



County Administrator

Joseph Kernell
jkernell@greenvillecounty.org
(864) 467-7105
www.greenvillecounty.org

May 21, 2019

Dear Chairman Kirven and Members of County Council:

I am pleased to present Greenville County's biennium budget for Fiscal Year 2020 and Fiscal Year 2021. This document provides the financial structure for Greenville County's programs and services over the next two years and encompasses a fiscally responsible allocation plan for the resources and services necessary to maintain our County's acclaimed quality of life. The budget is a continuation of the sound management and financial practices Greenville County government has established and maintained over the years, which have resulted in the County's retention of triple A bond ratings for the past 20 years.

DEVELOPMENT PHILOSOPHY

The recommended budget aligns the County's resources with the Council's proposed governing priorities as discussed at its retreat on April 11, 2019:

- | | |
|--|--|
| Priority 1- Public Safety: | Reduce response times for EMS and Sheriff's Department by 10% per year – 20% in 36 months. Reduce Crime by 5% per year over next 5 years. |
| Priority 2- Infrastructure: | Reduce traffic congestion; maintain current county paving conditions and improve condition safety, consider seeking penny sales tax for transportation. |
| Priority 3- Fiscal Stewardship: | Maintain triple A bond ratings; develop public dashboard to enhance financial online accountability, update financial policies to ensure compliance with current standards, develop cost benefit analysis program for projects occurring outside budget process. |
| Priority 4- Public Transit: | Work with GTA to develop funding sources, expand connecting routes, increase operating hours and ridership, develop connectors to the Swamp Rabbit Trail, multi-modal options. |
| Priority 5- Economic Development: | Create one shovel ready site of 300+ acres per year, increase skilled worker base, continue cooperation with Metro Connects and REWA for sewer expansion. |
| Priority 6- Planning: | Adopt the new comprehensive plan by December 2019, complete Unified Code by June 2020, improve top corridors and road safety (shoulders and sidewalks). |

Short Term Factors and Budget Guidelines

The budget provides the necessary resources to address the ongoing needs of our citizens and the delivery of public services. To reach the desired level of services with minimal growth in revenues while making progress towards implementing the County's long term goals, the following factors and guidelines were considered:

- **Conservative, but realistic projections of revenues and expenditures.** Conservative projections help ensure that adequate resources will be available to meet budgeted obligations.
- **Maintenance of target fund balances to preserve financial integrity.**
- **Review of all significant fees.** Major fees are reviewed along with the budget preparation to see if any adjustments are needed.
- **Wage adjustments.** Maintaining a competitive workforce is tantamount to quality service provision.
- **Employee benefits.** The cost of employee benefits increases for the two budgeted years.

OVERVIEW

The preparation of the biennium budget has been focused on addressing the addition of personnel and compensation issues for **Public Safety**, increased funding for **Greenlink** to improve the levels of service and hours of operation for public transit, and funding for **Affordable Housing** in the County. Greenville County has worked diligently to develop solid fiscal planning, strong financial management, and conservative budgeting principles which have demonstrated financial vitality and excellent government performance in the past, and exhibit the aptitude for continued success.

County-wide, staff has worked together to review levels of service and budgets in order to streamline services, reduce unnecessary expenses and best realign resources. Savings measures have been instituted and operating expenditures reduced; and, continued emphasis will be placed on additional improvements to efficiency and cost reductions as feasible. This budget reflects minimal increases in General Fund operating expenditures.

The following are some of the major accomplishments of the FY2020/FY2021 budget:

- **Average General Fund Balance of \$48 Million.** Due to the current economic uncertainty, it is imperative to follow our established financial policies and maintain sufficient fund balances, which is reflected in the County's average General Fund Balance of \$48 million for the biennium.
- **Expenditures reflect the top governing priorities of Greenville County Council.** Expenditures in this budget invest largely in public safety personnel and resources, transportation and affordable housing. Expenditures will continue to improve the quality of life in Greenville County, responsibly grow the tax base, and maintain the County's sound fiscal condition today and for the foreseeable future.
- **One of the Leanest Counties in staffing per capita within the State.** Greenville County, the most populous County in the State of South Carolina, ranks sixth from the bottom in full-time employees per 1,000 residents when compared to the other 46 counties. We offer quality and innovative services to our residents and have nationally recognized tourism and economic development draws while maintaining this lean staff presence. In this vein, this budget emphasizes streamlined services and continual realignment of resources to improve efficiency and minimize operational costs.
- **Investment in Technology.** In order to maintain low operational costs, this budget allots an important investment in technology that allows employees to maximize their productivity. Proposed for the next biennium are information technology improvements, digitization of ROD documents, and imaging of Probate Court records.

BUDGET IN BRIEF

Greenville County's biennium budget for FY2020 and FY2021 totals \$609,266,055. The FY2020 budget totals \$304,858,951 which is 6.95% greater than the FY2019 budget of \$285,050,566. The FY2021 budget totals \$304,407,104 which is 0.15% less than the FY2020 budget. The following chart provides an overview of the County's overall biennium budget for Fiscal Years 2020 and 2021 with comparison to the last biennium budget. The County's total budget includes the General Fund, selected Special Revenue Funds, Debt Service, and Enterprise Funds.

	ADOPTED BUDGET FY2018	ADOPTED BUDGET FY2019	ADOPTED BUDGET FY2019-2020	ADOPTED BUDGET FY2020-2021
GENERAL FUND	\$ 168,736,973	\$ 174,184,892	\$ 186,085,028	\$ 193,029,749
SPECIAL REVENUE FUNDS	\$ 75,752,631	\$ 69,331,598	\$ 73,336,928	\$ 71,354,310
DEBT SERVICE FUND	\$ 20,841,972	\$ 20,435,805	\$ 17,533,175	\$ 17,777,861
ENTERPRISE FUND	\$ 27,671,653	\$ 21,098,271	\$ 27,903,820	\$ 22,245,184
TOTAL BUDGET	\$ 293,003,229	\$ 285,050,566	\$ 304,858,951	\$ 304,407,104
Percent Change			6.95%	-0.15%

The General Fund operating and capital budget for the two-year period of FY2020 and FY2021 totals \$379,114,777. The General Fund operating budget for FY2020 (including salaries, operating, contractual and capital line items) totals \$186,085,028. This represents an increase of \$11,900,136 or 6.39% from the FY2019 budget. The General Fund operating budget for FY2021 (including salaries, operating, contractual, and capital line items) totals \$193,029,749. This represents an increase of \$6,944,721 or 3.73% as compared to the FY2020 budget. The increase is attributed to salary increases, increases for health insurance, and the addition of public safety positions.

BUDGET PROCESS

The two-year budget process will be similar to the process in prior years. Budget workshops are proposed to review the budget with County Council. In order to comply with section 4-9-140 of the State Code, a staggered ordinance adoption process will be followed. As in previous years, the budget ordinances will be reviewed concurrently. The projected schedule is as follows:

May 21, 2019	First Reading
June 04, 2019	Second Reading
June 18, 2019	Public Hearing & Third Reading for FY2020
July 16, 2019	Public Hearing & Third Reading for FY2021

HIGHLIGHTS

REVENUE ASSUMPTIONS

- Ad Valorem Taxes- The County's base property valuation is estimated to be \$2.38 billion, reflecting a growth in the base of about 3% over FY2019. Over 56% of Greenville County's budgeted revenue is derived from local ad valorem property taxes.
- County Office Revenue – Fees related to property development have stabilized throughout the current fiscal year. Overall, county office revenue is projected to experience minimal growth.
- Intergovernmental Revenues – State shared revenues for the Fiscal Year 2020 and Fiscal Year 2021 biennium budget is projected to account for 13% of General Fund revenue.

EXPENDITURES

The County's expenditures are divided across several major service areas. The total County budget is projected to increase by 6.95%, with the General Fund increasing by 6.39%. Noteworthy changes to expenditures include:

**Priority 1
Public Safety**

Sheriff's Office - Funding is included in the biennium budget for additional deputy positions. The budget adds fourteen deputy positions for FY2020 and fourteen deputy positions for FY2021. One part-time employee is upgraded to full-time in the Sex Offender Registry division.

Sheriff's Office – Funding is included in capital projects for the upgrade of the Sheriff's Office Training Center.

Sheriff's Office (E911) – The biennium budget includes additional contractual funding to support the new CAD system.

Coroner's Office - Funding is included in the biennium budget to add two deputy coroner positions in FY2020 and an additional deputy coroner position in FY2021.

Medical Examiner's Office – The biennium budget includes additional operational funding due to an increase in fees.

Emergency Medical Services - Funding is included in the biennium budget for thirty-six new positions for EMS. Seven emergency medical technical positions, seven paramedic positions, and four communication specialist positions will be added each year. Combined with the realignments made in the current fiscal year, we have added 3 full-time ambulances in the County.

Detention Center - Funding is included in the biennium budget for twenty-four additional detention officer positions. The budget adds twelve detention officer positions for FY2020 and twelve detention officer positions for FY2021.

Forensics - Funding is included in the biennium budget for additional positions for both fiscal years. One forensic evidence technician position and one DNA analyst position will be added each year of the biennium.

Circuit Solicitor – Funding is included in the budget for the addition of two positions for the Solicitor's office. One legal investigator position and one coordinator/liaison position with law enforcement will be added during the biennium. Funding is also included for computer and equipment replacement.

Circuit Public Defender - Funding is included for three positions in both years of the biennium for personnel services within the Public Defender's Office.

Magistrates - The biennium budget includes the addition of two part-time administrative support positions for the Magistrate offices and additional funds for constable travel.

Probate Court – Funding is included in the budget for the addition of one service representative position for Probate Court.

**Priority 2
Infrastructure**

Stormwater - The budget includes funding for neighborhood drainage improvement projects in the amount of \$600,000 in each year of the biennium budget. Funding for water quality retrofit projects in the amount of \$1,150,000 is also included for each year of the biennium budget. In addition, \$2.3 million has been appropriated in each year for funding flood projects as part of the flood hazard mitigation program. Funding will be provided from the current stormwater utility fee.

Road Program – A total of \$12 million is programmed for each year of the biennium. Funds are included for road paving, sidewalks, bridge replacements, road improvements, and traffic calming. The County’s local government revenue sharing program with municipalities is proposed to continue at the current level of \$700,000 annually.

**Priority 3
Fiscal Stewardship**

Maintenance of Current Operating Expenditures – As part of the budget development process, staff conducted a line item review of departmental operations and service delivery. Through this review, it was determined that a majority of operating expenditures could be held at current levels for the biennium. Any increases in operating expenditures are a result of the inclusion of expansion packages for enhanced services.

Employee Benefits – The budget includes funding for health and dental insurance to keep pace with the rising cost of health care.

Salary Adjustment – The proposed budget anticipates an average 2.5% increase for FY2020 and for FY2021. These salary adjustments reflect the County’s commitment to pay for performance of our employees, our most valuable resource. In addition, the budget includes \$1 million each year to implement the recommendations of the classification and compensation study currently being conducted.

Vehicle Replacements/Additions – The budget includes funding to continue vehicle replacements for both fiscal years. A total of \$7 million for vehicles and equipment is scheduled in both years of the biennium utilizing the master lease program. This budget also includes additions to Fleet Services to support operations.

Grants – Funding for matching grants in the amount of \$200,000 for each of the fiscal years is included in the budget.

Capital Projects – A total of \$72.35 million for FY2020 and \$74.17 million for FY2021 is included in the Capital Improvement Program to support technological enhancements, equipment replacement, facility improvements, and Parks and Recreation projects.

**Priority 4
Public Transit**

Greenlink-A total of \$2 million for FY2020 and \$2.5 million for FY2021 is included in the budget to improve and expand public transit services.

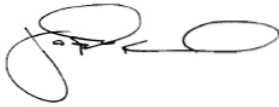
**Priority 5
Economic
Development**

Parks, Recreation, and Tourism – A total of \$2.20 million for FY2020 and \$850,000 for FY2021 is included in the Capital Improvement Program for parks, recreation, and tourism projects. These projects include deferred maintenance for a number of parks and facilities.

Economic Development Funding – The proposed budget includes \$3,714,686 for the biennium to be appropriated for the County’s economic development programs. This includes \$462,000 for the Upstate Alliance; \$3,052,686 for the Greenville Area Development Corporation (GADC); and, \$100,000 for NEXT, LLC for the biennium.

As we conclude another budget development process, it has been my honor to work with the County Council in allocating public resources to accomplish the County’s goals. It has also been a great privilege serving with the professionals who comprise the entire County organization as we strive to provide the level of services needed and desired by our citizens. I genuinely appreciate the commitment of our staff in serving our citizens and conducting the County’s business.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph M. Kernell". The signature is fluid and cursive, with a large initial "J" and "M".

Joseph M. Kernell
County Administrator

PROPOSED LONG-TERM GOALS AND PRIORITIES

Consistent with the County's financial policies of providing a financially stable fiscal plan, budget development directives from County Council call for streamlining the government focus. This section outlines six long-term goals that have shaped budgetary decisions for the upcoming biennium.

- ◆ Public Safety
- ◆ Infrastructure
- ◆ Fiscal Stewardship
- ◆ Public Transit
- ◆ Economic Development
- ◆ Planning

PRIORITY AREA I: PUBLIC SAFETY

Provide a safe community for citizens

Reduce EMS response time. Provide funding for support of emergency medical services to reduce response times by 10% per year and by 20% within thirty-six months.

Reduce Sheriff's Office response time. Provide necessary funding to address response time within the Sheriff's Office resulting in a reduction of 10% per year and by 20% within thirty-six months.

Reduce Crime. Provide funding to support public safety functions that addresses and reduces crime by 5% per year over the next five years.

PRIORITY AREA II: INFRASTRUCTURE

Establish adequate funding and management systems to provide for County infrastructure

Provide for roads/infrastructure needs. Maintain current county paving conditions and improve condition safety. Consider seeking penny sales tax for transportation.

Reduce traffic congestion. Support infrastructure to meet the community's growth. Develop an effective road network for the county to reduce traffic congestion.

PRIORITY AREA III: FISCAL STEWARDSHIP

Operate within a fiscally responsible framework

Maintain Triple A Bond Ratings. Provide for long-term fiscal viability and fiscal management of fund balance reserves through operating efficiencies, cost savings, and revenue enhancement.

Maintain fiscally responsible framework. Develop public dashboard to enhance financial online accountability. Update fiscal policies to ensure compliance with current standards. Develop cost benefit analysis program for projects occurring outside budget process.

Budget Development. Beginning with the Fiscal Year 2022 and 2023 biennium budget, County Council will meet to develop its goals during the second week of January, develop cost of Council goals by second meeting in February, prioritize Council goals by first meeting of March, and County Administrator will present the recommended operating and capital budget to Council at the first meeting in April.

PRIORITY AREA IV: PUBLIC TRANSIT

*Rethink public transportation strategies
to enhance transportation*

Develop Public Transportation. Work with Greenville Transit Authority to develop funding sources, expand connecting routes, increase operating hours and ridership, develop connectors to the Swamp Rabbit Trail and provide multi-modal options.

PRIORITY AREA V: ECONOMIC DEVELOPMENT

*Improve economic development climate within County to promote long term
financial stability and provide a livable community for citizens*

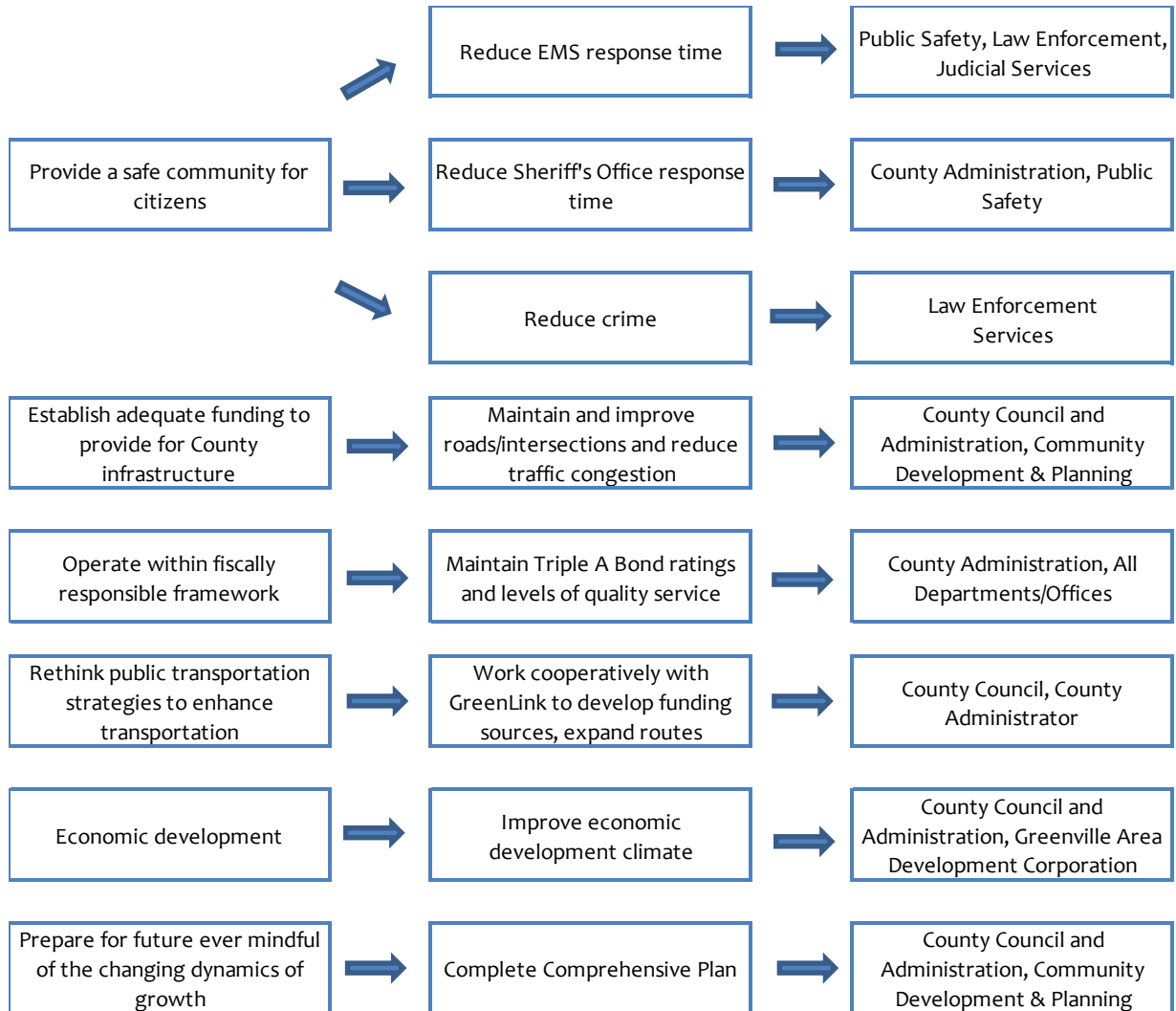
Improve economic development climate. Create one shovel ready site of 300+ acres per year. Increase skilled worker base. Continue cooperation with Metro Connects and REWA for sewer expansion.

PRIORITY AREA VI: PLANNING

Prepare for the future ever mindful of the changing dynamics of growth

Comprehensive Plan. Adopt the new comprehensive plan by December 2019. Complete Unified Code by June 2020. Improve top corridors and road safety (shoulders and sidewalks).

LINKING LONG- AND SHORT-TERM GOALS



THIS PAGE INTENTIONALLY LEFT BLANK