



**SPECIAL MEETING OF FLORENCE CITY COUNCIL
WEDNESDAY, MAY 7, 2025 – 1:00 P.M.
LAWTON CHASE HOUSE
558 SPRUCE STREET
FLORENCE, SOUTH CAROLINA 29501**

MEMBERS PRESENT

Mayor Lethonia Barnes, Mayor Pro Tempore George Jebaily, Councilman Chaquez T. McCall, Councilman Bryan A. Braddock, Councilwoman LaShonda NeSmith-Jackson, Councilman J. Lawrence Smith, II and Councilman Zach McKay

ALSO PRESENT

Mr. Scotty Davis, City Manager; Mr. Ronald Scott, City Attorney; Mrs. Casey Moore, Municipal Clerk; Mr. Clint Moore, Assistant City Manager of Development; Chief Allen Heidler, Florence Police Department; Chief Shannon Tanner, Florence Fire Department; Mr. Jerry Dudley, Director of Planning; Mr. Michael Hemingway, Director of Utility Planning and Economic Development; Mr. Joshua Whittington, Director of Utilities; Mrs. Amanda Pope, Director of Marketing/Communications and Municipal Services; Mrs. Jennifer Krawiec, Director of Human Resources; Mr. Adam Swindler, Director of Public Works; Mrs. Victoria Nash, Director of Parks, Recreation and Sports Tourism; Mr. Glenn Bodenheimer, Interim Finance Director and Ms. Patrice Rankin, Administrative Coordinator

MEDIA PRESENT:

Abby Ann Ramsey with the Post and Courier was present for the meeting.

A notice of the meeting was sent to the media and individuals requesting a copy of the agenda, informing them of the date, time and location of this special city council meeting.

CALL TO ORDER

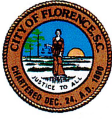
Mayor Barnes called the May 7, 2025 special meeting of Florence City Council to order at 1:12p.m.

INVOCATION

Mayor Barnes provided the invocation for the meeting. The Pledge of Allegiance to the American Flag followed the invocation.

BUDGET WORKSESSION

The following agenda items will be discussed:



**FLORENCE CITY COUNCIL
WORK SESSION – MAY 7, 2025**

- **Budget Totals by Fund**
- **Compensation/Benefits Changes**
- **General Fund Budget Highlights**
- **General Fund**
- **Community Programs Funding**
- **Hospitality Special Revenue Fund**
- **Water & Sewer Enterprise Fund**
- **Stormwater Utility Enterprise Fund**
- **Water/Sewer & Stormwater Utility Construction Funds**
- **Utilities Equipment Replacement Funds**

Mr. Scotty Davis, City Manager, began by introducing the budget philosophy.

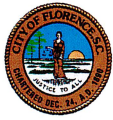
Budget Philosophy:

1. Develop operational budgets within projected available revenues.
2. Focus on goals of the Comprehensive Plan:
 - Growth Capacity
 - Land Use and Development
 - Housing and Neighborhoods
 - Transportation
 - Economic Development
 - Recreation and Amenities
3. Invest strategically in employees by providing adequate pay, benefits, training, technology resources, support, etc.
4. Balance reinvestment in the City's existing infrastructure and facilities with the creation of new opportunities for investing in the future of the City.
5. Maintain a minimum General Fund balance of at least 30% of the General Fund budget.
6. Maintain sufficient working capital in the utility funds.

BUDGET TOTALS BY FUND

Total for all funds is \$144,482,050. The following chart illustrates the proposed FY 2025-26 budgets listed by fund:

Proposed FY 2025-26 Budgets by Fund		
General Fund	\$	52,619,430
General Fund Debt Service Fund		694,000
Hospitality Fund		6,730,500
W/S Utilities Enterprise Fund		49,359,700
Stormwater Utility Enterprise Fund		1,799,600
W/S Utilities Construction Fund		30,725,000
Stormwater Utility Construction Fund		574,200
W/S Utilities Equipment Replacement Fund		1,860,000
Stormwater Equipment Replacement Fund		<u>119,620</u>
ALL FUNDS	\$	144,482,050



COMPENSATION AND BENEFITS CHANGES

The following is a summary of FY 2025-26 compensation and benefits.

- ▶ Cost of Living increase of 4% will be effective January 1, 2026, is included in the budget.
- ▶ Effective January 1, 2026, the City's Workers' Compensation premium is projected to increase 6% (\$47,500) for the City.
- ▶ Effective January 1, 2026, the City's Health Insurance premium is projected to increase 10% for the City (approximately \$187,000). The City maintained an experience rating of zero.
- ▶ Retirement System contribution will remain the same:
 - ▶ SCRS: City contribution is 18.56%
 - ▶ PORS: City contribution is 21.24%

Note: The above rates assumes that the 1% pension employer contribution credit in the FY 2026 State budget is funded at the same level in the FY 2025 State budget. If this credit is not included in the state budget, both the SCRS and the PORS contribution will increase by 1%.

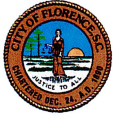
Mr. Davis discussed some external factors that will influence the budget as well as some revenue and expenditure forecasts. Below are external factors influencing the budget.

- Inflation – Average inflation rate for 2024 was 2.9%
- Labor Market – Florence County Unemployment Rate is 4.8%
- Borrowing Costs
- Residential Growth
- Economic Uncertainty
- Volatility in Sales and Property Tax Revenues
- Flexibility for Emergency Response
- Avoidance of Structural Budget Deficits
- Community Development Block Grant (CDBG)- Potentially Cut
- Building Resilient Infrastructure and Communities (BRIC) Grant- Cut
- \$16,000,000 request for State funding for FLOCK cameras and Utility Funding
- Florence Center Additional \$300,000 Capital Funding Request
- Impact Fees
- Rental Registry
- Berm- Additional \$150,000
- Aquatic Center
- Florence City Center- repairs

There was a discussion among Council and staff regarding the external factors influencing the budget.

Below are revenue forecasts:

- Property Tax Revenue will remain stable; proposed five mil increase
- We will need to continue to “backstop” the Tax Increment Financing (TIF) bonds with Water and Sewer funds
- Building permit revenue is down 6.2% from this time last year
- Business license revenue is about even with this time last year
- Hospitality revenue is up 4.7%



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- Water revenue is up 12.4%
- Sewer revenue is up 10.9%
- Water and sewer rates will increase by 9% for inside customers and 11% for outside customers for FY2026

Operational and Capital costs will continue to rise as a result of:

- Wage and benefits inflation
- Supply chain constraints
- Fuel price fluctuations
- Materials and supply cost increases
- Insurance premium increases
- Economic uncertainties with current trade war

GENERAL FUND

Mr. Davis began a presentation on the General Fund, the largest fund for the city. For the FY 2025-26 General Fund Budget, original expenditure requests were \$6,492,953 higher than the original revenue projections.

**Balancing the FY 2025-26
General Fund Budget**

**Original Revenue
Projections:**
\$51,163,461

**Original Expenditure
Requests:**
\$57,656,414

Difference:
\$6,492,953

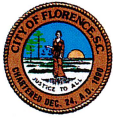
Final FY 2025-26 Balanced Budget
\$52,619,430

Actions taken to balance the FY 2025-26 budget include: proposed five mil increase in operating millage, revenue projection adjustments, attrition savings adjustments and extended hiring timeline, operational funding request adjustments, capital funding request eliminations and 30% funds used for early purchases. There was a discussion among Council and staff regarding actions taken to balance the FY 2025-2026 budget.

Below are the revenue projection adjustments made in balancing the budget.

**General Fund Revenue Projection Adjustments Made In
Balancing Proposed FY 2025-26 Budget**

	Amount
Property Taxes (Proposed 5 mil increase)	\$ 1,229,097
Permits and Fees	39,830
Governmental Reimbursements	187,042
Total	\$ 1,455,969



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The proposed budget assumes every position is funded every day of the year. Compensation and benefits cost reductions are projected at \$2,510,857.

**General Fund Compensation and Benefits
Cost Reductions Made in Balancing Proposed FY 2025-26 Budget**

From 16-week salary & other compensation savings	\$ 1,069,161
From positions proposed by not funded	<u>1,441,696</u>
Total	\$ 2,510,857

The below chart illustrates Operational and Capital Funding reductions in balancing the proposed FY 2025-26 budget.

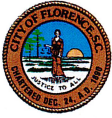
**General Fund Operational & Capital Funding Reductions
Made in Balancing Proposed FY 2025-26 Budget**

Department	Operations	Capital
Legal Services	\$ 800	0
City Court	300	0
City Manager	5,300	0
Human Resources	2,400	0
Community Services	3,900	0
Police	53,300	353,100
Fire	24,500	290,000
Beautification & Facilities	36,200	265,000
Sanitation	0	374,500
Equipment Maintenance	1,700	10,000
Parks, Recreation, & Tourism	151,500	311,000
Planning, Research & Development	89,000	1,500
Building Permits & Inspections	1,500	0
Non-Departmental		
Other Employee Benefits	2,000	0
General Insurance/Claims	5,000	0
Community Programs	643,300	0
Non-Departmental	15,007	
Subtotal	\$ 1,035,707	\$ 1,605,100
OPERATIONS AND CAPITAL TOTAL =		\$2,640,807

This chart outlines the reductions that were necessary to balance the budget. The reductions totaled \$5,036,984 and are detailed below.

**Summary of Expenditure Adjustments
To Balance General Fund Budget**

Expenditure Increases/(Reductions)	Amount
Compensation and Benefits Cost Reductions	\$ (2,510,857)
Operational Funding Reductions	(1,035,707)
Eliminated Capital Cost Reductions	(1,605,100)
Contingency Condition	<u>114,680</u>
Reductions to Balance Budget	\$ 5,036,984



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Mr. Davis spoke of other items of interest in the budget. Several new positions in various departments will be funded for the FY 2025-2026 budget. The budget also will fund a 4% cost of living increase, fully fund community funding initiatives, an additional commercial front loader for Commercial and Recycling Operations for Sanitation; and a downtown dumpster replacement for Sanitation.

This a recap of how the FY 2025-26 General Fund Budget was balanced. Revenue projections were adjusted by 1,455,969.

**Balancing the FY 2025-26
General Fund Budget - Recap**

GF REVENUES

Original Revenue Projections	\$51,163,461	
Revenue Adjustments	+ 1,455,969	
FY 2024-25 Adjusted Revenues		\$52,619,430

GF EXPENDITURES

Original Expenditure Projections	\$58,108,502	
Expenditure Reductions	- 5,489,072	
FY 2024-25 Adjusted Expenditures		\$52,619,430

The below chart illustrates the millage rate increases from 2009 through 2025.

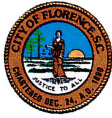
FY 2025-2026 Millage Rate Increases

Fiscal Year	Amount Raised	Amount Available
2009	0.2 mills	1.7 mills
2014	0.8 mills	8.1 mills
2017	3.7 mills	3.7 mills
2018	0.7 mills	0.9 mills
2024	5.0 mills	9.6 mills
2026	5.0 mills	<u>11.7 mills</u>

Value of 1mil: 1mil = \$1 per \$1,000 of assessed value; Most recent assessment values are approximately \$79M for 4% property and \$137M for 6%property.

The total property tax rate is 64.1 mills. Mr. Davis said although the City has approximately twelve mills available, the proposed millage increase is only five mills. He further explained that there is a three-year review of the city's growth and consumer price index (CPI) and the State will allow an increase up to 11.7 mills. The proposed five mill increase will add \$1.23 million to the FY 2025-2026 budget.

Following a discussion regarding millage rate increases, Council expressed their desire to move forward with funding the Berm for the Sports Complex and additional FLOCK cameras for the Police Department. Councilman Braddock recommended an additional 2.5 mills, which would bring the proposed millage increase to 7.5 mills, to add an additional \$400,000 to the budget to cover the cost of thirty (30) FLOCK cameras for the Police Department. The berm for the Sports Complex will be purchased out of the 30% early purchases funding.



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The following chart illustrates the General Fund Revenue Budget by Source and the percentage of budget for each category. Property taxes and Licenses and Fees are the largest contributors to the General Fund revenues.

**FY 2025-26 General Fund
Revenue Budget by Source**

Category	FY 2026	% of Total
Property Taxes*	\$ 15,332,100	29.14%
Licenses & Fees	18,093,900	34.39%
Governmental Reimbursements	6,417,400	12.20%
Permits and Fees	3,239,500	6.16%
Fines & Forfeitures	247,000	0.47%
Miscellaneous & Other Revenues	1,323,900	2.52%
Interfund Transfers	7,965,630	15.12%
TOTAL	\$ 52,619,430	100.00%

*Local Option Sales Property Tax Credit accounts for 44.77% of the total Property Taxes category.

This is a comparison between this year's revenue budget and last year's revenue budget.

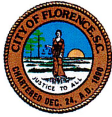
**General Fund
FY 2025 & 2026 Revenue
Budget Comparison**

	Original FY 2025	Budget for FY 2026	Change from Original FY 24	% Change From FY 24
Property Taxes	\$ 14,698,600	\$ 15,332,100	\$ 633,500	4.31
Business Licenses	12,869,300	13,321,500	452,200	3.51
Franchise Fees	4,750,000	4,772,400	22,400	0.47
Govt Reimbursements	6,309,400	6,417,400	108,000	1.71
Permits and Fees	3,506,400	3,239,500	(266,900)	(7.61)
Fines & Forfeitures	291,500	247,000	(44,500)	(15.27)
Other Revenues	1,484,300	1,323,900	(160,400)	(10.81)
Interfund Transfers	7,508,000	7,965,630	457,630	6.10
TOTAL	\$51,417,500	\$52,619,430	\$1,201,930	2.34%

This is a comparison between this year's expenditures budget and last year's expenditure budget.

**General Fund
FY 2025 & 2026 Expenditures
Budget Comparison**

	Original FY 2025	Budget for FY 2026	Change from Original FY 25	% Change From FY 25
City Council	\$ 372,100	\$ 368,300	\$ (3,800)	(1.02)
Legal Services	194,100	204,000	9,900	5.10
City Court	722,400	747,550	25,150	3.48
City Manager's Office	1,268,500	1,193,200	(75,300)	(5.94)
Finance	1,504,100	1,522,650	18,550	1.23
Human Resources	675,500	705,100	29,600	4.38
Community Services	684,450	705,600	21,150	3.09



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Police	11,935,350	12,265,800	330,450	2.77
Fire	8,866,900	8,963,200	96,300	1.09
Beaut. & Facilities	3,415,700	3,397,500	(18,200)	(0.53)
Sanitation	5,273,600	5,751,900	478,300	9.07
Equip. Maintenance	811,000	860,150	49,150	6.06
Parks, Rec, & Tourism	5,441,850	5,441,800	(50)	N/A
Planning	688,900	666,300	(22,600)	(3.28)
Building Inspections	597,850	571,200	(26,650)	(4.46)
Debt Service	2,622,900	2,474,200	(148,700)	(5.67)
Other Emp. Benefits	748,000	750,600	2,600	0.35
General Insur/Claims	1,260,000	1,437,100	177,100	14.06
Community Programs	388,800	457,500	68,700	17.67
Non-Departmental	3,945,500	4,135,780	190,280	4.82
TOTAL	\$51,417,500	\$52,619,430	\$2,736,000	2.19

[Break: 2:50pm- 3:04pm]

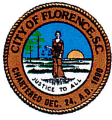
Community Programs Funding

The following chart indicates the appropriation requests for FY 2025-26. Community programs were funded in the amount of \$358,800 for the current fiscal year. The City received a total amount of \$1,100,800 in requests for FY 2025-2026. There are 9 programs that are not funded in the 2025-26 budget.

Appropriation Requests by Agency/Event FY 2025-26

Agency/Project/Event	Requested	Funded
Families Engagement Program	15,000	
ITV- I Takes A Village	5,000	2,500
Foster Care Clothing	36,000	
House of Hope Pee Dee	100,000	50,000*
Pee Dee Regional Transportation Authority- PDRTA	436,500	218,000
Florence Regional Airport/Marketing Grant Request	1000,000	50,000
American Red Cross- Disaster Cycle Services	10,000	
Boys & Girls Club of the Pee Dee	20,000	
Divine Acts of Kindness	75,000	
My Brother's Keeper Shelter	40,000	15,000
Pee Dee Coalition Against Domestic Violence	15,000	5,000
Powerful Advocates	50,500	
Unlock What's Inside You, Inc.	1,800	
Annie Mae Johnson Senior Citizens Foundation	16,000	2,000
Keep Florence Beautiful	10,000	10,000
No One Unsheltered	75,000	75,000
Florence Family Support Center		
Helping Florence Flourish	30,000	10,000
G-Lab Legacies	15,000	10,000
Leatherman Senior Center	50,000	10,000
Salvation Army		
TOTAL	1,100,800	457,5000

* \$50,000 from Neighborhood Redevelopment



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CDBG

Boys & Girls Club	20,000
American Red Cross- Disaster Cycle Services	10,000
My Brother's Keeper	25,000
TOTAL	55,000

There was discussion on the appropriation requests received for community programs funding. Councilman Braddock said that Mr. Jon Weiss, Jr., Executive Director of House of Hope, informed him that House of Hope has reallocated funds for the Community Resource Center to assist with other projects. He said Mr. Weiss said the House of Hope would not need any allocated funding in the upcoming budget year. For FY 2025-2026, House of Hope initially requested \$100,000 and \$50,000 is proposed. Councilmen Braddock, Councilman McKay, and Pro tem Jebaily spoke in support of providing additional funding to PDRTA. Following further discussion, Council recommended the following: House of Hope: \$0; PDRTA: additional \$50,000; and Florence Regional Airport's funding will remain the same. Due to the unknown status of the Community Development Block Grant (CDBG), the following agencies will be funded by the Neighborhood Redevelopment Fund: Boys and Girls Club (\$20,000), American Red Cross (\$10,000), and My Brother's Keeper (\$25,000), for a total of \$55,000.

HOSPITALITY FUND

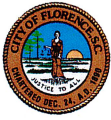
This is the 2% tax paid on prepared food and beverage purchases in the city. The Hospitality Fund is one of the city's growth funds but it is also a restricted fund. South Carolina Code requires any revenue generated by the hospitality fee must be used exclusively for the following purposes:

- Tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums.
- Tourism-related cultural, recreational, or historic facilities.
- Beach access and re-nourishment.
- Highways, roads, streets, and bridges providing access to tourist destinations.
- Advertisements and promotions related to tourism development.
- Water and sewer infrastructure to serve tourism-related demand.

However, because at least \$900,000 in accommodations taxes are collected annually in Florence County, State law permits hospitality funds to be spent for operations related to the above stated purposes.

Below is the hospitality fees comparison from FY 2021 to FY 2026. There is a 2.9% increase proposed for FY 2026.

<u>FY 2021-2026</u>		
<u>Hospitality Fees Comparison</u>		
Fiscal Year	Collections	% Change
2021	4,722,870	10.96
2022	5,351,385	11.74
2023	5,888,694	9.12
2024	6,120,314	3.78
2025*	6,399,000	4.35
2026*	6,590,600	2.91
* 2025 Estimated		
* 2026 Budgeted		



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The amount projected for FY 2025-26 is \$6,730,500.

Hospitality Fees	\$ 6,590,600
Interest Earnings	139,900
FY 25-26 Hospitality Fund Estimated Revenues	\$ 6,730,500

This is the list of recommended expenditures for the Hospitality Fund for FY 2025-26.

Hospitality Fund Expenditures

Athletic Facilities Operations	\$ 2,200,000
Florence Museum	50,000
Florence Downtown Development Corporation	54,000
Florence Downtown Economic Development Incentives	12,000
Florence Downtown Promotions	35,000
Sports Complex Debt Service (through November 2035)	837,000
Recreation Facility/Gymnasium Debt Service (through June 2034)	310,500
Football Field Const./Pearl Moore Gym Expansion Debt Service	836,000
2016 Special Obligation Bond Debt Service Appropriation (through Dec 2046)	300,000
Florence Historic District Street Lighting Operations	30,000
Florence Center (Debt Service effective through April 2040. FY 25-26 DS = \$682,550)	1,920,000
James Allen Plaza Restroom Facilities – 10 th of 10-year Lease Payment	9,000
Contingency	973,000
FY 25-26 Hospitality Fund Estimated Expenditures	\$ 6,730,500

There was a discussion among Council and staff regarding hospitality fund expenditures.

[Pro tem Jebaily left the meeting at 3:35pm.]

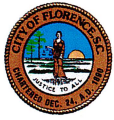
WATER AND SEWER UTILITIES UPDATES

Mr. Davis acknowledged the major water event that occurred in August 2024. He noted since this event, city staff has been working diligently to address the city's water and sewer issues. Mr. Davis, Mr. Michael Hemingway, Utility Planning and Economic Development Director, and Mr. Josh Whittington, Director of Utilities provided Council with a water and sewer utilities update, to include water distribution projects that have been completed and are currently in process.

New positions funded for a leak crew for the FY 2025-2026 budget include: 1 Water Director, 1 Team Leader, 1 Special Construction Equipment Operator, 1 Utility Operations Maintenance Worker, and 1 Utility Maintenance Technician I.

Mr. Hemingway also provided an update on grants/funding the city has received to address water and sewer issues. Grants/funding received include: \$487,982-South Carolina Rural Infrastructure Authority to complete the water distribution project for Williamsburg Circle, Grove Park, and Tara Village; \$5,000,000- FY25 South Carolina Budget for the 30-inch water line extension along Freedom Boulevard by the local delegation; and \$500,000- PFAS Study South Carolina State Revolving Loan Fund. Mr. Hemingway said several grants/funding requests are still pending.

On August 9, 2024 Council adopted Ordinance No. 2024-14, a Series Ordinance, making provision for the terms and conditions of an issue of combined waterworks and sewerage system capital improvement



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revenue bonds of the City of Florence, SC, in one or more series, in the aggregate principal amount of not exceeding \$270,000,000. Below is a chart that illustrates the projects included with the bond:

Series 2024 Bond Projects

Water Quality	\$	*40,000,000
East Florence Sewer		20,000,000
Jeffries Creek		19,786,000
High Rating Surface Water Treatment Plan		30,000,000
Engineering		14,861,040
Contingency		12,384,200
Timmonsville – Florence Interceptor		5,000,000
Woody Jones Sewer		5,000,000
WWMF		5,000,000
Deferred Maintenance of Lift Stations		1,600,000
Deferred Maintenance of Wastewater Treatment Plant		582,000
Medium Voltage Drive Improvements		706,000
3 rd and Final Bar Screen		450,000
Aeration Diffusers		550,000
Timmonsville Wastewater Model		150,000
Total	\$	156,069,240

*Note: City received updated costs from engineering firm. Revised estimate: \$108,000

Mr. Davis stated that the City requested AECOM, engineering consulting firm, to conduct a water quality report to estimate the cost of water system repairs as it relates to water quality. The initial estimate was \$40 million. However, he announced that on May 6, 2025, the City received updated figures from the engineering firm, revising the estimated cost to \$108,000.

There was a discussion among Council and staff regarding the water and sewer updates.

WATER AND SEWER UTILITIES ENTERPRISE FUND

The total Water and Sewer Revenue Fund is \$49,359,700. This chart shows the Water and Sewer Revenues by Source. Other Revenue comes from reconnection fees, tap fees, etc.

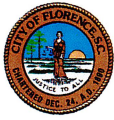
**Water and Sewer
Revenues by Source**

Water Fees & Charges	48%
Wastewater Fees & Charges	50%
Other Revenue	2%

This chart shows the Water and Sewer Expenses by Department. Included in the non-departmental accounts is other employee benefits, general insurance/claims, IT expenses and economic development expenses.

**Water & Sewer Expenses
By Department**

Utility Finance	\$ 2,733,000	5.54%
Engineering	1,769,400	3.58%



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WW Treatment	7,845,200	15.89%
Water Production	7,417,700	15.03%
Distribution Operations	3,905,200	7.91%
Collection Operations	2,134,150	4.32%
WW Compliance	556,000	1.13%
WW Maintenance	1,091,700	2.21%
Debt Service	12,209,000	24.73%
Non-departmental	<u>9,698,350</u>	<u>19.66%</u>
Total	\$ 49,359,700	100.00%

WATER & SEWER UTILITIES CONSTRUCTION FUND

This is the water and sewer utilities construction fund. Total budget for this fund is \$19,015,000 and consists of the items listed below. \$8,398,000 will be carried over from the previous year.

**FY 2025-26 Water & Sewer
Construction Fund Revenue**

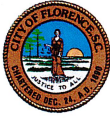
Projected Funds on Hand on July 1, 2025	\$10,699,000
2025-26 Transfer from W/S Operating Fund	2,100,000
Capital Construction Fund Transfer	1,000,000
Florence County Infrastructure Fund Reimbursement	400,000
ARPA Funds – (Lead & Cooper Compliance)	593,000
ARPA Funds – (Hoffmeyer Sewer Extension)	345,000
Elevated Tank SCRIA	638,000
South Carolina State Proviso- Freedom Blvd Water Line Extension	5,000,000
SC Infrastructure Investment Program (SCIIP) Grant	9,900,000
Projected Interest Earnings	<u>50,000</u>
Total W/S Construction Fund Revenue	\$30,925,000

This is a list of projects that are funded through the Water and Sewer Construction Fund. This fund is unique in that many of these projects can last several years and the funds can roll over from previous year.

**FY 2025-26
W/S Construction Fund Projects**

A. Projects Approved in Prior Year Budgets

1. Elevated Tank Inspection and Maintenance	\$ 850,000
2. Jeffries Creek Beaver Management (SSO Compliance)	7,000
3. Waterline Extension Requests – Florence County	400,000
4. SCDOT Alligator Rd. Widening – Utility Relocation	280,000
5. Interceptor Manhole Upgrades	1,000,000
6. Magna Carta (Charters) Lift Station	75,000
7. Mauldin Drive Sewer Improvements	510,000
8. Asset Management Study (AECOM)	200,000
9. Wisteria Drive Lift Station	400,000
10. Mars Hill Gravity Sewer Project	700,000
11. Lead and Copper Removal Rule Compliance	593,000
12. Water Distribution Improvements #2 (renewal/replacement/upsizing)	731,000



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13. Freedom Blvd Water Line Extension	7,000,000
14. Price Road/Old Marion Hwy Sewer	500,000
15. The Palms Annexation	300,000

B. Projects Approved and Added in FY 2024-2025

1. Southborough Road Water Line Extension	\$ 283,000
2. Meadors Road Water Line Extension	523,000
3. Whitehall Shores Road Water Line Extension	632,000
4. Darlington Street Water Line Extension	414,000
5. Hollyberry Lane Water Line Extension	417,000
6. Holly Circle Road Widening (SCDOT Phase I)	140,000
7. East Palmetto Corridor Sewer Upgrades	500,000

C. Proposed Projects for FY 2025-26

1. GE Water Treatment Plant Rehab	\$ 9,222,000
2. Holly Circle Road Widening (SCDOT Phase II)	140,000
3. Radio Large Meter Replacement	133,000
4. Hoffmeyer Road Gravity Sewer Upgrade	500,000
5. Papermill Road and E. Palmetto (SCDOT)	500,000
6. PFAS Study	500,000
7. System-Wide Water Line Improvements	345,000
8. Surface Tank Resilience (Phase I)	2,000,000
9. Westfield Drive Water and Sewer Extension	60,000

D. Other

1. Utility Line Engineering/Legal/Professional Services	\$ 150,000
2. Reserved for Other Projects	720,000

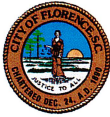
Total W/S Construction Fund Expenses	\$30,925,000
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Mr. Clint Moore, Assistant City Manager of Development, highlighted several of the projects that were already approved in prior year budgets. The Sewer Interceptor Manhole Upgrades will address issues with the sanitary sewer overflows occurring on the rail trail and E Palmetto Street. The Asset Management Study is being completed by AECOM. Field work will be occurring to verify where lines are and making adjustments within the city's water model. The Freedom Boulevard Water Line Extension will help to facilitate the city's growth by extending a 30-inch water main down Freedom Boulevard.

Mr. Moore also discussed some of the proposed projects. The Hoffmeyer Road Gravity Sewer Upgrade will take place in the Florence Mall area to replace aging pipes that were originally installed in the 1970s and have now reached the end of their service life. The PFAS study is still ongoing. The Surface Tank Resilience (Phase I) project will enable the City to install a surface tank at McLeod Health and MUSC Florence Medical Center. This initiative is designed to address low water pressure concerns, ensuring that hospital operations remain unaffected during periods of reduced water pressure.

STORMWATER UTILITY ENTERPRISE FUND

The total Stormwater Utility Enterprise fund is \$1,799,600.



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Stormwater Revenues by Source

Stormwater Fees (\$1,674,000)	93%
Other Revenue (\$125,600)	7%

Stormwater Expenses by Category

Operations (\$908,970)	50%
Debt Service (\$537,000)	30%
Nondept./Const. Fund Trf. (\$353,630)	20%

STORMWATER UTILITY CONSTRUCTION FUND

This is the stormwater utility construction fund. Total budget for this fund is \$574,200 and consists of the items listed below. \$469,200 will be carried over from the previous year.

**FY 2025-26 Stormwater
Construction Fund Revenue**

Projected Funds on Hand on July 1, 2025	\$ 469,200
2025-26 Transfer from Stormwater Operating Fund	100,000
Projected Interest Earnings	<u>5,000</u>
Total Stormwater Construction Fund Revenue	\$ 574,200

This is a list of projects that are funded through the stormwater utility construction fund.

**FY 2025-26 Stormwater
Construction Fund Projects**

A. Projects Approved in Prior Years

1. Stormwater Operations Division Pipe Projects	\$ 20,000
2. NPDES Phase II Compliance	50,000

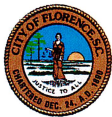
B. Other

1. Stormwater Engineering/Legal/Professional Services	20,000
2. Reserved for Other Projects	<u>484,200</u>

Total S/W Construction Fund Expenses \$ 574,200

Utilities Equipment Replacement Fund

The Equipment Replacement Fund is a fund to replace utility equipment. This fund allows for the replacement of equipment when it is needed and does not require that the purchase be deferred. The General Fund currently does not have a replacement fund for equipment.



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W/S Equipment Replacement Fund
Budget by Department

Department	Amount
Utility Finance	\$ 115,000
Engineering	175,000
Wastewater Treatment Plant	410,000
Water Production	875,000
Distribution Operations	250,000
Collection Operations	<u>35,000</u>
W/S Capital Equipment Fund Total	\$ 1,860,000

There is \$119,620 in the Stormwater Equipment Replacement Fund.

Stormwater Equipment Replacement Fund
Budget by Department

Department	Amount
Stormwater Operations	<u>\$119,620</u>
Stormwater Capital Equipment Fund Total	119,620

HOSPITALITY FUND PROJECTS

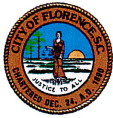
The City is currently considering approximately \$21.5 million of projects to be funded through the Hospitality Fund. The City currently has strong debt service coverage and fund balance levels in this fund, which allows for some flexibility in the funding approach. The funding plan below includes a combination of debt and cash:

Hospitality Fund Projects

Project	FY	Debt	Cash	Grant	Total
Football Fields	2026	\$ 6,000,000	\$ 2,000,000	-	\$ 8,000,000
Pearl Moore Gym- New Arena	2026	7,000,000	-	-	7,000,000
Additional Tennis Courts at FTC	2026	1,000,000	-	-	1,000,000
Levy Park Land Acquisition	2026	-	1,000,000	-	1,000,000
Pickleball Facility	?	2,500,000	-	-	2,500,000
Aquatic Center	?	3,000,000	-	-	3,000,000
Total		\$ 19,500,000	\$ 3,000,000	-	\$ 21,500,000

Councilman McCall expressed his concerns with the size of the Pearl Moore Gym. He acknowledged several sports facilities he's visited throughout the state and spoke of the amenities and size of the facilities. Councilman McCall expressed his desire to see an expansion of the Pearl Moore Gym to accommodate more tournaments and to generate revenue for sports tourism.

There was a discussion among Council and staff regarding the Hospitality Fund Projects.

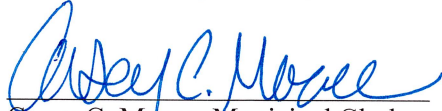


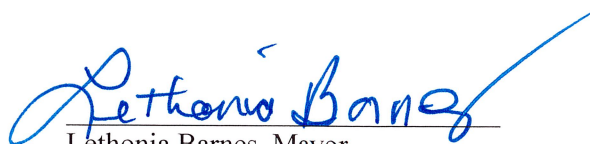
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ADJOURN

Without objection, the special meeting of Florence City Council was adjourned at 4:55p.m.

Dated this 8th day of June, 2025.


Casey C. Moore, Municipal Clerk


Lethonia Barnes, Mayor