

COMMITTEE ON ADMINISTRATION & FINANCE, THURSDAY, MAY 1, 2025, 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
Andrew T. Rodgers, Jr., Council Committee Member
Waymon Mumford, Council Committee Member
Kevin Yokim, County Administrator
Ashley Davison, Finance Director

ABSENT:

Willard Dorriety, Jr., County Council Committee Member

ALSO PRESENT:

Jerry Yarborough, Jr, Council Member
Mitch Fulmore, Deputy Administrator of Public Safety
Malloy McEachin, County Attorney
Shannon Munoz, Deputy Administrator of Operations
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.florencecountysc.gov).

Chairman Schofield called the meeting to order at 9:07 A.M. Councilman Mumford provided the invocation, and Councilman Rodgers led the Pledge of Allegiance to the American Flag.

APPROVAL OF MINUTES:

Councilman Rodgers made a motion to approve the Minutes of the August 29, 2024, Committee Meeting, and the motion was seconded by Councilman Mumford, which was approved unanimously.

NEW BUSINESS- FY 2025/26:

Mr. Yokim stated that he will go over the budget message. Starting on page 1, the growth and the value of one mill is expected to generate approximately \$4.5 million dollars in various pots of money in the property tax section of the revenue. This increase in the value of one mill, combined with the increase in interest income as a result of the continued high interest rates, as well as increases in various General Fund revenue sources, has a positive impact that will fund many needed items, the largest of which the County changed from PEBA on April 1, 2025, to Blue Cross & Blue Shield. When the County made the change, the County avoided any insurance premium increase that year. The 19% increase covers two years that became effective on April 1, 2025. This increase costs the County about \$1.2 million in the General Fund.

The County is including a four mill property tax increase specifically reserved for public safety.

The four mill increase will generate about \$2.4 million dollars. The current value of one mill is over \$600,000. The reassessment makes property values increase, and that means we have to lower the millage, as the County did last year. The \$2.4 million increase will fund ten new positions in the Sheriff's Office, which will include four new patrol deputies, four new positions in Central Dispatch (to add one new Telecommunications Officer per shift), 7% pay increase for paramedics, and two new Assistant Solicitors, to handle the ever-increasing case load.

The next paragraph relates to the County's employees. As a result of Council's effort to increase employee pay over the past three years, turnover continues to improve. There will be a 3% across-the-board cost-of-living adjustment for all County employees, effective the first full pay period in July. Shannon Munoz, Tenae Reaves, and Mr. Yokim will work on putting the finishing touches on the compensation and classification plan to improve pay for a certain number of employees. This may result in a recommendation to adjust the pay for various positions in the budget. The results of this study will be presented to Council later in the fiscal year.

General Fund Expenditures:

Several years ago, the Council adopted a policy to maintain 25% of annual expenditures in the fund balance. Florence County realized \$8.2 million of fund balance growth over the past three fiscal years (FY2022-FY2024), therefore, the audited General Fund fund balance remains at 40% of expenditures, despite a 30% increase in expenditures over the same period. The FY2024 budget included a \$7.2 million use of fund balance to balance the budget; but \$3.7 million was actually added to fund balance, a swing of nearly \$11 million. In the FY2025 budget, \$3.1 million of the fund balance growth was used to balance the budget.

Budget requests for the FY2026 General Fund budget exceeded the FY2025 budget level by in excess of \$15,000,000. Even with the projected revenue growth discussed, given the needed inclusion of the cost-of-living adjustment for all full-time and part-time employees, along with other budget priorities, numerous requested increases are not included in the budget as presented. Mr. Yokim went over some items that are not included in the budget.

General Fund Revenues

Total property tax revenue is expected to increase by approximately \$4.5 million. As a result of this growth, property tax revenue is expected to increase by approximately \$2.6 million. The manufacturers' depreciation reimbursement and local option sales tax portions of total property tax revenue are part of the number. As a result of the continued high interest rates, interest revenue is expected to increase by \$1.4 million. In addition, \$3.1 million of fund balance is expected to be used to balance the budget.

Millage Rate Cap

In accordance with Act 388 of 2006 as adopted and subsequently modified by the South Carolina Legislature, the millage cap limitation for the FY2025/26 fiscal year is 2.8 mills. In the FY2024/25 budget, the County left the millage rate at 4.6 mills under the cap, which means the General Fund millage rate could be increased by 7.4 mills in the FY2025/26 budget. However, the current proposed budget includes only 4.0 mills of the 7.4 available millage increase.

Sheriff's Office

Ten new positions cost over \$1.3 million. The positions are Internal Affairs position, four Shift Deputies, one Shift Sergeant, two Street Crimes Deputies, a Criminal Investigator, and a Litter Deputy.

EMS Department

A 7% pay increase is included for 56 paramedic positions at a cost of \$551,536. The County lost 15 paramedics last year, predominantly to smaller agencies with lower call volume and the others completely went into another area of work. In addition, the wage gap between EMTs and Paramedics is currently not sufficient.

Recreation Department

With the increase in the number of facilities, to include Independence Farms and other potential property acquisitions as we increase our land conservation program, five new full-time positions and one part-time position are included at a cost of \$360,000. The positions are an Assistant Recreation Director, four new Park Rangers, two for Independence Farms and two for Lynches River, and a part-time Interpretive Assistant at the Environmental Discovery Center.

Other Items

Along with the cost of \$1.6 million for the cost of living, Mr. Yokim went over items that were included in the General Fund budget.

Other Funds

Debt Service Fund

The County Debt Service Fund includes no millage increase. This is a result of the growth in property taxes as was discussed for the General Fund. The audited fund balance as of June 30, 2024, totaled \$6.27 million and is expected to grow by \$300,000 in FY2024/25.

Local Accommodations Tax Fund

Revenues in this fund have decreased slightly due to the post-COVID travel pressure easing. The audited fund balance was \$3.7 million, or 114% of fund expenditures. A portion of this fund balance could be used for improvements at the Florence Center, depending upon matching dollars from the City of Florence.

Local Hospitality Tax Fund

Hospitality revenues continue to trend in a positive manner. FY2025/26 revenues are budgeted at \$3.1 million, up from \$2.8 million. Continued economic development, including Buc-ee's, has driven revenue growth. The audited fund balance was \$2.6 million, or 147% of fund expenditures. Included in next year's budget is \$1 million for the bond that was issued for the museum expansion.

Victim Witness Assistance Fund

Victim Witness Assistance fees increased slightly in FY2024. However, the County had to transfer \$300,000 from the General Fund, which had a negative balance of \$180,000. Therefore, in the current fiscal year, the County transferred an additional \$300,000 from ARPA funding for lost revenue during and since COVID. This will cover the deficit from FY2024 and FY2025.

Solid Waste Fund

No budgeted increase in the household solid waste fee is included in the FY2025/26 budget.

With the recent increase in these fees, the audited fund balance grew to \$2 million, which is 35% of the expenditures. However, this fund is expected to incur a deficit in FY2024/25 and FY2025/26. This may require an increase in the household solid waste fees in the FY2026/27 budget.

E911 Fund

The \$0.40 increase in the monthly E911 fee on landlines is included in the FY2024/25 budget. This fund is expected to have a surplus of \$71,000 in FY2025/26. Chairman Schofield noted that landlines are becoming outdated and inquired about the possibility of charging fees on cellular lines. Mitch Fulmore responded that this is already being implemented at the state level. He explained that a formula based on the wireless surcharge is used for counties, and that the County was not in the appropriate tier, which led to the increase. He added that if other counties raise their wireless surcharge, it could shift the formula and result in increased wireless revenue for the County.

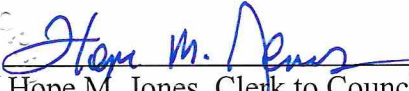
Florence Darlington Technical College

At the request of the board and its President, a 1 mill tax increase for Florence Darlington Technical College is included in the budget. This is the most Act 388 will allow the County to increase this institution’s millage rate, increasing the rate to 5.6 mills from 4.6 mills.

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

THE MEETING ADJOURNED AT 10:07 A.M.

Approved by the Committee at its meeting on May 7, 2026.


ATTEST: Hope M. Jones, Clerk to Council