

PUBLIC HEARING & REGULAR MEETING
DARLINGTON COUNTY COUNCIL
DARLINGTON, SC

August 17, 2015

A public hearing and regular meeting of the County Council of Darlington County was held this 17th day of August 2015, at 6 p.m., at the Darlington County Courthouse Annex/EMS Building, 1625 Harry Byrd Highway, Darlington, South Carolina.

NOTICE OF MEETING

In compliance with the Freedom of Information Act, a copy of the agenda, giving the date, time, and place of the meeting was mailed in advance to the local newspapers, persons requesting notification, and posted on the bulletin board at the entrance to the County Administrator's Office.

COUNCIL MEMBERS PRESENT

Chairman Bobby Hudson, Vice Chairman Robbin Brock, Chaplain Dannie Douglas, Jr., Mr. David Coker, Mr. Marvin Le Flowers, Mrs. Wilhelmina P. Johnson, Ms. Mozella Nicholson, and Mr. Robert L. Kilgo, Jr.

ALSO PRESENT

County Administrator Terence Arrington, County Attorney James C. Cox, Jr., Clerk to Council J. JaNet Bishop, Planning Director Doug Reimold, Prison Farm Director Jonathan McFadden, Airport Manager Barry Kennett, Historical Commission Director Brian Gandy, Corrections Officer Bonnita Perkins, Elections/Voter Registration Director Hoyt Campbell, Interim Emergency Preparedness Manager Mac McDonald, Economic Development Director Frank Willis, Codes Enforcement Director Randy Evans, Sheriff Wayne Byrd, Chief Deputy Sheriff James Hudson, Library Director Jimmie Epling, Environmental Services Director Renee Howle, Interim Finance Director Sherman Dibble, Corrections Director Waddell Coe, Interim Emergency Services Director Michelle Quick, South Carolina Department of Corrections Compliance/Standards/Inspections Director Blake Taylor, and others.

REPORTERS PRESENT

Mr. Jim Faile of the Messenger and Ms. Samantha Lyles of the News and Press.

Recognition of Employees

Chairman Hudson recognized Ms. Mary Dixon for 26 years of service, Mr. Jackie Robinson, Sr. for 18 years of service, Mr. James Ross for 5 years of service, Ms. Lois Ballard for 7.5 years of service, and Ms. Earline Hunter for 7.5 years of service with Darlington County. These individuals were not present at the meeting.

Chairman Hudson presented Mr. Robert Thomas with a certificate of appreciation for 14 years of service with Darlington County.

PUBLIC HEARING

Ordinance No. 15-23, An Ordinance Providing For The Issuance And Sale Of A Not Exceeding Five Hundred Fifty Thousand Dollar (\$550,000) Airport Facilities Refunding And Improvement Revenue Bond Of 2015 Of Darlington County, South Carolina, And Other Matters Relating Thereto

Chairman Hudson declared the public hearing open at 6:05 p.m. to receive comments on Ordinance No. 15-23.

There being no comments, the public hearing was closed.

REGULAR MEETING

Call To Order / Invocation / Pledge Of Allegiance

Chairman Hudson called the meeting to order at 6:06 p.m. Mr. Douglas presented the invocation and Mr. Kilgo led the Pledge of Allegiance.

Citizens' Comments

There were no citizens' comments.

Personal Appearance

Ms. Diane DeLucia, Hartsville Pine Acres Civic Association – County's Nuisance and Noise Ordinance

Ms. Diane DeLucia announced that her neighborhood would be hosting a Chili Cook-Off on August 29th as a part of their beautification and education programs. She mentioned that Gibson Street and Tyner Mobile Home Park were cleaning up. However, there still exists an issue with Leesburg Street. Ms. DeLucia questioned the process for ongoing review of blighted property and suggested the establishment of a clear process to include cataloging the complaints and results.

Ms. DeLucia reported on the status of the Hartsville Pine Acres Civic Organization. She also reported that there had been comments about people in East and South Hartsville not being worthy and insignificant. Ms. DeLucia questioned whether there would be a Council workshop or statement of apology. She also asked who would represent Council District 6.

Chairman Hudson and Mr. Flowers assured Ms. DeLucia that individuals could contact or go to any member of Council. Each Council member was elected by a single district but represents the county as a whole.

Ms. DeLucia talked about her frustration and the need for an apology or statement. She mentioned that she would send a letter to the Governor, etc.

Ms. Nicholson asked whether Ms. DeLucia was referring to something she said and was requesting an apology. She stated that she had not received the information that was provided to Council members. Ms. Nicholson also stated that she would not provide an apology.

Consent Agenda

Included in the Consent Agenda were the following:

<u>ITEMS</u>	<u>ACTION</u>
A. Building Permit Types, July 2015	Receive As Information
B. Animal Control Report, July 2015	Receive As Information
C. NACo Prescription Drug Discount Card Program Update, June 2015	Receive As Information
D. Pee Dee Workforce Investment Board Quarterly Report, July 1, 2014 – June 30, 2015	Receive As Information
E. Memo To County Auditor Rosa Hudson Requesting Status Of Tax Roll Back For 2015	Receive As Information

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to receive the Consent Agenda items as information.

The motion carried unanimously.

Consent Agenda Item E. - Memo To County Auditor Rosa Hudson Requesting Status Of Tax Roll Back For 2015

Mr. Coker asked the status of the tax rollback.

Mr. Arrington reported that he approached the County Auditor on several occasions requesting an update. He recently sent another memo (included in the Consent Agenda) to the County Auditor requesting the information by September 1st. The Consent Agenda information also included an email from former Interim County Administrator Tommy Edwards indicating that someone contacted him regarding the status of the tax rollback. Mr. Arrington stated that he has been trying to get the information from the County Auditor. The Auditor did provide information about assessed values, but nothing specific as to the amount of the rollback, if any.

Mr. Brock asked whether the staff had figured out the problem so that this would not happen again.

Mr. Dibble said it was not a problem, but a process that will or will not result in a tax rollback. This process happens every so many years.

Mr. Kilgo pointed out that a rollback is done each time there is a reassessment, which is required every five years in accordance with South Carolina law. He said the rollback is based upon millage and not the collection of money. This has been the process for years.

Mr. Arrington pointed out that the County Auditor is an elected official and does not take directions from the County Administrator. Therefore, he would continue requesting the information.

Approval Of Minutes - Minutes Of Public Hearing & Regular Meeting, July 6, 2015

MOTION was made by Mr. Douglas and seconded by Mrs. Johnson to approve the minutes of the Public Hearing and Regular Meeting of July 6, 2015.

The motion carried unanimously.

Approval Of Minutes - Minutes Of Special Meeting, July 20, 2015

MOTION was made by Mrs. Johnson and seconded by Mr. Douglas to approve the minutes of the Special Meeting of July 20, 2015.

The motion carried unanimously.

Ordinances

Ordinance No. 15-23, An Ordinance Providing For The Issuance And Sale Of A Not Exceeding Five Hundred Fifty Thousand Dollar (\$550,000) Airport Facilities Refunding And Improvement Revenue Bond Of 2015 Of Darlington County, South Carolina, And Other Matters Relating Thereto - **SECOND READING**

MOTION was made by Mr. Kilgo and seconded by Mr. Flowers to approve second reading of Ordinance No. 15-23.

The motion carried unanimously.

Ordinance No. 15-24, An Ordinance To Amend Darlington County Code Of Ordinances, Chapter 2 (Administration), Article V. (Finance), Division 7 (Fees), Item 5. (Environmental Services Dumping Fees/Charges) To Revise The Fee For Disposal Of Construction Materials To Accommodate Small Commercial/Private Companies Using The County's Construction And Demolition - **FIRST READING**

Ordinance No. 15-24 was read for First Reading. No action required.

Ordinance No. 15-25, An Ordinance To Amend Ordinance No. 15-21 (Darlington County FY15/16 Budget Ordinance) For A Supplemental Appropriation To Receive And Expend Unclaimed State Lottery Funds For Darlington County Library System, And Establish The Effective Date Of This Ordinance - **FIRST READING**

Ordinance No. 15-25 was read for First Reading. No action required.

Ordinance No. 15-26, An Ordinance To Amend The Darlington County Code Of Ordinances To Add A New Section (Chapter 7 - Airport) Establishing The Minimum Requirements For Airport Aeronautical Services And Airport Vehicle Operations At The Darlington County Airport - **FIRST READING**

Ordinance No. 15-26 was read for First Reading. No action required.

Ordinance No. 15-27, An Ordinance To Amend Ordinance No. 15-21 (Darlington County FY15/16 Budget Ordinance) For A Supplemental Appropriation To Provide Funds For The

FY 2015 Apron Taxilanes Rehab And Shoulder Demo And To Establish The Effective Date Of This Ordinance - **FIRST READING**

Ordinance No. 15-27 was read for First Reading. No action required.

Ordinance No. 15-28, An Ordinance Authorizing Pursuant To Title 12, Chapter 44 Of The Code Of Laws Of South Carolina 1976, As Amended, The Execution And Delivery Of A Fee-In-Lieu Of Ad Valorem Taxes Agreement, By And Between Darlington County, South Carolina, And A Company Known To The County As Project Beacon IX, As Sponsor, And One Or More Sponsor Affiliates To Provide For A Fee-In-Lieu Of Ad Valorem Taxes Incentive And Certain Special Source Revenue Credits; And Other Related Matters - **FIRST READING**

Ordinance No. 15-28 was read for First Reading. No action required.

Resolutions

Resolution No. 656, Identifying A Project To Satisfy The Requirements Of Title 12, Chapter 44 Of The South Carolina Code, So As To Allow Investment Expenditures Incurred By A Company Known To The County As Project Beacon IX, Its Affiliates And Related Entities, To Qualify As Expenditures Eligible For A Fee-In-Lieu Of Taxes Arrangement With Darlington County, South Carolina; Providing For Other Related Economic Development Incentives, Including Special Source Revenue Credits; And Other Matters Related Thereto

MOTION was made by Mr. Flowers and seconded by Mr. Kilgo to approve Resolution No. 656.

The motion carried unanimously.

Committee Reports

There were no committee reports.

Other Items

Annual Appointments & Appointments To Fill Vacancies On County Boards & Commissions: Alcohol & Drug Citizen Advisory Committee (Hudson), Airport Commission (Flowers), Construction Board of Adjustment & Appeals (Douglas & Flowers), Library Board (Flowers), Parks & Recreation Commission (Flowers), Planning Commission (Douglas & Flowers)

Ambulance Commission. Ms. Nicholson nominated and Council reappointed Ms. Autistiae Sutton to the Ambulance Commission for a second term to expire June 30, 2017.

Fire Board (Representative from Industrial Park Station 3). **MOTION** was made by Mr. Kilgo and seconded by Mr. Flowers to appoint Mr. Dustin Jordan to the Board of Fire Control as recommended by Industrial Park Station 3. Mr. Jordan will serve a term to expire June 30, 2019. The motion carried unanimously.

Other Appointments. Mr. Hudson, Mr. Flowers, and Mr. Douglas carried over their appointment(s).

Request For Special Meeting of County Council To Consider Third Reading Of Ordinance No. 15-23 (Airport Bond) And Other Matters, Monday, August 24, 2015

MOTION was made by Mr. Flowers and seconded by Mr. Douglas to approve scheduling a special meeting of County Council on August 24th at 6 p.m.

MOTION was made by Mr. Kilgo and seconded by Mr. Flowers to amend the motion so that the Special Meeting will not include comments from the public or from Council.

Mr. Flowers clarified that the agenda would not include Citizens' Comments, Personal Appearances, nor Requests/Comments from Members of Council.

The motion carried with Mrs. Johnson opposing.

Chairman Hudson called for the vote on the motion, as amended. The motion carried with Mrs. Johnson opposing.

Federal Aviation Administration (FAA) Grant Award for Airport Lighting Rehabilitation and Shoulder Removal Project, \$550,025 (Project #3-45-001-015-2015)

MOTION was made by Mr. Flowers and seconded by Mr. Douglas to approve the FAA Grant Award.

Mr. Kilgo questioned whether the grant award would require a local match and where the matching funds would come from.

Mr. Arrington confirmed that the grant would require a five percent match that was budgeted.

Interim Finance Director Sherman Dibble explained that this was a new grant award and the matching funds (\$27,000) were not included the airport budget.

Mr. Arrington indicated that available Airport Bond proceeds could be used, if necessary.

The motion carried unanimously.

Designated Facilities Agreement To House State Inmates AT The Prison Farm

MOTION was made by Mrs. Johnson and seconded by Mr. Douglas to approve the Designated Facilities Agreement to house state inmates at the Prison Farm.

Attorney Cox pointed out that since this matter was defeated at the last Council meeting (July 20, 2015), someone on the prevailing side (Mr. Brock, Mr. Flowers, Mr. Kilgo, or Mr. Coker) would have to bring it back up for reconsideration. He said the issue was whether the county funded the recommended number of personnel to staff the Prison Farm. The answer was no. Then, if the County approves the agreement, the county would be in violation of federal regulations. Therefore, the County Administrator went back to the Department of Corrections and their response was included in Council's agenda package. Attorney Cox said that from a practical standpoint, this was important to the county and the Prison Farm.

Mr. Douglas was concerned about where family court inmates would be housed if the Prison Farm is closed. He felt that the Detention Center would not have enough space to house them.

Mr. Kilgo clarified that this would not close the Prison Farm, but close it for state inmates.

Mr. Coker questioned the benefit of having state inmates at the Prison Farm since the state does not fund the Prison Farm.

Ms. Nicholson said state inmates provide labor that the county does not have to pay for.

Mrs. Johnson also talked about the benefits the county and the municipalities receive from inmate labor.

Prison Farm Director Jonathan McFadden responded that of the thirty-two (32) inmates at the Prison Farm, twenty (20) are state inmates.

Mr. Flowers stated that Council was previously presented the option of having fifty (50) to sixty (60) Palmer Pre-Release inmates.

Mr. Arrington indicated that he presented this option prior to the budget for Council's consideration and it was rejected. He pointed out that if Council does not approve the Agreement and the state inmates leave, there would only be twelve (12) inmates at the Prison Farm and a reduction in inmate services.

Mr. Coker emphasized that he would bring this matter back up because there was such a discrepancy. He said he would also like to look at this prior to the next budget process.

MOTION was made by Mr. Coker and seconded by Mrs. Johnson to bring this matter (*Designated Facilities Agreement To House State Inmates AT The Prison Farm*) back up for Council's consideration.

The motion carried unanimously.

Mr. Flowers said the county was forcing incarcerated men to do labor that Council was unwilling to pay for. Therefore, he was not voting for this. He referred to inmate labor as slave labor.

Mr. Kilgo stated that he would agree with Mr. Flowers' comments.

Mr. McFadden pointed out that the inmates are not placed in dangerous situations. Some inmates clean buildings and others work at the landfill, EMS, etc. and are provided the proper gear.

Mr. Arrington commended the services provided by the inmates. He mentioned the insecurity of the Prison Farm Department because for several years, it has been on the "chopping block." He said Palmer Pre-Release could be considered during the next budget process in order to keep the staff and provide inmate labor to the municipalities and the county. Mr. Arrington recommended Council's approval of the agreement.

Mr. Coker asked whether the same work could be done from the Detention Center.

Mr. Arrington stated that Council would not have control since the County Administrator does not have oversight of the Detention Center.

Sheriff Byrd reported that the Detention Center currently houses individuals sentenced by Family Court. These individuals are not eligible to go to the Prison Farm due to physical or health reasons. However, they can work inside the jail. Sheriff Byrd indicated that if the individuals are eligible to work, he could send them to places such as the landfill.

Mr. Kilgo stated that two years ago when this matter was discussed, the Sheriff was willing to hire the Prison Farm employees since additional people were needed at the jail.

Ms. Nicholson stated that by statute, the Prison Farm could not be under the Sheriff's Department. She had a copy of the statute and transcript where this was discussed when she came on Council.

Attorney Cox said he did not know of anything that would prevent the Sheriff from being in charge of the jail or people at the Detention Center.

Ms. Nicholson clarified that the Prison Farm could not be under the Sheriff's Department although the jail was under the Sheriff's Department.

It was Attorney Cox's understanding that Council was considering closure of the prison farm and the Sheriff being in charge of the facilities (which would be a detention center) and work the inmates from there.

Mr. Kilgo clarified that the motion was to approve the agreement.

The motion carried with Mr. Brock, Mr. Kilgo, and Mr. Flowers opposing.

FY2016 Used Oil Recycling Grant, \$16,890

MOTION was made by Mr. Brock and seconded by Mrs. Johnson to approve the FY2016 Used Oil Recycling grant award.

The motion carried unanimously.

FY2016 Waste Tire/Automobile Dismantler Recycling Grant, \$41,900

MOTION was made by Mrs. Johnson and seconded by Mr. Coker to approve FY2016 Waste Tire/Automobile Dismantler Recycling grant award.

Mr. Kilgo asked whether this grant would require a match. Environmental Services Director Renee Howle stated, "no."

The motion carried unanimously.

Performance Agreement Between Darlington County, Sonoco Products Company, And South Carolina Coordinating Council For Economic Development For Rural Infrastructure Grant Award, \$300,000

MOTION was made by Mr. Kilgo and seconded by Mr. Douglas to approve the Performance Agreement involving Sonoco Products Company.

Mr. Kilgo asked whether this grant award would require a match.

The motion carried unanimously.

Memorandum Of Agreement With South Carolina Department of Juvenile Justice For The Detention of Juveniles

MOTION was made by Mr. Flowers and seconded by Mrs. Johnson to approve the Memorandum of Agreement with South Carolina Department of Juvenile Justice for the detention of juveniles.

The motion carried unanimously.

Acceptance Of Funds From Duke Energy To Purchase Thermal Imaging Camera For Byrdtown Fire Station, \$11,421.50

MOTION was made by Mrs. Johnson and seconded by Ms. Nicholson to approve acceptance of funds from Duke Energy to purchase a thermal imaging camera for Byrdtown Fire Station.

The motion carried unanimously.

Authorize The County Administrator To Enter Contract Negotiations With Michael Baker International For Architectural And Engineering Services For The Courthouse Project

MOTION was made by Mr. Flowers and seconded by Mr. Brock to authorize the County Administrator to enter contract negotiations with Michael Baker International for architectural and engineering services for the courthouse project.

Mr. Flowers clarified that this was only to enter into negotiations. There would be no commitment to this firm.

Mr. Arrington confirmed that this was only to negotiate and Council would later be presented with a contract to review.

Mr. Flowers said there were unofficial discussions with members of Darlington City Council and Mayor. Therefore, he suggested a worksession with the City of Darlington's elected officials and City Administrator to discuss their ideas, concerns, and possible joint efforts.

It was Mr. Arrington's understanding that previously, a group was organized to talk about the concept of the courthouse project. He said the county was not at this point. The county needs someone to design and then reassemble the group to meet with the engineering company and the architect to talk about the needs and concept. Mr. Arrington reported that he initially approached the City of Darlington with the concept. They talked about the idea of a municipal complex or judicial complex that would meet the needs of the city and the county.

Mr. Flowers expressed his desire to sit with Darlington City Officials so that the county would understand the City's concerns, problems, and needs before the county begins making decisions. Therefore, he would like the county to schedule a worksession with the City of Darlington's elected officials.

Mr. Arrington indicated that he would schedule a worksession with the City of Darlington. He also indicated that he had communicated this plan to Darlington City Administrator and Darlington City Council Member Gloria Hines. Mr. Arrington also mentioned that with the upcoming election, there may be a potential transition in the City's leadership.

Mrs. Johnson talked about the county spending \$75,000 several years ago on a courthouse study. She suggested using the study.

Mr. Arrington clarified that the study that Mrs. Johnson was referring to was still useful. However, it was not a design concept.

Mr. Kilgo added that the study was a part of the process to build a new facility. The engineering question before Council had nothing to do with the study. The study will provide information for the engineers. He questioned whether the county needs to solicit bids for this, especially since only one group was mentioned and this group hosted Council for dinner during the South Carolina Annual Conference.

Mr. Arrington clarified that the county did solicit bids for the engineering/architectural service and received fifteen responses. The staff chose three companies that were interviewed. He mentioned that Michael Baker was already working with the County on an airport project. Therefore, this company did not take Council to dinner to gain the county's business; they already have the county's business.

Mr. Kilgo clarified that he did not know that bids had been solicited for the engineering.

Mrs. Johnson said she did not know that the county was at the point of building a courthouse and had the money. She said Council had not agreed on a judicial center or anything.

Mr. Arrington clarified that the county solicited bids for architectural and engineering design for a facility. The county was not ready to build anything. Whether Council builds a facility within the next few years, the county would, at least, have a design to go with the study that had been paid for. He pointed out that Council had approved a bond ordinance (Ordinance NO. 14-12) that specified a courthouse project. The county could use the money for the courthouse project or just let it sit in the account because it could not be used for anything else.

Mr. Douglas confirmed that the \$75,000 study was to tell Council what was needed. It had nothing to do with constructing a building.

The motion carried with Mrs. Johnson opposing.

Agreement With The Town Of Society Hill For The County To Provide Animal Control Services In The Town Of Society Hill

MOTION was made by Mr. Flowers and seconded by Mr. Brock to approve the agreement with the Town of Society Hill for the county to provide animal control services in the Town of Society Hill.

Mrs. Nicholson asked whether this would require additional funds.

Codes Enforcement Director Randy Evans explained that they were already helping Society Hill. The agreement would allow the town's residents to call Codes Enforcement directly without going through the Town's Police Department.

The motion carried unanimously.

Purchase Of A Dual Purpose Canine, \$9,500 - Sheriff's Office

MOTION was made by Mr. Kilgo and seconded by Mr. Flowers to approve the purchase of a dual-purpose canine from MAKOR K-9 of West Virginia.

The motion carried unanimously.

Purchase Of A Secure Pass Thru Evidence Locker System, \$4,196.18 - Sheriff's Office.

MOTION was made by Mr. Kilgo and seconded by Mr. Flowers to approve the purchase of a secure pass thru evidence locker system.

The motion carried unanimously.

Purchase Of A "TruNarc" Handheld Narcotics Identification System, \$23,220 - Sheriff's Office

MOTION was made by Mr. Flowers and seconded by Mr. Coker to approve the purchase of a TruNarc handheld narcotics identification system.

The motion carried unanimously.

Fund Balance Policy

MOTION was made by Mr. Flowers and seconded by Mr. Brock to approve the Fund Balance Policy (attached) as submitted.

Mr. Arrington reported that the fund balance was \$11 million and a percentage of this amount would be appropriated as Fund Balance and designated for emergency purposes. He also recommended the creation of a stabilization line item to help with balancing the annual operating budget. Mr. Arrington suggested that Council discuss projects to use unassigned residual funds.

Mr. Kilgo asked Attorney Cox whether this policy would require an ordinance. Attorney Cox's response was no.

Mr. Coker asked and Mr. Arrington explained how the 35 percent for expenditures was established for the Fund Balance.

The motion carried unanimously.

Administrative Update - Mr. Jimmie Epling, Library Director - Review Of The Library's Past Year & Presentation Of Its Strategic/Long Range Plan

Library Director Jimmie Epling presented the Library's strategic plan and services offered through Darlington County Library System.

Council members commended the libraries.

Administrative Update - Mr. Doug Reimold, Planning Director, & Mr. Frank Willis, Economic Development Director - South Darlington Watershed Project

Planning Director Doug Reimold pointed out that the agenda package contained a memorandum summarizing the status of work on the South Darlington Watershed Project. At its meeting on February 2, 2015, Council directed Economic Development Director Frank Willis and Mr. Reimold to oversee the permitting process to completion. Mr. Reimold reported that all the necessary permits for the South Darlington Watershed Project were complete. The project was ready to move forward should funds become available.

Mrs. Johnson invited Council members to visit the project area, which she stated has become a dumping ground for everything.

Administrative Update - Mr. Terence Arrington, County Administrator - Update

In reference to Agenda Item C. *{Federal Aviation Administration (FAA) Grant Award for Airport Lighting Rehabilitation and Shoulder Removal Project, \$550,025 (Project #3-45-001-015-2015)}*, Mr. Arrington stated that Airport Manager Barry Kennett has insisted that funds for this grant award were included in the budget.

Interim Finance Director Sherman Dibble explained that the budget included three line items for the taxilanes. This was a new piece that made reference to the taxilane that

was not included in the budget. He said the \$27,000 (five percent of the \$550,000) were not included in the budget. However, there was the possibility that some of the budgeted funds would remain there.

Mr. Arrington suggested that the staff follow up on this matter and present it again next week.

Mr. Flowers said he would like to see the information on the staff's plan to come up with the matching funds. However, the item would not have to be re-presented or reconsidered.

Requests / Comments – Members Of Council

In reference to the recent bike event held in the county, Mr. Kilgo commended the bikers, the event sponsor, and law enforcement. Mr. Flowers indicated that he attended the recent bike event and commended the event, law enforcement, and the local people.

Mr. Flowers said Council had talked about mobile home park owners having to pay the \$53 annual recycling fee for vacant mobile lots. Since no one was creating trash or recycling on the vacant lots, he suggested that anytime someone brings in a mobile home, the \$53 annual recycling fee could be collected at the same time the moving permit fee is collected. He also suggested that a very high fine be imposed on anyone providing false information to the Auditor or Treasurer regarding mobile home lots being vacant.

MOTION was made by Mr. Flowers and seconded by Mr. Kilgo to drop the \$53 recycling fee for unoccupied mobile home lots and establish protocol for collecting the fee and fining individuals who do not follow the intent.

Mr. Kilgo questioned placing this item on the agenda according to the new rules.

Mr. Cox indicated that the new rules did not take away the right to conduct business.

Mr. Flowers asked whether this matter would have to be considered with an ordinance. Mr. Cox's response was yes.

The motion carried unanimously.

Mr. Arrington said he did not know whether Council had this discussion with staff, but he was not a part of it. He did not know anything about this and did not have any numbers or projections.

Environmental Services Director Renee Howle indicated that she did not know about this and was not involved in any discussion regarding this matter.

Mr. Arrington suggested looking at data prior to proposing this. However, he would work with the staff to get an ordinance drafted.

Mr. Flowers commented that a landowner previously came before Council with this request and Council voted on it (*January 6, 2015*). Therefore, instead of Mr. Flowers instructing the staff, he presented it in open session so that all Council members would be aware of it at the same time. Mr. Flowers said the timeframe for the ordinance to be approved would provide time for the staff to gather the data as to how this would affect the revenue for Environmental Services, the operation to collect or not collect the fees, etc.

Ms. Howle stated that a lot of revenue would be lost.

Mrs. Johnson complained about people throwing trash at the gates of the solid waste collection centers (Spring Street and W. McIver Street) when they are closed.

Mrs. Howle reported that this had been a problem at the W. McIver site prior to the change in the operating hours. She mentioned that one individual had received a ticket at least eight times for throwing trash at the gates when the collection site was closed. Mr. Arrington added that the \$25 violation fee was thrown out of Magistrate Court each time.

Mr. Johnson reported that she had received complaints about the ditch along Patience Street. She recognized the new Historical Commission Director, Mr. Brian Gandy, and presented him with a picture of the recent work that was done at Dad Brown Cemetery.

Mr. Brock and Ms. Nicholson commended the recent bike event.

In reference to the comments made by Ms. DeLucia, Ms. Nicholson stated that she would provide Council members with every email message and FaceBook page she received from Ms. Diane DeLucia. She apologized to Council for what happened tonight. Ms. Nicholson said she was concerned about Council members talking about policy changes directly with a staff person. She suggested that when this happens, the staff person should appropriately direct the Council member to the County Administrator. She questioned whether this was included in the Personnel Policy and Procedures.

Mr. Coker said Council does not need to "hamstring" the Prison Farm since it has been funded in the budget and the agreement approved. He suggested that during the budget process, Council should determine how valid the Prison Farm is and talk with the Sheriff to find out whether there is a way to incorporate it into the Detention Center to retain the jobs, save money for the county, and have inmate labor. He also commended the biker event.

Mr. Arrington pointed out that Ms. Dian DeLucia made reference to Attorney Cox and the County Administrator. However, they had no idea of what was going on. He explained that Ms. DeLucia sent an email asking for direction, and he explained that as the County Administrator, he would not be involved. When residents have issues with their elected officials, they have to take up the matter. It was not his place to get involved in issues between elected individuals and their constituents.

Chairman Hudson wanted to know the financial impact the biker event had on the county. He commended law enforcement and EMS.

Mr. Arrington responded that the staff has no way to track this.

Vote For Executive Session - Receipt of Legal Advise

Mr. Arrington indicated that Council could omit the Executive Session.

Adjournment

MOTION was made by Mr. Flowers to adjourn the meeting. There being no further discussion, the meeting was adjourned at 8:23 p.m.

Respectfully submitted,

J. JaNet Bishop, Clerk to Council

Bobby Hudson, Chairman
Darlington County Council

Approved at meeting of September 21, 2015.



Finance Department Fund Balance Policy

Background

In February 2009, the Governmental Accounting Standards Board (GASB) issued *GASB #54 Fund Balance Reporting and Governmental Fund Type Definitions*. The statement significantly changes how fund balances are categorized. It clarifies/modifies how some of the governmental funds are presented and classified.

This policy will provide a cross reference between the Pre-GASB #54 Fund Balance Classifications and the Post-GASB #54 Fund Balance Classifications.

Fund Balance Classifications: Current and GASB #54

Pre-GASB #54 Classifications of Fund Balance

Post-GASB #54 Classifications of Fund Balance

Reserved Non-spendable	<i>Not available for appropriation.</i> Not available for spending, neither now nor in the future, because of (e.g., debt retirement)	
Designated Restricted	<i>Available for appropriation but intended for a specific use.</i> Constraints on spending that are legally enforceable by outside parties.	
Unrestricted	Designated Committed	Not available for appropriation. Constraints on spending that the government imposes upon itself by highest-level formal action prior to the close of the period.
	Undesignated Assigned	Available for appropriation. Resources intended for spending for a purpose set by the governing body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board.
	Unassigned	Residual (General Fund Only)



Finance Department Fund Balance Policy

Purpose

The Fund Balance Policy will help provide a stable financial environment for the County's operations, which allows the County to provide excellence services to its residents in a fiscally responsible manner. This policy will also provide a measure of financial protection against unanticipated events that would adversely affect the financial condition of the County and endanger the continuation of necessary county services. No other policy or procedure supersedes the authority and provisions of this policy.

This policy is adopted to ensure the County maintains sufficient fund balance reserves to provide the capacity to:

- Provide sufficient cash flow for daily financial needs
- Offset significant economic downturns or revenue shortfalls
- Provide funds for unforeseen expenditures related to emergencies
- Provide funds to maintain a balanced annual operating budget

Generally, the fund balance levels are dictated by:

- Cash flow requirements to support operating expenses;
- Susceptibility to emergency or unanticipated expenditure;
- Credit worthiness and capacity to support debt service requirements;
- Legal or regulatory requirements affecting revenues, disbursements, and fund balances; and
- Reliability of outside revenues.

I. Policy

It is the goal of the Darlington County Council and the County Administrators Office (CAO) to achieve and maintain an unassigned fund balance reserves in the General Fund at the close of the fiscal year of no less than 35% of General Fund operating expenditures. If the unassigned fund balance at the close of the fiscal year is below 35%, the County Administrator will present a restoration plan to achieve and maintain the minimum fund balance amount.

In the event fund balance reserves in the General Fund exceeds the 35% minimum balance requirements, additional funds can be used to cover one-time capital purchases or expenditures (*i.e., vehicle purchases, facility improvements, etc.*) with Council approval. In addition, County Administration recommends council appropriate funding to be held in a budget stabilization account to assist with balancing the General Fund operating budget.



Finance Department Fund Balance Policy

II. Replenishment Policy

- General Fund balance will not be appropriated to support the on-going operations of the County except in extreme emergency situations.
- If, at the end of a fiscal year, the fund balance falls below the 35% minimum, a replenishment period will commence.
 - During the replenishment period, the County Administrator shall prepare and submit a plan for expenditure reductions and/or revenue increases to the County Council for approval.
- To return the General Fund Balance to the minimum 35% of total General Fund expenditures, repayment of General Fund balance will be budgeted over the next two fiscal years beginning with the subsequent year's adopted budget.

III. Stabilization Account

The stabilization account provides the County with a "rainy day" fund in addition to county fund balance reserves. These funds will be used to balance the annual operating budget or cover unforeseen and/or unbudgeted expenditures for the following reasons:

- Emergencies (natural disasters or emergency infrastructure failure)
- Declining real estate values & tax collection rates
- Loss of a major taxpayer in the County
- Sudden changes in revenues
- Spending requirement imposed by state or federal government
- Unforeseen litigation

The County Administrator's Office (CAO) recommends county council annually appropriate \$500,000 or 1%, whichever is greater, of undesignated fund balance reserves be kept in a stabilization account. Stabilization funds shall be kept in this account to cover unforeseen and/or unbudgeted expenditures incurred as a result of the bulleted items listed above.



Finance Department Fund Balance Policy

IV. Definitions

- **Fund Balance** – This is the cumulative difference of all revenues and expenditures. It can also be considered to be the difference between assets and liabilities reported in the governmental fund.
- **Non-spendable Fund Balance** – Amounts that are not spendable in form or legally or contractually required to be maintained intact. “Not spendable in form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale (unless the proceeds are restricted, committed, or assigned). The principal of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.
- **Restricted Fund Balance** – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** – Amounts constrained for a specific purpose by formal action of a government using its highest level of decision-making authority. Commitments include amounts that can only be used pursuant to internal constraints imposed by the County’s Code of Ordinances. Commitments may be changed or lifted only by the County Council taking the same formal action that imposed the original constraint. Action to constrain resources must occur prior to yearend; however, the amount can be determined in the subsequent period.
- **Assigned Fund Balance** – In the General Fund, these are spendable amounts constrained by the County’s intent to use for a specific purpose, but are neither restricted nor committed; the intent shall be expressed by the County Administrator based on County Council direction. For all governmental funds other than the General Fund, assigned fund balance is any residual positive amounts not classified as non-spendable, restricted or committed.
- **Unassigned Fund Balance** – The residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.
- **Unrestricted Fund Balance** – The total of *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*, which include only resources without a constraint on spending or for which the constraint on spending is imposed by the County. It is also referred to as Spendable Fund Balance.

Proposed Fund Balance Policy

Actual "Available" Fund Balance - June 30, 2014 \$ 11,377,959.00

Fiscal Year 2015 Projection

Unaudited Revenues 24,597,865.43

Unaudited Expenditures (25,972,793.28)

Unaudited Increase/(Decrease) \$ (1,374,927.85)

Projected Unassigned Fund Balance- June 30, 2015 \$ 10,003,031.15

Fiscal Year 2016 Approved Expenditures (24,163,913.66)

35% of Expenditures (Designated Committed) \$ (8,457,369.78)

Lease Payment (Undesignated Assigned) \$ (459,010.00)

Stabilization Fund (Greater of \$500,000 or 1%) \$ (500,000.00)

Unassigned Residual \$ 586,651.37

