

Minutes
Budget Workshop
Tuesday, June 2, 2015

A budget workshop was held Tuesday, June 2, 2015 at 5:00 P.M. in the Raymond Pridgen Auditorium. The following were notified of the time, date, and place of the meeting: Mayor and City Council, City Staff, and the press. Present at the meeting were the following: Mayor William L. McMillan, Mayor Pro Tem Patricia Phillips, Council Members George Hardwick, Jo Sanders, Carolyn Wilson, Linda Schiavo, Terry Davis, City Administrator David Hudspeth, Fire Chief Robert Stetson, Police Chief Michael Bethea, Street Supervisor Tarus Gilchrist, and Captain Joe Graham.

1. Call Meeting To Order & Welcome: Mayor McMillan called the meeting to order and welcomed all present.

2. Disclosure that local media has been informed of meeting pursuant to South Carolina Freedom of Information Act: Mayor McMillan stated the local media had been contacted regarding the time, date, and place of the Budget Workshop scheduled for June 2, 2015.

3. Re: Budget Discussion Mayor McMillan recognized City Administrator David Hudspeth. Hudspeth stated the budget presented is balanced with the use of reserve funds. There are no new revenues to generate and the difference is \$210,000.00. Hudspeth stated there are not many new things included in the budget.

The Fire Department has requested new trucks and they will need to split staff to accommodate the new Fire Station. Mayor Pro Tem Phillips stated County Council said the City could use the funds from Capital Sales Tax for the 2nd Fire Station. Hudspeth stated the 3rd station could be built anywhere and it did not have to be built where it was advertised. The total cost for renovating the 2nd station was around \$21,000.00 and the Capital Sales Tax called for a new 3-bay station. Hudspeth also stated he spoke with former Administrator Pete Rogers and he said the Bond Attorney stated we could use the money for new trucks. Hudspeth stated he would ask about the trucks.

Hudspeth stated the budget could be balanced by using reserves, cutting the budget, or cutting staff.

Hudspeth noted there are no salary increases in the budget. Phillips asked if there was an increase in the budget for the Street Department. Hudspeth

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stated no. Phillips asked if there were any recommendations from Street Supervisor Tarus Gilchrist. Gilchrist stated he is comfortable with his budget. The only thing that the department needs is a street sweeper. Mayor McMillan noted Anderson Brothers Bank is having Main Street swept.

Hudspeth stated the City spends \$4.5 million per year. The majority of that is for personnel. General Government spends a little over \$700,000.00, Police \$1.5, Court \$50,000.00. Council Member Davis asked if the Court Clerks salary comes out of Court. Hudspeth stated her salary comes out of General Government. Hudspeth stated the Treasurer duties were given to him and the Clerk of Court duties were given to Felicia. That was an opportunity to save the City some money. Phillips stated she thought the Clerk was getting paid for both jobs. Hudspeth stated her position was combined but the salary for two jobs was not given to her. An adjustment to her salary was given last year. Duties were rearranged for several different people. Davis noted since the increase last year she was given the Clerk of Court job as an additional position. Hudspeth also noted the Archer Company compiled job descriptions for the City and Council could review those and make salary adjustments. Hudspeth stated Council could make changes to salaries at any time. Those job descriptions will not be available for approval until July or August. Phillips asked that Hudspeth check around with other Towns for salary comparison. Phillips stated Council is not notified about certain things until after they are done. Hudspeth stated salary ranges were adopted last year. Davis stated after those salaries were agreed upon last year another job was given and her salary needs to be addressed before the 15-16 fiscal year budget.

Council Member Wilson asked what the City has in reserves. Hudspeth stated there is \$1.5 million in a reserve fund. That money is generally not touched unless absolutely necessary. This was money that was obtained through the sale of the water company. Wilson asked what bank accounts the City has. Hudspeth stated the City has General Fund checking and as of May 5 had \$605,000.00. The sale of the water system CD has a little over \$1.5 million with around \$14,000.00 being interest. Capital Fund has \$230,000.00 money and it is set aside in that fund for projects. Hospitality is only available for certain projects. Wilson stated if the City uses reserve funds they would want to continue using those funds. Wilson stated she would need to review the Budget before another reading.

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Davis stated she sees many new businesses in Marion and what do we need to do to make people come to Mullins. Phillips stated we approached businesses in the past. Wilson stated there is no one pulling for Mullins and all of the grants and new businesses go to Marion. Davis stated Economic Development is not helping Mullins. Davis stated as a group the City needs to find out what they can do to help bring businesses to town. Mayor McMillan stated the City has more Hospitality. Phillips noted there are a lot of vacant buildings in Mullins that could accommodate new businesses. Mayor McMillan stated Ray Rice will be speaking here on May 15th at 5:00 about businesses.

Davis asked if Aqua City is still in the Anvil building. Hudspeth stated an eviction notice has been served.

Davis asked where the City stands with the railroad. Mayor McMillan stated a company has tried to buy the railroad from Carolina Southern and would like to reopen the tracks here in Mullins. They would also try to sell us the depot or maybe rent it to us at a minimum fee. In order for that railroad to connect to CSX they would have to come through Mullins. We should know something by September.

Hudspeth stated cutting salaries to make the budget would not be a good thing to do. New businesses do not want to come to old buildings. The only solution is to cut expenses or use reserves. The only expenses that could be cut would be personnel. Instead of laying people off don't rehire when a position becomes vacated. In order to add to the budget things have to be removed. Council Member Sanders asked what the cost is for everyone to go to Hilton Head. Hudspeth stated around \$10,000.00 for all Council Members. That includes travel, hotel, and registration.

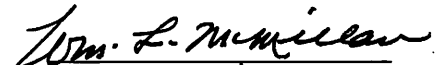
Phillips stated money is being spent that should not be and things can be cut.

Wilson asked if Department Heads had anything they would like to say. Police Chief Mike Bethea stated his department took a cut last year with three positions being cut. The department can not afford to have another cut it would risk the safety of the citizens of Mullins. Council Member Hardwick stated the City is at a point where some hard decisions will have to

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be made concerning this years budget. The City shouldn't touch the reserved funds because once you take from it you will continue to take until it is gone. Fire Chief Robert Stetson stated the 2nd Fire Station is an increase for his department and fire trucks are needed to operate that station.

4. **Adjournment:** Council Member Davis made a motion to adjourn. Council Member Wilson seconded the motion. The meeting adjourned.


William L. McMillan
Mayor

Attest:

Felicia S. Turner
City Clerk