council would discuss it.

Mr. Arrington explained that two-year budgeting would be challenging, especially without a financial analyst. However, this could be done, but would take some time. He mentioned the letter included in Council's May 2, 2016 agenda package regarding the county's growth rate. Mr. Arrington said the county was challenged with getting new developments that can be taxed and identifying new revenue sources to address some of the raising costs. He stated that he previously mentioned the report containing different millages that can be levied for specific needs such as capital improvements. Mr. Arrington then talked about the county's current lease purchase being almost paid off and the possibility of getting another lease purchase. He recommended that Council continue with a lease purchase agreement for vehicle/equipment replacement. Mr. Arrington stressed that Council must consider capital needs and employee needs, although the costs from the state were increasing. He said the county would have to make cuts to balance the budget unless funds from Fund Balance are used.

Mr. Coker talked about the budget being tight and presented his opposition for two-year budgeting. He said Council needs to keep a finger on current funds, and people are more accountable when Council looks at the budget each year.

Mr. Douglas presented concerns about the equipment at the libraries being out of date and not working properly.

Chairman Hudson mentioned that the libraries need security cameras.

Library Director Jimmie Epling reported that the libraries received lottery funds to purchase a server, which has to be installed. He also talked about the problem with internet connection in Lamar, and the fact that Lamar Library was the only library facility without cameras. He was in the process of discussing the purchase or installation of the cameras with the Friends of the Library. Mr. Epling and Council talked about the problems with the equipment (fax machine) at one library facility.

Mr. Brock indicated that he did not have a problem with the proposed budget. However, he was concerned about replacing vehicles and installing security cameras at the courthouse.

Mr. Arrington indicated that he would meet with Bond Attorney Ben Zeigler to talk about a lease purchase in order to present a plan to Council in the near future.

Mr. Dibble also talked about the potential for a lease purchase.

Chairman Hudson mentioned that he would like the staff to give local vendors the opportunity to bid on the vehicles.

Mr. Arrington talked about the .12 percent growth providing very little new money. Therefore, the key was to look at how the county was currently spending money and cutting back whenever possible. He said it would not be a bad idea to hire a consultant to look at all the departments and provide recommendations. The staff must do what is necessary to balance the budget so that the county is not relying on Fund Balance each fiscal year.

~ Councilwoman Wilhelmina Johnson arrived at 9:31 a.m. ~

Mr. Arrington mentioned that the county would have to rely on a penny sales tax for the courthouse project – an estimated \$20 million to \$30 million project. The penny sales tax would generate about \$5 million per year. However, there would have to be a capital project from each municipality, a committee appointed, findings presented, and the voters approve a referendum for the county to move forward. Council would receive additional information regarding this matter.

Mrs. Johnson talked about the opening of the new Walmart in Darlington and the number of jobs created.

Mr. Arrington requested directions on how Council would like to proceed. Since there were no further comments, he indicated that the public hearing and second reading of the budget would be held on May 23, 2016 and third reading on June 6, 2016.

Mr. Brock requested a cost estimate for security cameras at the courthouse and Magistrate's Offices.

Mr. Kilgo also requested that the cost (\$15,000) for equipment to video record Council meetings be included in the proposed budget. He said the funds may have to be taken from somewhere else because the public needs to be able to see Council meetings.

Mr. Arrington asked whether this was the consensus of Council.

Chairman Hudson indicated that Council would leave the budget "as is" and discuss the video equipment at the next meeting.

Mr. Arrington confirmed that the staff would leave the proposed budget "as is." Any changes would be addressed later.

Chairman Hudson asked the status of the Magistrate's Office in Lamar.

Mr. Arrington explained that the facility was ready, except for some IT issues. He will follow-up this afternoon.

Chairman Hudson thanked the staff for their efforts.

Mrs. Johnson wanted to talk about the condition of abandoned and dilapidated structures along Juleswood Circle.

Mr. Kilgo stated that this was not the appropriate time to discuss this matter. However, he agreed that this was an issue, and Council would need to approve an ordinance prior to anything being done. Mr. Kilgo said he had requested that an ordinance be prepared, which would take some time.

Mr. Arrington reported that the staff visited the area. He suggested that Council approve an ordinance governing dilapidated property in the unincorporated areas of the county and emphasized that there would be a cost for the county to take on the responsibility for demolishing such structures. The staff and Council talked about the value of the parcels and the cost for demolition. Council suggested that the staff contact the City of Darlington and other entities about programs and available grants to pay the cost for demolition. However, an ordinance would have to be in place first. Mr. Arrington stated that the County could not afford to absorb the demolition expenses.

Mrs. Johnson talked about the need for the county to provide assistance to people and to establish a vision.

Adjournment

There being no further discussion, the meeting was adjourned at 9:47 a.m.

Respectfully submitted,

J. JaNet Bishop
Clerk to Council

Bobby Hudson, Chairman
Darlington County Council

Approved at meeting of June 6, 2016.