

**BUDGET WORK SESSION
TUESDAY, APRIL 12, 2016
5:00 PM**

{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).}

A budget work session was held on Tuesday, April 12, 2016 at 5:00 pm in the City Municipal building with the following present:

COUNCIL: Mayor Harold Thompson; Mayor Pro Tem Robert Garner, Councilmembers Tommy Anthony, Yates Giles, Ricky Todd Harris, Pamela Sloss and Jim Wilson.

DEPARTMENTAL STAFF: Gloria Rogers – Municipal Clerk/Personnel Director; Sam White, - Public Safety Director, Perry Harmon – Public Service Director; Joe Nichols – Utility Director; Adam Harris – Assistant Utility Director; Walker Gallman – Finance Director; Leroy Edwards – Maintenance Shop Director and Laura Hembree – Accounting Supervisor.

NEWS MEDIA: Hannah Peay – WBCU

OTHERS None

Mayor Thompson called the meeting to order and gave the invocation

Finance Director Walker Gallman discussed budget considerations for FY2017. He discussed the all funds summary. The Brownsfield Loan was paid off as approved at the March budget worksession. The general fund summary was reviewed as follows:

- Increase of 3% compared to prior year budget
- 2.3 % cost of living increase for employees
- Property tax millage increase 2.6 mills for a total of 86.8 mills
- Capital and improvements total \$312,000

Councilmember Giles recommends putting funding in place for security at City Hall. The Finance Director discussed different security measures. Mayor Thompson agreed that we do need to put security and safety measures in place. Utilizing the Main Street Officer & Public Safety Officers to do random checks at City Hall was recommended.

Mayor Pro Tem Garner informed Council that 911 Emergency Preparedness is looking for back-up site for an evacuation area.

Next the Finance Director discussed SWM summary. There is a deficit of (\$2,280). Ways to balance was discussed. SWM shows a decrease of 2% compared to prior year budget. The monthly fee will remain the same at \$16.00 per month. There is no capital budget request. Utility fund projections revenue and expenditures were discussed which includes debt service/capital cost/construction.

The utility summary for electric, water, sewer and natural gas were reviewed:

- Increase of 3% compared to prior year budget
- Electric & gas rates will remained unchanged
- Water will increase by 2.5% on volume
- Water districts & fire sprinkler rates will not change
- Wastewater rates will increase by 5% on volume
- 2.3% increase for employees

Personnel issues were reviewed such as recruitment, retention, grow your own skills, training losses and loss of experience (all positions are skilled). Other personnel issues discussed:

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- Additions – Planning Clerk Trainee & Water Plant Operator Trainee, beginning January 1, 2017
- Lineman II – Is not included in budget numbers- this will increase budget by \$60,000.
- 2.3% cost of living raise proposed

Health insurance and retirement was discussed. Health insurance shows an approximately 1% increase for employer only. The rate is not set until August or September. Experience rated – the City’s modifier will be (0) for 2017. Workmen’s compensation fund was discussed such as premiums increasing, use of deductibles, safety program and premiums which are attributable to our experience. Employer retirement rates will remain the same; employee rates will remain the same as well.

The Tax Increment Finance District was reviewed.

Outside agencies were reviewed.

- Grant writer’s position will be transferred to the Planning Department.
- Rental Assistance until 2023 for Flynn Building

Mayor Thompson discussed the \$1,000,000 donated to the Union Community Foundation. He has requested a financial report from the Foundation.

Local Hospitality and Accommodations Tax were reviewed.

Friends of the Library budget request in the amount of \$7,500 for roof will be included in FY 2017 budget which funding is contingent on them replacing roof on building.

Funding request from outside agencies for events totaled \$435,000.

The Finance Director discussed OPEB liability as it will continue to grow. He suggests joining SCORBIT because of future liabilities which will grow as retirement insurance benefits goes up.

Mayor Thompson discussed the economic impact calculator for the Palmetto Jamboree. This was submitted by Curtiss Hunter, the Executive Director of Union County Tourism.

Mayor Thompson discussed a proposed increase in council’s salary.

MOTION by Councilmember Anthony not to increase council’s salary.

SECOND by Councilmember Harris.

CARRIED 6 to 1.

FOR: Thompson, Anthony, Giles, Harris, Sloss, Wilson

OPPOSE: Garner

The Finance Director states that the proposed budget will be presented at the May regular council meeting.

MOTION by Councilmember Giles to adjourn.

SECOND by Councilmember Harris.

CARRIED UNANIMOUSLY.

Budget worksession adjourned at 6:39 PM.

Gloria J. Rogers, Municipal Clerk

Minutes approved _____ 2016