

**MINUTES
LEXINGTON COUNTY COUNCIL
OCTOBER 26, 2004**

Lexington County Council held its regular meeting on Tuesday, October 26, 2004 in Council Chambers, beginning at 4:30 p.m. Chairman Davis presided; Mr. Wilkerson gave the invocation; Mr. Rucker led the Pledge of Allegiance.

Members attending:	George H. Smokey Davis	Bruce E. Rucker
	William C. Billy Derrick	Jacob R. Wilkerson
	Bobby C. Keisler	Johnny W. Jeffcoat
	John W. Carrigg, Jr.	M. Todd Cullum
Absent:	Joseph W. Owens *	

*Mr. Owens was absent due to a prior commitment.

Also attending: Art Brooks, County Administrator; Larry Porth, Finance Director/Deputy County Administrator; Katherine Doucett, Personnel Director/Deputy County Administrator; John Fechtel, Director of Public Works/Deputy County Administrator; Jeff Anderson, County Attorney; other staff members, citizens of the county and representatives of the media.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, and posted on the bulletin board located in the lobby of the County Administration Building.

Employee Recognition - Art Brooks, County Administrator - None.

Appointments - Assessment Appeals Board - Mr. Charles L. Goodwin - A motion was made by Mr. Rucker, seconded by Mr. Jeffcoat to reappoint Mr. Charles L. Goodwin to the Assessment Appeals Board.

Mr. Davis opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Davis	Mr. Rucker
	Mr. Jeffcoat	Mr. Derrick
	Mr. Wilkerson	Mr. Keisler
	Mr. Carrigg	Mr. Cullum

Telecommunications/Consolidation Committee - Mr. Bill Byrd - Overview of the Goals and Objectives of the Evaluation Committee - Mr. Bill Byrd, committee member and Lexington County citizen, discussed the goals and objectives of the Evaluation Committee which included

improving services, lowering costs, and allowing Lexington County citizens the ability to call from anywhere within the County to a County office without paying a long distance fee.

In addition to Mr. Byrd, the Evaluation Committee consisted of Councilmen Johnny Jeffcoat and Billy Derrick; Mr. Art Brooks, County Administrator; Mr. Larry Porth, Finance Director; Chief Tim James, Assistant Sheriff and Director of Public Safety and Homeland Security; Ms. Sheila Fulmer, Procurement Manager; and Mr. Bill Monts, Lexington County citizen.

Mr. Byrd stated the first step the committee undertook was reviewing all purchases of County telephone services. This included telephone lines, cell phones, computer data circuits and microwaves. However, due to the enormous number, the committee determined to concentrate on the largest bill; telephone services. The committee will proceed reviewing the remaining communication services at a later date.

Mr. Byrd said from the bid process, four (4) bids were received: Bell South, Alltel, Verizon, and PBT Communications, Inc. The committee reviewed each bid for like-for-like services, future capabilities, and costs.

Mr. Byrd stated the Evaluation Committee recommended PBT Communications, Inc. as they were most responsive to the bid requirements, most aggressive, most diligent about providing what the County needed, and met all the objectives of the bid package. Mr. Byrd said PBT Communications, Inc. is offering the County free long distance charges and free calls within the County's boundaries to all Lexington County government offices. The estimated annual savings to the County will be approximately \$95,000 for like-for-like services. However, with the additional services and equipment PBT Communications, Inc. is offering the savings could approach an estimated value of \$200,000 a year.

Messrs. Derrick and Jeffcoat thanked Mr. Byrd and Mr. Monts for volunteering their time and expertise to the Evaluation Committee and said the committee's next task will be an evaluation of the County's cell phone service.

Mr. Ben Spearman - PBT Communications - County Wide Telecommunications - Mr. Ben Spearman, vice-president of business development, said PBT Communications, Inc. was very excited when they saw the direction the County was pursuing for telephone services and indicated his company has had dreams of being able to offer these types of services and thanked Council for allowing his company the opportunity to be part of the bid process.

Mr. Spearman introduced the following members of PBT Communications, Inc.'s implementation team: Al Harman, Vice President; Dan Smith; Vicky Smith, Ralph Busby, Blake Larrimore, and E2 Riley.

Mr. Derrick said he was delighted to see an annual savings of approximately \$100,000 for the citizens of Lexington County and applauded PBT Communications, Inc.'s ability to compete against

the current provider and indicated this was a good sign that PBT Communications, Inc. is wanting to work with the County.

Mr. Cullum stated he is excited that the bid will be offered to a firm within Lexington County which will help protect the County's economy.

Mr. Derrick thanked Mr. Spearman for "stepping up" and making a difference for the County.

Mr. Wilkerson said it is amazing what one phone call can do to make a difference and thanked Councilmen Jeffcoat and Derrick for devoting the extra time needed for this lengthy process.

Mr. Carrigg stated if the County alone could save 25 percent on telephone services other municipalities within Lexington County may be interested and asked about the possibility of sending a letter to those municipalities outlining the savings and technicalities involved.

Bids/Purchases/RFPs - A motion was made by Mr. Wilkerson, seconded by Mr. Jeffcoat that the following bids be approved (C, D, E, G, H, I) and exclude tab F (Evidence Locker - Clerk of Court).

One (1) Deluxe Animal Box - Animal Control - Competitive telephone bids were solicited for the purchase of one (1) deluxe animal box for Animal Control. The deluxe animal box is a slide-in unit that has an airflow feature that is used to safely transport dogs and cats picked up by Animal Control on hot temperature days. Three (3) bids were received. Staff recommended awarding the bid to Jones Slide-In Units. Total purchase including tax is \$7,133.70.

Used Bucket Truck - Building Services - Staff recommended the request to purchase a used bucket truck for Building Services from Mid-Carolina Electric Cooperative. The 1988 40-foot two (2) man bucket truck will be used for replacing lamps in parking lot lights. Total amount of the purchase is not to exceed \$8,400 including tax.

Janitorial Supplies - Term Contract - Central Stores - Competitive bids were solicited and advertised for a term contract for janitorial supplies for Central Stores. The cost of janitorial supplies is based on estimated quantities projected for use by Central Stores for a period of one (1) year. Twelve (12) bids and one (1) no bid were received. Staff recommended that the award be made to the following vendors meeting specifications: Smith & Jones - \$21,898.56; Genesis II - \$5,978.91; Waper, Inc. - \$4,238.98; Janitorial Suppliers - \$8,252.31; and Corporate Express - \$2,259.55 for the initial period of one (1) year with the option to extend the contracts for two (2) additional one (1) year periods if deemed to be in the best interest of the County. Estimated annual value of this contract is \$42,628.31 including tax.

Telecommunication Services - County Wide - Competitive sealed bids were solicited from potential telecommunication service providers to establish a contract for providing land line and long distance telecommunication services to the entire County of Lexington. Four (4) bids were received. The initial term of the contract will be for a period of one (1) year with an option to extend four (4)

additional one (1) year periods. The Evaluation Committee recommended awarding the contract to PBT Communications, Inc.

CPR Machines & Replacement Cases - Sole Source Procurement - Public Safety/EMS - Staff recommended the request from Public Safety/EMS to purchase two (2) Michigan Instruments CPR machines and replacement cases. The machines and replacement cases will be purchased from the sole source provider, Michigan Instruments as they are the dealer for South Carolina and there are no distributors. The cost of the purchase including tax is \$13,154.40.

Construction of Eleven (11) Convenience Stations (Attendant Buildings) - Solid Waste Management - Bids were advertised and solicited from qualified contractors for the construction of eleven (11) attendant buildings and the purchase of heating units for Solid Waste Management for all County convenience stations with the exception of Batesburg/Leesville. The existing attendant buildings are approximately sixteen (16) years old and in very bad shape. Five (5) bids and two (2) no bids were received. Staff recommended awarding the bid to construct the eleven (11) attendant buildings to Henley's Construction Company, Incorporated and the purchase of heaters from W. W. Grainger.

Building Services will purchase the air-conditioning and heating units. Climatic Corporation will provide the air-conditioning units as a sole source provider at a cost of \$3,001.90. W.W. Grainger will provide the heating units at a cost of \$2,222.80. The cost of the construction and installation of the air-conditioners and heaters will be provided by Henley's Construction Company, Incorporated at a cost of \$137,500. Total cost of the project including tax is \$142,724.70.

Mr. Davis opened the meeting for discussion.

Mr. Cullum asked staff for the dimensions of the proposed attendant buildings for Solid Waste Management saying the bid equated to \$12,974 a piece.

Mr. Joe Mergo, Director of Solid Waste Management, replied without the porch and storage building they are 12x12; with the storage building and porch they are 20x12.

Mr. Cullum replied, 240 square feet.

Mr. Mergo replied, the porch is 4x12, storage building is 4x12, and the attendants space is 12x12. He said currently because there is no space to house lawnmowers, rakes, etc. they seem to disappear and with the additional space this should eliminate the problem as the storage buildings will be able to be locked. He said the present buildings were built in the early 90s and stated that half of the funds needed for this project were budgeted last year with the remaining funds budgeted in this year's budget in order to consolidate the project to obtain better pricing.

Mr. Wilkerson asked staff to explain the difference between a "dog box" and a "deluxe box" requested by Animal Control.

Mr. Mergo stated the deluxe box has an airflow feature that will aid in the transportation of animals during the hot temperature days.

Mr. Davis asked if there was further discussion; none occurred.

In Favor:	Mr. Davis	Mr. Wilkerson
	Mr. Jeffcoat	Mr. Rucker
	Mr. Derrick	Mr. Keisler
	Mr. Carrigg	Mr. Cullum

Mr. Jeffcoat made a motion, seconded by Mr. Cullum to deny the bid for the Clerk of Court's office to purchase an evidence locker and to refer the request to the Justice Committee.

Mr. Davis opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Davis	Mr. Jeffcoat
	Mr. Cullum	Mr. Rucker
	Mr. Derrick	Mr. Wilkerson
	Mr. Keisler	Mr. Carrigg

Chairman's Report - Order of the Silver Crescent - Chairman Davis announced that Governor Sanford will be honoring Sheriff Metts and Chief Tim James with the Order of the Silver Crescent during a presentation ceremony on Friday, October 29 at 10:00 a.m. in the Squad Room at the Sheriff's Department at 521 Gibson Road.

EMS Dedication - November 4, 2004 - 4:00 - 5:30 p.m. - Mr. Davis announced the dedication and open house of the new Emergency Medical Services Operations Center will be held Thursday, November 4 at 4:00 p.m. at 407 Ball Park Road.

Mr. Ken Prince - Brittingham, Brown, Prince, & Hancock CPA - Clerk of Court - Mr. Davis: At this time, Mr. Prince who is with Brittingham, Brown, Prince, and Hancock, CPA has asked for some time to discuss part of the audit that is going on in our County at this time. Ken if you'll come forward. We appreciate your being with us.

Mr. Prince: Thank you, sir. Such good presentations, it's kind of hard to follow that, but, I brought with me Matt Brandon who is my governmental audit manager and as you will recall, the last time we visited this subject we had some recommendations we made at that time about how to perform the bank reconciliation. Basically at that time, which was several years ago, the bank reconciliation was being prepared with the top part - we reconciled with the bank and take the bank balance on the bank statement less outstanding checks plus outstanding deposits and come up with a balance and we got them to ... that was the entire bank reconciliation at that time. And now our recommendation at that time was to take the bottom part, which is the reconciled balance last month, all the checks written, deposits made from the records and that bottom part had to balance back to the top part.

That was the crux of what we did at that time. And that was partially brought about because we had some ongoing problems at that time with the overall banks and the reconciliation working. So I am here tonight to talk to you about the results of some special procedures we performed this year. I passed out a package to each of you so that you can kind of see at a glance of some of the audit work that we had done this year and also some of the additional procedures that we did to try to find out where the bank reconciliation process was at this time.

Our normal procedures in an audit for the Clerk of Court is that we take the reconciled balance from the prior year, and if you look at the third sheet in there you'll see what we call the Proof of Cash, we take that beginning balance from the prior year, you take everything that was deposited in the bank all year, all the checks that were disbursed during the year, and we take into consideration things like service charges, interest earned, and the outstanding items beginning of the year and end of the year and when it is all said and done, you should come up to the reconciled balance that's on the June 30th bank reconciliation. This year when we performed that procedure, we were within \$368 of the reconciled balance at that time, which is a good thing. It wasn't exact but that's pretty close.

If you look at the third sheet, it's basically a bottom line of where we're at right now in the bank account. And we're talking now about the bank account at June 30th that was handled through, what was the name of the account there, First Citizens, that's First Citizens bank account. As you are aware, July 1st they opened up a new bank account with BB&T and we are not addressing that account. That's operations for July, August, and September of current year. But we did take where we were at June 30th and factored in the activities that happened in that account through September 30th and reconciled the bank account at that time and the bottom line on that is that June 30th, 2004 in that account we actually show that we are \$3,604.98 over. There's more in that account than should be based on the information that's in that bank reconciliation. Now if you look back at the first page or the first two pages where the procedures we performed we were not able to go back, or hadn't up to this point, went back and looked at some 600 odd outstanding checks that were listed on that account to make sure that they had not cleared in the period 1999 to date. We did find where, their department, the Clerk of Court's office, had gone in and cleared a whole bunch of those accounts out by going back and finding where a lot of things that were carrying on their bank reconciliation had cleared in prior years. But that is your bottom line where we stand right now. I can't say that's an exact balance because, like I say, we haven't gone back and done that additional work to, which might entail, I don't know how much time looking back through, you know, five or six years worth of bank statements to find where a particular check may or may not have cleared.

On the last page, we got the recommendations that we recommend based on where we're at right now.

We recommend that the "old" account not be rolled over into the new BB&T account. So that we can basically say, ok this is the old stuff, let's don't muddy it up by putting it all in one bank account and not knowing what's gone on there. We would recommend that account be handled separately and any adjustments, any checks that do happen to clear or what not we need to follow those through

and keep all the documentation on it so we can follow any adjustments being made to that subsequent to June 30th or at this point September 30th.

We also would recommend that the Clerk of Court's office consider using the software program developed by the IT services here. We understand that they had developed this system, I think they've worked about a month to develop a system that would download the information from the bank, upload the information from their computer system, and process a report that would list all the checks that had cleared during the month, all the checks that were still outstanding during the month, and any checks that cleared differently from what they had in the records, so, basically it highlights areas where errors maybe have occurred. I talked to the Clerk of Court's office about that, they did not have a lot of confidence in that system; it's, said all the "bugs" were not out of it they didn't think but they did not implement that and that was available some eighteen months ago. I think we are using it now for July and August; they are actually working with it and from what my staff has told me, that appears to be working at least if we do have some errors and if there are some "bugs" in the system, I think it is a good running head start toward getting this clarified and worked out, all the "bugs" and things could be identified and fixed if there's something that's wrong with that system.

We also recommend that they get that bank reconciliation for that period of time completely up-to-date as soon as possible. We do not think that they had reconciled through, latest one we thought, was July; I called them today; they said they had reconciled through July and August. That's the latest that had been reconciled. This is October so we still have got September. They sent me copies of those, they were still out several hundred dollars. I noticed where the beginning balance in August did not agree with the ending balance in July so I haven't really done any work on that but I have my doubts that that reconciliation is entirely accurate at this time.

After bringing this reconciliation up-to-date, we recommend that this system with IT provides that you could reconcile the bank account on a daily basis. I think that's something we probably need to do, reconcile it daily and that way you only got four or five things that you got to trace down as opposed to waiting to the end of the month where you may have 25 or 30 items that you got to figure out how it worked and I think a daily reconciliation would be in the best interest of the county. We found that, actually, we asked them how long this process would take and they said on a daily basis probably take 15 minutes to do everything except chasing down the differences. Lastly we recommend that once they do the reconciliation and there's a reconciled balance that, and this is on page four (4), that you identify what makes up that reconciled balance. Generally speaking, this should be a zero balance account; there should be no money in there, but we all know that at the end of the month, I mean, basically, people pay their child support, we turn around, we mail that child support out, we retain five (5) percent for the cost, I think 44 percent of that goes to the state, we get to keep the balance of it, so at the end of the month, prior to that check being written, the only things that really should be in there would be the child support, I mean the, the fees, the five (5) percent fee should be in there and then you would basically, any other differences would be the things we're having to chase down and I think that should be reconciled each time so that you know exactly how much you're out and if we do that I think the system would be under control. As you

can read in the other verbiage there on the first couple of pages we make it clear that we did find a lot of things that were worrisome to us and we're concerned about a lot of those differences that we run into throughout the year, but this is a pretty daunting job, they have, I guess five or six thousand checks a month, got bunches of deposits, for every check you got somebody deposits funds into the system as well, so there's a lot transactions that transpire through that account, but only sixteen million dollars or so runs through this account in the course of the year and it deserves enough interest to make sure that we're okay in the long run.

Mr. Jeffcoat: Mr. Chairman.

Mr. Davis: Yes, sir. Comments.

Mr. Jeffcoat: I'd like to just ask a question here. Mr. Prince you've been, you're a CPA?

Mr. Prince: Yes, sir.

Mr. Jeffcoat: And you've been doing this for how long?

Mr. Prince: A number of years.

Mr. Jeffcoat: A long time.

Mr. Prince: Uh-huh, a long time.

Mr. Jeffcoat: Long enough that you should know numbers when you see them, and things that are accurate and things that are not.

Mr. Prince: Yes, sir.

Mr. Jeffcoat: You ever seen anything any sloppier than this in your life as far as the governmental department is concerned?

Mr. Prince: It's, it was pretty, there were a lot of errors run into, it seemed like everything we picked up we tried to follow through, we found problems with it and it's pretty sloppy.

Mr. Jeffcoat: Have you, when they told you that the IT department still had bugs and they did not want to use that did you tell them, did you make any comment to them about that? I'm just curious about this whole thing.

Mr. Prince: I asked the question why we weren't using it and they said that basically that they did not think it was perfected yet and, but, in light of another system, I mean, certainly if we went out and bought another system that would be an option, but we haven't bought another system so if you don't have something better, I think we need to utilize what we got.

Mr. Jeffcoat: They felt like this was perfected, I guess, all this, and they didn't want to get in trouble by having inaccurate figures and coming up with, if I'm reading this correctly, \$6,391.19 charges over and above the interest when I have reason to believe that that's just totally unnecessary for the taxpayers of Lexington County to be paying. We, I'm looking at this that says \$368.60 out with no explanation, what does out mean, you know, why is it out and where is it. I think, Mr. Chairman, I am just going to make a suggestion here and this Council certainly can do whatever they, whatever they please, but Mr. Derrick and I were talking just briefly before we came in here and just kind of going over this and he said can you make any sense out of it and basically to paraphrase what he said and I can't, you know, I think it's our duty as elected officials no matter whether you're on the Council or what office you hold if you're responsible for funds for the citizens of this County I would be, and I am more careful with that than, with that money than I am with my own and believe me I'm pretty careful with what, the funds that I have to take of care which is a very small amount compared to this. I think that we need to have somebody come in here and explain to us these mistakes that have been made and what they've done to, I think that they need to not just this Council but Mr. Comerford needs to come in here and have the media and everybody else that wants to come hear it and explain to us why we've got a gentleman here that most of us have a lot of faith in has been in the business for years and years says this is some of the sloppiest work he's ever seen, I would like for Mr. Comerford to come before the Council and before the media and before anybody else that could be invited and have some accountability for his actions here. I'm embarrassed and I hope he is.

Mr. Davis: Mr. Prince, let me ask this. Do we, since we are coming to, the citizens have chosen a new Clerk of Court that will be handling these accounts and that particular individual takes office in January, do we normally have an audit up to that date and therefore, going forward we have a new responsibility?

Mr. Prince: We've had, it's not unprecedented, in the past you all have had me come in when we might change a magistrate or an elected official to come in and close them out and say basically okay here's where you're at as of the day you left and so the new person says here's where I'm starting at so there's a clear delineation from the beginning to the end, I wouldn't exactly call it an audit per se but we go in and identify the funds so that, you know, if there's some problems you say well that happened in the information before I took office or this happened after I took office and I take responsibility for it. So, I have done that for you all in the past.

Mr. Davis: Right. And, gentlemen, I think I would entertain a motion that we engage this firm to do that type audit or review and have those numbers available and completed so that in, on December 31st there's a clear delineation between the previous Clerk and the new Clerk to make sure that records are, you know, correct going forward.

Mr. Cullum: If you can digest that into whatever's palatable to you, Mr. Chairman, I'll support that motion and ask for it.

Mr. Davis: Does everyone understand what I'm asking for; I don't want to make it too hard, but, we

just, we just have to make sure that the numbers stop one day and start the next and our new Clerk is not saddled with this kind of past record keeping.

Mr. Derrick: I don't have a problem with that Mr. Chairman, but I'd like to ask Mr. Prince one other question.

Mr. Prince: Sure.

Mr. Davis: Sure, yes.

Mr. Derrick: If it's appropriate to do that.

Mr. Davis: If that's a motion and, can I get a second, and then we'll discuss.

Mr. Jeffcoat: Second.

Mr. Davis: Alright now it's open for discussion.

Mr. Derrick: Mr. Prince do you have any idea how it is that after we went through this gyration with the banking services to make sure that we didn't have service charges tacked on specifically to this account in light of the fact that we had some tremendous bill, how is that we're showing that we have banking services charged to this account again?

Mr. Prince: I don't know. I wasn't involved in the setting up of the account and how they were going to charge the service charges, what interest was earned; I know that, my best explanation for that would be as the interest rate started falling the interest that we earned on those accounts, basically you have a float in this account, I mean, obviously, as evidenced by the fact we've got an account balance there it should be a zero. We've got some checks that for one reason or another have not been delivered to someone whether it be that they were sent and sent back or people didn't cash them or lost them or whatever so at one time with the interest rates higher then we probably did earn more interest in the account than we do but historically from what I've seen that's not been the case. Since we've changed over, this year's relative low amount of service charges to the account compared to what we've seen in prior years. And my biggest concern is that these are fiduciary funds here, there's no provision for us to pay any fees out of this account. I mean if you're paying anything out, you're using somebody's monies that's not yours.

Mr. Derrick: Right, and I think that was the whole purpose of us going through a lot of time and trouble to get an account and a bank that didn't charge fees, but I'm looking at a bank fee here in excess of \$6,300.00. Does anybody know why that happened?

Mr. Jeffcoat: Well, we need the person that's responsible for that to come tell us why that happened, Mr. Derrick, I think, don't you?

Mr. Derrick: I go along with, and I'll vote for your motion.

Mr. Davis: As Chairman, I'll invite the Clerk of Court to come forward.

Mr. Porth: Mr. Chairman.

Mr. Davis: Yes, sir.

Mr. Porth: The banking services RFP went into effect July 1.

Mr. Davis: Right. Right that's..

Mr. Porth: This is the previous fiscal year.

Mr. Davis: Yeah.

Mr. Derrick: Okay.

Mr. Cullum: Mr. Chairman, I just have maybe two questions.

Mr. Davis: Yes, sir, Todd.

Mr. Cullum: I don't want to belabor this.

Mr. Davis: Sure.

Mr. Cullum: Because I think we've all heard about all we want to hear about it and, but of all the information I've got here, Mr. Prince, the one that stands out to me that is just most blatant and, and the last sentence in the bullet point on the second page which is number four (4) it says during our research, we found that, per the system a check number for \$11,071.00. I know you've looked at these books and you know what the average check amount, is that an average check amount?

Mr. Prince: No, sir, that is not and we looked it up and it was a specific case, the check was actually made out to another municipality, I think it was like a settlement of a large case. We did research that and that is an amount. Usually, you are talking about amounts of \$150, \$300, \$250.

Mr. Cullum: I understand.

Mr. Prince: Small amounts. The thing that's worst to me about this is that this check cleared twice.

Mr. Cullum: So that's my next question is, is this a normal size, a normal amount of check and obviously you're telling me it's not.

Mr. Prince: No, it's not.

Mr. Cullum: And the second thing is that really troubles me more than anything else is to see a check of that large size money and for it to go through twice and for this office to say that the account reconciles or they call it reconciling when the average check may be \$300.00 that would be 30 other checks that have to equal that amount. How can there possibly be any accounting principles at all applied in that office when 30 checks of the average \$300.00 would have to be checked off as reconciled as coming through the bank. I mean, to me, that is just unbelievable.

Mr. Prince: Well, it's not the first one; I had another one that, and they were not and they did not know about this problem until we brought it to their attention that it cleared twice but yet it doesn't show up as a reconciling item on the bank reconciliation and the reconciliation still balances I can't explain that, but we also ran into another situation....

Mr. Cullum: That's the whole point I'm trying to make; that to me is the most blatant out of all this whole information that two \$11,000.00 checks can go through and they can still call their statement reconciled.

Mr. Davis: No chance there were two deposits for that amount?

Mr. Prince: No, sir.

Tape changed.

Mr. Cullum: Some how or another somebody needs to go over there and get some serious control over that.

Mr. Davis: Yes, sir, John.

Mr. Carrigg: I just had one question and this is just something I just don't understand with the math and I believe you can correct it. In looking at your page four (4) you show outstanding checks in the amount of Ninety-nine thousand six hundred and something dollars.

Mr. Prince: Uh-huh.

Mr. Carrigg: So that was the kind of money that should always be there.

Mr. Prince: Well, it should be there until they clear those out and write the people the checks or find out that that's not really a true figure. I mean, we have not gone back and taken those 450-600 checks that are listed as outstanding....

Mr. Carrigg: You all only reduced that by \$13,000 so there's still seventy-five thousand dollars, something in there.

Mr. Prince: Uh-huh.

Mr. Carrigg: I mean, if you had about a hundred thousand, and this is what I don't understand, if you had a hundred thousand dollars in the account earning two percent interest, that would be \$166.00 a month and you show them earning \$25.00 a month.

Mr. Prince: I don't know what rate they're paying on that.

Mr. Carrigg: I mean is it like a tenth of a percent?

Mr. Prince: I just take the amount that showed up on the bank statement that's earned.

Mr. Carrigg: I understand, I, I just wondered, I mean you'd have to get down to some pretty small figures....

Mr. Rucker: Maybe the Clerk of Court can straighten that up for us, Mr. Chairman.

Mr. Davis: Alright, we have a motion on the floor for an expansion of the audit to go through December 31st and I'll take it upon myself to invite the Clerk of Court who's in his final days of office to come forward and give an explanation and we will, if you will though, ask, let's put all these questions in written form and give him ample notice for the questions and at that time he can come forward if he chooses and give us an explanation. Motion on the floor; any other discussion?

All those in favor raise your right hand. Any opposed? Motion carries unanimously. Thank you Ken.

In Favor:	Mr. Davis	Mr. Jeffcoat
	Mr. Rucker	Mr. Derrick
	Mr. Wilkerson	Mr. Keisler
	Mr. Carrigg	Mr. Cullum

Mr. Prince: Can I, can I check to see if I, did I leave anything out?

Mr. Brandon: I don't....

Mr. Prince: Okay, I just wanted to make sure I had covered all the bases.

Mr. Davis: We appreciate it....

Mr. Prince: Certainly, I'd be willing to come back when the Clerk's here if you want me to come back and be available at that situation, I'd be glad to be here then.

Mr. Davis: Alright.

Mr. Prince: And, I appreciate the opportunity to be before you.

Mr. Davis: I may share the questions with you, I will share them with you and ask you to perhaps review them and....

Mr. Prince: Be glad to...

Mr. Davis: We'll review them at that time.

Mr. Prince: Thank you very much.

Mr. Davis: Alright. We do owe, according to all the records, the First Citizens Bank, we don't owe them, that particular fund owes them \$6,704.00 and this is an unpaid bill, it will have to be paid sooner or later so we will continue to review that, maybe the Clerk of Court will have some ideas. I'm sure he'll suggest the General Fund but I don't think this is a taxpayer issue; perhaps it's part of the five (5) percent that he's collected () scheduled or earmarked for that I don't know. Appreciate your attention to that. Let's see, is that everything I've got under chairman's report Diana? Good, alright. Administrator's report. Hope it's shorter than mine.

Administrator's Report - No report.

Budget Amendment Resolutions - None.

Approval of Minutes - Meeting of September 28, 2004 - A motion was made by Mr. Wilkerson, seconded by Mr. Derrick that the minutes be approved as submitted.

Mr. Davis opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Davis	Mr. Wilkerson
	Mr. Derrick	Mr. Rucker
	Mr. Keisler	Mr. Jeffcoat
	Mr. Carrigg	Mr. Cullum

Zoning Amendment - Zoning Map Amendment M04-06 - 6172 Bush River Road, Columbia, SC 29212 - Announcement of 1st Reading - Chairman Davis announced first reading of Zoning Map Amendment M04-06.

Economic Development Projects - Pella Corporation - Ordinance 04-08 - Authorizing the Execution and Delivery of a Fee Agreement by and Between Lexington County, South Carolina, and Pella Corporation Providing for Payment of a Fee in Lieu of Taxes - 2nd Reading - Mr. Jeffcoat made a motion, seconded by Mr. Carrigg that Ordinance 04-08 be given second reading.

Mr. Davis opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Davis	Mr. Jeffcoat
	Mr. Carrigg	Mr. Rucker
	Mr. Derrick	Mr. Wilkerson
	Mr. Keisler	Mr. Cullum

Ordinance 04-09 - An Ordinance to Amend an Agreement Relating to the Joint County Industrial and Business Park of Lexington and Calhoun Counties - 2nd Reading - A motion was made by Mr. Jeffcoat, seconded by Mr. Carrigg that Ordinance 04-09 be given second reading.

Mr. Davis opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Davis	Mr. Jeffcoat
	Mr. Carrigg	Mr. Rucker
	Mr. Derrick	Mr. Wilkerson
	Mr. Keisler	Mr. Cullum

Shakespeare Composite Structures LLC - Ordinance 04-10 - Expanding Multi-County Park Between Lexington and Newberry Counties - 1st Reading - A motion was made by Mr. Jeffcoat, seconded by Mr. Keisler that Ordinance 04-10 receive first reading.

Mr. Davis opened the meeting for discussion.

Mr. Derrick asked how can the County use the multi-county park with Newberry.

Mr. Jeffcoat replied, they had an existing company in Newberry who had requested that they be included in the multi-county park and asked Lexington County to become a partner.

Mr. Derrick replied, it is a reciprocation as far as taxes.

Mr. Jeffcoat replied, it's a wash, yes.

In Favor:	Mr. Davis	Mr. Jeffcoat
	Mr. Keisler	Mr. Rucker
	Mr. Derrick	Mr. Wilkerson
	Mr. Carrigg	Mr. Cullum

Health & Human Services, J. Wilkerson, Chairman - Pelion Fire Department Grant Assistance - FEMA Grant - Public Safety/Fire Service - Mr. Wilkerson stated his committee met during the afternoon and discussed a request from Public Safety/Fire Service to assist the Pelion Fire Department with matching funds for a grant they received from FEMA. The grant is a 90/10 percent grant in the amount of \$80,602 to purchase miscellaneous fire equipment to fully equip a service

truck to ISO standards that is housed at the Pelion Fire Department. The 10 percent match is \$8,060.

Mr. Wilkerson made a motion, seconded by Mr. Rucker to recommend that Council approve the 10 percent match of \$8,060 from Public Safety/Fire Service contingency fund.

Mr. Davis opened the meeting for discussion; no discussion occurred.

In Favor:	Mr. Davis	Mr. Wilkerson
	Mr. Rucker	Mr. Derrick
	Mr. Keisler	Mr. Jeffcoat
	Mr. Carrigg	Mr. Cullum

A budget amendment resolution in the amount of \$8,060 was distributed and signed to appropriate funds to the Pelion Fire Department to be used as the 10 percent matching funds on a 90 percent federal grant from FEMA in the amount of \$72,532.00 to fully equip a service truck to ISO standards to respond to emergency calls throughout the County. Total grant is in the amount of \$80,602.00.

Presentation - Senator Jake Knotts, 500 West Dunbar Road, West Columbia, SC 29169 - Emmanuel Church Road - Sand Mining - Senator Knotts was not present.

Executive Session/Legal Briefing - A motion was made by Mr. Wilkerson, seconded by Mr. Rucker to go into Executive Session to receive a legal briefing.

In Favor:	Mr. Davis	Mr. Wilkerson
	Mr. Rucker	Mr. Derrick
	Mr. Keisler	Mr. Jeffcoat
	Mr. Carrigg	Mr. Cullum

Mr. Davis reconvened the meeting in open session.

6:00 P.M. - Public Hearing - Atlantic Housing Foundation, Inc. - Adoption of Resolution Authorizing the Execution and Delivery of an Interlocal Agreement with the Capital Trust Agency (Refinance Stoney Creek Apartment Complex) - This is a resolution authorizing the execution and delivery of an interlocal agreement with the Capital Trust Agency to refinance the Stoney Creek apartment complex at a lower interest rate.

Mr. Davis opened the public hearing.

No comments in opposition or in favor were received.

Mr. Jeffcoat asked Mr. Ray Jones, attorney for Parker Poe Adams & Bernstein, LLC, 1201 Main Street, Columbia, SC to come forward to answer questions posed by Council.

Mr. Jeffcoat asked if the firm he is representing, Atlantic Housing Foundation, Inc. pays property taxes.

Mr. Jones stated there is a state statute for state tax exemption for this type of non-profit corporation for low-income housing.

Mr. Jeffcoat stated he understood there is a method by which counties that have similar projects are working on a contractual fee for services they provide. Mr. Jeffcoat advised Mr. Jones that the County researched the number of calls that Fire Service, EMS, and Law Enforcement have responded to at the Stoney Creek apartment complex and stated under normal circumstances, taxes would have been approximately \$135,000 and proposed that the County attorney work closely with him in an attempt to formulate a fee arrangement for services.

Mr. Jones replied that Atlantic Housing Foundation, Inc. has already made some proposals to the County attorney in order to start the process.

Mr. Davis asked whether or not the state statute requires that an audit of Atlantic Housing Foundation, Inc. be provided to participating counties.

Mr. Jones replied, no, sir, it doesn't.

Mr. Davis closed the public hearing.

Executive Session/Legal Briefing - A motion was made by Mr. Derrick, seconded by Mr. Rucker to go into Executive Session to continue receiving the legal briefing.

In Favor:	Mr. Davis	Mr. Derrick
	Mr. Rucker	Mr. Wilkerson
	Mr. Keisler	Mr. Jeffcoat
	Mr. Carrigg	Mr. Cullum

Mr. Davis reconvened the meeting in open session.

Matters Requiring a Vote as a Result of Executive Session - Chairman Davis reported Council continued receiving the legal briefing during the Executive Session and indicated there were no motions to be considered.

Atlantic Housing Foundation, Inc. - Adoption of Resolution Authorizing the Execution and Delivery of an Interlocal Agreement with the Capital Trust Agency (Refinance Stoney Creek Apartment Complex) - TENTATIVE - No action was taken.

Old Business/New Business - None.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Dorothy K. Black
Clerk

George H. Smokey Davis
Chairman

Diana W. Burnett
Assistant Clerk to Council