

MINUTES
HORRY COUNTY COUNCIL
Budget Workshop
June 15, 2006
Council Conference Room
2:00 p.m.

MEMBERS PRESENT: Liz Gilland, Chairman; Harold Worley; Mark Lazarus; Marion Foxworth; James Frazier; Carl Schwartzkopf; Paul Prince; Kevin Hardee; and John Boyd.

MEMBERS ABSENT: Howard Barnard, Mike Ryan, and Bob Grabowski.

OTHERS PRESENT: Danny Knight; Pat Hartley; John Weaver; Anne Wright; Steve Gosnell; Beth Fryar; and Westley Sawyer.

In accordance with the FOIA, notices of the meeting were provided to the press stating the time, date, and place of the meeting.

CALL TO ORDER: Chairman Gilland called the meeting to order at approximately 2:10 p.m.

First Reading Review. Mr. Sawyer stated at first reading a balanced budget was presented with no tax increase and no increase in fees. It included a 2.43% COLA for the employees; \$150 net Christmas gift for the employees; 41 new positions and a balanced operating budget with projected revenue. The big-ticket item at first reading was the planned use for the \$12.6 million in excess fund balance for capital projects. The planned uses included \$2.273 million to build the first ninety-six bed unit in the Minimum Security section of the prison and to fund some additional money for architectural and soft cost of the jail; \$3,151,000 for Connector Roads; \$506,000 for Public Works Heavy Equipment; \$150,000 for Public Works Satellite Office Construction; \$300,000 Precinct Construction; \$5,820,000 for Jail Addition- the first phase of the jail as cash funding in an effort to keep the bonding down; \$240,000 for 3 Traffic Signals (Carolina Forest Area); and \$160,000 for the 800 MHz Rebanding Radios.

Chairman Gilland asked if there were recurring costs on traffic signals. Mr. Gosnell said yes and it was approximately \$5,000 a year based on information from SCDOT. The first year was budgeted in the \$240,000 and after that it would be budgeted in the Engineering budget. The locations for the signals were Postel Way; one at Carolina Forest and River Oaks; and one at River Oaks and International Drive.

Mr. Frazier spoke briefly about the intersection of Willow Springs and Allen Dew. Mr. Gosnell stated he would contact SCDOT about it.

Recommended Changes by Staff and Committees:

Staff Initiated Changes. Mr. Sawyer stated staff recommended the following changes: Changes in salaries from turnover and new hires, which amounted to \$118,000; Procurement Lobby Changes \$3,200; EMS/Fire Allocation of \$461,584; High Speed Internet for EMS Station of \$2,550; Fiber Location Requirement \$45,000 in revenue generated with an expense of \$45,000; Two School Resource Officers with 50% match with School District \$44,848; Vehicle Equipment, Uniforms and Gas for School Resource Officers- 50% match \$33,551; Southern Evacuation Line Committee Meetings \$10,000 and Staff Attorney for Georgetown Solicitor \$74,711.

Committee Actions. The various committees recommended the following: Full-Time Administrative Assistant for Clerk of Court which would be funded by reducing the temporary budget; Associate Judge for Probate Court \$56,088; 2 Appraisers for Auditor \$80,000 in revenue with \$80,000 expense; Public Education Specialist and Part-Time Volunteer Coordinator for Museum \$51,211 and Public Works Dept. Management Study \$100,000. **Mr. Prince moved to amend to remove the \$100,000 for the Public Works Dept. Management Study, seconded by Mr. Hardee. The motion to remove \$100,000 for the Public Works Management Study passed. The vote was as follows:**

In favor

**Lazarus
Foxworth
Frazier
Prince
Hardee
Boyd**

Opposed

**Worley
Schwartzkopf
Gilland**

Absent

**Barnard
Ryan
Grabowski**

Mr. Frazier moved to approve as amended the Staff Initiated Changes and the Committee Actions with the removal of the \$100,000 for Public Works Dept. Management Study, seconded by Mr. Boyd. The motion passed unanimously.

Mr. Knight stated that Mr. Hembree, Solicitor, had presented a need for additional personnel and the committee had not voted on it. Mr. Hembree requested an additional Staff Attorney; One Administrative Assistant; Desk, 2 Computers, 2 Printers and salary enhancements for Administrative Assistants for a total of \$136,838. **Mr. Worley moved to approve the following and to fund \$136,838:**

- **State Victim Witness- Salary adjustment for an Administrative Assistant- \$3,144.**
- **State Appropriations- Salary adjustment for two Administrative Assistants and one new Administrative Assistant with fringes- \$42,631.**
- **Georgetown County- Salary adjustment for one Employee with fringes; Staff Attorney for Magistrate's Court- \$68,424; Desk; Chair, and Laptop- \$3,875.**
- **Worthless Checks- Two Administrative Assistants, Two Computers and Two Printers- \$82,515.**
- **Horry County- One Staff Attorney; One Administrative Assistant, Salary Adjustments for Administrative Assistants; Two Computers and Two Printers- \$136,838.**

Mr. Hardee seconded the motion. The motion passed. The vote was as follows:

In favor

**Worley
Lazarus
Foxworth
Frazier
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski**

Step Plan. Mr. Sawyer reported that the step plan would continue at 2% of entry-level salary. Mr. Hardee inquired about the money that was left from the compression plan. Mr. Sawyer would provide the number.

Fire Fund Changes. Mr. Sawyer said the changes included an increase in tax revenue to 8% which was an additional \$115,000; personal services \$82,642; High Speed Internet \$14,550 and Service Contract Increases \$29,509.

Mr. Prince requested a workshop to discuss the Fire/Rescue Volunteer Program.

Mr. Boyd moved to approve the Fire Fund Changes, seconded by Mr. Worley. The motion passed. The vote was as follows:

In favor

**Worley
Lazarus
Foxworth
Frazier
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski**

Accommodations Tax Changes. Mr. Sawyer stated the request for Beach Patrol laptops \$165,000 had been deleted because it may be as late as March before the laptops would be in use. There was a request to upgrade a Beach Patrol Corporal to Lieutenant \$3,303 and an addition to Supplemental Contingency \$161,697. **Mr. Boyd moved to approve the Accommodations Tax Changes, seconded by Mr. Schwartzkopf. The motion passed. The vote was as follows:**

In favor

**Worley
Lazarus
Foxworth
Frazier
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski**

Recreation Fund Changes. Mr. Sawyer stated the Recreation budget included the following: Interest on Investments \$16,000; Programs \$140,000 revenue with \$140,000 expense; Contingency \$51,327; and Supplemental Agencies were moved to General Fund (\$10,547). **Mr. Frazier moved to approve the Recreation Fund Changes, seconded by Mr. Schwartzkopf.**

Mr. Lazarus recommended Council create a countywide recreation committee to study the existing facilities, what facilities were needed and how to fund them. Chairman Gilland suggested each Council member find someone to access their individual district. Mr. Knight said they would put it on their strategic plan.

The motion passed to approve the Recreation Fund Changes. The vote was as follows:

In favor

**Worley
Lazarus
Frazier
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed
Foxworth

Absent

**Barnard
Ryan
Grabowski**

Waste Management Fund Changes. Mr. Sawyer stated for first reading the budget was \$5,601,897. They increased the revenue to 8% \$85,000. They were utilizing fund balance in that fund so they decreased the use of Fund Balance. (\$85,000). **Mr. Prince moved to approve the changes, seconded by Mr. Frazier. The motion passed. The vote was as follows:**

In favor

**Worley
Lazarus
Foxworth
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski**

Capital Projects. Mr. Sawyer stated for first reading the budget was \$17,701,556. Solid Waste Disposal Fee \$45,000; Transfer to General Fund for Fiber Locations Requirement- \$45,000 expense; Museum Foundation Donations for Museum Exhibits \$3,000,000 revenue and an expense of \$3,000,000; Library Donations for Loris Library Addition \$230,000 revenue and an expense of \$230,000; Transfer for Fire to Purchase Leased Land \$335,000 revenue and \$335,000 expense. **Mr. Boyd moved to approve, seconded by Mr. Worley. The motion passed. The vote was as follows:**

In favor

**Worley
Lazarus
Foxworth
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski**

Airport. Mr. Sawyer recommended the projected terminal budget be increased to the current estimate of \$43,812,564. **Mr. Boyd moved to approve, seconded by Mr. Prince. The motion passed. The vote was as follows:**

In favor

**Frazier
Schwartzkopf
Prince
Boyd
Gilland**

Opposed

**Worley
Lazarus
Foxworth
Hardee**

Absent

**Barnard
Ryan
Grabowski**

Supplemental Budget. Mr. Lazarus inquired if Council had received an update from LYMO. Mr. Knight stated LYMO would be present at the Administration Committee meeting next week. **Mr. Prince moved to send the Cedar Branch request to the Administration Committee for funding consideration. There was no second and a final vote was not taken.**

The vote to approve the Supplemental Budget funding passed. The vote was as follows:

In favor

**Worley
Lazarus
Foxworth
Frazier
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski**

The funding consisted of the following: Health Department \$216,973; Department of Social Services \$113,297; Waccamaw Regional Planning \$39,308; Clemson University Coop. \$5,000; Public Defender \$785,000; Juvenile Justice \$10,680; LYMO \$300,000; Waccamaw Center for Mental Health \$30,000; Chapin Memorial Library \$80,000; Disabilities and Special Needs \$25,000; Shoreline Behavior Services \$47,000; Aynor Rescue Squad \$13,000; Horry County Rescue Squad \$13,000; No. Myrtle Beach Rescue Squad \$13,000; Northern Horry Rescue Squad \$13,000; Shelter Home \$25,000; Children’s Recovery Center \$18,000; Grand Strand Community Against Rape \$10,000; Waccamaw Economic Opportunity \$1,250; Salvation Army \$10,000; Friendship Medical Clinic \$3,750; Friendship House Preschool \$8,000; St. Delight Community Outreach \$5,000; Shared Care \$50,000; Step Up \$50,000; Horry-Georgetown Youth Advocate Program \$20,000; Conway Chamber of Commerce \$2,500; Miracle League \$10,000 and Boys and Girls Club \$10,000.

County of Character. Mr. Sawyer stated the funding request for this program was \$35,000 plus payroll taxes, insurance and fringe benefits. In Phase Two, they were looking for another fulltime director to direct the County’s program and be the clearinghouse for the entire county. It was decided to discuss this further at the next Administration Committee.

Council Travel Accounts. Mr. Sawyer stated the accounts would remain at \$4,000 each and would not roll. **Mr. Prince moved to include the roll, seconded by Mr. Worley. The motion passed. The vote was as follows:**

In favor

**Worley
Frazier
Schwartzkopf
Prince
Hardee
Boyd
Gilland**

Opposed

Absent

**Barnard
Ryan
Grabowski
Lazarus
Foxworth**

Individual Council Recreation Accounts. Mr. Sawyer stated there was no new funding for FY07 but there were balances that would revert to the General Fund if Council did not roll them. **Mr. Boyd moved to roll, seconded by Mr. Hardee.** Mr. Sawyer stated a motion was not needed because that was how it was. **The committee agreed to roll the balances.**

Section 9. Mr. Sawyer recommended the following text addition to Section 9 of the budget: **Any fund budgeted for operation of the Engineering, Public Works, and Infrastructure & Regulation Division Director department budgets other than payroll that has not been expended shall roll forward and may be transferred to the Local Road Improvement Fund.** Chairman Gilland requested information on the amount they would have left to roll. Mr. Sawyer would get that update at the end of August when statements were pulled together.

Mr. Frazier requested a report on the remaining old road funds. Mr. Gosnell stated he would get that individual information to them.

Chairman Gilland called a recess at 4:00 p.m. The meeting reconvened at 4:15 p.m.

Potential Capital Improvement Project. Mr. Sawyer referred to the FY 2007-2011 projects. Mr. Prince requested the I&R Committee to consider funding for the North Strand Park at the next committee meeting.

Millage Reduction Consideration. Mr. Sawyer stated at the last budget workshop there was discussion on two options of potentially giving back millage. The First Option was Mr. Barnard's option which would cut five mils of tax from the millage and reduce the funding from fund balance going to the capital projects. The Second Option, recommended by Mr. Lazarus, was reduction of three mills. This option was based on the assertion that other revenues would offset the tax revenue loss to where no other adjustment would be necessary.

Mr. Hardee moved to accept Mr. Barnard's option (5 mil reduction), seconded by Mr. Lazarus.

Mr. Hardee withdrew his motion (5 mil reduction) and moved to accept Option Two. Mr. Lazarus withdrew his second on the first motion and seconded Mr. Hardee's motion.

Following discussion of the two options, **Mr. Lazarus moved to approve Option Two with 2.8 mils instead of 3 mils, seconded by Mr. Hardee. The motion failed. The vote was as follows:**

In favor

**Lazarus
Prince
Hardee
Frazier**

Opposed

**Worley
Boyd
Foxworth
Schwartzkopf
Gilland**

Absent

**Barnard
Ryan
Grabowski**

Mr. Worley moved to take 2.8 mils and set it aside in the reserve fund. The motion died for lack of a second.

Chairman Gilland said the budget would be brought forward at next Tuesday night's meeting. Mr. Boyd asked if they were going to revote on each item. Chairman Gilland said no.

The meeting adjourned at 5:05 p.m.

