

Mayor
Ricky Waring

Council Members:
Bob Jackson
Russ Touchberry
Aaron Brown
Terry Jenkins
Kima Garten-Schmidt
William McIntosh



Town Administrator
Lisa Wallace

Town Clerk
Beth Messervy

Town Attorney
G.W. Parker

TOWN *of* SUMMERVILLE

**SPECIAL COUNCIL MEETING
BUDGET RETREAT – DAY #1 OF 2
Thursday, April 20, 2023**

ATTENDANCE

Present: Mayor Ricky Waring, Councilmembers Kima Garten-Schmidt, Bob Jackson, Aaron Brown, Russ Touchberry, Terry Jenkins and Bill McIntosh. Also in attendance were Town Administrator Lisa Wallace and Town Attorney GW Parker. A quorum was met. Public and press were duly notified. The meeting took place at the Cambria Hotel at 405 Sigma Drive, Summerville, SC. The meeting was livestreamed and recorded.

CALL TO ORDER:

Mayor Waring called the meeting to order at 8:45am and welcomed everyone in attendance. Town Administrator Lisa Wallace gave a brief overview of the agenda for both days of the retreat.

FY23 LOOKBACK

Finance Director Rhonda Moore presented the following from fiscal year 2023: accomplishments from departments, current projects underway, a history of budgeted expenditures, total position by department since 2012, and employee costs.

BUDGET ASSUMPTIONS

Ms. Moore reviewed the budget goals for fiscal year 2024, the assessed value and millage assumptions, the Oakbrook TIF growth projections, and the Midtown TIF growth projections. She also presented a series of graphs showing budgeted FY 23 revenues, budgeted FY 23 overlaid with audited FY 22, 2022 Actual versus 2023 Budgeted vs. Proposed 2024, and 2022 Actual versus Proposed 2024.

Ms. Moore stated that her projections for FY 24 revenues are somewhat conservative. She also stated that the proposed expenditures for FY 24 include an 8% Cola/Merit increase in salary for all departments.

DEPARTMENT BUDGET REQUESTS

Each Division Director or Department Head gave an overview of their budget for FY 24. For the Administration Department, Ms. Wallace stated that the budget includes additional personnel expense for a full time Town prosecutor. She also pointed out that in operational expenses, she is proposing an extra \$100,000 in professional fees to move forward with plans for the design of Police, Fire, and Court facilities. Ms. Wallace reminded Council that Information Technology and Human Resources also fall under the Administration Department.

Assistant Finance Director Dan Cabral reviewed the Finance Department's budget request, which included the 8% proposed Cola/Merit increase in salaries. He stated that he cut down a lot of line items from the budget to make the 8% work. Mr. Cabral finished by saying that the Town will be doing a RFP on the yearly audit services.

Judge Trey Jameson presented the Municipal Court's budget requests. He stated that the Court is down to 4 clerks with 1 open position that he would like to keep open, perhaps for interns. He also pointed out that Clerk of Court Mandy Pitcock has increased the amount of money gained from setoff debt. Judge Jameson stated that the only increase in salary expenses is the 8% that all departments are asking for.

Don Brown, Director of Building Services, stated that he is not asking for anything in the Building Department except for the 8% increase in salaries. He did request that the Town needs to find a way to get building inspectors' salaries in alignment with the surrounding municipalities, as the Town is losing inspectors to cities such as Goose Creek and North Charleston.

Russ Cornette, Director of Public Works and Town Engineer, presented the Public Works Department's budget requests. He stated that there is a proposed increase in professional fees so that the Town can get a third-party review to speed up the process of stormwater permitting.

Chief Doug Wright presented the Communications Department's budget. He stated that not much changed with their operating expense, and that the 8% was added into the salaries line item.

Chief Wright then presented the Police Department's budget. He stated that the biggest change is the increase in salaries for which he reduced line items from the FY 23 budget to cover. He pointed out that the full time prosecutor position was taken out of the Police Department and included in the Administration Department budget instead. Chief Wright stated that there are a lot of costs in the Police Department that can be paid for with Local Hospitality and Accommodations Tax funds. He then presented slides showing the disparity between the starting salaries in the Town of Summerville PD versus surrounding municipalities.

Chief Richard Waring presented the Fire and Rescue Department's budget. He stated that there were no operational increases. He pointed out that the Town's starting salary for firefighters is much lower than neighboring municipalities and counties. Chief Waring stated that the 8% is a great first step, but that the Town needs to continue to do in years to come. He explained that adding Station 6 means that they need a more manageable span of control for Battalion Chiefs, but that the department is already staffed for that.

Jessi Shuler, Director of Planning, presented her budget proposal. She stated that she did include the proposed 8% increase in salaries and pointed out that the GIS position moved from IT to Planning, so the operational costs for her department have increased since last year. She did, however, state that she decreased her operational budget by over \$26,000 through reducing certain line items. She stated that the jobs in the Planning Department are highly specialized, and the Town can only keep good employees if they pay more.

Parks and Recreation Director Amy Evans presented her budget for FY 24. She stated that in FY 23, the Town was unable to get the starting salaries of P&R employees to \$15/hour, and that she would like to do that this year, as well as the 8% increase on top of that. Ms. Evans explained that a newly funded position (Programmer) is included in the budget, and that she would like to permanently fund this position. The employee who has been serving as Programmer generated \$32,000 in revenue from the programs that he planned and implemented. Ms. Evans pointed out that the Parks and Rec Department is different from other departments because they generate revenue, but that as revenue increases, the expenses increase, too.

Mark Campbell, Streets Manager, presented his budget. He stated that the 8% increase is a good start, but that the Town needs to get the start pay of the lowest paid employee up to \$15/hour as well. Mr. Campbell pointed out that he decreased the amount of overtime in his FY 24 budget.

Dan Corbin, Maintenance Manager, presented his budget for FY 24. He stated that he is not asking for any additional people, but that he has to compete for employees with private sector jobs starting at \$30/hour. Mr. Corbin pointed out that the Maintenance Department actually saves the Town money by working on the vehicles and equipment in house, rather than sending out to a dealership or private maintenance shop. Mr. Corbin did include the 8% Cola/Merit raise in his budget, but also stated that 8% still does not make him competitive with private sector jobs. Mr. Corbin then said that the Town has a warranty program that saves \$17,000 a year in replacement parts.

Mr. Cornette presented the Building and Grounds budget, stated that he was able to reduce expenses by \$50,000. He pointed out that most of the increases in expenses are not within their control, and the items that they do have control over did not change much from FY 23.

Ryan Dews, Stormwater Manager, stated that his department requires specialized types of work, and that the starting salary needs to be \$15.77/hour with the 8% on top of that. He pointed out that his department competes with other municipalities as well as with jobs in the private sector. Mr. Dews stated that he was able to reduce his operational costs by \$25,000 for FY 23. During the budgeting process, he requested a 10% increase for his department's employees' salaries, but that 8% is what he was given.

Ms. Moore stated that the Town pays Dorchester County a 5% fee to collect stormwater fees from Town residents, and she feels that the Town needs to negotiate that agreement away.

FY 24 PROPOSED EXPENDITURES

Ms. Moore presented all of the expenditures combined with the 8% salary increase included. She stated that operating budgets are lower for FY 24 because Department Heads trimmed them in order to get more money for their employees. Ms. Wallace asked Ms. Moore to recompute the numbers to get the starting salary to \$15/hour and add the 8% in as well.

CAPITAL REQUESTS

Ms. Moore presented a list of capital items requested by the Division Directors and Department Heads, but that not everything made the cut of the final list. She stated that American Rescue Plan Funds could be used for some of the capital requests. She also stated that the Town could use general fund balance to fund ordinary expenses such as police cars. Some discussion followed amongst Councilmembers regarding a comprehensive capital funding plan. Ms. Wallace stated that the presentation would delve into capital funding during the discussion of a new fund balance policy.

BUDGETED DEBT SERVICE

Ms. Moore reviewed the Town's current bonds and lease purchases.

RECESS FOR LUNCH

Council and staff recessed for a lunch break at 12:00pm and then resumed the meeting at 1:00pm.

STAFF CAPITAL REQUESTS

Chief Richard Waring presented the Fire Department's capital requests: replacement of a fire engine, administrative vehicles, SCBA units, Station 2 kitchen upgrade, and box trucks.

Chief Doug Wright presented the Police and Communication Department's capital requests: firewall replacement, body worn cameras, FUSUS software, portable radios, 20 vehicles, and tasers.

Russ Cornette presented the Building and Grounds capital requests: Town Hall door replacement millwork, and a pickup truck for the maintenance technician.

Mr. Cornette also presented the Engineering Department's capital requests: road resurfacing, Central Avenue sidewalk project, Lee Street sidewalk, West 5th Street sidewalk, Irongate ADA compliant ramps, and a traffic study to identify projects to be funded by the Dorchester County penny tax. Some discussion followed regarding the sidewalk projects.

Dan Corbin, Maintenance Manager, presented the Maintenance Department's capital requests: auto-lift truck and power pusher.

Mark Campbell, Streets Manager, presented the Streets Department's capital requests: replacements of three vehicles/equipment (F450, debris trucker, wheel loader).

Amy Evans, Parks and Recreation Director, presented the Parks and Recreation Department's capital requests: replace the 1999 Chevy 3500, concrete wall repair of the press box at Gahagan,

Cuthbert Community Center outdoor pavilion design, fixing the gazebo in Azalea Park, zero turn mowers, park signage, splash pad at Doty Park, and kayak rental station.

Ryan Dews, Stormwater Manager, presented the Stormwater Department’s capital requests: pipeliners to fix pipes in yards without digging up the yards.

Council gave their feedback to the capital requests. Mr. McIntosh stated that one of the three sidewalks needs to be done. Ms. Garten-Schmidt stated that resurfacing and sidewalks need to be listed in separate fund. Mr. Jenkins stated that the Town needs to find money for resurfacing and building sidewalks. Mr. McIntosh stated that resurfacing is an annual project and should not be paid for out of fund balance. He suggested using fund balance for the sidewalks projects because those are already permitted and would be a one-time purchase for construction.

PRESENTATION OF OTHER FUNDS:

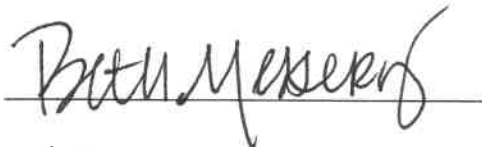
Ms. Moore reviewed the Hospitality and Accommodations Tax funds, the Impact Fees fund, the American Rescue Plan fund, and the Sanitation fund. She stated that she projects revenue at \$6 million for Hospitality tax in FY24. She stated that the Local Accommodations Tax (ATAX) has a \$2 million fund balance, but it is restricted to tourism-related projects. She stated that the current combined fund balance for impact fees is \$2.4 million. She stated that there are \$1,022,726 ARPA funds available to distribute, and that the capital plan earmarks roughly \$999,000 of ARPA money.

Mr. Cornette presented the Sanitation Fund. He stated that the current rate for residents for solid waste collection is \$145.68. The cost to the Town from Carolina Waste is increasing at the beginning of August. Mr. Cornette proposed an increase to the resident fee to \$167.74 to cover the higher costs from Carolina Waste so that the Town doesn’t have a deficit. He also stated that \$173 would cover the cost of Carolina Waste and recycling, as well as some capital for the Street Department. Some discussion followed.

ADJOURN

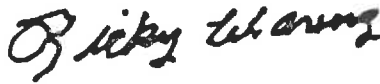
There being no further business, Mr. Jenkins made a motion, seconded by Mr. McIntosh, to adjourn. The motion carried unanimously, and the meeting adjourned at 3:08pm.

Respectfully Submitted,



Beth Messervy, Town Clerk

APPROVED:



Ricky Waring, Mayor