

MARLBORO COUNTY COUNCIL

WILLIAM P. WALLACE, SR. ADMINISTRATION OFFICE BUILDING

CONFERENCE ROOM

TUESDAY, MAY 9, 2017 **WORK SESSION MEETING**

4:30 PM

Present at the meeting: Mr. Jason Steen, Mr. Willie Gladden, Ms. Corrie Plato, Mr. Charles P. Midgley, Jr., and Mr. Anthony Woods; Mr. Ron Munnerlyn, County Administrator; Ms. Ainsley Moore, Finance Director, Ms. Lynn McQueen, Herald-Advocate, and Ms. Patricia Bundy, Clerk to Council.

Absent from the meeting: Mr. Steve Blackmon, Dr. Carolyn Prince and Mr. Verd Odom.

A copy of the agenda was emailed to Lynn McQueen 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).

Mr. Jason Steen, Chairman, 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 staff had put a lot of time in the presentation that he was about to share but that he wanted to try to show members of Council some things to help them decide what direction they needed to go concerning the upcoming budget.

Mr. Munnerlyn began with the presentation and stated that there had been no change in growth due to no new economic development growth and no changes to increase the Local Government Fund. He stated that staff continues to use more and more from the reserve funds which was not a good thing.

Mr. Munnerlyn stated that the county's budget depends on property taxes paid by its citizens. He stated that the county uses these monies to pay for government. He stated that this coming year, staff has determined that there will be several large expenses for buildings and maintenance.

Mr. Munnerlyn stated that staff has looked for ways of reducing costs and increasing efficiency. He stated that in looking at the way the budget has been viewed, staff has decided to create subaccounts so that staff can better track expenses. He stated that it is important that the county get a return on investments that are made. He mentioned the GIS system and stated that by making that investment with monies that the county really did not have, will now save the county in not having to hire someone to fill the position of an employee in the Tax Assessor's office that will be retiring in December of this year so as to save approximately \$20,000.00 for one-half of the year.

Mr. Munnerlyn mentioned the bond funds which were used for capital improvements. He stated that back in 2007 the county borrowed \$4 million via bonds and a tax millage was set to pay the money back. He stated that back in 2016, staff suggested that Council refinance the bond to lower the interest rate which will save the County money. He stated that he is now suggesting that Council tonight approve a first reading in title only of an Ordinance to maximize the millage and generate somewhere around \$750,000 - \$1,000,000 in new funds back to the original amount of the \$4 million bond. He stated that this would not affect the millage rate which the residents are currently paying and will not affect the interest rate. He stated that this would help the county out a great deal and considered this a big plus.

Mr. Anthony Woods asked how many more years the bonds would be extended in order to get the new money and Mr. Munnerlyn stated that we would keep the same term and just increase the amount of the payment. Mr. Munnerlyn stated that staff and Council would need to come up with a list of improvements and renovations to be made with the new money and had a list of suggestions for Council to review.

Mr. Munnerlyn stated that the 2016-17 Budget was approved in the amount of \$10,997,040 with the county receiving a total of \$9,897,040 in revenues and \$1,100,000 from the reserve funds.

Mr. Munnerlyn stated that staff felt that they needed to look at all items that could be cut from the 2017-18 budget. The first thing they looked at was the beaver program which cost \$30,000 a year. The second cut was the position at the Tax Assessor's office due to the retirement of Ms. Annie Ruth Caulder which will occur in December, 2017. By not filling this position right away, this will save the county \$20,000 for the remainder of the budget year. The third cost that will be saved is the \$150,000 for building repairs which will come from the use of the new bond monies. Mr. Munnerlyn stated that miscellaneous funds of \$100,000 were found in various places within the budget which may be used. He stated that with these cuts and savings, the total budget would be at \$10,700,000 with a total of \$800,000 coming from reserve funds.

Mr. Munnerlyn stated that staff also needed to consider the increases in the mandate costs for next year. He stated that the county will be required to pay an additional 2% in retirement for employees which will cost approximately \$98,300 and the worker's compensation insurance premium will increase by about \$25,000 due to an increase in workers compensation claims that were filed over the last two to three years.

Mr. Munnerlyn stated that with these additional costs, staff needed to look at fees and other ways to increase revenues for the county. He stated that a total of \$150,000 could be transferred from the Railroad Funds and FILOT fees which are paid to Economic Development.

1. He stated that fees charged by Building Codes could be increased for a total of \$30,000.00 without the citizens really noticing a big hit. He stated that currently the Building Codes office calculates fees for their permits based on the prices paid for services and stated that by having "flat" rates for permits, this would also save the employees in the front office time which means efficiency.

2. Mr. Munnerlyn mentioned Victims' Advocate funds and stated that \$15,000 of these funds could be used to pay part of the salary to the employee in the Sheriff's office who coordinates this service.
3. He stated that a portion of the salary for one of the EMS Dispatchers, approximately \$50,000, could be paid from the EMS funds that are included in the amount of property taxes paid by taxpayers.
4. He stated that fees for Delinquent Tax could be increased to pay for the employee in that office by approximately \$120,000. He stated that it's only fair that those that do not pay their taxes bear the burden for this position and office.
5. He stated that 911 surcharges in the amount of \$40,000 could be used for the budget without it hurting that department in anyway.

He stated with all of these cuts/savings, staff would need to use \$628,140 from reserve funds but that would just be a good starting point.

Mr. Munnerlyn stated that the next step would be to consider all requests that have been made by all the departments. He stated that the requests are as follows:

1. Work Crew Supervisor position to take inmates out which is estimated to cost \$75,000 for an employee's salary, benefits and truck. He stated that this person could be over inmates that would help clean up the county and help with building projects such as painting, etc.
2. Salary Compensation Study to bring employees that currently work with the County up to the bare minimum in comparison to other counties would cost \$95,000.00. He stated that 34% of our current employees are now being paid below the minimum compared to other counties for the same positions. These funds will only bring them up to the bare minimum but he stated that he felt that this is something that needed to be done.
3. 401(k) match is estimated to cost \$20,000.
4. The Sheriff has requested three additional deputies but we have included two new positions for a total of \$150,000 which would cover salaries, benefits, vehicles, etc.

Mr. Munnerlyn stated that if all of these requests are met, the budget is back up to using \$1,043,140 from the reserve funds.

Mr. Munnerlyn stated that there were some things that could be done to help reduce this amount of funds needed from the fund reserve. He stated that staff and the entire county were completely fed up with the state dumping on the county and yet limiting the amount of that taxes can be increased. He stated that a couple of suggestions are as follows:

1. Return millage to cover the required mandates by state in the amount of \$100,000.
2. Increase in the CPI millage by the max that we are allowed to which would bring in \$125,000.
3. If the county has a deficit for previous year and uses funds from its reserves, the law says the county can recover that amount back from the citizens. We would estimate that we could collect up to \$175,000 on this.

Mr. Munnerlyn stated that these suggestions noted above would result in an increase of 6 tax mils. He stated that if this is done, staff would only need to use \$643,140 from the fund balance.

Mr. Munnerlyn stated that this is still not good enough. He stated that we need to be depending on no more than \$300,000 out of the reserve funds and stated that he had a couple of suggestions as to how to get there. He stated that the Harbor Freight expansion will help bring more revenue to our county.

1. He stated that staff could reduce or eliminate all new requests made by the department heads.
2. He stated that fees could be further increased.
3. He stated that we could add a solid waste fee.

Mr. Munnerlyn stated that many counties, Dillon and Darlington being two of them, add these fees on tax bills. He stated that Dillon charges \$93/year and Darlington charges \$60/year on all dwellings where folks can live. He stated that that these fees would not be typically charged to those city limit residents or town limit residents. He stated that their tax bills already reflect fees for trash pickup and it would not be fair to add another charge to their tax bill. Mr. Munnerlyn stated that this would help clean up the county by allowing folks to have an individual roll out cart each resident or by having community drop off centers that would be convenient for all citizens. Mr. Munnerlyn reminded Council that the county currently has an agreement with J. Davis Enterprises to pick up the residential trash for three additional years so that would have to be considered.

Mr. Gladden stated that every household should have a canister for their trash to be picked up. He stated that something needed to happen to clean up our area.

Mr. Jason Steen stated that the current bill paid for residential trash pickup is \$20/month which comes to \$240/yr. He stated that including a payment of \$93 charge on each tax bill would be a great savings to residents who are paying the \$20/month now. Mr. Steen stated that he had nothing against the crew that handles the residential trash pickup now but there were many residents that do not pay for the service and we do not know what these folks are doing with their trash. That may be the reason for all the trash in the county.

Mr. Munnerlyn reminded everyone that the County has a contract for trash pickup now but if things change or the County decides not to renew the contract when it comes up in three years that convenience centers could be created in convenient locations for residents to take their trash or roll out carts could be purchased for each resident. He stated that if roll out carts are provided, that the county would need to have a truck and folks to pick up the trash from the carts which would mean more jobs for the county but more payroll. He stated that if you put a fee on the tax bills for the service that the county could recoup the costs of the employees that we would need to hire and pay for the truck(s).

Mr. Midgley stated that if the county requires residents to pay for this service and provides roll out carts to each resident in the county, the county should be a cleaner place. Mr. Steen stated that he would estimate that about 50% of folks in the county do not pay for residential

trash pickup and he was sure they did not take their trash to the convenience center. He stated he felt that was the reason that the county was so dirty and trash was everywhere.

Mr. Munnerlyn stated that if the county did decide to collect for residential trash pickup on the residents' tax bills, it would be cheaper for those that pay the monthly fee of \$20 to J. Davis Enterprises. He stated that you cannot burn household garbage in the county and there should be fines if folks are caught doing this. Mr. Steen stated that folks could not burn household trash in any of the state, not just Marlboro County.

Mr. Gladden mentioned the Beaver program which cost \$30,000/year and asked if the program was cut what type of problems would folks have with the water flow in Marlboro County. Mr. Munnerlyn stated that he did not think that the cut would have a big impact and that it would be a "hit and miss". He stated that he felt that the owners with the problems should pay for this service.

Mr. Gladden asked if the county could get help from the City of Bennettsville to fix the falling wall on Market Street and down the hospital hill. Mr. Munnerlyn stated that the cost estimated to "fix" the parking lot in the way that it should be fixed was \$350,000. He stated that it might be that the County could get a grant to help with the repair of the parking area but that the parking area could be included on our list for the Bond funds.

Mr. Munnerlyn stated that the county has a fire service fund and an EMS fund and he would like to keep a reserve of \$200,000 in these accounts and suggested that there be no increase in discretionary funds. He stated that the fire departments had requested an additional \$5,000 for each fire department for discretionary funds but stated that he suggested that the request not be granted but that if things come up that they need that the county may consider payment of the items so that we could control what is being spent.

Mr. Munnerlyn stated that the Fire Coordinator has requested that they be given money to purchase a big truck and has also requested four folks during the day to answer calls. Mr. Munnerlyn stated that he and Mr. Keith Hughes, the Fire Coordinator, met with the Clio, Brightsville, Wallace and Blenheim fire chiefs and they agreed to include in their budget 60 man hours a week for part-time folks. He stated that the fire departments depend solely on volunteers and do not seem to have a problem at night but days are when they have problems because most of the volunteers work. He stated that by agreeing to pay for 60 man hours a week, this would allow them to have folks to cover the calls in the daytime and would also help with the ISO ratings which will give residents a reduced rate in their homeowners' insurance.

Mr. Munnerlyn stated that last year the EMS revenue was at \$768,000 and the county spent \$740,000. He stated that \$690,000 was paid to the Marlboro County Rescue along with an additional \$50,000. He stated that he recently met with Mr. Jeff Boan of the Marlboro County Rescue Squad and felt that the payment should be increased to \$725,000. He stated that he advised Mr. Boan that if their group needed additional funds to please let someone know. He also stated that out of the \$725,000.00 that will be given to the squad that \$30,000 will be paid to the Wallace Rescue Squad to serve as a backup when additional help

is needed. They also agreed that the County Administrator and Mr. Steve Akers, the E911 Director, would develop a protocol as to when Wallace Rescue would be dispatched so that the dispatchers would know who to call and when.

Mr. Munnerlyn stated that he would need direction from Council as to whether or not they would want to go forward with the 6 mil increase on taxes. He also stated that he needed to have an execution session to discuss the county's solid waste contract.

Mr. Gladden stated that he liked the idea of hiring a work crew supervisor. Mr. Woods asked if the supervisor would need to be certified. Mr. Munnerlyn stated that he was suggesting that someone basically watch the inmates while they work and he not be required to have service weapon. He stated that he thought that someone should be hired to watch them and make sure that the work they assigned the inmates to do was getting done and that they were not meeting folks behind the bushes or making calls on cell phones, etc.

Mr. Woods stated that he would like to look at all of the information provided on paper. He stated that the presentation was great but that it was a lot of information.

Mr. Munnerlyn stated that a hard copy would be provided to members of Council for review but that with the 6 mil increase, the county would be looking at still using \$643,140 from the reserve funds which is not good but better than this current year's fiscal budget.

Mr. Steen stated that Mr. Munnerlyn and Ms. Moore have worked hard on the budget and he appreciated all of their hard work.

Motion made at 5:25 p.m. by Mr. Willie Gladden, seconded by Mr. Charles P. Midgley, Jr., to enter into executive session to discuss contractual matter. Vote in favor. Unanimous. Motion carried.

Motion made at 5:45 p.m. by Mr. Charles P. Midgley, Jr., seconded by Mr. Willie Gladden, to leave executive session and return to open session. Vote in favor. Unanimous. Motion carried.

Work Session meeting adjourned at 5:45 p.m.

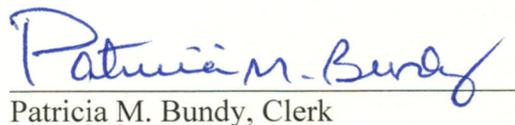
(SEAL)

ATTEST:

Date Adopted: June 13, 2017



Jason K. Steen, Chairman



Patricia M. Bundy, Clerk