

## **BCADAD BOARD MEETING**

November 15, 2010

**The BCADAD held its bi-monthly board meeting on Monday, November 15<sup>th</sup> at the Beaufort Offices at 9:30 AM.**

**Present were: Bette Goettle, Linda Hoffman, John Coaxum and Chuck Najaka**

**Absent: Mary Johnson and Charles Hammel**

**Guest: Paul Sommerville, Councilman**

**The meeting was opened by Bette Goettle and turned over to Mr. Boyne.**

**The Old Minutes were reviewed, approved and accepted.**

The Director, Mr. Boyne presented the Financial Report. He stated that fee collections were steady and that we had about \$16,000 per month in operation expenses. Mr. Boyne stated that we were trying to project what our revenue/expenditures would be by 7/1/2011; but as always, these figures are subject to change. Mr. Boyne stated that Beaufort County received \$211,827 in Excise Tax funds (the former Mini-bottle tax) for FY2010. Mr. Boyne stated that the taxes on Beer and Wine was 25% and 11% respectively. Mr. Boyne explained that when this tax changed from mini-bottle to excise in 2005; the 2005 level floor was in place to guarantee funds close to the floor balance. He stated that we cannot go below the floor, but we can go beyond it our share of the Excise Tax (1/36% of 1% roughly).

Mr. Boyne then stated that we have surveys in the field for the Citizens Advisory Board for CARF. These surveys are to weigh general opinion on "How We Are Doing". Mr. Boyne announced that the scores were as follows: Cooperation 5.0; Community Satisfaction 4.4; Satisfaction with regard to the Direction of the Agency 5.0 and Satisfaction with the Director 5.0 We scored a 19.4 out of 20.

Mr. Boyne stated that Mr. Kubick has named Mr. Morris Campbell as the Corporate Compliance Officer. Mr. Boyne stated that we would have a CARF team visiting us around May of 2011 for our continued accreditation.

Mr. Boyne stated that we are still down a Board Member and that there are a couple of candidates that are being reviewed. He stated that it would be beneficial to have someone who could represent the Sun City area.

At this time, Councilman Paul Sommerville spoke with regard to the unfortunate budget crunch due to reduced revenue that Beaufort County is experiencing from several venues. He discussed

that resident home owners are being taxed at 4% whereas absentee property owners are being taxed at 6%; or if a piece of property is a second home, it is taxed at 6%. At times, out of state individuals may represent properties in Beaufort County as being primary residences, thus reducing the amount of tax revenue. Plus, over the past 9 to 10 months, we have had over 1000 people move out of the area, thus reducing revenue by over 3 million dollars. Mr. Sommerville also stated that our engineering department has suffered a cutback from 18 employees to 8 with two being transferred to other departments. Mr. Sommerville stressed that revenue is dropping due to people who are unable to pay property taxes and there is a time lag in collection on delinquent taxes. Mr. Sommerville went on to state that in 2012, there will be a third reassessment of property value. The 2009 valuation was done using 2007 levels. He stated that the value of homes will be significantly below what they were in 2007. He stated that the County cannot reap a windfall if you have to drop the millage rate, and you cannot raise the millage rate if there is no cost of living increase. Mr. Sommerville stated that South Carolina took 1 Billion in Stimulus money which created some on-going liabilities and the number of recipients on Medicaid has increased dramatically.

Mr. Boyne thanked Mr. Sommerville for his input into the situation and stated that we are going to operate on a "Smart Decline". He stated that we are going to plan on worst case scenario strategies by using furloughs, four day work weeks were also to be considered if the need arises, departing employees may not be replaced at this time, we are looking at the services being offered South of the Broad River and if the need should present itself, there is the possibility of closing the Bluffton Office and relocating here in Beaufort. "Everything is on the table" and will be looked at in order to reduce expenses and to maintain.

Mr. Boyne stated that the client numbers being served are not going down. He stated we served over 1400 clients last year and expects the numbers to kick back up after the first of the new year. Mr. Boyne stated that we are going to do the best we can and deliver core services. He restated that any revenue generated by our agency goes into the County's general fund. Only 5 Drug and Alcohol agencies are with a county, the other 33 are board driven.

Mr. Boyne readdressed Excise Tax monies by stating that in the past, when it was taxed on minibottles, it was easy to trace as there were 4 major distributors of minibottles, when it morphed and went to the Excise Tax format, there were over 44,000 distributors to collect taxes from.

Mr. Boyne thanked Councilman Sommerville again for his attendance as he was leaving to attend another meeting. At this time, Mr. Boyne stated that Kidsville has remained very popular and is a great publication. It is contracted with an outside entity and the publication is at 20,000 plus.

Mr. Boyne stated that as there was no old business, the meeting adjourned with the announcement that the next meeting would be in Bluffton on January 24<sup>th</sup> at 9:30 am. The reason for the delay in meeting is due to the fact that the third Monday falls on Martin Luther King, Jr., Day, which is a federal holiday.

The meeting adjourned.