

**CITY OF DARLINGTON
BUDGET WORK SESSION
THURSDAY MAY 9, 2019 AT 6:00 PM**

The City of Darlington held a Budget Work Session in the Old Council Chambers on Thursday, May 9, 2019 at 6:00 PM. Present at the meeting: Mayor Gloria C. Hines, City Manager Howard Garland; Council Members: John Segars, Elaine Reed, and Sheila Baccus. Others in attendance included: City Attorney Kevin Etheridge, Police Chief Kelvin Washington, Fire Chief Pat Cavanaugh, Mrs. Anna DeWitt and Mr. Bobby from the News & Press.

Mayor Hines called the meeting to order and chief Kelvin Washington did the invocation.

MR GARLAND – OVERVIEW OF 2019-2020 BUDGET PROCESS

Mr. Garland said we have a surplus for the 2018-2019 budget year due to all the hurricane money we received. He said revenues are down this year in some areas. He said we still don't know what we can do as far as a millage increase because we don't have the numbers yet on the census data. Mr. Garland said the local government fund has gone up about \$7,000 but it's still only funded about 79% of what we should receive. Mr. Garland said building permits are extremely high, but Mr. Gainey will address that when he gives his budget overview. Mr. Garland said Ms. Karen Carroll has worked understaff most of the year but has done an outstanding job despite that. He said he wanted to compliment Ms. Pridgen and her staff for working with Webster Rogers to help get them out of here, so we can start working with next year's audit. He said the Brittingham Group out of Columbia, SC has been engaged to be our next audit firm and they have been working to get information together for our 2017-2018 audit. Councilman Segars asked, "If hurricane money has come in is there any chance it could go into the reserve fund rather than the general fund"? Councilman Segars asked, "Didn't most of it come out of the reserve fund"? Mr. Garland said, "It did, but there's only been very few years where the reserve fund has been static". He said the reserve fund is our "operating fund" and we take from it and most of the year there's not much in it except maybe in June. He said that's one of the things they talked about with the cash flow issue that we have in December and January and that's why we wanted the money from Duke Energy on a quarterly basis to help with our

cash flow problem. Mr. Garland said he's not been able to address the reserve fund properly in a way that he feels good about. He said based on the plan submitted in 2002, we're supposed to set aside \$100,000 for the general fund and \$50,000 for the water & sewer fund, but we haven't done that this year. Councilwoman Reed said, "So, the reserve fund is truly supposed to be a reserve fund"? Mr. Garland said, "Yes, that's correct". Councilman Segars said it was designed so that we wouldn't have to borrow money to finish up the budget year and we could borrow from ourselves and pay ourselves back.

FIRE DEPARTMENT BUDGET OVERVIEW – FIRE CHIEF PAT CAVANAUGH

Fire Chief Pat Cavanaugh said the biggest thing this year is to purchase an additional pickup. Chief Cavanaugh said they talked about trying to get two vehicles, but he, Mr. Garland and Chief Washington looked at the numbers and it's not possible to do it right now, so they'll put an additional one on and as soon as the new budget comes, they will work on getting a third one. Chief Cavanaugh said line item 217 (auto operating expense) is the fund used for fuel or when vehicles break down. He said they had a rough year because they had some vehicles to break down. Chief Cavanaugh said they had a trailer parked out back and for the first time in 10-12 years they had an outside company come and go over those things head to toe. And they also received a federal inspection to make sure those things were up to par. He said that gives them a list of problems that we may have and that we can start working in as budgetary concerns and handle all the big things first. Chief Cavanaugh said it costs a little more on the budget, but it covers them in case something does happen. He said on line item 226 (maintenance and service contracts), they usually budget about \$4,500 but they are on the Palmetto 800 system with Motorola and they have a VHS system that they must maintain. To be in the federal system and state mutual aid, we must be in the Palmetto 800 system. Chief Cavanaugh said everything else is close to what it was last year, and he usually tries to keep it that way.

Councilwoman Reed asked Chief Cavanaugh what line item shows the truck purchase and he said line item 293. He said they will continue paying for the one and add the second one on. Councilman Segars asked Chief Cavanaugh if he was purchasing a new truck and he said, "Yes, they are purchasing". Chief Cavanaugh said they've got a 4% interest rate and the first truck will be theirs in roughly three more years. He said they are buying the truck turn key and will get the radios and get it striped locally which saves them money. He said instead of ordering the truck and if it

costs \$30,000 and will cost \$15,000-\$20,000 to get it outfitted, you will be paying interest on \$50,000 instead of on \$30,000. Chief Cavanaugh said they got Raceway Chevrolet to come in and they have agreed to work with them. Councilwoman Baccus said, "So, technically now, you only got two vehicles that's old"? Chief Cavanaugh said, "Yes". Mr. Garland told Council when they look at revenues in a few weeks, they will see that the fire district revenues are up a good bit. Councilwoman Baccus asked Chief Cavanaugh about the Cost Recovery Program he mentioned last year. Chief Cavanaugh said he, Police Chief Washington and Mr. Garland have been working with the City Attorney on this. He said they have given the City Attorney (Kevin) some ordinances to look at and choose the one that best fits the City. Chief Washington said that's the biggest thing now, getting the ordinance written up so they can present it to Council and have something that will pass the test the first time as opposed to submitting it and then having to go back and rewrite it and bring it back again. Chief Washington said he wanted to add a couple more things to the Fire budget. He said one of the things he recognized early on in January when he started working with the Fire Department was that there was a couple of areas in their budget where there were deficiencies as it relates to operating procedures. Chief Washington said he, Chief Cavanaugh and Mr. Garland sat down and looked at it and there have been increases in operations. He said he told the firemen at their meeting that Mr. Garland found some money and there were some increases put in place.

POLICE DEPARTMENT BUDGET – CHIEF KELVIN WASHINGTON

Chief Washington said, for the most part, his budget is pretty much the same. He said there's a 25% increase in travel and training because at some point and time, all his staff will receive training including the administrative staff. He said training helps with morale. Chief Washington said line item 279 (other operating expense) was increased a little. He said his goal was to keep what he had and help Chief Cavanaugh with the Fire Department as best he could. Mr. Garland asked Chief Washington to give Council an overview of the lease program and how it's going. Chief said the lease program with the narcotics vehicles is going really well. The whole process with Enterprise was an easy process to get involved in, but it hasn't been an easy process to manage. He said their billing is some of the worse billing in a corporate company that he's ever worked with. Chief Washington said we would mail payments to Enterprise long before the due date, but the account would never show a payment being made. Chief Washington said, "The

company would call us saying they haven't received our payment, so I would get Ms. Pridgen to check the bank account to see if the check cleared and sure enough the check would have cleared the bank". He said he would go through this almost every month. Chief Washington said he met with a representative from Enterprise yesterday and expressed his displeasure and our concerns and told him it's doubtful we will continue in this partnership with them because of that. Chief Washington said the narcotics vehicles and how we have that set up is a win-win for the City because we're purchasing the vehicles at such a low price and reselling them at a higher price, so they are paying for themselves. He said at this point tonight he would not recommend to Council for us to continue that partnership. Councilman Segars asked Chief Washington where was the guy that sold us the plan and wanted to know if he is involved in any of the conversations. Chief said he is in Columbia and he has not spoken with him. He said he thinks his boss and the young lady from Hartsville that manages this area sent emails to him and Mr. Garland requesting a meeting. Mr. Garland said what Chief Washington is not telling them is Enterprise would have someone call from the collections department call him and say, "You owe this money, why haven't you paid it yet"? Mr. Garland said they did this for five months in a row. Mayor Hines asked how much longer do we have? Chief said that would be up to Council. He said the question would be, do you want to finish out just these cars that we have, which would be the recommendation that he would make and then we won't do it anymore. Councilwoman Baccus asked Chief Washington to give an update on traffic tickets. Chief Washington said he's been here now about sixteen months, so coming in, the guidance he got from Council was that they wanted the Police Department to be a little bit more involved in the community, which is what they have done. He said because of that, they are not writing as many traffic tickets. He said there's a lot of factors involved in this. Chief said back in 2018 and years prior, his understanding was that this department was heavy, heavy handed writing tickets. Back in 2017 the General Assembly changed how cities could do careless operation. He said prior to July 2017, if a person got a ticket, they could pay a higher fine with no points and the City would keep 100% of the fine and they could do because it was a City ordinance. He said the State changed the law and said any ticket, whether a state traffic ticket or a city ordinance ticket, was going to be subjected to the same assessments, fines and fees as State tickets and our revenues went down and never recovered. Chief Washington said there were a lot of different things that went on that year. In July 2017 was when they had the break-in; there were some issues in the Clerk's office and we got a new Judge around the same

time. Chief Washington said the previous Judge was a little heavier handed than the current Judge. Chief said he and Mr. Garland talked in detail about this. He said the previous administration, the projection they had for a city this size was just too high. He said there were a lot of things that went on in 2017 that were motivating factors. He said when things happen in a department it affects the morale. Councilwoman Reed said, "From what I am hearing you respond, we can conclude that a lot of the revenue...we're probably still writing the same number of tickets, but because of the change in legislation as how the funding is done, would automatically cause a decrease in our revenue". Chief Washington said we're not writing as many tickets and the ability to use careless operation. Mr. Garland said we're able to keep 100% of parking tickets and seatbelt tickets. Chief Washington said it's been a bit of a struggle and the way they're handling it tonight with being open and transparent is the way to go about handling it. Chief Washington said, "I don't think Mr. Garland got the very best advice in the past as it relates to traffic enforcement in this community; it was just not sustainable". Mayor Hines and Councilwomen Reed and Baccus said it's good that training is being offered to the administrative staff. Councilwoman Baccus said she's hearing there's supposed to be a police substation on Avenue D and S. Main Street. She asked Chief Washington if this was so. Chief Washington said, "No ma'am, I've had no formal request about anything of that nature. He said if something like this were to be requested or suggested, he would have to bring it before Council. Mr. Garland said we have had a substation in Bowen Manor and when Chief Washington came on they talked about putting one in another complex. Chief Washington said he and Jamie Steen talked about a substation, but nothing has come of that. Chief thanked Council for giving him an opportunity to serve as Police Chief. Chief said they are trying to partner with the State to update their camera system.

BUILDING & CODES BUDGET– MR. ALEX GAINEY

Mr. Gainey said they increased office supply line item because his department has taken on the Zoning Board of Appeals, so his postage line items has increased because of the mailings. He said his training line item has increased because both he and Sheila will be taking more classes. Mayor Hines said line item 271 (specialized departmental supplies) has increased to \$5,000 and wanted to know what they purchase from this particular line item. Mr. Garland said suits, codes books, etc. Mr. Gainey said so far, to date they have collected \$123,439.23 in permitting fees. He said they were expecting to collect around \$140,000 but it will probably be

closer to \$150,000. Mr. Gainey said for the 2019-2020 budget they are projecting to bring in \$170,000. He increased his demolition budget because he said it costs around \$1,900 to take a house down. Mr. Garland said he has news about 375 W. Broad Street (The Lawrence Reese House). Mr. Garland said he called one of his friends from Palmetto Trust for Historic Preservation and they preserve old residential structures. Mr. Garland said he is coming to visit next week and see what they can do for that structure. Mr. Gainey said he and Mr. Garland talked about the house the other day. He said if he tried to tackle that house it would cost him \$20,000 to tear it down. Mr. Garland said what they do is come in and stabilize a structure and then advertise it nationally for someone to come in and restore it. They act as a holding agent for someone to come in and invest in that property. Councilwoman Baccus said we need to revisit the lots being cleaned up because some of them are not being cleaned well. Councilman Segars asked how does the homeowner get involved in that? Councilwoman Baccus said the owner is not involved. Councilman Segars asked, "Why shouldn't they be"? Mr. Gainey said they send the homeowner a letter telling them the house has been condemned and they have thirty (30) days to either come pull permits or tear the house down. If they don't pull permits or tear the house down, then it's on their list. Mr. Gainey said once we tear the house down, we then send the owner a bill for whatever it costs to tear the house down plus 15% administrative costs. If they don't respond to them or try to make payment arrangements or pay it, then they'll assess it to their taxes and it will show up on their tax notice. (Mr. Gainey used the example of the demolition bill being \$2,000 plus the 15% administrative costs) Councilwoman Baccus said, "If we are going to be sending a homeowner a \$2,000 bill, then we should be cleaning up the lot. Mr. Garland told Councilwoman Baccus that he and Mr. Gainey has had conversations about this and her standard of clean may not be his standard of clean. Councilwoman Baccus said that's why Council needs to revisit this. She said the way some of those lots are left, it doesn't look good for the City. Councilwoman Baccus said if a contractor was tearing this house down and Alex went out to monitor it, they would be held to a certain standard. Mr. Gainey said, "Yes and no. I've seen houses that contractors have gone in and torn down. Typically, they don't haul dirt in and level a lot off". Mr. Gainey said whenever they start looking at houses that we're tearing down there are two things he takes into consideration- being an eyesore and being a hazard. Mayor Hines said, "With all that being said, but with the house on Chestnut Street that you took down, it is leveled off. You're not doing all of them like that". Mr. Gainey said, "Whenever they took that one down, the

way it was built and the footers and stuff, they had a hole there, so they brought dirt in and leveled it off". He said if they have a house that has a big hole, then they will bring dirt in and level it off. Mayor Hines told Mr. Gainey how he did the one on Chestnut Street is how all of them should be done. Councilwoman Baccus said, "I'm not talking about bringing in a lot of dirt, I'm saying get the tires up, the limbs up, the debris up". She said if we're sending some guy that we paid \$7,950 last year to clean up the lots then when they leave there shouldn't be tires left, there shouldn't be sticks and paper left, tons of cans and trash, it doesn't look good. Mr. Gainey said we don't tear a house down and then send the contractor out there to clean the lot up. He only goes out there if a lot looks really bad and I tell him to go out there. Mr. Gainey said Mike has only been doing this a couple of months and before him it was Bleep's Lawn Care. He said they haven't cleaned every one of them, and they can, but you're talking about another \$1,000 per lot. Councilwoman Reed said, "What I call cleaning up like on Tallulah Street the house down there is so much debris with tree limbs". She said you really don't have so much trash, but it still looks bad because it's got to be cleaned off. Councilwoman Reed said she understand what its going to cost to clean it, not just picking up the trash. Councilwoman Baccus said, "I'm concerned with the trash". Councilwoman Reed said she is looking at how smooth, even and clear Chestnut Street is, and she is going to try to see if we can't get that done for Tallulah Street or some of the other lots. Mr. Gainey said whenever you're talking about clearing a lot of tires, I don't know what we'll do with the tires because can't take them to the landfill. Mayor Hines said, "Mr. Garland said one time on Council there was something they had once a year where you put your tires out and they would pick them up". She asked, "Is this no longer in place"? Mr. Garland said it was done last month. Mayor Hines asked was it advertised because she didn't hear or know anything about it. Mr. Garland said the County does this now. He said we do the cleanup on the Square instead of that. Mr. Gainey said, "Getting back to Chestnut Street, they hauled in two loads of dirt at the request of the family. He said the family called and asked them to bring the dirt in and level it off since they were tearing the house down. Mr. Gainey said they paid for them to do this. Councilwoman Baccus said she thinks Council needs to revisit the cleaning of the lots and make it clear to Alex what they expect the lots to look like when they are done. Mr. Gainey said, "We can do it, but \$70,000 isn't going to do it". Mr. Gainey said if we're going to tear down 10 houses and clean 10 lots, then \$70,000 will do it, but if we're going to try and clean the City of Darlington up and tear houses down that are a potential hazard, then we've got to figure out exactly

what they need to do. Councilman Segars said they just have to reduce the number of houses we can tear down and level them off like she's talking about. Councilwoman Baccus said, "I didn't say bring in dirt, I'm not saying none of that; all I'm asking is for you to pick up the trash". Mr. Garland said it's a matter of a difference of opinion over esthetics over how a lot should look. Councilwoman Baccus said, "That's why Council should discuss it and put down the ground rules of how we want it to look once it's done". Mayor Hines said they will discuss this at a later date.

Mr. Garland said he wanted to thank Sheila in the Codes Department for all of the work she's done with FEMA related to Hurricane Florence. Mr. Garland said she was able to streamline everything and get it done during her normal work hours. He said she's an invaluable resource to have there.

Mr. Garland went over the Department 500-Legislative Department, Department 510-Municipal Court, Department 520-Elections, Department 530-Legal, Department 550-Community Promotions & Department 560 - Accommodations Tax. There were no significant changes in these departments.

Mr. Garland said he wants to meet again a week from today (May 16, 2019 at 6:00 PM)

Upon motion of Councilwoman Segars, seconded by Councilwoman Reed, the meeting adjourned at 7:45 PM.

Mayor

ATTEST:

Clerk & Treasurer