



The Lowcountry's Hometown.

BUDGET WORKSHOP MEETING

Town Council Chambers, Moncks Corner Municipal
Complex, 118 Carolina Avenue
TUESDAY, AUGUST 16, 2022 at 3:30 PM

MINUTES

CALL TO ORDER

The Budget Workshop of Town Council was called to order by Mayor Michael Locklear at 3:30 p.m.

Present:

Mayor Michael A. Locklear
Mayor Pro-Tem David A. Dennis, Jr.
Councilmember DeWayne G. Kitts
Councilmember James N. Law, Jr.
Councilmember Latorie Lloyd
Councilmember Chadwick D. Sweatman
Councilmember James B. Ware, III

Staff Present:

Jeffrey V. Lord, Town Administrator
Marilyn M. Baker, Clerk to Council
Justine H. Lovell, Finance Director

AGENDA ITEMS

1. **Discussion:** FY 2023 Budget

Administrator Lord reviewed the budget message with Council which consist of the following:

- Statements: no changes

Vision Statement: Moncks Corner is an attractive, thriving community which provides opportunity for its citizens and businesses while remaining safe and fiscally sound.

Mission Statement: The Town's mission is to provide reliable, quality services, protect our citizens and property, improve the quality of life, and promote development through managed growth.

Values Statement: The purpose of the Town is to provide safe, quality services, therefore customer service, and professionalism are the highest priorities. For everyone we meet, we are the Town of Moncks Corner. In everything we do, we will look the part, act the part, and do our part.

- Town's long-term goals:
 1. Clean-up/Improve Town Appearance
 2. Expand Town Services/Diversify Revenue Base
 3. Promote the Town's Sense of Safety
 4. Improve Business Development Environment
 5. Improve Operations/Communications
 6. Expand Enrichment Activities That Improve Quality of Life

7. Leverage Intergovernmental Partnerships.

- Growth:
The Town has grown significantly over the past year at 5.19%. It is anticipated that the population will continue to grow. The CPI increased 4.7% in Moncks Corner indicating the market's growth. Both residential and commercial have increased. The Town is taking proactive steps to nurture, guide, and direct future growth to maintain a high quality of life for Moncks Corner residents.
- Economic Trends:
Development keeps growing the Town
Growth tempered by supply chain issues
We have seen some significant development which has led to notable increases in revenue (20%) – this includes significant grant revenue that has not yet been awarded
“Cost of doing business” also increased significantly
The proposed budget reflects a very little new or expanded service offerings as we had to absorb the inflationary impacts
- Budget Overview:
The proposed budget for FY2023 reflected a 19.98% increase in revenue over the adopted for FY2022. Expenditures and other financing sources, a 7.55% increase. The increase is primarily due to personnel (with increases to wages and health insurance), liability insurance, a new fire engine, vehicles, and vehicle expense. The overall annual rate of acceleration up to 6.8% for products purchased. The proposed budget also allows for a 2% merit increase based on employee performance.
- General Fund Revenues:
Primary increase in General Fund revenues for FY 2023 is due to anticipated grant revenue, the Towns property tax collections and business license, permits and franchise fees, and other charges for services are anticipated to increase 12.31% from FY2022.
- General Fund Expenditures:
The general fund expenditures are projected to increase approximately 13.9% from FY 2022. The largest portion 64% of the general fund's expenditures are for personnel costs. Personnel costs are projected to increase 18.1% in health premiums and 2% in employer retirement contributions for Police and Fire and 1% for all other personnel. An increase in employee wages is proposed to maintain employee retention and to be competitive with surrounding agencies. Liability and worker's compensation insurance has increased considerably. Prices continue to increase for supplies, utilities, and fuel. Trends are showing that prices are continuing to increase for all products, along with shortages and product availability. This is an overall decrease of 3.5% from FY22 but is artificially low due to large grant funded capital items.
- Capital items:
Very little envisioned in this budget, only those seen as critical to preform basic operations
 - Fire Truck – Grant Dependent
 - New or Replacement vehicles in-Police, Recreation and Fire
 - Track hoe and trailer for Stormwater
- Fund Balance:
The Town's general ending fund balance for fiscal year 2023 is projected to be \$5,491,356 which is 36.08% of the year's expenditures and other financing uses.

This is about a 10% reduction caused primarily by the increase in the budget not a decrease in fund balance. The general fund will retain a little over 4 months of expenditures in fund balance.

- **Departments** – Significant Features noted

Administration: Total projected budget \$2,048,791. Worker's Compensation and Liability premiums increased considerably. Performance based merit increases of 2% included.

Not included but requested was recodification of the Town's Code of Ordinances and painting of the Administrative Offices.

Community Development: Total projected budget \$550,741. Health insurance increased. Not included but requested was a vehicle for the Business Development Manager. A vehicle will be transferred from Recreation.

Court: Total projected budget \$304,453. Associate Judge will be moving to a contract position. The Public Defender and Prosecutor is expected to clear the backlog of cases.

Fire Department: Total projected budget \$3,109,371. Firefighters pay increases – Admin Assistant added this fiscal year. New fire engine will be grant funded. The fire engine will be ordered for next year's budget if the grant is not awarded. Not included but requested was 6 SCBA Units and 2 washer/extractors.

Information Technology: Total projected budget \$548,522. Several small IT upgrades. Not included but requested. Scanner for Admin Department, LPR/Traffic Cameras for PD Trailer, Blue Light Emergency Phones at Recreation Complex, Hallway TVs for display and for PD and I pads for Councilmembers.

Police Department: Total projected budget \$3,193,737. Capital includes 4 new police vehicles, 3 vehicles in SRO budget and 1 in the Highway Safety Grant budget. Not included but requested were 3 additional vehicles. Not included but requested, equipment shed.

Public Service Department: Total projected budget \$1,544,021. Increases in salaries, retirement, health insurance, Highway 52 maintenance costs, repairs to train depot and basketball courts.

Sanitation: Total projected budget \$927,926. Salary, retirement, health insurance and fuel increases. Not included but requested were two additional positions and another truck into the routes.

Stormwater: Total projected budget \$383,702. Salary, retirement, health insurance increases. Backhoe and trailer included.

Recreation: Total projected budget \$1,293,794. Less contractual labor more on payroll. Events position moved from Community Development to recreation. Several increases due to increased enrollment. 1 vehicle will be added replacing vehicle moved to Community Development.

Abatement and Improvement Fund: Fund used to focus permit related revenue to special projects, so Town isn't as vulnerable to economic downturns. Very little outlay budget due to recent projects depleting funds. Voluntary Demolition Program. Current year items depleting funds. Parks and Recreations Study. Town Staff Space Needs Study. Miracle League Field. Mainstreet Crosswalks. Modest balance reserve left for future projects.

Revenue Opportunities: The following are suggested revenue opportunities for consideration.

- Roll Cart Fee Deposit: We are currently charging a \$35 non-refundable deposit to get the initial trash cans (both brown and green) for trash service. One trash can cost approximately \$64.39, and the customers are receiving two for a total cost of \$128.79. Goose Creek Roll Cart fee is \$80 for one green can and additional \$80 for the brown can if they want that service, but they can choose not to get brown can, but this doesn't change their sanitation fee on their tax bill. Increase the fees to \$80 to cover the cost of the green cans would have a revenue increase of approximately \$4,500.
- Damaged Cans: We are currently replacing all cans free of charge, whether they are damaged by us or the resident. We could \$80 for the replacement can. Currently we are replacing approximately 20 cans that are damaged by the residents. This would increase revenue by \$1,600.
- Extra Cans: There are several residents who have extra cans from when we took over from Republic back in 2020 and are not being billed for additional cans that are in service. If we bill them going forward for that service of cans it would be an additional \$13.91 per can a month. There is currently about 100 additional cans that are not being charged. If they don't want to pay the additional charge monthly for those cans, those cans will no longer be serviced. These additional charges would increase revenue by about \$16,692.
- Zoning Permits: The current charge to get a zoning permit is \$100. The cost of a zoning permit is \$70 to run the add in the paper (which is required) and call the BZA in which is 6 people at \$25 a meeting for a total expense of \$220. Goose Creek is currently charging \$150, and Berkeley County is charging \$250 minimum. Raising the cost to \$250 will help cover expenses and increase revenue approximately \$1500.
- Recreation fees: Currently to participate in sports for in town the fee is \$30 and \$70 for out of town. The average cost per kid is \$53 (\$13/shirt, \$4/socks, \$12/hat, and \$24/official) this doesn't include having field supervisors, trophies, lights, sports equipment provided for practice, jerseys for the coach and more. To sponsor a team is current \$225 which helps pay for the addition items not covered in the child's expense. Increasing the rate to \$40 for in town and \$80 for out of town will help offset cost. Other municipalities for comparison – Goose Creek \$45 in town/ \$75 out of town, Hanahan \$40 in town / \$65 out of town, North Charleston \$30 in town / \$60 out of town, Mt Pleasant \$85 in town /\$115 out of town, City of Charleston \$30 in town / \$55 out of town, Isle of Palms \$30 in town / \$33 out of town). Currently we are estimating 40% of our kids are in town residents and 60% are out of town. This would come with a total overall increase in revenue of approximately \$20,000.
- Sponsorship for Teams (name on jersey): Currently team sponsorships are \$225 for spring, fall, and basketball and \$600 for

year-round. We could raise the rates to \$250 for spring, fall and basketball and \$700 for year-round. Organizations do get to use this as advertising and a tax write-off for their business. With this increase we could see an increase of \$3,325 if all teams are sponsored.

- Sponsorship for Signs: Signs are currently \$250 for a new sign, \$200 for a renewal, and \$400 for a sign on two fields. Signs cost up to \$110. We could go to new rate of \$300 for a new sign, \$250 for a renewal, and \$450 to sponsor two fields. There are currently 24 signs out at the complex. This is an additional increase in revenue of approximately \$1,200.
- Special Events Permit Application: There is no charge currently for a special event permit application. We are proposing there be a \$25 fee for this application. We must have Recreation, Special Events Director, Public Service, Police and Fire Departments review these applications to make sure they are safe and appropriate for the public. By charging \$25 this would increase the revenue approximately \$300.
- Train Depot: Rates are for intown \$150/\$300 for half day and full day and for out of town \$250/\$500. In looking at other rental facilities it is normal to put a premium on the weekend as these are the most desired days for rental. Raising the rate only on Saturday and Sunday \$50 could see an increase in revenue of at least \$4,000 in rental income.
- Millage Increase: A current mill is worth \$77,571.31. Increasing one mill on an average home worth \$250,000 increases the taxes on a taxpayer approximately \$10 per mill. We have the ability to increase the mills up to 17.67. With this comes an additional \$1,370,685 in revenue and \$176.70 to the taxpayer. The following chart was used as a guide.

Mills	Revenue Increase	Increase to Homeowner
1	\$ 77,571.31	\$ 10.00
3	\$ 232,713.93	\$ 30.00
5	\$ 387,856.55	\$ 50.00
10	\$ 775,713.10	\$ 100.00
12	\$ 930,855.72	\$ 120.00
14	\$ 1,085,998.34	\$ 140.00
17.67	\$ 1,370,685.05	\$ 176.70

Council took the information provided into consideration. No decisions were made at this time. A meeting will be scheduled in approximately 2 weeks to discuss the budget further.

EXECUTIVE SESSION:

2. **Discussion:** Personnel/Contractual Matters pertaining to the FY 2023 Budget – Council did not go into executive session to discuss personnel or contractual matters.

ADJOURNMENT

Motion was made by Councilmember Kitts, seconded by Councilmember Sweatman to adjourn the Budget Workshop. Meeting was adjourned at 5:11 p.m. Motion was approved unanimously as follows.

Voting Yea: Mayor Pro-Tem Dennis, Councilmember Kitts, Councilmember Law, Councilmember Lloyd, Councilmember Sweatman, Councilmember Ware.

A copy of this meeting’s agenda was e-mailed to the Post and Courier, The Berkeley Independent, Live 5 News, Channel 4, Channel 2, and The News Journal Scene. As required, the agenda was posted on the Municipal Complex bulletin board and Town Website at least 24 hours prior to the meeting.

Minutes Approved and Adopted:

Marilyn M. Baker/Clerk to Council

September 15, 2022

DATE