



**JASPER COUNTY COUNCIL
COUNCIL CHAMBERS
358 THIRD AVE., RIDGELAND, SC 29936
THURSDAY, JANUARY 12, 2012, 3:30 P.M.**

WORKSHOP/MEETING MINUTES

OFFICIALS PRESENT: CHAIRMAN SAMUEL GREGORY, VICE CHAIRMAN SAULS
COUNCILMAN HENRY ETHERIDGE, COUNCILMAN BLACKSHEAR

STAFF PRESENT: ADMINISTRATOR ANDREW FULGHUM, DEPUTY
ADMINISTRATOR GEORGE HOOD, DIRECTOR OF ADMINISTRATIVE SERVICES
RONNIE MALPHRUS, DIRECTOR OF EMERGENCY SERVICES WILBUR DALEY,
DIRECTOR OF ENGINEERING SERVICES DALE TERRY, ATTORNEY MARVIN JONES,
CLERK TO COUNCIL JUDITH FRANK, AUDITOR HAZEL HOLMES, TREASURER VERNA
GARVIN, ASSESSOR SUSAN WAITE, ROD PATSY GREEN, BUSINESS LICENSE
COORDINATOR, BUDGET ANALYST

IN ACCORDANCE WITH THE FREEDOM OF INFORMATION ACT THE ELECTRONIC
AND PRINT MEDIA WERE NOTIFIED.

DURING PERIODS OF DISCUSSION AND/OR PRESENTATIONS MINUTES ARE
TYPICALLY CONDENSED AND PARAPHRASED.

CHAIRMAN BLACKSHEAR CALLED THE MEETING TO ORDER AT 4:00 P.M.

PLEDGE OF ALLEGIANCE- CHAIRMAN GREGORY LED THE PLEDGE OF
ALLEGIANCE.

INVOCATION – VICE CHAIRMAN SAULS GAVE THE INVOCATION.

CHAIRMAN GREGORY EXPLAINED THAT THE MEETING WAS CALLED TO REVIEW
THE TAX PROCESS AND TO GET ANSWERS AS TO WHY THE TAXES ARE WHERE
THEY ARE AND TO SEE IF ANYTHING CAN BE DONE. CHAIRMAN GREGORY SAID
HE CARED ABOUT THE CITIZENS AND HE WANTS TO DO THE WHAT CAN BE DONE
TO ELIMINATE THIS PROBLEM.

ASSESSMENT PROCEDURE – SUSAN WAITE PROVIDED HANDOUTS AND
INFORMED THE COUNCIL THAT A REASSESSMENT MUST BE DONE EVERY FIVE
YEARS AS REQUIRED BY SC STATE LAW. MS. WAITE SAID THE DURING
REASSESSMENT EVERY PIECE OF PROPERTY IN THE COUNTY IS REAPPRAISED AT

ITS CURRENT MARKET VALUE. MS. WAITE EXPLAINED THAT IF THE PROPERTY HAS NOT CHANGED HANDS SINCE THE LAST REASSESSMENT, THE SC CODE OF LAWS REQUIRES THAT IN THE YEAR IN WHICH REASSESSMENT IS IMPLEMENTED EACH PARCEL OF REAL ESTATE BE ADJUSTED FOR IMPROVEMENTS AND LOSSES, AND IT DOES NOT INCREASE MORE THAN 15% EVERY 5 YEARS UNLESS AN ASSESSABLE TRANSFER OF INTEREST OCCURS. MS. WAITE DEFINED THE TERMS REAL PROPERTY, MARKET VALUE, TAXABLE VALUE, AND ASSESSABLE TRANSFER OF INTEREST AND CAPPED VALUE. MS. WAITE EXPLAINED THAT FORECLOSURE TRANSACTIONS AND DISTRESS SALES ARE NOT CONSIDERED FAIR MARKET VALUE AS THEY ARE TYPICALLY NOT EXPOSED TO THE MARKET FOR AN ADEQUATE AMOUNT OF EXPOSURE TIME TO BE CONSIDERED A FAIR MARKET SALE. MS. WAITE EXPLAINED THE METHODS USED FOR MASS APPRAISAL AND THE THREE APPROACHES USED TO DETERMINE VALUE. MS. WAITE EXPLAINED THE SALES COMPARISON APPROACH, THE COST APPROACH AND THE INCOME APPROACH. MS. WAITE DISCUSSED THE VALUE CALCULATIONS AND SHE PROVIDED AN EXAMPLE OF LAND VALUE EXTRACTION. MS. WAITE EXPLAINED THE MARKET VALUE THAT INCREASED IN AN AREA OF DECLINING VALUES AND THE DECREASES IN MARKET VALUE IN HAMPTON POINTE. MS. WAITE TOLD THE COUNCIL THAT THE REASSESSMENT NOTICES WERE MAILED ON 07/01/2011 AND THE NOTICE WAS POSTED IN BEAUFORT GAZETTE, THE JASPER COUNTY SUN AND THE HARDEEVILLE TIMES. THE NOTICE WAS RUN FOR 3 WEEKS AND THE INSTRUCTIONS FOR APPEALS PROCEDURE WAS PROVIDED ON THE NOTICES. THE COUNCIL AND MS. WAITE DISCUSSED THE PROPERTY VALUES AND HOW THE TAXES WERE CALCULATED AND THAT SOME PROPERTIES WENT DOWN IN VALUE, BUT THE TAXES WENT UP DUE TO THE MILLAGE. MR. MALPHRUS PROVIDED INFORMATION REGARDING THE MILLAGE AND HOW IT IS DETERMINED BY THE VALUE OF THE PROPERTY IN THE COUNTY. COUNCILMAN ETHERIDGE SAID THAT REGARDLESS OF THE VALUE OF THE MILL, THE NUMBER OF MILLS IS DETERMINED BY HOW MANY MILLS ARE NECESSARY TO MEET THE BUDGET. MR. MALPHRUS SAID THAT LAST YEAR THE MILL VALUE WAS \$111,000 AND THIS YEAR THE MILL VALUE IS \$95,000. VICE CHAIRMAN SAULS ASKED IF THE VALUE WAS LESS BECAUSE THE VALUE OF THE ASSESSED PROPERTY IS LESS. MR. MALPHRUS SAID THAT WAS CORRECT. MR. MALPHRUS SAID THAT ROLLBACK IS HISTORICALLY APPLIED, BUT SINCE THIS YEARS VALUE DECREASED THEY DID A ROLL FORWARD TO OFFSET THE LOSS IN VALUE. MR. MALPHRUS SAID THE ROLL FORWARD IS PART OF THE REASON FOR INCREASE ALONG WITH LOSS IN PROPERTY VALUE, OPERATING EXPENSES, SCHOOL MILLAGE INCREASES AND DEBT SERVICE FOR BOTH THE COUNTY AND THE SCHOOLS. VICE CHAIRMAN SAULS SAID THAT FOR THE LAST 3 YEARS THE COUNTY HAS ONLY BEEN PAYING INTEREST ON THE BONDS FOR THE COUNTY'S DEBT SERVICE AND THIS YEAR THEY DID PERMANENT FINANCING. VICE CHAIRMAN SAULS SAID THAT THE PREVIOUS COUNCIL SPENT THE MONEY AND THE 12 MILLS INCREASE WILL BE IN EFFECT FOR THE NEXT 30 YEARS. VICE CHAIRMAN SAULS SAID HE WAS NOT IN FAVOR OF BUILDING THE NEW BUILDING, BUT THIS COUNCIL DID NOT VOTE TO SPEND THE MONEY, THE PREVIOUS COUNCIL DID. MR. MALPHRUS EXPLAINED THAT THERE IS A MILLAGE CAP OF 4.26% FOR OPERATING EXPENSES THAT IS SET BY THE STATE EXCEPT IN A REASSESSMENT YEAR AND ROLL FORWARD OR ROLL BACK IS IN PLACE. MR. MALPHRUS SAID THAT DEBT SERVICE IS NOT INCLUDED IN THE CAP. CHAIRMAN

GREGORY ASKED IF ANYTHING COULD HAVE BEEN DONE DIFFERENTLY. MR. MALPHRUS SAID REVENUE WOULD NEED TO INCREASE AND EXPENDITURES WOULD NEED TO BE CUT. VICE CHAIRMAN SAULS SAID THE COUNTY HAS A HUGE RESOURCE OF KNOWLEDGEABLE PEOPLE AND COUNCILMAN BLACKSHEAR, WHEN HE WAS CHAIRMAN, INVITED THEM TO TAKE PART IN THE BUDGET PROCESS AND THEY ARE GOING TO DO THAT THIS YEAR. VICE CHAIRMAN SAULS SAID THAT EXPENDITURES NEED TO BE CUT, SURPLUS PROPERTY NEEDS TO BE SOLD AND THINGS NEED TO BE DONE TO LOWER THE TAX BILLS OF THE CITIZENS. VICE CHAIRMAN SAULS THANKED CHAIRMAN GREGORY FOR CALLING THIS MEETING AND FOR WORKING WITH THE COMMUNITY. COUNCILMAN ETHERIDGE SAID EVERY DIME OF THE DEBT SERVICE IS TO PAY FOR THIS BUILDING AND THE RENOVATION OF THE COURTHOUSE AND THE HEALTH DEPARTMENT. CHAIRMAN GREGORY SAID NO ADDITIONAL MONEY WAS BORROWED TO DO THE RENOVATION OF THE HEALTH DEPARTMENT. CHAIRMAN GREGORY SAID THE BUILDING IS HERE AND IT HAS TO BE PAID FOR AND THE INCREASE IN TAXES WAS CAUSED BY BUILDING THIS BUILDING AND RENOVATING THE COURTHOUSE. CHAIRMAN GREGORY SAID THAT THIS YEAR THE COUNCIL IS GOING TO TRY AND HOLD THE BUDGET. CHAIRMAN GREGORY SAID HE FEELS THE CITIZEN'S PAIN, BUT THERE IS A NOTE THAT IS DUE EVERY YEAR FOR THIS BUILDING. CHAIRMAN GREGORY ALLOWED THREE INDIVIDUALS TO SPEAK ON THIS MATTER ONLY AFTER THE PRESENTATIONS.

TAX SALE ISSUES – MR. MALPHRUS PROVIDED INFORMATION ON THE 2010 AND 2011 TAX SALE. MR. MALPHRUS REPORTED IN 2010, 581 PIECES OF REAL PROPERTY AND 365 MOBILE HOMES WERE SOLD. MR. MALPHRUS REPORTED THAT AT THE END OF THE REDEMPTION PERIOD 29 PIECES OF REAL PROPERTY AND 122 MOBILE HOMES WERE TURNED OVER TO THE FORFEIT LAND COMMISSION. MR. MALPHRUS REPORTED IN 2011, 484 PIECES OF REAL PROPERTY AND 178 MOBILE HOMES WERE SOLD. CHAIRMAN GREGORY SAID IN THE PAST THE COUNTY WAS NOT SELLING THE MOBILE HOMES THAT DID NOT PAY TAXES, BUT LAST YEAR THE COUNCIL INSISTED ON THE SALE AND THIS YEAR THERE ARE FEWER MOBILE HOME SOLD AND 243 OWNERS PAID THEIR TAXES PRIOR TO THE MOBILE HOMES BEING TURNED OVER TO THE FORFEIT LAND COMMISSION. MR. MALPHRUS SAID THE FORFEIT LAND COMMISSION DETERMINES WHAT HAPPENS TO THE MOBILE HOMES THAT ARE STILL OCCUPIED. VICE CHAIRMAN SAULS ASKED WHO WAS ON THE FORFEIT LAND COMMISSION AND MR. MALPHRUS RESPONDED AUDITOR HAZEL HOLMES, TREASURER VERNA GARVIN AND ROD PATSY GREEN.

FORFEIT LAND COMMISSION – MS. HOLMES REPORTED THAT CURRENTLY THEY ONLY HAVE 6 PIECES FROM 2009. VICE CHAIRMAN SAULS ASKED WHEN THOSE 6 PIECES WILL BE SOLD. MS. HOLMES SAID THAT THE COMMITTEE WILL MEET AND THE PROPERTIES WILL BE ADVERTISED FOR BIDS FOR 3 WEEKS PRIOR TO THE BID OPENING. COUNCILMAN ETHERIDGE ASKED ABOUT THE 29 PARCELS COMING IN FROM LAST YEARS SALE. MS. HOLMES SAID AS SOON AS THEY GET THE DEEDS FROM THE DELINQUENT TAX COLLECTOR AND THE TITLES FROM THE DMV, THEY WILL MEET. CHAIRMAN GREGORY ASKED WHAT HAPPENS IF THE MOBILE HOME IS SOLD AND IT HAS A MORTGAGE. MS. HOLMES SAID THAT TAXES ARE

THE 1ST LIEN. COUNCILMAN ETHERIDGE SAID THE LIEN HOLDERS ARE NOTIFIED AND IF THEY DO NOT PAY THE TAXES THEN IT IS THEIR LOSS. COUNCILMAN ETHERIDGE ASKED HOW LONG IT TAKES TO GET THE DEEDS. MR. JONES SAID THAT IS AT THE BOTTOM OF HIS WORK LIST AND HE DOES THEM WHEN HE HAS EXTRA TIME AND THEY ARE VERY TIME CONSUMING. MS. HOLMES SAID THE TITLES COME FROM THE DMV. CHAIRMAN GREGORY ASKED WHAT HAPPENS IF PEOPLE LIVE IN THOSE HOMES OR MOBILE HOMES. MS. HOLMES SAID THE FORFEIT LAND COMMISSION WOULD HAVE TO EVICT THEM. MS. HOLMES SAID SHE LIKE TO OFFER AMNESTY TO THE PEOPLE WHO OWN THEM AND LIVE IN THEM. COUNCILMAN ETHERIDGE ASKED IF \$2,000 IS OWED ON A MOBILE HOME AND IT SELLS FOR \$8,000 DOES THE OVERAGE GO TO THE OWNER. MR. MALPHRUS RESPONDED THAT ONCE IT IS TITLED TO THE FORFEIT LAND COMMISSION THERE IS NO OVERAGE. MR. JONES SAID THE FUNDS ARE SPLIT BETWEEN THE COUNTY AND THE STATE. CHAIRMAN GREGORY SAID THAT THREE INDIVIDUALS COULD ASK A QUESTION TO THE STAFF. **DENNIS AVERCON** SAID THAT ATTORNEY JONES WAS ASKED TO GET AN OPINION FROM THE ATTORNEY GENERAL IF THE COUNTY COULD INCREASE THE TAXES BEYOND THE CAP. MR. JONES SAID IT WAS AN OPINION REQUEST ABOUT ROLLBACK AND ROLL FORWARD. MR. AVERCON ASKED IF THE COUNTY EVER RECEIVED OR BROUGHT A PREPARATORY SUIT OF THE OPINION THAT THE LANGUAGE WAS NOT CLEAR ABOUT ROLL BACK. MR. AVERCON SAID THAT A SURCHARGE IS CALLED FOR ON THE TAX BILL. MR. JONES SAID THERE WAS NOT REASON FOR A SURCHARGE AS THE COUNTY WAS ENTITLED TO THE ROLL FORWARD. MR. AVERCON SAID THE EXCESS SHOULD HAVE BEEN SHOWN AS A SURCHARGE. MR. MALPHRUS SAID THE ROLL FORWARD WAS APPLIED AND THEN THEY APPLIED THE CAP. COUNCILMAN SAULS ASKED OF PROCEDURE 2.4 CAN BE IN ADDITION TO THE BASE. MR. JONES SAID THAT WAS ASKED OF THE ATTORNEY GENERAL. BRONCO BOSTICK ASKED HOW PROPERTIES CAN BE TREATED DIFFERENTLY BASED ON HOW LONG THE PROPERTY WAS OWNED. MR. MALPHRUS SAID THE LAW DOES NOT ALLOW TAXES TO GO UP MORE THAT 15% DURING REASSESSMENT AND IF THERE HAS NOT BEEN ANY TRANSFER OF OWNERSHIP SINCE THE LAST REASSESSMENT AND THE MARKET VALUE CAN GO UP, BUT NOT THE ASSESSED VALUE. MR. MALPHRUS SAID THE TAXES ARE DIFFERENT THAN PROPERTY VALUE AND TAXES ARE CAPPED BY MILLAGE LIMITATIONS. DENISE DAVIDSON SAID THE ATTORNEY GENERAL'S LETTER OF JUNE 28, 2011 TO ATTORNEYS HOWELL AND JONES ADVISED THE COUNTY TO GET A DECLARATION OF JUDGMENT WAS NEED FOR A FINAL CONCLUSION AND MS. DAVIDSON ASKED IF THAT WAS DONE. ATTORNEY JONES SAID IT WAS NOT DONE, BECAUSE THE ATTORNEY GENERAL INCLUDES THAT LANGUAGE WHEN THERE IS NOTHING TO COMPARE TO BECAUSE THERE IS NO CASE ON POINT AND THE RESULT WOULD BE THE SAME. MR. FULGHUM SAID THAT JASPER COUNTY IS NOT THE ONLY COUNTY THAT DID THIS AND WHEN MR. JONES MADE THE REQUEST, SEVERAL OTHER COUNTIES WERE DOING IT. COUNCILMAN ETHERIDGE ASKED WHO PROVIDED THE INFORMATION REGARDING THE CAP BEING 4.26%. MR. MALPHRUS SAID THAT SOUTH CAROLINA ASSOCIATION OF COUNTIES PROVIDED THE INFORMATION.

ADJOURN- CHAIRMAN GREGORY THANKED THE STAFF FOR THE PRESENTATIONS AND THANKED THE PUBLIC FOR ATTENDING THE MEETING.

CHAIRMAN GREGORY ADJOURNED THE MEETING AT 4:50 P.M.

RESPECTFULLY SUBMITTED BY:

APPROVED BY:

JUDITH M. FRANK, ccc
CLERK TO COUNCIL

REV. SAMUEL GREGORY
CHAIRMAN