

MINUTES
THURSDAY, MAY 3, 2023
BUDGET WORK SESSION
3:00 P.M.
WALTERBORO WILDLIFE CENTER
100 S. JEFFERIES BOULEVARD

Budget Work Session
Walterboro Wildlife Center
100 S. Jefferies Boulevard
Walterboro, SC 29488

Present: Vice Chairman Phillip Taylor called the meeting to order with Council Members Dr. Joseph Flowers, Bubba Trippe, and Scott Biering. Chairman Steven Murdaugh joined the meeting at a later time.

Others Included: Kevin Griffin, Meagan Utsey, Kaela Brinson, Jon Carpenter, Barry McRoy, Becky Hill, and Jeff Slocum.

Councilman Bubba Trippe gave the invocation and led the Pledge of Allegiance.

Budget Presentation Fiscal Year 2023-2024

***See attached presentation.

Reference– Slide #10

Mr. Griffin: Stated, Jon discussed earlier issuing a small GO Bond. We do not have numbers yet on the Detention Center upgrades or the Voter's Registration Building. We should have the Voter's Registration quickly; however, the Detention Center is going to take a little longer. So, what we were looking at is taking what we have left over in the CPST, both interest earning and over runs, to put towards the cost here. Then do a small GO bond to cover what we do not have on here, which is the coroner's building. The cost for the coroner's building is right around 2 million dollars. It was priced at 1.7 million for the CPST, but with the cost of construction going up we are thinking 2-2.2 million. We can do the note for that. We have something coming off of the debt service revenues that we will not have to raise debt service millage to cover that bond. We would spend all we have from the excess CPST and if it did not cover all costs then we would do with the bond in order to complete the Voter's Registration, Detention Center upgrades, and the Coroner's Building projects.

Chairman Murdaugh: Stated, remind me what the technology storage entails.

Mr. Griffin: Stated, that is the upgrade to our SAN Server System. It is about 9 years old now and is the system that stores all of our data. Jeff can give a little more detail on that. We have a system here that will go into the new server room that we are building at the Harrelson Building, and we

repeat that again in Lodge. It is out of life now, and as you know technology is growing. We have to replace those. We do not have a choice with our technology.

Chairman Murdaugh: Stated, does that qualify under CPST?

Mr. Griffin: Stated, yes it does.

Councilman Biering: Stated, taking out a bond to cover those items will hinder our ability to borrow later, correct?

Mr. Griffin: Stated, yes it would.

Mr. Carpenter: Stated, as of June 30th, we had right under 10 million dollars available.

Mr. Griffin: Stated, that in two years we will have the recreation center bond paid off, actually a little ahead of time. That is a 4 to 5 million dollar capacity that will come back to us. The way we are doing it with using these funds first, if we get good prices, then we could get a smaller bond. These are things we have to get done. This is not a wish list.

Council Items for Discussion

Mr. Griffin: Stated, would you all like to discuss outside direct assistance or go into executive session and go into personnel?

Dr. Flowers: Stated, let us talk about the outside direct assistance. I do not think we should raise any of the outside direct assistance myself or take on these new projects people are asking for. The people in this county do not need any more tax increases than they have to have. We need to keep a little bit of money in there for a buffer in case we have an emergency. I do not see raising these people at all and that depends on how much money were giving to these people. We cannot raise the Public Defender because that is a permanent raise from now on. I do not see us raising any of these agencies with additional funding. Every year they're asking for more and more, and you just cannot continue doing it. I personally do not think we should raise them. I also think we should not take on anymore organizations, because I think we are going to have more of a budget issue than we think we are going to have. I think we are going to go into a recession and that will cut into some of our revenues that we can't anticipate. So, I think we need to be very careful increasing anybody right now. We will have enough increases that are within our requirements. Twenty thousand to thirty thousand dollars state mandate increase with the workers comp. and the health insurance. That is about half a million dollars right there. Those are just my thoughts.

Chairman Murdaugh: Stated, Jon, do you have the current fiscal year break down for the direct assistance?

Mr. Carpenter: Stated, yes.

***Jon reviewed the breakdown with Council. See attached.

Dr. Flowers: Asked, what is that Lodge Rescue Squad?

Chairman Murdaugh: Asked, are they still operational?

Dr. Flowers: Stated, they are not operational I do not think.

Mr. Carpenter: Stated, we receive a budget request every year. He stated he was still active and that the funds were for training.

Dr. Flowers: Stated, someone said that he is not doing anything, so we need to look at that.

Councilman Trippe: Stated, just like Lodge the money we send them, do they send us something showing us what they use that money for?

Mr. Carpenter: Stated, if an agency receives over \$15,000, they are required to provide us with an annual audit or 990 filing. Agencies receiving less than \$15,000 are not required to provide us any type of follow-up documentation.

Councilman Taylor: Stated, just looking at that the one that would be most necessary is Breeze Transportation?

Mr. Carpenter: Stated, the amount requested by Breeze Transportation is our share, based on county ridership, of the DOT grant match.

Chairman Murdaugh: Stated, is the column to the left the current requests?

Mr. Carpenter: Stated, yes and then this column is the difference in funding.

Dr. Flowers: Stated, every year everyone wants more money, and we just cannot afford it. I cannot see raising any of these myself. I do not think we should take on anything new. We have to raise taxes as it is it looks like.

Mr. Griffin: Stated, are there any of the current direct assistance that we have here that you all would like to change?

Councilman Taylor: Stated, it looks like we need to take a hard look at the Lodge Fire Rescue.

Mr. Griffin: Stated, I personally do not know what service they provide, but that has been there a long time.

Councilman Taylor: Stated, I think the one with Palmetto Breeze we need to take a look at because that is an actual usage.

Mr. Griffin: Stated, If I was going to support any of them it would be the one for Palmetto Breeze definitely.

Chairman Murdaugh: Stated, Alcohol and Drug Abuse has repair sewer system.

Mr. Carpenter: Stated, they did not ask for any additional funding however, the county owns that building so they have asked that we look at the sewer system. That is in the process of getting fixed, I think. They have asked for an expansion to their parking lot but there is no way to expand it. This is what she has asked the county to help with.

Chairman Murdaugh: Asked, Column A is additional items they have asked for?

Mr. Carpenter: Stated, yes, I listed any additional items that they put in their request if there were any.

Mr. Griffin: Stated, another issue, the opioid settlement money is not allowed to be used on capital.

Dr. Flowers: Stated, we haven't received it yet.

Mr. Griffin: Stated, did you all want to delete the Lodge?

Dr. Flowers: Stated, I think we need to set it aside for now.

Chairman Murdaugh: Stated, are they doing anything?

Dr. Flowers: Stated, we need to find out.

Mr. Griffin: Asked, Barry, are they doing anything?

Mr. McRoy: Stated, no.

Dr. Flowers: Stated, I think we need to see if we can get more information.

Mr. Griffin: Stated, I know someone that is involved, and he says they are not doing a thing.

Dr. Flowers: Stated, I have some contacts and I will find out.

Executive Session

Dr. Flowers moved to go into executive session to discuss the following: Personnel– 2023-2024 Personnel Requests. Councilman Taylor seconded the motion. The motion carried unanimously.

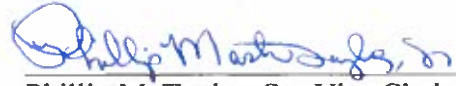
Councilman Taylor moved to exit executive session. Councilman Trippe seconded the motion, which was carried unanimously.

Adjournment

Dr. Flowers moved to adjourn the meeting. Councilman Taylor seconded the motion, which carried unanimously.

Budget Work Session Meeting
May 3, 2023

This 6th day of June, 2023.


Phillip M. Taylor, Sr., Vice Chairman

ATTEST:


Kaela Brinson, Clerk to Council

Colleton County Council Budget Work Session

FISCAL YEAR 2023 - 2024

1

Revenues – General Fund Millage

- County has 20 mills (10.44 current year and 6.56 rollback) available
- Operating mill value is \$203,067
- Last operating millage increase was 2018-2019 and was 1.50 operating mills
- Current operating millage is 116.31
- Administrative Service Committee recommends a minimum operating millage increase of 3.0 mills which will be used for airport funding (0.5 mills - \$103,526) and facility repair/renovations (2.5 mills - \$507,543)
- 3.0 mills would equate to a 2.4 tax increase on a \$200,000 tax bill (4%)

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Revenues – General Fund

- Total forecasted General Fund revenues for FY 2023 are \$32.94 million compared to a budget of \$31.05 million
- Total budgeted General Fund revenues for FY 2024 are \$33.25 million -- growth of \$2.19 million and 6% from FY 2023 budget
- Growth is \$1.68 million in property taxes, \$166 thousand in other fees, \$430 thousand in state funds and \$20 thousand in animal control fees (moving from fund (129) to General Fund)

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Revenues – Other Funds

- Fire Rescue is budgeted to grow revenues by \$28 thousand and 5.89% from FY23 budget. In FY 22 a 4.0 fire operating millage was included in the budget. Fire Rescue is considered a special purpose district and is not under the millage limitations imposed on the General Fund. Current operating millage is 37.56 and each fire operating mill is worth \$108,509
- Roads and Bridges is budgeted to grow revenues by \$85 thousand and 6% based on historical collection amounts of vehicle user fees (\$25 per vehicle)
- Solid Waste is budgeted to grow revenues by \$143 thousand and 5.5% based on historical collection amounts of user fees (\$75 household, landfill fees and recycling fees). Notification was received that all counties will receive a decrease in the recycling fees from DHEC, estimated impact loss of revenue is \$10,000
- Hospitality Taxes are budgeted to increase by \$30,000 and 4.72% based on historical tax collections
- Accommodations Taxes are budgeted to increase by \$62,350 and 4.89% based on historical tax collections

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Debt Service

- County Debt Service revenue collections are budgeted at **\$2.23 million** compared to \$2.1 million based on growth of tax collections and other related state revenues
- Debt service expenditures are **\$83 thousand for GO bonds and \$1.1 million for lease purchase**, leaving available collections of **\$37 thousand**
- As of 6/30/2022 we have \$9.9 million available under our 8% limit and could issue \$3-4 million on a 10 year bond and not have to increase debt service millage
- Fire Debt Service revenue collections are budgeted at **\$2.91 million** compared to \$2.56 million based on growth of tax collections and other related state revenues
- Debt service expenditures are **\$2.69 million** leaving available collections of **\$22 thousand**

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Expenditures - Mandated

- State budget has a **3% increase for both SCRS and POBS employer match** (18.56% and 21.24%)
- This increase equates to additional expense of **\$105,620 to the General Fund and \$232,491 to all funds**
- State budget has a **3.7% increase for employer health insurance match**. No increase to employee premiums
- This increase equates to additional expense of **\$90,317 to the General Fund and \$201,118 to all funds**

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Expenditures - Contractual

- Increasing obligations under contractual agreements total **\$150,457 to the General Fund and \$155,637 to all funds**
- Obligations include Detention Center Healthcare Services (\$25 thousand), Detention Center Food Services (\$10 thousand), Public Safety 911 (\$21 thousand), Tax System (QS1 - \$32.5 thousand), Other software (Finance/Assessor - \$9.6 thousand), Facilities (HVAC/Extermination/Generator - \$22.4 thousand) and Solid Waste (household garbage hauling - \$46 thousand)

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Expenditures - Operating

- Administrative Services Committee recommends **\$262 thousand** in additional operating expense items for the General Fund and **\$492 thousand** for all funds
 - \$36 thousand for facilities related costs
 - \$34.6 thousand for the Assessor (software subscriptions)
 - \$23 thousand for the Sheriff - replacement of out of warranty body cameras
 - \$23.5 thousand for Animal Control (janitorial/travel/training/minor equipment)
 - \$18.1 thousand for Fire Rescue - \$60 thousand for protective clothing, \$18 thousand for radios/batteries, \$63 thousand for building utilities and other facility related costs
 - \$3 thousand in Hospitality Tax - increase of \$50 thousand in litter contract service (\$250k to \$200k) and \$3 thousand for 4 trail cameras and subscription to place at illegal dumping sites
 - \$5 thousand in Accommodations Tax - Children's Little Theater program at Colleton Civic Center

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Expenditures – Direct Assistance

- FY23 Direct Assistance totals \$1,420,408 to 36 organizations
- FY 24 Direct Assistance requests include two new organizations and additional funding to five existing organizations
- New Organizations:
 - SC Artisans Center – request \$60,000 to make repairs to 2 of 4 buildings
 - Mission Serve – request \$28,000 for (summer 24) to fund 2-3 roofs & 3-4 ramps
- Existing Organizations:
 - LCDA – current \$15,322 – request 420,000 to allow shelter to be open on weekends and inclement weather
 - Four Hills Indian Organization – current \$27,205 – request \$16,626 to provide meals 3- week to tribal members (cost of food)
 - Public Defender – current \$385,093 – request \$252,281 to cover cost of telephone service and would also like janitorial services (cost not known)
 - USC Salk – current \$25,000 – request \$150,000 (32) to cover cost of uplit student commons and conference center
 - Palmetto Brezze – current \$80,652 – request \$56,919 – county percentage of match on DOT grant – based on county share of ridership

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Capital - CPST

- Forecasts CPST tax collections for tax that expired 4/30/23 is \$38.663 million
- Represents \$6.2 million in excess collections needed to cover debt service
- Council has authority to budget these excess funds to fund projects that would fall under allowable CPST uses
- Possible Uses:
 - Old Jail/Park ADA Improvements (\$1 million)
 - Voter Registration Building Renovation (?)
 - Detention Center Renovation (?)
 - Technology Storage Upgrade (\$727k)
- In FY 2021 Council budgeted \$4.7 million (included over \$1 million in interest earnings)
- \$2.9 million is available for budgeting by Council (includes additional interest and funds not needed for Taxpayer Service Center)

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Capital - Other

- Departmental Capital Requests totaled \$4.6 million. This includes several pieces of heavy equipment that will need to wait until next lease purchase financing is done (\$/lb FY25)
- Existing capital fund are available to fund the following:
 - Fleet – Concrete pad + overhead canopy that would allow free car lift to be put into service (lift from school) - \$50k
 - Solid Waste – compactors/containers – replace worn out - \$50k
 - Roads and Bridges – John Deere Buffalo Blower (mounts to tractor) needed to clean debris before road work - \$33k
 - Facilities – trailer mounted pressure washer (hot water) to clean various county facilities - \$12k

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