

SPECIAL MEETING OF FLORENCE CITY COUNCIL

WEDNESDAY, JUNE 1, 2016 – 4:30 P.M.

SURFACE WATER TREATMENT FACILITY

2598 FLORENCE HARLLEE BLVD.

FLORENCE, SOUTH CAROLINA

AGENDA

I. CALL TO ORDER

II. INVOCATION

Pledge of Allegiance to the American Flag

III. WORKSESSION

a. Final presentation for FY 2016-2017 City of Florence Budget

IV. INTRODUCTION OF ORDINANCE

a. Bill No. 2016–25 – First Reading

An Ordinance to raise revenue and adopt a budget for the City of Florence, South Carolina, for the fiscal year beginning July 1, 2016, and ending June 30, 2017.

V. INTRODUCTION OF RESOLUTION

a. Resolution No. 2016-12

A Resolution amending Resolution 2008-09 pertaining to the City of Florence Retirement Benefits program for Shared Purchase of Health Insurance.

VI. ADJOURN

FLORENCE CITY COUNCIL MEETING

**IV. a.
Bill No. 2016-25
First Reading**

DATE: June 1, 2016

AGENDA ITEM: FY 2016 -17 Budget Ordinance – First Reading

DEPARTMENT/DIVISION: Finance

I. ISSUE UNDER CONSIDERATION

The adoption of Fiscal Year 2016 -17 Budgets for the City of Florence.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN

FY 2016-17 budget development began in February and continued through March and April with the preparation of revenue estimates, wages and benefits data development, the submission of departmental budget requests, and departmental budget meetings with the City Manager. Council work sessions were held to review budget related issues.

III. POINTS TO CONSIDER

The General Fund, General Fund Debt Service Fund, Water & Sewer Enterprise Fund, Stormwater Enterprise Fund, Water and Sewer Utilities Construction Fund, Stormwater Utility Construction Fund, Water and Sewer Utilities Equipment Replacement Fund, Stormwater Utility Equipment Replacement Fund, and the Hospitality Fund budgets for the fiscal year ending June 30, 2017, recommended for adoption by the City Council are enclosed for your review.

IV. OPTIONS

Adopt the budgets.


Modification of the budgets as presented.

III. STAFF RECOMMENDATION

Adopt the FY 2016-17 recommended budgets.

IV. ATTACHMENTS

The FY 2016-17 budget ordinance is attached.



Thomas W. Chandler
Finance Director



Andrew H. Griffin
City Manager

ORDINANCE NO. 2016- _____

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE CITY OF FLORENCE, SOUTH CAROLINA, FOR THE FISCAL YEAR BEGINNING JULY 1, 2016, AND ENDING JUNE 30, 2017.

WHEREAS, § 5-7-260 of the South Carolina Code of Laws (as amended) requires that a Municipal Council shall act by ordinance to adopt budgets and levy taxes pursuant to public notice.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Florence in Council duly assembled and by the authority of the same:

Section 1

- (a) There is hereby adopted a General Fund budget for the City of Florence for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein, providing for revenues and appropriations in a total amount of \$33,330,000.
- (b) Further, there is hereby adopted a General Fund Debt Service Fund budget for the City of Florence for fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein, providing for revenues and appropriations in the total amount of \$440,200.
- (c) Further, there is hereby adopted a Water and Sewer Utilities Enterprise Fund budget for the City of Florence for fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein, providing for revenues and appropriations in a total amount of \$32,965,000.
- (d) Further, there is hereby adopted a Stormwater Utility Enterprise Fund budget for the City of Florence for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein providing for revenues and appropriations in the total amount of \$1,365,000.
- (e) Further, there is hereby adopted a Water and Sewer Utilities Construction Fund budget for the City of Florence for fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein, providing for revenues and appropriations in a total amount of \$7,669,000.
- (f) Further, there is hereby adopted a Stormwater Utility Construction budget for the City of Florence for fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein, providing for revenues and appropriations in a total amount of \$707,000.

Fiscal Year 2016-17 Budget Ordinance (continued)

- (g) Further, there is hereby adopted a Water and Sewer Utilities Equipment Replacement Fund budget for the City of Florence for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein providing for revenues and appropriations in the total amount of \$1,234,800.
- (h) Further, there is hereby adopted a Stormwater Utility Equipment Replacement Fund budget for the City of Florence for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein providing for revenues and appropriations in the total amount of \$400,000.
- (i) Further, there is hereby adopted a Hospitality Fund budget for the City of Florence for the fiscal year beginning July 1, 2016, and ending June 30, 2017, as filed in the office of the City Clerk which is hereby incorporated by reference as if set forth fully herein providing for revenues and appropriations in the total amount of \$6,055,000. Authorized as part of this ordinance and incorporated into the Hospitality Fund budget is a commitment by the City of Florence to contribute to the operations and maintenance costs of the Florence County Museum for the fiscal year beginning July 1, 2016, and ending June 30, 2017, and for future fiscal years through June 30, 2025 pursuant to the Memorandum of Understanding Between Florence County and the City of Florence dated April 25, 2013.

Section 2

In accordance with § 6-1-320 of the South Carolina Code of Laws (as amended), a tax for general operating purposes for the period from July 1, 2016, and ending June 30, 2017, for the sums and in the amount hereinafter mentioned, is and shall be levied, collected and paid into the treasury of the City of Florence for the operational use and service thereof. A tax of fifty seven and four-tenths (57.4) mills upon each one dollar (\$1.00) in value of real estate and personal property of every description owned and used in the City of Florence, South Carolina, is and shall be levied and paid into the City treasury for the credit to the City of Florence for the corporate purposes, improvements, and for the purpose of paying current operating expenses of said municipality. Such tax is composed of the existing rate of 53.7 mills plus an additional 3.7 mills, as allowed in § 6-1-320 (A)(1) and § 6-1-320 (A)(2) of the SC Code of Laws, and such tax is levied on property assessed for taxation for County and State purposes.

Section 3

City Council further intends, effective July 1, 2017, to increase the operating millage stated in Section 2 in an amount up to eight-tenths (.8) mills, subject to and finally determined by the required millage cap calculation based on CPI and population growth pursuant to § 6-1-320 (A)(1) and § 6-1-320 (A)(2) of the SC Code of Laws.

Section 4

Fiscal Year 2016-17 Budget Ordinance (continued)

In accordance with of § 6-1-320 of the South Carolina Code of Laws (as amended), a tax for general obligation bond indebtedness for the period from July 1, 2016, and ending June 30, 2017, for the sums and in the amount hereinafter mentioned, is and shall be levied, collected and paid into the treasury of the City of Florence for the purpose of meeting general obligation bond debt service requirements. A tax of up to, but not exceeding, four (4.0) mills upon each one dollar (\$1.00) in value of real estate and personal property of every description owned and used in the City of Florence, South Carolina, is and shall be levied and paid into the City treasury for the credit to the City of Florence for the purpose of providing and paying for general obligation bond debt of the municipality. Such tax is levied on property that is assessed for taxation for County and State purposes.

Section 5

In accordance with § 23-47-10 through § 23-47-80 of the South Carolina Code of Laws (as amended), and § 14-93 through § 14-98 of the City of Florence, SC Code of ordinances (as amended), funding is and shall be provided to allow for the operation, maintenance, and enhancements of the E-911 system through a monthly charge of seventy-seven cents (\$0.77) upon each local exchange access line in the area served by or which would be served by the E-911 service and/or system of the City. Such charges are specifically enforceable under § 23-47-50 (B) of the SC Code of Laws. E-911 fees collected by the City of Florence shall be used to fund the acquisition of Police and Fire communications equipment in compliance with § 23-47-40 (B) of the South Carolina Code of Laws, as amended. Funding in the total amount of \$560,000 is hereby appropriated and allocated in increments of approximately \$80,000 per year over a seven-year period, from fiscal year beginning July 1, 2015 through fiscal year ending June 30, 2022 as part of a multi-year communications equipment budget provided pursuant to the Florence City Council adoption of Resolution No. 2015-13.

Section 6

The City Manager shall administer the budget and may authorize the transfer of appropriate funds within and between departments as necessary to achieve the goals of the budget. The City Manager is authorized to assign fund balance intended to be used for specific purposes.

Section 7

The City Manager or his designee is authorized to execute all necessary documents relating to the lease-purchase financing of equipment specifically authorized in the budget as presented or amended by City Council for fiscal year beginning July 1, 2016, and ending June 30, 2017. This action further constitutes a resolution of City Council authorizing and approving such equipment for lease-purchase acquisition, and this ordinance shall serve as representation of this resolution.

Section 8

If for any reason, any sentence, clause or provision of this Ordinance shall be declared invalid, such shall not affect the remaining provisions thereof.

Fiscal Year 2016-17 Budget Ordinance (continued)

Section 9

That all ordinances or parts of ordinances conflicting with the provisions of this Ordinance are hereby repealed, insofar as the same affect this Ordinance.

Section 10

That this Ordinance shall become effective on July 1, 2016.

ADOPTED THIS ____ DAY OF _____, 2016.

Approved as to form:

James W. Peterson, Jr.
City Attorney

Stephen J. Wukela
Mayor

Attest:

Dianne M. Rowan
Municipal Clerk

**V. a.
Resolution
No. 2016-12**

FLORENCE CITY COUNCIL MEETING

DATE: June 1, 2016
AGENDA ITEM: Resolution
DEPARTMENT/DIVISION: Finance Department

I. ISSUE UNDER CONSIDERATION

For consideration is a Resolution to amend Resolution 2008-09 pertaining to the City of Florence Retirement Benefits Program for the Shared Purchase of Health Insurance.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN

No previous action has been taken on this resolution.

III. POINTS TO CONSIDER

A. On July 14, 2008, City Council adopted a resolution authorizing eligible retirees who reach the age of 65 or who otherwise qualify for Medicare benefits as primary carrier to be covered through the City under a Medicare supplement as secondary carrier. In 2008, the premiums paid by the City covered 100% of Medicare supplement cost.

B. Medicare supplement costs were maintained at the 2008 level, to be periodically reviewed by the City pursuant Resolution 2008-09. Since 2008, the Medicare supplement rates have increased by approximately 74%.

C. Due to the significant cumulative increase experienced since 2008, it is recommended that premiums paid by the City for eligible retirees' Medicare supplement should now be increased from the maximum amount established in resolution No. 2008-09.

D. It is also recommended that future adjustments to the maximum amount paid by the City for the Medicare supplement should be based on a review of the adequacy and appropriateness of this amount by the City Manager every five years beginning in 2016.

IV. STAFF RECOMMENDATION

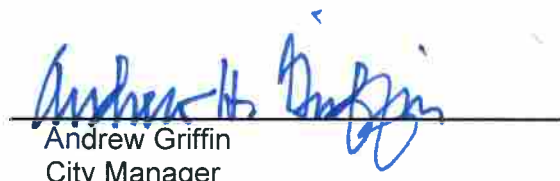
Approve and adopt the proposed resolution to amend Resolution No. 2008-09.

V. ATTACHMENTS

Proposed resolution.



Thomas W. Chandler
Finance Director



Andrew Griffin
City Manager

RESOLUTION NO. 2016- _____

A RESOLUTION AMENDING RESOLUTION 2008-09 PERTAINING TO THE CITY OF FLORENCE RETIREMENT BENEFITS PROGRAM FOR SHARED PURCHASE OF HEALTH INSURANCE

WHEREAS, the City Council of the City of Florence, SC adopted Resolution 98-05 on May 11, 1998 to provide for assistance with the purchase of health and dental insurance for eligible retirees as part of the City's Retirement Benefits Program identified as the Shared Purchase of Health Insurance program; and

WHEREAS, City Council adopted Resolution 2008-09 on July 14, 2008 amending Resolution 98-05 to change the retiree insurance eligibility requirement to a minimum of twenty years continuous service with the City of Florence; and

WHEREAS, City Council further resolved in Resolution 2008-09 that eligible retirees who reach the age of 65 or who otherwise qualify for Medicare coverage benefits in accordance with federal guidelines, shall be covered under Medicare as primary carrier and shall, if requested, be covered through the City under a Medicare supplement as secondary carrier with premiums paid by the City. Resolution 2008-09 also provided that the maximum rate for premiums paid by the City for a Medicare supplement would be maintained at the 2008 level subject to a periodic review by the City for adequacy and appropriateness; and

WHEREAS, since 2008, Medicare supplement costs have increased by approximately 74%.

NOW, THEREFORE BE IT RESOLVED by City Council of the City of Florence, SC that Resolution No. 2008-09 is hereby amended to authorize the City Manager to make appropriate adjustments to the Medicare supplement maximum amount paid for eligible retirees by the City as of July 1, 2016.

BE IT FURTHER RESOLVED that future adjustments to the maximum amount paid by the City for the Medicare supplement shall be made by the City Manager based on a review of the adequacy and appropriateness of this amount every five years beginning in 2016, and such adjustments shall be approved as part of the adoption of the City of Florence annual budget.

ADOPTED, this _____ day of _____, 2016.

Approved as to form:

James W. Peterson, Jr.
City Attorney

Stephen J. Wukela,
Mayor

Attest:

Dianne M. Rowan,
Municipal Clerk