

Walterboro City Council
Walterboro Wildlife Center
May 4, 2021

MINUTES

A Regular Meeting of Walterboro City Council at The Walterboro Wildlife Center on Tuesday, May 4, 2021 at 6:15 P.M., with Mayor Bill Young presiding.

PRESENT WERE: Joined in the meeting were: Mayor Bill Young, Councilmembers: Paul Siegel, Judy Bridge, Greg Pryor, James Broderick, and Carl Brown. City Manager Jeff Molinari, Assistant City Manager Hank Amundson, Finance Director Amy Risher, City Clerk Callie Seals, and City Attorney George Cone and Brown McLeod were present as well. Councilmember Ladson Fishburne was absent.

CALL TO ORDER:

With the above-mentioned Councilmembers present, the Mayor called the meeting to order, and invited everyone to join in as he gave the invocation. Councilmember Siegel led the pledge of allegiance to our flag.

PUBLIC INPUT ON AGENDA ITEMS:

The Mayor stated public input on agenda items had been distributed to Council by email.

APPROVAL OF MINUTES:

Upon motion of Councilmember Broderick, seconded by Councilmember Brown, the following meeting minutes were unanimously approved.

1. Minutes of April 6, 2021.

NEW BUSINESS:

1. **Ordinance # 2021-03**, AN ORDINANCE ADOPTING THE CITY GENERAL FUND BUDGET FOR FISCAL YEAR 2021-2022, AND MATTERS RELATING THERETO (First Reading).

The City Manager stated he would give a quick overview of the budget. This will be applicable to all three ordinances (numbers 2021-03, 2021-04 and 2021-05). The total budget is \$12,089,313. \$7,541,899 in the General Fund and \$4,547,414 in the Enterprise Fund which is our water, sewer and sanitation operations. We're looking at no ad valorem property tax increase and no business license rate increase. We will be adopting rate class changes for business licenses per state law, and I hope to bring that before City Council next month. We're looking at a proposed rate increase in water bi-monthly charges on large meters (AWWA standards), and a 5% increase in sewer volumetric rates. A proposed \$1.00 increase in facility charge for sewer. A proposed \$2.00 increase in bi-monthly residential sanitation collection, and a \$3.00 increase in commercial roll cart collection. We're looking at a 1% increase in the employer portion of state retirement and the 1% credit for employers' retirement system. A 16% increase in workers compensation rates and a 15% increase in property and casualty insurance. We're also looking at a 1.5% cost of living adjustment for city employees. I'll give a quick overview of our respective departments. Under the Mayor and City Council budgets we've got to account for the November City election this year. The City Manager budget is status quo, Finance is status quo. Under Public Works

we've moved the grapple truck expenses and employees to sanitation. We're also looking at a full-time custodian to maintain our city facilities. This would include City Hall, 248 Hampton, 300 Hampton, the Wildlife Center, Wastewater Treatment Plant office and Recreation Department facility. Also, we're looking at purchasing a backhoe with a USDA grant and repairs to City Hall. Under Planning and Development, we have \$25,000 allocated for the demolition of substandard properties. Two new vehicles for police through a USDA grant. Judicial is status quo. We're looking at purchasing a new pumper truck through a USDA grant for fire. Under Parks, we're looking at a new part-time position to maintain this facility as well as the landscaping and planning on Main Street. We also have associated tornado repair expenses. Under Tourism, it is status quo as well as the Wildlife Center. Under Water, we're continuing to look at the purchase of new radio read meters. Under Utility Support, we have our added debt for the sewer bond which Council authorized back in March. Under Sanitation, we've moved the grapple truck expenses and employees moved from Public Works. Sewer is status quo. Under Sewer Support, we're looking at the purchase of a trailer mounted high pressure sewer cleaner. I'm very pleased with the budget and I appreciate all of the assistance from Amy and her staff, and would appreciate Council's favorable consideration.

Motion: Councilmember Siegel; Second: Councilmember Bridge

Discussion: Councilmember Siegel said he recalled having some discussions with City Manager Molinari about changing our comp carrier and casualty insurance and I think you warned us that the rates would be higher there must be some corresponding advantage to this. City Manager Molinari said unfortunately what has impacted us with both of those programs is what they refer to as our "experience modifier", that went up because of some incidents we have had on the worker's comp side and property casualty side. The real advantage to being in the two municipal association affiliated insurance pools, SCMIT and SCMIRF is the training and resources that they're able to provide for our employees. Safety is something that I continue to emphasize to the department managers and unfortunately in this business we have some higher risk professions: police, fire, public works and unfortunately over time we have had some incidents that have increased that modifier but it is something we are continually working on. Councilmember Siegel said thank you, that answers my question

Carried: All ayes

2. **Ordinance # 2021-04,** AN ORDINANCE ADOPTING THE CITY ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2021-2022, AND MATTERS RELATING THERETO (First Reading).

Motion: Councilmember Pryor; Second: Councilmember Brown

Discussion: None.

Carried: All ayes.

3. **Ordinance # 2021-05,** AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR THE UTILITY SUPPORT DEPARTMENT (First Reading).

Motion: Councilmember Brown; Second: Councilmember Broderick

Discussion: None.

Carried: All ayes.

4. **Resolution # 2021-R-06,** A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE FORMS PURSUANT TO USDA RURAL DEVELOPMENT COMMUNITY

FACILITES GRANT IN AN AMOUNT NOT TO EXCEED \$50,000 FOR THE PURCHASE OF A FIRE PUMPER TRUCK FOR THE CITY OF WALTERBORO.

City Manager Molinari stated that all three resolutions (2021-R-06, 2021-R-07 and 2021-R-08) relate to the USDA grant, therefore I'd like to expand on them at one time if possible. As you are aware, we were notified yesterday afternoon that we are awarded three USDA grants. One in the amount of \$50,000 for the purchase of a fire pumper truck, \$49,900 for the purchase of two new police vehicles, and \$49,800 for the purchase of a backhoe for the Public Works Department. We've incorporated these revenue streams into the budget. Typically, when we're notified we have to act quickly to be able to secure that funding, so these three resolutions that are before you is the City's formal acceptance of those funds authorizing the Mayor and City Clerk to sign all of the documents to process the grant.

Motion: Councilmember Broderick; Second: Councilmember Pryor
Discussion: None.
Carried: All ayes.

5. **Resolution # 2021-R-07,** A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE FORMS PURSUANT TO USDA RURAL DEVELOPMENT COMMUNITY FACILITES GRANT IN AN AMOUNT NOT TO EXCEED \$49,900 FOR THE PURCHASE OF TWO POLICE VEHICLES FOR THE CITY OF WALTERBORO.

Motion: Councilmember Bridge; Second: Councilmember Brown
Discussion: None.
Carried: All ayes.

6. **Resolution # 2021-R-08,** A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE FORMS PURSUANT TO USDA RURAL DEVELOPMENT COMMUNITY FACILITES GRANT IN AN AMOUNT NOT TO EXCEED \$49,800 FOR THE PURCHASE OF A BACKHOE FOR THE CITY OF WALTERBORO.

Motion: Councilmember Pryor; Second: Councilmember Siegel
Discussion: None.
Carried: All ayes.

Mayor Young thanked the Budget Committee for their continued work on the budget.

7. Consideration of Colleton Relay for Life's "Paint the Town Purple" event to take place the week of June 20th – 26th, with additional request to host a luminaria service at the Walterboro Wildlife Center Amphitheater.

City Manager Molinari said in addition to the request above, the Relay for Life organization has requested to hang a banner stretching across Jefferies Blvd. the very same week. This year is a little bit different because of Covid but in our conversations with the organization, Hank suggested since the Wildlife Center was open and available on June 25th that they could have their event at the amphitheater which I think is great idea where people can be spaced out. We ask for Council's favorable consideration of the request.

Motion: Councilmember Broderick; Second: Councilmember Brown
Discussion: None.

Carried: All ayes.

8. Notice of 2021 Annual Retreat, Location and Time (Notice attached).

City Manager Molinari stated this is formal notification that Walterboro City Council will conduct its 2021 annual planning retreat next Wednesday, May 12th and will take place here at this facility, the Walterboro Wildlife Center, 100 S. Jefferies Blvd., Walterboro, SC 29488. No formal action will be taken at this retreat and any items will be brought back to a regularly scheduled meeting for Council's consideration.

CITY MANAGER'S REPORT:

1. Consideration of a Request for Proposal on Utility Billing Services. (Memorandum attached).

City Manager Molinari stated you have a memo and supporting documentation from the Finance Director. The Finance Department solicited proposals from qualified vendors for utility billing services for production and distribution of utility bills. In talking with Amy, we haven't put out this service for bid since 2004 so it was time to put it back out. We also took a little bit closer look at it as far as their ability to provide a customer portal for easy access to view bills and be able to pay online at no cost to the City. Staff is recommending that we select Arista Info Systems based out of Duluth, Georgia. This is the company that we're currently using and we've had a good track record with them and if you have any specific questions about the utility billing process, Amy is here to answer any questions you may have.

Motion: Councilmember Brown; Second: Councilmember Bridge

Discussion: Councilmember Brown asked the Finance Director about the charge for \$1.95 is that for paperless billing. Amy clarified and said that's for acceptance of payment from the customer by credit card. If the bill is \$100, the charge will be \$1.95 and \$1.95 each \$100 thereafter. She also said this is a new addition to our program where we'll be able to email customers their water bill which will lessen our costs and theirs.

Carried: All ayes.

2. Appointments to Capital Project Sales Tax Commission (Memorandum attached).

Motion: Councilmember Brown; Second: Councilmember Broderick

Discussion: None.

Carried: All ayes.

City Manager Molinari said as you are aware the City needs to appoint two members to the Commission. Holland Maness and Spencer Witkin have expressed interest to serve, and staff recommends the selection of Mr. Maness and Mr. Witkin.

3. Consideration of Mutual Aid Agreement with Colleton County Sheriff (Agreement attached).

The City Manager said this is more of a formality and is essentially the same mutual aid agreement that we had with the previous sheriff but with a new sheriff taking office in January, the governing body of City Council needs to approve that mutual aid agreement and we ask for Council's favorable consideration.

Motion: Councilmember Pryor; Second: Mayor Young

Discussion: Councilmember Bridge asked if we also have a mutual aid agreement with the Fire Department. City Manager Molinari said yes, Council did enter into a mutual aid agreement back in 2014 with Fire & Rescue.

Carried: All ayes.

There being no further business to consider, a motion to adjourn was made by Councilmember Pryor, seconded by Councilmember Bridge and passed unanimously. The Mayor adjourned the meeting at 6:45 P.M. Notice of this meeting were distributed with the agenda packets, to all local media, posted on City Hall bulletin boards and on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Callie Seals
City Clerk

APPROVED: June ____, 2021

Discussion: Councilmember Bridge asked if we also have a mutual aid agreement with the Fire Department. City Manager Molinari said yes, Council did enter into a mutual aid agreement back in 2014 with Fire-Rescue.

Carried: All ayes.

There being no further business to consider, a motion to adjourn was made by Councilmember Pryor, seconded by Councilmember Bridge and passed unanimously. The Mayor adjourned the meeting at 6:45 P.M. Notice of this meeting were distributed with the agenda packets, to all local media, posted on City Hall bulletin boards and on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Callie Seals
City Clerk

APPROVED: June ____, 2021

ORDINANCE # 2021-03

AN ORDINANCE ADOPTING THE CITY GENERAL FUND BUDGET FOR FISCAL YEAR 2021-2022 AND MATTERS RELATING THERETO.

WHEREAS, the 2021-2022 General Fund Budget has been presented and considered;

WHEREAS, a public hearing on the budget has been properly advertised and conducted on June 1, 2021.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walterboro, South Carolina, in Council Assembled, as follows:

1. The 2021-2022 City General Fund Budget is hereby adopted in the amount of \$7,541,899 with revenues and expenditures as set out in the budget document attached.
2. The property tax rate shall be set at eighty-six point four (86.4) mills.

This ordinance shall be effective July 1, 2021.

DONE, this 1st day of June, 2021.

William T. Young, Jr.
Mayor

ATTEST:

Callie A. Seals
City Clerk

First Reading: May 4, 2021

Public Hearing: _____

Second Reading: _____

**CITY OF WALTERBORO
FY 2021-2022 BUDGET
SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance
#2021-03, Page 1

LINE ITEM	APPROVED FY 2020-2021 BUDGET	FY 2021-2022 DEPARTMENT REQUEST	FY 2021-2022 MANAGER'S RECOMMENDATION	FY 2021-2022 COUNCIL APPROVED
<u>REVENUE</u>				
GENERAL FUND	\$ 7,506,569	\$ 7,201,817	\$ 7,541,899	\$ 7,541,899
<u>EXPENDITURES</u>				
CITY COUNCIL				
PERSONNEL	\$ 139,325	\$ 136,423	\$ 137,413	\$ 137,413
OPERATING	\$ 83,253	\$ 80,148	\$ 82,398	\$ 82,398
CAPITAL	\$ -			
SUBTOTAL	\$ 222,578	\$ 216,571	\$ 219,811	\$ 219,811
CITY MANAGER				
PERSONNEL	\$ 331,785	\$ 342,883	\$ 349,170	\$ 349,170
OPERATING	\$ 35,223	\$ 35,606	\$ 35,606	\$ 35,606
CAPITAL	\$ -			
SUBTOTAL	\$ 367,008	\$ 378,489	\$ 384,776	\$ 384,776
FINANCE				
PERSONNEL	\$ 218,983	\$ 219,959	\$ 222,631	\$ 222,631
OPERATING	\$ 160,720	\$ 176,950	\$ 176,950	\$ 176,950
CAPITAL	\$ -	\$ -		
SUBTOTAL	\$ 379,703	\$ 396,909	\$ 399,581	\$ 399,581
PUBLIC WORKS				
PERSONNEL	\$ 535,345	\$ 487,551	\$ 516,227	\$ 516,227
OPERATING	\$ 418,491	\$ 392,310	\$ 377,310	\$ 377,310
CAPITAL	\$ 180,000	\$ 203,003	\$ 145,003	\$ 145,003
SUBTOTAL	\$ 1,133,836	\$ 1,082,864	\$ 1,038,540	\$ 1,038,540
PLANNING & DEVELOPMENT				
PERSONNEL	\$ 118,238	\$ 105,430	\$ 106,543	\$ 106,543
OPERATING	\$ 91,260	\$ 96,673	\$ 86,473	\$ 86,473
CAPITAL	\$ -	\$ -	\$ -	\$ -
SUBTOTAL	\$ 209,498	\$ 202,103	\$ 193,016	\$ 193,016
POLICE				
PERSONNEL	\$ 2,174,187	\$ 2,198,836	\$ 2,218,865	\$ 2,218,865
OPERATING	\$ 457,504	\$ 496,747	\$ 476,247	\$ 476,247
CAPITAL	\$ 102,750	\$ 155,014	\$ 116,374	\$ 116,374
SUBTOTAL	\$ 2,734,441	\$ 2,850,597	\$ 2,811,486	\$ 2,811,486
JUDICIAL				
PERSONNEL	\$ 132,626	\$ 136,438	\$ 137,912	\$ 137,912
OPERATING	\$ 66,799	\$ 71,000	\$ 71,372	\$ 71,372
CAPITAL	\$ -	\$ -	\$ -	\$ -
SUBTOTAL	\$ 199,425	\$ 207,438	\$ 209,284	\$ 209,284

CITY OF WALTERBORO
FY 2021-2022 BUDGET
SUMMARY SHEET BY CATEGORY

Attachment to Ordinance
#2021-03, Page 2

LINE ITEM	APPROVED FY 2020-2021 BUDGET	FY 2021-2022 DEPARTMENT REQUEST	FY 2021-2022 MANAGER'S RECOMMENDATION	FY 2021-2022 COUNCIL APPROVED
FIRE				
PERSONNEL	\$ 1,061,862	\$ 1,060,817	\$ 1,069,154	\$ 1,069,154
OPERATING	\$ 253,242	\$ 254,435	\$ 250,235	\$ 250,235
CAPITAL	\$ -	\$ 24,800	\$ -	\$ -
SUBTOTAL	\$ 1,315,104	\$ 1,340,052	\$ 1,319,389	\$ 1,319,389
PARKS				
PERSONNEL	\$ 366,555	\$ 388,768	\$ 394,847	\$ 394,847
OPERATING	\$ 374,293	\$ 368,108	\$ 355,608	\$ 355,608
CAPITAL	\$ -	\$ 9,500	\$ -	\$ -
SUBTOTAL	\$ 740,848	\$ 766,376	\$ 750,455	\$ 750,455
TOURISM				
PERSONNEL	\$ 99,334	\$ 113,762	\$ 117,694	\$ 117,694
OPERATING	\$ 50,587	\$ 45,731	\$ 45,731	\$ 45,731
SUBTOTAL	\$ 149,921	\$ 159,493	\$ 163,425	\$ 163,425
WILDLIFE CENTER				
PERSONNEL	\$ 17,421	\$ 15,071	\$ 5,383	\$ 5,383
OPERATING	\$ 36,786	\$ 46,253	\$ 46,753	\$ 46,753
SUBTOTAL	\$ 54,207	\$ 61,324	\$ 52,136	\$ 52,136
TOTAL ALL EXPENDITURES	\$ 7,506,569	\$ 7,662,216	\$ 7,541,899	\$ 7,541,899
GENERAL FUND - FUND BALANCE				
BALANCE	\$ -	\$ (460,399)	\$ -	\$ -

ORDINANCE # 2021-04

AN ORDINANCE ADOPTING THE CITY ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2021-2022 AND MATTERS RELATING THERETO.

WHEREAS, the 2021-2022 Enterprise Fund Budget has been presented and considered;
and

WHEREAS, a public hearing on the budget has been properly advertised and conducted on June 1, 2021.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walterboro, South Carolina, in Council Assembled, as follows:

The 2021-2022 City Enterprise Fund Budget is hereby adopted with revenues and expenditures in the amount of \$4,547,414 as set out in the budget document attached.

This ordinance shall be effective July 1, 2021.

DONE, this 1st day of June, 2021.

William T. Young, Jr.
Mayor

ATTEST:

Callie A. Seals
City Clerk

First Reading: May 4, 2021
Public Hearing: _____
Second Reading: _____

**CITY OF WALTERBORO
FY 2021-2022 BUDGET
SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance
#2021-04, Page 1

LINE ITEM	APPROVED FY 2020-2021 BUDGET	FY 2021-2022 DEPARTMENT REQUEST	FY 2021-2022 MANAGER'S RECOMMENDATION	FY 2021-2022 COUNCIL APPROVED
STATEMENT OF CASH FLOWS	\$ 1,675,174	\$ 1,604,173	\$ 1,604,173	\$ 1,604,173
<u>REVENUE</u>				
UTILITY FUND	\$ 4,333,830	\$ 4,445,700	\$ 4,439,800	\$ 4,439,800
<u>EXPENDITURES</u>				
WATER				
PERSONNEL	\$ 498,992	\$ 532,627	\$ 536,633	\$ 536,633
OPERATING	\$ 456,461	\$ 574,072	\$ 541,072	\$ 541,072
CAPITAL	\$ 379,000	\$ 30,000	\$ -	\$ -
SUBTOTAL	\$ 1,334,453	\$ 1,136,699	\$ 1,077,705	\$ 1,077,705
UTILITY SUPPORT				
PERSONNEL	\$ 177,986	\$ 201,570	\$ 203,917	\$ 203,917
OPERATING	\$ 81,354	\$ 82,974	\$ 75,174	\$ 75,174
DEBT	\$ 565,438	\$ 656,176	\$ 630,499	\$ 630,499
SUBTOTAL	\$ 824,778	\$ 940,720	\$ 909,590	\$ 909,590
SANITATION				
PERSONNEL	\$ 150,170	\$ 239,806	\$ 242,046	\$ 242,046
OPERATING	\$ 131,468	\$ 224,316	\$ 214,316	\$ 214,316
CAPITAL	\$ -	\$ -	\$ -	\$ -
SUBTOTAL	\$ 281,638	\$ 464,122	\$ 456,362	\$ 456,362
SEWER				
PERSONNEL	\$ 258,327	\$ 277,343	\$ 279,833	\$ 279,833
OPERATING	\$ 487,575	\$ 486,437	\$ 474,437	\$ 474,437
CAPITAL	\$ 152,000	\$ 37,500	\$ -	\$ -
SUBTOTAL	\$ 897,902	\$ 801,280	\$ 754,270	\$ 754,270
SEWER SUPPORT				
PERSONNEL	\$ 301,788	\$ 320,874	\$ 323,766	\$ 323,766
OPERATING	\$ 46,810	\$ 49,685	\$ 49,685	\$ 49,685
CAPITAL	\$ 10,036	\$ 247,174	\$ 107,614	\$ 107,614
SUBTOTAL	\$ 358,634	\$ 617,733	\$ 481,065	\$ 481,065
UTILITY SUPPORT TO GF	\$ 707,426	\$ 485,146	\$ 868,422	\$ 868,422
UTILITY FUND SUBTOTAL	\$ 4,404,831	\$ 4,445,700	\$ 4,547,414	\$ 4,547,414
USE OF NET POSITION	\$ 71,000	\$ -	\$ 107,614	\$ 107,614
<u>ENDING NET POSITION</u>				
YEAR END STATEMENT OF CASH FLOW	\$ 1,604,173	\$ 1,604,173	\$ 1,496,559	\$ 1,496,559

ORDINANCE #2021-05

AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR THE UTILITY SUPPORT DEPARTMENT

WHEREAS, the City of Walterboro from time to time must review its fees and charges and make adjustments as necessary; and

WHEREAS, the need to maintain a comprehensive fee schedule for all City of Walterboro fees is necessary; and

WHEREAS, the fees recommended by the Mayor and Walterboro City Council are as follows:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walterboro, the following fees are amended or adopted:

WATER

Minimum bi-monthly charges

<u>Service Size/Type</u>	<u>In City</u>	<u>Out of City</u>
¾" Residential	\$ 23.11	\$ 46.22
¾" Commercial	\$ 23.11	\$ 46.22
1" Residential	\$ 44.60	\$ 89.20
1" Commercial	\$ 44.60	\$ 96.36
1¼" Residential	\$ 80.19	\$ 160.38
1¼" Commercial	\$ 80.19	\$ 160.38
1½" Residential	\$ 80.19	\$ 160.38
1½" Commercial	\$ 80.19	\$ 160.38
2" Residential	\$ 132.65	\$ 265.30
2" Commercial	\$ 132.65	\$ 265.30
3" Residential	\$ 260.22	\$ 520.44
3" Commercial	\$ 260.22	\$ 520.44
4" Residential	\$ 450.19	\$ 900.37
4" Commercial	\$ 455.97	\$ 911.95
6" Residential	\$ 895.28	\$1,790.56
6" Commercial	\$ 899.90	\$1,799.81
8" Residential	\$1,848.80	\$3,697.60
8" Commercial	\$1,848.80	\$3,697.60

*Minimum charge included first 4,000 gallons

*Fire protection sprinklers 0.14 per head

*#31 Fire hydrant \$11.55

*#32 Fire hydrant \$33.26

Usage Rates – Per Thousand

	<u>In City</u>	<u>Out of City</u>
First 4,000 gals	Included in minimum charge	
Next 36,000 gals	\$1.49	\$2.98
Next 160,000 gals	\$1.42	\$2.84
All over 200,000 gals	\$1.36	\$2.72

WATER TAP FEES

<u>Service Size</u>	<u>In City</u>	<u>Out of City</u>
¾"	\$1,160.00	\$2,320.00
1"	\$1,297.00	\$2,594.00
1½"	\$2,471.00	\$4,945.00
2"	\$2,979.00	\$5,958.00
Over 2"	Cost plus 20% (refer to Director)	
Road Bore	\$1,600.00	\$1,600.00

SEWER

Usage Rates

	<u>In City</u>	<u>Out of City</u>
Rate per Thousand	\$4.50	\$9.00
Facility Charge	\$4.00	\$8.00

SEWER TAP FEES

<u>Service Type</u>	<u>In City</u>	<u>Out of City</u>
Residential	\$1,653.00	\$3,306.00
Business	\$2,631.00	\$5,262.00
Restaurant	\$3,794.70	\$7,589.40
Motel/Apartments	\$2,631.00	\$5,262.00
	\$ 100.00 1 st unit	\$ 200.00
	\$ 100.00 each additional	\$ 200.00

SANITATION

Residential rollout	\$30.00
Commercial rollout	\$34.00

ADMINISTRATIVE FEES

Service deposit	\$100.00	Terminate/restore tap fee	\$400.00
Turn on/off service fee	\$ 5.00	Tampering fee	\$100.00
Missed appointment fee 2 nd visit	\$ 25.00	Non-refund hydrant deposit	\$150.00
Late fee	\$ 10.00	DHEC H2O	\$ 0.75
Processing cut-off/on	\$ 30.00	DHEC Sewer	\$ 1.00
Water meter removal/replacement	\$ 50.00	Certified letter fee	\$ 10.00

This ordinance shall be effective July 1, 2021.

DONE, this 1st day of June, 2021.

William T. Young, Jr.
Mayor

ATTEST:

Callie A. Seals
City Clerk

First Reading: May 4, 2021
Public Hearing: _____
Second Reading: _____



M E M O R A N D U M

To: Jeff Molinari, City Manager

From: Amy Risher, Finance Director

Date: May 18, 2021

Re: SC Business Lice Tax Standardization Act
2021 Business License Ordinance

In September 2020, the General Assembly passed Act 176 which streamlines the business license process across the state. This act creates the same process for taxing jurisdictions across South Carolina. Details of Act 176 include the following:

- A standard due date of April 30
- A business license year of May 1 – April 30
- Gross income to be based on the prior calendar year or business fiscal year
- Standard application as approved by SC Revenue and Fiscal Affairs Office
- All businesses will be listed in the standard class schedule according to their North American Industry Classification System code, or NAICS code
- Standard class schedule is adopted by the SC Revenue and Fiscal Affairs Office
- Creation of the Local Business License Renewal Center, an online payment portal where businesses can renew all their local licenses at one time

The mandate of the license year will extend the City's current license year from an expiration date of December 31, 2021 to April 30, 2022 which has been incorporated in the business license ordinance.

In addition, to ensure revenue neutrality during the rebalancing process, the city will be reducing the incremental rate per thousand from \$0.15 to \$0.12 for rate classes 2 through 7. See below. Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the city.

<u>Rate Class</u>	<u>Income over \$2,000</u> <u>Current rate per \$1,000</u>	<u>Income over \$2,000</u> <u>New rate per \$1,000</u>
1	\$1.00	\$1.00
2	\$1.15	\$1.12
3	\$1.30	\$1.24
4	\$1.45	\$1.36
5	\$1.60	\$1.48
6	\$1.75	\$1.60
7	\$1.90	\$1.72

ORDINANCE # 2021-06

AN ORDINANCE TO REPEAL CHAPTER 8, BUSINESS LICENSE AND BUSINESS REGULATIONS, ARTICLE I, IN GENERAL AND ARTICLE II, BUSINESS LICENSE ORDINANCE, OF THE CODE OF ORDINANCES OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AND TO REPLACE SAID CHAPTER 8 ORDINANCE WITH CHAPTER 8 ENTITLED BUSINESS LICENSE ORDINANCE.

WHEREAS, the Municipal Association of South Carolina (MASC) regularly updates the Model Business License Ordinance to incorporate improvements necessitated by changes in the legal and economic application of business license regulations; and,

WHEREAS, it is the interest of the City and the operators of businesses within the City that the business license ordinance be updated to be consistent with the statewide application of business license regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN COUNCIL ASSEMBLED, that all prior business license ordinances are repealed and the attached business license ordinance is adopted and shall continue in effect from year to year as hereafter amended.

This ordinance shall become effective upon adoption.

ADOPTED, this _____ day of _____, 2021.

William T. Young, Jr.
Mayor

ATTEST:

Callie A. Seals
City Clerk

First Reading: _____
Public Hearing: _____
Second Reading: _____

CITY OF WALTERBORO

BUSINESS LICENSE ORDINANCE

Section 1. License Required. Every person engaged or intending to engage in any business, calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, in whole or in part within the limits of the City of Walterboro, South Carolina, is required to pay an annual license tax for the privilege of doing business and obtain a business license as herein provided.

Section 2. Definitions. The following words, terms, and phrases, when used in this ordinance, shall have the meaning ascribed herein. Defined terms are not capitalized when used in this ordinance unless the context otherwise requires.

"Business" means any business, calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, either directly or indirectly.

"Charitable Organization" means an organization that is determined by the Internal Revenue Service to be exempt from Federal income taxes under 26 U.S.C. Section 501(c)(3), (4), (6), (7), (8), (10) or (19).

"Charitable Purpose" means a benevolent, philanthropic, patriotic, or eleemosynary purpose that does not result in personal gain to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization.

"Classification" means that division of businesses by NAICS codes subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by the Council.

"Council" means City Council of the City of Walterboro.

"Domicile" means a principal place from which the trade or business of a licensee is conducted, directed, or managed. For purposes of this ordinance, a licensee may be deemed to have more than one domicile.

"Gross Income" means the gross receipts or gross revenue of a business, received or accrued, for one calendar or fiscal year collected or to be collected from business done within the Municipality. If the licensee has a domicile within the Municipality, business done within the Municipality shall include all gross receipts or revenue received or accrued by such licensee. If the licensee does not have a domicile within the Municipality, business done within the Municipality shall include only gross receipts or revenue received or accrued within the Municipality. In all cases, if the licensee pays a business license tax to another county or municipality, then the licensee's gross income for the purpose of computing the tax within the Municipality must be reduced by the amount of revenues or receipts taxed in the other county or municipality and fully reported to the Municipality. Gross income for business license tax purposes shall not include taxes collected for a governmental entity, escrow funds, or funds that are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in gross income. The gross receipts or gross revenues for business license purposes may

be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Department of Insurance, or other government agencies. In calculating gross income for certain businesses, the following rules shall apply:

- A. Gross income for agents shall be calculated on gross commissions received or retained, unless otherwise specified. If commissions are divided with other brokers or agents, then only the amount retained by the broker or agent is considered gross income.
- B. Except as specifically required by S.C. Code § 38-7-20, gross income for insurance companies shall be calculated on gross premiums written.
- C. Gross income for manufacturers of goods or materials with a location in the Municipality shall be calculated on the lesser of (i) gross revenues or receipts received or accrued from business done at the location, (ii) the amount of income allocated and apportioned to that location by the business for purposes of the business's state income tax return, or (iii) the amount of expenses attributable to the location as a cost center of the business. Licensees reporting gross income under this provision shall have the burden to establish the amount and method of calculation by satisfactory records and proof. Manufacturers include those taxpayers reporting a manufacturing principal business activity code on their federal income tax returns.

"License Official" means a person designated to administer this ordinance. Notwithstanding the designation of a primary license official, the Municipality may designate one or more alternate license officials to administer particular types of business licenses, including without limitation for business licenses issued to businesses subject to business license taxes under Article 20, Chapter 9, Title 58, and Chapters 7 and 45, Title 38, of the South Carolina Code.

"Licensee" means the business, the person applying for the license on behalf of the business, an agent or legal representative of the business, a person who receives any part of the net profit of the business, or a person who owns or exercises control of the business.

"Municipality" means the City of Walterboro, South Carolina.

"NAICS" means the North American Industry Classification System for the United States published under the auspices of the Federal Office of Management and Budget.

"Person" means any individual, firm, partnership, limited liability partnership, limited liability company, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principal.

Section 3. Purpose and Duration. The business license required by this ordinance is for the purpose of providing such regulation as may be required for the business subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. The license year ending on April 30, 2022, shall commence on January 1, 2021 and shall run for a sixteen (16) month period. Thereafter, the license periods shall be established as follows. Except as set forth below for business licenses issued to contractors with respect to specific construction projects,

each yearly license shall be issued for the twelve-month period of May 1 to April 30. A business license issued for a construction contract may, at the request of the licensee, be stated to expire at the completion of the construction project; *provided*, any such business license may require that the licensee file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount. The provisions of this ordinance and the rates herein shall remain in effect from year to year as amended by the Council.

Section 4. Business License Tax, Refund.

- A. The required business license tax shall be paid for each business subject hereto according to the applicable rate classification on or before the due date of the 30th day of April in each year, except for those businesses in Rate Class 8 for which a different due date is specified. Late payments shall be subject to penalties as set forth in Section 12 hereof, except that admitted insurance companies may pay before June 1 without penalty.
- B. A separate license shall be required for each place of business and for each classification or business conducted at one place. If gross income cannot be separated for classifications at one location, the business license tax shall be computed on the combined gross income for the classification requiring the highest rate. The business license tax must be computed based on the licensee's gross income for the calendar year preceding the due date, for the licensee's twelve-month fiscal year preceding the due date, or on a twelve-month projected income based on the monthly average for a business in operation for less than one year. The business license tax for a new business must be computed on the estimated probable gross income for the balance of the license year. A business license related to construction contract projects may be issued on a per-project basis, at the option of the taxpayer. No refund shall be made for a business that is discontinued.
- C. A licensee that submits a payment greater than the amount owed may request a refund. To be considered, a refund request must be submitted in writing to the Municipality before the June 1 immediately following the April 30 on which the payment was due and must be supported by adequate documentation supporting the refund request. The Municipality shall approve or deny the refund request, and if approved shall issue the refund to the business, within thirty days after receipt of the request.

Section 5. Registration Required.

- A. The owner, agent, or legal representative of every business subject to this ordinance, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year; *provided*, a new business shall be required to have a business license prior to operation within the Municipality, and an annexed business shall be required to have a business license within thirty (30) days of the annexation. A license for a bar (NAICS 722410) must be issued in

the name of the individual who has been issued the corresponding state alcohol, beer, or wine permit or license and will have actual control and management of the business.

- B. Application shall be on the then-current standard business license application as established and provided by the Director of the South Carolina Revenue and Fiscal Affairs Office and shall be accompanied by all information about the applicant, the licensee, and the business deemed appropriate to carry out the purpose of this ordinance by the license official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross receipts and gross revenue figures.
- C. The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported (or estimated for a new business) without any unauthorized deductions, and that all assessments, personal property taxes on business property, and other monies due and payable to the Municipality have been paid.
- D. The Municipality shall allow application, reporting, calculation, and payment of business license taxes through the business license tax portal hosted and managed by the South Carolina Revenue and Fiscal Affairs Office, subject to the availability and capability thereof. Any limitations in portal availability or capability do not relieve the applicant or Licensee from existing business license or business license tax obligations.

Section 6. Deductions, Exemptions, and Charitable Organizations.

- A. No deductions from gross income shall be made except income earned outside of the Municipality on which a license tax is paid by the business to some other municipality or county and fully reported to the Municipality, taxes collected for a governmental entity, or income which cannot be included for computation of the tax pursuant to state or federal law. Properly apportioned income from business in interstate commerce shall be included in the calculation of gross income and is not exempted. The applicant shall have the burden to establish the right to exempt income by satisfactory records and proof.
- B. No person shall be exempt from the requirements of the ordinance by reason of the lack of an established place of business within the Municipality, unless exempted by state or federal law. The license official shall determine the appropriate classification for each business in accordance with the latest issue of NAICS. No person shall be exempt from this ordinance by reason of the payment of any other tax, unless exempted by state law, and no person shall be relieved of liability for payment of any other tax or fee by reason of application of this ordinance.
- C. Wholesalers are exempt from business license taxes unless they maintain warehouses or distribution establishments within the Municipality. A wholesale transaction involves a sale to an individual who will resell the goods and includes delivery of the goods to the reseller. It does not include a sale of goods to a user or consumer.
- D. A charitable organization shall be exempt from the business license tax on its gross income unless it is deemed a business subject to a business license tax on all or part of its gross income as provided in this section. A charitable organization, or any affiliate of a charitable organization, that reports income from for-profit activities or unrelated

business income for federal income tax purposes to the Internal Revenue Service shall be deemed a business subject to a business license tax on the part of its gross income from such for-profit activities or unrelated business income.

- E. A charitable organization shall be deemed a business subject to a business license tax on its total gross income if (1) any net proceeds of operation, after necessary expenses of operation, inure to the benefit of any individual or any entity that is not itself a charitable organization as defined in this ordinance, or (2) any net proceeds of operation, after necessary expenses of operation, are used for a purpose other than a charitable purpose as defined in this ordinance. Excess benefits or compensation in any form beyond fair market value to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Section 7. False Application Unlawful. It shall be unlawful for any person subject to the provisions of this ordinance to make a false application for a business license or to give or file, or direct the giving or filing of, any false information with respect to the license or tax required by this ordinance.

Section 8. Display and Transfer.

- A. All persons shall display the license issued to them on the original form provided by the license official in a conspicuous place in the business establishment at the address shown on the license. A transient or non-resident shall carry the license upon his person or in a vehicle used in the business readily available for inspection by any authorized agent of the Municipality.
- B. A change of address must be reported to the license official within ten (10) days after removal of the business to a new location and the license will be valid at the new address upon written notification by the license official and compliance with zoning and building codes. Failure to obtain the approval of the license official for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable, and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on old business income.

Section 9. Administration of Ordinance. The license official shall administer the provisions of this ordinance, collect business license taxes, issue licenses, make or initiate investigations and audits to ensure compliance, initiate denial or suspension and revocation procedures, report violations to the municipal attorney, assist in prosecution of violators, produce forms, undertake reasonable procedures relating to the administration of this ordinance, and perform such other duties as may be duly assigned.

Section 10. Inspection and Audits.

- A. For the purpose of enforcing the provisions of this ordinance, the license official or other authorized agent of the Municipality is empowered to enter upon the premises of any person subject to this ordinance to make inspections and to examine and audit books and records. It shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the licensee has filed false information, the costs of the audit shall be added to the correct business license tax and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of business license tax shall constitute a separate offense.
- B. The license official shall have the authority to make inspections and conduct audits of businesses to ensure compliance with the ordinance. Financial information obtained by inspections and audits shall not be deemed public records, and the license official shall not release the amount of business license taxes paid or the reported gross income of any person by name without written permission of the licensee, except as authorized by this ordinance, state or federal law, or proper judicial order. Statistics compiled by classifications are public records.

Section 11. Assessments, Payment under Protest, Appeal.

- A. Assessments, payments under protest, and appeals of assessment shall be allowed and conducted by the Municipality pursuant to the provisions of S.C. Code § 6-1-410, as amended. In preparing an assessment, the license official may examine such records of the business or any other available records as may be appropriate and conduct such investigations and statistical surveys as the license official may deem appropriate to assess a business license tax and penalties as provided herein.
- B. The license official shall establish a uniform local procedure consistent with S.C. Code § 6-1-410 for hearing an application for adjustment of assessment and issuing a notice of final assessment; provided that for particular types of business licenses, including without limitation for business licenses issued to businesses subject to business license taxes under Article 20, Chapter 9, Title 58, and Chapters 7 and 45, Title 38, of the South Carolina Code, the Municipality, by separate ordinance, may establish a different procedure and may delegate one or more rights, duties, and functions hereunder to the Municipal Association of South Carolina.

Section 12. Delinquent License Taxes, Partial Payment.

- A. For non-payment of all or any part of the correct business license tax, the license official shall impose and collect a late penalty of five (5%) percent of the unpaid tax for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any business license tax remains unpaid for sixty (60) days after its due date, the license official shall report it to the municipal attorney for appropriate legal action.
- B. Partial payment may be accepted by the license official to toll imposition of penalties on the portion paid; *provided*, however, no business license shall be issued or renewed until the full amount of the tax due, with penalties, has been paid.

Section 13. Notices. The license official may, but shall not be required to, mail written notices that business license taxes are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the Municipality three (3) times prior to the due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Section 14. Denial of License. The license official may deny a license to an applicant when the license official determines:

- A. The application is incomplete or contains a misrepresentation, false or misleading statement, or evasion or suppression of a material fact;
- B. The activity for which a license is sought is unlawful or constitutes a public nuisance *per se* or *per accidens*;
- C. The applicant, licensee, prior licensee, or the person in control of the business has been convicted within the previous ten years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a business or a subject of a business, or an unlawful sale of merchandise or prohibited goods;
- D. The applicant, licensee, prior licensee, or the person in control of the business has engaged in an unlawful activity or nuisance related to the business or to a similar business in the Municipality or in another jurisdiction;
- E. The applicant, licensee, prior licensee, or the person in control of the business is delinquent in the payment to the Municipality of any tax or fee;
- F. A licensee has actual knowledge or notice, or based on the circumstances reasonably should have knowledge or notice, that any person or employee of the licensee has committed a crime of moral turpitude on the business premises, or has permitted any person or employee of the licensee to engage in the unlawful sale of merchandise or prohibited goods on the business premises and has not taken remedial measures necessary to correct such activity; or
- G. The license for the business or for a similar business of the licensee in the Municipality or another jurisdiction has been denied, suspended, or revoked in the previous license year.

A decision of the license official shall be subject to appeal as herein provided. Denial shall be written with reasons stated.

Section 15. Suspension or Revocation of License. When the license official determines:

- A. A license has been mistakenly or improperly issued or issued contrary to law;
- B. A licensee has breached any condition upon which the license was issued or has failed to comply with the provisions of this ordinance;
- C. A licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the license application;
- D. A licensee has been convicted within the previous ten years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude

related to a business or a subject of a business, or an unlawful sale of merchandise or prohibited goods;

E. A licensee has engaged in an unlawful activity or nuisance related to the business; or

F. A licensee is delinquent in the payment to the Municipality of any tax or fee,

the license official may give written notice to the licensee or the person in control of the business within the Municipality by personal service or mail that the license is suspended pending a single hearing before Council or its designee for the purpose of determining whether the suspension should be upheld and the license should be revoked.

The written notice of suspension and proposed revocation shall state the time and place at which the hearing is to be held, and shall contain a brief statement of the reasons for the suspension and proposed revocation and a copy of the applicable provisions of this ordinance.

Section 16. Appeals to Council or its Designee.

- A. Except with respect to appeals of assessments under Section 11 hereof, which are governed by S.C. Code § 6-1-410, any person aggrieved by a determination, denial, or suspension and proposed revocation of a business license by the license official may appeal the decision to the Council or its designee by written request stating the reasons for appeal, filed with the license official within ten (10) days after service by mail or personal service of the notice of determination, denial, or suspension and proposed revocation.
- B. A hearing on an appeal from a license denial or other determination of the license official and a hearing on a suspension and proposed revocation shall be held by the Council or its designee within ten (10) business days after receipt of a request for appeal or service of a notice of suspension and proposed revocation. The hearing shall be held upon written notice at a regular or special meeting of the Council, or, if by designee of the Council, at a hearing to be scheduled by the designee. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by Council or its designee shall govern the hearing. Following the hearing, the Council by majority vote of its members present, or the designee of Council if the hearing is held by the designee, shall render a written decision based on findings of fact and conclusions on application of the standards herein. The written decision shall be served, by personal service or by mail, upon all parties or their representatives and shall constitute the final decision of the Municipality.
- C. Timely appeal of a decision of Council or its designee does not effectuate a stay of that decision. The decision of the Council or its designee shall be binding and enforceable unless overturned by an applicable appellate court after a due and timely appeal.

- D. For business licenses issued to businesses subject to business license taxes under Article 20, Chapter 9, Title 58, and Chapters 7 and 45, Title 38, of the South Carolina Code, the Municipality may establish a different procedure by ordinance.

Section 17. Consent, franchise, or license required for use of streets.

- A. It shall be unlawful for any person to construct, install, maintain, or operate in, on, above, or under any street or public place under control of the Municipality any line, pipe, cable, pole, structure, or facility for utilities, communications, cablevision, or other purposes without a consent agreement or franchise agreement issued by the Council by ordinance that prescribes the term, fees, and conditions for use.
- B. The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by state law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license taxes unless specifically provided by the franchise or consent agreement.

Section 18. Confidentiality. Except in accordance with proper judicial order or as otherwise provided by law, no official or employee of the Municipality may divulge or make known in any manner the amount of income or any financial particulars set forth or disclosed in any report or return required under this ordinance. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns. Any license data may be shared with other public officials or employees in the performance of their duties, whether or not those duties relate to enforcement of this ordinance.

Section 19. Violations. Any person violating any provision of this ordinance shall be deemed guilty of an offense and shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both, upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties, and costs provided for in this ordinance.

Section 20. Severability. A determination that any portion of this ordinance is invalid or unenforceable shall not affect the remaining portions. To the extent of any conflict between the provisions of this ordinance and the provisions of the South Carolina Business License Tax Standardization Act, as codified at S.C. Code §§ 6-1-400 *et seq.*, the standardization act shall control.

Section 21. Classification and Rates.

- A. The business license tax for each class of businesses subject to this ordinance shall be computed in accordance with the current business license rate schedule, designated as Appendix A to this ordinance, which may be amended from time to time by the Council.
- B. The current business license class schedule is attached hereto as Appendix B. Hereafter, no later than December 31 of each odd year, the Municipality shall adopt, by ordinance, the latest standardized business license class schedule as recommended by the Municipal Association of South Carolina and adopted by the Director of the South Carolina Revenue

and Fiscal Affairs Office. Upon adoption by the Municipality, the revised business license class schedule shall then be appended to this ordinance as a replacement Appendix B.

- C. The classifications included in each rate class are listed with NAICS codes, by sector, sub-sector, group, or industry. The business license class schedule (Appendix B) is a tool for classification and not a limitation on businesses subject to a business license tax. The classification in the most recent version of the business license class schedule adopted by the Council that most specifically identifies the subject business shall be applied to the business. The license official shall have the authority to make the determination of the classification most specifically applicable to a subject business.
- D. A copy of the class schedule and rate schedule shall be filed in the office of the municipal clerk.

APPENDIX A: BUSINESS LICENSE RATE SCHEDULE

RATE CLASS	INCOME: \$0 - \$2,000	INCOME OVER \$2,000
	BASE RATE	RATE PER \$1,000 OR FRACTION THEREOF
1	\$ 40.00	\$1.00
2	\$ 45.00	\$1.12
3	\$ 50.00	\$1.24
4	\$ 55.00	\$1.36
5	\$ 60.00	\$1.48
6	\$ 65.00	\$1.60
7	\$ 70.00	\$1.72
8.1	\$ 50.00	\$1.10
8.2	Set by state statute	
8.3	MASC Telecommunications	
8.4	MASC Insurance	
8.51	\$12.50 + \$12.50 per machine	
8.52	\$12.50 + \$180.00 per machine	
8.6	\$50.00 plus \$5.00 -OR- \$12.50 per table	\$1.20
9.3	\$100.00	
	Income \$2,000 - \$300,000	\$0.70
	Income over \$300,000	\$0.38
9.41	\$250.00	\$3.10
9.42	\$250.00	\$3.10

NON-RESIDENT RATES

Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the Municipality.

CLASS 8 RATES

Each NAICS number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of state law, regulatory requirements, service burdens, tax equalization considerations, and other factors that are deemed sufficient to require individually determined rates. In accordance with state law, the Municipality also may provide for reasonable subclassifications for rates, described by an NAICS sector, subsector, or industry, that are based on particularized considerations as needed for economic stimulus or for the enhanced or disproportionate demands on municipal services or infrastructure.

Non-resident rates do not apply except where indicated.

8.1 NAICS 230000 – Contractors, Construction, All Types [Non-resident rates apply].

Resident rates, for contractors having a permanent place of business within the Municipality:

Minimum on first \$2,000	\$50.00 PLUS
Each additional 1,000	\$1.10

Non-resident rates apply to contractors that do not have a permanent place of business within the Municipality. A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Official a list of sub-contractors furnishing labor or materials for each project.

For licenses issued on a per-job basis, the total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base tax shall be paid in a license year. Licensees holding a per-job license shall file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for

which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount.

8.2 NAICS 482 – Railroad Companies (See S.C. Code § 12-23-210).

8.3 NAICS 517311, 517312 – Telephone Companies.

With respect to “retail telecommunications services” as defined in S. C. Code § 58-9-2200, the Municipality participates in a collections program administered by the Municipal Association of South Carolina. The Municipality has approved participation in the collections program by separate ordinance (the “Telecommunications Collections Ordinance”). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to retail telecommunications services are set forth in the Telecommunications Collections Ordinance.

8.4 NAICS 5241 – Insurance Companies:

Independent agents, brokers, their employees are subject to a business license tax based on their natural class. With respect to insurers subject to license fees and taxes under Chapter 7 of Title 38 and to brokers under Chapter 45 of Title 38, the Municipality participates in a collections program administered by the Municipal Association of South Carolina. The Municipality has approved participation in the collections program by separate ordinance (the “Insurers and Brokers Collections Ordinance”). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to insurers and brokers are set forth in the Insurers and Brokers Collections Ordinance.

8.51 NAICS 713120 – Amusement Machines, coin operated (except gambling). Music machines, juke boxes, kiddy rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(1) and (A)(2) [Type I and Type II].

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2746:

Per Machine.....	\$12.50 PLUS
Business license	\$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.51.

8.52 NAICS 713290 – Amusement Machines, coin operated, non-payout. Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(3) [Type III].

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2720(B):

Per Machine	\$180.00 PLUS
Business license	\$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.52.

8.6 NAICS 713990 – Billiard or Pool Rooms, all types. (A) Pursuant to SC Code § 12-21-2746, license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that; PLUS, (B) with respect to gross income from the entire business in addition to the tax authorized by state law for each table:

Minimum on first \$2,000	\$50.00 PLUS
Per \$1,000, or fraction, over \$2,000.....	\$1.20

9.3 NAICS 4411, 4412 – Automotive, Motor Vehicles, Boats, Farm Machinery or Retail.

(except auto supply stores - see 4413)

Minimum on first \$2,000	\$100.00 PLUS
\$2,000 - \$300,000	\$0.70
Over \$300,000.....	\$0.38

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership.

Gross receipts for this classification shall include value of trade-ins. Dealer transfers or internal repairs on resale items shall not be included in gross income.

NAICS 454390 – Peddlers, Solicitors, Canvassers, Door-To-Door Sales.

Direct retail sales of merchandise. [Non-resident rates apply]

9.41 Regular activities [more than two sale periods of more than three days each/year]

Minimum on first \$2,000	\$250.00 PLUS
Per \$1,000, or fraction, over \$2,000.....	\$3.10

9.42 Seasonal activities [not more than two sale periods of not more than three days each year, separate license required for each sale period]

Minimum on first \$2,000	\$250.00 PLUS
Per \$1,000, or fraction, over \$2,000.....	\$3.10

Applicants for a license to sell on private property must provide written authorization from the property owner to use the intended location.

Business License Class Schedule by NAICS Code

Appendix B

This appendix will be updated every odd year based on the latest available IRS statistics.
The 2021 Business License Class Schedule may be accessed at:

<http://www.masc.sc/sitecollectiondocuments/finance/bl-appxB.pdf>

APPENDIX B

2021 BUSINESS LICENSE CLASS SCHEDULE BY NAICS CODE

NAICS Sector/Subsector	Industry Sector	Class
110000	Agriculture, forestry, hunting and fishing	2.00
210000	Mining	4.00
220000	Utilities	1.00
230000	Construction (gross or job based)	8.10
310000 - 330000	Manufacturing	2.00
420000	Wholesale trade	1.00
423940	Wholesale trade (Junk)	1.00
440000	Retail trade	1.00
441110	Automobile dealers (new and used)	9.30
441120	Other Motor vehicle dealers (RVs, boats, motorcycles, ATVs)	9.30
441300	Retail trade	1.00
454000	Other direct selling establishments (peddlers - vending machines/coin operated)	9.41
454390	Other direct selling establishments (peddlers - seasonal)	9.42
480000	Transportation and warehousing	2.00
482000	Rail transportation (railroads, fixed fee by state law)	8.20
483000	Transportation and warehousing	2.00
485310	Taxi service	2.00
485320	Transportation and warehousing	2.00
510000	Information	4.00
520000	Finance and insurance	7.00
522298	Pawn shops	7.00
522299	Securities, commodity contracts, and other financial investments	7.00
530000	Real estate and rental and leasing	7.00
540000	Professional, scientific, and technical services	5.00
550000	Management of companies	7.00
560000	Administrative and support and waste management and remediation services	4.00
610000	Educational services	4.00
620000	Health care and social assistance	4.00
710000	Arts, entertainment, and recreation	3.00
711190	Other performing arts companies (carnivals and circuses)	3.00
711200	Arts, entertainment, and recreation	3.00
711320	Promoters of performing arts, festivals and sporting events	3.00
711400	Arts, entertainment, and recreation	3.00
713120.1	Non-payout amusement / coin operated machines (S.C. Code §12-21-2746)	8.51
713120.2	Non-payout amusement / coin operated machines §12-21-2720(A)(3) [Type III].	8.52
713120.3	Amusement parks and arcades (NAICS 710100 -713120) Based on gross	3.00
713290	Bingo halls	3.00
713291	Arts, entertainment, and recreation	3.00
713991	All other amusement and recreational industries (pool tables)	8.60
721000	Accommodation	3.00
722000	Food services	1.00
722410	Drinking places	1.00
722411	Food services	1.00
810000	Other services	5.00

RESOLUTION NO. 2021-R-09

**A RESOLUTION TO RESCIND THE REQUIREMENT
FOR WEARING FACE COVERINGS OR MASKS IN PUBLIC IN THE CITY OF
WALTERBORO DURING THE COVID-19 PUBLIC HEALTH EMERGENCY AND
RECOVERY AS SET FORTH IN CITY ORDINANCE 2020-15.**

WHEREAS, On December 1, 2020, Second and Final Reading of Ordinance No. 2020-15, An Ordinance Requiring that Face Coverings or Masks Be Worn in Public in The City of Walterboro during the COVID-19 Public Health Emergency and Recovery was passed by Walterboro City Council; and

WHEREAS, Ordinance No. 2020-15 provided that the requirements of the Ordinance would remain in full force and effect until City Council passes a resolution to terminate the Ordinance and those requirements; and

WHEREAS, Governor Henry McMaster issued Executive Order 2021-23 on May 11, 2021; and

WHEREAS, Executive Order 2021-23 prohibits municipalities from relying on prior Executive Orders or an Executive State of Emergency declaration as a basis for a local mask mandate.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Walterboro, South Carolina in council duly assembled that Ordinance No. 2020-15 and the requirements set forth therein as to the wearing of face coverings or masks is hereby terminated, effective immediately.

ADOPTED, this 1st day of June 2021.

CITY OF WALTERBORO, SOUTH CAROLINA

William T. Young, Jr.,
Mayor

ATTEST:

Callie Seals
City Clerk



MEMORANDUM

TO: Mayor and City Council
FROM: City Manager
DATE: May 25, 2021
SUBJECT: Request for Proposals for Auditing Services

I have attached a memo and supporting documentation from Finance Director, Amy Risher. The Finance Department solicited proposals from certified public accounting firms to perform auditing services for the City of Walterboro for fiscal years ending June 30, 2022-2026 and received one (1) proposal:

<u>Firm</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
The Baird Audit Group, LLC	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000

City Staff recommends selecting The Baird Audit Group, LLC to perform the independent audit for the City of Walterboro for the fiscal years ending June 30, 2022-2026. City staff asks for Council's favorable consideration of this request. If you have any questions, comments, or concerns, please do not hesitate to contact me, or come by City Hall at your convenience.

Sincerely,


Jeffrey P. Molinari
City Manager

Attachments



MEMORANDUM

To: Jeff Molinari, City Manager

From: Amy Risher, Finance Director 

Date: May 14, 2021

Re: Request for Proposals for Auditing Services

On March 29, 2021, the Finance Department solicited sealed proposals from certified public accountants to provide auditing services for the fiscal period ending June 30, 2022. The objective of the proposal was to identify the most qualified CPA at the most reasonable rate.

The City received questions from different firms and received one proposal.

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
The Baird Audit Group, LLC	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000

In the event federal expenditures exceed \$750,000, a single audit will be required with a fee of \$2,000 for each program tested.

City staff recommends The Baird Audit Group, LLC to continue to provide the City of Walterboro with auditing services.



4210 Columbia Road | Building 10 | Suite 101 | Augusta, GA 30907
www.bairdgroupcpa.com | Tel. (706) 855-9500 | Fax (706) 855-2900

Letter of Transmittal

City Council
City of Walterboro, South Carolina
248 Hampton Street
Walterboro, SC 29488

This proposal is being made to assist you in selecting the most qualified certified public accounting firm to perform the independent audit of the annual financial statements of the city of Walterboro, South Carolina for the year ended June 30, 2022 through 2026.

Our knowledge, experience, and commitment will allow us to meet your reporting deadlines. Brenda F. Carroll, CPA, Audit Partner, will be authorized to make representations for the firm and is responsible for the quality of the reports and working papers.

Firm Qualifications and Experience:

Our firm has offered audit, tax, consulting and bookkeeping services to clients in South Carolina and Georgia since 1927. The Baird Audit Group, LLC operated as Baird and Company, CPAs until 2017.

Our firm has been engaged to perform audits for municipalities, counties, school districts, authorities, libraries, not-for-profit organizations, pension plans, manufacturing, commercial and retail clients.

Our Audit Partner has over 25 years of experience conducting independent audits. We have a single audit specialist well versed in OMB Uniform Guidance. Our staff hold the following professional designations: CPAs, Certified Internal Auditor, Certified Internal Control Auditor, Certified Fraud Examiner, and Forensic Certified Public Accountant. All of our audit staff have a minimum of 3 years' experience performing governmental audits.

We have served as the independent auditor for the City of Walterboro for over 15 years.

Our firm meets the independence requirements of the *Government Auditing Standards*. We are independent of the City of Walterboro, South Carolina.

Baird Audit Group is a properly licensed Certified Public Accounting firm as described by generally accepted government auditing standards. We are licensed to perform auditing and accounting services in South Carolina, Georgia, North Carolina, Tennessee, Virginia, and Wyoming.

Each member of our audit team has earned a Bachelors' degree or higher and meets the continuing education requirements of the AICPA, the Georgia Society of CPAs, the South Carolina Association of CPAs, and the State Boards of Accountancy for South Carolina and Georgia.

City of Walterboro, South Carolina
May 12, 2021

Each team member is committed to working with you so that you will receive value added services. We are committed to performing the audit procedures necessary to complete the audit in a time manner and issue our reports to meet your deadlines.

Our full time audit staff is made up of Certified Public Accountants, Certified Fraud Examiners, and Certified Internal Auditors who have successfully completed audits of municipalities and local governments in South Carolina in a timely and professional manner.

Our audit will be performed to meet the requirements of the Government Auditing Standards, OMB Uniform Guidance and the Official Code of South Carolina Annotated. We will provide the Independent Auditors; Report on the financial statements, the Report on Compliance and on Internal control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, and if applicable, a Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. We expect to begin our fieldwork in September and have a draft of the report submitted by November 30.

We have read the RFP and understand the work to be performed and agree to its requirements and specifications.

I am authorized to sign the letter and bind our firm.

A handwritten signature in blue ink, appearing to read "Brenda Carroll", is written over the typed name.

Brenda. F. Carroll, CPA, CIA, CFE, CICA, FCPA
Audit Partner

May 12, 2021

**City of Walterboro, South Carolina
RFP Audit Services**

Work Plan and Approach to the Audit

Basic Audit Approach:

We will use a risk-based audit approach using tailored audit programs to enable us to complete the audit within the required due dates and meet the requirements Generally Accepted Auditing Standards. We will use AdvanceFlow to tailor our audit programs to meet the requirements of your audit.

We will use statistical, proportion size and haphazard sampling to test transactions and account balances where it is deemed cost effective and appropriate for the balance being tested. We will also test attributes which will allow us to issue our report on internal control and compliance.

Preliminary analytical procedures are used in the planning process. This allows us to determine significant areas of risk. Our basic audit procedures will be based on the preliminary analytical procedures applied to your financial information and inquiry of management and staff. Additional procedures may be added as more data is gathered during the testing phase of your audit.

We will gain an understanding of your internal control structure through inquiry, walk-through observations, client completed internal control questionnaires and transaction testing. Our tests of revenues, expenditures and expenses will be the basis for our report on your compliance with laws and regulations and internal control.

Typical assistance you are expected to provide includes the preparation of schedules to be agreed upon during the preliminary phase of the audit. Your staff will assist in locating invoices and other source documents as applicable as well as the preparation of confirmations and correspondence associated with the audit.

If any part of the audit is judged to be unacceptable by the State Auditor, the cognizant agency, or any other governments agency, we will do whatever is necessary to satisfy the agency at no additional cost.

It is the practice of our firm to perform much of our fieldwork at the client's office. It is sometimes necessary to perform a portion of the work at our office such as planning, proofing financial statements and conducting engagement meetings.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America, promulgated by the American Institute of Certified Public Accountants in accordance with the standards applicable to financial audits contained in the Government Audit Standards issued by the Comptroller General of the United States.

Prior to beginning the audit, you will need to sign an engagement letter that confirms your understanding of the services that we will provide and sets out the audit objectives, our responsibilities in performing the audit in accordance with generally accepted auditing standards, and management's responsibilities.

Each audit will begin with a **pre-audit conference**. This will give you the opportunity to meet the audit team and discuss responsibilities and expectations. We will review items needed for the audit. Each of us will exit this meeting with an understanding of the timing of the audit and our responsibilities.

Preliminary fieldwork will consist of tests of revenues and expenses, payroll, journal entries and compliance as well as reviewing the Council minutes.

Fieldwork is anticipated to begin in September at a time that is mutually agreed upon. Fieldwork will include management inquiry, third party confirmation, tests of subsequent receipts and disbursements, and other testing deemed necessary to form our opinions.

At the **exit conference**, we will discuss audit adjustments, passed audit adjustments, and audit findings. We will discuss recommendations to improve internal control and operating efficiency with management prior to issuing our management recommendation letter. This will give you the opportunity to provide a written response that will be included in the reports.

We will submit the draft of the **final report** and management letter no later than November 30.

Our partners and staff will be available to answer questions that may arise during the audit year at no additional cost.

Presentation to the City Council

We expect to present our reports and review the financial statements at your Council meeting following the delivery of your financial statements and our report.

CITY OF WALTERBORO, SOUTH CAROLINA
Cost Proposal
Fiscal Year ending June 30, 2022

This proposal is being made to assist you in selecting the most qualified certified public accounting firm to perform the independent audit of the financial statements of the City of Walterboro, South Carolina for the years ending June 30, 2022 – 2026.

The not to exceed fee for our services is as follows: Our fees include consultations during the year, travel, and editing of the financial statements.

June 30	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Audit of the financial statements	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>

Single Audit:

In the event that your federal expenditures exceed \$750,000, a single audit will be required. Our fee is \$2,000 for each program tested. Programs will be selected based on criteria set forth in the single audit act and its amendments.

I am authorized to sign the letter and bind our firm.

Thank you for allowing us the opportunity to submit a proposal for independent auditing services. We will be happy to answer and questions you may have regarding the above fees.

Should you require any additional services, beyond the audit, we will be happy to provide you with a price based upon on standard billing rates.



Brenda F. Carroll, CPA
Audit Partner

The Baird Audit Group, LLC
4210 Columbia Road Building 10
Augusta, GA 30907

Telephone 706-855-9500
Cell 706-799-5407

May 12, 2021

City of Walterboro Goals and Key Results for 2021

- **Expand Water and Sewer**
 1. Construct new well on Mable T. Willis Blvd. by June 2021
 2. Explore additional sources of funding for Exit 57 new trunk line (on-going)
 3. Complete the design and engineering, and the permitting process for the WWTP expansion by June 2022
- **Complete existing Projects**
 1. I-95 Business Loop project phase 2, including Gateway signage and landscaping, completed by June 2022
 2. CSX Railway line property acquired by December 2021
 3. Water Tower Park demolition and plan developed by December 2021
- **Improve Overall Appearance of City**
 1. Formalize a redevelopment plan for the South Jefferies corridor by December 2021
 2. Develop a plan for using American Rescue Act funds by December 2021
 3. Establish a system for reporting and controlling litter by December 2021
 4. Establish a City Improvement Committee of Council to address code enforcement, litter, and other appearance issues by December 2021
 5. Create a plan for redevelopment of downtown December 2021
 6. Develop Ireland Creek master plan by December 2021
- **Growth Management**
 1. Identify neighborhoods to annex and do cost-benefit analysis by June 2022
 2. Work with citizens in donut holes, including a marketing plan, on annexation by June 2022
 3. Implement zoning for growth management by June 2022
- **Recreation/Tourism**
 1. Develop a plan and identify funding to repair/replace Wildlife Sanctuary boardwalks by September 2021
 2. Begin repair/replacement of Sanctuary boardwalks by June 2022
 3. Develop sidewalk connectivity plan by June 2022
 4. Grow Wildlife programming (ongoing)
 5. Facilitate better access to recreation options by June 2022
 6. Explore possible park on the south side of the City by June 2022
 7. Evaluate usage and condition of tennis courts by June 2022



MEMORANDUM

TO: Mayor and City Council
FROM: City Manager
DATE: May 13, 2021
SUBJECT: Judicial Reappointments
City Prosecutor Reappointment

The term for Municipal Judge Morrison Payne expires on June 30, 2021. Judge Payne would like to continue to serve as Municipal Judge. If reappointed, her term will run for two (2) years and will expire on June 30, 2023.

The term for Associate Municipal Judge, Tim Rowe expires on June 30, 2021. Judge Rowe would like to continue to serve as Associate Municipal Judge. If reappointed, his term will run for two (2) years and will expire on June 30, 2023.

The term for City Prosecutor, Maryann Blake expires on June 30, 2021. Ms. Blake would like to continue to serve as City Prosecutor. If reappointed, her term will run for one (1) year and will expire on June 30, 2022.

If you have any questions, comments, or suggestions, please do not hesitate to contact me, or come by City Hall at your convenience.

Sincerely,

Jeffrey P. Molinari
City Manager