

Minutes
Finance and Policy Committee
June 1, 2020
6:00 p.m.
1st committee meeting

Members present were Chairman Michael Reynolds, Committee members Diane Kuzniar and Carol King. Finance Director Holly Abercrombie, HR Director Mark Putnam, and City Administrator Brandon Madden were also present.

1. Call to Order- Chairman Reynolds
2. Public Comment- None
3. Reading and Approval of Minutes
 - a. Finance Committee Meeting: May 4, 2020
Councilwoman King made a motion to approve the minutes with Councilwoman Kuzniar seconding. The vote was unanimous (3-0).
4. Reports or Communications from City Officers
 - a. Department Reports

City Administrator Brandon Madden
Budget Review- Mr. Madden introduced Teressa Cawley, our financial advisor. She was asked to talk about issuance of a \$5,000,000 bond to help fund the pedestrian bridge. Ms. Cawley said over the course of the year, there have been some changes in the financial markets. Some segments have been hit harder than others, but there has been a three-week rally in the municipal bond market.

The pedestrian bridge project has both pros and cons to waiting and proceeding. Ms. Cawley said one of the sectors that has been closely watched includes sales taxes, hospitality taxes, and accommodations taxes. At this time, while there has been an impact from COVID-19, the numbers are stronger than expected. The financing for the pedestrian bridge was going to be through bank private placement, but the future is unknown. The good news is there are bank commitments in hand for accommodations and hospitality tax, and the installment purchase revenue bond. The advisor recommends proceeding with

the financing availability in the commitment from the bank if the City wants to proceed with the project. The general obligation market is very strong. Rating agency presentations go out next week.

Chairman Reynolds said this was just an update from Mr. Madden and no action is needed.

City Administrator Madden said there are a few minor changes to the budget document that do not impact the overall budget as adopted on first reading. The first change will adjust where the bond proceeds are being shown in the budget. They were included in special revenue but will be moved into capital projects. No changes in amounts will be made.

The second is in the financial policies of the City that are documented in the budget area. The policy states the City's fund balance will be no less of 20-30% of general fund operating revenues, or one to two months' operating expenditures. The last sentence will be removed. It is standard that the City has 20-30% general fund operating revenues.

The third change is that the City's debt cannot exceed 8% of assessed value. That verbiage will be added to the budget document. In order to increase from 8%, a referendum vote would be needed.

Finance Director Holly Abercrombie
Budget Review

Mrs. Abercrombie said everything looks good even with the extension of the business license deadline. There will be a deficit, but not as bad as we had previously anticipated. Chairman Reynolds asked if she had been in contact with any neighboring cities to find out what they have been experiencing. Mrs. Abercrombie answered no.

HR Director Mark Putnam

Mark said the employees have come back to work. Staff temperatures are being taken daily. They will be referred to Proactive MD if their temperature is above 100.4 degrees. There is extended signage and accessible hand sanitizer stations all over the City.

5. Unfinished Business- None

6. New Business

- a. Selection of Auditor- An RFP was issued for auditing services on March 30, 2020. Three bids were received. Staff went through the bids and recommend Greene Finney. They were the lowest cost, local, and are very experienced in governmental accounting. Chairman Reynolds said Greene Finney has done audits for other governments. This will be a contract for three years. Councilwoman King said they also do a lot of audits for school districts across the state.

Councilwoman King made a motion to send this to the Council agenda with Councilwoman Kuzniar seconding. The vote was unanimous (3-0).

- b. Event Coordinator Position- During the May Council meeting, a motion was made to send this item to committee for discussion. There is currently \$18,000 in the budget to fund a part-time Event Coordinator for the Community Development Department. Committee is being asked to consider funding a full-time Event Coordinator with the current \$18,000 and the overage funded from hospitality and accommodations.

The first year, the position would be funded out of the fund balance. In future years, the position would be funded out of revenues. There would not be a major change to the budget.

Chairman Reynolds asked Mr. Madden about the need for a full-time position. Mr. Madden said the programming at the cultural center has increased. The reason for the request is to make sure there is adequate staff to cover events and market them.

Van Broad, Community Development Director, was asked by Chairman Reynolds to give his thoughts on the matter. Mr. Broad said when he was hired, George McLeer was the Cultural Center Coordinator. The department was running two events a year and renting the cultural center facility. The Rotary Club and other groups were renting rooms. Since then, the City has added a Farmer's Market, there was a Pizza, Blues and Jazz festival planned for this year, Beachin' Fridays, Art Haven classes, a Theater Director was added, and \$300,000 in grant funds were raised to renovate the auditorium.

It is difficult in these times to ask companies for sponsorship of events when they may have had to lay people off. The City also wanted marketing added to tell the story of the City. The department needs adequate staffing to continue the programs the City wants to have.

Staff regularly works 90-100 hours per pay period. Mr. Broad said he cannot continue working so many hours without a break and keep his physical and

mental health.

Councilwoman King said she has been on Council, she always wanted to stay within the presented budget. She likes items to be part of the budget process. The full-time employee position did not make it to the budget workshops. A part-time Event Coordinator was added to the proposed budget, but she does not think it was fully discussed. She will support a part-time Coordinator. Councilwoman King said she knows Mr. Broad needs help but would like to start with a part-time position. Under the governor's current executive order, Beachin' Fridays cannot be held. There are a lot of unpredictable events to come.

Councilwoman King said she will support the part-time position for now. It can be discussed again in the budget next year. She also added that no other department was given an employee for this budget year.

Councilwoman Kuzniar asked if the part-time person needed to work extra hours, would they be able to do that? Mr. Brandon said there is \$18,500 in the budget for a part-time position and it would be an hourly position.

Chairman Reynolds said he is concerned with Mr. Broad's workload. He wants to make sure staff needs are provided for. He does believe there is a need to help relieve the workload and this position would provide that.

Councilwoman King made a motion to send this item to Council for further discussion with the possibility of funding a full-time Event Coordinator. Councilwoman Kuzniar seconded the motion. The vote was unanimous (3-0).

7. Public Comment-

Taft Matney- 712 Knollwood Drive. He thanked Councilwoman King for the motion to move the Event Coordinator position to Council.

As I am sitting in the back, I am thinking about producers and consumers and the way our departments operate. Some would argue, at least in the eighties, that the police department was a good producer of revenue. They are beneficiaries of the budget, the same for fire department, and the same for public works.

Community Development is about economic development. It is about bringing in new businesses, tourists, and generating events that make people take a look at Mauldin and say this is where I want to be on Tuesday, for the Farmer's Market, Fridays, for Beachin' Fridays, in September at one of

the BBQ Association's favorite festivals. They usually have to turn people away because this is one of the best barbecue festivals in the state.

Right now, we have a Department Director who is tasked with being the Department Head, running events, finding sponsors, writing grants, and trying to bring new businesses into the City of Mauldin. That is a lot for one person to handle.

Underneath him we have a position to run the interior of the Cultural Center. She does a great job, but when she is not doing that, she is running all over at events, trying to coordinate volunteers, making sure vendors are being paid, and that is out of the scope of her job. We also have a marketing person who is not only marketing Community Development events, but is marketing the City, so we are splitting her job out from that department.

As we look at returning to whatever normal is going to look like, looking at the events at the cultural center, asking for \$40,000 from the H&A fund balance, which is money the building generates, is not a big ask. Thank you, Councilwoman King for the motion, thank you Councilwoman Kuzniar for the second. Mr. Chairman, thank you for letting me talk.

8. Committee Concerns- None

9. Adjourn- Chairman Reynolds adjourned the meeting.

Respectfully Submitted,

Cindy Miller

Municipal Clerk