

**REPORT OF BUDGET WORKSHOP
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
March 26, 2026**

A Budget Workshop was held on March 26, 2026, at 2:00 P.M. at the SWA's Administrative Office, 1886 Highway 90, Conway, South Carolina. In accordance with the Solid Waste Authority's policy, notices setting forth the date, time, and place of the meeting were mailed to the news media.

Present were the following Board Members: Robert J. Kemp, Chairman; Pam J. Creech, Vice Chairman; W. Norfleet Jones, Secretary; and Board Members Bo Ives and Dr. Albert G. Hayward. Board Members Wayne Fox and Amos C. Berry, Sr., Treasurer, were not in attendance.

Horry County Administrator Barry Spivey, Horry County Assistant Administrator Shannon Todd, Amelia Wood, and Highway 90 Liaison Michael Hughes represented the public in attendance. There were no members of the media present.

The following individuals were also in attendance: Danny Knight, Executive Director; Ed Marr, Assistant Executive Director; Esther Murphy, Director; Jan Bitting, Director; Stephanie Todd, Director; Richie Stetter, Director; and staff members Katherine Bell, Chris Calhoun, Trina Cooke, Kendra Dickerson, Cindy Keith, and Monica Collier.

Chairman Kemp called the meeting to order and asked Dr. Hayward to render the invocation. Ms. Creech led the group in the Pledge of Allegiance.

Chairman Kemp turned the meeting over to Mr. Knight, who gave an overview of the discussions to follow. Mr. Knight stated that with the start of the budget process, the Board had participated in several meetings and three or four workshops. He said that today's meeting would include a discussion of the proposed budget. Mr. Knight stated that the Board would not be voting just discussing the matter today. He informed the Board that if they had any questions or comments, they should direct them to him or to staff. Mr. Knight issued notices of upcoming meetings to the Board. Mr. Knight then turned the meeting over to Mrs. Bitting.

FY2027 -FY28 BUDGET DISCUSSION

Mrs. Bitting informed the Board that the proposed budget was being presented for review and invited any questions, comments, concerns, or suggested changes. She said that the SWA would present the budget at the County's Budget Retreat on April 1, 2026. Mrs. Bitting thanked staff for doing a tremendous job this year in holding the budget. She informed the Board that each department would review their division and outline any changes, increases, or decreases. Mrs. Bitting again thanked the staff for making her job easier and for their assistance in preparing this year's budget. Mrs. Bitting informed the Board that staff would review the highlighted areas as they proceeded through the budget. Mrs. Bitting offered an overview of the revenue.

Mrs. Bitting reported on tipping fees, stating an overall increase as staff focused on FY27. She reminded the Board that the SWA was required to prepare a two-year operating budget, with FY27 serving as the primary year of focus.

Mrs. Bitting stated that tipping fee revenue from FY2026 to FY2027 reflected a little over a 13% increase, primarily due to rising tonnage. She indicated a significant increase in Mixed Construction tonnage and reiterated that staff had anticipated this growth, as previously discussed at Board Meetings. Mrs. Bitting reported that last year staff budgeted for 145,000 tons, and this year projections were closer to 170,000 tons.

Mr. Ives asked whether staff was proposing an increase in the fee. Mrs. Bitting confirmed that staff was recommending an increase. She explained that, as discussed during one of the workshops, the cost of equipment and the need to shorten the depreciation timeframe required additional funding. Mr. Ives stated that this was what he had anticipated.

Mrs. Bitting stated that the proposed increase was \$1.50 per ton, which would cover the cost of the equipment. She said staff was recommending a \$1.50 tipping fee increase for both MSW and C&D. Mrs. Bitting stated that staff did not see a significant change in MSW tonnage.

Ms. Creech inquired about the waste tire rebate and asked whether staff knew how much the SWA would receive and asked if the rebate was issued every other year. She also commented that landfill gas revenue appeared to be decreasing and asked whether the gas being generated was not producing as much revenue as it had in the past. Mrs. Bitting responded that it was based on what the SWA received from Santee Cooper. Mrs. Todd explained that the SWA was producing gas; however, revenue was down due to work being completed on the skid, maintenance on the well field, and downtime for the engines. She reported that the SWA was currently installing 31 new wells and stated that even more gas would be available in the coming months. Mrs. Todd said she was hopeful that gas production would increase rather than decrease. Ms. Creech asked whether the revenue would continue to decline as projected. Mrs. Todd responded that she anticipated it would increase.

Mr. Knight stated that staff would continue to review the matter and examine how Greenville County and Three Rivers operated their systems. He stated that there may be funding in the budget to begin that process. Mr. Knight explained that staff were prioritizing the gas system, which would operate 24/7, and that Greenville County was currently contracting the operation. Mr. Knight informed the Board that when the project goes out for bid, it would be bid as a standalone item, allowing each bidder to provide the most cost-effective proposal. Mr. Knight informed the Board that staff was closely monitoring the gas system.

Ms. Creech asked whether the e-waste processing fee was decreasing and whether staff believed the SWA was receiving fewer electronics. Mrs. Bitting responded that the SWA was not receiving fewer electronics, rather, the cost of processing had decreased for the materials being taken from the SWA, and those costs continued to trend downward. Mrs. Bitting explained that the e-waste program functions as a pass-through, as the cities and other entities that bring electronics to the SWA were charged for them, and those entities were located throughout the County. Mrs. Bitting informed the Board that the SWA retained a small processing fee. Mrs. Bitting added that the largest area of uncertainty in the revenue projections was interest in earnings. She stated that revenue estimated also included interest earnings and the anticipated tire rebate.

Ms. Creech asked about the transfer to contingency. Mrs. Bitting explained that funds may be transferred from contingency if needed to help balance the budget. She indicated that there was no need for such a transfer this year.

Mrs. Bitting stated that the SWA was projecting a 12.22% increase in revenue. She also reported a slight increase in miscellaneous container rentals. She said that a service fee was instituted for those containers.

Mrs. Bitting stated there were concerns due to potentially losing customers. Mrs. Bitting said that the SWA had been able to maintain its customer base and had even gained new customers.

Ms. Creech asked Mrs. Bitting to explain The Store. Mrs. Bitting stated that The Store was located next door. Ms. Creech asked whether it generated approximately \$125,000 and if that amount reflected the cost to the SWA. Mrs. Bitting informed the Board that \$125,000 represented the revenue generated. Mrs. Bitting informed the Board that The Store more than covered its expenses and posted a profit each year.

Mrs. Bitting stated that Meals on Wheels payments were typically made via check of approximately \$60,000. She said this amount covered both their expenses and a portion of the SWA's costs, including utilities and insurance. Mrs. Bitting reported that the Council on Aging retained a small percentage of the profit, with a portion of the revenue continuing to support repayment of the building. She commended the staff at The Store, stating that they do a phenomenal job.

Mr. Knight asked Mrs. Bitting about the first-year budget contribution, which was projected at around \$40,000. Mrs. Bitting said she believed that figure was correct and added that she would report at the next Board meeting that revenue had exceeded \$125,000. She said that The Store was not selling high-ticket items.

Mr. Ives reported that Ms. Anita Moran passed away on Friday night.

Mr. Knight stated that he feels good about the budget.

Mrs. Bitting then referred to page two, explaining the tipping fees and tonnage projections, including the projected tonnage for FY27. She informed the Board that the largest increases were in Mixed Construction, which was up slightly more than 17%, and Yard Waste, which was also expected to increase by about 17%. Mrs. Bitting stated that the overall tonnage was projected to increase by just over 8.5% for the coming year.

Ms. Creech asked whether the Solid Waste tipping fee increased from \$46.00 to \$47.50. She asked whether this increase would be sufficient given upcoming projects and funding needs. Mrs. Bitting responded that this decision would be up to the Board. Mrs. Bitting stated based on current projections, operating expenses could be covered; however, if the Board wished to set aside additional funds for future construction projects, further discussion would be needed. Mrs. Bitting said that staff could review and provide recommendations as needed, and that the proposed increase was intended to cover equipment costs.

Mr. Ives stated that he and Mrs. Bitting had discussed prior to the meeting whether the SWA would need funds for a bonding consultant to guide the SWA through the bonding process. He said Mrs. Bitting had suggested that the County might be able to assist. Mr. Ives asked Mr. Spivey if that was a service the County could provide. Mr. Ives indicated that the SWA would be working with bonding in the future if its permitted applications were successful, and it was the SWA assumption that the County would assist with the process.

Mr. Ives asked whether the SWA needed to begin setting aside funds for that purpose. Mrs. Bitting asked if he was referring to a bonding study. Mr. Ives stated that he meant consultant costs, as the SWA would need guidance through the process. Mrs. Bitting stated that she did not know the cost of the consultant or whether those expenses were built into the bonding itself. Mr. Spivey explained that those costs were usually covered at the time the bonding was placed on the market, and that the bonding package typically included those expenses. Mr. Ives asked whether that meant the SWA did not need to worry about it at this time. Mrs. Bitting said that was correct.

Mr. Ives asked whether staff was estimating that and if all went well, the permit process would take approximately five years, and whether the SWA should begin saving towards bonding costs during that period. Mrs. Bitting stated that the SWA would not be saving towards those costs at this time, as the SWA would be bonding, and all associated costs would be included in the bond itself. Mr. Ives asked whether the SWA would need to budget for those costs. Mrs. Bitting responded that, at that time, yes.

Ms. Creech commented that, considering the anticipated bonding costs and the mitigation expenses associated with the three projects, the SWA should begin adjusting tipping fees to ensure sufficient funding moving forward, as well as setting aside additional funds to support the bond. Mr. Knight stated that staff must first determine what the SWA would be required to do. He explained that, if approval was received from the Corps, the number of acres requiring mitigation would need to be identified. Mr. Knight stated that many factors depended on the Corps' position, and staff would need to evaluate those requirements. Mr. Knight said that the initial engineering work has largely been addressed, and that if approval was granted today, the first year would focus on engineering and preparation. Mrs. Bitting stated that once staff had more clarity on what was approved and what the associated costs would be, that would be the appropriate time, possibly during next year's budget process, to begin determining how much the tipping fee should be increased to start setting aside funds.

Mrs. Bitting said that she would hesitate to begin that process now, even though she agreed it was better to be ahead than behind, because the SWA currently had no certainty regarding approval, the extent of approval, or the associated costs. She stated that once more concrete information was available, even if it occurs mid-year, the Board could decide at that time to raise the tipping fee. Mrs. Bitting stated that having clearer information would make it easier for staff to support and justify such a decision.

Mrs. Bitting stated that Page 3 begins the summary of expenditures, but she directed the Board to Page 4, stating that it provided a clearer analysis and breakdown. She explained that the first set of columns compared FY27 to FY26.

Chairman Kemp stated that he had a question regarding Page 3. He said he did not see a capital contingency. Mrs. Bitting asked if he was referring to the unrestricted capital. She explained that those dollars were non-departmental and included the E-money. She asked if that was what he was referring to. Chairman Kemp confirmed, stating he meant the Million Dollars. Mrs. Bitting stated that the Million Dollars was in a designated fund. She stated that it does not appear on this schedule because it was part of the capital budget, not the operating budget. She stated that the funds were already set aside and remained available.

Mr. Ives asked what the SWA supported services for UCS represented. Mrs. Bitting explained that it was the amount the County pays the SWA to manage the centers. Mr. Ives commented that this was why that line item was significant.

Mrs. Bitting explained that under unrestricted capital in the non-departmental section, E-money was set aside to purchase certain items under capital. She stated that the \$1 Million remained in a designated fund, and designated funds do not appear on the operating budget because they are not used to cover operating expenses. Mrs. Bitting compared the designated fund to a savings account.

Ms. Creech asked about the health services line item, saying that it showed \$20,000 in FY2027 and \$0 in previous years. Mrs. Bitting confirmed the amounts and explained that this represented a new benefit staff was exploring for employees. She stated that each year staff evaluated ways to remain competitive with other municipalities, recognizing that employees were the SWA's greatest asset. Mrs. Bitting said that while salary increases were not always feasible, staff continued to look for additional benefits that could be offered.

Mrs. Bitting indicated that many municipalities in the area now offer some form of health services program for employees, dependents, and retirees. She explained that these programs vary and may include access to a health clinic or on-site health services. Mrs. Bitting provided an example of Grand Strand Water and Sewer, which had a provider who comes on site for employees. Mrs. Bitting stated that staff contacted Conway Hospital to gather information about available options. She said the hospital described a program currently used by the City of Conway, in which the city utilized the hospital's Conway facility and had access to a nurse practitioner. Mrs. Bitting stated the program reserves four appointment slots per day exclusively for City of Conway employees and their dependents.

Mrs. Bitting explained that employees would be able to visit the nurse practitioner during work hours and return to work afterward if needed. She said employees could be seen for wellness visits or illness, and there would be no charge to the employee or to the SWA. Mrs. Bitting said no insurance claim would be filed, which would help reduce the number of claims submitted to the SWA's health insurance and potentially lower overall insurance costs.

Mrs. Bitting reported that the estimated cost of the program was approximately \$5,000 per quarter, or about \$20,000 per year, regardless of usage. She stated that the provider would meet with staff once each quarter to review general trends in the types of health issues being seen without identifying individual employees to help determine whether additional services, more appointment slots, or expanded wellness options might be beneficial.

Mrs. Bitting said the program would begin with basic services, offering a meaningful benefit to employees at a minimal cost. She stated that the service would operate Monday through Friday during normal business hours, with two appointment slots held each morning and two each afternoon exclusively for SWA employees.

Mr. Ives asked whether dependents could also use the service, Mrs. Bitting stated that any dependent covered under the SWA's health insurance, including retirees and their dependents, would be eligible. She stated that providing this option could further reduce traditional insurance claims.

Mrs. Bitting stated that the provider would also come on site during the annual PEBA health screening to review paperwork with employees if they wished, and that this service was included in the cost. She stated that staff believed this would be a strong benefit for employees and planned to reach out to other medical facilities to compare available programs. Mrs. Bitting said that Conway Hospital was contacted

first because it was local and already provides similar services to the City of Conway, which had also considered other providers such as Tidelands.

Mrs. Bitting stated that funding for the program was included in the budget and, with Board approval, staff hoped to implement it on July 1, 2026. Mrs. Bitting said that allowing employees to be seen during work hours could reduce time away from work and support employee health.

Chairman Kemp stated that he thought the program was terrific and asked whether dental services could also be included. Mrs. Bitting said staff could research that. Chairman Kemp stated that the program was very limited. Mrs. Bitting agreed. Chairman Kemp said he was not aware of another program structured in the same way. Mrs. Bitting responded that staff could look into whether other options exist.

Mr. Ives commented that the potential reduction in insurance claims could be significant. Mrs. Bitting added that the program also offers substantial savings for employees.

Dr. Hayward asked whether the service would cover work-related issues that are not emergencies. Mrs. Bitting said she was not certain. She said that employees typically go to Doctors Care for such matters, but this might be an option as well. She stated that staff could check into that further.

Mr. Knight stated that staff would ensure the SWA selected the option that best fits its needs and then hold a workshop to review it in detail. He said the provider would be able to explain what services were offered and what employees could access from home. He added that if the Board did not feel the program was beneficial, the allocated funds would not be used. Mr. Knight stated that there would be year-end savings, which would be a negative benefit. Chairman Kemp commented that the amount did not sound sufficient. Mrs. Bitting said staff had been surprised by the cost as well.

Mrs. Bitting stated that she and Ms. Bell had participated in a Zoom meeting with Conway Hospital and were very surprised at the price. Mr. Marr added that the provider had indicated they would work with the SWA and if participation increased, the program could be expanded. Mrs. Bitting said the provider would prepare a month-end report on a quarterly basis staff would meet to review the program and determine whether any adjustments or improvements were needed.

Mrs. Bitting informed the Board that page four contained the departmental breakdown and proceeded to review the FY26 to FY27 comparison. She stated that the proposed budget included a 5% cost-of-living increase for all employees. She emphasized that this increase was not merit-based but was intended to help offset rising costs such as fuel and groceries. She stated that the SWA does not have a merit-based increase structure for the upcoming year.

Mr. Ives asked Mr. Spivey whether the County had any projections for salary increases. Mr. Spivey responded that the County would be presenting a 4% raise next week at the County Workshop.

Mrs. Bitting stated that the annual bonus remained unchanged at \$1,250, the same amount as last year. She stated that staff also included a standard 10% increase for health insurance, explaining that final rates were typically implemented around October, but a modest increase was always budgeted. She reported a 20% increase in workers' compensation costs across all departments due to higher claims this year, which prompted staff to adjust that line item accordingly. Mrs. Bitting said these adjustments apply across all departments and represent the only significant personnel related increases. She said that a few

new positions were included in the budget, and division directors would address those when presenting their sections.

Finance & Administration Division

Mrs. Bitting reported on Page 4, that General Administration, which includes the Board of Directors, Finance, and Administration, reflected a 3.7% increase; the Operations Division, which included, the landfill, environmental management, landfill gas, the MRF, and collection and hauling, showed a 7.1% increase; Fleet and Building Maintenance reflects a 7.7% increase; and Public Education and Corporate Affairs shows a 7.3% increase. She stated that C&D operations reflected a 6.8% increase.

Mrs. Bitting stated that the next section on the page shows the designated transfer for closure, post-closure, and landfill construction, which increased 6.2%, driven by higher tonnage. She referenced under Non-Departmental, the Horry County Waste Disposal Fee of \$2.25 per ton, which also reflected the tonnage increase. She pointed out the new health services line item and the transfer to designated funds totaling \$1.6 Million. She explained that this amount represented the difference between revenues and expenses for the year and would be transferred to equipment replacement, consistent with the \$1.50-per-ton allocation. She credited staff for doing an excellent job managing the budget. Mrs. Bitting stated that overall, the budget reflected a 12.2% increase.

Chairman Kemp asked whether the additional cab filtration equipment for fleet maintenance was included. Mr. Stetter responded that it would be addressed this year, Ms. Creech inquired whether it could be addressed without implementing an increase. Ms. Creech expressed appreciation, stating the importance of ensuring employee safety during fire events and smoke exposure.

Mrs. Bitting referred to the General Administrative Division on Page 8. She stated that the first department in this division was the Board of Directors. She stated that there were seven positions, one Chairman and six Board Members and that Page 9 provided a summary of their budget. She reported that there were no changes in this budget, either increases or decreases.

Ms. Creech asked whether the Board had spent that much money last year and how much was used. Mrs. Bitting said she did not know the exact amount but stated that actual spending was typically far below the budgeted amount, which was why no adjustments were made. Ms. Creech then asked whether any unspent funds would transfer over. Mrs. Bitting explained that unspent funds were transferred at year-end, consistent with the requirement to maintain approximately 15% in reserves. She added that each year she brings the Board a transfer request if funds are available.

Mrs. Bitting then reviewed Page 12, which covered the Administration Department. She stated that four positions that were budgeted, but only three were funded. She said the Recycling Marketing Clerk position had been included in the budget for years but remained unfunded because Mrs. Keith continued to handle all recyclables marketing responsibilities exceptionally well. Mrs. Bitting said the position was added long ago, but staff had never seen a need to fund it due to Ms. Keith's outstanding performance. She said the three funded positions in this department were the Executive Director, Assistant Executive Director, and Human Resources Manager.

Mrs. Bitting stated that in the Administrative Division on Page 15, there were two areas that showed slight increases. She explained that electricity and heating costs had risen by a few thousand dollars, resulting in an overall increase in that section of the budget. Mrs. Bitting reported under vehicle insurance

due to higher insurance costs. She stated that on Page 17 the department's total budget was \$1.3 Million, reflecting a 3% increase, which included all personnel related adjustments and remained a minimal increase in that department.

Mrs. Bitting then reviewed the Finance Department on Page 18, which included eight positions: the Director of Finance, Deputy Director, two accountants, and four clerks. Mr. Ives asked how payables and receivables were separated within that department and he asked Mrs. Bitting to explain the roles and responsibilities of the accountants. Mrs. Bitting said one accountant handled all accounts payable, while the other manages receivables for the landfill. Mrs. Bitting said of the four clerks, one assisted with receivables and served as backup at the scales house; two clerks worked full-time at the scales house on split shifts; and the fourth clerk worked in the office handling cardboard container rentals and filled in at the scales house as needed. She explained that staff aimed to have two clerks at the scales house for most of the day, with only a few hours at the beginning and end of the day staffed by one clerk. She stated that the scales house processes close to 500 trucks per day. She said the department was extremely busy.

Mrs. Bitting stated that staff had been using the kiosks currently in place, which allowed drivers to enter their truck number. She explained that the system recognized the truck number, identifies the correct account to bill, and weighs the load in. She said that this process has helped reduce staff workload and alleviate traffic.

Mr. Ives asked who handles payroll. Mrs. Bitting responded that the Deputy Director of Finance was responsible for payroll. Dr. Hayward asked whether Human Resources fell under the Finance Department. Mrs. Bitting clarified that Human Resources was part of the Administrative Division and that the Human Resource Manager was also assigned to Department 501. Mrs. Bitting informed the Board that the switchboard was also housed within the Finance Department.

Mrs. Bitting then referred to Page 21, reporting a \$30,000 increase in the sustainment contract. She explained that this increase reflected the cost of maintenance for the SWA financial software, scale house software, time clocks, and regular computer systems. She stated that these fees were required to receive updates and technical support.

Mrs. Bitting pointed out on Page 22 that merchant fees decreased from \$27,000 to zero. She explained that staff was now using the credit card processing company to handle all credit card transactions. She said the company managed the processing, regulated the fees, and collected them directly, eliminating the need for the SWA to manage those charges. Mrs. Bitting said that the fees had continued to increase over time, and when staff reached out to the processing company, they offered to take over the full process. She stated that this transition had been very beneficial, and overall, the Finance Department showed a 5.1% increase.

Ms. Creech asked whether the SWA had more than \$10,000 in bad debt. Mrs. Bitting responded that the auditor reviews this each year. She stated that, given the volume of business, the only area where the SWA experienced challenges was with cardboard container revenue. She explained that there was no issue with landfill customers because service could be suspended if accounts become delinquent. Mrs. Bitting stated that cardboard container accounts were more difficult because they were handled through brokers. Mrs. Bitting stated that brokers frequently change sometimes three or four times within a year.

She explained that when a broker changes, the new broker may not take responsibility for outstanding balances, making collection difficult. General discussion ensued.

Mrs. Bitting said Page 23 listed non-departmental expenditures. She stated that staff had already reviewed the major changes and the most significant adjustments involved the health services program and the transfer/designated funds. She informed the Board that staff had been fortunate enough to set aside funds within unrestricted capital. She reported that \$650,000 was allocated under unrestricted capital for the E-items typically discussed during capital planning, which she said was funded only when money was available. Mrs. Bitting stated that retiree health insurance costs remain minimal.

Ms. Creech asked whether the transfer was moved from \$0 in FY26 to \$1.6 Million in FY27, followed by a reduction of approximately \$250,000 in FY28. Mrs. Bitting explained that the \$1.6 Million would now be absorbed through depreciation, as the SWA plans to shorten the depreciation schedule on certain equipment. She stated that, as the Board reviewed each department, they would see depreciation increasing, for example, from \$2 Million this year to \$4 Million next year, reflecting the absorption of that \$1.6 Million.

Chairman Kemp asked whether recycling grants could be increased or whether additional funds were available beyond the current \$50,000 allocation. Mrs. Murphy stated that in recent years the SWA received five applications, with a maximum award of \$10,000 per applicant. She explained that staff typically divide the \$50,000 among the approved applicants sometimes, resulting in awards below the maximum. She stated that applicants were always appreciative of the funding they receive and emphasized that any increase would be a Board decision.

Chairman Kemp asked how many applications were received this year. Mrs. Murphy responded that eight or nine applications were submitted, with at least one not meeting the criteria.

Chairman Kemp asked whether staff would have awarded more grant funding this year if additional money had been available. Mrs. Murphy stated that with more funding, staff would have fully funded the approved request rather than prorating them. Chairman Kemp asked how much additional funding would have been needed. Mrs. Murphy said that this year the shortfall was approximately \$3,000 to \$4,000. She indicated that last year an additional \$10,000 would have been appropriate. She said that some applicants do not request the full \$10,000 and stated one application this year had been denied.

Mr. Ives stated that he wished the denied applicant had been present, as staff could have discussed alternative options with them. Mrs. Murphy explained that applicants must submit a complete proposal because the application clearly outlines what was eligible and what was not.

Mr. Ives stated that he would like to see restaurants become involved in a demonstration grant, saying that the SWA previously offered a restaurant program but received no applicants. He recalled that eight years ago, when the SWA conducted a recycling demonstration, participation was also limited. Ms. Creech commented that one of the most successful efforts last year was the composting giveaway, which drew a long line of participants, though supplies ran out. Mrs. Murphy clarified that the event was held at the Administrative Office location and that turnout was strong.

Dr. Hayward asked whether grant funds and scholarship funds come from the same department. Mrs. Murphy indicated they did not and state that scholarship funds were included in the Public Education budget.

Mr. Knight reminded the Board that the grant program operated within a defined timeframe and that applications must be submitted by the established deadline. He stated that if an opportunity arises outside that window, applicants must wait until the next cycle.

Chairman Kemp stated that he would like to see the grant allocation increased and suggested setting aside an additional \$5,000 to \$10,000 as a reserve in case special opportunities arise.

Mr. Ives said that he liked the idea of using the MRF for demonstration projects since the facility was already available. General discussions ensued.

Mrs. Bitting then turned the meeting over to Mrs. Todd.

Operations & Planning Division

Mrs. Todd stated that the discussion would begin with Department 504, Environmental Management. She reported that there were several significant increases and decreases within the department, with the most notable change appearing on Page 27 under Line Item 2415, Consulting and Miscellaneous. She explained that this item was increased in FY27 to cover consulting services provided by the SWA electrical and gas engineer to begin work related to the NSPS regulations, as well as initial engineering services for landfill gas operations.

Mrs. Todd stated that this line item was reduced significantly in FY28 because staff anticipated that the initial work would be completed during FY27. She added that staff would continue to monitor this area.

Mrs. Todd reported on Page 28, an increase in postage costs. She explained that staff mailed sample coolers and reports weekly, and postage costs have risen due to increased fuel prices and fuel surcharges. She stated that these factors contributed to the overall departmental increase of 11.5%.

Mr. Ives asked about the depreciation amount. Mrs. Bitting responded that the increase reflected new equipment scheduled for replacement this year.

Mrs. Bitting reminded the Board of the earlier discussion noting that \$1.6 Million would be absorbed through depreciation. She explained that depreciation continued to rise due to aging equipment and increasing replacement needs.

Mrs. Bitting stated that Mrs. Todd had several Kubota tractors and other equipment scheduled for replacement, which was why depreciation would increase significantly.

Ms. Creech asked whether the monitoring and testing supplies budgeted at \$26,000 for FY26 were also included for FY27 and FY28, and whether sufficient funds were available to cover those needs. Mrs. Todd responded that the account previously contained only \$650. She explained that she zeroed out that line item and moved the \$650 into Materials and Supplies, stating that this allocation made more sense for operational needs.

Mrs. Todd noted that the discussion was moved to Department 510, Landfill Operations. Mrs. Bitting referred to Page 29 and stated that there was an increase associated with two positions in this department. She explained that one position related to landfill operations. She said although Deputy Director was not a new position, it had remained unfunded for several years. She stated that, given the growth of operations, staff felt it was appropriate to include funding for the position for the upcoming year, even though it was uncertain whether it would be filled. She said the second position was a Heavy Equipment Operator III.

Mrs. Todd explained that the Heavy Equipment Operator III position was tied to the Collection & Hauling Division and functioned as a truck driver. She stated that when a driver was out due to sick leave, vacation, bereavement, or other reasons, the landfill must send two employees, one to assist on the route and another to empty cans. She stated that every time one driver was absent, she loses two operators. Mrs. Todd informed the Board that an additional driver would significantly reduce this strain, especially on days when the landfill was already short-staffed due to scheduled days off, Saturday work rotations, or illness.

Ms. Creech asked what the Deputy Director of Landfill Operations would do and to whom the position would report. Mrs. Todd stated that the Deputy Director would report to her, assist with operations, serve as her back-up, and learn the responsibilities she manages similar to the roles held by Mrs. Cooke and Mrs. Bitting.

Dr. Hayward requested the job description for the Deputy Director of Landfill Operations. Mrs. Bitting confirmed that staff would provide it. Mrs. Bitting said that Mrs. Todd oversees seven different departments, and having a deputy would be a significant benefit.

Mrs. Todd then referred to Page 31, stating an increase in Line Item 2120, Water and Sewer. She explained that as the landfill gas collection system expanded into areas without existing wells, pumps would be installed to dewater those areas. She said during periods of heavy rainfall, leachate volumes increased, and the budget adjustment ensures sufficient funding for disposal costs.

Mrs. Todd also stated that on Page 32, that Line Item 2430, Contractual Services Waste Tires, had increased significantly due to escalators in the hauling contract. She stated that the SWA was charged \$88.52 per ton for hauling, an increase of \$1.60 per ton. Mrs. Todd said each load now carries a charge of \$5.57, an increase of \$9.10, and fuel surcharges have also risen. Mrs. Todd reported that staff was projecting approximately 4,500 tons of tires, informing the Board that tires fill a tractor-trailer quickly.

Ms. Creech commented that businesses selling tires should be recording their sales and disposing of tires properly at the landfill. She expressed concern that the volume of tires received seemed too high to be generated solely by individual residents. She suggested that requiring businesses to report tire sales and disposal practices possibly through business licensing could help with oversight. Mr. Marr stated that approximately 90% of the tires received come from the private sector through individuals with an ST-39 form. He explained that in the past, tire disposal was free, and businesses would bring their tires to the landfill. Mr. Marr said the state issued a refund of \$1 per tire and the SWA absorbed the cost of the disposal. He said last year, the SWA spent nearly \$300,000 covering those businesses. He said under the new tire legislation, the SWA could now charge \$150 per ton. He added that revenue from tire tax funds should increase, although the state recently issued another adjustment similar to last year's refund, and

staff was still waiting to see how that will impact revenue. Mr. Marr stated that tire revenues this year should cover the full cost of tire disposal for the first time. General discussion followed.

Mrs. Todd continued on Page 32 with Line Item 2432, Contractual Services – Concrete Crushing. She explained that this was another waste stream that had increased significantly. She said the SWA conducted one concrete crushing event per year; however, due to a substantial rise in incoming concrete and the recent closure of another local business that previously accepted concrete the SWA was now receiving much larger volumes. She stated that staff anticipated needing at least two crushing events per year.

Mrs. Todd stated that the benefit of these events was that the contractor could crush the material into various sizes, allowing the SWA to use the product on the landfill. Ms. Creech commented that this should help offset costs through the materials used on site. Mrs. Todd agreed, stating that it was a tremendous benefit and reinforces the need for two annual crushing events.

Mrs. Todd then addressed Line Item 3109, Outside Repairs, reporting an increase. She explained that this line covered repairs that must be performed by outside vendors, including specialty repairs or warranty related work that must be completed by the original manufacturer or authorized service provider.

Mr. Stetter added that travel time, fuel costs, and service charges had increased significantly. He stated that services that once cost approximately \$199 were now closer to \$400, and that vendors were charging additional fees for travel and equipment, contributing to the overall increase.

Mrs. Todd referred to Page 32, Line Item 3110, Equipment Maintenance and Repair, which was increased due to rising costs for parts, fleet vehicle maintenance, and equipment repairs.

Chairman Kemp commented that the increase was approximately 8%, and Mr. Stetter responded that while future costs were uncertain, he was confident that the current budgeted amount was appropriate and manageable.

Ms. Creech asked where funding for the new leachate tank was located. Mrs. Todd responded that it was included in the capital budget.

Mrs. Todd next reviewed Page 33, Line Item 3130, Sustainment Contracts, which was increased to cover maintenance contracts for equipment such as TM&R systems, scale calibrations, HVAC maintenance, and similar service agreements. Mr. Stetter stated that this line item increased to 165,000 because it included the \$1 tipping-fee adjustment intended to offset the cost of the two TM&R machines.

Mrs. Todd concluded by stating that Department 510 reflected an overall increase of 8.2%.

Mr. Ives referred to Line Item 3120, Fuels and Lubricants, and stated that after speaking with Mr. Stetter, he understood that this line item needed to be increased. Mr. Stetter said he did not want to speculate, but he believed fuel costs would decrease in FY28. He stated that the amount may be slightly higher, possibly around \$850,000, but staff would address that during next year's budget process. He said that the current amount still included \$50,000 in contingency. Mrs. Bitting informed the Board that when Mr. Stetter asked about increasing this line item, she recommended placing the additional funds directly

into the departmental Budgets so that the money would be available for use without requiring a return to the Board for approval. Mr. Ives said this was a good idea.

Ms. Creech stated that she preferred to see budgeted amounts reflect actual projected costs similar to the \$1.50 tipping, rather than increasing a line item simply to place funds elsewhere later. Mr. Stetter responded that if the amount was set too low, staff would have to request that the Board reallocate funds from another area.

Mrs. Todd reported that Department 511, Yard Waste, had no significant changes. She stated though increases were included in Outside Repairs, Equipment Maintenance and Repair & Fuel for the same reasons discussed previously. She stated that the overall increase for this department was 0.5%.

Ms. Creech asked whether the SWA needed two Heavy Equipment Operators and whether this was the highest operator classification. Mrs. Todd confirmed that Heavy Equipment Operator III was of the highest level. Ms. Creech asked whether two additional operators were needed in FY27 and FY28. Mrs. Bitting and Mrs. Todd confirmed that two positions were budgeted for next year. Ms. Creech asked whether these positions would be filled through promotion. Mrs. Todd explained that one current employee had been with the SWA for nearly 30 years, and staff budgeted for three positions so that if he retires, a new operator could be hired and trained. She stated that new hires typically progress from Operator I to II and eventually to III as they gain experience and training.

Mrs. Todd provided an update on Department 512, Construction/Demolition Landfill, reporting an increase. in Line Items, 3109 for Outside Repairs and 3110 for Equipment Maintenance and Repairs. She stated that these increases were consistent with other departments due to rising costs. She stated the overall increase for this department was 20.4%.

Mrs. Todd then reviewed Department 513, Construction/Demolition Recycling. She stated that Line Item 1410, Training and Certifications, increased slightly to cover required continuing education hours for employees who must maintain certifications. She said staff anticipated these needs for the upcoming year. Ms. Creech asked about Line Item 2130, Tipping Fee Rejects, specifically who pays the fee and where the rejects originate. Mr. Marr stated that this was an internal recognition. Mrs. Todd reported that the overall increase for this department was 5%.

Mrs. Bitting informed the Board that the SWA pays to use the landfill and that \$2.25 per ton goes to the County.

Mrs. Todd reported on Department 521, Materials Recycling Facility, Line Item 2430, Contractual Services Labor, which increased by 1.5% to maintain temporary labor on the processing line and accommodates any wage adjustments during the year.

Mrs. Todd stated that Line Item 2438, Contractual Services Creative Recycling, the E-waste vendor was decreased by \$15,000. She explained that as Mrs. Bitting mentioned earlier, staff reviewed the line item and determined that expenditure was lower than originally anticipated.

Mrs. Todd reported that Line Items 3109, Outside Repairs and 3110, Equipment Maintenance and Repairs were increased for the same reasons as in other departments.

Mrs. Todd stated that Line Item 1420, Memberships Dues, was decreased because funds had previously been budgeted to purchase the Yellow Sheet recyclable pricing service. She said staff determined it was not needed, so the line item was reduced to \$1,000 for FY27. The overall increase for this department was 1.7%.

Mrs. Todd reported on Department 530, Collection & Hauling, Line Item 3111, Equipment Maintenance and Repair Containers, which increased by 7%. She explained that this covered container maintenance, including patching lids and repainting decals to maintain appearance and meet SWA standards at business locations. She stated the overall increase for this department was 3.4%.

Ms. Creech asked about Line Item 3130 and what radio airtime for maintenance referred to. Mrs. Todd stated that it covers the radio communication system.

Mrs. Bitting then turned the meeting over to Mr. Stetter.

Maintenance Division

Mr. Stetter stated that the Maintenance Department had one new position, a TradesWorker, whose primary responsibility was cleaning the equipment. He said that the department reduced its temporary labor budget and increased overtime, while all other line items remained consistent.

Mr. Stetter reported that on Page 59, Line Item 3130, Fleet & Building Maintenance, the department was exploring a new fleet maintenance software system. He said that Line Item 2222, Small Capital, was reduced, and the remaining line items were held at the same level.

Ms. Creech referenced the overtime listed on Page 58 and asked why staff was operating on Saturdays and Sundays. She recalled that Mr. Stetter had previously discussed the possibility of cutting Saturday hours. Mr. Knight informed the Board that staff was considering reducing Saturday hours from closing at 12:00 P.M. to closing at 10:00 A.M. Ms. Creech asked what work occurred on Sundays. Mrs. Bitting explained that staff occasionally come in when equipment stopped running. Mr. Stetter added that if tasks cannot be completed during the week, or if someone was unavailable on Saturday, staff may come on Sunday. He stated that this scheduling provided needed flexibility.

Mrs. Bitting informed the Board that Mrs. Murphy would be presenting the sections on Recycling & Corporate Affairs, Public Education, and the Unincorporated Collection System. Mrs. Bitting then turned the meeting over to Mrs. Murphy.

Recycling & Corporate Affairs Division

Mrs. Murphy reported on Department 503, Public Education. She stated that the department consisted of two Recycling Coordinators and stated that the overall budget did not increase significantly. Mrs. Murphy explained that on Page 63, Line Item 1305, Temporary Services, there was an increase. She stated that this Line Item covered costs associated with the SWA mascots, and with the addition of a second mascot, staff had been working to have both attend presentations. She stated that this effort had been successful, which accounted for the increase.

Mrs. Murphy referred to Page 64, Line Item 2222, Small Capital, and stated that this line fluctuated annually based on the items being purchased. Mrs. Murphy informed the Board that classroom recycling

bins was purchased for Horry County Schools every other year. She said that staff also replenished event recycling containers used in the SWA's Event Recycling Programs.

Mr. Ives asked whether Mrs. Murphy had considered expanding programs beyond the fourth-grade level. Mrs. Murphy explained that each school level already had an SWA-run program. She stated that elementary schools participate in Talkin' Trash, middle schools participate in the POP Art Protect Our Planet Program, and staff was currently working on developing a high school program to encourage increased recycling and environmental awareness. She said that both Ms. Dickerson and Mrs. Johnson had submitted a new proposal for this initiative. Mrs. Murphy reported that the department's budget reflected a 5.2% increase.

Chairman Kemp asked whether there was anything the Board could do to increase the effectiveness of recycling promotion. He questioned whether a consultant might be able to provide guidance and stated his belief that the SWA could do more to promote recycling. Mr. Knight responded that the SWA had previously engaged professional firms on two or three occasions. He said that at one time, the Board determined that the results did not justify the cost. He said that staff had discussed issuing a request for information to evaluate what services could be offered and what the SWA might gain. Chairman Kemp expressed reservations about marketing efforts. Ms. Creech commented that without mandated recycling, challenges would persist. Mrs. Murphy stated that advertising was difficult and stated that she and Mr. Knight had discussed the potential use of a third party.

Mrs. Murphy reported on Recycling & Corporate Affairs Department, referencing Page 68. She stated that the department consists of the Director of Recycling & Corporate Affairs and one Administrative Assistant. She stated that although Public Education primarily handles school related outreach, within Department 505, Recycling & Corporate Affairs manages the majority of the SWA advertising.

Mrs. Murphy explained that Line Item 2325, Promotions and Public Relations, included funding for advertising placed on television, as well as print, radio, magazine, and calendar advertisements. She stated that approximately \$85,000 was allocated for Talkin' Trash alone, and an additional \$25,000 was added for FY27. She said that Talkin' Trash provided substantial value for the investment. Mrs. Murphy questioned whether similar funding levels could be allocated to other programs but said that such decisions rested with the Board.

Mrs. Murphy referenced recent discussions about potential advertising opportunities. She stated that some publications such as those produced by the electric cooperative or the phone company were issued quarterly. She said that a half-page advertisement in South Carolina Living, the electric cooperative's magazine, costs approximately \$1,500 for a single month.

Mrs. Murphy stated that staff advertised across multiple platforms and took advantage of free opportunities whenever possible, while also utilizing grant funding, which was never guaranteed. She said that there were limited print publications available, so the SWA also relied on social media and its YouTube channel to reach the public. General discussion followed.

Mrs. Murphy reported that the overall budget for the Recycling & Corporate Affairs Department increased by 8.6% and stated that the primary cause of this increase was the rise in advertising costs.

Unincorporated Collection System

Mrs. Murphy stated that the Unincorporated Collection System presented its budget to the County based on projections for the upcoming fiscal year. She reported that one personnel change was included in this year's budget by converting a part-time clerk position, which had been budgeted since FY24, into a full-time position. Mrs. Murphy explained that the workload supported this change and that it would allow the manager and supervisors greater flexibility by reducing their clerical responsibilities and allowing them to spend more time in the field ensuring the centers are operating properly.

Chairman Kemp asked whether the County had mentioned the new upgraded recycling centers. Mr. Knight responded that staff had discussed the new centers with the County. General discussion ensued. Mrs. Murphy stated that the County recycling center budget was divided into three segments: the administrative portion, the recycling and center operations portion, and the system cost portion. She reported that the overall budget reflected a 6.6% increase.

Mr. Knight and Mrs. Murphy thanked the County for all they did, as well as Mr. Suggs and Mr. Cox for their hard work and dedication.

Mrs. Murphy stated that when staff approached the County regarding schedule changes at the centers to improve operational efficiency, the County was very receptive. She said that this included adding Easter as a holiday for the centers. She said due to a great working relationship with the County the system worked very well.

FY2027 Capital Summary

Mrs. Bitting reviewed the Capital Summary for FY27 on Page 83. She reported that Equipment Replacement totaled \$16 Million, Closure costs were \$10 Million she said primarily related to landfill gas and \$31 Million was allocated for Landfill Construction, which included mitigation and the initial stages of the planned expansion. She stated that the overall Capital Budget was \$68 Million. Mrs. Bitting stated that the SWA may not be able to fund all these costs through designated accounts and would likely need to pursue bonding.

Mr. Ives referred to Page 87 and asked about the leachate systems, specifically whether funding had been included for an alternative treatment system. He stated that an \$8 Million contingency was listed and asked whether the SWA was prepared in the event access to Grand Strand Water & Sewer was lost.

Chairman Kemp commented that last year the SWA budgeted \$1.5 Million for a compactor, and this year the cost had increased to \$1.8 Million. He stated that purchasing equipment sooner was advantageous, as costs continue to rise.

Mr. Knight said that there are many factors that impact the bottom line, and those costs are significant. Ms. Creech stated that she would like to see information on the haulers or whoever was bringing in material because the SWA already knows how much tonnage was received each year. Mr. Marr confirmed this was correct.

Ms. Creech asked how the SWA could determine how much these haulers were recycling. She said that if it were possible to identify those who are not recycling, the Board could establish a required recycling percentage, and anyone not meeting it should be charged an additional fee. She stated that if recycling

could not be mandated quickly enough, then those who do not recycle should pay more for the material that was not being diverted. She said this should apply to every entity the SWA does business with. Ms. Creech added that the Board needed to review the percentage of material each hauler brings in and the percentage they recycle, whether it was C&D, MSW, or any other category. Mr. Marr indicated that this approach could work.

Ms. Creech said that to implement such a fee, the Board would need to determine the expected recycling percentage and at the end of the month, a hauler who was not meeting that percentage should receive a bill. Mr. Marr stated that staff could provide recycling information for larger companies, such as Waste Management and GFL, but stated that there were still many cash customers. He explained that, to apply a fee fairly, the SWA would need to know which cash customers were commercial haulers, and he was unsure how many fell into that category. Mrs. Bitting stated that there was currently no way to identify them because cash customers do not necessarily have accounts. Mr. Ives added that these haulers vary in size. Mrs. Bitting stated that without accounts, they simply come in as cash customers, and the SWA had no way of knowing who they are.

Mrs. Murphy stated that the Board would also need to consider whether any of those commercial haulers were recycling with other facilities. Mr. Marr agreed, saying that some haulers may be taking recyclable material elsewhere, though he did not know where. Mrs. Murphy stated that some companies, such as Walmart, backhaul their cardboard and other recyclables.

Mr. Knight stated that if the Board were to split the system to one rate for those who recycle and another for those who do not it would require significant staff oversight. He said that a hauler may claim to be a recycler, but when the load was dumped, it may not actually contain recyclable material.

Mr. Ives asked whether staff were able to inspect loads frequently enough to determine contamination rates. Mr. Knight responded by asking why not, stating that haulers should be held accountable if their loads were not recyclable.

Mr. Ives stated that when material comes through the MRF, staff should identify certain issues. Mr. Knight agreed, saying that the tipping floor provided a clear view of what was being delivered. He said that if a load was supposed to be recyclable and was not, it became evident at that point.

Mrs. Bitting stated that the SWA already charged a fee when a load was being delivered to the MRF and was supposed to be recyclable but was not. Mr. Ives asked whether staff actively enforced this, and Mrs. Bitting confirmed that they do. Mr. Knight reiterated that this oversight occurred at the MRF, on the tipping floor. Mrs. Bitting agreed, stating that MRF staff absolutely enforced this.

Mr. Ives asked whether the SWA's rate structure was unique and whether any other facility matched it.

Mr. Knight said that part of the success was due to education, which appeared to be working. Mrs. Bitting agreed, explaining that haulers were charged a fee when a load was not recyclable because they were not charged a tipping fee to bring material to the MRF. She said that if the load turned out to be non-recyclable, the fee applied. Mr. Marr acknowledged this explanation.

Ms. Creech stated that the Board had been reviewing employee insurance and related matters. She said that once an employee had been promised a benefit, she did not believe it should be taken away. Ms.

Creech said with the upcoming projects and the landfill expansion expected to add 50 years of capacity, she anticipated a significant number of new hires. Ms. Creech said she would like staff to review the benefits available to new employees for 10 and 20 years of service, particularly regarding insurance coverage after leaving employment. She stated that she believed employees should have to work 25 to 30 years to receive post-employment insurance. She asked staff to look into this.

Ms. Creech stated that although a 5% raise had been proposed, she preferred that raises be based on merit. She requested that staff review alternative options.

Ms. Creech said the Executive Director needs a reliable vehicle and should not be walking. Mrs. Bitting responded that he does have a good vehicle. Ms. Creech said that the vans, especially when transporting students, must be in proper condition. She said that if they cannot be kept running, new ones need to be purchased. She stated that she had observed many maintenance issues. Ms. Creech acknowledged that the SWA could not operate that way. Mrs. Bitting responded that the SWA does, in fact, keep vehicles running for long periods.

Ms. Creech said that for now, until she reviewed the information again, those are the items she would like staff to examine. Mr. Knight then asked Ms. Creech whether she was referring to new employee benefits and where she would set the benchmark. Ms. Creech said that for employees to receive insurance after leaving employment, she would like them to have worked for at least 25 years. Mr. Knight asked how many years were currently required. Ms. Creech said that under the current retirement structure, an employee could work 10 years and the SWA begins paying their supplemental insurance, which she believed was too short.

Mr. Knight asked what the SWA paid after 10 years. Ms. Bell stated that after 10 years, the SWA pays 50% of the cost of employee health and basic dental coverage and Mrs. Bitting concurred. Ms. Creech said that the changes she was considering would apply only to new hires, not current employees.

MOTION TO ADJOURN

There being no further business to come before the Board, **Ms. Creech moved, seconded by Mr. Jones, to adjourn the meeting. The Motion was carried** and the SWA Budget Workshop was adjourned at 4:25 P.M.

Minutes approved on April 28, 2026.

HORRY COUNTY SOLID WASTE AUTHORITY, INC

BY: _____ (L. S.)
Robert J. Kemp, Chairman

ATTEST:

W. Norfleet Jones, Secretary

Amos C. Berry, Sr.

_____(L. S.)
Pam J. Creech

_____(L. S.)
Wayne Fox

_____(L. S.)
Albert G. Hayward, Dr.

_____(L. S.)
Bo Ives