



**MEMORANDUM**

TO: York County Council  
 FROM: William P. Shanahan, Jr.  
 PURPOSE: FY 2016-2017 Budget Message  
 DATE: April 29, 2016

Attached for your consideration is the recommended York County operating and capital budget for fiscal year 2016-2017. The recommended budget is balanced and projects County revenues and expenditures, estimated in accordance with the requirements of the Code of Laws for the State of South Carolina. The table below illustrates the changes between the FY 2016 Original Budget and the FY 2017 Recommended Budget by fund. The major changes will be addressed in the following pages, but as you can see, the majority of the \$115.7 million dollar increase is due to the \$9.4 million in debt service for the new capital projects and the \$113 million in construction costs that have been appropriated in FY 2017, although they will be spent over the next several fiscal years.

	Original Budget	Recommended Budget	Change from	% Change
	FY 2015-2016	FY 2016-2017	FY 2016-2017	From FY 2016
1100 General Fund	\$ 114,504,172	\$ 110,114,000	\$ (4,390,172)	-3.8%
1150 County Local Hospitality Tax	\$ 6,000,000	\$ 7,230,000	\$ 1,230,000	20.5%
1211 Fire Board	\$ 5,876,192	\$ 5,174,775	\$ (701,417)	-11.9%
1221 Bethesda Spec. Fire Dist.	\$ 86,100	\$ 91,800	\$ 5,700	6.6%
1222 Flint Hill Spec. Fire Dis	\$ 768,200	\$ 1,109,780	\$ 341,580	44.5%
1223 Lesslie Rural Fire Dist.	\$ 216,573	\$ 219,764	\$ 3,191	1.5%
1224 Newport Spec. Fire Dist.	\$ 353,991	\$ 367,500	\$ 13,509	3.8%
1225 Oakdale Spec. Fire Dist.	\$ 70,500	\$ 125,384	\$ 54,884	77.8%
1226 Riverview Spec. Fire Dist	\$ 1,774,920	\$ 1,845,880	\$ 70,960	4.0%
1227 Bethel Rural Fire District	\$ 679,744	\$ 847,516	\$ 167,772	24.7%
1241 Solid Waste Collection	\$ 2,981,247	\$ 2,997,981	\$ 16,734	0.6%
1242 Recreation	\$ 1,747,600	\$ 1,180,000	\$ (567,600)	-32.5%
1250 Emg. Telephone System	\$ 1,327,585	\$ 1,093,243	\$ (234,342)	-17.7%
1310 York County Debt Retire.	\$ 7,505,090	\$ 16,967,344	\$ 9,462,254	126.1%
2111 Water and Sewer	\$ 33,093,277	\$ 35,068,730	\$ 1,975,453	6.0%
2121 Solid Waste Disposal	\$ 6,755,013	\$ 7,169,915	\$ 414,902	6.1%
3481 York Tech. College -County Millage	\$ 5,353,835	\$ 5,388,384	\$ 34,549	0.6%
3483 Culture & Heritage Commission	\$ 3,115,599	\$ 3,221,380	\$ 105,781	3.4%
3484 York County Library	\$ 5,325,600	\$ 5,678,350	\$ 352,750	6.6%
Total Operating Budgets	\$ 197,535,238	\$ 205,891,726	\$ 8,356,488	4.2%
1420 Capital Improvement Program	\$ 20,444,805	\$ 9,000,000	\$ (11,444,805)	-56.0%
1421 2016 Capital Improvement Projects	\$ -	\$ 113,000,000	\$ 113,000,000	100.0%
1450 1997 Capital Projects Sales Tax	\$ 500,000	\$ 1,500,000	\$ 1,000,000	200.0%
1460 2003 Capital Projects Sales Tax	\$ 78,000,000	\$ 65,000,000	\$ (13,000,000)	-16.7%
1470 Pennies for Progress 3	\$ 93,000,000	\$ 110,000,000	\$ 17,000,000	18.3%
1481 "C" Funds	\$ 13,483,107	\$ 13,500,000	\$ 16,893	0.1%
1483 State "C" Funds	\$ -	\$ 800,000	\$ 800,000	100.0%
2112 W/S Capital Projects	\$ 20,000,000	\$ 20,000,000	\$ -	0.0%
Total Capital Budgets	\$ 225,427,912	\$ 332,800,000	\$ 107,372,088	47.6%
Total	\$ 422,963,150	\$ 538,691,726	\$ 115,728,576	27.4%

In FY 2016, the value of a mill for the entire County is projected to be \$1,206,300; an increase of 3.7% from the updated 2015 value of \$1,162,800. The value of a mill for the unincorporated area of the county is projected to increase by 3.0% for an unincorporated value of \$770,300 per mill.

The statutory cap on millage changes for FY 2016 limits the allowable increase in York County tax rates for FY 2017 to 2.60% (a 0.12% change in CPI and a 2.48% increase in population). The population increase of 2.48% was the 6<sup>th</sup> largest growth rate in the State. There were 21 counties in the State of South Carolina that had a reduction in population. There is an exception to this cap for Special Fire Tax Districts. The table below includes the current tax rates and the recommended increases for each millage fund.

YORK COUNTY MILLAGE CALCULATION FY 2016-2017						
	Recommended Taxes to be Levied	Value of a Mill	FY 2016 Millage	FY 2017 Projected Millage	Recommended Increase/ (Decrease) Over FY 2016	Allowable Increase 2.60%
<b>FUNDS AND MILLAGE RATES APPLICABLE THROUGHOUT YORK COUNTY</b>						
County Operations-General Fund	64,977,350	1,206,300	52.5	53.9	1.4	1.4
County Bonds	11,372,344	1,206,300	6.3	9.4	3.1	n/a
Library	5,533,350	1,206,300	4.5	4.6	0.1	0.1
Culture & Heritage	3,136,380	1,206,300	2.6	2.6	-	0.1
York Tech Operations	4,500,384	1,227,600	3.8	3.7	(0.1)	0.1
<b>COUNTYWIDE FUND AND MILLAGE TOTALS</b>	<b>89,519,808</b>		<b>69.7</b>	<b>74.2</b>	<b>4.5</b>	
<b>FUNDS AND MILLAGE RATES APPLICABLE ONLY IN UNINCORPORATED AREA</b>						
Rural Fire Board	3,517,167	770,300	4.6	4.6	-	0.1
Solid Waste Collection	2,657,981	770,300	3.5	3.5	-	0.1
Recreation	1,150,000	770,300	1.5	1.5	-	0.0
<b>UNINCORPORATED AREA SUBTOTALS</b>	<b>7,325,148</b>		<b>9.6</b>	<b>9.6</b>	<b>-</b>	
<b>TOTAL TAX RATE IN THE UNINCORPORATED AREA **</b>	<b>96,844,956</b>		<b>79.3</b>	<b>83.8</b>	<b>4.5</b>	
<b>SPECIAL FIRE DISTRICTS:</b>						
Bethel (1)	664,516	269,300	2.2	2.5	0.3	n/a
Bethesda	87,800	22,500	3.8	3.9	0.1	n/a
Flint Hill (1)	1,091,780	148,600	5.1	7.3	2.2	n/a
Lesslie (1)	175,500	69,800	2.2	2.5	0.3	n/a
Newport	358,500	87,500	4.0	4.1	0.1	n/a
Oakdale (2)	72,001	14,400	5.0	5.0	-	n/a
Riverview	336,880	59,800	5.6	5.6	-	n/a
**Does not include special fire district millage.						
(1) These Fire Districts are requesting funds in excess of the General Limitations, but the exception is stated in SC Code of Laws Section 6-1-320 Subsection F,						
(2) Oakdale's maximum millage allowed per the ordinance creating the tax district is 5.0 mills.						

One significant request that is not included in the recommendation is the reinstatement of the levy of one mill for **York County Forever**. Due to the millage limitations set forth with adoption of Act 388, the current year allowable rate is not sufficient to allow this request to be included in the current recommendation. The table on the following page shows the annual impact of the proposed changes in tax rates.

**Estimated Annual County Taxes Based on Recommended Changes in Millage Rates if Value Remains the Same as Prior Year**

	Recommended Increase/ (Decrease) Over FY 2016	Owner Occupied Home - \$100,000			Commercial Property - \$500,000		
		Recommended			Recommended		
		FY 2016 Taxes	FY 2017 Taxes	Change	FY 2016 Taxes	FY 2017 Taxes	Change
<b>FUNDS AND MILLAGE RATES APPLICABLE THROUGHOUT YORK COUNTY</b>							
County Operations-General Fund	1.4	\$ 210.00	\$ 215.60	\$ 5.60	\$ 1,575.00	\$ 1,617.00	\$ 42.00
County Bonds	3.1	\$ 25.20	\$ 37.60	\$ 12.40	\$ 189.00	\$ 282.00	\$ 93.00
Library	0.1	\$ 18.00	\$ 18.40	\$ 0.40	\$ 135.00	\$ 138.00	\$ 3.00
Culture & Heritage	-	\$ 10.40	\$ 10.40	\$ -	\$ 78.00	\$ 78.00	\$ -
York Tech Operations	(0.1)	\$ 15.20	\$ 14.80	\$ (0.40)	\$ 114.00	\$ 111.00	\$ (3.00)
<b>COUNTYWIDE FUND AND MILLAGE TOTALS</b>	<b>4.5</b>	<b>\$ 278.80</b>	<b>\$ 296.80</b>	<b>\$ 18.00</b>	<b>\$ 2,091.00</b>	<b>\$ 2,226.00</b>	<b>\$ 135.00</b>
<b>FUNDS AND MILLAGE RATES APPLICABLE ONLY IN UNINCORPORATED AREA</b>							
Rural Fire Board	-	\$ 18.40	\$ 18.40	\$ -	\$ 138.00	\$ 138.00	\$ -
Solid Waste Collection	(0.1)	\$ 14.00	\$ 13.60	\$ (0.40)	\$ 105.00	\$ 102.00	\$ (3.00)
Recreation	-	\$ 6.00	\$ 6.00	\$ -	\$ 45.00	\$ 45.00	\$ -
<b>UNINCORPORATED AREA SUBTOTALS</b>	<b>(0.1)</b>	<b>\$ 38.40</b>	<b>\$ 38.00</b>	<b>\$ (0.40)</b>	<b>\$ 183.00</b>	<b>\$ 180.00</b>	<b>\$ (3.00)</b>
<b>TOTAL TAX RATE IN THE UNINCORPORATED AREA **</b>	<b>4.4</b>	<b>\$ 317.20</b>	<b>\$ 334.80</b>	<b>\$ 17.60</b>	<b>\$ 2,274.00</b>	<b>\$ 2,406.00</b>	<b>\$ 132.00</b>
<b>SPECIAL FIRE DISTRICTS:</b>							
Bethel (1)	0.3	8.80	\$ 10.00	1.20	\$ 66.00	\$ 75.00	9.00
Bethesda	0.1	15.20	\$ 15.60	0.40	\$ 114.00	\$ 117.00	3.00
Flint Hill (1)	2.2	20.40	\$ 29.20	8.80	\$ 153.00	\$ 219.00	66.00
Lesslie (1)	0.3	8.80	\$ 10.00	1.20	\$ 66.00	\$ 75.00	9.00
Newport	0.1	16.00	\$ 16.40	0.40	\$ 120.00	\$ 123.00	3.00
Oakdale (2)	-	20.00	\$ 20.00	0.00	\$ 150.00	\$ 150.00	0.00
Riverview	-	22.40	\$ 22.40	0.00	\$ 168.00	\$ 168.00	0.00

\*\*Does not include special fire district millage.

(1) These Fire Districts are requesting funds in excess of the General Limitations, but the exception is stated in SC Code of Laws Section 6-1-320 Subsection F.  
 (2) Oakdale's maximum millage allowed per the ordinance creating the tax district is 5.0 mills.

**Budget Overview**

**General Fund – Decrease of \$4.4 million – 1.4 mill increase**

A change in the millage rate is recommended for this fund due to the changes in recommended expenditures which are listed below. Most of the decreases in expenditures were offset by grant or fund balance appropriations.

CIP Transfer from General Fund In FY 2016	(\$ 5.0) million
Eastern Speculative Building in FY 2016 which was grant funded	(\$ 3.1) million
Land for Fort Mill Convenience Center in FY 2017 Budget	\$ 1.0 million
Change in Salary Adjustments (4% to be distributed partially as cost of living and as adjustments if below mid-point range based on years of service)	\$ 1.6 million
Change in Department of Commerce Grants	(\$ 1.6) million
New Positions Recommended for FY 2017 (Will be listed later in the memo)	\$ 1.4 million
Change in Consulting Fees for Pennies Cost Estimates and Western Utility Study	\$ 0.8 million

**Hospitality Tax Fund – Increase of \$1.2 million**

Additional fund balance is recommended for appropriation to fund any other project that may be approved by Council during the fiscal year.

<b>Rock Hill/York County Convention and Visitor's Bureau Funding - FY 2016 and FY 2017</b>				
			Requested	Recommended
		FY 2016	FY 2017	FY 2017
	County Hospitality Tax - Marketing	\$ 291,867	\$ 352,770	\$ 190,770
	County Hospitality Tax - Salaries/Operations	\$ 538,133	\$ 502,389	\$ 502,389
(1)	State Accommodations Tax - Marketing/Operations	\$ 100,000	\$ 100,000	\$ 100,000
(2)	County Accommodations Tax - Marketing/Operations	\$ -	\$ -	\$ 162,500
	<b>Total</b>	<b>\$ 930,000</b>	<b>\$ 955,159</b>	<b>\$ 955,659</b>
(1)	Accommodations Tax Committee will meet in May to formulate recommendation, therefore this amount has not been recommended to date.			
(2)	County Accommodations funding was used in prior years to fund a portion of the CVB. However, after Hospitality Tax was implemented, the revenue funded capital repairs at Ebenezer Park. Since that time, the revenues at Ebenezer Park can support some of those repairs. By state statute, 50% of the local Accommodations Tax Revenue can be used to fund law enforcement around the Carowinds and Ebenezer Park areas, however the use of the remaining 50% is limited to the same uses as Hospitality Tax. Therefore, the recommendation for FY 2017 includes funding \$162,500 of the CVB's request for marketing funds from the available Accommodations Tax revenues that have limited allowable uses.			

Ten marketing applications totaling \$244,448 were received and distributed to Hospitality Tax Committee members in April. They will formulate their recommendation at their May meeting.

**Fire Board - Decrease of \$0.7 million – No change in millage**

Decrease is attributable to fire trucks received in FY 2016 that had been re-appropriated from the previous fiscal year.

**Bethesda Fire Tax District – Increase of \$5,700 – 0.1 mill increase**

The Tax District is requesting less funding for operational needs in lieu of providing surveillance cameras at Stations 1 and 2, extricating equipment and is also requesting to borrow bank funding in the amount of \$103,000 for the purchase of 14 sets of Self Contained Breathing Apparatus (SCBA's).

**Flint Hill Fire Tax District – Increase of \$341,580 – 2.2 mill increase**

FY 2017 is the 2<sup>nd</sup> of a 3 year planning period for Flint Hill Fire Tax District in which they project growth in the district tax base to project how they may be able to request additional staffing to provide the most comprehensive coverage, while considering the impact on millage. The increase in the District's request for FY 2017 is mostly attributable to salary/benefit costs and implementation of a volunteer incentive program.

**Lesslie Fire District – Increase of \$3,191 – 0.3 mill increase**

The need for the tax increase is related to the decrease in their manufacturing and FILOT tax base from the previous year's projection.

**Newport Fire District – Increase of \$13,509 – 0.1 mill increase**

The recommended increase is mostly attributable to insurance and repair costs. The payroll budget is unchanged from the previous fiscal year.

**Oakdale Fire Tax District – Increase on \$54,884 – No change in millage**

The significant increase in this budget is related to the appropriation of fund balance for the purpose of acquiring land for purposes of constructing a new station that may be necessary based on completion of a planned Pennies for Progress project.

**Riverview Fire District – Increase of \$70,960 – No change in millage**

The recommended increase is to fund a full year of debt service requirements related to construction of a new station which was planned for construction beginning in FY 2016. This additional building is needed to improve ISO ratings. In order to help residents within the tax district, a temporary structure is being used until the new station is constructed. The land acquisition for the new station was approved by Council and completed in FY 2014. No increase in millage is required due to the appropriation of additional fund balance that may be used for station construction.

**Bethel Fire Tax District – Increase of \$167,772 – 0.3 mill increase**

The increase is related to a recommended appropriation of fund balance in the amount of \$175,000 for the purchase of a new brush truck. The increase in the tax rate is related to other capital recommendations included in their budget.

**Recreation – Decrease of \$567,600 – No change in millage**

In FY 2016, the County Council adopted a new funding formula for the distribution of recreation funding. In order to provide municipalities with enough time for budgeting based on the new formula, the Council appropriated fund balance and distributed to each municipality in FY 2016 to ensure they did not receive less funding in the year of the change.

**Emergency Telephone System – Decrease of \$234,342**

The decrease is due to software implementation planned for in FY 2016. These funds may need to be re-appropriated at 3<sup>rd</sup> reading if the project is not projected to be completed prior to June 30<sup>th</sup>. During the budget process, several of the budget items were transferred from the fund to the General Fund. We will need to continue to monitor the Subscriber revenues to determine if additional transfers may be needed in the future. Currently this fund has a strong fund balance.

**County Debt Service – Increase of \$9.5 million – 3.1 mill increase**

This increase is all related to the debt issued in February, 2016 in the amount of \$108.9 million for our capital program. The annual millage impact will be less than projected for the next three years as the County is required to use the \$15.8 million received in premium at closing to pay the bond principal in each of those years. In FY 2017 the principal amount due is \$5.3 million or approximately 4.6 mills.

**Water and Sewer – Increase of \$2.0 million**

The increase is related to rate increases per our agreement with the City as well as increased purchases resulting from increased sales, which are offset by an increase in revenues. However, our capital needs are significant for the System. We began working with a consultant in FY 2016 on a rate study and received a comprehensive update from them in March. We should be prepared to present a recommendation to Council sometime in early Fall regarding rate increases which will enable us to ensure we will have the coverage required for future bond debt service.

**Solid Waste Disposal – Increase of \$414,902**

The increase is projected due to our contract for hauling services ending in November, 2016. Council did approve a rate increase that took effect during FY 2016.

**York Technical College – Increase of \$34,549 – Decrease of 0.1 mil**

The increase in the recommended operational funding is partially offset by the recommendation for capital. However, the recommended amount funds the request, while still resulting in a small tax decrease due to the increase in the tax base for the school millage.

**Culture and Heritage Commission – Increase of \$105,781 – No change in millage**

The submitted budget can be funded at the current millage rate of 2.6 mills and is being recommended as presented. The increase of \$106 thousand will fund 2.7 additional positions approved by their Commission and provide the funds needed for the increase in annual costs associated with the change made in FY 2015 for retiree health insurance benefits and for the 2<sup>nd</sup> phase of the salary classification/compensation implementation.

**County Library – Increase of \$352,750 – Increase of 0.1 mil**

The recommendation is slightly higher than the requested budget in order to provide the funding for the Library to begin implementation of a classification/compensation plan. The requested budget included a 1.5% cost of living adjustment and the recommendation added 3.5% to make available a total of 5% for distribution similar to the amount the County had to distribute in year one of the pay plan implementation. The recommended budget will fund 3.0 new full-time equivalent positions for the Library system. We will work with the Library Director on the implementation of this plan.

**Capital Projects**

Below is an explanation of the changes included in the recommendation for capital projects. Capital project budgets are multi-year budgets and are only estimates of FY 2016 remaining balances. The FY 2017 budget balances will be adjusted when FY 2016 is fully closed out.

**Capital Improvement Program:**

- **Fund balance (from 2008 GO proceeds and General Fund/Fire Board Transfer) - \$9,000,000**  
The most significant project in this fund is the completion of the Courthouse. Staff met with the project managers in late April to review the updated courthouse budget. The recommended FY 2017 courthouse budget includes the additional funds of \$632,235 related to the approved change orders for abatement and roof underlayment being transferred from CIP fund balance (savings on previous projects and interest earnings), resulting in an updated budget of \$9.8 million of which much of that will be spent in FY 2016.

**2016 Capital Improvement Projects**

- **General Obligation Proceeds - \$108,000,000**  
  
Family Court Expansion and Heckle Renovations  
Moss Justice Center Expansion/Security Enhancements  
Public Works Improvements and New Recycling Center  
Clover and Fort Mill Magistrate Offices  
Administration Building
- **Transfer from FY 2016 General Fund - \$5,000,000**  
  
Administration Building

**1997 Capital Projects Sales Tax “Pennies I”** – the recommended budget includes the appropriation of all unspent budgeted funds for completion of the final projects.

**2003 Capital Projects Sales Tax “Pennies II”** – the recommendation is based on appropriating total remaining fund balance.

**Pennies III** – the recommendation is based on appropriating funds equal to the projected fund balance at June 30, 2016 in addition to sales tax collections projected for FY 2017.

**“C” Funds** – the recommended appropriations include projected June 30, 2016 fund balance in addition to new “C” fund revenues projected for FY 2017. Additionally, the balance of special one-time special C funds for State roads has been appropriated.

**Water/Sewer Capital Projects** – These projects are funded from Water/Sewer retained earnings and Impact/Capacity fees for projects that increase capacity. Due to significant costs of future infrastructure needed, staff will be presenting a rate increase plan in the fall.

**APPROPRIATION OF FUND BALANCE**

Below are the amounts of fund balance appropriated for each fund.

General Fund		\$ 3,295,475
o \$1,000,000	Land Acquisition for Fort Mill Convenience Center	
o 1,178,878	Western Speculative Building (Non-Grant Portion)	
o 500,000	Western Utility Study	
o 375,000	Pennies Cost Estimates	
o 180,000	CAMA – Year One	
o 61,597	Other Capital Recommendations	
Hospitality Tax		\$ 5,000,000
o \$5,000,000	Current/Future Approvals by Council	
Rural Fire Board		\$ 1,547,608
o \$1,547,608	Capital and Ladder Truck Replacement	
Lesslie Rural Fire Tax District		\$ 40,764
o \$ 40,764	Thermal Imaging Cameras (5)	
Riverview Rural Fire Tax District		\$ 300,000
o \$ 300,000	Station Construction Down Payment	
Bethel Rural Fire Tax District		\$ 175,000
o \$ 175,000	Brush Truck	
Solid Waste Collection		\$ 260,000
o \$ 260,000	Baler Replacement	
Emergency Telephone System		\$ 132,171
o \$ 132,171	Reimbursable Expenses	
County Debt Service		\$ 5,335,000
o \$ 5,335,000	Premium for 2016 Bond Principal	
Water and Sewer Enterprise Fund		\$ 18,055,230
o \$18,055,230	Transfer to W/S CIP for Infrastructure Improvements	
Solid Waste Disposal Enterprise Fund		\$ 164,915
o \$ 164,915	Landfill Closure Costs	
York Technical College		\$ 750,000
o \$ 750,000	FY 2016 Unspent Capital Appropriations	
Capital Projects		\$279,300,000
o \$ 9,000,000	Capital Facilities	
o \$113,000,000	2016 Capital Facilities	
o \$ 1,500,000	1997 Capital Projects Sales Tax	
o \$ 65,000,000	2003 Capital Projects Sales Tax	
o \$ 80,000,000	Pennies 3	
o \$ 10,000,000	C-Funds	
o \$ 800,000	C-Funds-State Roads	

Each recommended appropriation of fund balance in operating funds results in leaving sufficient fund balance for future year needs.

## **PERSONNEL CHANGES**

Although 55.73 new full-time equivalent (FTE) positions were requested, 18.73 positions are being recommended and the recommended changes are listed below.

### **General Fund Recommendations**

- 1.00 FTE – Administrative Assistant – Passport Office (Revenue Funded)
- 0.50 FTE – Part-time Clerk to Full-Time Investigator – Public Defender (Revenue Funded)
- 1.00 FTE – Attorney for General Sessions and Domestic Violence– Public Defender (Revenue Funded)
- 1.00 FTE – Attorney for CDV and Felony Cases– Public Defender (Revenue Funded)
- 1.00 FTE – Paralegal for General Sessions/ Domestic Violence– Public Defender (Revenue Funded)
- 1.00 FTE – Investigator – Public Defender – Union County (Revenue Funded)
- 1.00 FTE – Attorney - JAG Grant (Revenue Funded – 100% for FY 2017-Council approved grant)
- 1.00 FTE – Investigator – JAG Grant (Revenue Funded – 100% for FY 2017-Council approved grant)
- 0.60 FTE – Court Specialist – 16 to 40 hours – Bond Court
- 0.38 FTE – Part-time Clerk to Full-Time – Registration and Elections
- 1.00 FTE – Senior Environmental Compliance Coordinator – Planning Development Services
- 1.00 FTE – Mechanical Technician II – Equipment Maintenance
- 1.00 FTE – IT Project Manager/Security Analyst - Information Technology
- 0.00 FTE – Change from GIS Analyst – Grade 15 to GIS Programmer Grade 26
- 0.25 FTE – Scanning Technician – 30 to 40 hours – Records Management
- 1.00 FTE – DNA Analyst - Sheriff
- 3.00 FTE – Court Officers - Sheriff
- 1.00 FTE – Welder – Department of Fire Safety
- 1.00 FTE – Fire Prevention Technician – Department of Fire Safety
- 1.00 FTE - Litter Labor Foreman – Solid Waste Recycling

Staff acknowledges the merit of all personnel requests. However, in recognition of the additional ongoing costs of new staff positions, the staff recommendation was limited to positions that were based on significant increases in customer interaction, positions that provide enhanced public safety and security and positions which were revenue funded.

The staff recommendation also includes:

1. Continuation of the Master Deputy Program for the Sheriff's Office, and

2. \$2.5 million or 4% of recommended salaries/benefits to fund Council approved salary adjustments. It is recommended to be distributed between a cost of living adjustment and an adjustment if below the mid-point of classification based on years of service.

## **BUDGET OBJECTIVES**

As in prior years, the primary budget objective is to achieve identified goals and objectives that maintain and improve County services and this has continued to be a special challenge this year due to limited available funding. The following organizational goals were achieved during the budget process, and all contribute to the County's financial stability and ability to improve operations. This budget will assist in meeting several key objectives:

***Maintain, renovate and expand County facilities in order to meet service needs generated by a growing population.*** According to the latest population estimates provided by the U.S. Census Bureau, York County's population increased from 245,124 in 2014 to 251,195 in 2015, which represents a 2.48% increase. The population in York County, based on the 2010 census, has grown 37% over the 2000 population. As a service organization, it is of great importance that we continue to meet the challenges presented by this unprecedented growth.

***Maintain County services at the current level and enhance services where possible.*** Funding is provided for County services such as public safety, roads, community services and water/sewer and solid waste systems. This budget serves as an ongoing work plan to maintain services in a cost effective manner in all areas of service to our citizens. In appropriate areas, including Water/Sewer and Solid Waste Management, it makes good business sense for us to set fees that sufficiently recover costs associated with providing the services. Rate increases for Planning, Animal Control and Solid Waste Disposal were included in fiscal year 2009. For several year's we have recognized the need to increase the Water/Sewer rates and now that the new agreement with the City of Rock Hill has been executed and the water line across the Catawba River is in operation, staff will have better information available when developing their recommendation for a rate increase. Staff plans to present a rate increase recommendation to Council in the Fall of 2016.

***Maintain County infrastructure to preserve invested capital and extend useful lives of investments.*** Funding is provided on an annual basis for road resurfacing needs throughout the County. County engineers have assessed the condition of existing infrastructure and have developed a "critical needs" list in order to prioritize needs based on funding availability. While the normal life of a road is fifteen years, County engineers believe that through preventative maintenance we can extend the useful life of our infrastructure to 20 years. This budget includes a continuation of this effort funded at \$1,783,048.

***Provide for a competitive salary and benefit structure for County employees in order to attract and keep qualified staff to operate the County's programs and services.*** A comprehensive salary study was completed in FY 2005-06 and resulted in a 4% increase for all employees. Another salary study was completed in FY 2016 and 5% of salary and benefit costs were included and distributed. The recommendation for FY 2017 includes another 4% of salary/benefit costs to be distributed, partially through a cost-of-living adjustment and through adjustments if below mid-point range based on years of service.

***Support productivity with technology.*** The County continues to support increases in productivity to match the growth in our area through the use of technologies such as GIS and web-based technologies. We have had several discussions with the Council about the significant advantages of a modern Computer Aided Mass Appraisal (CAMA) system. CAMA software can improve the consistency of assessed values while also providing much easier and more transparent access by the public. However, the initial implementation costs are substantial. Realistically, a CAMA system should only be installed during the first two years following reassessment to assure the new system can be fully tested and run in parallel with the existing assessment software for at least one year to avoid the potential for catastrophic problems, therefore since the reassessment is now complete and implemented for tax year 2015 (FY 2016), funds for the CAMA software purchase and a project manager are included in the FY 2016 recommendation. The RFP for the Project Manager should be released shortly and once the Project Manager is hired, staff will work together to develop the specifications for the system. The Assessor's staff is currently working on keying the commercial property data into a system to convert during the implementation period. The County is moving forward with electronic time keeping which should be fully implemented over the next few months.

***Utilize financial planning to accommodate future capital needs.*** The taxpayers successfully approved the \$89.8 million dollar bond package in November, 2015. The County is currently working with the project managers and architects in moving forward with the building process.

***Implement recommendations of land use plan.*** The County will implement the recommendations of the land use plan to ensure that the quality of life is maintained for future generations of York County residents and also to help encourage a balanced and adequate tax base to fund public services. Significant work has been completed in FY 2016 and staff looks forward to implementing the changes approved with the updated plan.

**CONCLUSION**

This budget recommendation was prepared, and is presented, based on the awareness that we must continually be mindful of how changes in revenue sources may affect our ability to provide services. While revenues continue to increase in areas of housing starts, we should be ready to take action when those revenues decline. The recommendation for FY 2017 includes a 1.4 mill increase for the General Fund in order to decrease the difference between revenues and expenditures. Future steady annual tax adjustments for General Fund operations should be sufficient in minimizing the annual impact on citizens as much as possible.

Your input throughout the year and during the upcoming budget sessions is appreciated and has and will provide staff with the guidance needed to develop a conservative budget that provides the essential services you have identified. We will continue to focus on, and improve, the processes that allow us to deliver quality services to our citizens and customers in an effort to provide an environment where all citizens and businesses can thrive and succeed as Council requested at the Strategic Planning sessions.