

**MINUTES OF THE BUDGET WORKSHOP  
OF  
MANNING CITY COUNCIL**

Monday, April 27, 2009  
6:00 p.m

Breedin Assembly Room  
City Hall

**Members Present:**

Mayor Johnson  
Mayor Pro-tem Gordon  
Councilmember Georgia  
Councilmember Pack  
Councilmember Welle  
Councilmember Witherspoon

**Members Absent-**

**E=Excused/U=Unexcused:**

Councilmember Davis – U

**I. Welcome/Introductory Remarks:** Mayor Johnson welcomed all present. Mayor Johnson stated that the meeting was called for a Budget Workshop. In addition, Mayor Johnson stated that Council would also hear a request from Clarendon County concerning the purchase of water

**II. Request by Clarendon County to purchase water:**

Mr. Dwight Stewart, Chairman of Clarendon County Council introduced Mr. Lynden Anthony, Controller for Clarendon County, Mr. John Truluck, Director, Clarendon County Development Board, and Mr. Steve Harrington, Grants Coordinator for Clarendon County. Chairman Stewart said that a couple years ago, Mr. Harry Askins, an engineer, asked the County if they were interested in a grant to get a waterline down Highway 260. Last year the County learned they had the opportunity to apply for the grant. A Public Notice has been advertised. In order to proceed with the grant, USDA has asked the County to provide them with a letter stating the City of Manning would be willing to be a provider of water to the county and would be willing to enter into negotiations with the County. Chairman Stewart asked if Council had questions.

Mayor Johnson asked how much water the County would want to purchase from the City. Mr. Anthony stated that, according to the engineering report that was done on the project several years ago, there was a potential of 530 customers. Mr. Anthony indicated that for 485 potential customers at 400 gallons per day the County would use about 175,000

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gallons per day. Mayor Johnson indicated that the city's excess capacity was 2.0 million gallons and would be able to accommodate the County's purchase.

Councilmember Pack asked how long it would take to for the grant to be approved. Mr. Harrington stated that once the letter is received and submitted to USDA, they in turn would issue a letter of conditions. After all conditions have been met, the grant would be awarded in July or August with water service beginning approximately 18 months after the grant is awarded.

Mrs. Rhodes asked if there was a map outlining the flow of water. Mr. Anthony stated the map shown to Council was a copy of what was submitted in the grant application. Mr. Anthony stated that approximately 110 acres would be included in the area to be served.

Mayor Johnson stated that there would need to be engineering studies done concerning the water rates.

Mrs. Rhodes stated that the study would also determine the cost of water and asked the County if they would be willing to incur the cost of the study.

Chairman Stewart stated he felt sure the County would be willing to incur the cost, but indicated that their initial request is to ask City Council if they would provide a letter of their willingness to provide water to Clarendon County. Mayor Johnson stated the City had a similar request from Summerton.

Mayor Pro-tem Gordon asked who would maintain the lines. Chairman Stewart stated that the county would be responsible for maintaining the lines and would maintain ownership of the lines.

Councilmember Welle asked if the county would add a charge to the rate that the City charged them for water. Mayor Johnson stated that the city's rate charged to the County would be based on the study and the rates charged to the customer would be a County decision.

A **motion** was made by Councilmember Witherspoon and was seconded by Mayor Pro-tem Gordon to issue a letter to Clarendon County stating City's willingness to provide water to Clarendon County. In discussion, Mrs. Rhodes stated that service line was designed years ago. In addition, Mrs. Rhodes stated that the city would prefer that the line comes down Raccoon Road instead of Highway 260 so that it provides better pressure and provides them with fire protection. There was no further discussion. All favored the motion.

**III. Discussion of FY 2009-2010 Budget:**

Mayor Johnson commended the Administrator, Finance Director, Department Heads and staff for the budget information that has been presented so far. Mayor Johnson stated that although some cities and towns have shown the first draft of their budget as being out of balance, the city is fortunate enough not to have that problem at this time. Mayor Johnson stated that Council was presented other additions to the budget that are needed. Mayor Johnson stated that the General Fund Revenue exceed Expenditures by approximately \$87,000.00. The expenses that were added totaled \$26,500 which would leave the General Fund in a surplus of \$60,858. Mayor Johnson stated that these additions included all that each department had requested and that Council wanted to see everything before cuts were made. The budget includes a 1.5% salary increase and 6 new police cars. However the Utility Fund is out of balance by \$99,513.

Mrs. Rhodes stated that the revenue from reassessments and real and personal property taxes helped the General Fund Budget. Mrs. Rhodes asked Council if they would want to raise taxes up to 4.2% or to raise it 3% and also asked how to split the cost of expenses for the new City Hall between the General Fund and Utility Fund. In addition, Mrs. Rhodes stated that the cost of health insurance through South Carolina Local Government Assurance Group (SCLGAG) would increase by 11% for the new fiscal year. Next, Mrs. Rhodes distributed to Council information from an independent insurance company quoting the cost to provide health insurance coverage to the city employees and asked Council to review the information. After discussion, Mayor Johnson asked Mrs. Rhodes to provide a recommendation to Council at the May or June Council Meeting.

Mayor Johnson recapped the budget on the General Fund stating that the budget would result in a surplus of \$61,000 with an increase in taxes of 3%. The Utility Department would pay a percentage of the lease payment for the new City Hall, and there would be an addition of \$50,000 for the match of a SCDOT streetscaping grant.

Mayor Johnson stated that approval would be needed by Council whether to pay for one time capital purchases with fund balance.

After discussion, Council agreed to propose an increase in taxes of 3%. Next, Mayor Johnson stated that the city's Auditor recommended that Council split the expenses for the new City Hall between the Utility Department and the Administration Department in either 60/40 or 55/40 split. Council agreed to a split of 60/40 split with the Utility Department paying 40% of the cost and the Administration Department paying 60%. In addition Council agreed to use Fund Balance amount of \$300,000 to pay for the Courtroom renovations and one time purchases.

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The Utility Fund is out of balance by \$100,000. Mayor Johnson asked the Administrator to review the Utility Fund Budget to see what cuts could be made.

On behalf of City Council, Mayor Johnson thanked all employees for the role they played in cleaning the downtown area after the Striped Bass Festival.

**IV. Adjournment:**

Mayor Johnson adjourned the meeting.

Respectfully submitted,

Daun Davis  
Administrative Services Coordinator/Clerk