

MINUTES
THURSDAY, APRIL 25, 2024
BUDGET WORK SESSION
5:00 P.M.

Budget Work Session
Council Chambers, Old Jail Building
109 Benson Street
Walterboro, SC 29488

Present: Chairman Steve Murdaugh called the meeting to order with Council Members Phillip M. Taylor, Sr., Dr. Joseph Flowers, Bubba Trippe, and Scott Biering.

Others Included: Kevin Griffin, Meagan Utsey, Kaela Brinson, Jon Carpenter, Barry McRoy, David Greene, Sheriff Buddy Hill, Gene Johnson, and Susan Johnson.

Councilman Phillip M. Taylor, Sr. gave the invocation and led the Pledge of Allegiance.

Budget Presentation Fiscal Year 2023-2024

***Mr. Carpenter reviewed the attached presentation with Council.

Council Items for Discussion

No discussion.

Executive Session

Councilman Taylor moved to go into executive session to discuss the following: Personnel– FY 2024-2025 Personnel Requests and Real Estate– Hampton Street. Dr. Flowers seconded the motion. The motion carried unanimously.

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

Adjournment

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

This 7th day of May, 2024.



Steven D. Murdaugh, Chairman

ATTEST:



Kaela Brinson, Clerk to Council

Colleton County Council Budget Work Session

FISCAL YEAR 2024 - 2025

Revenues – General Fund Millage

- County has 23.23 mills (6.73 current year and 17.0 rollback) available
- Operating mill value is \$23,704, (2023 value was \$203,067)
- Last operating millage increase was 2023-2024, and was 3.0 operating mills (facility repairs 2.0 mills and airport 1.0 mill)
- Current operating millage is 119.31
- Available revenue is \$5.3m

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Revenues – General Fund

- Total forecasted General Fund revenues for FY 2024, are \$35.4 million compared to a budget of \$36.0 million – the difference is primarily due a difference between budgeted and available American Recovery Funds of roughly \$1 million. Overall property taxes are forecasted at \$27 million or 2.5% over budget and our fees are forecasted at \$6.6 million or .5% over budget due to a sharp reduction in sales tax collections.
- Total budgeted General Fund revenues for FY 2025 are \$36.2 million – though this growth is only \$172 thousand, the FY2024 budget included \$2 million in American Recovery Funds that will be fully spent in FY24.
- Excluding the American Recovery Funds reduction noted above, total growth of recurring revenues is \$2.27 million and includes growth of \$1.6 million in property taxes, increase in state revenues of \$177k and strong investment earnings of \$300k that are offset by a reduction of \$250 thousand in fees (sales tax and recording document fees).

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Revenues – Other Funds

- Fire Rescue is budgeted to see a decrease revenues by (222k) and 1.5% from FY24 budget.
- We budgeting growth of \$119 thousand and 2.5% in property taxes through this offset by a expected decline in our fee collections of \$4,200 for FY24 based on a reduction in number and amount of state tax refunds.
- Fire Rescue is considered a special purpose district and is not under the millage each fire operating mill is worth \$122,093.
- Roads and Bridges is budgeted to see a decrease in revenues by (\$21k) and 1.8% based historical collection amounts of vehicle user fees (\$25 per vehicle). Administration is recommending council consider increasing the vehicle user fee from \$25 to \$35 to cover recommended wage adjustments (discussed later) which would generate \$22k.
- Solid Waste is budgeted to see a small decrease in revenues by (\$51k) and 1.4% based on a slight dip in the collection amount of fees for the Solid Waste landfill increasing the \$75 per household to \$85 per household to cover increased operating costs and recommended wage adjustments (discussed later) which would generate \$268k.
- Hospitality Taxes are budgeted to increase by \$8,500 and 1.3% based on historical tax collections – new venues at exit 57 were not factored into budget
- Accommodations Taxes are budgeted to increase by \$56k and 7.3% based on historical tax collections

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Debt Service

- County Debt Service revenue collections are budgeted at \$2.54 million compared to \$2.33 million based on growth of tax collections and other related state revenues
- Debt service expenditures are \$687 thousand for GO bonds, \$1.1 million for 2021 lease purchase, and \$723k for enterprise lease purchase.
- As of 6/30/2023 we have \$12 million available under our 8% limit.
- Fire Debt Service revenue collections are budgeted at \$3 million compared to \$2.91 million based on growth of tax collections and other related state revenues
- Debt service expenditures are \$2.7 million leaving available collections of \$300k.

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Expenditures - Mandated

- State budget has a 1% increase for both SCRS and PORS employer match (19.56% and 22.24%)
- This increase equates to additional expense of \$112k to the General Fund and \$236k to all funds
- State budget (Senate) has a 5.9% increase for employer health insurance match (11.8% effective January 1, 2025). No increase to employee premiums
- This increase equates to additional expense of \$138k to the General Fund and \$210k to all funds
- With these two adjustments, it will now cost the county roughly \$1.37 for every \$1 we pay an employee.

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Expenditures - Contractual

- Increasing obligations under contractual agreements total \$1,59k to the General Fund and \$2,98k to all funds
- Obligations include: Detention Center Healthcare and Food Services (\$29k), Public Safety Communications (\$19k), Technology Software Maintenance (\$50k), Facilities HVAC/Extermination/Generator (\$61k), Solid Waste Household Garbage Hauling and Engineering (\$56k), Fire Rescue Vehicle/Property/Volunteer Insurance (\$51k) and Fire Rescue Ladder and Hose Testing (\$32k)

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Expenditures - Operating

- Included in the Administrator's recommended budget are \$720k in additional operating expense items for the General Fund and \$502k for all funds
 - \$19k for facilities related costs (building repairs/HVAC replacements/pantonal supplies/linen)
 - \$13k for Code Red subscription (previously paid by American Rescue Funds)
 - \$50k to begin upgrading our portable radios - Motorola has \$100k to begin upgrading our portable radios - all will need to be upgraded at an estimated cost of \$7,000 per radio - allow us to do 50 per year (have over 500 radios) - total cost to upgrade all radios - \$3m*
 - \$59k for Animal Control to replace body cameras/build proof vests
 - \$21k operating expenses for GIS department (supplies/training/dues and subscriptions)
 - \$24k for Recreation Center to host three state tournaments (Friday to Monday) (gate receipts + concession sales should exceed cost to host)
 - \$104k for Fire Rescue - equipment repairs (\$12k), medical supplies/drugs (\$54k) and staff training (5 completing paramedic training - \$38k)
 - \$8k in Hospitality Tax for litter contract service, \$500k to \$238k to fund both VS (state contractor) and Colleton County DDSA
 - \$5.5 thousand in Accommodations Tax for replacement kitchen appliances/preparing for Commercial kitchen

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Expenditures – Direct Assistance

- FY24 Direct Assistance totals \$3,560,672.10, 16 organizations
- FY 25 Direct Assistance requests include one new organizations and additional funding to three existing organizations
- New Organizations:
 - Colleton County DDSN – request \$14,705.50 fund purchase of a replacement ADA bus – Agency has grant funds available (80% of cost) requesting county to fund match.
- Existing Organizations:
 - Four Hoops Indian Organization: current \$27,295 – request \$30,167 to provide three kitchen workers who make between \$10 and \$9 per hour and purchase \$1k in new pots/pans/kitchenware
 - Town of Edisto Beach – current \$17,934 – request \$187,614 – 5.44% to cover increased costs and demands for services – last increase was in 2023 at 3.7% (inflation) – request \$10,250 to 95% per contractual agreement (3.44% CPI water/sewer/trash)
 - Patientio Beach – current \$106,010 – request \$08,304 – county percentage of match (8%) on DOT grant on for commuter system route from CC to Bluffton/HH1 and to fund local match for Walterboro Works route.
 - Total new and increased requests - \$30,262

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Debt Financing

- By 6/30/2024, we will be closing on a new lease purchase financing agreement.
- In FY2024, we paid off 2033 PNC lease financing (10 year)
- Financing will primarily be used to finance Fire Rescue equipment.
- Financing amount will be \$2.6-3m and \$2.3m will be for patient monitors, 75-serial fire truck and 4 ambulance chassis (will remount existing units). Needs outside of Fire Rescue include Facilities and Dogwood Hills.
- By 6/30/2024, we will be issuing a Bond Anticipation Note (BAN).
- BAN is a temporary (short-term) note that is used to fund capital projects until the issuance of GO bonds.
- BAN can be issued by bank and does not require solicitation and bid process of GO bonds.
- County debt capacity (8%) as of 6/30/23 is \$17,597,323, with \$12,104,316 available.
- Expected BAN amount at 6/30/2024 is \$1.8 million.

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One-time/Capital

- Facility repairs expected in FY24-25 include – will be funded from 2.0 millage increase included in 23-24 budget:
 - New carpet at Edisto CCFR/L library
 - Exterior painting at Mable T. Willis location
 - Exterior painting at the Museum/Commercial Kitchen
 - Siding replacement at Green Pond Senior Center
- BAN/GO Bond is proposed to fund the following:
 - Design/Construction of Coroner Office/Morgue
 - Replacement of 89 Courthouse Windows
 - Renovations to the Detention Center
 - Final interior renovations to the Hurrelson Building
 - Parking lot/road renovations to Klein/Benson Street campus

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Personnel – Executive Session

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