



Richland County Council
Community Impacts Grants Committee
MINUTES
March 21, 2023 – 2:00 PM
Council Chambers
2020 Hampton Street, Columbia, SC 29204

COUNCIL MEMBERS PRESENT: Jessica Mackey, Chair, Jason Branham, Paul Livingston, Gretchen Barron (arrived at 2:05 PM), and Cheryl English

OTHERS PRESENT: Allison Terracio, Chakisse Newton, Yvonne McBride, Leonardo Brown, Michelle Onley, Chelsea Bennett, Anette Kirylo, Sarah Harris, Angela Weathersby, Abhijit Deshpande, Ashiya Myers, Dante Roberts, Crayman Harvey, Tamar Black, Aric Jensen, Kyle Holsclaw, Lori Thomas, Patrick Wright, John Thompson, and Robert Marley

1. **CALL TO ORDER** - Chairwoman Jessica Mackey called the meeting to order at approximately 4:00 PM.
2. **APPROVAL OF MINUTES**
 - a. February 14, 2023 – Mr. Livingston moved to approve the minutes as submitted, seconded by Ms. English.

In Favor: Branham, Livingston, Barron, Mackey, and English

The vote in favor was unanimous.

3. **ADOPTION OF AGENDA** – Ms. English moved to adopt the agenda as published, seconded by Mr. Livingston.

In Favor: Branham, Livingston, Barron, Mackey, and English

The vote in favor was unanimous.

4. **ITEM FOR DISCUSSION/ACTION**

Ms. Mackey noted at the last committee meeting, we looked at previous funding and what has historically been done. Today's goal is to focus on an amount we want to include in the upcoming budget. The process, deadline, and timeline for submittal will come later.

- a. Grant Funding Amount for FY24 Budget – Ms. Lori Thomas, Assistant County Administrator, referred to p. 2 of the presentation. She noted that no ARPA funding is reflected in FY19, FY20, and FY21 because ARPA funds were unavailable in FY22. This coming year will likely be the last year ARPA funds will be available due to spending requirements.

Historical Funding Summary

- Lump Sum appropriations are made by Council motion;
- ARPA Funding; and
- Grant Funds (formerly discretionary grants; competitive funding)
 - FY19 - \$365,000
 - FY20 - \$192,000
 - FY21 - \$200,000
 - FY22 - \$200,000
 - FY23 - \$459,446 (an additional \$300,000 was added when the committee was renamed the "Community Impact Grant Committee"; in addition, of the \$300,000 that was moved during the budget process, \$259,000 was reallocated)

Ms. Mackey stated that in previous years, grant funds were the only competitive process whereby an application was submitted for consideration for funding. The Community Impact Grant Committee was created for the Council to be transparent and develop a strategy to disburse grant funds. There are Treasury regulations we have to follow for the ARPA funds.

Ms. Thomas noted that a 5-year comparison of expenditures and other benchmarks is outlined on p. 4 of the presentation. She included FY24 on the chart as a basis for comparison.

Historical Funding Summary – (As a Comparison of Operating Expenditures)

- FY19 - \$2.715M was allocated back to the community (1.54% of the County's total operating budget)
- FY20 - \$2.384M (1.30%)
- FY21 - \$2.002M (1.07%)
- FY22 - \$2.001M (1.05%)
- FY23 - \$1.883M (0.95%)
- FY24 - \$1.883M (.092%); based on Strategic Planning Forum Projections

Mr. Livingston inquired if the FY24 projection includes all sources of funding.

Ms. Thomas responded in the affirmative. She noted FY19, FY20, and FY21 were General Fund dollars.

Ms. Thomas indicated the summary on p. 5 of the presentation is based on the value of a mill. In millage terms, the County collects 59.9 Mills to operate the County's overall budget. This does not include Special Revenue or Enterprise Funds.

The mill is the only tax revenue that goes toward running the general government.

Historical Funding Summary – (As a Millage Value of Operating Millages)

- Total Community Partner Funding
 - FY19 - \$2.715M (Mill Value - \$1.565M; 1.7 Mills; 2.9% of General Fund Millage)
 - FY20 - \$2.384M (Mill Value - \$1.660M; 1.4 Mills; 2.4% of General Fund Millage)
 - FY21 - \$2.002M (Mill Value - \$1.695M; 1.2 Mills; 2.0% of General Fund Millage)
 - FY 22 - \$2.001M (Mill Value - \$1.725M; 1.2 Mills; 1.9% of General Fund Millage)
 - FY 23 - \$1.883M (Mill Value - \$1.780M; 1.1 Mills; 1.8% of General Fund Millage)
 - Proposed Millage Value - FY 24 - \$1.883M (Mill Value - \$1.830M; 1.0 Mills; 1.7% of General Fund Millage)

Ms. Mackey requested Ms. Thomas to give an overview of how the mill value is set.

Ms. Thomas stated the assessment ratio of all taxable property in the County sets the mill value. She noted we are limited in millage collection (i.e., Act 388).

Mr. Branham stated for clarification, the 1st slide (Operating Expenditures) represents a percentage of how much was expended, and the other slide is a percentage of what was collected.

Ms. Thomas replied in the affirmative. She noted these were budgeted numbers and not actual numbers. Today's meeting is to decide what you want to take to Council as a recommendation for funding the community partners. She has researched to determine a good basis, so we have a good budget number going in.

Funding Value Considerations

- Specific millage value – Ex. Conservation Commission, Economic Development
- Percentage of prior general operating expenditures

Ms. Thomas stated a millage value could be assigned to the community partner. For example, at \$1.83M you would give ½ (approximately \$915,000). One thing to keep in mind is that you will not know the final millage number until October. Considering the previous year's millage value, up to a capped amount would be more prudent. The other option would be a percentage of the prior year's general operating expenditures. The recommendation would be to use the actual operational expenditures for the County. This allows you to make adjustments in unforeseen circumstances. As you may recall, during the COVID years, we had a budget that was larger for General Fund operations. Because of the halt in the economy, the departments were asked to curtail their spending. As a result, we did not spend as much as we had budgeted.

Ms. Mackey noted these are the recommendations staff brought back for the committee's consideration for us to select a dollar amount we want to set aside in the budget for our community partners. We will discuss the timeline and application process at the next committee meeting.

Mr. Livingston stated he liked the idea of funding by mill value. One of the reasons being you have something that is fixed. In addition, if you have growth in the CPI, it will be attached to the mill value.

Ms. English requested Ms. Thomas to describe the cap.

Ms. Thomas responded if we have a reassessment year and one year of windfall, you may want to say we would fund to a specific mill value, not to exceed a certain amount. In those years, many times, those funds are used to catch up on capital improvements that may be necessary. If you do not cap it, when the values start to level off, the funding opportunities for the community partners become less.

Mr. Branham inquired if the prior year's mill value would be known in advance of the budget process each year.

Ms. Thomas responded in the affirmative.

Mr. Branham stated he feels he should be thinking about this as not having access to ARPA funds. He noted the ARPA funds have been assigned to the Coronavirus Ad Hoc Committee. He inquired how we will fit those "recurring" organizations into the conversation and if we will stipulate other Lump Sum would not be a part of the general budgeting process.

Ms. Mackey responded when we established this committee; it was the committee's intent for the organizations that received funding in the past that we would recommend how to move forward.

Ms. Barron stated having a formula to award these grants will be critically important because it allows for transparency. She also believes recurring funds are imperative for those organizations that provide ongoing routine services. However, we should have caveats on their funding, such as performance, match funds, etc. In the past, we have seen where organizations have solely depended on County funding, which is not necessarily being good stewards of the County's funds. She noted a funding formula is great, but when we look at the organizations we are funding, we cannot put them all in the same basket. She pointed out we have proposed monitoring the ARPA funds through the third-party vendor. We hope the vendor can provide additional support for smaller organizations with the monitoring. She requested not to eliminate organizations that may not measure up to the larger organizations in the County.

Ms. Mackey noted it is not her intent to eliminate anyone from the process. We need to ensure we set aside the money to include it in the budget. She believes there will be a thorough conversation about what an application should look like.

Ms. McBride stated there was yet to be a decision about whether we would continue with Lump Sum appropriations. She noted that some individuals might disagree with Lump Sum, but others do not. She stated that we have discussed how the Community Impact Grants should look regarding funding. She noted that we should be careful of how we select funds and utilization of a discretionary process. Often the discretionary process is not equitable. We should put measures in place to ensure all communities have the opportunity to participate and receive services. So many times, underserved communities do not receive the services, which was an advantage of the Lump Sum process. To ensure that underserved communities receive services and there is geographical equity, we need to look at a process that ensures each district is able to receive a certain amount of funds to address their unique needs. There would be an application process to ensure we follow all the guidelines. She noted upon reviewing the grants she does not believe they are community impact initiatives.

Mr. Livingston suggested committing to an amount first and then looking at the essential organizations we fund. We can establish an agreement with specific organizations related to their deliverables. The remaining funds we could disburse as we did in the past.

Ms. Mackey indicated the committee needs to agree upon the essential organizations we would fund. She noted the significant impact is relative in some people's opinion.

Mr. Livingston suggested staff pull the information on those organizations so the committee can review their contribution to the County.

Ms. Mackey requested additional information be provided to staff to assist them with identifying the organizations.

Ms. McBride stated there are certain community grants we have funded for years. Those particular grants usually have a Countywide impact. She reiterated the need to address the unique needs of each district.

Mr. Branham inquired if staff could provide an example of recurring obligations to particular organizations.

The County Attorney, Patrick Wright, responded we are not obligated to fund anyone. He does not want entities, even those with a Countywide impact, to think the County is obligated to support them. Council has to vote on the budget and who will be funded each year. Even though they received funds this year does not guarantee they will receive funding in subsequent years.

The County Administrator, Leonardo Brown, stated he does not want there to be individuals who have challenges with staff and staff decisions. There have been comments made that staff is biased toward individuals or organizations or is inconsistent with how they work with them. He has asked throughout this process what the body would like for staff to do. This particular funding mechanism is truly a Council funding mechanism. It does not generate or come from staff. Providing parameters or criteria you would like staff to use would be fair. He does not think it would be appropriate to put staff in a position to communicate as if they chose what organizations were more impactful without the criteria.

Mr. Branham inquired if the recommendation would be without qualifications or if we wanted to provide explanations, which might be in the form of recommendations.

Ms. Barron recommended aligning the selection of the organizations with the Strategic Plan. There may be entities that help us establish some of our goals in the Strategic Plan.

Ms. Mackey stated she believes the committee is hovering around the same thought process. The committee needs to review the list and determine which ties back to the Strategic Plan.

Ms. Barron inquired if Ms. Mackey would provide the list or should each Council member create one.

Ms. Mackey responded if Councilmembers have recommendations, they could provide them to her.

Mr. Livingston thought each committee member would submit the agencies they believe play a significant role in the County to staff for them to compile a comprehensive list. When you get the list back, you may find that every Councilmember feels this is one you should do.

Ms. McBride was under the impression we were looking at existing entities we had funded which are essential to the needs of the County. She noted we have to have a good process if we are going to throw out names. She concurs with Mr. Wright that we should prioritize them rather than saying we are funding them because they are essential to the needs. She indicated Ms. Thomas has a list that goes back several years; therefore, we could use that as a starting point.

Mr. Livingston inquired if the agencies are currently operating at 1.1 mills.

Ms. Thomas responded in the affirmative. As a reminder, this included quite a bit of ARPA dollars. There will also be ARPA funds allocated through Coronavirus Ad Hoc Committee grants.

Ms. McBride inquired if we are also looking at the grants for the neighborhood associations or if that will remain a separate process.

Ms. Mackey responded that it will be a separate process.

Ms. Thomas stated it is her understanding that it is a part of the Development Fund.

Ms. Mackey inquired if there was a recommendation on the percentage of the mill to dedicate to the community impact grants.

Ms. Thomas signified the current mill value is \$1.830M. Half a mill would equate to \$915,000; $\frac{3}{4}$ of a mill would equate to \$1,372,500.

Mr. Branham inquired if 1.1 of the 1.2 from last year came from ARPA funds.

Ms. Thomas replied ARPA funds represented \$1.113M.

Mr. Branham stated the year before, it was just over \$1M, and FY23 was \$770,000. Half a mill would be \$915,000.

Ms. Thomas responded in the affirmative.

Mr. Branham inquired what $\frac{1}{4}$ would be.

Ms. Thomas responded it would be \$462,500.

Mr. Branham inquired what $\frac{3}{8}$ would be.

Ms. Thomas replied it would be \$686,250.

Mr. Livingston indicated he was going to suggest one mill. He noted some agencies expressed they did not want ARPA funds because they were concerned. The entity's concerns were that the County had been funding them for the last 15 years, and now you

are giving me ARPA funds. Therefore, they would no longer receive funding when the ARPA funds were depleted. We need to keep it at one mill so we will not have to raise the budget to continue funding the agencies when the ARPA funds are gone.

Mr. Livingston moved to set aside one mill in the FY24 budget for community impact grants, seconded by Ms. English.

Mr. Branham inquired about the parameters for the funding.

Mr. Barron requested the amount that would be awarded at one mill.

Ms. Thomas responded one mill would be \$1,830,000.

Ms. English stated for clarification, the funding is up to one mill, and the unspent funds would be returned to the General Fund.

Ms. Thomas replied that would be her desire.

Ms. Terracio inquired about the amount that would have been allocated in Lump Sum grants pre-COVID.

Ms. Mackey stated for clarification if Ms. Terracio was inquiring about discretionary funds.

Mr. Livingston replied that is the idea behind utilizing the mill value. If the mill value decreases, then the set-aside funds also decrease.

Ms. Terracio indicated she was concerned if the entities we typically have funded would receive adequate funding by utilizing the one mill.

Ms. Mackey stated earlier in the committee meeting that we discussed having committee members and Councilmembers identify which entities they believe provide a Countywide impact. We have yet to guarantee continued funding but to discuss which organizations we ought to continue to fund.

Ms. Terracio inquired if the list of entities should be emailed to Ms. Mackey.

Ms. Mackey responded in the affirmative.

Ms. McBride noted the Lump Sum process included funding for the larger essential projects. Budget-wise, we could see how much General Fund funding was spent pre-COVID.

Ms. Thomas requested to keep in mind that in some of these years, where these groups were funded at these levels, other County projects were deferred.

Ms. McBride stated she knows there is staff who do not like Lump Sum, but this is a Council issue, and we are discussing all aspects.

Ms. Newton stated that as we look at the amount and previous history, there were some years we dug deep into our coffers to provide the Lump Sum. Her desire is we use the best fiscal practices. When the budgeting process was modified last year, it changed how we deal with Lump Sum. She requested confirmation on whether Council voted to eliminate Lump Sum.

Mr. Brown stated that in relation to Ms. McBride and Ms. Thomas' discussion, this is why you do not have the Administrator make the decisions. He noted he has to look at County operations as a whole, which includes anything Council wants and the requests he receives. There have been previous requests that have not been answered, and County operations have a question as to how that decision was made when we noted these requirements also need to be met. From a Council to an Administrator, you want to communicate what you want to happen. From a funding standpoint, the requests we receive from staff are in the millions.

Ms. Mackey hopes the committee understands it is up to them to ensure this is a true Council decision.

Ms. McBride noted since she has been on Council, we have been fiscally responsible and always maintained the fund balance.

Mr. Branham requested clarification of the motion.

Mr. Livingston replied the motion was to allocate one mill for the community impact grants.

Mr. Branham inquired if the motion would include items previously considered discretionary and items once labeled as Lump Sum.

Mr. Livingston responded in the affirmative.

In Favor: Livingston, Barron, Mackey, and English

Opposed: Branham

The vote was in favor.

5. **ADJOURNMENT** – Ms. Barron moved to adjourn the meeting, seconded by Ms. English.

In Favor: Branham, Livingston, Barron, Mackey, and English

The vote in favor was unanimous.

The meeting adjourned at approximately 3:00 PM.