

MINUTES
LAURENS COUNTY COUNCIL
JUNE 11, 2013 – 5:30 P.M.
HISTORIC COURTHOUSE – COUNTY COUNCIL CHAMBERS - PUBLIC SQUARE

ATTENDANCE: **COUNCIL MEMBERS PRESENT**- County Council Chairman Jim Coleman and Vice Chairman Edward McDaniel; Council Members Diane Anderson, Ted Nash, David Pitts, Keith Tollison and Joe Wood.

ADMINISTRATIVE STAFF: Laurens County Administrator, Ernest Segars; Laurens County Clerk to Council, Betty C. Walsh and Sandy Cruickshanks, Laurens County Attorney.

ATTENDING - LAURENS COUNTY DEPARTMENT HEADS: Laurens County Treasurer, Cindy Burke; Laurens County Clerk of Court, Lynn Lancaster; Laurens County Auditor, Sally Lancaster; Laurens County Building Codes Officer, Buddy Skinner; Laurens County Detention Center Major Tyson; Laurens County Finance Department Director, Lisa Kirk; Laurens County Human Resources Manager, Debi Parker; Laurens County Emergency Medical Service Director, Chad Burrell; Laurens County Public Works Director, Scott Holland; Laurens County Sheriff's Department, Sheriff Chastain and Captain Coats and Laurens County Vehicle Maintenance / Procurement Officer, Billy Wilson.

PROGRAM GUESTS: Elliott Davis, CPA Representatives Gary Cook and Laurie Smith.

PRESS: Iva Cadmus, *WLBG-Radio*; *The Laurens County Advertiser*, Corey Engle; *The Clinton Chronicle*, Vic MacDonald, and Rachel Ham of *Go-Laurens.com*.

SCHEDULED SESSION AGENDA ITEMS – (1) Approval of Amended Agenda, June 11, 2013; (2) Approval of Minutes from the May 21, 2013 Budget Session and the May 28, 2013 Regular / Budget Session; (3.) Representatives of Elliott Davis, CPA - Report of a review of County fiscal procedures; (4.) Third Reading, Laurens County Ordinance #752 – “An Ordinance of Laurens County, South Carolina (The “County”) Authorizing the Conversion of Certain Fee-In-Lieu of Tax Arrangements Between The County and Avery Dennison Corporation (“Avery Dennison”) Represented By That Certain Lease Agreement Between The County and Avery Dennison Dated as of December 1, 1996, As Amended, And, That Certain Lease Agreement Between The County And Avery Dennison Dated As Of December 1, 1999 (Collectively, The “Lease Agreements”) To Simplified Fee Type Fee-In-Lieu of Tax Arrangements By Entering Into Fee-In-Lieu of Tax Agreements (“Converted Fee Agreements”) To Avery Dennison And Terminating The Lease Agreements; Authorizing The Assignment And Transfer To CCL Label, Incorporated (“CCL”) Of All Right, Title And Interest Of Avery Dennison, Incorporated, To And Under The Converted Fee Agreements; Authorizing The Assignment And Transfer to CCL Of a Portion Of The Right, Title And Interest Of Avery Dennison Incorporated, To And Under That Certain Fee-In-Lieu Of Tax Agreement Between The County And Avery Dennison Dated As OF December 31, 2004 (The “2004 Fee Agreement”); And Other Matters Related Thereto, Including The Release of Avery Dennison From Its Obligations Under The Lease Agreements, The Converted Fee Agreements And The 2004 Fee Agreement, As To the Portion Of The 2004 Fee Agreement Assigned To CCL, The Assumption Of The Above Described Assigned Obligations By CCL, The Continuation of Fee-In-Lieu Of Tax Arrangements Under The Converted Fee Agreements For The Benefit Of CCL, And The Continuation Of The Fee-In-Lieu Of Tax Arrangement Under the 2004 Fee Agreement For The Benefit Of Avery Dennison And CCL, Respectively”; (5.) Second Reading, Ordinance #755 – “An Ordinance to Convey Real Estate Containing 7.56 Acres For An Economic Development Project Known As “Project Application” And All Matters Appertaining Thereto.”; (6) Fiscal Year 2013 – 2014 County Budget; A.) Funding Request - Literacy Council - \$10,000; (7) Administrative Report – Ernie Segars, County Administrator; (8) Public Comment; (9) Comments from Council Members; (10) Executive Session Employment Matter.

MEETING NOTIFICATION - The County Council Members, Press and requested public notifications were informed of the meeting in a timely and appropriate manner.

CALL TO ORDER – Chairman Coleman called the June 11, 2013 regular scheduled meeting of Council to order at 5:30 P.M. in the Council Chambers of the Laurens County Historic Courthouse with an invitation to stand for the invocation and Pledge of Allegiance. The invocation was delivered by Councilman Wood.

APPROVAL – AGENDA – JUNE 11, 2013 – VICE CHAIRMAN MCDANIEL made the MOTION to approve the agenda for the June 11, 2013 meeting with any additions or deletions; SECONDED by COUNCILWOMAN ANDERSON. COUNCIL VOTED 7-0 to approve the agenda.

APPROVAL – MINUTES – MAY 28, 2013 – REGULAR SESSION OF COUNCIL – MAY 28, 2013 BUDGET SESSION –COUNCILMAN TOLLISON made the MOTION to approve the minutes from the May 28, 2013 regular session and budget session meetings; SECONDED by COUNCILMAN NASH; COUNCIL VOTED 7-0.

REPRESENTATIVES, ELLIOTT DAVIS, CPA – FISCAL PROCEDURES REPORT – At an earlier meeting of Council, Council approved funding to support a finding of the present accuracy between the two (2) accounting processes between the Laurens County Treasurer’s Office accounting system and the Finance Department’s accounting system. Providing this report were representatives from the Elliott Davis, CPA Firm; Laurie V. Smith, CPA Shareholder and Gary Cooke, CPA.

Mr. Cooke stated, “We have performed the procedures requested to validate accuracy and completeness as to the processes implemented by the County Finance Department and Treasurer’s Office with the transfer of accounting records from the Treasurers general ledger to the Finance Departments general ledger. This is for the period of July 1, 2012 to March 31, 2013. We were not contracted to and did not, conduct an audit. The offer our expression of an opinion on the accounting records, accordingly we do not express such and opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the information and use of management and County Council and is not intended to be and should not be used by anyone other than those specified parties”.

Mr. Cooke reported their findings and procedures as follows:

- 1.) Agree CSI general ledger account beginning balances to audited ending account balances per the June 30, 2012 audit.
 - CSI general ledger account beginning balances were agreed to audited ending account balances for the year ended Jun 30, 2012, without exception.
- 2.) Verify that SCI general ledger through March 31, 2013 is in balance (total debits are equal to total credits) for the entire general ledger and at the fund level.
 - CSI general ledger individual funds and the overall general ledger were found to be in balance (total debits equal total credits) at March 31, 2013, without exception.
- 3.) Select a sample of twenty five (25) data import journal entries to determine that data imported into SCI is complete and accurate with respect to the source QSI general ledger reports for the respective days, obtained directly from the Treasurer’s Office.
 - We tested a sample of twenty five (25) date imports of accounting records into CSI from the QSI general ledger and found the imported data to be complete and accurate, without exception.
- 4.) Agree March 31, 2013 CSI general ledger balances for cash accounts to corresponding cash accounts in Treasurer’s Office general ledger.

- We agreed cash account balances from the CSI general ledger to QS1 general ledger cash balances, without exception.

Councilman Pitts asked Mr. Cooke how many days was he present conducting the process? Mr. Cooke replied that he was here three (3) days.

Councilman Pitts asked Mr. Cooke if the twenty five (25) entries represented days or entries. Mr. Cooke replied that it was a little more than twenty five days because there was an entire month of transactions reviewed and that a sample selection was based on the transfers to CSI.

Councilman Pitts asked if all thirty one (31) days verified with the Treasurers reports and if there were actual conversations held with the Treasurer's Office. Mr. Cooke replied that the transaction it did match up and that he did have conversations with them.

Councilman Pitts asked if the accounts checked were both revenue and expenditure accounts. Mr. Cooke replied that it was both; that all recorded in the QS1 system was recorded in the CSI system.

THIRD READING, LAURENS COUNTY ORDINANCE #752 - AN ORDINANCE OF LAURENS COUNTY, SOUTH CAROLINA (THE "COUNTY") AUTHORIZING THE CONVERSION OF CERTAIN FEE-IN-LIEU OF TAX ARRANGEMENTS BETWEEN THE COUNTY AND AVERY DENNISON CORPORATION ("AVERY DENNISON") REPRESENTED BY THAT CERTAIN LEASE AGREEMENT BETWEEN THE COUNTY AND AVERY DENNISON DATED AS OF DECEMBER 1, 1996, AS AMENDED, AND THAT CERTAIN LEASE AGREEMENT BETWEEN THE COUNTY AND AVERY DENNISON DATED AS OF DECEMBER 1, 1999 (COLLECTIVELY, THE "LEASE AGREEMENTS") TO SIMPLIFIED FEE TYPE FEE-IN-LIEU OF TAX ARRANGEMENTS BY ENTERING INTO FEE-IN-LIEU OF TAX AGREEMENTS ("CONVERTED FEE AGREEMENTS"), TRANSFERRING THE PROPERTY SUBJECT TO THE LEASE AGREEMENTS TO AVERY DENNISON AND TERMINATING THE LEASE AGREEMENTS; AUTHORIZING THE ASSIGNMENT AND TRANSFER TO CCL LABEL, INC. ("CCL") OF ALL RIGHT, TITLE AND INTEREST OF AVERY DENNISON IN, TO AND UNDER THE CONVERTED FEE AGREEMENTS; AUTHORIZING THE ASSIGNMENT AND TRANSFER TO CCL OF A PORTION OF THE RIGHT, TITLE AND INTEREST OF AVERY DENNISON IN, TO AND UNDER THAT CERTAIN FEE-IN-LIEU OF TAX AGREEMENT BETWEEN THE COUNTY AND AVERY DENNISON DATED AS OF DECEMBER 31, 2004 (THE "2004 FEE AGREEMENT"); AND OTHER MATTERS RELATED THERETO, INCLUDING THE RELEASE OF AVERY DENNISON FROM ITS OBLIGATIONS UNDER THE LEASE AGREEMENTS, THE CONVERTED FEE AGREEMENTS AND THE 2004 FEE AGREEMENT, AS TO THE PORTION OF THE 2004 FEE AGREEMENT ASSIGNED TO CCL, THE ASSUMPTION OF THE ABOVE DESCRIBED ASSIGNED OBLIGATIONS BY CCL, THE CONTINUATION OF FEE-IN-LIEU OF TAX ARRANGEMENTS UNDER THE CONVERTED FEE AGREEMENTS FOR THE BENEFIT OF CCL, AND THE CONTINUATION OF THE FEE-IN-LIEU OF TAX ARRANGEMENT UNDER THE 2004 FEE AGREEMENT FOR THE BENEFIT OF AVERY DENNISON AND CCL, RESPECTIVELY"

– Attorney Cruickshanks said, "Avery Dennison is planning to transfer certain assets to a company called CCL Label by June 30th. The County has three (3) Fee-in-Lieu-of-Agreements with Avery Dennison from 1996, 1999 and 2004. This is just an internal deal with Avery Dennison where one company will be taking over parts of Avery Dennison's product line. Documents are forthcoming and will address a conversion of the former lease back to a regular simplified fee as well as the combined Fee-in-Lieu-of-Agreements".

COUNCILWOMAN ANDERSON made the MOTION to approve Ordinance #752 upon third Reading as presented with COUNCILMAN PITTS SECONDDING; VOTE 7-0.

SECOND READING, ORDINANCE #755 – "AN ORDINANCE TO CONVEY REAL ESTATE CONTAINING 7.56 ACRES FOR AN ECONOMIC DEVELOPMENT PROJECT KNOWN AS "PROJECT

APPLICATION” AND ALL MATTERS APPERTAINING THERETO”. COUNCILMAN TOLLISON made the MOTION to approve Ordinance #755 on second reading as presented; COUNCILWOMAN ANDERSON; COUNCIL VOTE 7-0.

CONTINUED DISCUSSION - FISCAL YEAR 2013 – 2014 COUNTY BUDGET:

A.) **Funding Request – Laurens County Literacy Council - \$10,000:**

Chairman Coleman stated that Council needs to take action on a former request submitted to Council from the Literacy Council for ten thousand dollars (\$10,000) to support additional paid staff.

COUNCILMAN PITTS made the MOTION to approve the funds requested with COUNCILWOMAN ANDERSON SECONDING for discussion.

Councilwoman Anderson stated that she felt it to be a viable organization that needed support.

Vice Chairman McDaniel asked for Mr. Pitts for any information that may help him to determine his decision. Councilman Pitts replied that he understood that the participants in the program are not up to the level to even enter into adult education programs and that a lot were not from this country that did not speak English.

COUNCIL VOTED 7-0.

Vice Chairman McDaniel stated that he understood this to be a onetime occurrence.

ADMINISTRATIVE REPORT:

- 1.) Administrator Segars informed Council that Laurens School District #55 has requested the Sheriff for an additional School Resource Officer for the Gray Court and Waterloo Schools to help with their concerns of security.
- 2.) Budget documents are scheduled for Third Reading and Public Hearing on the 25th.
- 3.) County Attorney Sandy Cruickshanks and EMS Director Chad Burrell are working on a mutual agreement for non-emergent transport assistance.

PUBLIC COMMENTS – Chairman Coleman opened the floor for public comments at 5:46 P.M. With no one else wishing to address Council, Chairman Coleman closed the session at 5:47 P.M.

COUNCIL COMMENTS:

- Councilman Tollison stated that he did not have all the details but was just made aware of the detention center turnover rate of recently. During our budget session we can not overlook the retention of staff for this department.
- Councilman Wood expressed his appreciation towards the attendance of the Department Heads.
- Councilman Pitts asked Captain Tyson to give an update of the retention of officers at the Detention Center. Captain Tyson replied that they are experiencing a fifty to sixty percent (50-60 %) turnover rate.
- Councilman Pitts asked for an update on the speck building in the Hunter Park. Mr. Moss replied that the steel is in place and that there have been four to five (4 to 5) companies showing interest.

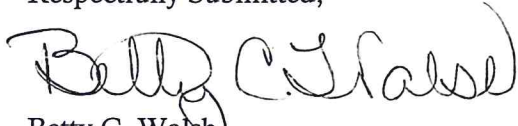
EXECUTIVE SESSION – FOUR (4) EMPLOYMENT MATTERS – At 5:55 P.M. Chairman Coleman asked to move into executive session for employment matters. A MOTION was made by VICE CHAIRMAN MCDANIEL and SECONDED by COUNCILWOMAN ANDERSON; Council moved into Executive Session to discuss an Employment Matter; VOTE 7-0.

There was a COUNCIL CONSENSUS to reconvene in open session at 7:15 P.M.

Chairman Coleman stated that no action was taken.

ADJOURNMENT – With no further business, Chairman Coleman adjourned the meeting of Council at 7:18 P.M.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Betty C. Walsh". The signature is written in black ink and is positioned above the printed name.

Betty C. Walsh
Laurens County Clerk to Council