



**MINUTES
REGULAR MEETING
FAIRFIELD COUNTY COUNCIL
JANUARY 23, 2017**

Present: Billy Smith, Neil Robinson, Jimmy Ray Douglas, Dan W. Ruff, Mikel Trapp, Bertha Goins, Council Members; Jason Taylor, County Administrator; Davis Anderson, Deputy County Administrator, Jack James, County Attorney; Patti Locklair, Clerk to Council.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80 (e), as amended, the following persons and/or organizations have been notified of the time, date and location of this meeting: The Independent Voice of Blythewood and Fairfield, The Country Chronicle, The Fairfield Times and one hundred twenty seven other individuals.

1. CALL TO ORDER

Chairman Smith called the Regular Meeting to order at 6:00 p.m.

2. APPROVAL OF AGENDA

It was moved by Council Member Trapp and seconded by Council Member Robinson to approve the agenda. ***The motion carried unanimously 6-0.***

3. INVOCATION

Council Member Trapp led the invocation.

4. APPROVAL OF MINUTES

It was moved by Council Member Douglas and seconded by Council Member Ruff to approve the minutes of the Regular Meeting of December 12, 2016. ***The motion carried unanimously 6-0.***

It was moved by Council Member Trapp and seconded by Council Member Ruff to approve the minutes of the Inauguration, Organization and Regular Meeting of January 9, 2017. ***The motion carried unanimously 6-0.***

5. PUBLIC PRESENTATIONS

None.

6. 1ST PUBLIC COMMENT (3 MINUTES): INPUT MUST PERTAIN TO ITEMS ON THE AGENDA, FOR WHICH NO PUBLIC HEARING IS REQUIRED OR HAS BEEN SCHEDULED. THE TOTAL TIME ALLOCATED TO THIS PUBLIC COMMENT SEGMENT IS 30 MINUTES.

- Randy Bright - Finance Report

7. PUBLIC HEARING

None.

8. ORDINANCES, RESOLUTIONS AND ORDERS

None.

9. BOARD AND COMMISSION MINUTES

None.

10. BOARD AND COMMISSION APPOINTMENTS

None.

11. OLD BUSINESS

None.

12. NEW BUSINESS

A. Presentation of FY 2015-2016 Audit. Mr. Brian D'Amico of Elliott Davis Decosimo gave the following report:

- Per the Auditor's Report, once again, the County has an unmodified opinion for fiscal year 2016, which means that, based on audit procedures, the firm believes the County's financial statements are materially correct.
- Page 4-10. MD&A contains an overview and descriptions of the main highlights of what transpired in the fiscal year 2016.
- Page 5. The County's current net position (assets and deferred outflows less liabilities and deferred inflows), the equity of the county is just over \$33 million as of June 30, 2016. The net position increased by \$1.8 million; therefore, a sign that the County had a good year. The main drivers of the general fund (the main operating fund of the County), revenues came in at \$30 million, expenses and transfers out \$27.6 million resulting in an increase to the general fund of \$2.8 million. For 2016 the general fund came in over budget on revenues by \$2.5 million and under budget on expenses by just under \$272,000.
- Page 7. Last year's net position was \$31.5 million, increase during the year that resulted in \$33.2 million showing that the County grew during this time frame. The only category that went down, which was a good thing for inflow, was related to the net pension liability from the retirement system the County had to record due to GASB 68.
- Page 8. Operating grants and contributions approximately \$1.5 million increase from last year, mainly related to the airport grant, which

could fluctuate depending on federal expenditures during the given year. Property taxes decreased (millage was reduced from previous year).

- In reference to the property and accommodations taxes, a loss of over \$500,000 attributed mostly to companies working at the nuclear plant changing over time and the machinery, etc. with fluctuations, Chairman Smith asked if the firm does any checking into how the County can keep up with this. Mr. Taylor responded that typically the State keeps up with the large pieces of equipment if they are permanent with the State doing the tax assessments.
- Page 9. Recap of the capital assets owned by the County and the amount of outstanding debt as of June 30. The County is in a good position overall.
- Page 15. The financial stability of the County was evaluated, and the County would have around seven months of general fund expenditure reserve, which is a very good position as it is recommended to have at least three months reserve.
- Page 37. The County's liability related to the retirement systems had to be recorded which includes the S.C. Retirement System and the Police Officers' Retirement System. As of June 30, the actuarial liability determined for the County is \$20.5 million. When this liability was recorded with most counties, this created their equity or net position to actually go negative, and for Fairfield, it did go negative last year. Because of the increase, the County is back in a positive unrestricted net position category which is a rarity across the State for dealing with such an unfunded retirement plan.
- Page 48. Local option sales tax note. At the end of June 30, 2016, the carry forward for future credits is \$580,000.
- Page 51. An allowance was done for loans to the hospital which resulted in a bad debt expense.
- When the County has Federal funding over \$750,000, an additional single audit has to be performed. Due to the airport grant, the County had \$1.3 million during 2016 with the majority of this related to the airport grant. No findings related to the single audit.
- IT security: Listed in the audit report is what would be needed to get "best in class" regarding IT security. Several improvements and recommendations are listed.
- Councilman Douglas inquired as to the lost funds and how it is to be divided. Mr. D'Amica explained the "true up" form of reconciliation and the timing difference. Chairman Smith further added that the tax credit given to the citizens is given at a certain time of the year and we continue to collect local option sales tax beyond that point. We don't go back, it is just carried over to the next year. Councilman

Douglas asked to receive Mr. D'Amica's card and he would get with him directly with further questions.

13. COUNTY ADMINISTRATOR'S REPORT

A. Commerce Center Grant from SCE&G

Mr. Taylor reported receiving \$180,000 from SCE&G which will go toward improvement to water and sewer infrastructure, roads and the industrial park. When this was put out to bid it came in higher. Now with the \$180,000 plus the previous \$500,000 grant, we are back in budget on that particular item.

B. Quarterly Finance Report

Council had asked that we provide up-to-date quarterly reports on our financial status, and this report has been provided to the Council members. Please call or email Mr. Taylor or Laura Johnson with any questions. Chairman Smith asked if we would be going through this report. Typically we have been giving these out and we will shortly be having budget workshops and get into this in more detail. Chairman Smith asked that in the future, if the Council members receive the report on the same day of the meeting, he would prefer a presentation.

14. CLERK TO COUNCIL'S REPORT

None.

15. 2ND PUBLIC COMMENT (3 MINUTES): INPUT CAN BE TO INTRODUCE AN ITEM NOT CURRENTLY UNDER COUNCIL'S CONSIDERATION OR BRING A CONCERN TO COUNCIL'S ATTENTION. THE TOTAL TIME ALLOCATED TO THIS PUBLIC COMMENT SEGMENT IS 30 MINUTES.

- Walter Collins - USCL Update
- Randy Bright - Alice does not live here anymore

16. COUNTY COUNCIL TIME

Goins: Again, she is very grateful for the opportunity to serve Fairfield County and District 4. The challenge is great but worthwhile and she feels Fairfield County is one of the greatest. Council attended a Work Session on January 21 which was very informative with Ethics, Parliamentary Procedures, etc. She is learning a lot and thanked her fellow Council members, Clerk to Council and Administrator for their support.

Douglas: There is a lot more to becoming a Fairfield County Council member than the public may realize. On January 2, Council members

Douglas, Goins and Robinson attended an Orientation for newly elected Council members with this being a whole day event covering many topics. On January 4 he was sworn in at the courthouse and on January 9 oaths were read again along with pictures and family members present. On January 21, the Council met at Fairfield Campus of Midlands Technical College for another orientation, this being another all day event covering many topics, followed by a Committee meeting. He has had input and suggestions as he promised to do while running for office. He again reiterated, it's not about me, it's about you.

Smith: Chairman Smith agreed the session on January 21 was very informative.

17. EXECUTIVE SESSION (SUBSEQUENT TO EXECUTIVE SESSION, COUNCIL MAY TAKE ACTION ON MATTERS DISCUSSED IN EXECUTIVE SESSION).

In addition to Council, the following were present in Executive Session: Jason Taylor, Davis Anderson, Jack James, Suzie Doscher, Tim Mitchell, Catherine Fantry and Ray Jones.

At 6:50, it was moved by Council Member Ruff; seconded by Council Member Trapp to go into executive session (1) for a contractual matter involving Fairfield Memorial Hospital (information for new Council members), (2) a legal matter (Mega Site litigation update) and (3) a contractual matter (Airport fixed-base operator). ***The motion carried unanimously 6-0.***

At 9:20, it was moved by Council Member Douglas, seconded by Council Member Trapp to come out of executive session and return to open session. ***The motion carried unanimously 6-0.***

There was no action taken in executive session.

18. ADJOURN

At 9:20, it was moved by Council Member Douglas, properly seconded by Vice-Chairman Goins to adjourn. ***The motion carried unanimously 6-0.***

PATTI LOCKLAIR
CLERK TO COUNCIL

WILLIAM B. SMITH, JR.
CHAIRMAN