



County Council Committee Minutes

Personnel and Finance Committee January 27, 2020

The Personnel and Finance Committee of Spartanburg County Council met on Monday, January 27, 2020, in County Council Chambers of the County Administrative Office Building. In compliance with the Freedom of Information Act, notice of this meeting was provided in advance to the local news media and other interested parties. The following were in attendance: Honorable Bob Walker, Chairman; Honorables Jack Mabry and Whitney Farr, Committee Members; along with Honorables Manning Lynch, Michael Brown, David Britt, and Roger Nutt, Council Members. Also attending were Cole Alverson, County Administrator; Earl Alexander, Deputy County Administrator; John Harris, County Attorney; and Ginny Dupont, County Attorney.

I.

Chairman Walker called the meeting to order.

II.

- A. Ms. Kathy McKinney, Attorney, Haynsworth Sinkler Boyd, presented information in reference to a Resolution approving the issuance by the **Spartanburg Regional Health Services District, Inc.** of certain Hospital Revenue Bonds, pursuant to the provisions of Articles 15 and 16 of Chapter 7, Title 44, of the Code of Laws of South Carolina 1976, as amended, in the aggregate principal amount of not exceeding \$120,000,000. This is in connection with providing the permanent financing for the Mary Black acquisition by Spartanburg Regional Health Services District. Some of the proceeds will also be used at Spartanburg Medical Center, the Pelham Medical Center, and the Restorative Care Hospital, but the majority will be used for the Mary Black acquisition. These bonds are bond solely of the district. They do not count against the debt limit of the County. The County has no obligation to pay these bonds. There is no tax revenue being pledged to these bonds. It is a revenue bond of the district and certainly its obligation. Federal law requires a public hearing before the County in which the project is located, and Ms. McKinney asked for Council's

support resolution. The support is just to endorse the issuance of the bonds for this project. It does not involve any pecuniary liability. Mr. Bruce Davis, Spartanburg Regional Health Services District, was also in attendance to answer any questions. Mr. Walker referred this item to full Council for consideration following the public hearing.

- B. Mr. Stan Halliday, McAbee, Schwartz, Halliday & Co., presented information on the results of the Annual Financial Audit (Fiscal Year 2019). The presentation, the Auditors' Communication Letter, and the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019, are included in backup. Spartanburg County received the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year ended June 30, 2019 for the 26th consecutive year. The County ended the year with a positive variance to budget of \$12.6 million and an undesignated fund balance of 20.5%. Management had committed to Council a couple years ago to raise the General Fund undesignated (unassigned) fund balance to 20% of revenues. Last year (FY18), the fund balance ended in the 20% range. Management has achieved the 20% goal again this year (FY19).
- C. Updated financial data and personnel vacancy reports were received.

Meeting adjourned.