

MARLBORO COUNTY COUNCIL

WILLIAM P. WALLACE, SR. ADMINISTRATION OFFICE BUILDING

CONFERENCE ROOM

TUESDAY, MAY 14, 2019 **BUDGET WORK SESSION**

4:00 PM

Present at the meeting: Dr. Carolyn Prince, Mr. Verd Odom, Mr. Steve Blackmon, Mr. Willie Gladden, Ms. Corrie Plato and Mr. Anthony Woods
Mr. Charles P. Midgley, Jr. arrived at 4:15 pm
Mr. Jason Steen arrived at 4:30 pm

Others Present: Mr. Ron Munnerlyn, County Administrator; Mr. Doug Carabo, Public Services Director; Ms. Ainsley Moore, Finance Director; Ms. Kaye Liner, Accounting Supervisor; Ms. Jackie Hough, Reporter for Herald-Advocate; and Patricia Bundy, Clerk to Council

A copy of the agenda was emailed to Jackie Hough of the Herald Advocate, and posted on the front door of the William P. Wallace, Sr. Administration Building and on the county's website (www.marlborocounty.sc.gov).

Dr. Carolyn Prince, Chair, called the work session meeting to order and stated that the work session was called to discuss the budget for the upcoming fiscal year and recognized Mr. Ron Munnerlyn, County Administrator.

Mr. Munnerlyn stated that the first item to be discussed was residential trash service options. He stated that the contract with the current vendor would expire at the end of the year and staff needed to know how Council would like to move forward.

OPTIONS FOR RESIDENTIAL TRASH PICKUP

1ST OPTION – CONVENIENCE CENTERS ONLY WITH COUNTY PROVIDING NO ROLL CART SERVICE

Mr. Munnerlyn stated that with this option, the costs to citizens would be about \$85 a year and the fee would be included on the tax bill for all county residents. He stated that the solid waste fee which county residents currently pay is \$40 per year but stated that Dillon County residents pay \$90 per year and Chesterfield County residents pay about the same. Mr. Munnerlyn stated that if a company wanted to come and provide roll-cart service for folks, it could be done and Council could regulate the conditions to allow the company to perform that service.

Pros – Mr. Munnerlyn stated that the pro was that the \$85 annual fee would be less than the citizens were currently paying for their current roll-cart service.

Cons – Mr. Munnerlyn stated that the cons were: (1) this option would not address the litter issue; (2) many residents have limited transportation and may not be able to deliver their

trash to a convenience center; (3) would create a cash flow issue; and (4) there would be a need for an additional convenience center. Mr. Munnerlyn stated that the county does not have a lot of money in the current convenience center sites with the exception of Wallace and Red Hill which both have compactors which cost about \$50,000, but a new convenience center would need to be opened.

2ND OPTION – ROLL CART SERVICE – CONTRACTOR BILLS & COLLECTS FROM CITIZENS

Mr. Munnerlyn stated that with this option roll cart service would continue as it is currently. He stated that folks currently pay \$240 for this service and he would propose to increase the annual solid waste fee from \$40 to \$45 annually for a total annual cost of \$285. Mr. Munnerlyn stated that the contractor would continue to bill citizens monthly and a solid waste fee would be added to property taxes for all dwellings in county including municipalities.

Pros – Mr. Munnerlyn stated that the pro was that the county would not have to invest any money to start the system.

Cons – Mr. Munnerlyn stated that the cons were: (1) the contractor would have difficulty in collecting the fees for the services; (2) fees not billed to property owners and renters change frequently which would cause a problem in tracking folks down for payment; (3) non-payment folks end up with no cart which would cause a litter issue; and (4) these issues would limit the number of contractors willing to bid for service.

3RD OPTION – ROLL CART SERVICE – CREATE A COUNTY DEPARTMENT TO OPERATE AND FEES TO BE ADDED TO PROPERTY TAXES

Mr. Munnerlyn stated that with this option the county would create a department to operate the system and bill citizens annually on property tax bills. He stated that in order to do this he felt that the annual fee to all county residents would be at least \$250.

Pros – Mr. Munnerlyn stated that the pros were: (1) everyone would have a cart which would help with the litter issue; and (2) reduced monthly amount compared to current system (\$240 annually for the cart service and \$40 solid waste fee).

Cons – Mr. Munnerlyn stated that the cons were: (1) one payment a year adds \$250 to citizens' tax bill at one time which would cause a hardship on some folks; and (2) large capital investment of approximately \$3.4 million would be required to get department up and running to include the purchase of roll carts and trucks, etc.

4TH OPTION – ROLL CART SERVICE – CONTRACTOR FEES TO BE ADDED TO PROPERTY TAXES

Mr. Munnerlyn stated that with this option the service would be bid out and the contractor would operate the system and the county would collect funds from county residents to pay contractor. He stated that the county would bill all county residents on property taxes to pay contractor. The annual costs to citizens for this option would be \$200.

Pros – Mr. Munnerlyn stated that the pros were: (1) everyone would have a cart which would help with the litter issue; (2) reduced monthly amount compared to current system; (3) collection of fees not an issue for contractor which would encourage more companies to bid; and (4) reduced use of convenience centers.

Cons – Mr. Munnerlyn stated that the con was that one payment a year would add \$200 to the residents' tax bill which would cause a hardship on some.

Mr. Munnerlyn stated that there are difficult decisions to be made. He stated that if fees are included on citizens' tax bills, folks complain but at least everyone would have a roll cart and it would certainly help the litter problem that the county is having. Mr. Munnerlyn stated that the above options were recommendations that staff has made but that Council could do whatever they decide is best. He stated that some had mentioned having community meetings in Wallace, Clio, McColl, Blenheim and Bennettsville to get a feel for what option folks may prefer.

Mr. Munnerlyn stated that the deadline for a decision on this issue was needed before the final reading of the budget which is scheduled for June 9th and definitely before tax notices are mailed out which would be by the end of July. Mr. Munnerlyn stated that the current contractor's contract would expire at the end of December and we will have to bid the service out.

Mr. Verd Odom asked what county residents were currently paying for the trash service and Mr. Munnerlyn responded that they were paying \$20 monthly which comes to \$240 annually, in addition to the \$40 solid waste fee. Mr. Munnerlyn stated that there were approximately 6,700 citizens in the county that should be paying for the current service but the vendor has advised that there were only 2,000 that actually had the roll carts and paying for these services.

Mr. Doug Carabo, Public Services Director, stated that approximately 4,000 citizens were taking their household trash to the convenience centers.

Chair Prince stated that those that were not paying for the roll carts or taking their trash to the convenience centers were most likely dumping in the woods.

Mr. Willie Gladden asked if the fees in the options provided would be on all property residents' tax bills. Mr. Munnerlyn agreed that all property owners would have the charge included on their tax bills. Mr. Gladden asked about folks renting property and Mr. Munnerlyn stated that the property owners would need to pass the fees to those renting from them.

Mr. Anthony Woods stated that everyone in the county feels the crunch when it's time to pay taxes on January 15th. He asked if there was any way that the solid waste fees could be pushed back and collected later in the year, maybe in May. Mr. Munnerlyn stated that he could certainly look into that to see if that could be done.

Mr. Doug Carabo stated that delaying payment by citizens would cause a problem with cash flow making it difficult to pay vendors for their services. Mr. Munnerlyn stated that he felt that he could work that out by paying from the reserve funds until funds come in.

Mr. Munnerlyn stated that he felt that the large fee being included on the tax bills would be the biggest concern for folks. He stated that the elderly folks have no problem paying for the roll cart service.

Mr. Charles Midgely, Jr. asked if the fees would be imposed on mobile homes and land. Mr. Munnerlyn stated that the fees would be imposed on both.

Mr. Steve Blackmon stated that he would like to leave things as they are with the current contractor until EMS is up and running. Mr. Munnerlyn stated that there would be no tax increase for EMS and the contract with the current vendor for trash service would expire at the end of the year.

Mr. Blackmon stated that he felt that this would not be an easy problem to solve and he felt that we would have to handle the trash service as a county department eventually and he did not feel that now was the time to take on a new department. He stated that he felt if things could be held off for a while it would help. Mr. Munnerlyn stated that the contract with the current vendor would end at the end of the year and that staff needed a plan of action. He stated that a new contract would have to be bid out this time. He stated that the current contract had been renewed several times. Mr. Blackmon stated that if the contractor would be billing citizens directly that he felt there would only be one bid received. Mr. Munnerlyn agreed. Mr. Blackmon stated that he felt that the folks currently with roll carts would not complain but the ones without the roll carts would be the ones to complain.

Mr. Odom stated that he felt that if renters would be required to pay for the service, they would feel that they were not getting their monies' worth as many leave and do not rent any one place for a long period.

Mr. Gladden stated that he felt that was business.

Chair Prince asked if someone owned a trailer park could a large container be provided for that area rather than individual roll carts. Mr. Munnerlyn agreed that would be best way to handle mobile home parks and stated that staff would work with property owners in any way they could to help with the costs.

Mr. Gladden stated that he would love to see the county pick up the trash. Mr. Munnerlyn stated that would require creating an entire new department. He stated that if everyone had a roll cart and a solid waste charge of \$200/year that would be enough to pay the vendor but he stated that everyone did not currently pay for trash service and many folks were taking their trash to the landfills.

Chair Prince stated since staff needs to know something by the budget's third reading that she felt staff should go forward with scheduling community meetings to let folks know what options are available to get their input.

Mr. Munnerlyn stated that the decision would not impact city residents but it would affect all residents living outside municipalities in the county. He suggested having two community meetings a night to get the options out to folks. He asked members of Council for suggested dates and places to have the meetings. He stated that he would have charts made up for easels so that folks could understand the different options.

Mr. Odom asked if option 4 was approved if the costs would be on this year's tax bill. Mr. Munnerlyn confirmed that to be true.

BUDGET DISCUSSION FOR FY 2019-2020

Mr. Ron Munnerlyn provided a worksheet to members of council summarizing the current status of the where things are with the upcoming budget.

Mr. Munnerlyn stated that there were some costs for the upcoming budget year that were unavoidable and included in the budget numbers. He stated that those costs were as follows:

Health Insurance (employer portion increase per state- unfunded mandate)	\$225,000
Increase in Vehicle & property liability insurance	25,000
Watercraft software (state - unfunded mandate)	15,000
State mandated retirement contributions	50,000
10-15 Vehicles for Sheriff's Department	200,000

Mr. Munnerlyn stated that staff had made some cost reductions that related to efficiency gains, process improvement and absorbed positions which have saved the county \$100,000 which was included in the budget.

Mr. Munnerlyn stated that budget requests/needs for next year which were not currently included in the budget numbers were as follows:

Two Sheriff Deputies (includes all fringes and personal equipment)	\$120,000
Dump Truck for Public Works	110,000
2% cost-of-living and/or merit based increase for employees	145,000

Mr. Munnerlyn stated that available millage adjustments or revenues were as follows:

Recovery for Unfunded State Mandates (add'l retirement) – 1 mil to generate \$60,000 and Solid Waste fee to City residents for items taken to landfill would generate \$75,000.

Mr. Munnerlyn stated that the starting point for the upcoming budget expenses was \$11,581,866, and with the millage adjustment and revenue from solid waste fee from city residents, would bring revenue funds up to \$11,069,300 which require the county to use \$512,566 from reserves. He stated that this would not include the budget requests for the two deputies, the dump truck or the 2% cost-of-living increase for employees.

Mr. Munnerlyn stated that staff had gone through all the numbers and have crunched as much as possible. He stated that revenues have stayed basically the same as they were last year. He stated that although Harbor Freight has grown, he did not feel that he could depend on any additional monies from that filot.

Mr. Munnerlyn mentioned the Tax Assessor's office and their need to reassess properties. He stated that the appraisers needed to increase the tax value on properties that have had improvements made which would result in more taxes coming into the county. He stated that many counties were having this problem. He stated that a new Tax Assessor would be hired soon and he would make sure the new Assessor increases the values of properties when improvements were made.

Mr. Munnerlyn stated that the dump truck was not something they needed to worry about. He stated the cost-of-living increase had been provided to employees every year for many years now. He stated the wages of county employees were reviewed and everyone making below the minimum for their position according to the SC Association of Counties was brought up to the minimum.

Mr. Munnerlyn stated something that could be considered was to eliminate the employer's costs/share of employee health insurance which would save the county about \$100,000. He stated that the county has paid a portion of health insurance premium for its employees' for years but that the county was not required to do that. He stated that most folks would prefer to have a cost-of-living increase and pay their own insurance because a raise in salary would increase their state retirement benefits.

Mr. Munnerlyn stated that the county could increase millage according to the CPI for last year which was 2.1% and this year which is 2.4%, which would add an additional \$180,000 to the revenue and drop the amount needed from reserves to \$377,566.

Mr. Munnerlyn stated that he suggested staff send employees a breakdown of benefits and the costs of the benefits that the county provides to them. He stated that the county pays 15% of every employee's salary towards their retirement and most folks do not realize this.

Mr. Munnerlyn stated that the county could save money by eliminating a department but what department would they eliminate?

Mr. Munnerlyn stated that staff would go back to and see what else could be done but they had to stop at some point and have something available for review today.

Mr. Munnerlyn stated that he had asked Sheriff Charles Lemon to come to the budget meeting today at 5 pm to discuss a fleet program with Enterprise Rental. Mr. Munnerlyn stated that the Sheriff's Deputies were driving junk cars and they desperately needed better vehicles. He stated a company called Enterprise would provide a fleet of cars for the Sheriff's Department and roll them over after a few years. He mentioned that Marion County, Kershaw County, and the City of Bennettsville were handling their vehicles this way and it really saves a lot of money. He stated that with the Sheriff's current budget, 18 cars could be purchased through this fleet program.

Deputy David Lee stated that Enterprise Rental would provide the vehicles and stripe them and that it would be a turn-key job with a lease type agreement.

Mr. Willie Gladden stated that the City of Bennettsville just started using this type service and it sounded like it is definitely the way to go.

Sheriff Charles Lemon stated that the maintenance on the vehicles provided by Enterprise was much better because all vehicles must be serviced by licensed and certified dealers, including oil changes, inspection of brakes, etc. Sheriff Lemon stated that the wear and tear on their vehicles was very costly.

Mr. Anthony Woods asked about mileage limits for the vehicles. Deputy Lee stated that there was no limit on mileage.

Sheriff Lemon stated that Darlington County, Dillon County, Florence and many others were using this lease type program through Enterprise.

Chair Prince asked about the old vehicles. Sheriff Lemon stated that Enterprise would take them and sell them and use the proceeds received towards the costs of the lease purchase.

SCHOOL RESOURCE OFFICER PROGRAM

Mr. Munnerlyn stated that one other matter that he wanted the Sheriff present to discuss was the School Resource Officer Program.

Mr. Munnerlyn stated that currently the county has a contract with the School District which provides for two School Resource Officers at a cost of \$59,000/year per officer and provides money for vehicles and equipment. Pursuant to the terms of the contract, Marlboro County buys the officer's vehicle and equipment and finances these for the School district over a five year term. Mr. Munnerlyn stated that he and Sheriff Lemon met with the School Superintendent and the School District has asked that we partner with them in providing 50% or 25% of the costs for the School Resource Officers. Mr. Munnerlyn stated that he advised Dr. McCord that the county was already in a partnership with them as we cover about \$10,000 - \$15,000 in vehicle cost, in addition to providing workers compensation insurance and other things that are not in the contract. He stated that he explained that the county could not carry any more of the weight right now.

Mr. Munnerlyn stated that he and the Sheriff discussed this further and thought that the county could possibly purchase federal or state surplus vehicles at a reduced cost or through the Enterprise fleet program that was discussed earlier. Mr. Munnerlyn stated that the county was already paying overtime costs of deputies for covering after school activities, such as ball games, etc.

Mr. Munnerlyn stated that staff decided the county could propose to keep the same per officer cost or maybe \$2,000 less, and reduce the capital improvement cost of vehicles by around \$10,000 - \$15,000 moving forward.

Mr. Munnerlyn stated that Dr. McCord requested the county enter into a contract on an annual basis but he advised that the county would ask that the contract be at least a five year term. He stated that if the county has a one year contract and five or six deputies are hired as School Resource Officers, the School District could decide not to renew and then the County would have to let the five or six deputies go. He stated that he certainly would not want to hire someone and then after a year let them go. Mr. Munnerlyn also stated that the School District also has grant funds available to them to assist in the costs of providing School Resource Officers and the county could agree to accept any grant monies the School District receives and could hold them in an account to be used to off-set the amount that the School District would owe the county.

Mr. Munnerlyn stated that it may be necessary to enter into executive session to discuss the contract further.

Motion made at 5:12 pm by Mr. Anthony Woods, seconded by Mr. Willie Gladden, to enter into executive session to discuss personnel and contractual matters. Vote in favor. Unanimous. Motion carried.

Motion made at 5:55 pm by Mr. Anthony Woods, seconded by Ms. Corrie Plato, to leave executive session and return to open session. Vote in favor. Unanimous. Motion carried.

Chair Prince stated that no votes were taken and no decisions were made during the executive session.

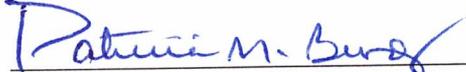
Work session adjourned at 5:55 pm.

(SEAL)



Dr. Carolyn A. Prince, Chair

ATTEST:



Patricia M. Bundy, Clerk

Date Adopted: June 11, 2019