

# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

### BUDGET AD HOC COMMITTEE

September 22, 2015  
3:00 PM  
4<sup>th</sup> Floor Conference Room

*In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building*

#### CALL TO ORDER

Mr. Manning called the meeting to order at approximately 3:05 PM.

#### ADOPTION OF THE AGENDA

Mr. Pearce moved, seconded by Mr. Rush, to adopt the agenda as published. The vote in favor was unanimous.

**MOTION: MOVE THAT COUNCIL DISCONTINUE THE COST ALLOCATION POLICY AND GO BACK TO FUNDING ADMINISTRATION PORTION OF THE BUDGET FROM THE GENERAL FUND MILLAGE USING THE ALLOWABLE MILLAGE CAP. NET IMPACT IS -\$0- SINCE COST IMPACT IS \$2M AND ALLOWABLE MILLAGE IS \$2M [WASHINGTON]**

**a. Council forwarded this motion to the Budget Ad Hoc Committee**

Mr. Washington inquired about the history of the cost allocation.

Mr. McDonald stated the idea behind cost allocation is to have those funds that are not a part of the General Fund and are self-contained, but still use General Fund services (i.e. payroll, procurement, Human Resources, and Administration) to have them pay for those services just like a business in the private sector.

- First: Identify agencies that fit into the category (i.e. Enterprise Funds, Utilities, Special Revenue Funds, and the Airport)
- With assistance of the independent auditor a formula was developed to determine how much of the internal services from the General Fund the agencies were utilizing

Mr. Driggers stated the cost allocation was a request from Council back in 2007. He further stated, this is not a new practice and GFOA has recommended that governments do cost allocation.

There are different methods used within the program:



#### Committee Members Present

Kelvin E. Washington, Sr., Chair  
District Ten

Greg Pearce  
District Six

Torrey Rush  
District Seven

#### Others Present:

Bill Malinowski  
Paul Livingston  
Tony McDonald  
Warren Harley  
Chad Fosnight  
Chris Cowan  
Daniel Driggers  
Roxanne Ancheta  
Brandon Madden  
Kim Williams-Roberts  
Michelle Onley  
Monique McDaniels

# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

**Budget Ad Hoc Committee**  
**Tuesday, September 22, 2015**  
**Page Two**



- One is an allocation based on property taxes. (i.e. Treasurer's Office collects all property taxes, so the management theory is the cost of the operation should be bore by the agency that received the benefit).
- Another method is based on the number of employees
- There are two or three other methods and each allocation you find the source that splits the value.

Mr. Washington inquired if the County does cost allocation for the school districts.

Mr. Driggers stated the County does not include the school districts at this point.

Mr. Driggers stated Council decided in 2008 not to take 100% of the recommended allocation. The total amount of the recommended allocation would account for approximately \$3.5 million.

Mr. Pearce stated it would not be appropriate to use cost allocation with the school districts or library because they are autonomous.

Mr. Washington requested the logic behind cost allocation.

Mr. Driggers stated cost allocation is to distribute costs to the places that receive the benefit. (i.e. Finance Department determines all the people Accounts Payable writes checks for, which the cost could be \$100,000 for a year. Each department that receives the benefit would be charged a portion of that \$100,000.)

Mr. Driggers stated the City of Columbia is not charged a cost allocation because the program was not moved to agencies outside of Richland County. Although one could argue part of the Treasurer's Office should be paid for by City of Columbia, Forest Acres, school districts, etc.

Mr. Washington stated at the time Council chose to only identify internal Richland County departments, but it would proper for the City of Columbia and the school districts to be charged?

Mr. Driggers stated it would be consistent with a cost allocation.

Mr. Pearce stated the cost allocation dollars have been moved to the General Fund; therefore, if it is eliminated then the General Fund will be short by that amount of money and the money will have to be made up somehow.

Mr. Driggers stated the Sheriff's Department is a great example of cost allocation with regard to their Special Duty fund. When they set up the fund they identified what the cost of management was going to be. The management cost is then bore by the fee charged to the vendor.

# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

**Budget Ad Hoc Committee**  
**Tuesday, September 22, 2015**  
**Page Three**



Mr. Malinowski stated he agrees the cost allocation should be extended to everyone the County incurs a cost for.

Mr. Washington inquired if staff could identify the costs for outside entities.

Mr. McDonald stated the primary costs for the outside agencies would be the costs to collect and distribute taxes because the County does not provide direct services (i.e. payroll and procurement). The actual costs would be for the services of the Auditor, Treasurer, and Assessor.

Mr. Washington stated Administration staff during budget time going back and forth with the school districts is time consuming and quantitating those costs is how he views cost allocation.

Mr. Rush inquired if the intent is to go back and identify how cost allocations can be done across the board as opposed to eliminating it.

Mr. Washington moved, seconded by Mr. Pearce, to hold in committee and direct staff to research how cost allocations can be applied to outside agencies. The vote in favor was unanimous.

### **MOTION: BUDGET FOR BODY CAMERAS – SHERIFF’S DEPARTMENT**

#### **a. Council forwarded this motion to the Budget Ad Hoc Committee**

Major Cowan stated the Sheriff’s Department would like to have cameras.

- Would benefit the officer, as well as, the community
- Associated costs would include the Sheriff’s Department, Solicitor’s Office, Magistrate’s Office and Coroner’s Office
- The use of the cameras will reduce other expenses, but will increase other expenses
- Every camera will need to be transcribed
- Initial start-up costs would be \$1.2 million; recurring costs of \$650,000 annually
- The recurring costs would include 2 employees to maintain the system
- Sheriff’s Department has been testing cameras for the past 24-30 months
- Technology is changing rapidly and the Sheriff’s Department wants to insure they do not buy cameras that are obsolete in 6 months
- The State still owes the Sheriff’s Department 146 in-car cameras from when they mandated the in-car cameras, but did not provide adequate funding
- The money allocated by the State for the mandated body cameras will not go very far when you take into consideration the number of police departments and Sheriff’s Department in the State
- The Sheriff’s Department has researched DOJ grants. There are only 12 agencies in the country that will be provided funding for body cameras.

# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

**Budget Ad Hoc Committee**  
**Tuesday, September 22, 2015**  
**Page Four**



- The DOJ funding will not be upfront and will only reimburse ½ or up to \$400,000
- By March 2016 a policy has to be in place for implementation

Mr. Pearce's understanding of the process regarding the body cameras is that the deputy will be assigned a body camera. The camera will be a part of his uniform just like the deputy's gun and when he/she goes on shift the camera will be turned on.

Major Cowan stated there are several components that have to be taken into consideration. There is also docking and downloading equipment, as well as, the body camera itself. The data recorded on the camera has to be captured. The technology the Sheriff's Department is looking at will download the data to a server when the deputy drives into their office. Therefore, each substation would need docking equipment.

Mr. Pearce inquired if the docking equipment would need to be manned.

Major Cowan indicated the docking equipment would not need to be manned, but all of the data will have to be stamped with case information and stored properly. The plan is to mirror the Taser data storage and store the data on the Cloud.

Mr. Pearce inquired about the data recorded from the Tasers.

Major Cowan stated the data recorded is the number times the Taser was utilized and the voltage disbursed.

Mr. Pearce inquired as to when the money is expected from the State.

Major Cowan responded he was unsure when the funding is expected from the State, but the policy has to be in place by March 2016.

Mr. Malinowski stated it was his understanding when the State mandated the body cameras they would fund the cameras.

Major Cowan stated if the funding was only allocated to Greenville, Horry, Charleston and Richland Counties it would use up all of the funding.

Mr. Livingston inquired about what the \$650,000 recurring costs will provide.

Major Cowan stated will be stable for a minimum of 5 years and covers the costs of body camera replacement, storage of data and maintenance of the system. The costs of the 2 managers will also be covered by the \$650,000.

Mr. Livingston requested the Sheriff's Department to look at efficiency cost savings.

Major Cowan stated the information garner from national research is that FOIA requests increased with the use of body cameras. The information from the body cameras will

# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

**Budget Ad Hoc Committee**  
**Tuesday, September 22, 2015**  
**Page Five**



need to be maintained and redacted. One of the concerns is the privacy and HIPAA laws in relation to interviewing assault victims and suspects in hospitals.

Mr. Washington inquired if the recurring costs will cover the categorization of data and FOIA requests.

Major Cowan stated the \$650,000 will include the data storage, the service agreement, and the manager positions. One of the duties of the managers will be to go through the data and redact information (i.e. if a child is in the video).

Mr. Malinowski inquired if Council will be provided a copy of the policy before March.

Major Cowan responded in the affirmative. He further stated all of the policy manuals are online and available for review.

Mr. Washington inquired if there were any agencies that have already implemented the body cameras.

Major Cowan stated Spartanburg County has implemented the body cameras and within the first 6 months the 148 cameras captured 6 terabytes of data. Richland County would need 3 ½ to 4 times as many cameras.

Presently the biggest issue and expense is the storage of the data. Onsite storage of the data is not ideal due the data degrading over time.

Mr. Pearce inquired as to how the City of Columbia intends to pay for their cameras.

Major Cowan stated he has not been made aware of how they will be paying for the cameras.

Mr. Pearce inquired if the law stated the policy had be implemented.

Major Cowan stated the policy has to be in place that has been approved by the Training Council, which monitors the Criminal Justice Academy.

Mr. Malinowski inquired why the Solicitor, Magistrate, etc. needs to be included in the budget for the body cameras.

Major Cowan stated those entities will need to have access to the data.

Mr. Washington stated from his perspective the body cameras need to be implemented as soon as possible.

Mr. Rush moved, seconded by Mr. Pearce, to hold this item in committee for additional information (i.e. costs for implementation and tending of storage). The vote in favor was unanimous.



**Budget Ad Hoc Committee**  
**Tuesday, September 22, 2015**  
**Page Six**

**TOURISM DEVELOPMENT FEE - \$1,200,000**

**a. Council forwarded this item to the Budget Ad Hoc Committee**

- Tourism Development Fee implemented approximately 12 years ago
- The purpose of the fee was to pay off the County's share of the Columbia Convention Center
- Fee generates approximately \$1 million per year; any additional income collected goes toward the operations of the Convention Center
- Strictly pass through money that goes toward the debt service on the Convention Center
- Approximately 7 years left on the debt service

**b. Explore paying off debt**

- Lexington County had presented a proposal to the City of Columbia to pay off their portion of the debt early
- The City of Columbia, Lexington County and Richland County would all have to agree to allow one of the entities to pay off their portion of the debt early since it is a three-party agreement
- Mr. McDonald recently had a discussion with the Lexington County Administrator and it would appear they plan to adhere to the current agreement
- Contractually at the end of the 7-year period the County will not be obligated to fund the Convention Center operations

Mr. Malinowski inquired if there are any positives or negatives associated with paying off the debt early.

Mr. McDonald stated if the debt were paid off early it would free up the \$1 million per year to be utilized for something else. Council would need to restructure the payback (i.e. if Council borrowed funds from the General Fund).

Mr. McDonald stated the collections and debt service over the years has been consistent; therefore, the Convention Center has not been receiving an exorbitant windfall for operations.

Mr. Livingston stated one of the obstacles Lexington County encountered with paying off the debt early was they would still be responsible for operations for the remaining years of the contract.

Lexington County offered to pay \$100,000, but the City of Columbia felt that \$300,000-\$400,000 was more realistic.



# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

**Budget Ad Hoc Committee**  
**Tuesday, September 22, 2015**  
**Page Seven**



Mr. Livingston stated his concern would be in taking money from the General Fund and keep a tax to spend somewhere else.

Mr. McDonald stated the portion of the total bond Richland County is responsible for is \$20 million.

Mr. Washington moved, seconded by Mr. Rush, to audit the Tourism Development fee, determine if it is advantageous to the County to pay off the debt service early, and to determine the true operational costs. The vote in favor was unanimous.

### **c. Consider Audit**

- The Convention Center's collections has not been audited

### **ADJOURNMENT**

The meeting adjourned at approximately 4:00 PM.