

**MARCH 21, 2019**

A budget workshop was held at the M.S. Bailey Center at 5:00 PM. Mayor Bob McLean was presiding with Councilmembers Cook, Jenkins, Kuykendall, Neal, Roth, and Walsh. The City Manager and the City Attorney were also present. The news media present were Vic McDonald from the Clinton Chronicle. Notice was emailed to all local news media on March 19, 2019.

<b>INVOCATION</b>	The invocation is giving by Reverend LaShawn Goodwin from Hebron Baptist Church.
<b>PLEDGE ALLEGIANCE</b>	Mayor Mclean asked Council and the audience to stand and recite the Pledge of Allegiance.
<b>SWEAR – IN MAYOR COUNCILMEMBERS</b>	Tammy Templeton, City Clerk, was present to swear-in Robert Mclean as Mayor and Shirley Jenkins, Gary Kuykendall, and Megan Walsh as Councilmembers.
<b>EXECUTIVE SESSION</b>	Motion was made by Councilmember Kuykendall to enter into an executive session to discuss one personnel matter relating to the Office of the City Manager, one personnel matter relating to the Mayor and Council, and one contractual matter relating to the Recreation Complex and return to open session on the call of the chair and seconded by Councilmember Neal. The vote was unanimous.
<b>OPEN SESSION</b>	Mayor McLean declared Council back in open session. Mayor McLean stated that two personnel matters and one contractual matter were discussed and no action was taken.
<b>CITY MANAGER CONTRACT</b>	Motion was made by Councilmember Cook to extend the City Manager’s contract for two more years and give him a 2% salary increase and seconded by Councilmember Roth. The vote was unanimous.
<b>BUDGET WORKSHOP FY 2019-20</b>	Mayor Mclean recognized Mr. Cannon, City Manager. Mr. Cannon stated that Ms. Morrow, Finance Director, would go over the proposed budget FY 2019-20. Ms. Morrow stated that for several years the City’s Strategic Plan has included Exceptional Infrastructure, Grow the Economy, Develop and Maintain Sustainable Revenue Sources, Provide for a First Class City for our Residents, and Promote Community Development. Ms. Morrow stated that the City would be able to increase their millage rate by 2.44% this upcoming fiscal year. Ms. Morrow stated that this amount would increase the Property Tax Revenues by \$18,000.
<b>OVERVIEW</b>	
<b>RATE INCREASES</b>	

(Page 2)

Ms. Morrow stated that based on the previous Rate Study the proposed budget does not have an Electric Rate increase but the proposed budget does include a 9% Water Rate increase and a 9% Sewer Rate increase. Councilmember Roth asked if the proposed budget increased the millage rate by 2.44% and Ms. Morrow stated that would be up to Council but Council could increase the millage rate by the 2.44%. Ms. Morrow stated that this is the maximum amount the State would allow the City to increase their millage rates unless the City shows growth in population. Councilmember Kuykendall asked if the City increased the millage last year and Ms. Morrow stated the City has increased the millage rate for the last several years. Councilmember Roth stated that the City would no longer be selling water to LCWSC and the Rate Study took this into account. Councilmember Roth asked if there has been any change to that scenario and Ms. Morrow stated no. Ms. Morrow stated that the City is still planning to lose LCWSC as a customer by 2021. Ms. Morrow stated that two years ago the City did not increase the Sanitation Fees and last year the City did not increase the Sanitation Fees because the City was looking into outsourcing the service. Ms. Morrow stated that these options put the City two years behind on increasing the Sanitation Fees. Ms. Morrow stated that the Residential Sanitation Fee is \$13 per month for two cans. Mayor McLean stated that it costs the City around \$18 to process the material. Ms. Morrow stated that the Sanitation Fee in the proposed budget would be \$14.50. Mayor McLean stated that the \$14.50 charge would cover two carts and Ms. Morrow stated yes. Mayor McLean stated that the City now has to haul the trash to Greenville County. Mayor Mclean asked Mr. Cannon to address this matter. Mr. Cannon stated that currently Laurens County has issued a request for a new Transfer Station to the State. Mr. Meadors, Public Works Director, stated that it would take Laurens County about twelve months to build another Transfer Station. Mr. Cannon stated that Republic owned the current Transfer Station and was working on a deal with Laurens County. Mr. Cannon stated that Laurens County requested an Environmental Study before taking over the Transfer Station and Republic refused to do the study and closed the Transfer Station. Councilmember Roth asked if the City's contract was with Laurens County to use the Transfer Station and Mr. Cannon stated yes. Mr. Cannon stated that Clinton citizens are charged a \$60 Tipping Fee on their Property Taxes to cover the cost of the Transfer Station and that is why the contract is with Laurens County and not Republic. Mayor McLean asked if the City could operate their own Transfer Station and Mr. Cannon stated that is an option Council may wish to look at. Mr. Cannon stated that Republic offered the use of their Transfer Station in Union for \$25 per ton.

**SANITATION FEES**

(Page 3)

Mr. Meadors stated that Laurens County is charging the City \$17 per ton to use the new Transfer Station in Greenville County. Councilmember Roth asked what are the costs of using the Transfer Station in Greenville County. Mr. Cannon stated that one trip takes about two hours and this ties up an employee and a truck. Councilmember Roth asked how many tons could the Garbage Truck carry and Mr. Meadors stated 31 tons. Councilmember Roth asked if the City could negotiate with Republic to use their Transfer Station and Mr. Cannon stated yes but Laurens County is collecting a \$60 Tipping Fee on the Property Tax bill. Mr. Cannon stated that the City would have to look at getting the Tipping Fee back from Laurens County. Councilmember Roth stated that Council needs information on every option that is available in regards to the Sanitation Fee. Councilmember Roth asked if incineration is an option. Mr. Cannon stated that incineration produces steam and the City does not have a manufacturer that uses steam. Mr. Cannon stated that if the City had known about the Transfer Station closing then the City would not have purchased the new Garbage Truck. Councilmember Cook asked when does the Tipping Fee come up for negotiation and Mr. Cannon stated that he did not know. Councilmember Cook stated that when Laurens County builds the new Transfer Station then the City's fee may go up and that is why it is important to know when the contract is up for negotiation. Councilmember Kuykendall stated that in running the garbage routes the City has to take into account citizens trying to get to work and the school busses running in the morning and then citizens do not like to be awoken at three in the morning because the Garbage Truck is going through their neighborhood. Councilmember Kuykendall stated that there are no easy answers to this problem. Ms. Morrow stated that this proposed budget splits Public Safety into the Fire Department and the Police Department. Ms. Morrow stated that the budget is not balanced because Council would need to make a decision regarding the Cost of Living Adjustment and the City is waiting to see if the State would increase the Retirement Adjustment. Ms. Morrow stated that the City faces future challenges such as recreation, rate adjustments, aging facilities, and infrastructure. Councilmember Roth asked if the Fire Department and the Police Department have determined the personnel for each department and Ms. Morrow stated yes. Police Chief Ledda stated that the issue for the Police Department is recruitment of Officers. Councilmember Roth asked if the Fire Department had enough Volunteer Firemen and Mr. Cannon stated no. Mr. Cannon stated that the Fire Department has a hard time keeping Volunteer Firemen. Ms. Morrow stated that the budget consist of two funds the General Fund and the Utility Fund. Ms. Morrow stated that these funds must be kept separate.

## **CHALLENGES**

**GENERAL FUND**

Ms. Morrow stated that the proposed General Fund budget is \$7,013,842 in Revenues and \$6,965,885 in Expenses with a surplus of \$47,956. Ms. Morrow stated that the proposed Utility Fund budget is \$23,975,722 in Revenues and \$23,729,789 in Expenses with a surplus of \$245,933. Ms. Morrow stated that the total Revenues for the proposed budget is \$30,989,563 in Revenues and \$30,695,675 in Expenses with a surplus of \$293,889. Councilmember Roth stated that this budget has increased one million dollars from last year and Ms. Morrow agreed. Ms. Morrow stated that some of the increase is due to Grants the City hopes to receive as well as adjustments to the Revenues. Ms. Morrow stated that the Revenue adjustments for the General Fund are Property Tax Millage Rate will increase based on allowable CPI, continue to use LOST funds to fund the Police and Fire Departments, Revenue from School District 56's Grant of \$56,000 for a Resource Officer, funds transferred to the General Fund from the Utility Fund are calculated under the direction of the Bond Attorney, and all General Fund Revenues were based on previous year trends. Councilmember Roth asked if the City was requesting an increase in the Fire Contract Clinton has with Laurens and Ms. Morrow stated yes. Ms. Morrow stated that the City currently receives \$293,000 for fire services to Laurens County but the City will ask for \$450,000 in the upcoming fiscal year. Mayor McLean asked when would the City make this request to Laurens County and Mr. Cannon stated within the following week. Ms. Morrow stated that Fire Chief Russell reported that 45% of the fire calls the Clinton Fire Department responds to is in Laurens County. Ms. Morrow stated that if the City does not receive the \$450,000 from Laurens County then the Fire Department budget would be decreased. Ms. Morrow stated that for every tax dollar spent the School District receives .59 cents and the City receives .16 cents. Ms. Morrow stated that the tax dollars only fund three City Departments which make up only 13% of the budget. Ms. Morrow stated that Contributions and Transfers from the Utility System make up 32% of the General Fund Revenues and Intergovernmental Funds make up 15% of the Revenues. Councilmember Roth asked what other services does PMPA provide the City. Ms. Morrow stated that PMPA provide IT services, computer leases, and telephone leases. Councilmember Roth stated that the City should only pay for electricity on the PMPA bill. Mayor McLean stated that the City actually pays less than their share and other Cities have been picking up that part of the City's share for several years. Mayor Mclean stated that the City originally agreed to buy 7% of the PMPA power but the City does not sell that amount.

**UTILITY FUND** Ms. Morrow stated that the Utility Fund Revenues in the Utility System are \$23,975,721 with the Electric Revenue making up 68% of the total Revenue. Ms. Morrow stated that the Utility Fund Expenses are \$23,729,788 with the Purchased Power Cost being 49% of the Expenses.

**GENERAL FUND  
MAYOR & COUNCIL** The Mayor and Council budget decreased by \$4,917 because the Travel Expenses and the Morale & Welfare Expenses were decreased. Mayor Mclean stated that at one time the Mayor & Council budget had a \$30,000 Travel Expense Account but Council has effectively reduced this amount. Ms. Morrow stated that there are no significant changes to the Office of City Manager and no significant changes in Legal Services. Ms. Morrow stated that the Finance Department does not have any significant changes. Ms. Morrow stated that the Finance Department's budget has been decreased by \$2,737 because of trends. Ms. Morrow stated that the Police Department salaries would increase by \$11,434 which is due to a potential Cost of Living Adjustment and hiring incentives. Ms. Morrow stated that there are no significant changes to the operation expenses in the Police Department. Ms. Morrow stated that vehicles and equipment would be purchased from the LOST Funds. Ms. Morrow stated that the funding for the repairs to the Police and Fire Department building would be added to the Administrative budget. Councilmember Jenkins asked if the City should look into putting cameras at certain intersections in Clinton. Police Chief Ledda stated that the Police Department is not required by law to put up cameras but it would benefit the City to have cameras at certain intersections. Councilmember Jenkins asked if the funding for cameras were added would the expense be in the Police Department budget and Ms. Morrow stated yes. Ms. Morrow stated that the City budgeted funds for a bond for future improvements to the Police and Fire Building. Ms. Morrow stated that the total decrease for the Police Department is \$105,599. Ms. Morrow stated that the salaries in the Fire Department have increased by \$387,218 and operations did not have any significant changes. Ms. Morrow stated that the total budget increase for the Fire Department is \$339,333. Councilmember Roth asked if the City anticipated any major expenses in the Police and Fire Department for the upcoming budget. Mr. Cannon stated that the City would have to purchase a Fire Truck next year. Mr. Cannon stated that the City would have to purchase the Fire Truck through a lease payment. Police Chief Ledda stated that within the next two years Motorola would stop supporting the Police Department's radios and they would have to be replaced. Chief Ledda stated that the Police Department is pursuing a grant for \$120,000 to help offset these costs.

**OFFICE OF  
CITY MANAGER**

**POLICE DEPARTMENT**

**FIRE DEPARTMENT**

Councilmember Roth asked where are the funds to make repairs to the Police and Fire Building and Ms. Morrow stated in the Administrative budget. Councilmember Roth stated that when Council approved funds to be used to make repairs to the Police and Fire Building last year the City did not move forward with the project. Mr. Cannon stated that the City started on the repairs but City staff realized it may take more than just simple repairs to fix the problems in the building. Mr. Cannon stated that City staff would need direction from Council on how to proceed with this building. Mr. Cannon stated that Council may wish to build a new building or revamp the existing building. Mr. Cannon stated that he would like to hire an architect to look at the building and gather more information before coming to Council with some options for the building. Ms. Morrow stated that the salaries for the Street Department have increased by \$76,972 due to reallocation of employees. Ms. Morrow stated that there are no notable changes to operations. Ms. Morrow stated that the Street Department has budgeted \$7,000 for a Gator and \$200,000 for paving and sidewalks. Ms. Morrow stated that the total increase for this budget is \$138,115. Ms. Morrow stated that the salaries for the Parks, Recreation, Library and Cemetery has decreased by \$106,230 due to these employees being allocated to the Street Department. Ms. Morrow stated that there are no notable changes to operations and \$50,000 is budgeted for Capital Equipment. Ms. Morrow stated that \$400,000 is budgeted in this department for the potential recreation development. Ms. Morrow stated that the total budget decrease is \$92,653. Councilmember Jenkins asked why did the City take away the expense for the trees and Ms. Morrow stated that the City has not spent any of these funds and deleted the expense. Ms. Morrow stated that this type of expense would be in the Right of Way budget and the Inspections budget. Ms. Morrow stated that the City offered a service where the City cuts the tree down and the citizen would pay half of the expense through their power bill. Ms. Morrow stated that there were no significant changes in the Municipal Court budget, the Economic Development budget or the Museum budget. Councilmember Jenkins asked what are the plans for the Museum and Mr. Cannon stated that the City hopes to open the Museum back up. Ms. Morrow stated that the salaries in the Planning & Inspection increased by \$47,082 due to moving an employee from Utility Billing to Inspections. Ms. Morrow stated that operations have decreased by \$24,000. Ms. Morrow stated that the total budget for Planning & Inspections increased by \$12,882. Mayor McLean asked if the citizens paying half the cost of tree removal decreased this expense. Ms. Morrow stated that the tree removal expense is broken between two budget years.

**STREET DEPARTMENT**

**PARKS RECREATION**

**COURT  
MUSEUM**

**INSPECTIONS**

(Page 7)

Mr. Cannon stated that the City is scheduling some of these abandoned houses to be burned to give the Fire Department some training. Councilmember Jenkins asked if the City's Codes were being updated on an annual basis and Mr. Cannon stated yes. Councilmember Jenkins asked if Council could have a copy of the Code book. After some discussion Council decided to hold another budget workshop on April 9, 2019 at 5:00 PM. Chief Ledda stated that he wanted Council to know that the Police Department is now able to purchase equipment from military forces at a discount which has been beneficial to the Police Department's budget. Mayor Mclean asked if the City is up to date with salaries for key positions such as Electric Linemen and Filter Plant Operators. Ms. Morrow stated that the City has already brought the Electric Linemen's salaries up to date but the Police Department would need some salary adjustments. Ms. Morrow stated that the proposed budget has \$10,000 for a Wage Compensation Study. Councilmember Cook stated that Council needs to now when Laurens County approves their budget because of the Fire Contract.

**GAS AUTHORITY BOARD** Mayor McLean stated that the next item on the agenda is the nominations to the Clinton-Newberry Gas Authority Board. Motion was made by Mayor McLean to nominate Councilmember Danny Cook and seconded by Councilmember Jenkins. The vote was unanimous.

**MAYOR PRO TEM** Mayor McLean stated that the next item on the agenda is the nominations for Mayor Pro-Tem. Motion was made by Councilmember Kuykendall to nominate Councilmember Ronnie Roth as Mayor Pro-Tem and seconded by Councilmember Neal. The vote was unanimous.

**COUNCILMEMBER'S REPORT** Councilmember Roth thanked the City Manager and the Finance Director for the proposed budget. Councilmember Roth congratulated the City Manager on his contract extension.

Councilmember Kuykendall thanked City staff for the proposed budget and for keeping the streets clean and the City safe. Councilmember Kuykendall stated that he is looking forward to a new fiscal year.

Councilmember Neal welcomed Megan Walsh, new Councilmember. Councilmember Neal thanked City staff for the proposed budget.

Councilmember Jenkins welcomed Ms. Walsh. Councilmember Jenkins stated that she was looking forward to working with Council for another four years. Councilmember Jenkins thanked City staff for the proposed budget.

(Page 8)

Councilmember Jenkins stated that she has received some complaints about the parking at the Lydia Mill Park. Councilmember Jenkins stated that cars are blocking the houses on Pine Street. Councilmember Jenkins stated that the citizen would like for the City to create a parking area at the Lydia Mill Park.

Councilmember Walsh thanked everyone who has made her transition to the Council easy. Councilmember Walsh stated that she is excited to be on Council and is looking forward to working with Council and City staff.

**MAYOR'S REPORT**

Mayor McLean thanked City staff for their hard work they do every day. Mayor McLean stated that the City has an experienced staff. Mayor McLean welcomed Ms. Walsh to Council and congratulated Councilmember Kuykendall and Councilmember Jenkins on their re-election. Mayor McLean stated that Clinton has a great Council and staff and a great Community to live and work.

**ADJOURN**

With there being no further business before Council motion was made by Councilmember Cook to adjourn and seconded by Councilmember Jenkins. The vote was unanimous.

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CITY CLERK

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**MAYOR**