



**MINUTES
BUDGET, FINANCE & ADMINISTRATION
COMMITTEE MEETING**

February 28, 2012

Council Chambers, Oconee Administrative Offices
415 South Pine Street, Walhalla, South Carolina, 29691

The Budget, Finance & Administration Committee on Tuesday, February 28, 2012 at 6:30 P.M. in Council Chambers, 415 S. Pine Street, Walhalla, SC with all Council Members present, County Administrator Mr. Scott Moulder, Assistant Administrator Mr. Glenn Breed and Elizabeth G. Hulse, Clerk to Council.

Committee Members

All Council District representatives are members of this committee. Mr. Reg Dexter, District V, was appointed Chairman of this committee.

Press:

Pursuant to the Freedom of Information Act, notice of the meeting, date, time, place of meeting and agenda were posted on the bulletin board at the County Administrative Offices, 415 South Pine Street, Walhalla, SC, and the County Council website [www.oconeesc.com/council]. In addition it was made available to the newspapers, radio stations, television stations and concerned citizens.

Members of the press present: Ray Chandler – Anderson Independent, Dick Mangrum – WGOG Radio & Carlos Galarza – Daily Journal.

Call to Order:

Chairman Dexter called the meeting to order at 6:30 p.m.

ACOG Presentation to Council / 208 Authority Options / Mr. Chip Bentley

Mr. Dexter recognized Mr. Chip Bentley, ACOG Planning Services Director, who addressed the Committee briefly regarding the Clean Water Act and how the State assigns 208 Authorities.

Mr. Bentley initially provided an overview of the Act that establishes the following:

- **208 Planning Agencies:** ACOG is designated as a 208 planning agency in the upstate. The planning agencies assist in establishing management agencies who operate sewer. In addition, the planning agency is responsible for reviewing any proposed projects to ensure they conform to established plans for the area.
- **208 Management Agencies:** Management agencies are established throughout the state by the Governor. Management agencies have the capability to build and operate sewer facilities. He stated that in Oconee County, the Oconee Joint Regional Sewer Authority (OJRSA) is the only designated 208 management agency.

Mr. Bentley noted that there are various ways to establish a management agency in South Carolina. In South Carolina, each county is deemed capable of being designated as a 208 management authority.

Mr. Dexter thanked Mr. Bentley for his summary and opened the floor for questions from the Committee.

Mr. Dexter summarized Oconee County's position at present as follows:

- Oconee County is prohibited from funding sewer projects with ad valorem taxes
- The County has a relationship with the OJRSA through the SWAG Agreement by which the County pays \$610,000 annually through 2038 for sewer projects [prioritized listing maintained with the SWAG agreement] in the unincorporated portions of the county.
- The County designated the OJRSA as the sole 208 Authority when it passed Ordinance 2009-12.

Mr. Dexter questioned Mr. Bentley if the County could either rescind or amend this ordinance to designate an additional agency[s] as 208 Authority for the unincorporated areas of Oconee County. Mr. Bentley stated the County could amend the ordinance to designate another 208 management authority[s]. He noted that a private utility provider could be designated as a 208 management authority however the state views this differently than designating a county and there would be additional challenges to receiving state approval.

Mr. Thrift questioned how adjacent counties and municipalities had their systems integrated. Mr. Bentley noted that Pickens County has municipal and county 208 authorities without much conflict, however; Spartanburg has had ongoing issues between their county and municipal authorities.

Mr. Moulder noted *[with the proviso that the county attorney would need to verify his statement]* that the County is not prohibited from providing sewer; Oconee is only prohibited from funding with ad valorem taxes sewer projects. He stated that alternate funding mechanisms would need to be explored, i.e., grants, user fees, etc., however he felt in this economy that there would likely not be many sources for funding available.

Mr. Bentley noted in closing that Oconee County faces unique challenges regarding funding for sewer for the unincorporated areas of the county as the costs up front are very large.

Mr. Dexter thanked Mr. Bentley for his time and expertise.

Break

Mr. Dexter announced a ten minute break at 7:06 p.m.

The Committee reconvened at 7:16 p.m.

Other Business

Mr. Dexter asked the Administrator if he could provide information for Council's consideration and possible action at a future meeting regarding a possible referendum question related to sewer for the 2012 General Election ballot.

Mr. Moulder stated he would draft a tentative time line and a summary of options for Council's consideration; noting that time is short to receive the Department of Justice's approval for a ballot question.

2012-2013 Revenues & Projections

Mr. Dexter turned the meeting over to Mr. Moulder who addressed the Committee utilizing a PowerPoint presentation and additional backup detailed material [copies filed with these minutes] highlighting the following areas:

- Cash Flow Projections for the General Fund
- Expenditure History
- Personnel Expenses
- Number of Personnel by Function
- Revenue History

- Millage Rate Trends
- Debt Margin
- Fund Balance Breakdown
- Capital Projects Fund
- Proposed Budget Calendar for FY 2011-2012: It was noted that the Budget Public Hearing noted on the calendar for June 12, 2012 will need to be rescheduled as Chambers will be utilized for primary election results. Ms. Hulse noted that Monday, June 11, 2012, was available. Mr. Moulder stated that the date would be reviewed and confirmed at a later date.
- Revenue Projections

Discussion followed.


Mr Moulder opened the floor for public comment. Several citizens addressed Mr. Moulder regarding Assets Held for Resale, Capital Projects, etc.

Mr. Moulder thanked the Finance Department [representatives present at the meeting: Ms. Sally Lowry, Acting Finance Director, Ms. Ladale Price and Ms. Karen Lusk], Ms. Amanda Brock [Executive Assistant to Mr. Moulder] and the other staff for their hard work in helping to prepare the presentation.

Adjourn:

Mr. Corbeil made a motion, unanimously approved 5 – 0 to adjourn the meeting at 8:44 p.m.

Respectfully Submitted:



Elizabeth G. Hulse
Clerk to Council