

**Newberry County Council
Finance Committee Meeting Minutes
Courthouse Annex Conference Room
December 5, 2016
5:00 P.M.**

PRESENT: Henry H. Livingston, III, Chairman
Leslie Hipp, Councilman
Scott Cain, Councilman
Bill Waldrop, Councilman
Wayne Adams, Administrator
Jay Tothacer, County Attorney
Karen Brehmer, Finance Department
Debbie S. Cromer, Finance Department
Michelle Long, Chamber of Commerce
David Enzastiga, CPA, Rish and Enzastiga
George Piersol, II, Chamber
Sean Pomory, Chamber
Mike Meadows
Liz McDonald, Chamber
Cathy Cain, Chamber
Alicia Holbrook
Brandon Bowers
Harriette Rucker
Billy West II
Gordon Johnson, Magistrate
Lee Foster, Sheriff
Donna Lominack, Auditor
Ben Chapman, Newberry County Sheriff's Dept.
Jackie Bowers, Clerk of Court
Karen Smith, Treasurer

MEDIA: No News Media Present

The meeting was duly advertised as required by law.

Agenda Item 1 - Call the meeting to order by Henry H. Livingston, III, Chairman

Agenda Item 2 – Additions, Deletions, and Adoption of Agenda

Councilman Waldrop made the motion the approve the agenda. Councilman Hipp seconded the motion, which passed unanimously.

Agenda Item 3 - Approval of February 29, 2016 minutes.

Councilman Waldrop made the motion to approve the minutes as submitted. Mr. Hipp seconded the motion, which passed unanimously.

Agenda Item 4 - - Presentation of draft audit for FY15-16 – David Enzastiga, CPA, Rish and Enzastiga

Mr. Enzastiga presented to Council the FY15-16 audit. The best opinion that a CPA firm can give regarding these annual audits is an “unqualified” opinion. Newberry County received an “unqualified audit” for FY 15-16.

There are several points to be reviewed and they are as follows.

Revenue performance, page 25 indicates actual performance against the original budget. This page indicates a positive variance in revenue in the amount of \$296,147.

Expenditure performance also on page 25 indicates that the County under-expended its general operating budget by \$1,599,752. Council can review the detailed information which starts on page 54.

Fund balance page 22 shows the fund balance at \$15,488,249. Newberry County has set aside for an obligated balance for capital projects at \$2,112,889. This leaves an unobligated fund balance of \$13,375,360 or 6.7 months of operating costs.

You can review the long-term indebtedness in Note F. This note indicates the County’s ability to borrow without referendum is \$10,596,420.

Newberry County is in excellent financial shape.

Agenda Item 2 - Michelle Long, Executive Director, Newberry County Chamber of Commerce funding request for 2017 events.

Ms. Long gave an overview of the activities of the Chamber. Ms. Long requested funding for the “Ag Tour” which will take place in June of 2017 in the amount of \$10,000 and \$5,000 for a community leadership program. Councilman Waldrop made the motion to send this request to full council with recommendation on December 14, 2017. The motion was seconded by Councilman Hipp. The motion passed unanimously.

Agenda Item 3 -Discussion of salary recommendations for Elected Officials – Wanda Hill, Humane Resources and Wayne Adams, County Administrator

Mr. Adams gave some background information.

On November 4, 2015, County Council approved two ordinances specific to salary increases for elected officials other than County Council. One of these ordinances (Ordinance Number 08-14-15) establishes and maintains maximum salaries for elected officials other than County Council. (The category includes the Auditor, Clerk of Court, Coroner, Probate Judge, Sheriff, and Treasurer.) That same ordinance also sets forth the method by which salaries for these officials would normally be changed. Specifically, Council decides in December of even-

numbered years what increases, if any, are to be applied to the maximum salaries of elected officials other than County Council who have been elected or re-elected in the previous month. Any increases approved for the Auditor and Treasurer would not take effect until July 1, as befitting their statutory terms of office; increases for the other elected officials would take effect on January 1. The ordinance provides that increases for the various elected officials other than County Council need not be at the same rate. Moreover, the method for determining increase is not prescribed.

A second ordinance, Ordinance Number 08-15-15, provides for the progression of salaries for elected officials other than County Council, whereby such officials, when newly elected, receive 20% less than the maximum decreased by 5%, i.e., 15% less than the maximum salary for their position in their second term, 10% less than the maximum salary for their position in their third term, and so on.

At present, all officials except the Clerk of Court and Coroner, who are newly elected for 2017, already receive the maximum salary for their position, in other words, they are already receiving the maximum salary for their position. In other words, they are already receiving the maximum salary recognition for longevity. Consequently, their salaries would only be affected by an increase in the maximum salary for their office, as might be approved by County Council.

Whatever increases Council might grant for the various positions affected by these two ordinances will remain in effect for four years, unless Council decides, for whatever reason, to take up the matter again in the intervening years.

At meetings on November 28 and December 5, Personnel and Intergovernmental Relations Committee and the Finance Committee, respectively, reached consensus on a method of increase combining cost inflation indexing with a flat-rate amount. That method indexes the total of all current maximum salaries (\$430,074.99) by 4.8% (1.2% annually on a prospective basis, mirroring cost inflation over the previous four years) to create a single "pool" of funding for distribution to all affected officials. The formula divides the resulting pool of funding (20,643.60) by the total number of officials (six) to create a "flat amount" increase (\$3,440.60) that would be added to each official's salary four years.

The consensus of the Finance Committee was to take this request before full Council on December 14, 2016. Councilman Livingston made the motion and Councilman Waldrop seconded. The motion passes unanimously.

Agenda Item 4 – Questions/Comments from Committee members

There was no questions or comments.

Agenda Item 5 – Public Comments

There were no public comments.

Agenda Item 6 – Adjournment

There being no other business. The meeting was adjourned at 7:15.

Newberry County Finance Committee

Henry H. Livingston, III, Chairman

Debbie S. Cromer, Finance Director

Approved: _____