

**CHAPIN TOWN COUNCIL  
WORK SESSION**

**Thursday, October 6, 2022  
4:00 p.m.**

**Town Hall - Community Room  
157 NW Columbia Ave, Chapin**

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**Members Present:** Mayor Al Koon, Mayor Pro Tempore Mike Clonts, Member Gregg White, Member Vicky Shealy, and Member Leland Teal

**Staff Present:** Finance Director Laura Culler, Utility Director Karalyn Miskie, Police Chief Thomas Griffin, Planning & Zoning Manager Kevin Singletary, Public Affairs Director Nicholle Burroughs, and Town Clerk Shannon Bowers

**Call to Order:** Mayor Koon called the meeting to order at 4:03 p.m., determined there was a quorum, and acknowledged the appropriate notifications in compliance with the SC Freedom of Information Act had been met.

**Proposed 2022 Municipal Budget**

Director Culler stated that the 2023 Budget is \$1,655,750 which is \$83,463 or 6% higher than the 2022 budget. She highlighted the following increases and possible revenue streams for the 2023 Budget:

Known Expenses/Increases

1. Salaries and Benefits – total of 7% increase for salaries and removed new administrative employee for Town Administration, but added 2/3 for Town administrator position (other 1/3 moved to utility fund), mayor/council and town clerk salaries split 50/50 with utility fund, added police officer position.
  - a. Increase in employer rates for insurance (18.1%, includes 2 additional employees, one for police and town administrator)
  - b. Retirement for employer – increased by (with the addition of 2 new employees)
  - c. 1% increase in employer contribution (should be the last 1% increase under current plan)
  - d. 4% possible merit increase
2. Operating – largely not changing, but some changes are:
  - a. IT/Computers – cost is going up to \$10,020 for 2023 due to IT maintenance (11% increase in cost), website, internet usage, and monthly maintenance for Civic Optimize
  - b. Repair/maintenance – Increased to \$14,000 to adjust for rising gas prices
  - c. Legal Expenses – included prosecutor, current indigent defense, legal counsel, additional legal for UDO process
  - d. Professional services – reduced 100%, no projects funded for 2023 under this line item, any items moved to ARP.
  - e. Equipment/tools – decreased because cars and equipment were purchased in 2022. Allocating funds for 1 vest for new police officer.

Possible Revenue Streams

1. Millage – no increase from 2022, staying at 13.07%

2. Streets/Improvements – allocated \$7500 for 2022 to include landscaping for Brighton, but removed this due to development not moving forward at this time
3. Insurance Tax Collection Program/Telecommunications Tax Collection Program – decreased in the telecommunications program and increase in insurance tax program that is collected through MASC
4. Business License revenues were increased by 1% - used actual numbers
5. American Rescue Plan Funds (ARP) –decreased funds in the fund balance and moved one-time expenses to ARP funds.
6. Increase in rental incomes – one property up for renewal in 2023 and increase in community room rentals based off actual numbers prior to COVID-19

ARP Fund Balance - \$406,000 was direct deposited in September 2021. A second and final payment of \$406,000 is expected to be deposited in the account in the Fall of 2023. The total amount for the ARP Fund will be \$118,000. Expenses to date are \$91,761.00. Items to be paid out of the ARP Fund are:

1. Replacement of town hall security cameras
2. Update to easy street draw (used by police department)
3. Civic Clerk software for agenda management and iPad purchases for council packets
4. Annexation consultant
5. Lega Review
6. Accounting software

Director Culler noted that the software currently in use by the utility department, QS-1 has been bought out by another company, and the software as it exists today is no longer available for purchase. She stated the utility department would eventually need to switch software because of this. Director Culler stated that more research is needed to find a viable solution for accounting software and will be presented to Council later.

She also reported the balance in the Hospitality Tax fund is \$780,000 with \$3,000 in interest. Most of the funds are being held for road improvements with the rest used for Christmas decorations and marketing.

Director Miskie highlighted the following increases and possible revenue streams for the 2023 Budget. She noted that the budget is broken down by the following departments to help with tracking: Maintenance, Operations, Public Works, Utilities Administration

#### Known Expenses/Increases

1. Utility Department Office Rental- offset by Town Hall Construction Loan Repayment
2. Capital Improvements/Replacements – increased for 2023 (includes automotive equipment, heavy equipment, construction costs, equipment replacement, pumps and pump maintenance/monitoring equipment, and professional services)
3. Other operating expenses include: chemicals (due to an increase in usage), budget reserve fund increase, operating supplies (water meters), waste disposal increase. Decreased outside contractor cost since more work is being performed in-house.
4. Water purchase from the City of Columbia increased – the City of Columbia has not done a 5% increase in 2022 but it is anticipated for 2023.
5. Personnel budget increased

- a. Addition of mayor/council, town clerk, and town administrator partial salaries and increase in insurance.
- b. Also includes a 4% pay for performance increase per employee
- c. Added expense of a financial advisor and legal costs

#### Possible Revenue Streams

1. Water and Sewer Billings – does not include an increase for 2023
2. Water tap fees
3. Water meter installs
4. Sewer tap fees – tap fees went down as a result of the John's Creek project not moving forward. Director Miskie kept the numbers about the same in anticipation of the market prices that are expected to drop.
5. Septage receiving revenue – average of \$50,000 (did not have numbers for 2022 budget because it had not been in operation a full year)

Director Miskie reported that a proposed employee benefit – a cash-in option for 1 week of annual leave in the last quarter of the year was being considered, but was not included as a part of the 2023 budget. Mayor Koon also stated that a first reading for this budget will be on October 18, 2022.

**Adjournment:** Mayor Koon adjourned the meeting at 5:35 p.m.

COUNCIL APPROVED: October 18, 2022