

**CITY OF COLUMBIA  
WORK SESSION MINUTES  
MAY 13, 2009 – 10:00AM  
CITY HALL - 1737 MAIN STREET**

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The Columbia City Council met for a Work Session on Wednesday, May 13, 2009 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 10:11 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Sam Davis and The Honorable Tameika Isaac Devine. The Honorable Kirkman Finlay III arrived at 10:12 a.m. and The Honorable Belinda F. Gergel arrived at 10:38 a.m. The Honorable Daniel J. Rickenmann was absent. Also present were Mr. Steven A. Gantt, Interim City Manager and Ms. Erika D. Salley, City Clerk.

**ORDINANCES – SECOND READING**

- A. Ordinance No.: 2009-050 – Authorizing the City of Columbia, South Carolina, to execute and deliver an Equipment Lease Purchase Agreement, 2009, in the amount of not exceeding \$900,000 between the City and the Lessor thereof to defray the cost of acquiring certain equipment; and other matters relating thereto – *First reading approval was given on May 6, 2009. – Approved on second reading.*

Upon motion by Cromartie, seconded by Mayor Coble, Council voted unanimously to give second reading approval to Ordinance No.: 2009-050 – Authorizing the City of Columbia, South Carolina, to execute and deliver an Equipment Lease Purchase Agreement, 2009, in the amount of not exceeding \$900,000 between the City and the Lessor thereof to defray the cost of acquiring certain equipment; and other matters relating thereto. Mr. Davis, Mr. Rickenmann and Dr. Gergel were not present for the vote.

**AUDIT COMMITTEE MEETING**

- B. Community Development – Mr. Tony Lawton, Director of Community Development - *Discussion of this matter was deferred.*

**BUDGET COMMITTEE MEETING**

- C. Fiscal Year 2009 / 2010 Budget Review – The Honorable Kirkman Finlay III

Councilor Finlay reported that the Police Department's working budget for payroll was \$21,833,000. As of May 11, 2009, payroll in the Police Department was \$21,731,000 with four (4) payrolls remaining in this year and with each being approximately \$1 million. The Police Department is going to blow their budget by \$3.5 million.

Councilor Cromartie asked why.

Mr. Bill Ellis, Deputy Finance Director explained that the Police Department has exceeded their budget allowance for overtime. They did cut back during this month by 50% and we are making strides in this area.

Councilor Devine asked if the budgets were looked at to determine if there were other problems.

Councilor Finlay replied yes and continued to report that the Fire Department's working budget is \$15 million and they have already spent \$15.5 million with four (4) payrolls remaining; each of which is approximately \$750,000. They are going to blow their budget by \$3 million. We can't spend \$30,000 per year on stable employees for three (3) horses. The overtime for School Resource Officers is greatly above the operating cost.

Councilor Davis questioned the overtime expenses versus the number of current vacancies and candidates in training.

Councilor Finlay asked Ms. Caughman for the 2009/2010 projected revenue totals.

Ms. Melisa Caughman, Budget Director reported that the 2009/2010 revenues are \$96.5 million and total revenues are \$104.6 with transfers. In 2010/2011 projected revenues are \$105 million and \$106.2 with revenues and transfers.

Councilor Devine asked Ms. Caughman to explain her basis for these numbers.

Ms. Melisa Caughman, Budget Director explained that they looked at where we are now with property taxes while not assuming a tax increase or any appreciation.

Mr. Jeff Palen, Treasurer explained that we will adjust the millage back based on the funds made this year; we have to make the same amount of money next year; there is no gain.

Ms. Melisa Caughman, Budget Director added that the millage cap will determine how much it can be increased.

Councilor Finlay said that with natural organic growth without a tax increase, revenue will only jump \$1 million per year for the next two (2) years.

Ms. Melisa Caughman, Budget Director said that the business license and permit revenues are being impacted by the economy; we don't expect any growth in building or construction permits.

Councilor Finlay said that we must have positive cash flow for the coming years; we still have \$3 million to cut from the 2009/2010 budget; department's have to understand that there is no ability to do anything else; there are no more reserves to put in this fight; and we may have to use hospitality tax revenues.

- **Dr. Gergel arrived at 10:38 a.m.**

Mayor Coble said that there are \$6 million in hospitality taxes.

Ms. Melisa Caughman, Budget Director said that some of that's reserved.

Mr. Bill Ellis, Deputy Finance Director said yes sir; it's either designated or unrestricted fund balance.

Mayor Coble asked how much of it is unrestricted.

Councilor Devine asked what is it designated for.

Mr. Bill Ellis, Deputy Finance Director said bonds and debt reserve.

Ms. Melisa Caughman, Budget Director said \$1.7 million is designated.

Councilor Devine said that the rest is unrestricted.

Councilor Finlay said that \$4 million is unrestricted.

Mayor Coble said that State statute outlines what you can do with hospitality for police, fire and emergency services. I think we would need a study or a formula that would justify that.

Councilor Cromartie inquired about the hospitality tax funds that are disbursed to various organizations. How will we balance that?

Mayor Coble said that there are two (2) other areas we should look at. We have art groups that are going to be devastated this year due to the economy. It would be appropriate if we could figure out a way to keep them afloat. The other thing is that the Conventions and Visitors Bureau and the Hospitality Association want to see more marketing; perhaps a portion of the surplus could be spent on that. I would suggest that staff determine how to use a portion of the surplus to reduce the deficit in current departmental budgets.

Councilor Gergel said that she would support the Mayor's recommendations. I would like for us to look at how we might fund river organizations, because the rivers are closely connected to the future of this City in terms of tourism. This is not the time to retrench on groups that are helping us become a tourist destination.

Councilor Finlay said that he understands we have a commitment to fund art groups from the General Fund, but there are City departments that are going to see that same level of devastation.

Mr. Steven A. Gantt, Interim City Manager said that the annual collection in hospitality tax revenues is approximately \$7.5 million.

Councilor Devine concurred with Mayor Coble, noting that the \$4 million hasn't been allocated and we haven't given any expectation to these groups that they are going to receive additional monies. We have already prepared them for a cut next year and we don't need to back off of that, because we have no idea how the money is going to come in next year.

Councilor Davis said that he is advocating for those that never had a chance to come to the table. We have cautioned many of the groups about depending solely on City dollars. There are some legitimate organizations that are trying to get off the ground. We should consider cuts and then spread that money elsewhere. I concur with everything else.

Councilor Cromartie said that he is concerned about the generators of the hospitality tax. We have to ensure that those organizations receive their level of funding; otherwise, those sales will go down and the money will not be generated. We have to be very careful to not cause a reduction in collections.

Mr. Ken E. Gaines, City Attorney read the following from the South Carolina Code of Laws Section 6-1-730: (A) The revenue generated by the hospitality tax must be used exclusively for the following purposes: (1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums; (2) tourism-related cultural, recreational, or historic facilities; (3) beach access and renourishment; (4) highways, roads, streets, and bridges providing access to tourist destinations; (5) advertisements and promotions related to tourism development; or (6) water and sewer infrastructure to serve tourism-related demand. (B)(1) In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (A) (1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities. (2) In a county in which less than nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, an amount not to exceed twenty percent of the revenue in the preceding fiscal year of the local hospitality tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.

Councilor Devine asked if the surplus included the money for Olympia as discussed last week.

Mr. Ken E. Gaines, City Attorney said that he looked at this; he thinks that street lighting is a legitimate expense; and he will be providing a memo.

Mr. Bill Ellis, Deputy Finance Director said that it is included in the \$4 million; thus reducing the unrestricted amount.

Councilor Gergel asked if \$500,000 from the surplus was committed to the Skate Park.

Ms. Melisa Caughman, Budget Director said that \$1.25 million is allocated in the current year from the hospitality tax surplus of which \$500,000 is for the Skate Park.

Councilor Devine said that we need to know what the exact balance is.

Mr. Steven A. Gantt, Interim City Manager said that Homeland Security should be one of the departments looked at, since Community Safety Officers do provide some services to church related activities.

Councilor Gergel inquired about the \$250,000 that is held in reserve.

Ms. Libby Gober, City Council Liaison said that it was \$250,000, but the Council spent \$20,000 leaving \$230,000 in this year's budget. I don't know if that's included in the surplus figure. She explained that City Council set up the \$250,000 contingency in hopes of taking another round of applications or to take another look at those that were drastically cut. We did not do that; therefore, the \$230,000 should still be there.

Councilor Finlay continued his review of Public Safety. Their budget was significantly less, but my argument is that we are about to get a new Public Safety Director, these lines will have to be adjusted by somebody managing that department. We must say that the number cannot exceed a specific amount. In order to have any surplus, everybody had to take a slight hit.

Councilor Gergel asked why the Information Technology Department's budget is being increased by \$500,000 in this frugal year.

Ms. Melisa Caughman, Budget Director said that some of the departments that are under the current year's allocation have not been allowed to hire so they are projected to spend less. Some of the departments have been able to budget for vacancies in the next year.

Councilor Devine requested specifics from Ms. Caughman on all increased budgets.

Councilor Finlay asked Mr. Baker how many new parks are going online.

Mr. S. Allison Baker, Assistant City Manager for Public Services said two (2).

Councilor Finlay said that we have in essence frozen his budget and given him more to do.

Councilor Devine inquired about the budget increase for the Information Technology Department. This department has grown over the last two (2) years.

Ms. Melisa Caughman, Budget Director said that they added positions 2-3 years ago, but not since then.

Ms. Gladys Brown, Assistant City Manager for Administrative Services explained that the increase is due in part to maintenance and health insurance.

Councilor Davis said that these budgets contain vacancies that have been carried over and we need to look at that to determine what is essential and what's not.

Councilor Finlay asked if anybody wanted to cut funds for homeless services below \$500,000.

Mayor Coble said no, but there is some overlap with stimulus funding.

Councilor Gergel requested a breakdown on the budget for the Legislative-Council Department.

Mr. Steven A. Gantt, Interim City Manager said that he's made fairly significant reductions in that budget already, but he can go back and see about making additional reductions.

Councilor Finlay asked Mr. Gantt to reduce the City Manager's budget to \$350,000, if possible. He asked the City Attorney if there was any more fat to be had from their budget.

Mr. Ken E. Gaines, City Attorney said no sir; if I can get the hotel litigation resolved we will be in better shape. Most of this is for salaries; I have one vacancy for a paralegal that I am filling with a temporary employee right now and that is not eating up any retirement or insurance; and we must take depositions.

Councilor Devine said that Judge Turner has worked hard to cut things in the Municipal Court budget, but we need to purchase the Court Management System with Richland County. She can cut somewhere else to pay for that Court Management System. The \$400,000 for the Village at River's Edge is confusing me and I want to make sure we are all on the same page. That money is coming from CDBG and Water and Sewer, right?

Mr. Steven A. Gantt, Interim City Manager said that it's coming from EDI, which is a CDBG loan to pay for the infrastructure and then the EDI loan is paid back out of the General Fund over a four (4) year period.

Councilor Devine asked Mr. S. Allison Baker, Assistant City Manager for Public Services to verify this with Mr. Lawton, because he is saying that it doesn't have to be paid back.

Mayor Coble said that if it's a loan, it will be in next year's budget.

Mr. Steven A. Gantt, Interim City Manager said that would be in 2010/2011.

Mayor Coble suggested that Mr. Finlay remove that from the list until next year.

Councilor Devine inquired about the funding being removed for the anti-gang initiative/study.

Mayor Coble suggested that they put \$100,000 in for the gang study.

Councilor Devine concurred, noting that we must do this.

Ms. Melisa Caughman, Budget Director said that if you look at the \$4 million, if it is reduced to \$3 million, \$2 million of it is for the Regional Transit Authority (RTA).

Mayor Coble said that while we don't own it yet and they are cleaning it, we will eventually get the old Bus Barn property and sell it. I would ask that our bond counsel and attorneys determine if it's possible to do the same thing with this as we did the fire trucks, which is a Tax Anticipation Note (TAN). There may be legal issues to prevent this.

▪ **Mr. Cromartie and Ms. Devine left the meeting at 11:34 a.m.**

Councilor Gergel inquired about Community Promotions. What are we doing with the extra request for Public Relations money? In fact, I want written justification on anything that went up. Is it absolutely essential to do it this year? Can it be postponed?

Mr. Steven A. Gantt, Interim City Manager said that we have multiple activities scheduled that need to be filmed, but we have one (1) person in Public Relations that can film these activities. We must have the folks that can do that and we must have improvements on Channel Two.

Councilor Finlay asked Mr. Ellis if there was any fat to be cut in the Finance Department's budget.

Mr. Bill Ellis, Deputy Finance Director said that he would look.

Mr. Steven A. Gantt, Interim City Manager said that we need to make sure that we have enough quality folks in the Finance Department to keep the books reconciled in a current fashion and with all this stimulus money we must have someone to handle all of the federal grants.

Councilor Gergel added that Development Services is \$300,000 over this year's budget.

Mr. Steven A. Gantt, Interim City Manager explained that they could not meet the number given due to insurance increases. They would have to let people go.

Councilor Davis said that he would be concerned about not allowing Development Services to grow, because we haven't done a good job when it comes to code enforcement. There are areas of this City that are suffering. I would like to see where the increased costs are. I would like to see more aggression when dealing with landlords and boarded up houses.

Councilor Finlay said that the Human Resources Department is going to see a significant workload increase and we should hold the line with their budget. I do think the number should go down two (2) years from now.

Councilor Gergel inquired about the Department of Governmental Affairs and Community Relations.

Ms. Melisa Caughman, Budget Director explained that the lobbyists and the grant writer are paid from this budget, which was decreased by removing 311 and another staff person; then it was increased by adding the grant writer.

Councilor Gergel requested information on the lobbyist(s) used through the Municipal Association, the City of Greenville, the City of Charleston and Lexington County. I want to know if we are doing more lobbying than other cities. She inquired about the budget for Administration – Administrative Services.

Ms. Gladys Brown, Assistant City Manager for Administrative Services explained that four (4) employees are included in that budget along with all of the budget materials.

Ms. Melisa Caughman, Budget Director further explained that they held off on some expenses in light of the spending freeze, but the savings were eaten up by healthcare costs.

Ms. Gladys Brown, Assistant City Manager for Administrative Services said that in the last quarter they end up spending more than what is projected.

Councilor Gergel asked why we would do that; why wouldn't we make every effort to hold to the projected number for the remainder of this year.

Ms. Gladys Brown, Assistant City Manager for Administrative Services said that they are doing that; it can be met.

Councilor Davis requested a listing of the frozen positions in Development Services.

Councilor Gergel asked Mr. Gantt how close he thinks we will come to making the 2008/2009 budget.

Mr. Steven A. Gantt, Interim City Manager said that we are going to exceed it by \$7 million.

Mayor Coble asked if that included the \$900,000 that was put back in.

Mr. Steven A. Gantt, Interim City Manager said yes.

Mayor Coble said that with all the millions of dollars we are getting in stimulus money lets look at where we can save; what can we do to reduce what's already in the budget? He asked Ms. Florence to look into this.

Ms. Melisa Caughman, Budget Director warned that grant dollars can't be used to supplant the General Fund.

Mr. Steven A. Gantt, Interim City Manager said that the \$50,000 can be removed for the security cameras.

Councilor Finlay asked about funding for the Richland School District One Together We Can initiative.

Mayor Coble said that we need to do something with that, but I don't know if we would spend \$65,000.

Ms. Melisa Caughman, Budget Director said that \$25,000 was enough. She asked if \$94,000 is needed for the Solicitor's Office and the Teen and Drug Courts.

Mayor Coble said that we aren't paying anything now, but we need to do something.

Mr. Steven A. Gantt, Interim City Manager asked for the year-to-date numbers on the Detention Center.

Councilor Finlay asked Mr. Gantt what the non-department and miscellaneous expenses are.

Ms. Melisa Caughman, Budget Director explained that it's the amount budgeted, but not expended for the employee luncheon, Christmas holiday celebration and tuition reimbursement.

Councilor Gergel inquired about the transfer out to Integrated Software/Annual Maintenance.

Ms. Melisa Caughman, Budget Director explained that it's for the annual support and maintenance contract and a staff person.

Councilor Gergel said that all of the technology items should be grouped together.

Councilor Finlay said that debt service is debt service and that number should not fall.

Mr. Bill Ellis, Deputy Finance Director said that is a good number; you have to pay your debt service.

Councilor Finlay asked Mr. Ellis if \$2,087,207 is a good number for Risk Management.

Mr. Bill Ellis, Deputy Finance Director said yes; it is.

Councilor Finlay said that \$200,000 will go toward the \$20 million Capital Improvement Projects.

Councilor Gergel inquired about the transfer out for the Columbia Action Council. What do they do?

Mr. S. Allison Baker, Assistant City Manager for Public Services said the Concerts in the Park; Veterans Day Parade; the New Year's Eve celebration; and several other things throughout the year. They are apart of putting forth any special activities or events that the Parks and Recreation Department is involved in.

Mr. Steven A. Gantt, Interim City Manager asked if that could be something that Hospitality Taxes could be used for.

Councilor Finlay said that they need to take a cut like everybody else.

Councilor Finlay asked Mr. Ellis if we needed to do anything with GASB45 for 2009/2010.

Mr. Bill Ellis, Deputy Finance Director said absolutely.

Mr. Steven A. Gantt, Interim City Manager said that his goal today is to come up with a bottom line number for the General Fund so that staff has a number to work toward advertising.

Mayor Coble asked the Budget Director if they can advertise a higher number and then go to a lower number.

Ms. Melisa Caughman, Budget Director explained that you can advertise at a higher number and then make cuts with those reductions going to surplus funds.

- **Council recessed at 12:19 p.m.**
- **Council reconvened at 3:09 p.m.**

D. \*\*Fiscal Year 2009/2010 Budget Reductions - The Honorable Kirkman Finlay III

Councilor Finlay explained where they left off with the fiscal year 2009/2010 budget review. We are left with \$103,013,162 for total expenditures and revenues of approximately \$3 million more. He noted that \$1 million is being allocated for a special reserve account and that \$3.8 million is allocated for GASB 45 for a total of \$4.8 million; leaving a deficit of \$1,749,144. If we start with a General Fund Net Assets of \$4.5 million and hit that with the \$1,749,144 deficit; we would end fiscal year 2009/2010 with \$2.75 million in the General Fund, assuming we held every department to their budget or less and that revenues came in. We are operating in a deficit and our margin of error in our budget is 1%.

Councilor Gergel asked Mr. Simonowicz to explain why the Information Technology Department's budget has increased.

Mr. Vincent Simonowicz, Director of Information Technology explained that they stopped spending earlier this year, but there are some things they must purchase. We have twenty-five full and part-time positions of which we are only staffed at 17, which is crippling us. If we were staffed at the appropriate level then the gap wouldn't be so wide.

Councilor Gergel asked how Mr. Simonowicz would handle it if the budget were cut to \$2.1 million.

Mr. Vincent Simonowicz, Director of Information Technology said that he doesn't know how to properly answer that. He urged the Council to understand that IT touches every City department and we are stretched across the City. I don't know if we can sustain services at the current level. Most of our costs are fixed and can't be adjusted by us. I've suggested that we distribute the costs to the departments and then our budget wouldn't be so large.

Councilor Davis asked Mr. Simonowicz to be more specific about the cut backs.

Mr. Vincent Simonowicz, Director of Information Technology said that the bulk of the monies that are differential are for payroll which translates to people; our healthcare and worker's compensation costs have increased; and I am eliminating three (3) permanent positions.

Councilor Davis asked Mr. Mylott to explain where cuts were made within the budget for Planning and Development Services.

Mr. Marc Mylott, Director of Planning and Development Services explained that under the premise of a 3.9% reduction he would have to eliminate five (5) positions, leaving approximately \$3.7 million in the budget.

Councilor Devine asked what the number would be if he only cut the two (2) positions that are currently vacant.

Mr. Marc Mylott, Director of Planning and Development Services further explained that the \$3.9 million budget would allow them to keep all current positions and to fund the vacancies, which are for a Vector Control Worker and a Zoning Analyst.

Councilor Gergel asked if they could live without the Zoning Analyst for one (1) year.

Mr. Marc Mylott, Director of Planning and Development Services said at this time, yes.

Councilor Devine asked if he could live without both positions for one (1) year.

Mr. Marc Mylott, Director of Planning and Development Services said that the Vector Control Worker is a very important position.

Councilor Davis asked what the impact would be.

Mr. Marc Mylott, Director of Planning and Development Services said that they have submitted a budget that they think works, but they did not have to eliminate any positions. We may need to use a more consolidated pool of City crews to cut lots, as recommended by Assistant City Manager Baker.

Mr. Steven A. Gantt, Interim City Manager asked if they wanted to reduce the Planning and Development Services Department's budget by \$41,000.

Councilor Devine said that it should be reduced by the total amount of the two (2) vacancies.

Councilor Gergel asked Ms. Utsey to explain where she can make cuts. She asked if they would be adding any staff for next year.

Ms. Leshia Utsey, Director of Public Relations said no; we gave up one (1) staff person in an administrative position to keep all of our professional positions. We are not adding any staff, but we would like to in order to make Channel Two what everyone wants it to be. We slashed our professional services funding to absorb the healthcare costs. We went back and cut another 3.9% from professional services and miscellaneous services. We are truly operating with one (1) technician without having any freelance photographers or help with programming for Channel Two. We postponed the enhancements for the camera system in Council Chambers; we've stopped printing publications and started sending them out electronically; we will not print calendars or annual reports next year; we still print the Neighborhood News to continue communications with neighborhood presidents and officers.

Councilor Devine asked if there is anything that can be further reduced in this budget.

Ms. Leshia Utsey, Director of Public Relations said that they could cut more, but that would cause them to communicate less.

Councilor Devine added that Ms. Utsey has been thinking about a lot of ways to reduce their budget. There is an opportunity to partner with the Mass Communications Department at the University of South Carolina.

Ms. Leshia Utsey, Director of Public Relations said that they also recruited two (2) seniors as interns that will work for free during the summer. We are also working with Benedict College. She further suggested that they distribute the neighborhood newsletter on a quarterly basis.

Mr. S. Allison Baker, Assistant City Manager for Public Services suggested that the funding for the neighborhood newsletter come from the Community Development Department's budget.

Councilor Cromartie asked Ms. Utsey if it is possible to find funding for the calendars or if Council wanted to let it go.

Councilor Devine said that she is willing to let it go.

Councilor Davis said that he is willing to forego the calendars.

Councilor Devine asked Ms. Utsey if she could live with \$450,000.

Ms. Leshia Utsey, Director of Public Relations said that they will do what they have to do; I will have to find somewhere to cut. We have \$50,000 for expenses and the remaining funds are for salaries.

Councilor Devine asked if the Clerk's Office has thought about going to electronic packets for the agenda.

Ms. Erika D. Salley, City Clerk explained that we are currently using hyperlinks for the agendas, which allows you to view and print the items from your desktop.

Councilor Cromartie said that the notebooks are essential to the process of us effectively doing our job. I realize that once you do this you won't be as effective in terms of what you are trying to achieve.

Councilor Finlay said that we need to do this. The new budget number for Citizens Support Services is \$370,000.

Councilor Davis agreed.

Councilor Devine said that Municipal Court really needs a Court Management System that costs \$120,000 and the budget is currently \$2.3 million. What would that do to the operating budget?

Ms. Dana Turner, Chief Administrative Judge for Municipal Court explained that they would not be able to fill a vacancy for a Court Officer. They are willing to use regular copier paper versus the specialty docket paper to save money. I have already removed one (1) staff

person from the budget and we may be able to remove another administrative position. I could make it with \$2,257,000 with the current staff, current judges and reducing the substitute judges to \$40,000 per year, but that doesn't include the Court Management System.

Councilor Finlay said that he rounded it to \$2,385,000 for Municipal Court.

Councilor Devine inquired about overtime at Municipal Court.

Ms. Dana Turner, Chief Administrative Judge for Municipal Court said that there is overtime in the budget for Court Officers, because they are understaffed and working 12-days consecutively, but we have eliminated overtime for the Court Clerks and they are working alternate schedules.

Councilor Finlay asked about the budget for Legislative-Council.

Ms. Melisa Caughman, Budget Director explained that the increase accounts for \$250,000 for the Internal Auditor's contract, which could be less or more; \$30,000 for miscellaneous Council travel; and \$100,000 for the City Council Contingency Account, which was moved from non-departmental to the Legislative-Council budget. She reported that \$314,352 is for personnel services to include all members of Council and the Mayor's staff; the service expenses are your expense accounts at \$8,000 each; \$37,500 for memberships and dues; keys to the city; vehicle maintenance and repairs; and two (2) mobile phones

Councilor Gergel suggested that they strike the \$30,000 for travel.

Councilor Cromartie argued that the money is needed to travel to Washington, DC to acquire funds for various projects. There is a lot of federal money coming down the pipe and you have to go and get it.

Councilor Devine said that this isn't forever; we have to make it through next year. We talked about changing the amount in our expense accounts.

Councilor Finlay suggested that \$765,000 be allocated for the Legislative-Council budget.

Councilor Cromartie suggested \$700,000.

Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations explained that the new number is \$478,393 with the 3.9% reduction and that she reduced the state lobbyist contracts by 15%. The lobbyists can live with a 10% reduction, but my budget incorporates the 15% reduction. She said that if we reduced the federal lobbyist contract then we would have to discuss the current scope and I believe they would all want to do that.

Councilor Gergel asked if we have more lobbyists working for us than Charleston and Greenville.

Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations said that Charleston doesn't have contract lobbyists per se; they have a staff person who's similar to me, but he's not registered to lobby from my understanding. She said that Greenville has Ted Riley and probably two (2) to three (3) other registered lobbyists and an administrative person to monitor. They are not staff of the City of Greenville, they have other clients.

Councilor Gergel asked what we get through the Municipal Association.

Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations said that she uses the MASC for various things and to find out information.

Mayor Coble explained that there was a time when Congressman Wilson was a Senator and he would introduce legislation every year to eliminate the water system and other things so we had to have a lobbyist to work with that. Then there are occasions when the Municipal Association's position differed from the City's such as with the 5% franchise fee going to a business license; it was a net increase for smaller cities that didn't have a franchise fee and it was a net decrease for us. We must have someone lobbying the Richland County delegation and then you must have republican lobbyists. I am sure we could do less.

Councilor Devine suggested that there be a combination of monitoring by the Municipal Association to reduce the workload of the lobbyists.

Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations said that if you take out \$100,000 that would reduce the budget to \$377,410 while eliminating the state lobbyists and retaining the federal lobbyist. She noted that the federal lobbyist has a 5% increase built into the contract.

Mayor Coble asked if Ms. Florence could live with \$450,000; would that cut anybody?

Ms. Teresa Wilson Florence, Director of Governmental Affairs and Community Relations said that's fine; no it doesn't cut anybody, but you also have to take into account that the grant writer is in this budget; I have no travel built into the budget for myself; and there are budgetary considerations that I have handled in previous years that may be accounted for in other budgets.

Councilor Devine asked if the Solicitor requested \$94,000; a year ago we paid \$62,000.

Ms. Melisa Caughman, Budget Director reiterated that the \$94,000 is for the Solicitor's Office and Teen Court and Drug Court.

Councilor Davis asked if we had expenditures from the Teen Court during this year.

Councilor Finlay suggested that it be \$70,000.

Mr. Steven A. Gantt, Interim City Manager explained that he left \$112,290 in personnel for the Administration - City Manager's budget; depending on when you all move forward you can use some of that, all of that or none of that. There are four (4) employees remaining in that budget and we can't do anything about that. I don't need any of it; you can take \$112,290 if you don't need any funds for a City Manager in 2009/2010. He identified the employees and salaries still being paid out of the City Manager's budget.

Councilor Finlay suggested that the budget be \$350,000.

There was a consensus of Council to allocate \$400,000 for the Administration-City Manager's budget.

Mr. Steven A. Gantt, Interim City Manager explained that there are two (2) employees in the Administration – Operations budget for a total of \$224,531 and supplies and everything else is \$4,700.

Ms. Gladys Brown, Assistant City Manger for Administrative Services explained that her budget includes four (4) employees. She said that \$300,000 would not work, because that doesn't cover salaries and benefits, which total \$366,602. The operating expenses are \$6,600, which includes office supplies and gasoline.

Councilor Gergel suggested that they allocate \$375,000.

Ms. Gladys Brown, Assistant City Manger for Administrative Services said that she doesn't think that will work, because the budget notebooks and other items are included. I think that \$400,000 will work.

Councilor Devine recommended \$380,000.

Ms. Gladys Brown, Assistant City Manger for Administrative Services requested \$390,000.

Ms. Melisa Caughman, Budget Director explained that the Administration-Neighborhood & Community Services budget includes salaries with two (2) additional staff persons that weren't there before. They did not budget for them in the Community Development Department's budget. That leaves them very little operating funds. She added that Mr. Baker's salary is split between this budget and the Parks and Recreation Department's budget.

Councilor Devine suggested that the budget remain at \$230,626.

Ms. Melisa Caughman, Budget Director explained that Training Development's budget includes two (2) employees that handle training and professional development for all of the City like the Get Set Program. There is no charge to the departments to attend the training unless there is a nominal charge for materials. The salaries are \$142,818; \$1,700 for supplies; \$40,973 for services; and \$34,000 for other training.

Ms. Gladys Brown, Assistant City Manger for Administrative Services said that \$180,000 would work.

Councilor Devine inquired about the budget for the Office of Business Opportunities, noting that when they consolidated with the Community Development Department positions were moved. What is the absolute bare minimal that is needed?

Ms. Melisa Caughman, Budget Director said that this budget reflects them being fully staffed; based on their current year expenditures, they are not at full staff, presently.

Councilor Finlay suggested that they budget them at \$360,000 for next year, because they projected \$360,000 for this year.

Ms. Melisa Caughman, Budget Director added that this budget doesn't reflect charges for Mr. Franklin Lee, Esquire.

Councilor Devine said that the funds would need to come from the City Attorney's budget.

Mr. Ken E. Gaines, City Attorney said that it is \$75,000 per year.

There was a consensus of Council to allocate \$435,000 for the Office of Business Opportunities.

Councilor Gergel started the discussion on the Community Promotions budget. She is concerned that all of the organizations she is familiar with are hurting very badly in some areas. She doesn't know what Ms. Dee Albritton of Fast Forward would do if her budget is cut. The River Alliance receives matching funds from other places and maybe we should consider funding them through the Hospitality Tax Fund. Are we going to cut the Greater Columbia Community Relations Council; they are having a hard time. I see them in many ways as extensions of our City.

Councilor Devine said that we can't fund these organizations and not fully fund our departments. I've talked with a lot of these agencies and we've sent letters advising them to expect a cut.

Mayor Coble asked for the total amount in Community Promotions.

Councilor Finlay said \$600,000 and the requests are for \$1.2 million.

Councilor Gergel said that \$516,000 was spent last year; we are decreasing that to \$387,000; and it would be very short-sighted to reduce the agencies at all, given the reality of where they are.

Councilor Finlay said that he can't support that.

Councilor Cromartie said that the Columbia Urban League has done an excellent job with educating our young people. I want to ensure that the summer programs for teenagers can continue; it cuts down our problems with the police and everybody else.

Councilor Davis said that the citizens are watching and responding to how much we are spending out there; what we're doing with our budget; and the impact the budget has had on them.

Councilor Davis said that the same principle applies to the Accommodations Tax Fund; we are cutting our budget and that directly impacts people who provide essential services; we have other agencies and you want them to be held harmless in this process.

Councilor Gergel said not harmless, but they have already taken it from the public.

Mayor Coble said that Lexington County cut out all of their outside agencies; I don't think we should do that, but some of these may be taking 50% cuts when you add everything together.

Councilor Gergel reported that the total allocation for agencies is \$387,000; last year it was \$515,000.

Councilor Devine suggested that the total allocation be \$400,000. She reported that the Chair of the Community Promotions Advisory Committee has agreed to do an excellent job with whatever allocation the committee receives.

Councilor Finlay suggested the Community Promotions Advisory Committee disburse all of the Community Promotions Fund.

Councilor Devine said that Keep the Midlands Beautiful needed to be added to the list.

Councilor Finlay suggested that \$200,000 be allocated to the committee.

Councilor Finlay suggested that the Information Technology Department receive \$2.1 million.

Mr. Vincent Simonowicz, Director of Information Technology said that seems to be an 18% cut. I am \$106,000 short of keeping the department staffed at the current level. I need \$2,220,000 with the understanding that I won't be able to handle any emergencies.

Mr. S. Allison Baker, Assistant City Manager for Public Services said that there are some concerns that he has. We have a \$8.5 million building (the Wellness Center) that's one of the nicest facilities in the Midlands; we opened in December 2005 with a new building and today it looks like a new building, because we have the necessary staff to keep it that way. I can make it with Parks and Recreation. We cannot do renovations to facilities; we can rearrange staff; we aren't filling positions, but I am concerned that the \$450,000 in revenue that we are able to collect is not going to happen when member services go down.

Councilor Cromartie reported that they have decided to use 10% of the funds raised to replace and repair the equipment at the Wellness Center.

There was a consensus of Council to direct staff to go through everything that was done today and bring back matters that require their attention. The budget recommendations should reflect every cost savings that is available to the City of Columbia.

E. GASB 45 – Mr. Bill Ellis, Deputy Finance Director – *This item was not discussed.*

Upon motion by Mayor Coble, seconded by Ms. Devine, Council voted unanimously to go into Executive Session at 5:21 p.m. for the discussion of investigative proceedings regarding allegations of criminal misconduct. Mr. Finlay was not present for the vote.

▪ **Council adjourned the meeting at 6:00 p.m.**

Respectfully submitted by:

Erika D. Salley  
City Clerk