

**City Council Budget Workshop
Fire Department Training Room
August 28, 2018
8:00 A.M.**

Council Members Present:

Mayor Gregory S. Habib; Mayor Pro Tem Kevin Condon; Councilmember Debra Green-Fletcher; Councilmember Brandon L. Cox; Councilmember Jerry Tekac; Councilmember Corey McClary

Council Members Absent:

Councilmember Tekac left at 12:53 P.M.

Staff Present:

City Administrator Jake Broom; Assistant City Administrator Daniel Moore; City Clerk Kelly J. Lovette; Director of Economic Development Matt Brady; Police Chief Harvey Becker; Major John Grainger; Public Information Officer Frank Johnson; Director of Planning and Zoning Kara Browder; Director of Finance Tyler Howanyk; Department of Public Works Director Chuck Denson; Director of Recreation TJ Rostin; Director of Information Technology Ryan Byrd; Director of Golf Troy Sanders; Golf Professional Bobby Donnelly; Fire Chief Steve Chapman; Assistant Fire Chief Norm Cutshall; Battalion Chief Jared Harris

Staff Absent:

Press Present:

Joy Bonala - Goose Creek Gazette

Guests Present:

Mrs. Gayla McSwain (Being sworn in as Councilmember on September 11, 2018)

I. CALL TO ORDER:

Mayor Habib called the meeting to order at 8:00 a.m.

II. EXECUTIVE SESSION:

Mayor Habib stated City Council entertained a motion to go into executive session to discuss the following:

- a) SECTION 30-4-70 (A) (2) - DISCUSSION OF NEGOTIATIONS INCIDENT TO PROPOSED SALE PROPERTY - (OLD FIRE STATION I)

Councilmember Tekac made a motion to go into Executive Session. Councilmember Cox seconded the motion. All in favor, none opposed. Motion carried.

Councilmember Tekac made a motion to come out of Executive Session. Mayor Pro Tem Condon seconded the motion. All in favor, none opposed. Motion carried.

III. CITY COUNCIL DISCUSSION ITEMS:

- a) **SALE OF OLD FIRE STATION I - CONTRACT AMENDMENT (ACTION MAY BE TAKEN) -** Mayor Habib inquired if City Council wished to approve the language and authorize Mr. Broom to sign the extension of the contract on the City's behalf. Councilmember Tekac made a motion to extend the contract by six (6) months with the proposed changes. Councilmember Cox seconded the motion. Hearing no discussion, Mayor Habib called for the vote. All in favor, none opposed. Motion carried.
- b) **STORMWATER ORDINANCE AMENDMENTS -** Mr. Broom stated in October of 2015 the City signed an Intergovernmental Agreement (IGA) with Berkeley County. He stated Berkeley County manages the City's stormwater and in exchange they charge our residents a stormwater fee. He stated currently the fee is thirty-six dollars (\$36.00) per single family home and a formula is used to calculate commercial and industrial properties. Mr. Broom stated per the City Attorney's recommendation, the City should have a

section in the Stormwater Ordinance that states we are adopting Berkeley County's Stormwater Ordinance by reference. He stated this will stop the City from having to update its Ordinance every time Berkeley County makes a change to theirs. He stated this will be brought before City Council in the September City Council Meeting.

- c) **PROPOSED NEW CITY LIMITS SIGNAGE** - Mr. Broom stated the 2018 Fiscal Year Budget includes installing four (4) City limit signs. He presented three (3) different designs. City Council discussed the different proposed designs. Mr. Broom was directed to get quotes for all three (3) proposed designs.
- d) **DISCUSSION OF CITY BOARDS & COMMISSIONS** - Mayor Habib stated he wanted to assign two (2) City Council liaisons for each Board and Commission. He stated one (1) will be a lead and the second will be a support role. He stated City Council has the responsibility to engaged citizens in our community. He would like the liaisons to help identify potential board members/commissioners. He recommended changing the interview process for candidates of the City's Boards and Commissions. He suggested two (2) City Council liaisons and the Mayor present potential board members/commissioners to City Council. He also suggested whenever a board member/commissioner seat expires, that person will have to reapply. Each of the following members of City Council accepted their role to each of the boards/commissions as listed below.

Cultural Arts Commission – Lead Liaison Councilmember McClary and Secondary Liaison Mrs. Gayla McSwain; **Economic Development Action Committee (EDAC)** – Lead Liaison Councilmember Tekac and Secondary Liaison Councilmember McClary; **Architectural Review Board (ARB)** – Lead Liaison Mayor Pro Tem Condon and Secondary Liaison Councilmember Green-Fletcher; **Zoning Board of Appeals (ZBA)** – Lead Liaison Councilmember Cox and Secondary Liaison Councilmember Tekac; **Planning Commission** – Lead Liaison Mrs. Gayla McSwain and Secondary Liaison Mayor Pro Tem Condon; **Charleston Area Transportation Study (CHATS)** – Liaison to CHATS Councilmember Green-Fletcher

IV. STAFF PRESENTATIONS AND UPDATES:

- **PROPOSED FY 2019 BUDGET** - Mr. Broom presented the following major revenues sources to the General Fund: Business Licenses; Local Option Sales Tax; Property Tax; Franchise Fees; Sanitation Fees; Permits; and the Local Government Fund.

He presented the following debt regarding the General Fund and stated Fire Stations III and Headquarters has a principal of \$7,500,000 with an annual payment of \$652,853, and a payoff date as March 2029; Sanitation Trucks (3 qty) has a principal of \$460,000 with annual payments of \$96,877, and a payoff date as April 2022; and, Paramedic/EMT Equipment – Defibrillators has a principal of \$153,565 with an annual payment of \$34,902, and a payoff date of September 2022.

Mr. Broom presented an overview of the General Fund and stated the City is taking huge steps forward in public safety such as upgrading to a new dispatch software; adding new Battalion Chiefs in the Fire Department; adding a second School Resource Officer (SRO) at Stratford High School; adding a Community-Oriented Policing Officer position; purchasing a new fire truck and adding radar to all patrol cars. He stated providing the Economic Development Department its own budget, solidifies our commitment to economic development. Mr. Broom stated the City is taking a big step forward to being business friendly by upgrading to EnerGov software. He stated this software will allow business licensing and permitting to be done completely online. He stated the budget allows the City to hire an architect for Fire Station IV and fulfills the expectation that City Council outlined in the Strategic Plan regarding dependent health care by transitioning to the State Health Plan. Mr. Broom outlined challenges and future considerations for each fund.

- **General Fund** - Mr. Broom provided an overview of the notable changes between 2018 and 2017 regarding the following funds.
- **Legislative** – the proposed budget for the Legislative Department includes offering Health insurance to the Mayor and City Council; HVAC units will be replaced over Council Chambers and a \$500 contribution membership to the South Carolina Beach Advocates (a request for discussion

per Mayor Habib). City Council discussed participating in the South Carolina Beach Advocates. Mayor Habib stated residents from the City go to the beach and participation also engages the City in the region. City Council agreed to participate.

- **Economic Development** – the proposed budget for the Economic Development Department includes a legal budget for a law firm that specializes in municipal economic development matters; a Façade Grant program for the Super Incentive Zone; marketing specific to economic development; a retail lease trac subscription; a drone to acquire aerial footage of sites for marketing and an increase to the budget for public relations.
- **Administration** – the proposed budget for the Administration Department includes general repairs and maintenance to the fountain; HVAC equipment replacement and EnerGov Community Development Software. Discussion occurred regarding the increase in banking costs. Mr. Howanyk stated transaction fees for debit/credit cards is the reason. City Council tasked Mr. Howanyk to find a way to recoup this extra expense.
- **Planning and Zoning** – The proposed budget for the Planning and Zoning Department includes an increase in health insurance due to both employees covering their families.
- **Information Technology (IT)** – The proposed budget for IT includes network security testing and security awareness training, and the new Tri-Tech CAD (Computer Aided Dispatch) software.
- **Police** – The proposed budget for the Police Department includes salaries for two (2) additional SRO's at Stratford High School; a salary for the new Community Police Officer; radar units for all patrol cars; a new golf cart for quiet neighborhoods and events, and ten (10) new police vehicles.
- **Fire** – The proposed budget for the Fire Department includes salaries for two (2) new Battalion Chiefs; salary for a part-time assistant; parking lot repairs in Fire Station II; medical supplies and debt retirement for fire truck.
- **Sanitation**- The proposed budget for the Sanitation Department includes a rear-steer loader.
- **Maintenance** - The proposed budget for the Maintenance Department includes salary for a facilities maintenance supervisor; the addition of Old Moncks Corner Road to the landscaping contract and additional streetlights to support new houses. City Council discussed the landscaping contract and decided not to spend \$36,000 to have Old Moncks Corner Road included in the contract. It was decided the \$36,000 will be left in the fund balance but not dedicated to a specific item.
- **Garage** - No notable changes to the Garage Division were made.
- **Court** - The proposed budget for the Municipal Court includes replacement of 2 HVAC units in the courtroom.
- **Non-Department** - The proposed budget for Non-Departmental items include debt service for Fire Stations I and III; landscape architect for St. James Ave Safety Project; Classification and Compensation Study raise to departments; thirty percent (30%) contribution to dependent health insurance is no longer needed.

City Council discussed landscaping for the St. James Avenue Safety Project. Mayor Pro Tem Condon stated he is in favor of stamped concrete instead of maintenance upkeep for landscaping.

Mr. Broom stated an item that was cut from the proposed budget is the narcotics investigator for the Police Department. He stated the City sent one of its own investigators to join Berkeley County Narcotics Team. He stated that person will be assigned to any case the City deems necessary. Discussion occurred regarding cutting the HVAC Preventative Maintenance Contract. Mayor Habib is in favor of keeping the contract. Discussion occurred regarding removing the \$26,000 technology

upgrade in Council Chambers from the budget. Mayor Habib stated he liked the idea of replacing the monitors but did not feel the rest of the updating is necessary.

- **Water Enterprise Fund** - Mr. Broom listed the major revenue sources for the Water Enterprise Fund: Water Sales; Impact Fees; Non-Payment Fees; Late Charges; Water Taps; New Account Origination Fees and the Water Enterprise Fund Debt.
- Water System Improvements has a principal of \$8,031,032, annual payments of \$479,051 with a payoff date of May 2036.

Mr. Broom presented the challenges and future considerations of the Water Enterprise Fund: Aging DPW complex (recent roof repairs, parking lot repairs proposed); Aging water lines; Reliance on one-time Impact and Tap Fees to keep rates low; Balancing the Water Agency concept with desire to use it as an economic development tool.

- **Golf Enterprise Fund** - Mr. Broom listed the projected revenues sources for the Golf Enterprise Fund: Food and Beverage; Cart Fees; Greens Fees; Annual Membership Fees; Pro Shop Sales; Range Balls.

Mr. Broom presented the Golf Enterprise Fund Debt: Lease purchases of golf equipment has a principal of \$559,033, annual payments of \$109,299 with a payoff date of June 2021.

He presented the challenges and future considerations of the Golf Enterprise Fund: Aging clubhouse and parking lot; Managing costs of expanded food service and maximizing food and beverage revenue; Satisfying members who expect a country club type of experience while also accommodating patrons who only play a few times a year. He stated the Golf Enterprise Fund includes salaries for two (2) additional Golf Course part-time (PT) Laborer positions; one (1) additional outside golf staff position; one (1) additional Pro Shop Attendant; four (4) additional PT Bartender/Servers and one (1) additional PT Cook. Mayor Habib stated the most consistent revenue for the Golf Enterprise Fund is membership and inquired how the City can acquire more members. He wanted to encourage staff to stop budgeting for a deficit.

- **Recreation Enterprise Fund** - Mr. Broom presented the projected revenue sources for the Recreation Enterprise Fund: Property Taxes; Gymnastic Class Registration; Membership Fees; and Half Pints Class Fees. He also thoroughly reviewed the Recreation Enterprise's Fund Debt by stating the amount and the payoff date.

Mr. Broom presented the challenges and future considerations of the Recreation Enterprise Fund as the following: Continuing to grow gymnastic program and fully utilize the activity center to its potential; Aging parks and playgrounds need equipment upgrades and more consistent maintenance; Continuing to grow programming to include all ages and ranges of ability – senior programs, pickleball and special needs programs. Mr. Broom stated the Recreation Enterprise Fund includes the creation of an annual magazine to advertise programs and facilities; installation of playground borders; field renovations and new scoreboard at Felkel Field; new fencing and field renovation at Dogwood Park; new field conditioner; a volunteer coach appreciation banquet; required maintenance to the climbing wall and expansion of senior and therapeutic special needs programs. Discussion occurred to raise membership fees to pay for playground improvements.

- **Miscellaneous Funds** – Mr. Broom provided descriptions for the revenue sources listed under Miscellaneous Funds:
 - Capital Projects Fund – Mr. Broom stated there was no change to this fund. He stated there was no additional revenue or expenditures. He stated this year it paid for the Municipal Court security upgrades; however, nothing is currently budgeted for next year.
 - Impact Fee Fund – Mr. Broom stated this fund incorporates the new fee structure that will go into effect in October. He stated the only expenditure is Fire station IV.

- Firemens1% Fund – Mr. Broom stated this is a State revenue that is designated for the use of the firefighters. He stated the firefighters vote on how the money is spent. He stated most goes towards retirement however it is also used for supplies.
- Confiscated/Forfeited Drug Money Fund – Mr. Broom stated this fund is used to purchase equipment for Criminal Investigation Department (CID) and legal fees.
- Tree Trust Fund – Mr. Broom stated this fund is used to plant trees and landscaping.
- Emergency 911 Fund - Mr. Broom stated State law limits what the Emergency 911 Fund can be spent on. He stated a portion of the CAD software was purchased using this fund.
- Victim’s Assistance Fund – Mr. Broom stated State law dictates how the Victim’s Assistance Fund is spent. He stated it is used on the Victim’s Advocate Program.
- Tourism Fund – Mr. Broom stated this is generated from hotel rooms and campgrounds. He stated the first \$25,000 is allocated to the General Fund. He stated expenses for some of the City’s festivals are use with this fund.
- Hospitality Fund – Mr. Broom stated about half of this fund is going toward debt service for the Activity Center. He stated revenue is growing due to new restaurants. Mr. Broom stated the golf course capital improvements is also coming from this fund. Discussion occurred regarding using Hospitality Fund to upfit the façade, additional lighting and repaving the path from the parking lot of the Golf Course. Discussion occurred regarding using the hospitality fund for a dog park or adding a park in Boulder Bluff. No decision was made.

V. ADJOURN:

Councilmember Cox made a motion to adjourn. Mayor Pro Tem Condon second the motion. All in favor, none opposed. Meeting adjourned at 3:13 p.m.

Date: October 9, 2018

Kelly J. Lovette, MMC
City Clerk

A copy of this meeting's agenda was sent to the Post and Courier and The Goose Creek Gazette; it was posted in City Hall 24 hours prior to the meeting.