

**COMMITTEE ON ADMINISTRATION & FINANCE, THURSDAY,
AUGUST 29, 2024, At 9:00 A. M. COUNCIL CONFERENCE ROOM,
ROOM 804, COUNTY COMPLEX, 180 N. IRBY ST., FLORENCE, SOUTH
CAROLINA**

PRESENT:

William Schofield, Council Committee Chairman
Willard Dorriety, Jr., County Council Chairman
Stoney C. Moore, Council Committee Member
Waymon Mumford, Council Committee Member
Kevin Yokim, County Administrator
Ashley Davison, Finance Director

ALSO PRESENT:

Jerry Yarborough, Jr, Council Member
Andrew Stout, Museum Director
Mitch Fulmore, Deputy Administrator of Public Safety
Malloy McEachin, County Attorney
Shannon Munoz, Deputy Administrator of Operations
Tyler Fedor, Post & Courier Editor
Hope M. Jones, Clerk to Council

In compliance with the Freedom of Information Act, copies of the meeting Agenda were provided to members of the media, and members of the public requesting copies, posted in the lobby of the County Complex, provided for posting at the Doctors Bruce and Lee Foundation Public Library, all branch libraries, and on the County's website (www.florenceco.org).

Chairman Schofield called the meeting to order at 9:00 A.M. Councilman Mumford provided the invocation, and Councilman Moore led the Pledge of Allegiance to the American Flag.

APPROVAL OF MINUTES – AUGUST 29, 2024:

Councilman Dorriety made a motion to approve the Minutes of the May 9, 2024, Committee Meeting, and the motion was seconded by Councilman Moore which was approved unanimously.

NEW BUSINESS:

Bond Issues:

- \$12-\$13 million hospitality tax revenue bond for museum expansion
- +/- \$20 million bond for Fire Station, EMS Station, and Florence County Sheriff's Office evidence building
- No greater than a \$47 million bond for the Savannah Grove school project

Mr. Yokim stated he will address each item.

- **Hospitality Tax Revenue Bond:** Mr. Yokim reviewed a copy of the design of the

Florence Museum to the Committee, showing the existing museum and the new additions (a 15,000 square foot addition). Mr. Yokim spoke with the financial advisors and they stated it will be \$12 million. Mr. Andrew Stout, Museum Director, is searching to find additional funding. The Hospitality Fund model and its historical projections in the first column prior fiscal year are estimated numbers. The Hospitality Tax Revenue fund from one business has seen an increase. The projections under expenditures, you will see proposed debt service. If the bond is issued this year, the debt service might not be in the first year. The County is looking at a 20-year bond at 5% interest in the amount of \$12 million. The debt service annually would be fixed at \$963,000, even if issuing new debt, the Fund Balance continues to grow slightly. They are increasing revenues and expenditures by about 3% a year. It does not require a tax increase. It will be paid by the hospitality tax. The museum is not funded by property tax dollars.

Councilman Dorriety agreed with using the tourism dollars for the museum.

Andrew Stout, Museum Director, stated that 10 years ago, when the museum was open, the original plan was to construct 50,000 square feet, and all funding was in place. In 2008, the County was able to fund more facility than today.

The Chair entertained a motion to place the Hospitality Tax Revenue Bond on the September agenda for introduction. Councilman Moore made the motion, and Councilman Dorriety seconded, which was approved unanimously.

- **General Obligation Bond:** Mr. Yokim stated that EMS Station is located on the Francis Marion University Campus, and the campus closes at 11 PM, and there are speed bumps, so it slows down their time if they are going to a call. Mr. Yokim and Chairman Schofield toured the Sheriff's Department, and Chief Deputy Sullivan showed them the evidence room, which was filled to capacity. Mr. Yokim said he believes the County could get the Fire Station and EMS Station for \$10 million. Mr. Yokim spoke with the County's financial advisors about a 15-year bond with a \$20 million principal, and the interest is \$8.8 million in debt service. The interest rate on this bond would be about 4.75%. If the County moves forward, there will be an increase in debt service millage by 2 mills starting next fiscal year. Taxes will be increased in twelve years. If the County decides against using the General Obligation Bond, the other option is to wait until the next Capital Project Sales Tax. The next referendum, is in the fall of the 2027 calendar year, and the County would receive the funds in the spring of the 2028 calendar year.

Councilman Dorriety made a motion that the Committee recommend the General Obligation Bond to the County Council, Councilman Moore seconded, which was approved unanimously.

- **School District 1:** Mr. Yokim stated the Delmae baseball facilities are currently on leased property which is owned by Savannah Grove Baptist Church. There are 2 to 3 years left on the lease. The County is seeking a long-term lease. The Savannah Grove Baptist Church was not willing to offer a long-term lease. Councilman Yarborough was informed that School District 1 purchased 30 acres and the plans are to build a new Savannah Grove Elementary School. The school district needs 10 to 15 acres of the 30



acres. Mr. Yokim and Councilman Yarborough met with Dr. O'Malley and Mr. Stewart to discuss whether the County could be given the other acres of the property so that the County could move the ballfields from leased property to property the County owns. The County will issue \$47 million in a 20-year Special Source Revenue Bond. The total proceeds will be \$50 million. The interest rate is 4.3%. The school district would receive \$35 million to build the Savannah Grove Elementary School, which would cost \$31 million. The other \$4 million would go towards the parking lot and ballfields. If the County moves forward, the County would benefit from free land, parking, and the ballfields, which the school district will pay for because both entities will use them. The County will use the \$15 million for an indoor facility. The Parks & Recreation Department would move to the new indoor facility. Florence School District 1 will pay the debt service of the \$35 million out of its operational funds.

If the school district fails to make a bond payment, the County will withhold the fee-in-lieu taxes from the school district to cover the payment. If the County moves forward, the debt service will be increased by 2 mills. Mr. Yokim stated there are two separate bonds (2nd and 3rd bond), and both will require a 2 mill debt increase in next year's budget. This bond will be for twelve years.

Councilman Dorriety inquired about the property the County is acquiring. Will it be deeded to the County? Mr. Yokim stated he will check with the attorneys, but believes that since the County is issuing the bond, the property will be deeded to the County.

There was no need for the Committee to make a motion for this item because it was already on the agenda.

There being no other business, Chairman Schofield entertained a motion to Adjourn. Councilman Dorriety made the motion and Councilman Moore seconded which was approved unanimously.

THE MEETING ADJOURNED AT 10:00 A.M.

Approved by the Committee at its meeting on May 1, 2025.

ATTEST: Hope M. Jones
Hope M. Jones, Clerk to Council

