

Town of Swansea
Special Called Meeting
April 14, 2025 at 6 PM
Municipal Building Courtroom, 320 W. Third Street, Swansea, SC 29160

MINUTES

Attendance: Mayor Viola McDaniel, Councilman Michael Luongo, Councilwoman Doris Simmons

Staff in Attendance: Town Administrator Chris Keefer, Attorney Joseph Dickey, Chief Bill Charlton

Mayor McDaniel called the meeting to order at 6:00 PM.

A quorum was present (3 of 5). The meeting notice had been posted at Town Hall (front window), the Police Station notice board, and on the town's website and Facebook page.

The purposes of this meeting were to have first reading and a presentation on a local hospitality tax ordinance and to conduct the first workshop on the FY26 General Fund budget.

Local Hospitality Tax Ordinance & Presentation

Copies of the proposed ordinance, remittance form, and the presentation slides were provided to Council in digital and printed form.

Ms. Keefer presented the basics of the local hospitality tax ordinance, including a definition and purpose of a local hospitality tax; how funds are collected, managed, and disbursed; allowed uses by state statute and possible uses for the Town; benefits to the Town; and a timeline for implementing a local hospitality tax (if approved) by July 1, 2025.

Ms. Keefer and Mr. Dickey answered questions about uses of local hospitality tax, which ST-3 line is to be used for reporting gross sales and calculating h-tax liability, penalties and process for non-payment and false reporting of h-tax liabilities, and documenting transfers of h-tax funds to other accounts for payment purposes. There were questions about spending h-tax funds during the first year of collections and establishing an advisory committee to oversee distribution of hospitality tax revenue, which Mr. Dickey and Ms. Keefer will have to follow up on before second reading.

A motion was made by Councilman Luongo and seconded by Councilwoman Simmons to accept first reading of the local hospitality tax ordinance. The motion carried unanimously, 3-0.

Budget Workshop #1 – General Fund

Ms. Keefer presented three priorities that should be supported with FY26 General Fund budget allocations: establishing, funding & implementing a strategic IT environment; rebuilding the police

department; and establishing a capital improvement fund and budget. She also discussed some of the budgeting assumptions:

- Contracting out water and sewer operations to Joint Municipal Water & Sewer Commission, which means dissolution of the Enterprise Fund, Utilities Department, and associated bank accounts and budgets
- Presuming that JMWSC will bill the Town for its water and sewer usage
- Moving sanitation services revenue and expense to the General Fund as a separate service department (Public Works)
- Evenly allocating shared expenses across four departments (Administration, Municipal Court, Police, and Public Works)
- Creating a budget for Hospitality Tax (if approved) that for FY26 will show only revenue, not expenses (as state code says we can budget for spending half of the previous year's revenue).

Ms. Keefer noted that the actuals may not be 100% accurate as some March transactions still needed to be properly allocated in QuickBooks, leading to inaccurate year-end and FY26 projections. In addition, some budget input about planned expenditures is still forthcoming. However, Draft 1 was prepared as a starting point and shows a deficit of over \$152K.

Ms. Keefer and Chief Charlton answered questions about budgeted expenses for overall payroll and IT; business license revenue; opportunities to reduce police department planned expenditures; and the planned services/functions, revenues, and expenditures for the Public Works department. Ms. Keefer was asked to look into the following: contracting out law enforcement to Lexington County Sheriff's Department, how Neeses and Gaston are funding construction of new town facilities, conducting a business license audit, and contracting out public works labor.

As this was a budget workshop, Council took no action on this matter.

With no other business before Council, a motion was made by Councilwoman Simmons to adjourn the meeting. The motion was seconded by Councilman Luongo; the motion carried unanimously.

The meeting adjourned at 7:35 PM.

Respectfully submitted,
Christine A. Keefer, Town Administrator
4/16/25