

**NEWBERRY COUNTY COUNCIL WORK SESSION
MINUTES
May 20, 2026**

Newberry County Council met on Wednesday, May 20, 2026, at 5:00 p.m. in Council Chambers at the Courthouse Annex, 1309 College Street, Newberry, SC, for a Work Session.

Notice of the meeting was duly advertised, as required by law.

PRESENT: Robert Shealy, Chairman
Karl Sease, Vice-Chairman
Leon Fulmer, Council Member
Todd Johnson, Council Member
Travis Reeder, Council Member
Johnny Mack Scurry, Council Member
Stuart Smith, Council Member
Ted Luckadoo, County Administrator
Joanie Winters, County Attorney
Karen Brehemer, Deputy County Administrator
Debbie Cromer, Finance Director
Donna Lominack, Auditor
Melinda Long, Deputy Auditor
Eric Nieto, IT Director
Josh Rowe, Public Works Director
Karen Lindler Smith, Treasurer
Katie Werts, Planning and Zoning Director
Andrew Wigger, Clerk to Council/PIO

1. Call to order: Robert Shealy, Chairman.
 - Mr. Shealy called the meeting to order at 5:00 p.m.
2. Discussion of FY 2026-27 Draft Budget Ordinance changes to fee schedules.

- Mr. Luckadoo said in follow up to the second reading and public hearing of the fiscal year 2026-27 fiscal year budget, at that point the land development fees had not been added to the fee schedule in the ordinance, and third and final reading for the penalty for the building permits were approved last meeting as well. Staff updated the ordinance and fee schedule to add both items; those were the only changes made to the budget before third and final reading.

3. Discussion and review of four rezoning ordinances – Katie Werts, Director of Planning and Zoning.

- a. Ordinance 05-01-2026. Rezoning property at 7372 US Hwy 76, Prosperity, consisting of two acres from IND-Industrial to GC-General Commercial. (TMS No. 577-18).

- The applicant is proposing a use of a convenience store/gas station, but there is currently not a gas station looking to build. The Future Land Use Map identified this area and surrounding area as development, so this rezoning does fit that classification. There was opposition heard at the Joint Planning Commission, the biggest being the proximity to Mid-Carolina High School and Mid-Carolina Middle School and the traffic issues a gas station could put on to that intersection.
- The Joint Planning Commission voted 7-3 with a denying vote.
- Ms. Winters said from a legal standpoint, having heard what Ms. Werts said and how the Joint Planning Commission reviewed this request, she recommends Council remands this matter back to the Joint Planning Commission. She said they have to stay within the land regulations, and she is not sure that was completely fleshed out during that discussion. She said while they have that remand hearing, the Joint Planning Commission should have legal counsel available to them.

- b. Ordinance 05-02-2026. Rezoning property at the corner of Wise Street and Wilson Road, consisting of one acre from GC-General Commercial to R2-Rural. (TMS No. 399-56).

- This rezoning came before the Joint Planning Commission and Newberry County Council about two years ago for a potential used car lot, but as that did not work out, the applicant is asking to go back to R2-Rural for a potential home site. The Future Land Use Map shows this area as transitional, rezoning back to R2-Rural does fit into that classification. The Joint Planning Commission did send it to council with an approved recommendation.
 - There was no opposition.
- c. Ordinance 05-03-2026. Rezoning property on Koon Trestle Road, consisting of 36.07 acres from R2-Rural to GC-General Commercial. (TMS No. 635-1).
- The rezone request is for a potential commercial construction laydown yard. The Future Land Use Map identifies this area as transitional; this rezoning does fall into that definition. During the meeting, a number of community members came out in opposition for the rezoning; they want to keep that part of Pomaria rural, and they are unsure if it changes it may open up possibilities for something other than what is requested. Joint Planning Commission voted unanimously to deny the rezoning.
 - Ms. Werts received a phone call from the property owner, the applicant, requesting to postpone the first reading until the first meeting in August. He would like to do some research and get some things together before coming before Newberry County Council.
- d. Ordinance 05-04-2026. Rezoning property at 5576 SC Hwy 121-34, Newberry, consisting of 10 acres from R2-Rural to RS-Single Family Residential. (TMS No. 295-39).
- The applicant is wanting higher density residential, with RS-Single Family Residential that would limit to site built or modular, no manufactured homes would be allowed. He has reached out to the City of Newberry and will pursue extending the sewer lines, so the homes have public water and sewer. This property is identified as rural development in the Future Land Use Map and the rezoning does fit that

classification. There were two people opposed to the rezoning, but one was more understanding once he heard what was going on, per Ms. Werts. Joint Planning Commission voted 5-4 to approve the rezoning.

4. Discussion of changes to South Carolina Code of Law regarding South Carolina's Watercraft Taxes – Auditor Donna Lominack.

- Mr. Johnson arrived at the meeting at 5:13 p.m.
- Ms. Lominack informed Newberry County Council of a state mandate on watercrafts (H 3858) that goes into effect, January 1, 2027, her presentation is included within these minutes.
- Ms. Lominack suggested, along with administration, that the county does an exempt 42.8571% of fair market value of watercraft, phased over three years.
- Mr. Shealy said that the county will be good if they go with option one; Ms. Lominack answered in the affirmative.

5. Discussion relating to the possible acceptance of Goggans Road and Fawn Court into the Newberry County Road System.

- Mr. Luckadoo recapped the presentation from the previous Work Session; he said they have put the request from the residents on the agenda for the 6:00 p.m. meeting.
- As clarification, Mr. Luckadoo said during the previous presentation it was presented as Goggans Court and Fawn Court and it sounded like two roads, but it is technically three roads to include Goggans Drive. So, the Ordinance has been updated to include Goggans Drive.
- Mr. Johnson asked if the emails and other documents they had were verified; Mr. Luckadoo said that staff feels confident that was legitimate communication.
- Mr. Smith asked about the length of the road; Mr. Rowe said half a mile, less than 1,000 feet.

- Mr. Reeder asked if the road is occupied by many people; Mr. Luckadoo answered in the affirmative.
- Mr. Luckadoo said his understanding this discussion has been going on for 20 years.

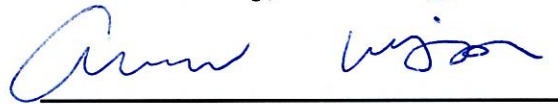
6. Adjournment.

- Mr. Sease made a motion to adjourn; Mr. Reeder provided the second and the motion carried 7-0.
- The Newberry County Council Work Session adjourned at 5:23 p.m.

NEWBERRY COUNTY COUNCIL



Robert Shealy, Chairman



Andrew Wigger, Clerk to Council

Minutes Approved: June 3, 2026

H 3858 – January 1, 2027

Good evening, I stand before you as your Newberry County Auditor Donna Lominack to inform council of a legislative mandate (H3858) to counties, pertaining to watercraft. This will be in effect beginning January 1, 2027. Per DOR “this existing provision (and the one that just passed in the Boat Bill) are exemptions and the county can’t lower the assessment ratio, because the 10.5% is in the state constitution.” The county has two options available for implementation as follows:

1. Exempt 42.8571% of fair market value (FMV) of a watercraft, phased in over three years.

Therefore, 14.2857% is exempt in tax year 2027, and 28.5714% is exempt in tax year 2028 full exemption in 2029 of 42.8571%

2. Full exemption of 42.8571% effected January 1, 2027

With consideration of our FY26/27 budget, I am recommending along with the county administration staff that Newberry County implement the first option to phase in over three years. If the county implements option two, the budget will have to be revisited as it will be approximately a \$200,000.00 deficit. With option one the county has addressed the FY26/27 budget considering a loss of watercraft funds. This will affect the school budget and all five municipalities located in our county.

With this mandate the auditor’s office is required to issue only one bill for watercraft (boat and motor).

- The bill removes the requirement to title an outboard motor, allowing an auditor to combine a boat and outboard motor on one property tax notice. However, outboard motors of at least five horsepower are now required to be registered. Under the new law, although outboard motors are no longer titled, they are still taxable. I think this has been a misconception for the public. At the present time, a boat can be charged in a month (March), and the motor charged in another (April). My staff will have to figure out how to marry the correct motor and boat so we can charge only one bill. On this bill we are not changing the ratio from 10.5% but showing a credit given to the taxpayer. Since this is a mandate that we must allow, I plan to put something on the tax bill that Newberry County gives this credit.
- Another issue that might happen is as follows: (Sent question to DOR)
If a boat and motor are currently tax exempt because of minimum value, by law they will become taxable again when they are joined as one unit and the value goes above the minimum threshold. Someone that has been exempt for years could be paying taxes again on their watercraft.

Page 2

- Beginning January 1, 2028, each county auditor annually shall mail outboard motor registration number renewal notices to the owners of outboard motors in the county as determined by the Department of Natural Resources no later than forty-five days before expiration of the registration. The renewal notices, including the fees upon completion, must be returned to that county which shall: list several things we must do (original bill page 24)

This mandate takes place January 1, 2028. This was sent to DOR after I questioned it (not on original questions sheet) because I am not sure how I will bill this and additional postage will be required.

I have been appointed to a team's committee of auditors and treasurers throughout the state that meet once a week (hopefully) to discuss H3858 (28-page bill) that was mandated but not with clear instructions to make it work for all forty-six counties. The committee plans to meet with DNR and DOR representatives to make sure we are complying and within state law. It is my understanding that DNR & DOR attorneys are meeting this week, so both organizations are on the same page of the wording and intent of the new law,

I have only addressed the items in the bill (H3858) that pertain to the taxation and the auditor's office. South Carolina Revenue Fiscal Affairs office estimates due to the 42.8571% property tax exemption \$51,443,000 in property tax revenue will be forgone beginning in tax year 2029 upon full implementation of the exemption. RFA anticipates that counties will increase millage rates within the allowable limits to offset forgone tax revenues.

QUESTIONS?

Motor Questions

Under the new law, does DNR understand that although motors are no longer titled, they are still taxable, therefore we need to have access to the registration data.

If a watercraft has multiple outboard motors, how will we be notified so we can tax for all motors?

If a watercraft has multiple motors, will DNR only be matching one to the watercraft or will they match all?

If someone has spare motors that are not attached to a boat, will we be notified of these motors, being they are not attached to a watercraft?

How will we capture outboard motors that are on Coast Guard registered watercraft?

If a person re-powers his watercraft, what will the process be for getting that motor registered and taxed?

\$10 Registration Fee Questions

When we are billing for the registration fees for just a single boat with one motor, can that be combined to a \$20 fee or must we separate them?

When we have a boat with multiple motors, will the counties only bill the registration fee for one motor and DNR bill the rest or will the county bill for all motors?

Single Tax Bill Questions

If the new law states we have to send a single tax bill, how should this be handled when a boat has multiple motors?

Changing renewal data to match

When a watercraft and motor have different renewal months, you have indicated that the motor will be matched to the boat renewal dates. Is this going to cause problems with the way the current law is written stating we can't bill for something twice in a twelve month period?

Exempt Watercraft

If a boat and motor are currently tax exempt because of minimum value, will they, by law, become taxable again when they are joined as one unit and the value goes above the minimum threshold?

The above are questions that were sent to DNR from our committee.