

BUDGET WORKSESSION
DARLINGTON COUNTY COUNCIL
DARLINGTON, SC

May 8, 2014

A Budget Worksession of the County Council of Darlington County was held May 8, 2014, at 9 a.m., at the Darlington County Courthouse Annex/EMS Building, 1625 Harry Byrd Highway, Darlington, 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 bulletin board at the entrance to the County Administrator's Office and the Courthouse Annex/EMS Building.

COUNCIL MEMBERS PRESENT

Chairman Wesley Blackwell, Vice Chairwoman Ms. Mozella "Pennie" Nicholson, Chaplain Dannie Douglas, Jr., Mr. Robbin Brock, Mr. Marvin Le Flowers, Mr. Bobby Hudson (left at 9:08 a.m.), Mrs. Wilhelmina P. Johnson, and Mr. Robert L. Kilgo, Jr.

ALSO PRESENT

County Administrator Dale Surrett, Clerk to Council J. JaNet Bishop, Finance Director Perry Strickland, Accountant Phillip Aycock, Codes Enforcement Director Randy Evans, Recreation Director Ken McRae, Prison Farm Director Jonathan McFadden, Corrections Director Mitch Stanley, Sheriff Wayne Byrd, Elections/Voter Registration Director Hoyt Campbell, Historical Commission Director Doris Gandy, Treasurer Belinda Copeland, Tax Assessor Kyle Johnson, Planning Director Doug Reimold, Jetport Manager Barry Kennett, Telecommunications Director David Sessoms, Hartsville Police Chief James Hudson, Hartsville Fire Chief Jeff Burr, and others.

REPORTERS PRESENT

Mr. Jim Faile of the Messenger and Ms. Samantha Lyles of the News and Press.

Summary of Work Session

Chairman Blackwell called the worksession to order at 9 a.m. He indicated that Council members had several days to review the budget proposal presented by the County Administrator on May 5, 2014. Today, Council members could present counter proposals, additions, or deletions to the Administrator's proposal.

County Administrator Dale Surrett briefly reviewed the handouts that were provided at Council's desk. He also indicated that Codes Enforcement Director Randy Evans had provided Council members with a handout containing information requested by

Councilman Robbin Brock. Information was also provided regarding the revenues as requested by Councilman Robert Kilgo.

Mr. Hudson pointed out that Council members did not receive the budget sheets on Monday, May 5th, when Mr. Surrett presented his budget proposal. He asked Finance Director Perry Strickland whether the numbers in the budget sheets were “true numbers” and who gave him the numbers. Mr. Strickland responded that the numbers were Mr. Surrett’s numbers. Mr. Surrett had given him the numbers that were in the budget. Mr. Hudson stated that he could not go by the numbers, and until he could look over the budgets, he would not be a part of it.

~ Councilman Bobby Hudson left the meeting at 9:08 a.m. ~

Proposed FEMA/NRC Fee

After talking about the decrease in the Local Government Funds, Mr. Kilgo **MOVED** to remove from the budget proposal, the \$2 million revenue fee on Duke Energy as a revenue source. The motion was seconded by Mr. Flowers.

Mr. Surrett explained that since the county provides a great amount of services and planning in order to maintain FEMA and NRC regulations for the power plant and ninety-five percent of the power generated at the power plant goes outside the county, as a proposed alternative, the county could charge a fee to help support this in the county. He indicated that the Public Service Commission regulation allows utilities to recover any fees and taxes, as a base cost to their business, from the customers. This would be paid by all users of the power generated, of which ninety-five percent or more would be from outside the county.

Ms. Nicholson was concerned about this being an “assumed source of revenue.” She also questioned whether the County Administrator had been in contact with the Public Service Commission and Public Service Representative O’Neil Hamilton.

After further discussion, Chairman Blackwell called for the vote. The motion carried unanimously.

Building Codes

MOTION was made by Mr. Brock and seconded by Mrs. Johnson to add the Codes Enforcement Department back into the budget and allow for the increase in fees in order for this department to pay for itself.

Mr. Brock reported that in talking with contractors, the contractors agreed to and had no problem with paying an additional fee instead of closing the Codes Enforcement Department. Mr. Surrett indicated that the county was charging about one-half of the fee structure as to what it would take to recover (for building inspectors/officials and one clerk). Animal Control and Litter Control were pulled from the figures. He stated that with the full Building Code recommendation in place, the county would generate an excess in revenue.

Ms. Nicholson explained that the county could not dismantle the Codes Enforcement Department. Dismantling the Code Enforcement Department would be against the law. Since Mr. Surrett indicated that the law would allow the county to do away with the Building Codes Department, Ms. Nicholson requested this in writing from Mr. Surrett and the County Attorney.

The motion carried with Mr. Flowers opposing.

Proposed Reduction of Employees

MOTION was made by Ms. Nicholson and seconded by Mrs. Johnson that any department that was recommended by the Administrator for dismantlement or for downgrade with regards to employee positions, be placed back into the budget, to include Parks and Recreation. She clarified that any reduction in force would be placed back into the budget. Mr. Kilgo clarified that corporals in the E911 Center would not happen and the county would go back to what is currently in place.

Those voting in favor of the motion were Ms. Nicholson, Mrs. Johnson, Mr. Douglas, and Mr. Brock. Opposing were Mr. Blackwell, Mr. Flowers, and Mr. Kilgo. The motion carried.

Finance Committee

MOTION was made by Ms. Nicholson and seconded by Mrs. Johnson for Council to receive a report from the Finance Committee regarding the Committee's input in the recommended budget. She said this was one of the jobs of the Finance Committee. As Chairman of the Finance Committee, Chairman Blackwell responded that the Finance Committee has no involvement in the County Administrator's recommended budget. Also, Mr. Flowers pointed out that during the 22 years that he has served on Council, the Finance Committee had never been involved in the Administrator's budget recommendation presented to Council.

Ms. Nicholson withdrew her motion.

County Millage Increase

Using the South Carolina Association of Counties' *2012 County Profiles* magazine, Mrs. Johnson said she compared the millage of Darlington County with the millage of counties of similar size and concluded that if Darlington County would increase its millage, the taxes would not have to be increased, and this would more than take care of what was needed. Mr. Kilgo explained how the value of a mill is determined and that County Council could not increase it. He also talked about the county being limited in increasing the CPI.

MOTION was made by Mrs. Johnson and seconded by Ms. Nicholson for a study from the Planning Commission, the Assessor, and the tax department to see what can be done to raise the economy of Darlington County.

Treasurer Belinda Copeland and Tax Assessor Kyle Johnson explained from the audience that the county was bound by State law and that what Mrs. Johnson was proposing could not be done by County Council.

Those voting in favor of the motion were Mrs. Johnson and Ms. Nicholson. Opposing were Mr. Kilgo, Mr. Brock, Mr. Douglas, and Mr. Flowers. The motion failed.

Budget Proposals

Chairman Blackwell presented his proposal, which included a reduction for the Animal Shelter, Clemson Extension, the Historical Commission, EMS, the Sheriff's Department, and the Prison Farm. He said his proposal would balance the budget, excluding capital.

Mrs. Johnson requested that the positions at the Detention Center be reclassified. Mr. Surret explained the need for the reclassifications. He also explained that Council had instructed him to produce a budget using no fund balance. To do this, along with other cuts in revenue, the reclassifications, etc. could not be done. He emphasized that what he presented to Council was because of the financial situation and looking at items that must be done versus optional items and redundant efforts.

Mrs. Johnson presented her budget proposal, which included restoring funds to the Planning Department, the Codes Enforcement Department, the Sheriff's Department, Clemson Extension, Recreation Department, EMS, 911 Telecommunication, and the General Fund Budget.

Recess

MOTION was made by Mr. Kilgo and seconded by Mrs. Johnson to recess. Council recessed at 10 a.m. and reconvened at 10:17 a.m.

Budget Proposals

MOTION was made by Mr. Kilgo and seconded by Mr. Flowers to reduce the budget by the items in Chairman Blackwell's proposal, which would reduce the budget by \$1,063,000.

Mr. Kilgo suggested that the ten inmates, who are cooks at the Detention Center, be housed at the Detention Center, which would allow for the reduction in staff at the Prison Farm.

Ms. Nicholson requested that Council do not eliminate any current jobs.

Mr. Brock requested not to eliminate the nine positions in the Sheriff's Department and not take an ambulance off the road. He requested the call volume for the last five years for EMS and the Sheriff's office. Mr. Surret talked about the location of the ambulances, the calls, his proposal, and the percentage of time there would be four ambulances available instead of five ambulances.

Mr. Flowers talked about the revenue being less than the current budget. He pointed out that the county could not afford to continue doing what was currently being done. He also explained that the largest part of the expenditures was for salaries (70 percent). Therefore, the county would need to pay more people less or have less people. Mr. Flowers mentioned that the State Legislature has made a policy decision that county government will get smaller. To do this, they have cut the funding to counties. Mr. Flowers said he did not like some of the things

proposed by the County Administrator, but he does not see any way around it. He said the county could not take \$22 million and fund \$28 million of expenditures.

Ms. Nicholson requested the amount of funds that county had spent in settling lawsuits. Mr. Surret pointed out the amount in the budget information. He also mentioned that Mr. Cox had been in contact with the Insurance Reserve Fund - the agency that settles cases independent of the county.

In response to Mr. Kilgo's suggestion regarding the ten inmates at the Prison Farm being moved to the Detention Center, Mr. Surret explained that the capacity at the Prison Farm was 51, and the county typically averages about 40 inmates. Therefore, moving ten inmates probably would not cause a reduction in staff according to standards for keeping the Prison Farm open. Mr. Surret indicated that he would follow up with the staff. He also pointed out that the revenue (\$200,000 to \$300,000) to match the expenses of Building Codes would be added to the budget. Chairman Blackwell suggested that Council allow the County Administrator to compile the information suggested and present the figures at the next budget worksession.

Ms. Nicholson stated that if there has to be a reduction in employees, Council should prioritize the responsibilities of those positions and look at essential and nonessential positions.

Mr. Brock suggested that Council table the information, let department heads review their budgets again to see if there is anything they can do and anyway they can generate or increase revenue.

MOTION was made by Mr. Brock and seconded by Mrs. Johnson to table this and let the department heads review their budgets and for Mr. Surret to compile the information and come back with realistic figures.

Mr. Brock restated his motion to carry over the information to the next meeting. He also requested the call volume for the Sheriff's Department and EMS and additional revenue that can be generated by any department.

Mr. Douglas wanted to know what amount the county was paying for the maintenance shop. He felt that hiring a mechanic and using inmate labor would be cheaper than the current contract for the shop. Mr. Surret pointed out that there were several mechanics at the shop and they were maintaining all the county vehicles and heavy equipment, except for those in the Fire District.

Chairman Blackwell called for the vote to carry over the information to the next budget worksession. The motion carried unanimously.

For the next budget worksession, Chairman Blackwell asked the County Administrator to provide information using the Chairman's proposal, information on Mr. Douglas' concerns with the shop, the impact of Mrs. Johnson's recommendations, and figures from Mr. Brock's request for department heads to see if they have any way to generate more revenue or to cut expenses.

Mr. Flowers pointed out that according to Council's vote, Duke Energy's revenue had been removed from the budget and there were not personnel cuts.

It was the consensus of Council to schedule the next budget worksession for Thursday, May 15, 2014, at 9 a.m.

Adjournment

MOTION was made by Mr. Brock to adjourn the worksession. There being no further discussion, the worksession was adjourned at 11:11 a.m.

Respectfully submitted,

Mrs. J. JaNet Bishop
Clerk to Council

Mr. Wesley Blackwell, Chairman
Darlington County Council

Approved at meeting of June 2, 2014.