



**CITY COUNCIL BUDGET WORKSHOP
APRIL 22, 2014 – 5:30 PM
COUNCIL CHAMBERS
GEORGETOWN, SOUTH CAROLINA**

1. CALL TO ORDER

Notice of this meeting has been made in accordance with the 1976 Code of Laws of South Carolina Freedom of Information Act.

MEMBERS PRESENT

Mayor Jack M. Scoville, Jr.
Council Member Rudolph A. Bradley
Council Member Carol R. Jayroe
Council Member Edward S. Kimbrough, Jr.
Council Member Clarence C. Smalls
Mayor Pro Tempore Peggy P. Wayne

MEMBERS ABSENT

Council Member Brendon M. Barber, Sr.

ALSO PRESENT

Mr. Chris Carter, City Administrator
Ms. Ann U. Mercer, City Clerk
Mrs. Debra Bivens, Finance Director
Major Johnnie Deas, Georgetown Police Department
Chief Paul Gardner, Georgetown Police Department
Mr. Alan Loveless, Electric Utility Manager
Mr. Rick Martin, Building Official/Zoning Administrator
Mr. Tee Miller, Economic Development Director
Chief Joey Tanner, Georgetown Fire Department

MEDIA

Georgetown Times - Ms. Eileen Keithly

2. ANNOUNCEMENT CONCERNING ELECTRONIC DEVICES

3. REVIEW OF ANTICIPATED REVENUES AND PROPOSED EXPENDITURES FOR THE FY 2014/2015 BUDGET

Mayor Jack M. Scoville, Jr. called the City Council Budget Workshop to order at 5:31 PM and recognized Mr. Chris Carter.

Mr. Carter stated expenditures would be the main focus tonight adding the budget is 'fairly lean.' Any recommendation he made was based on available resources, prior policy direction from City Council and items discussed at the January 24, 2014 workshop.

In August 2013 City Council passed a Resolution that would adopt the job classification system and the job descriptions recommended by the Archer Group to become effective July 1, 2014 and ensure that employees not being paid the minimum salary for the position occupied at the time of budget adoption be placed at the minimum step upon adoption. The cost to implement this is \$90,926. Effective July 1st the employee retirement contribution will increase ½ percent. This increase, \$29,137, has been included in the proposed budget as an across the board increase for employees.

A number of positions were requested among the departments. Mr. Carter said based on the revenues available to each fund we are financially constrained to recognize most of the requests. His recommendation is for two sanitation laborers (\$22,988 each) and a customer service representative (\$26,100) who would be located in the rotunda at City Hall. Discussions followed.

Council Member Kimbrough questioned why the City still provides twice-a-week garbage pickup. Mr. Carter yielded to Council Members who have the history on this matter. Council Member Bradley said he understood once-a-week pickup was tried and the employees were overworked. He stated it would not be prudent for the City to go that route while it has not been substantiated, verified or proven that it would be cost effective. Discussions followed.

Mr. Carter noted there were six reclassification requests. One request in the Police Department to implement the patrol lieutenant position for the inspector was recommended because there was no net increase to the budget. Initially an inspector was assigned as a sergeant. Mr. Carter asked Major Johnnie Deas to elaborate. When explaining the request she said this is not an additional position; only reclassification. No pay increase is requested. Mr. Carter reviewed the remaining five reclassification requests and said he did not recommend these due to the recent nature of the personnel and classification study. Discussions followed. When asked, Mr. Carter said the most feasible thing to do would be to refer these requests back to the Archer Group to determine if there is internal equity in the organization among the office manager group as opposed to us, because of subjective criteria, recommending reclassification. Council agreed.

Chris Carter presented an overview of the City's current health insurance situation and proposed impact. Currently, the total annual cost of the medical benefit averages \$1.8 million which includes the HRA deductible, the Blue Cross Blue Shield premium and services associated with the nurse practitioner, which are provided by HealthStat. With a proposed 28% increase to the BCBS annual premium, the total cost of the medical benefit would be \$2.25 million for FY 2014/2015. By offering the

weekly clinic to employees and their dependents (excluding pediatrics) covered by the City's insurance we receive a reduction in premium. Mayor Scoville stated one of the reasons for having the clinic is to have individuals screened regularly and for early detection of potential health problems. The City has engaged a firm that was used two years ago to 'shop the insurance program' and a representative will be at the May 6th meeting to present the results. The City subsidizes various levels of coverage ranging from 82.1% to 87.4% which totals \$41,000 per month. Mr. Carter said at some point this will have to be addressed because it skews the compensation plan. He added any change would have to be gradual over a number of years. Council Member Jayroe said it is important we are equitable to all of our employees. Lengthy discussions followed.

Mr. Carter noted four items related to operating expenses. Debt service for General Obligation Bonds is not included; cloud based server solution is included as contracted costs; sidewalk repairs, ramps and new installation and sidewalk maintenance are included as well.

Mrs. Debra Bivens referred Council to a handout on cloud solution and management services. Today was the closing to receive bids for these services and results will be presented to Council on May 6th. She reviewed the pros and cons listed as well as other options, answering Council's questions.

Council Member Bradley said the area of Broad Street between the corner on Church and Duke is of concern. The inclines are steep, the leaves are slick and he suggested installing steps and/or ramps for the safety and health of the citizens and to prevent undue liability for the City.

Capital Outlay - In 2008 City Council passed a Vehicle Replacement Resolution. After evaluating the fleet under the system adopted by Council, any vehicle scoring 31 or above is recommended as obsolete. Eight vehicles met the criterion and are listed in the handout. Extended discussions followed.

Mr. Carter reviewed first year funding for the capital improvement plan. These projects were presented and discussed at the meeting on January 24th. It is the understanding that a private sector individual will be installing a compressed natural gas center. If the City moves to CNG it would be best to purchase from that station; therefore that line item was removed. Mr. Carter said Cherry Street is listed at neighborhood infrastructure program under the Water Utility Fund and Stormwater Fund. Questions arose concerning closing of ditches previously discussed. Mr. Jonathan Heald said there are no funds in the current budget for ditches. Council Member Wayne said there are ditches in the City that are six feet deep. We need to find money from somewhere to cover them. Mr. Kimbrough agreed with Mrs. Wayne. Mr. Heald said covering ditches six feet deep will cost \$1,500 a foot. Discussions continued. Mr. Bradley said no matter what we say or do, the City is going to be blamed and held accountable for DOT blunder. Mr. Carter said only a portion of the capital reserve money was programmed this year. Staff will

estimate the projects for Oakley Street and A or B Street in the West End and present on May 6th.

Council Member Bradley previously requested that staff study the option of installing underground utility lines. Mr. Alan Loveless stated seven or eight years ago an estimate was prepared for the Crown Pointe property. The proposed property and development discussed for annexation was generally close to the size of the City as it exists now. The City's consultant developed a cost estimate at the upper end of \$20 million to install the entire development underground. He said it would be a lot more complicated with an existing overhead system serving 5,000 customers to install underground with existing streets, buildings, landscaping and mature trees. His rough guess would be \$25 to \$30 million. With all the obstacles it may not be possible to install everything underground. Mr. Bradley said there needs to be a plan put in place for future leaders to have as a guide to follow. Mayor Scoville said we should encourage new construction to install their utilities underground.

Mr. Carter was asked about restoring long-term disability to City employees. This was deleted from the budget in 2010. Mr. Bradley said this should never have been removed.

The Winyah Auditorium board wrote a letter to the Mayor requesting the City consider taking over the operation of the Winyah Auditorium or appropriating funds needed for the board to continue. It appears \$40,000 per year is needed to cover the fixed costs. Mayor Scoville stated the City inherited this from a prior administration and has invested well over \$600,000 in the auditorium. Following discussions, Council agreed to meet with the board.

The Kaminski House Oversight Committee has requested the City appropriate funds for cleaning of oriental rugs and cleaning of the mold in the kitchen of the Kaminski House. This would be outside the normal operating agreement with the Friends of the Kaminski House. Discussions followed.

Mr. Carter encouraged Council to meet with him and Mrs. Bivens with any questions or concerns they may have concerning the proposed budget.

4. ADJOURNMENT

Mayor Scoville adjourned the Budget Workshop at 7:58 PM.

Ann U. Mercer
City Clerk

Date Approved: 06/19/14