

**MARCH 20, 2017**

The regular Council meeting was held at the M.S. Bailey Center at 6:00 PM with Mayor Bob McLean presiding with Councilmembers Cook, Jenkins, Kuykendall, Neal, Roth, and Young. The City Manager and the City Attorney were also present. Local news present was Larry Franklin from the Clinton Chronicle and Judith Brown from GoClinton.com. Notice was mailed and emailed to all local news media on March 13, 2017.

**INVOCATION** The invocation was given by Reverend Kennedy from New Beginnings Missionary Baptist Church.

**PLEDGE ALLEGIANCE** Mayor McLean asked Council and the audience to stand and recite the Pledge of Allegiance.

**MAYOR PRO TEM** Mayor McLean stated that the first item on the agenda is the selection of a Councilmember as Mayor Pro Tempore. Mayor McLean stated that Mayor Pro Tem is elected by Council and serves a two year term and is elected after each general election. Motion was made by Councilmember Jenkins to nominate Councilmember Young as the Mayor Pro Tempore and seconded by Councilmember Roth. The vote was unanimous.

**GAS AUTHORITY BOARD** Mayor McLean stated that the City of Clinton has three positions that serve on the Clinton Newberry Gas Authority Board of Directors. Mayor McLean stated that one position is filled by the Mayor and the other two positions are filled by Councilmembers. Mayor McLean stated that the members selected serve on this board for the length of their current term in office. Mayor McLean stated that Councilmembers Kuykendall and Young have been nominated for the appointment to the Clinton Newberry Natural Gas Board of Directors. The vote was unanimous.

**EXECUTIVE SESSION** Motion was made by Councilmember Young to go into executive session to discuss one personnel matter regarding the Office of the City Manager, one personnel matter regarding the Department of Public Safety, one contractual matter regarding the contract for jail/inmate housing with Laurens County and one economic development matter regarding the discussion of the acquisition of real estate in downtown Clinton and return to open session on the call of the chair and seconded by Councilmember Kuykendall. The vote was unanimous.

**OPEN SESSION** Mayor McLean declared Council back in open session. Mayor McLean stated that two personnel matters, one contractual matter and one economic development matter were discussed and no action was taken.

**INTERIM  
CITY MANAGER**

Motion was made by Councilmember Cook for the City of Clinton to employ Mr. Dale Satterfield, Public Works Director, as the Interim City Manager effective May 5, 2017 at 5:00 PM for a salary of \$99,000 until Council hires a City Manager and seconded by Councilmember Jenkins. The vote was unanimous.

**HIRING FREEZE**

Motion was made by Councilmember Cook to impose a hiring freeze on any positions or part-time positions that report directly to the City Manager and are not considered a critical need position for a length of time still to be determined by Council and seconded by Councilmember Kuykendall. The vote was unanimous.

**CITY MANAGER'S  
REPORT**

**BUDGET FY 2017-18**

**BUDGET TIMELINE**

**ORGANIZATION**

Mayor McLean recognized Mr. Stovall, City Manager. Mr. Stovall stated that he would give a review of the proposed budget for the fiscal year 2018. Mr. Stovall stated that he wished to give an overview concerning the General Fund and the Utility Fund. Mr. Stovall stated that since Council wishes to have a budget in place before the new City Manager is hired City staff has created an accelerated timeline for the budget. Mr. Stovall stated that Council would receive a full budget draft by March 24, 2017 and the Local Sales Tax renewal would be brought before Council on April 3, 2017. Mr. Stovall stated that the tentative date for the Utility Rate presentation and the first vote on the proposed budget is April 17, 2017. Mr. Stovall stated that the Public Hearing and the second reading would be held on May 8, 2017. Mr. Stovall stated that citizens elect the Mayor and City Council and Council appoints the City Manager, City Attorney, and the City Court Magistrates. Mr. Stovall stated that the City Manager is over 107 employees and five departments which are the Office of the City Manager, Department of Public Safety, Department of Public Works, Department of Administrative Services, and the Department of Community Development. Mr. Stovall stated that the departments under the Office of City Manager are Finance, Human Resource, Information Technology, Risk Management, Special Projects, and Economic Development. Mr. Stovall stated that the Department of Public Safety oversees the Police Division, the Fire Division, Animal Control, Emergency Management, and Communications. Mr. Stovall stated that the Department of Public Works oversees the Electric Distribution, Water Distribution, Storm Sewer, Water Filtration, Sewer Collection, Parks Maintenance, Streets Maintenance, Sanitation, Fleet and Right of Way. Mr. Stovall stated that the Department of Administrative Services oversees Utility Billing, Procurement, and Municipal Court. Mr. Stovall stated that the Department of Community Development oversees Community Development, Code Enforcement,

**OVERVIEW**

Inspections, Planning, and the Museum. Mr. Stovall stated that in determining the City's Revenues City staff looks at the revenue projections over the last five years in order to determine the revenues for the proposed budget. Mr. Stovall stated that the proposed budget does not include a tax increase but does include an electric rate decrease and a water and sewer rate increase. Mr. Stovall stated that the proposed budget includes a sanitation increase in a third can charge and a construction debris charge increase. Mr. Stovall stated that these changes are also included in the Utility Rate Study and City staff built the proposed budget around the Utility Rate Study. Mr. Stovall stated that the Utility Rate Study is designed so that each department supports itself and the proposed budget reflects this. Mr. Stovall stated that the budget is balanced and the proposed budget includes a 2% cost of living adjustment. Mr. Stovall stated that the State Retirement contribution the City and personnel pay would increase in July and this 2% COLA helps offset that increase and allows City personnel to continue to take home the same amount of pay in 2018. Mr. Stovall stated that the proposed budget includes a one-time 1% bonus to be paid only if the City keeps expenses down and under budget. Mr. Stovall stated that the proposed budget does not include any new initiatives because this is a transitional year for Council. Mr. Stovall stated that the priorities Council has set are Exceptional Infrastructure, Grow the Economy, Achieve Fiscal Stability, Promote Community Development, and Provide a First Class City. Mr. Stovall stated that the proposed budget is based on these five priorities.

**PRIMARY  
OBJECTIVES**

Mr. Stovall stated that one primary objective in 2018 is to make Clinton competitive by making a concerted effort to foster economic growth and success in our Community. Mr. Stovall stated that the proposed budget includes completing the construction and engineering for the Sewer Service at the I-26 Commerce Park, supporting County wide workforce development efforts, and working with economic development partners to market the City. Mr. Stovall stated that another 2018 primary objective is to increase service fiscal sustainability. Mr. Stovall stated that for several years the City has relied on several single revenue streams to generate a profit that allows for other services to be provided to citizens below cost. Mr. Stovall stated that the City would transition to a self-sustaining model in order to improve the City's fiscal condition and accurately communicate to the public the cost of certain services. Mr. Stovall stated that during the fiscal year 2018 the City would implement the recommendations from the full cost of service and rate planning effort for Electric, Water, Sanitary Sewer, and Sanitation. Mr. Stovall stated a 2018 primary objective is financial stability. Mr. Stovall stated that each year the City tries to adhere to sound business practices which obtain the true value for the dollars spent. Mr. Stovall stated that the City tries to diversify the City's

revenue sources through identification of innovative revenue strategies and implement financial policies which protect City resources. Mr. Stovall stated that another primary objective is to invest in the Downtown. Mr. Stovall stated that objectives in the proposed budget are to implement the Main Street Program, stabilize the D. E. Tribble Complex, host a series of events designed to attract individuals to the downtown, and complete the master planning of the Industrial Supply Complex. Mr. Stovall stated that focus on infrastructure is a primary objective for 2018. Mr. Stovall stated that the proposed budget addresses implementing strategies outlined in the Sewer Corrective Action Plan, determine a long range future for raw water resources, repairing and replacing the Sunset Drive Water line, replace utility poles and install Trip Savers to reduce the impact of system blinks, continue to reclaim right of way, fund small scale street repaving and sidewalk repair, and replace water and sewer lines. Mr. Stovall stated that a primary objective for 2018 is improving Community appearance. Mr. Stovall stated that the proposed budget addresses reevaluation of the Code Enforcement Ordinance, develop an incentive package using existing State and Federal resources to encourage redevelopment of abandoned property, conduct a City wide Blight Inventory, replace the gateway signage, replace City facility signage, and remove and bury targeted electric lines to improve appearance. Mr. Stovall stated that another primary objective is to complete the implementation of the Munis system in 2018 and improve customer service. Mr. Stovall stated that to complete the projects that would improve utility stability is a primary objective for 2018. Mr. Stovall stated that some of these projects are metering technology upgrades, DSM system expansion, and utility stability. Mr. Stovall stated that City staff is looking at ways to reduce electric cost for the City's facilities. Mr. Stovall stated that the City would install solar panels on the Filter Plant facility in order to reduce the cost of operating the building. Mr. Stovall stated that developing a Community facility is a primary objective for 2018. Mr. Stovall stated the City would begin to construct a new Community Recreational Facility in 2018 and complete the planning for the continued development of the Marth Dendy Community Facility. Mr. Stovall stated that a primary objective for 2018 is to pursue standards leading to higher organizational performance through benchmarking and strategic planning. Mr. Stovall stated that the proposed budget addresses pursuing the SC Law Enforcement Association Accreditation as a Law Enforcement Agency and pursuing the American Public Works Association Accreditation as an accredited public works and public utility organization.

**BUDGET OVERVIEW**

Mr. Stovall stated that the City's fiscal year is from July 1<sup>st</sup> to June 30<sup>th</sup> and the budget is composed of two funds which are the General Fund and the Utility Fund. Mr. Stovall stated that the proposed General Fund is

\$6,706,473 and the proposed Utility Fund is \$23,199,469 for a total budget of \$29,905,942. Mr. Stovall stated that the Utility Fund makes up 78% of the budget and the General Fund makes up 22% of the total budget. Mr. Stovall stated that operating expenses makes up 60% of the total budget and salaries makes up 22% of the total budget. Mr. Stovall stated that the proposed budget is balanced. Mr. Stovall stated that currently the City employees 107 employees and there are no new positions in the proposed budget. Mr. Stovall stated that 57 employees are paid from the General Fund with 42 of those employees working in Public Safety and 50 employees are paid from the Utility Fund. Mr. Stovall stated that there are 12.38 employees for every 1000 residents. Mr. Stovall stated that Newberry and Union have 14 employees for every 1000 residents. Mr. Stovall stated that the proposed salary budget contains a 2% COLA which is effective July 1, 2017. Mr. Stovall stated that the State is increasing the contributions to the Retirement System in order to make the system viable. Mr. Stovall stated that the 2% COLA would offset the retirement contribution increase the employee will face in the new fiscal year. Mr. Stovall stated that the proposed budget also has a non-reoccurring bonus of 1% that would be paid in installments with the first payment on December 1, 2017 and the balance being paid on June 1, 2018. Mr. Stovall stated that the bonus would depend on the City meeting their budget targets. Mr. Stovall stated that the total General Fund debt is \$582,169. Mr. Stovall stated that the General Fund debt is made up of a GO Bond for \$147,000 with a maturity date of 2020; a Street Sweeper for \$56,223 with a maturity date of 2018; a Fire Engine for \$213,728 with a maturity date of 2021; a CEDC Note for \$165,218 with a maturity date of 2019. Mr. Stovall stated that the Utility Fund debt is \$6,601,824. Mr. Stovall stated that the Utility Fund debt consists of a 2011 Combined Utility System Revenue Bond for \$3,274,000 with a maturity date of 2023; a 2012 A CUSR for \$2,643,020 with a maturity date of 2020; a 55' WH Electric Department truck for \$102,635 with a maturity date of 2021.

**GENERAL FUND**

Mr. Stovall stated that the General Fund pays for the governmental services such as police and fire protection, administration, and finance. Mr. Stovall stated that the anticipated revenues for the General Fund are \$6,706,473. Mr. Stovall stated that contributions and transfers make up 36% of the General Fund's revenues and taxes, licenses, and inspections make up 13% of the revenues. Mr. Stovall stated that 50% of the General Fund Expenditures is Public Safety. Mr. Stovall stated that City Administration makes up 13% of the General Fund expenses and Economic Development makes up 4.9% of the expenses. Mr. Stovall stated that the reason the City Administration expenses are high is because the City's General Fund debt is paid from this department. Mr. Stovall stated that

salaries for the General Fund are \$3,589,654, operating expenses are \$2,034,873, capital expenses are \$669,450, and debt is \$412,496. Mr. Stovall stated that the General Fund departments are Administration, Legal Service, Finance, Municipal court, Streets, Parks and Recreation, Community & Development, Museum, Planning & Inspections, Public Safety, and Mayor&Council. Mr. Stovall stated that the City

**ADMINISTRATION** Administration's budget is \$923,403 which is an increase of \$262,359 from last year. Mr. Stovall stated that the increase to this budget includes \$262,359 that goes to the Sanitation Department.

Mr. Stovall stated that the budget includes \$68,477 to retire the Vance property payment early and additional funds for Council to use in hiring the new City Manager. Mr. Stovall stated that the budget for Legal

**LEGAL** Services is \$54,500 which is a reduction of \$6,500 from last year. Mr.

**FINANCE** Stovall stated that the Finance Departments budget is \$518,997 which is a \$3,064 reduction from last year. Mr. Stovall stated that the Municipal

**COURT** Court budget is \$169,625 which is a \$9,588 reduction from last year. Mr.

**STREET** Stovall stated that the Street Department's budget is \$328,953 which is a \$25,562 reduction from last year. Mr. Stovall stated that the reduction is due to reallocating personnel. Mr. Stovall stated that the Street

**PARKS** Department budget does have funds for street and sidewalk repairs. Mr. Stovall stated that the Parks & Recreation Department's budget is \$789,091 which is an increase of \$18,134 from last year. Mr. Stovall stated that the increase is due to adding capital funds for playground equipment and adding \$400,000 from the Hospitality taxes for the proposed recreation complex. Mr. Stovall stated that the Community &

**COMMUNITY DEVELOPMENT** Development Department's budget is \$330,772 which is an increase of \$9,673 from last year. Mr. Stovall stated that the increase is from adding funds for contract landscaping and maintenance for the interstate

**MUSEUM** landscaping. Mr. Stovall stated that the Museum department's budget is \$43,833 which is a \$6,200 reduction from last year. Mr. Stovall stated that the reduction is in capital funds. Mr. Stovall stated that Planning &

**PLANNING** Inspection's budget is \$245,970 which is an increase of \$7,759 from last year. Mr. Stovall stated that the increase is from increasing the funding for vehicle maintenance and operations. Mr. Stovall stated that Public

**PUBLIC SAFETY** Safety's budget is \$3,132,856 which is a 2% increase from last year. Mr. Stovall stated that this increase is due from the COL adjustment, retirement contributions, and health insurance coverage. Mr. Stovall stated that the budget also has \$30,000 to make payments to the Capital Funding Account for the purchase of a fire truck. Mr. Stovall stated that each department purchases capital items from the Capital Funding Account and then the department must pay back these funds to the account. Mr. Stovall stated that this provides the City with a way to purchase capital equipment out right and not have so many lease

**MAYOR/COUNCIL**

payments. Mr. Stovall stated that the Public Safety budget includes funding for animal control. Mr. Stovall stated that the City entered into a contract with Laurens County to provide animal control services in Clinton and these funds pay for that contract. Mr. Stovall stated that the Mayor & Council's budget is \$127,625 which is an increase of \$19,935 from last year. Mr. Stovall stated that an additional \$20,000 was put in this budget to support Council in their efforts for a City Manager. Mr. Stovall stated that the General Fund capital expenses include \$90,000 for the Department of Public Safety for vests, rifles, SCADA replacements, and radio replacements and \$80,000 for three Police vehicles. Mr. Stovall stated that other capital equipment expenses are a mower for \$8,000, sidewalk repair for \$10,000, road repaving for \$40,000, park construction for \$400,000, playground equipment for \$25,000, and a road sprayer for \$6,450.

**UTILITY FUND**

**OVERVIEW**

Mr. Stovall stated that the Utility Fund is an Enterprise Fund and is operated like a business. Mr. Stovall stated that a portion of the Utility Fund's revenues are transferred to the General Fund in order to keep property taxes low. Mr. Stovall stated that the Utility Fund's total budget is \$23,199,468. Mr. Stovall stated that the Electric Revenue is 70% of the budget and Water Revenue is 14% of the budget. Mr. Stovall stated that the Sewer Revenue is 11% of the budget and the Sanitation Revenue is 3% of the budget. Mr. Stovall stated that 50% of the Utility Fund's revenues go to PMPA to purchase power for our customers.

Mr. Stovall stated that the next largest expense in the Utility Fund is sewer treatment at 6%. Mr. Stovall stated that the City contracts the sewer treatment with Laurens County Water Sewer Commission.

**INFORMATION  
TECHNOLOGY**

Mr. Stovall stated that the Utility Fund budgets are Information Technology, Risk Management, Utility Billing, Public Works Administration, Electric Division, Sanitary Sewer, Storm Sewer, Water Distribution, Water Filtration, and Right of Way. Mr. Stovall stated that the Information Technology's budget is \$381,859 which is an increase of \$51,077 from last year. Mr. Stovall stated that the increases are due to providing \$10,000 in the budget to upgrade for cyber security protection and \$42,000 for software license fees. Mr. Stovall stated that the Risk Management budget is \$100,404 which is an increase of \$5,326 from last year. Mr. Stovall stated that even though this department has experienced an increase the overall budget has been decreased by 25% since 2015. Mr. Stovall stated that the Utility Billing's budget is \$667,616 which is a \$61,493 increase from last year. Mr. Stovall stated that the increase is due to new personnel, insurance changes, and a software license fee of \$20,000. Mr. Stovall stated that the Public Works Administration's budget is \$786,940 which is an increase of \$4,792 from last year. Mr. Stovall stated that the increase is due to the start of the

**RISK  
MANAGEMENT**

**UTILITY BILLING**

**ADMINISTRATION**

Utility Rebate Program which helps customers upgrade their appliances in order to be more efficient. Mr. Stovall stated that there is also \$160,000 for reserves. Mr. Stovall stated that the Electric Division's budget is \$15,019,850 which is a decrease of \$96,844 from last year. Mr. Stovall stated that the Electric Division's transfer to the General Fund was reduced by \$133,217 and the debt was increased by \$52,112. Mr. Stovall stated that the Sanitary Sewer's budget is \$2,046,321 which is a \$29,401 increase from last year. Mr. Stovall stated that the increase is due to the reallocation of transfer and overhead costs and point repair. Mr. Stovall stated that the Storm Sewer's budget is \$8,600 which is a \$6,000 increase from last year. Mr. Stovall stated that the increase is due to point repair. Mr. Stovall stated that the Water Distribution's budget is \$1,246,757 which is an increase of \$304,320 from last year. Mr. Stovall stated that the increase is due to potential debt payments on a future bond issue. Mr. Stovall stated that \$180,000 is included in the budget for a debt payment if Council decides to move forward with some of the water line repairs. Mr. Stovall stated that the budget also includes \$100,000 for water line repair and funds for the increase in transfer, overhead, and debt reallocation. Mr. Stovall stated that the Water Filtration budget is \$1,806,124 which is an increase of \$89,985 from last year. Mr. Stovall stated that the increase is due to salary upgrades and facility upgrades and \$70,000 is included in the budget for an increase in power costs. Mr. Stovall stated that the budget also reflects a \$60,000 reduction in chemical costs. Mr. Stovall stated that the Right of Way's budget is \$369,044 which is an increase of \$71,185 from last year. Mr. Stovall stated that this increase is due to fully funding salaries. Mr. Stovall stated that the Fleet budget is \$134,726 which is a \$69,520 increase from last year. Mr. Stovall stated that this increase is due to vehicle and tool replacement. Mr. Stovall stated that by investing in better tools and new technology then the City would be able to make these repairs in house and not contract vehicle maintenance and repairs. Mr. Stovall stated that the Sanitation's budget is \$631,225 which is an increase of \$143,066 from last year. Mr. Stovall stated that the increase is due to fully funding salaries to a five day schedule with the extra day offset by General Fund payments. Mr. Stovall stated that the budget includes increases in capital, debt, and transfer funds. Mr. Stovall stated that the Sanitation Department would have to purchase a new garbage truck and the down payment is included in this budget.

**ELECTRIC**

**SANITARY SEWER**

**STORM SEWER**

**WATER**

**FILTER PLANT**

**ROW**

**FLEET**

**SANITATION**

**CAPITAL**

Mr. Stovall stated that the Capital budget for the Utility Fund includes \$35,000 for facility improvements; \$65,000 for the IT Department for software and computer upgrades; \$8,000 for facility upgrades in Utility Billing; \$110,000 for Electric System upgrades such as LED change outs and Trip Savers; \$15,000 for an Arc Flash Study update; \$40,000 for sewer repairs; \$32,500 for a Water Distribution service truck; \$100,000

for Water Distribution System upgrades; \$75,000 for Water Treatment facility repairs; \$30,000 for Fleet Service vehicle; \$30,000 for Maintenance Shop tools; \$20,000 for a Garbage Truck payment. Mr. Stovall stated that the Utility Fund is broken down as follows \$3,106,592 for salaries, \$15,900,526 for operating expenses, \$560,500 for Capital expenses, \$1,298,449 for debt, \$1,789,449 for transfers to the General Fund, and \$543,713 for overhead. Councilmember Jenkins asked if the proposed budget includes funds for dilapidated houses and Mr. Stovall stated yes. Mr. Stovall stated that the proposed budget includes \$25,000 under the Lot Clearing Expense and \$33,000 under the Code Enforcement Expense. Mr. Stovall stated that both of these expenses would deal with dilapidated houses. Councilmember Jenkins asked if the City had a team that would survey the abandoned houses and Mr. Stovall stated no. Mr. Stovall stated that the City would like to be proactive in this matter and that is why the City would like to have a Blight Inventory of the City. Councilmember Jenkins stated that she has had several complaints concerning burned houses on South Bell Street and Forrest Drive. Mr. Stovall stated that the house on Forrest Drive has been in that condition less than six months and he would check on the house on South Bell Street.

**COUNCILMEMBER  
REPORT**

Councilmember Cook thanked Mr. Stovall for the budget presentation.

Councilmember Young stated that the flag poles in front of the M.S. Bailey Center looked good. Councilmember Young asked when would the flags go up. Mr. Stovall stated that a piece is missing on one of the flag poles and when that piece comes in the flags would be raised.

Councilmember Neal thanked the City Manager for helping her.

Councilmember Kuykendall thanked the City Manager for the budget report. Councilmember Kuykendall stated that the City is in a transition period and he wanted to thank Mr. Satterfield for agreeing to be the Interim City Manager.

Councilmember Roth thanked the City Manager for the budget presentation.

**MAYOR'S REPORT**

Mayor McLean stated that the Main Street Program meeting would be held tomorrow from 10:00 AM to 10:45 AM. Mayor McLean stated that Hospice would host an open house on Thursday, March 23, 2017 from 7:15 AM to 9:00 AM at their Springdale Drive facility. Mayor McLean stated that a reception would be held for Ms. Byrd and Mr. Scarborough

on Monday, March 27, 2017 from 5:00 PM to 7:00 PM. Mayor McLean stated that PMPA would host a Legislative Breakfast Tuesday, March 28, 2017 from 8:00 AM to 10:00 AM in Columbia. Mayor McLean stated that the next Council meeting would be Monday, April 3, 2017 at 6:00 PM. Mayor McLean welcomed the new Councilmembers, Ronnie Roth and Robbie Neal, to our team. Mayor McLean welcomed the returning Councilmember, Dan Cook. Mayor McLean stated that he looked forward to working with each of you as we work together to make the City of Clinton a great place to work, live, and play.

**ADJOURN**

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

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CITY CLERK

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**MAYOR**