

**MINUTES  
BUDGET WORK SESSION  
WINNSBORO TOWN COUNCIL  
MARCH 22, 2022**

**Present:** Mayor John McMeekin; Janice Bartell Prather, Danny Miller, Jae Burroughs, Council Members; Jason Taylor, Town Manager; Patti L. Davis, Town Clerk.

**Absent:** Mayor Pro-Tem Demetrius Chatman

The Winnsboro Town Council met for a Budget Work Session on March 22, 2022, at 6:43 p.m. at the Winnsboro Women's Club (this work session began immediately after a Special Meeting). In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80 (e), as amended, the following persons and/or organizations have been notified of the time, date and location of this meeting: The Independent Voice of Blythewood and Fairfield, The Country Chronicle and four hundred ninety-two other individuals.

**1. CALL TO ORDER**

Mayor McMeekin called the Budget Work Session to order at 6:43 p.m.

**2. APPROVAL OF AGENDA**

Council Member Bartell-Prather made a motion, seconded by Council Member Miller, to approve the agenda. ***The motion carried 4-0.***

**3. INVOCATION**

Council Member Bartell-Prather led the invocation.

**4. ITEMS FOR DISCUSSION**

**A. FY 2022-2023 BUDGET**

Mayor McMeekin encouraged everyone to ask questions when needed. Mr. Taylor stated if anyone has a question, please do not hesitate to stop him. The budget is still very much a work in progress. Meetings have transpired with every department head to review each line item and get their input concerning revenue and expenditures. This was a very good learning process for all parties. A baseline budget has been produced that is essentially reflecting that the revenues and expenses are very close. A budget is also not just numbers, but instead, it is an expression of what Council's priorities are for the upcoming year. At this point, there is around \$7M in the investment accounts, and revenues were anticipated to be about \$19,800,000. However, after discussing with the department heads to ascertain the uncollected bills, especially in gas and

electric, and with some of the new customers, the revenue is being pushed to \$21,800,000. Currently, there is \$18,790,000 in expenses, and there is \$1.2M in bond payments to be added back in. The budget is pretty much balanced at this point, and there are aspects of the budget that will require Council input.

- Personnel: In looking at this item, Town Council was reviewed. The pay schedule is at \$28,000 and overtime is also included. In the past, Council would get paid for every meeting attended, and then additional pay was given for additional meetings. The preference, for legal aspects as well as ease of accounting, would be to pay Council regardless of attendance to the meetings. Mayor McMeekin stated this would be paying Council twice a month as regular employees are paid. Mr. Taylor stated the pay will also not fluctuate. It will be the same pay every time no matter how many meetings are attended. If there is no objection, the budget will be prepared in this manner. Mayor McMeekin stated he believes this was done in the past as an enticement to attend meetings, and Mr. Taylor stated a lot of Councils have tried this, but it is not legal for pay to be withheld. Per Mr. Clauson, the line item for retirees has increased because there have been a number of retirees lately.
- Cost of Living: In the past, Mrs. Belton stated around 2% has been done year after year. Mr. Taylor stated this is also being proposed this year, and this is built into the budget if Council is agreeable. Council Member Miller inquired concerning the salary scale. Mr. Taylor stated this is something that will have to be tinkered with individually to try to get as many employees to the midpoint. Mayor McMeekin stated he has the same concern as Council Member Miller and wants to be sure to work within our constraints while being as fair as possible. Per Mr. Taylor, base salaries at 2% would cost the Town \$90,064 across the board. At 3.5%, the cost would be \$156,724 with 4% being \$179,000. The 2% across the board could be done and then go back to look at individuals. Council Member Miller feels the salary study should be looked at and adopted so the Town would be in line with where people are and where they need to be. Mrs. Belton stated it would be excellent if the Town could give what Archer recommended, which is 8%. However, everything that is raised in the general fund must then be supplemented from the utility fund. It would be nice to do 4%, but right now she is recommending 2%, then a more definitive answer will be brought back to Council for a recommendation. Council Member Miller feels without the salary scale, a lot of cherry picking can be done. Mr. Taylor stated this is where the Town found itself, and now that the Archer study is available, it can be used as a guideline. However, we must look at what the revenues will be along with the basic operating expenses to see if we can even afford to look at the Archer study quite yet. Administration has attempted to

address some of this already because there were such wildly different responsibilities with the pay not correlating. At this time, the full 8% will probably not be feasible as has been recommended by Archer. There are a lot of things Mr. Taylor would love to recommend for the Town to do, but he does not think we are able to do this at this time. Guidance will be needed in the near future to fine tune this budget. Mr. Taylor also stated the Town found itself way too close with the ratio of the bonds, and it must do what it can to reduce some of the transfers over. Based on the audit, all utilities with the exception of gas, were going in a declining revenue direction, and this is not the trend we want to see continue. The Town does not need to pull so much from the utilities. The only way they will increase is if their revenue is left for them to reinvest to open up new territory and get new customers. As these revenues increase, then we can move forward with some of the wish list items. This is a year we need to make sure the bond is stable and we start reversing the declining revenues to turn them into increasing revenues in the utilities. This is something Mr. Taylor is recommending, and he is in hopes that Council can also support this. Council Member Miller still feels we should bite the bullet and adopt the salary scale and, if not, we will always be upside down. Mrs. Belton agrees, however, if the salary study is adopted, we open ourselves up to having to follow the salary scale. Some preliminary work must be done first to make sure the Town can afford to adopt it at this point. There are some salaries that are out of whack, and hopefully, during this budget process, these employees can be brought to where they need to be. The 2% across the board is what may end up being given; however, more definitive numbers need to be seen before this decision is made. She does caution about approving the salary scale right now because the Town does not need to be legally bound to the scale if it cannot afford it. We need to focus on getting more definitive numbers and making sure that we can reach the threshold for the bond in order to avoid penalties. Mrs. Belton feels the numbers will run pretty close this year as well. Mr. Taylor also stated there are a lot of line items that were almost fantasy line items as these were not budgeted realistically. Insurance, for example, is listed for each department's portion. This had been budgeting at \$1500 or \$2000; however, every year for the last four years, this has been \$6,000. There were many line items such as this that were not realistically budgeted. Council Member Miller inquired if the Town is following a salary study at the present time. Per Mr. Taylor, that would be the Archer study now. The prior study was ancient and duties, longevity and responsibilities were not necessarily tied consistently to pay. The market will also dictate a lot of this. A lot of the Town's new directors are here with us tonight, and they could not have been attracted if the market rate salaries had not been adjusted upward.

Mr. Taylor further stated we need to take this slowly. Council Member Miller further stated incentives or some plan for employees to stay is also needed. Mayor McMeekin agreed we all want the same thing. Mr. Taylor stated there are also a lot of economic development opportunities on the horizon that the Town will need to participate with concerning the federal grant opportunities. There will, however, be significant cost to be able to access these opportunities. Funds will be needed for engineering in order to get prepared, and the grants will have matches. It would be terrible to miss an opportunity for not being prepared.

- Phone bills: All the phone bills are excessive, and this will be looked at in the future to probably move toward a contract for everyone. The hard-wired desk phones are the most expensive and the least used.

Mr. Taylor stated right now a lot of money is being pulled from the utilities to the general fund. Hopefully, some expenses can be reduced in the general fund so the revenue can remain in the utilities to be reinvested.

- Town Manager: This is skewed due to salaries and employee appreciation. Mr. Castles had been budgeted in Planning and Zoning, and Mr. Clauson's position has been moved under Town Manager.
- Municipal Court: This is a bit higher and is probably a result of the 2% salary increase.
- Municipal Buildings: This has never been budgeted realistically. \$37,000 had been budgeted and \$71,000 was spent last year. This number needs to be increased. Over the past three-years, an average was spent in the amount of \$110,000 even though only \$37,000 was budgeted. The amount that has been budgeted to maintain the Town's buildings/parks/facilities is not enough to maintain like they should be maintained.
- Maintenance Shop: This is increased some due to blended duties. The utility department heads have requested a maintenance department to be able to go between the different departments and help with the plants or in the field with the lines, pump stations, etc. Per Mr. Peak, there is already one, possibly two, staff members that could be utilized, and if one more could be added, that department would be responsible for the lift stations, pump stations and maintenance at the two plants. This would be a different type of maintenance with blended staff. Mr. Peak has several unused slots, of which one could be used for this purpose. These slots are funded every year, so no additional added positions would be needed. Per Mr. Taylor, with Mr. Mincey on board and with this concept in place, this is making it possible to actually reduce some of the contracting fees for sending things out to be repaired. Mayor McMeekin stated he likes having competent people in place to be able to do this.

- Public Safety: This department will now fall under Mrs. Belton, and she has been advising and working with them. Per Mrs. Belton, no positions were cut but some will be pulled. There were three unfilled positions, which have not been filled for a number of years. These positions will be used to try to offset some of the expense. The overtime last year was budgeted at \$45,000 and Public Safety should not have an overtime budget of \$45,000. The \$85,000 number is more realistic. In working with Chief Seibles, some things will be attempted to be restructured going forward. There are also four other noncertified positions. These people need to be certified, and then this can be revisited during the budget year. Anytime when the general fund budget is increased, it requires pulling from utilities. Therefore, items are being looked at in the general fund itself to offset some of the expense in order to minimize any needed transfers. Per Mr. Taylor, these are also positions the department has been operating without. There are also four uncertified officers, and recently, there was a finding on the HR audit concerning this. This is, therefore, something that must be addressed based on this audit finding. Council Member Burroughs inquired if more officers will be needed due to the annexations. Per Mrs. Belton, right now there are four officers who could not participate in potential situations with not being certified. If these were to become certified, they could be used in these situations, which in essence, would be more police power. Council Member Miller asked for Chief Seibles' thoughts. Chief Seibles stated when someone is hired for Public Safety, they must complete the Police Academy as well as the Fire Academy. Over the past six or seven years, this has been increasingly difficult. The annexations will present more work because if a call comes in, the department has to respond. It has been a struggle to get people hired with competition all around. Council Member Burroughs inquired if an agreement could be signed so that any upfront training money would have to be repaid for any officer leaving after being trained. Chief Seibles stated this is in place already, and it is a descending plan, meaning the longer they stay with Winnsboro and then leave, the less the Town can get back for the training. Mrs. Belton understands and respects what Chief Seibles is trying to do with the department; however, the Town also cannot be in violation either. With the four uncertified officers, the department cannot continue to just hold them like this if they don't pass. Right now, the state is telling us the Town it is in violation. Chief Seibles stated when these employees are kept, they are on dispatch and other job duties they can perform. However, Mrs. Belton stated the violation has occurred because they are not certified officers. This is the issue with the audit, and if these employees do not pass, they will have to be let go. Mr. Taylor stated it appears that there is more of a recruitment and retention issue, and this may be pay related. Mrs. Belton

stated the salary has been increased over the last 2-1/2 years by about \$9,000. The reality is what we can afford to do in this budget and what we cannot afford to do. These positions need to be used to offset. It would not be doing away with the positions, instead, the funds would only be redirected. Council Member Miller states the right fit must be found for the department, and he knows it has been hard with COVID and other things lately.

- Streets and Sanitation: Per Mr. Clauson, the salaries have increased with bringing a number of the employees up to where they needed to be. Contracted services will be about the same. There is an increase in supplies primarily because of the fluctuating gas prices, and this will be seen in some of the other departments as well.
- Grants and Community Development: \$60,000 was added for contract services primarily to get grants.

The bottom line for the general fund is this has increased a bit from \$3,239,886 last year to \$3,488,321 this year.

- Gas: This has been a good performer with revenue, and there was a lot of large gas users that had not been billed. Per Mr. Peak, there is more potential revenue that has not yet been billed. Per Mr. Clauson, last year \$1.2M was budgeted for the purchase of natural gas, and as of January, this amount has been surpassed. Therefore, \$1.8M is being budgeted. Expenditures were very similar as last year, so this is rising from \$2,947,000 to \$2,983,000.
- Electric: This is increasing a little from \$6,887,494 to \$7,500,000. This is a little more than the 2% in salary adjustments.
- Water Distribution: Expenses are down a fair amount. Per Mr. Clauson, the salaries have increased due to the split of the meter readers. There have also been salary increases. The debt service has not been captured yet.
- Water Plant: These expenses will rise to eat up a lot of the savings from the purchase of Columbia water, but these will not be ongoing expenses, and instead, investment in the plant. Expenses rose from \$806,000 to \$1.4M. The chemicals are a big part of this increase, and this process is being changed. There have also been price increases on all the chemicals, which is another example of the unrealistic budget items. Around \$90,000 had been budgeted for chemicals, and in the past, over \$130,000 was being spent. There were also a lot of items for the water plant that were incorrectly listed on some of the other accounts, so these were transferred back where they belong.
- Sewer Collection: Previously \$976,000 was budgeted and this is being reduced to \$841,000.

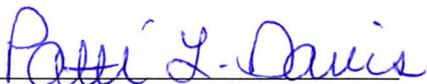
- Sewer Plant: Previously budgeted \$765,000 and currently the amount has reached \$832,000. Most of these increases are chemical costs and salary changes.

Overall, without the bond payments, expenses last year were \$19,193,000 and right now unadjusted they are \$18,791,000. Once the bond payment is added in, the amount will be above the previous years' budget. The revenues are comparable to cover it, so the budget is balancing at this point.

Council Member Burroughs inquired if the credit card fee has been added, and this is already in the budget. Mr. Clauson also pointed out that the trash fee could be an additional expense. Mr. Taylor stated he would prefer to let the dust settle in order to make sure the Town is good with the bonds. Then, if needed, a mid-year budget amendment could be done for any needed changes once it is known that the Town is on firm footing with the bonds.

## 5. ADJOURN

At 8:01 p.m., it was moved by Council Member Burroughs, seconded by Council Member Bartell-Prather, to adjourn. ***The motion carried 3-0.***

  
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PATTI L. DAVIS  
TOWN CLERK

  
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JOHN MCMEEKIN  
MAYOR