

**MINUTES  
BUDGET WORK SESSION  
MARCH 25 -27, 2008  
APRIL 2, 2008**

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{Summary minutes of City Council meeting. Audio tapes of the meeting are on file and are included by reference as part of this meeting. An agenda of this meeting has been either mailed or made available to persons, organizations and local news media as per their request. The agenda gives the date, time and place of the meeting as well as the order of business. This disclosure is in compliance with the South Carolina Code of Laws of 1976, Section 30-4-80 (e).}

The budget work session was held on Tuesday, March 25, 2008 at 5:00 P.M. in the City Municipal building with the following present:

**COUNCIL:** Mayor Bruce Morgan; Councilmembers Tommie Hill, Sr., Harold Thompson, Keith Henderson, Councilmember Ricky Todd Harris, Orangelow Ruff and Fran Bailey.

**CITY ATTORNEY:** Billy Whitney

**DEPARTMENTAL STAFF:** Gloria Rogers – Municipal Clerk/Personnel Director; Sam White, - Captain, Perry Harmon – Public Service Director; Joe Nichols – Utility Director; Walker Gallman – Finance Director. Jeff Lawson, CBO MCP-Building Official and Mike Petrie – Maintenance Shop Director.

**NEWS MEDIA:** Steve Ramsey-WBCU

**OTHERS:** Heather Ricard McBride, Chip Boyles and Donnie Johnson.

Mayor Morgan called the meeting to order.

Finance Director Walker Gallman introduced Heather Ricard McBride-CPA, CFO for Risk Management Services and Chip Boyles, Field Agent for the Municipal Association of South Carolina.

Ms. McBride discussed GASB 45 and SC ORBIT. GASB is Governmental Accounting Standards Board, which is an independent private-sector organization that determines generally accepted accounting principles for state and local governments. GASB is concerned that state and local governments were not accounting for the costs of benefits earned. A good reason for concern is that health care costs are a growing portion of local government budgets. GASB 45 will need to be implemented in the FY2008/2009. Ms. McBride also discussed SC ORBIT, which is South Carolina Other Retirement Benefits Investment Trust. SC ORBIT is a GASB 45 compliant trust to pre-fund future obligations. The Trust is being established as a tax-exempt government trust. There is a one time flat fee to join the trust. The on-going administrative fees paid quarterly covers investment management fees, actuary, attorney, audit and administrative fees. SC ORBIT is open to all political subdivisions.

The Finance Director gave an overview of all funds for FY 2008/2009 including transfer between funds. He discussed benefits and projects that are driving the general fund increase besides fuel cost.

- Other Post Employment Benefits Trust Fund	\$100,000
- Stabilization of Coca-Cola Building	\$140,000
- Children's Museum	\$ 35,000
- Match for Sidewalk Project – Rice Avenue	\$ 50,000
Total 1 time or extraordinary increases	\$325,000

Budget Worksession

Excluding the above expenditures the general fund increase from last year is 4.6 %. Factors contributing to the general fund's 4.6 % increase are:

- Consumer Price Increase	4.3%
- 3% COLA - Increase	\$46,000
- Health Insurance – Anticipating a 5% increase	\$42,500
- The Union Connection (Channel 14)	\$ 97,230
- Worker's Compensation has increased by 15%	\$ 15,360
- Retirement cost to City employer	\$ 16,000
- Fuel – 38% increase from last year	\$ 30,720
- Jail Contract 3.5% increase -	\$ 20,000
- Public Safety Capital Increase	\$ 69,850
Total	\$337,660

The Finance Director gave an overview of property taxes and capital improvements.

Solid Waste Management issues to be considered were discussed:

- \$15.00 Garbage Fee
- Loss of Employee
- Lease Purchase – Brush Truck, Garbage Truck
- Contract with private hauler expires 6/30/2008

The utility fund projection revenue expenditures have a 12% increase over last year's budget. This is attributed to the following:

- COLA – 3%
- Worker's Compensation – 21% increase
- Retirement – 3% Increase
- Fuel – 31%
- Cost of Purchase Power
- Cost of Natural Gas – 10 % projected increase
- Other capital increases (extraordinary)
- Electric (Timken Sports Complex) –Gateways
- Wastewater (Closing of Beltline Wastewater)

The Finance Director discussed combined utility capital (vehicle and equipment). He is requesting a meter reading (hand held device) in the Finance Department.

Capital improvements summary for FY2008/2009 was discussed.

An overview of employee growth, personnel issues and personnel changes were discussed.

- 3 summer employees in the Street Department and 2 summer employees in the water division (not included in budgeted positions)
- Additions- 1 full time & 1 part time position – The Union Connection Channel 14
- 1 part time position - Street – Gateways Maintenance
- Other – 3% Cost of Living Increase
- Retirement – SCRS Employer Part Increase to 9.3%  
SCRS Employee Part Increase to 11.05% - July 1, 2008

Also there is a request for two police officers (not included in proposed budget).

Rate increases in the Utility Department include:

- Security lights – 5% increase per year to cover cost of changing to metal halide-mercury vapor is no longer being manufactured.
- No other rates changes are proposed for FY2009
- Natural Gas base rates remain unchanged for FY09 pending rate case filed by Transco

Budget Worksession

- Electric – Lockhart Power is presently negotiating their contract with Duke Power
- may cause City to have to evaluate rates by January 2009.

Public Service Director Perry Harmon gave presentation for Public Service Department. He discussed the following items:

- GPS Pinpoint System
- Solid Waste Services
- Leaf Truck
- White Goods
- Automated Truck Budget Figure - \$229,727  
(Primary Truck – 4 days a week – One Man Operation)
- Propose to purchase another Automated Truck  
(Backup Truck – 1 day a week)
- Brush Bulk Waste Truck Budget Figure \$113,206 (One Man Operation)
- Street Department Services. Eliminate position.

The Municipal Clerk gave an overview of the Legislative/Personnel Department.

- Health/Insurance – the City provides health and dental insurance under the State Plan administered by the S.C. Budget and Control Board
- Money Plus – the City has been using this plan since 1998
- Other Employee Benefits- buy-back for sick leave
- Training- remains top priority for employees
- Safety Consultant – effective way to curb the rising cost of worker's comp insurance
- Courtesy Inspections – SCMIT provides inspections
- Drug & Alcohol Testing – CDL drivers

Management Services Secretary Melissa Youngblood gave an overview of Charter Channel 14 and the process it takes to edit a video for viewing. Ms. Youngblood discussed pricing of three options that would decrease video-editing time.

Councilmember Henderson asked if we could charge a small fee to recoup some cost for Channel 14. Ms. Youngblood states that we have recouped some cost by selling DVD's for \$5.00. She discussed the workload/personnel aspect of the video process. Ms. Youngblood reviewed January – April 2008 video schedule. She also discussed projects thus far. Since initial air date nine months ago, there have been close to 300 plus video projects alone. Some travel is involved in filming events for The Union Connection Channel 14 and needs to be included into the budget. The majority of the time both camera persons and interviewer will ride together which saves on mileage and also helps with the loading and unloading of camera equipment. Since initial installation date of June 2007, the City has spent approximately \$40,000. This does not include the salary for full-time employee.

Mayor Morgan announced that Team Aruba will host their Open House on April 16, 2008 from 11:00 am – 7:00 pm.

Maintenance Shop Director Mike Petrie gave an update on the proposed racetrack.

Mayor Morgan announced that on Thursday, March 27, 2008, Governor Lindsey Graham will present grant funding in the amount of one million dollars for the EDA project.

The budget work session adjourned at 11:45 P.M.

**WEDNESDAY, MARCH 26, 2008**

A budget work session was held on Wednesday, March 26, 2008 at 5:00 pm in the City Municipal building with the following present.

Budget Worksession

**CITY COUNCIL:** Mayor Bruce Morgan, Councilmembers Harold Thompson, Tommie L. Hill, Keith Henderson, Ricky Harris, Orangelow Ruff and Fran Bailey.

**DEPARTMENTAL STAFF:** Gloria Rogers – Municipal Clerk/Personnel Director; Sam White, - Captain, Perry Harmon – Public Service Director; Joe Nichols – Utility Director; Walker Gallman – Finance Director; Jeff Lawson, CBO MCP-Building Official and Mike Petrie – Maintenance Shop Director.

**NEWS MEDIA:** Charles Warner – Union Times and Steve Ramsey – WBCU Radio

**OTHERS:** Virginia Simpson

Mayor Morgan called the meeting to order.

The invocation was given by Councilmember Thompson. The Pledge of Allegiance was given.

Ms. Virginia Simpson of Simpson & Partners (Business Consultant Firm) made a presentation to Council. Their purpose is to build value such as address the unique potential or vision of an individual city. Their approach is hand on/in depth, actionable, marketing oriented and business disciplines in order to build stakeholder value.

Utility Director Joe Nichols gave an overview of the Utility Department. Mr. Nichols discussed operating costs for utilities. He discussed the City utility expenses. He also discussed the capital improvements for the electric division, the Gateway Project and the Timken Sports Complex Project. The electric distribution system and the 5-year plan for capital improvements for the water distribution system and capital improvements for sewer system were discussed. Other projects discussed were:

- Meng Creek Control
  - Capital Improvements Sewer
  - Tosch Creek WWTP Electric
  - Tosch Creek WWTP Paving
  - Tosch Clarifer
  - Beltline WWTP
  - Proposed Beltline
  - Railroad Lift Station
  - Coleman Lift Station
  - Wastewater System
  - Capital Improvements Gas
  - Boring Machine in budget
  - Current Gas Service Policy
- Proposed FY2009 Total - \$6,504,800

Building Official Jeff Lawson gave presentation of the Planning Department. This department consists of four employees. He discussed their duties and functions: Subdivision & Property Development Activities, Planning & Zoning and Management of Federal & State Grants. Other items discussed were:

- Comparison chart of the overall permitted project cost: 2004, 2005, 2006 & 2007.
- Plumbing Permits
- Public nuisance enforcement & residential condemnation program. Planning staff will be increasing efforts significantly in 2008-09
- Planning and Zoning are essential to the long term growth and development of a community
- Successful growth and development can only be achieved through a commitment to: vision, team attitude and knowledge of the community

He also discussed future new businesses – LSP, Wal-Mart, Timken, McDonald, Team Aruba and Bojangles. Wal-Mart breaks ground on March 31, 2008.

Budget Worksession

Mr. Lawson discussed the zoning map, the Planning Commission Board, the Zoning Board and the Grants Management Programs (CDBG and Opportunity Grant).

Other projects reviewed:

- Redesign and beautify gateway
- Mural wall transformed
- Clean up of back alley
- Union Mill Site CDBG Grant - \$500,000 – work is to be completed in 2008, Southern Gateway Project
- Business Licensing

He discussed suggestions from the 2005 Charrette for our community marketing recommendation, design recommendation and implementation recommendation.

The Planning Department's budget will provide the same level of service as the 2007-08 budget without any budget increases being required. The Planning Department staff will continue to cross train in order to provide an ever-increasing level of customer service to the community. In an effort to conserve additional fuel, planning staff will seek the use of an existing more fuel-efficient small vehicle from another department to facilitate discontinuing the use of the last remaining V-8 Crown Victoria allocated to the department. During FY2008-2009, the City of Union Zoning Ordinance will be completely revised after public input has been sought and a thorough analysis of the revision has been completed by Catawba Regional Planning Council. Planning Department staff will continue to find new and more productive ways to market the community and continue the growth of the town including researching the possibility of constructing a small spec building of approximately 10,000 square feet on property already owned by the City of Union. Planning Staff will complete the LUCA program analysis and requests that Council allocates sufficient City staff to conduct the actual taking of the census within the corporate limits of the City of Union to ensure accurate and complete analysis. Planning Staff will conduct a comparison study of permit rates in the Upstate Region of South Carolina and provide a summary report to Council.

Mayor Morgan discussed special projects and gave an update on City's Projects:

- Robotics /Technical Training
- Timken Sports Complex
- Union Center for the Arts
- Amphitheater – Foster Park- Bill Graham 5 x 5 years = \$25,000 – located on South Boulevard
- Government Access Channel – The Union Connection – Channel 14
- Timken Industrial Service Center
- Children's Museum
- Union Mill Property Development/Union Mill CDBG Project – 0.5 million dollars
- RIF Grant – Downtown Development/D
- Business Park -Partnerships with Jonesville, Union County, City of Union
- Industrial Wastewater For Hwy. 176
- Public Safety Complex – Expansion & Upgrade: Police, Fire, Courts, Parking Vehicle Entrance & Exit, Fuel Station Storage – Coca-Cola Building
- Union County Schools – Water & Sewer Project to new schools
- Union County Motorsports Park (Drag Racing Facility)  
Team Aruba – Pro Stock, Drag Racing Team – Open house April 16th
- Timken Industrial Service Center
- WBCU – expansion & tower 103.5 FM
- Blue Sky Mural
- Pinpoint GPS System
- Transfer Station City-County
- Wildfire Communications – Free broadband internet service downtown cameras

Budget Worksession

Chief Sam White, Public Safety Director discussed a GEM e4 four passenger vehicle, which he feels is a solution for the department when officers have to work special events at the park, the fair and football games. The Main Street Officer could also utilize this vehicle daily or during special events downtown. Its exceptional get-in-and-go design provides a dependable and less expensive way for officers to get around the town. The Chief also discussed the Gun Safety Program that the Public Safety Department conducts at the Elementary Schools Grades 1-3. The department also has a Fire Safety Program for pre-schoolers. He discussed the AET (Alcohol Enforcement Team) that the department has. A gang education class was recently conducted at Sims Jr. High School. Chief White discussed the purchase of the Coca-Cola Building for the proposed expansion of the Public Safety Department.

This department made a request to Council to consider the funding of two (2) additional Public Safety Officers for the next two (2) years. These officers would be placed on an alternate shift schedule that would allow for more officers to be on duty during the evening/early morning hours. Currently on each shift, when fully staffed, there are two (2) officers at the Fire Department and three (3) officers performing law enforcement activities. With the current growth and expansion that is currently happening in Union County, Chief White feels that there will be an increase in calls for service. Another request is that the 2 Records Clerk be certified as Class III Officers. This certification would give them limited arrest powers, and would require them to attend and complete a two-week training class at the SC Criminal Justice Academy.

Maintenance Shop Director Mike Petrie gave presentation on the City Shop. This department maintains over 200 pieces of equipment. There are a total of four (4) employees in this department. He gave an update on GovDeals.

Meeting adjourned at 10:55 pm

**THURSDAY, MARCH 27, 2008**

A budget work session was held on Thursday, March 27, 2008 at 5:00 p.m. in the Municipal building with the following present.

**CITY COUNCIL:** Mayor Bruce Morgan, Councilmembers Harold Thompson, Tommie L. Hill, Keith Henderson, Ricky Harris, Orangelow Ruff and Fran Bailey.

**DEPARTMENTAL STAFF:** Gloria Rogers – Municipal Clerk/Personnel Director; Sam White, - Captain, Pery Harmon – Public Service Director ; Joe Nichols – Utility Director; Walker Gallman – Finance Director; Jeff Lawson, CBO MCP-Building Official and Mike Petrie – Maintenance Shop Director.

**CITY ATTORNEY:** Billy Whitney

**NEWS MEDIA:** Charles Warner – Union Times and Steve Ramsey – WBCU Radio

**OTHERS:** Torance Inman, Hugh Rowland, Heather Patterson, Nan Gregory, Carolina Sanders, Scott Sandor, Suzanne Byrd, Jeannie Alexander.

Mayor Morgan called the meeting to order.

Chamber of Commerce Director Torance Inman and Chamber President Hugh Rowland made a presentation to City Council. Mr. Inman states that the Chamber is not asking for an increase in funding for FY 2008-2009. Mr. Rowland states that their goal is to continue to set goals and increase visibility. The Chamber's Annual Banquet will be held April 17, 2008.

Ms. Heather Patterson, Interim Director of Youth Leadership Union gave a presentation. She introduced two graduates of Youth Leadership Union, Miss Nan Gregory, Class of 2005 and Miss Carolina Sanders, Class of 2004.

Budget Worksession

Finance Director Walker Gallman gave an overview of all funds for FY 2008/2009. He made a recommendation to have initial study performed for the Trust Fund. Funding request from outside agencies was discussed. Council will fund agencies at the following level.

-	Museum	\$14,400
-	Chamber of Commerce	\$49,600
-	Olde English District	\$ 2,340
-	YMCA	\$75,000
-	Recreation Department	\$10,000
-	Boogaloo Broadcasting	\$ 5,000
-	Union Memory Walk	\$ 250
-	Uniquely Union Festival	\$ 2,000
-	Union American Red Cross	\$ 2,500
-	Union High Band-Aid Club	\$ 350
-	Youth Leadership	\$ 2,000
-	Veteran's Day Parade	\$ 1,000
-	Union Co. Branch NAACP	\$ 2,000
-	We Care, Inc.	\$ 500
-	Union Co. Crime Stoppers	\$ 1,000
-	Union Co. Arts Council	\$ 2,000
-	Federation of the Blind	\$ 500
-	The American Legion	\$ 1,000
-	Mental Health of America	\$ 250
-	Union County YMCA Triathlon	\$ 2,500

Ms. Nanette Jenkins, Chairman of Boogaloo Broadcasting Company addressed Council. She thanked Council for their past funding support. Ms. Jenkins discussed upgrading the Teritex Building for a proposed multi-cultural building/theater. She announced that Boogaloo will present a summer play the first two weekends in June.

The Finance Director discussed funding the general funds projects listed below at the following level:

-	Stabilization of Coca-Cola Building	\$140,000
-	Children's Museum	\$ 35,000
-	Match for Sidewalk Project – Rice Avenue	\$ 50,000
-	3% Cola Increase	\$ 46,000
-	Health Insurance	\$ 42,000
-	The Union Connection, Channel 14	\$ 97,000
-	Workmen Compensation	\$ 15,360
-	Retirement Cost to City employer part	\$ 16,000
-	Fuel – 38% Increase	\$ 30,720
-	Jail Contract (3.5% increase)	\$ 20,000
-	Public Safety Capital Increase	\$ 69,8500

The Finance Director discussed the general fund department's budget for FY 2008/2009. He also discussed capital-vehicles, equipment and improvement request for the Public Safety Department.

Mr. Scott Sandor, Director of the YMCA gave presentation. Mr. Sandor discussed what the YMCA needs to improve services to the residents of Union County. They are requesting \$4,500 to improve office space for current staff. They have also requested funding in the amount of \$2,500 for a Triathlon. The "Y" is currently seeking grant opportunities to purchase equipment. Gates for rear parking lot due to misuse after YMCA operation hours needs replaced. Estimated cost to purchase and install is \$2,000. The YMCA has funds left in their last year's budget for their repair.

Funding for the Union County Carnegie Library was discussed.

Budget Worksession

**MOTION** by Councilmember Thompson to not fund Union County YMCA Triathlon in the amount of \$2,500 and grant funding to Union County Carnegie Library.

**SECOND** by Councilmember Hill.

**CARRIED UNANIMOUSLY 6 to 1.**

**FOR:** Morgan, Thompson, Hill, Henderson, Harris and Ruff.

**OPPOSE:** Bailey

Council discussed the requests from the Public Safety Department.

**MOTION** by Councilmember Henderson to approve request from Public Safety for two vehicles, a truck and an electric car.

**SECOND** by Councilmember Hill.

**CARRIED UNANIMOUSLY.**

**MOTION** by Councilmember Bailey to add two additional PSO's in the Public Safety Department.

**SECOND** by Councilmember Ruff.

**DISCUSSION:** Mayor Morgan, along with other councilmembers, discussed the request for the two additional officers. Councilmember Henderson asked if Public Safety officers could be contracted out. Mayor Morgan states that surveillance cameras would be a great help to the department. Mayor Morgan recommends that the City hire firefighters to work the night shift to free Public Safety Officers for other duties.

**AMENDMENT TO MOTION** by Councilmember Ruff to hire 3 firemen to work night shift only at a rate of \$10.00 an hour.

**SECOND TO AMENDMENT** by Councilmember Bailey.

**CARRIED UNANIMOUSLY.**

Ms. Suzanne Byrd, Chairman of the Union County Library Board and Ms. Jeannie Alexander gave presentation. Ms. Alexander made a request to City Council to provide free utilities to the library for a year which is around \$18,000.

Mayor Morgan states that the City has an ordinance that does not allow the City to provide free utilities.

City Council discussed passing a resolution setting the filing period for general election in November.

**MOTION** by Councilmember Henderson to set filing period for the November 2008 general election to April 15 – April 29, 2008.

**SECOND** by Councilmember Harris.

**CARRIED UNANIMOUSLY.**

Council will continue budget work session on Wednesday, April 2, 2008.

Councilmember Henderson discussed a Welcome Center and public restrooms downtown. He asked if there was any grant money available for such projects. Mr. Jeff Lawson of the Planning Department will research.

City Council will meet on Wednesday, April 2, 2008 to review budget.

**MOTION** by Councilmember Ruff to adjourn.

**SECOND** by Councilmember Harris.

**CARRIED UNANIMOUSLY.**

The budget work session adjourned at 9:36 p.m.

**WEDNESDAY, APRIL 2, 2008**

A budget work session was held on Wednesday, April 2, 2008 at 2:00 p.m. in the City Municipal building with the following present.

**CITY COUNCIL:** Mayor Bruce Morgan, Councilmembers Harold Thompson, Tommie L. Hill, Keith Henderson, Ricky Harris, Orangelow Ruff and Fran Bailey.

**DEPARTMENTAL STAFF:** Gloria Rogers – Municipal Clerk/Personnel Director; Sam White, - Captain, Perry Harmon – Public Service Director ; Joe Nichols – Utility Director; Walker Gallman – Finance Director; Jeff Lawson, CBO MCP-Building Official and Mike Petrie – Maintenance Shop Director.

Mayor Morgan called the meeting to order. The Pledge of Allegiance was given after the invocation by Councilmember Thompson.

Finance Director Walker Gallman gave an overview of the Finance Department. Tax & License will be moved to the Finance Department.

Mr. Gallman discussed using the part-time meter reader to keep gateways clean around the City to create a proposed full-time position.

He discussed equalize payments customers. There are currently 263. There are different payment methods for paying utility bills: counter, drive-through window, mail, automatic draft, night deposit, credit card/MasterCard/visa. On-line payment was discussed. Mayor and council would like to see on-line payment implemented in the near future.

The Finance Director discussed meter reading. 21,727 meters are read monthly.

The Accounting Department primary duties are payroll, accounts payable, financials (audit, budget, and monthly financial reports).

Mayor Morgan discussed reducing the solid waste fee by 20%. This would reduce the fee from \$15.00 to \$12.00. This Public Service Department has gone from 21 employees to 14 employees. A five-year lease purchase of a brush truck and garbage truck were discussed.

**MOTION** by Councilmember Bailey to reduce the solid waste fee from \$15.00 to \$12.00.

**SECOND** by Councilmember Hill.

**CARRIED** 6 TO 1.

**FOR:** Morgan, Thompson, Hill, Harris, Ruff and Bailey

**OPPOSE:** Henderson

The Mayor also discussed the contract with private hauler to expire on 6/30/2008.

The Finance Director discussed utility fund projection expenditures.

Utility Director Joe Nichols discussed the capital improvements in the electric division, the water division and the sewer division. There is a proposed equipment replacement in the budget.

Finance Director Walker Gallman states that there is no rate increase except in security lighting (5%).

Mayor Morgan gave an overview of the Public Service Department.

The approved request and recommendations will be incorporated into a proposed budget and presented to City Council at their May 20, 2008 regular council meeting.

Budget Worksession

The budget work session adjourned at 4:15 pm.

**MOTION** by Councilmember Thompson to adjourn.

**SECOND** by Councilmember Hill.

**CARRIED UNANIMOUSLY.**

Minutes approved \_\_\_\_\_ 2008