

City of West Columbia, SC

Attachment V.C

Council Work Session Minutes

May 21, 2012 following the Special Council Meeting at 6 p.m.

Members Present:

Joe Owens, Mayor
Boyd Jones, Mayor Pro-Tem
Abbott L. Bray, Jr.
Eric L. Fowler
Casey Jordan Hallman
L. Dale Harley
Tommy Parler
B.J. Unthank
Teddy Wingard

Members Absent:

None

Others Present:

Jenny Cunningham, City Administrator
Myron Corley, Deputy City Administrator
Mardi Valentino, City Clerk
Donna Smith, Director of Economic Development
Sid Varn, Director of Planning and Engineering
Ken Ebener, Municipal Judge
Dennis Tyndall, Police Chief
Members of the Public and Press

Rick Hodge, City Treasurer
Stuart Jones, Building Official
Wyatt Coleman, Fire Chief
Brian Carter, Director of Planning and Zoning
Charles Garren, Public Works Director
Justin Black, Staff Accountant
Matt Edwards, Police Major

Agenda Item I – Call to Order

Mayor Owens called the meeting to order at 7:45 p.m. and noted a quorum was present. *The State, Free Times, Lexington County Chronicle, Cayce-West Columbia News, and The Columbia Star* were notified of the meeting by e-mail on May 15, 2012.

Agenda Item II – Proposed General Fund and Water/Sewer Budgets for Fiscal Year 2012-2013

Mayor Owens recognized City Administrator Jenny Cunningham who gave a presentation on the FY 2012-2013 budgets for both the General Fund and the Water and Sewer Fund. Expenses for the General Fund total \$13,722,000 and are balanced to the projected revenues of the same amount. The primary sources of revenues for the General Fund include property taxes, business licenses and fees, state rebates, hydrant fees, permit fees, transfers and grant funds. The General Fund budget is balanced at 55.279 in operating mills and 6.6 in debt service mills, the same as for FY 2011-2012. The 6.6 mills is collected and earmarked for the debt retirement of the 2010 ten-year general obligation debt to refinance the Bond Anticipation Note (BAN) for the State and Meeting streets property. She noted that when the debt is satisfied in eight years, the 6.6 mil assessment will cease to be assessed. Next year's General Fund budget of \$13,722,000 represents a 5.2 percent (5.2 %) increase from the current fiscal year's budget of \$13,000,000. Mrs. Cunningham explained that the increase in the proposed budget is attributable to increased grant activity, from \$1 million in FY 2011-2012 to \$1.9 million estimated for FY 2012-2012.

Mrs. Cunningham stated the Water/Sewer operating budget is balanced without increases to water and sewer service rates or connection (tap) fees. The projected FY 2012-2012 transfer to the General Fund from the Water/Sewer Fund is decreased by \$567,500.00 or 18.8 percent (18/8%).

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Mrs. Cunningham stated that the proposed budget plan includes funding for up to three percent (3%) merit pay increases for employees to be awarded on the employees' employment anniversary dates, subject to a satisfactory performance evaluation. Also included in the budget plan is a two percent (2%) across the board cost-of-living increase for all employees to be awarded July 1, 2012.

Mrs. Cunningham said that on July 1, 2011, West Columbia joined the S.C. State Health Insurance Plan, which is in the Blue Cross/Blue Shield network. She provided a summary of the coverages under the State's standard plan as follows:

Annual Deductible:	\$350 Individual/ \$700 Family
In-network Co-insurance	80/20
Out of network Co-insurance	60/40
Per Occurrence Deductible	\$10 Office Visit
Network Retail Pharmacy	\$9 Generic/ \$30 Formulary/ \$50 Non-Formulary

Mrs. Cunningham explained that during the first two years of coverage under the State Health Plan, the city is not be experienced rated, but pays the same rates as other comparably-sized entities. She said the next fiscal year's premiums under the State Health Plan will increase by 4.9 percent (4.9%). As in past years, Mrs. Cunningham recommended that the city continue to pay the employee's part of the monthly premium for health insurance, which is included in the proposed budget. Mrs. Cunningham noted that a breakdown of premiums for all types of coverage is illustrated under Tab # 7 in the budget booklet distributed to council members.

Mrs. Cunningham stated that the cost of fleet insurance, property and tort liability insurance remains status quo and is provided through Traveler's Insurance Company. The South Carolina Municipal Insurance Trust (SCMIT) is the provider for the city's workers' compensation coverage. She explained that because the premium for workers' compensation insurance is based upon claims and safety experience, the city will experience a 20 percent savings (20%) next year for this coverage. The city's premiums will reduce from \$198,000 to \$160,000 annually. She credited the premium reduction to Safety Committee Chairman Brian Carter's leadership and the Safety Committee's diligence in providing training programs and monitoring risks in employee work activities.

Mrs. Cunningham briefly went over other proposed expenditures that were included in the budget.

Membership – The River Alliance	\$ 10,000
Dues to Central Midlands Council of Governments	11,250
Central Midlands Regional Transit Authority	24,600
Contribution to Boys State and Girls State	2,500
Contribution to the West Metro Visitors' Center	10,200
Contribution to Midlands Housing Authority – Transitions Shelter	25,000
Debt Service – New City Hall	592,800
Columbia Sewer Treatment Costs	434,000
Bonded Debt Service - Water and Sewer Fund	2,707,592

Mrs. Cunningham said the city's bonded debt service will decrease by approximately \$117,300 from the current fiscal year to the next fiscal year. The decrease is attributable to an across the board lowered interest rate reduction of an average 3.5 percent (3.5%) to 2.5 percent (2.5%) on the city's water and sewer improvement loans through the State Revolving Fund.

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Mrs. Cunningham explained that a net earnings test is required each budget year to comply with the Master Bond Ordinance for the 1998A and 2009 C bond issues, the 2005, and the 2009 A, B & C SRF loans. Coverage on bonded debt must not be less than 1.20 percent (amount available for debt divided by debt). The FY 2012-2013 Water/Sewer Fund budget produces sufficient coverage to comply with both the Master Bond Covenant and the SRF Loan Agreement Rate Covenant.

Mrs. Cunningham went over a list of fixed assets and equipment requested by departments. The Codes Compliance Department requested three Kenwood TK3302 radios (\$1,050) to replace the 460 radios which are obsolete. City Administration requested replacing two obsolete computers and monitors (\$2,000).

Under the Police Department, the patrol division requested five in car cameras (\$29,250), two Tasers (\$1,800), call boxes at the Riverwalk Park (\$1,800), a building security camera (\$2,500), and five desktop computers and monitors (\$4,900). The patrol division also requested two light bars, cages, consoles, sirens and speakers, and shotgun racks (\$6,900). The detective division requested cameras and accessories (\$800). Dispatch requested two chairs (\$600) and computer monitors and a fax machine (\$1,000).

The Fire Department requested \$26,000 to purchase a Genesis Rescue Tool (known as the Jaws of Life). Mayor Owens recognized Fire Chief Wyatt Coleman who explained that the department needs to replace a current Jaws of Life tool that is no longer operational. The Fire Department also requested new fire hose (\$8,500) and a generator for Fire Engine Number 5 (\$2,600).

Under Public Works, the Streets Department requested \$22,500 for a tag-along leaf machine. Mayor Owens recognized Public Works Director Charles Garren who explained that the tag-along leaf machine would give employees more flexibility in picking up debris especially in the Mill Village. Mayor Owens said when he was Utilities Director he had previously discussed picking up leaf debris with Mr. Garren and had requested that workers use pitchforks to gather up the majority of the debris and use the leaf machine to clean the residue. Mayor Owens asked how well the leaf machine was holding up from usage. Mr. Garren said over the course of a season the city has to replace the metal body, impeller, and suction tube due to small rocks and gravel wearing down the machine. He said currently the leaf machine is used on larger piles and employees fork up the smaller piles. Mayor Owens suggested that the leaf piles be picked up by workers using pitchforks and the remaining debris be cleaned up by the leaf machine to reduce wear and maintenance issues. The Maintenance Department requested an A/C refrigerant recover machine (\$3,500) and new power tools (\$1,500).

The Riverside Water Treatment Plant requested a new C12 portable chlorine meter (\$4,500), cabinets for the laboratory (\$1,000) and USP battery back-ups for the water tanks (\$800). The Lake Murray Water Treatment Plant requested \$40,000 to evaluate and refurbish Filter # 1, replace carpet in the engineer's office (\$1,200), rebuild Centrifuge #2 for yearly maintenance (\$10,000), replace water analyzer lab machine DR4000 with a DR5000 (\$8,500), and purchase a Foxcroft chlorine analyzer (\$3,500) and three computers and a large printer for (\$4,400).

Mrs. Cunningham said a notice will be published in the May 20, 2012 edition of The State newspaper for the public hearing on the municipal budget on June 5, 2012. She explained the notice must be published at least 15 days prior to the public hearings. First reading consideration on the budget and rate increases would be at the Regular Council Meeting on June 5, 2012 following the public hearing. Second reading consideration would be at the Special Council Meeting on June 18, 2012.

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Agenda Item III – Other Business

Mayor Owens asked if there was any other business to consider and received no response.

Agenda Item IV – Adjourn

Mayor Owens entertained a motion to adjourn. Council Member Harley so moved and Council Member Fowler seconded. The motion passed unanimously. Council adjourned at 8:38 p.m.

Respectfully submitted,

Marta M. Valentino, CMC
City Clerk