

**NEWBERRY COUNTY COUNCIL  
BUDGET WORK SESSION  
MINUTES  
APRIL 12, 2023**

Newberry County Council met on Wednesday, April 12, 2023, at 5:00 p.m. in the Conference Room at the Courthouse Annex, 1309 College Street, Newberry, SC, for a budget work session.

Notice of the budget work session was duly advertised, as required by law.

**PRESENT:** Todd Johnson, Chair  
Les Hipp, Vice-Chair  
Mary Arrowood, Council Member  
Karl Sease, Council Member  
Robert N. Shealy, Council Member  
Johnny Mack Scurry, Council Member  
Travis Reeder, Council Member  
Jeff Shacker, County Administrator  
Karen Brehmer, Deputy County Administrator  
Debbie S. Cromer, Finance Director  
Susan C. Fellers, Clerk to Council

**MEDIA:** Andrew Wigger, Newberry Observer

Mr. Johnson called the meeting to order at 5:00 p.m.

**1. Discussion of Revenues for FY 23-24**

- **Tipping Fees**
- **Watercraft Taxes**
- **Real Estate Taxes**
- **ARPA Funds**
- **Tribal Funds**

Projected revenue right now is approximately \$32,500,000. The challenge arises from the Department Head requests which total a little over \$37,000,000. To get to the \$32,500,000, there are some steps we must take.

First is projecting a 2.5% increase in the value of a mill, which would take the mill to \$164,645.

Secondly, staff recommends a 2 mill increase, which would be a \$30.00 increase on the tax bill of a \$250,000 home.

Fund balance is a dependent variable. Right now, there is a \$682,239 use of fund balance, which is in line with previous years.

Other sources of revenue include \$1 Million in ARPA funding and \$388,402 in Tribal money. Tribal money is a component of the American Rescue Plan Act. We are receiving those funds due to the acreage of US National Forest owned land located in the County. The Tribal funds are virtually unrestricted. You can't use the money toward debt service, and you can't use it to bail out a pension fund, which we don't have. The same is true of ARPA based on the final ruling issued January before last. Up to \$10 million can be claimed as a standard allowance for revenue replacement regardless of whether you actually lost money as a local government as a result of the pandemic. That money is available to fund any government service but there again the limitation with debt service and pension fund liability. Those two things cannot be funded by ARPA funds.

Watercraft tax revenue is also included in the proposed 2.5% increase in the value of a mill. This would generate approximately a \$68,000 increase in watercraft taxes. There is a steady increase in watercraft taxes.

Tipping fees at the landfill and fuel surcharges have increased above the budgeted expense. Tipping fee revenue on commercial tonnage is currently \$51 per ton for the first 1,000 tons and \$53 per ton above 1,000 tons. Staff proposes another increase in tipping fees, as follows:

\$58 per ton up to 1,000 tons



\$60 per ton for 1,000 to 2,000 tons  
\$63 per ton over 2,000 tons

This proposal would generate a \$540,000 increase in revenues.

This year we budgeted expenses of approximately \$2.4 million but actual costs are approximately \$2.9 million. This results in an \$836,000 expense above what was budgeted. Revenues are tracking about \$2,325 above what was budgeted.

## **2. Discussion of ARPA**

We have \$5.1 million available in ARPA funding. We propose \$1 million to cover expenses in the general fund. The bulk would be used for capital or one-time purchases. There is also the match for the broadband project in the County. \$3,726,997 of ARPA funding is non-committed.

Staff's proposal is to defer any decision on spending the remaining ARPA funds until we have a better handle on the CPST projects cost estimates. We recommend getting RFQs out for engineering and architectural services for the CPST projects. It may be the end of the year before decisions can be made as to the remaining ARPA funds.

## **3. Discussion of proposed new positions for FY 23-24**

- **8 full time positions**
- **1 reclassification**
- **3 part time positions**
  - Treasurer – FT tax support technician - \$50,736 and an employee reclassification - \$2,500
  - Auditor – part time office assistant - \$16,108
  - Voter Registration – part time office assistant - \$5,000 and programmer - \$10,000
  - Sheriff – 4 FT deputies at \$75,600 each, 1 FT police accountability and accreditation officer (All 5 positions - \$387,000)

- Public Safety – FT fire marshal - \$94,773
- Recreation – FT Sports Programming and Marketing Coordinator - \$66,345

**Total salary and fringe - \$632,478 for all**

#### **4. Challenges in expenditures for FY 23-24**

- **Shortfall in transfer station – Fuel Surcharge \$867,900**
- **Funding new positions – Salary and fringe - \$632,478**
- **Funding rolling stock - \$3,010,000**
- **Capital Outlay - \$2,583,646**
- **Increased cost in insurance – vehicle and tort - \$41,740**
- **Increased cost of health insurance – will increase January 2024 with a load factor 1.253**
- **Cost of CPI – for hospital ambulance service, fleet services and collections - \$37,498**
- **Ambulance Service – Silverstreet to 24/7 operations - \$216,290**
- **Building Repairs - \$283,500**
- **Retirement – County portion increase 1% - \$104,476**
- **Compensation and Classification Study – this is still being worked on. The cost of payroll right now is \$8.17 million. It would take an estimated \$575,352 to move employees to the minimum pay range. If we make equity adjustments based on years of service, it will cost approximately \$475,452. It will not be possible to do all of this at one time.**

Council was given handouts on several of these items. Copies of these handouts are also on file in the County Administrator’s office.

#### **5. Discussion of budget calendar**

- **Staff would like to request Council to consider adjusting the budget calendar:**
  - **First Reading – May 3, 2023**
  - **Second Reading – May 17, 2023**



○ **Public Hearing, Third and Final Reading – June 7, 2023**

Mr. Shacker requested after tonight's work session and the work session on April 26, that first reading not be held on April 19 as originally scheduled. By moving first reading to May 3, Council would have already had both work sessions.

It was the consensus of Council to accept these revised dates to the budget calendar.

**6. Questions from Council Members**

Mr. Hipp requested additional information regarding the rolling stock. If rolling stock is being replaced, how old, how many miles, value of replacement, etc. He felt a forward-looking rolling stock replacement plan should be in place.

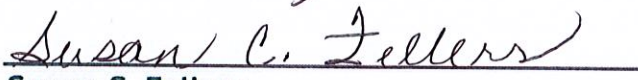
**7. Adjournment**

There being no further discussions, Mr. Shealy moved to adjourn; seconded by Mr. Sease. Vote was unanimous.

Mr. Johnson declared the meeting adjourned at 7:16 p.m.

**NEWBERRY COUNTY COUNCIL**

  
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Todd Johnson, Chair

  
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Susan C. Fellers  
Clerk to Council

Minutes Approved: 5-3-2023