

NEWBERRY COUNTY COUNCIL
MINUTES
DECEMBER 5, 2018

Newberry County Council met on Wednesday, December 5, 2018, at 7:00 p.m. in Council Chambers at the Courthouse Annex, 1309 College Street, Newberry, S.C., for a regular scheduled meeting.

PRESENT: Henry H. Livingston, III, Chairman
Steve Stockman, Council Member
Scott Cain, Council Member
Travis Reeder, Council Member
Dr. Harriett Rucker, Council Member
Wayne Adams, County Administrator
A.J. Tothacer, County Attorney
Debbie Cromer, Finance Director
Taylor Davenport, Administrative Assistant
Karen Brehmer, Assistant to County
Susan C. Fellers, Clerk to Council

ABSENT: Kirksey Koon, Vice-Chairman
William D. Waldrop, Council Member

MEDIA: Andrew Wigger, Newberry Observer

The meeting was duly advertised as required by law.

Chairman Livingston called the meeting to order at 7:00 p.m.

Councilman Steve Stockman led the invocation followed by the Pledge of Allegiance.

1. Additions, Deletions and Adoption of Agenda.

There being no additions or deletions to the agenda, Mr. Reeder moved to adopt the agenda as presented; second by Mr. Cain. Vote was unanimous.

2. Personal Appearances.

A. David Enzastiga, CPA, Rish and Enzastiga - Financial Audit FY17/18

David Enzastiga presented the Financial Audit for fiscal year 2017-2018 giving Newberry County an unqualified opinion, which is the best opinion that can be given. There are no qualifications or material problems with the financial state of the County. The County has in reserve a little over 6 months worth of operating expenses. Six months is considered safe. He also pointed out the expenses and income statements.

Mr. Adams stated the County has a monthly operating cost of about \$2.1 million so we have 6.3 months operating in reserve. Three months is considered safe but six months is not excessive. \$1.5 million was added to fund balance, however, \$1.2 million of that amount was grant reimbursement for economic development expenditures.

The Finance staff and Auditor, during the budget process, hit the number on the current year property taxes at 2% to the positive.

On bonded indebtedness we are using about one-third of our legal capacity, which is a good safe manageable level of debt, especially given what interest rates have been the past five or six years.

All in all it looks good. We can't add a lot of new spending without a tax increase or cutting other spending but it is being managed well.

Mr. Livingston thanked everyone for the great job of managing the County's funds so taxes have not had to be raised in the midst of all the cuts we have had from the local government fund.

3. Ordinance #10-20-18: An Ordinance authorizing the execution and delivery of a Fee Agreement by and between Newberry County, South Carolina and Komatsu America Corp. providing for a payment of a Fee In Lieu of Taxes and other matters related thereto.

A. Public Hearing

Mr. Livingston declared this to be the public hearing. There being no comments from the public, Mr. Livingston declared the public hearing closed.

B. Third Reading

Motion for third reading by Mr. Cain; second by Mr. Stockman. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous for third reading.

4. Ordinance #11-21-18: An Ordinance authorizing the execution and delivery of a Fee-In-Lieu of *Ad Valorem* Taxes and Incentive Agreement by and between Newberry County, South Carolina and Schweitzer-Mauduit International, Inc. to provide for payment of a Fee-In-Lieu of Taxes; authorizing certain special source revenue credits; and other related matters.

A. Public Hearing

Mr. Livingston declared this to be the public hearing. There being no comments from the public, Mr. Livingston declared the public hearing closed.

B. Third Reading

Motion for third reading by Mr. Stockman; second by Reeder. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

5. Ordinance #11-22-18: An Ordinance authorizing (1) the execution and delivery of a Fee-in-Lieu of Tax and Incentive Agreement by and between Newberry County, South Carolina (the "County") and Samsung Electronics Home Appliances America, LLC, acting for itself, one or more affiliates, and/or other project sponsors (collectively, "The Company"), pursuant to which the company shall be entitled to certain negotiated Fees in Lieu of *Ad Valorem* taxes with respect to the establishment of certain facilities in the county (The "Project"); (2) The addition of the project to a Multi-County Industrial or Business Park; (3) The provision of certain special source revenue credits in connection with the project; and (4) other matters relating thereto.

A. Public Hearing

Mr. Livingston declared this to be the public hearing.

Mr. Adams recognized Ray Jones from Parker Poe who represents the County in this matter; Tushar Chikhilker from Nexsen Pruitt who is representing Samsung and he has some guests he would like to introduce.

Mr. Chikhilker introduced Tom Komaromi, general counsel for Samsung in Newberry County, and Shannon Parsons, the facilities manager.

Mr. Adams stated that Samsung commits to a minimum investment of \$350 million and the creation of at least 954 jobs. The County, in turn, offers the company a super fee, which is a 4% assessment ratio reserved statutorily for large scale projects and two separate special source revenue credits. The first credit which occurs in the first 10 years is a variable credit that insures that Samsung's fee payment never exceeds \$1 million during that time. Thereafter, the other credit goes into effect and it is a 70% credit or discount against the fee stream. The Ordinance does contain a clawback formula, which would require retroactive reimbursement and prospective credit reductions for failure to meet job and investment commitments.

There being no further comments from the public, Mr. Livingston declared the public hearing closed.

B. Second Reading

Motion for second reading by Mr. Cain; second by Mr. Stockmen. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

Mr. Cain took a tour there today and it is quite impressive.

Mr. Reeder expressed appreciation for them being here and so visible in the community.

6. Resolution #15-18: A Resolution committing to negotiate a Fee In Lieu of Tax Agreement between Newberry County and Komatsu America Corp.; identifying the project; and other related matters.

Mr. Adams said this is an inducement resolution which relates to Agenda Item #3 above. State law requires that Council approve an inducement resolution in order for a fee in lieu of taxes agreement to be considered valid.

There being no other comments, Mr. Cain moved for adoption of the resolution; second by Mr. Stockman. There being no further discussion, Mr. Livingston called for the vote. Vote was unanimous.

7. Resolution #16-18: A Resolution amending the Newberry County Employee handbook to include a Dress Code Policy.

Motion to adopt the resolution by Mr. Cain; second by Mr. Reeder. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

8. Consideration of Christmas Gift Cards for Employees in the amount of \$9,400 (Recommended by Personnel and Intergovernmental Relations Committee) - Katherine Cook, Human Resource Assistant.

Mr. Adams said the funding for this comes from non-departmental. It is 200 gift cards to be distributed to all full and part time employees at a total cost of \$9,400. Gift cards are \$50 each.

Mr. Livingston said this does not include gift cards to the Council Members.

Motion to approve recommendation by Mr. Reeder; second by Dr. Rucker. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

9. Appointments.

No appointments.

10. Committee Reports

**A. Finance Committee - 11-26-18
Debbie Cromer, Finance Director**

Mr. Enzastiga took care of this report.

11. Public Comments (by those who signed up at the meeting)

No public comments.

12. Executive Sessions (if needed)

No Executive Session needed.

13. Comments/Request from County Administrator.

None.

14. Comments/Request from Council Members

Mr. Cain congratulated the administration, department heads and all elected officials for being good stewards of our county funds.

Mr. Stockman wished everybody a happy holiday season.

Mr. Livingston asked to keep former President Bush's family in our thoughts and prayers.

Both Mr. Koon and Mr. Waldrop are absent due to illness.

15. Future Meetings.

A. Economic Development Committee Meeting 12/10/18 @ 7:00 p.m.

B. County Council Meeting 12/19/18 @ 7:00 p.m.

C. WKDK Coffee Hour (formerly On the Move with Margaret) 12/10/18 @ 9:15 a.m.

16. Adjournment

There being no further business, Mr. Stockman moved to adjourn; second by Mr. Cain.
Meeting adjourned at 7:25 p.m.

NEWBERRY COUNTY COUNCIL

Henry H. Livingston, III

Susan C. Fellers, Clerk to Council

APPROVED: