

Walterboro City Council  
Regular Meeting  
June 11, 2013

## **MINUTES**

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, June 11, 2013 at 6:15 P.M. with Mayor Bill Young presiding.

**PRESENT WERE:** Mayor Bill Young, Council Members: Paul Siegel, Dwayne Buckner, Charles Lucas, Randy Peters, Tom Lohr and Bobby Bonds. City Manager Jeff Lord, City Clerk Betty Hudson, and City Attorney George Cone were also present. There were approximately 24 persons present in the audience.

There being a quorum present, Mayor Young called the meeting to order and called on Council Member Buckner to give the invocation and Council Member Lucas to lead the Pledge of Allegiance to our flag.

### **PUBLIC INPUT ON AGENDA ITEMS:**

There were no public comments or questions received on agenda items.

### **OLD BUSINESS:**

There was no Old Business before Council.

### **NEW BUSINESS:**

The Mayor then announced the following ordinances before Council for **First Reading Approval:**

1. **Ordinance # 2013-04**, An Ordinance Adopting the City Budget for Fiscal Year 2013-2014 and Matters Relating Thereto.
2. **Ordinance # 2013-05**, An Ordinance Adopting the City Enterprise Budget for Fiscal Year 2013-2014 and Matters Relating Thereto.

Council Member Charles Lucas, Chairman of the City Budget and Finance Committee, announced that the City Budget for Fiscal Year 2013-2014 is \$7,505,157.00. This includes capital improvements which are items we will purchase in the amount of \$178,400, which is paid back to the fund over time by the City. Instead of the City going out and borrowing money, we borrow our own money and this helps. He stated that revenue increases for the City Budget's operating millage for the city tax will go up 2.07%. There will be a debt millage increase of 7 mills and an unfunded mandate of 2.86 mills. He explained that the unfunded mandate is for radios that the City is required to purchase, because the County is changing to a different band of radio. In order for the City to be able to talk with the County on 911, etc., we will have to change our radios also. That will be purchased through a 5-year tax. Once the debt is paid, the 2.86 mills will go away.

Council Member Lucas then explained changes to the Enterprise Budget. He stated that this budget is \$3,549,620. With this budget, there will be a revenue increase on water and sewer of 10%. The increase for the base rate water bill will be about \$3.58 on a two-month period. In the City Budget for the millage increase, this represents a little over \$47.00 per hundred thousandth on a house.

The Mayor added that these ordinances are before Council for First Reading Approval. The Budget Committee will meet again, and then we will have Second Reading.

The Mayor then entertained a motion for First Reading Approval of Ordinance # 2013-04, An Ordinance Adopting the City Budget for Fiscal Year 2013-2014 and

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Matters Relating Thereto. Council Member Lucas Moved to approve Ordinance # 2013-04 on First Reading. Council Member Lohr seconded the motion.

In discussing the motion, Council Member Buckner asked for clarification of the difference between this year's budget and last year's budget. He asked what increases, if any, that the citizens would be paying in this new budget?

City Manager Lord answered that there will be an increase in property taxes. The summary of this increase will be about \$47.72 per hundred thousand dollars on a home, and a water rate increase of 10%. A base rate user will pay about \$3.58 bimonthly.

Council Member Buckner then asked the City Manager, why are we going to the citizens asking them to pay more money for the services we are providing? City Manager Lord answered that the services are more expensive than they were before. So, we would need to increase the revenue or cut the service. Mr. Lord added, we also have an unfunded mandate on the radios. FCC has required us to change the strength of our radios, because right now our radios can't even go into a building. So, we have to re-band, and if we are going to re-band, then we have to do what the County has to do in order to properly handle calls. This costs \$365,000. We have an increase in fuel prices and an increase in insurance prices. So, all these things cost more, and if you are going to continue to do what you are doing, then you need to raise the revenue.

Council Member Siegel then said, I am very concerned about putting an additional burden on our citizens and our businesses at this time. I realize that we have some expenses, but I really believe there is still significant trimming that we can do on the City budget. I am concerned about duplication of services between the Department of Economic Development and the Department of Tourism. I feel very strongly that even though we've had shortfalls from last year's budget, that an increase in commercial water rates and a possible increase, if we considered it, in business license fees, would be in conflict with our goal to be more business friendly. Our county, to their credit, has a very successful Department of Economic Development with a very dynamic leader. I feel that they are making a lot of progress. I really do feel that the money we are investing into our Department of Economic Development is really at this point unnecessary, in that our Department of Tourism has a fairly substantial budget. I believe that the duties that are now undertaken by our Economic Development Director could be shared between the Tourism Department and the Manager's Department. The budget for the Department of Economic Development is tentatively \$68,561, and that is a substantial amount. We have had this department for 4 or 5 years now and I have been trying to determine what advances we have accomplished through this expenditure, through this independent department. I am taking the position that we should look very seriously, at least for this year, at deleting the funding for that department, and I am going to make that motion when I have the opportunity, so that we can have a discussion over that issue.

Council Member Bonds then asked, are we going to have an opportunity to talk about this at the budget meeting on Thursday, because I have some concerns? I think we are going to have to raise taxes, I am with you. I understand the unfunded mandate. I understand that the FCC has changed the broadband frequencies and there is nothing we can do about that, and the county is moving to that by law. If we don't change, we won't be able to talk to them. I understand that, but I think we've got to look at our budget. If we are going to ask our citizens to increase taxes, I think we need to take a second look at our expenditures. Today, we are paying \$80,000 over the past 3 years for a consultant in Charleston to give us information and do different P.R. work for us. I just think we can do some belt tightening. When do we have to adopt this budget?

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Mayor Young responded, we have to adopt it prior to July 1, and we have to have a public hearing and a second reading. Of course, if Council desires, we can make changes on Second Reading. The budget committee, which is Mr. Lucas, Mr. Lohr and myself, and of course everybody else is welcome to come, but we are going to meet again on Thursday. Those things will be discussed and suggestions also made at that time. So, there is an opportunity to make adjustments to it, but in order to meet the deadline for the fiscal year, we need to have First Reading and then look at any changes Council might want to make.

Council Member Siegel then stated, I just feel that there are areas that we could find some cutting, so we can reduce the burden on businesses and on citizens. Mayor Young answered, you can certainly bring that up at the budget meeting. I mean, we can't do that tonight. That would be the appropriate time to do it. Then, the budget committee can vote that up or down, then it will be presented to Council as a whole, and Council can vote that up or down.

Council Member Buckner, then said, I just want to go on record. I just think that government, not only local, but state and federal seem to have an insatiable diet for more and more taxpayer dollars. We just keep feeding it, and it just keeps growing larger and larger. I do believe, we need to put the government on a diet and trim back spending. So, any increase, whether it be water, taxes, property taxes or whatever, I am against it, because I honestly believe we cannot continue to feed this beast, which I am calling it government, and let it continue to spend. The more we give it, the more it spends, so I would encourage the budget committee to go back and echo Councilman Siegel's request to trim and look at tightening in other areas and not going back to the people requesting more and more of their taxpayer dollars.

Council Member Lohr responded, I agree with you Mr. Buckner, but there is just one thing. We are low on the totem pole. The federal government can print more money. Their definition of not increasing any is so that it does not go up more than 2% or 3%. If you don't believe me, check on that. So, that's one thing you've got to understand, we are low on the totem pole. I don't disagree with anything that I heard, but maybe going back and looking at it. What I don't like, and I want to make that abundantly clear is that these past 3 or 4 years, during bad times, things are still not that great but are a little bit better, but if you postpone something, we are going to be sitting here in two or three years and talking about a bigger increase or taking more money out of the reserve fund. Council Member Lohr further stated, I just want to give you a caution. I am going to listen carefully, but I am giving you a caution today on this date, June 11, 2013, that you need to understand in all likelihood that we will be discussing this same topic next time. It's fine to be against taxes, and I have never heard anybody say "I'm all for it". If I vote for this, it does not mean I like it any better than you do, cause I am going to be affected just like most of you. But, we need to really get away from the Grover Norquist idea about taxes - "we don't like them".

In response to Councilman Lohr's remarks, Council Member Siegel stated, Mr. Lohr, I am not suggesting a pledge never to increase taxes, and I believe that some increase is going to be necessary this year. I am just encouraging a harder look at our existing budget and making practical, realistic solutions that are in the best interest of our citizens.

Council Member Bonds then stated, the first thing I said is we are going to have to raise some taxes, but I think that we need to look at our budget. I agree there are duplications. There is \$80,000 here, there is this and that. I think we can belt tighten and we can try to minimize the increase, and I think that's what the folks are expecting of us. I absolutely don't think that we are not going to have to raise taxes.

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Council Member Peters said, I am not for raising any taxes at this time. I am not for raising any water rates at this time. We are having a tough enough time economically in the City of Walterboro, keeping things going, and keeping businesses going. If we had not fought last year, the water rates would have gone up. Well, the water rates went up, and the reasoning behind the water rates going up is because we are rated at whatever rating we are compared to some of the other town and cities in South Carolina. That has nothing to do with the City of Walterboro, and what we do. Again, I think we need to look at every aspect of it, from garbage pickup to any type of service that we render and if we can cut that, these are the places we need to cut back, rather than raise taxes. You have people out there on fixed income, and they can't afford another tax. Of course, here we are, we can't afford not to tax them, but I really think we need to consider every part of it. I think we should do whatever it takes to tighten our budgets to run the city more economically. We have property out here, I don't know why we don't sell it. You say, well it doesn't cost that much, it's not going to make that big of a difference, but let me tell you, every penny makes a difference when it comes to these taxes.

The motion giving First Reading Approval to **Ordinance # 2013-04**, An Ordinance Adopting the City Budget for Fiscal year 2013-2014 and Matters Relating Thereto, was **DEFEATED** with a vote of 3/4 with Mayor Young and Council Members Lucas and Lohr voting in favor and Council Members Siegel, Buckner, Bonds and Peters voting against the motion for approval.

Mayor Young then asked the City Attorney, how will we proceed with this? City Attorney Cone answered, I don't know the date the City Manager has to turn in the millage, but the fiscal year starts July 1, and you will need to get the tax rate to the Treasurer. So, you will need to have a special meeting. City Manager Lord reminded, if we have a special meeting, we will need to have 6 days between Council meetings. So, we will need to have a Special meeting for First Reading and we already have a regular meeting scheduled for June 25<sup>th</sup>.

A motion was then made by Council Member Lucas, seconded by Council Member Lohr, giving First Reading Approval to Ordinance # 2013-05, An Ordinance Adopting the City Enterprise Budget for Fiscal Year 2013-2014 and Matters Relating Thereto.

In discussing the motion, Council Member Peters asked the City Manager if there were any surprises in the Enterprise Budget. He asked, are there any increases? Mr. Lord responded that this is the water and sewer budget with the 10% water and sewer increase.

The discussion ended and the motion giving First Reading Approval to **Ordinance # 2013-05** was **DEFEATED** with a vote of 3/4 with Mayor Young and Council Members Lucas and Lohr voting in favor and Council Members Siegel, Buckner, Bonds and Peters voting against the motion for approval.

3. Ordinance # 2013-06, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for the Utility Support Department.

A motion was made by Council Member Lucas giving First Reading Approval to **Ordinance # 2013-06**. Mayor Young seconded the motion. The motion was **DEFEATED** with a vote of 2/5 with Mayor Young and Council Member Lucas voting in favor. Council Members Siegel, Buckner, Bonds, Peters and Lohr voted against the motion for approval.

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At this point, the Mayor stated, I hope everybody understands that we can pass First Reading on something, and then go back and change it in order to meet the time line. That's what I am voting for at this point is to meet the time line, but we still have time to make adjustments. We will work that out.

4. Request to Use Pinckney Park for Back Yard Bible Club Meet July 8, 9, 10 and 11, 2013 by First Baptist Church and St. Peters AME Church

A motion was made by Council Member Peters to approve the request as submitted by First Baptist Church and St. Peters AME Church to use Pinckney Park for a Back Yard Bible Club Meet on July 8, 9, 10 and 11. The motion passed unanimously. City Manager Lord announced that this event was in conjunction with the World Changers Event.

**APPROVAL OF THE MINUTES:**

The Minutes of the March 26, 2013 Regular Meeting were approved as submitted on the motion of Council Member Lucas, seconded by Council Member Buckner and passed unanimously.

**COMMITTEE REPORTS:**

There were no committee reports given.

**EXECUTIVE SESSION:**

The Mayor then entertained a motion to enter an executive Session. Council Member Lucas So Moved. Council Member Bonds seconded the motion. The Mayor announced that the meeting would enter into an Executive Session for a discussion of a personnel matter on a recent employee dismissal and receipt of legal advice.

The meeting entered into an Executive Session.

The meeting returned to Open Session, and there being no further business to consider, a motion to adjourn was made by Council Member Lucas, seconded by Council Member Peters and passed unanimously. The Mayor adjourned the meeting at approximately 7:20 P.M. Notice of this meeting was distributed to all local media and posted on the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson  
City Clerk

**APPROVED: July 9, 2013**