



MINUTES

GREENVILLE COUNTY COUNCIL

COMMITTEE OF THE WHOLE

May 19, 2015

4:49 p.m.

County Square - Conference Room D

GREENVILLE COUNTY COUNCIL

Bob Taylor, Chairman
Butch Kirven, Vice Chairman
Joe Dill
Joe Baldwin
Willis Meadows
Sid Cates

Jim Burns
Xanthene Norris *arrived 5:35 pm*
Liz Seman
Lottie Gibson
Lynn Ballard
Fred Payne

Pursuant to the Freedom of Information Act, notice of the meeting date, time, place and agenda was posted on the bulletin board at the County Square and made available to the newspapers, radio stations, television stations and concerned Citizens.

COUNCIL MEMBER(S) ABSENT:

None

STAFF PRESENT:

Joe Kernell, County Administrator
John Hansley, Deputy County Administrator
Mark Tollison, County Attorney
Jeff Wile, Assistant County Attorney
Kimberly Wunder, Assistant County Attorney
Theresa Kizer, Clerk to Council
Regina McCaskill, Deputy Clerk to Council
Paula Gucker, Assistant County Administrator, Public Works
Shannon Herman, Assistant to the County Administrator
Bob Mihalic, Governmental Relations Officer
Sandra Yudice, Assistant to the County Administrator
John Vandermosten, Assistant County Administrator, Public Safety
Ruth Parris, Management and Budget
Deneise Branyon, Management and Budget
Lisa Shealy, Management and Budget
Maria Tooley, Management and Budget

CALL TO ORDER

Chairman Bob Taylor

INVOCATION

Councilor Willis Meadows

Item (3) APPROVAL OF MINUTES

ACTION: Councilor Seman moved to approve the minutes of the May 5, 2015 Committee of the Whole meeting.

Motion carried unanimously.

Item (4) FY 2016 AND FY 2017 BIENNIAL BUDGET PRESENTATION

Joe Kernell, County Administrator, stated the Proposed Biennial Budget for FY 2016 and FY 2017 was complete and provided each Council Member a copy. He stated the Budget Committee has been working on the budget for the past 5-6 months and very intensely for the past 2 months. Mr. Kernell stated the budget was based on priorities adopted by County Council a number of years ago.

These priorities are as follows:

1. *Public Safety* *Reduce crime; maintain a manageable jail population; reduce EMS response time.*
2. *Infrastructure* *Reduce traffic congestion; establish a stormwater management system that allows for growth.*
3. *Fiscal Condition* *Maintain triple A bond ratings; maintain levels in quality of services.*
4. *Public Transit* *Increase public transportation; provide for transit oriented economic development.*
5. *Economic Development* *Increase workforce quality; increase number of jobs/high paying jobs.*
6. *Planning* *Promote managed growth in compliance with the comprehensive planning program.*
7. *Diversity in Employment* *Attract, develop and retain a highly competent and diverse workforce.*

Mr. Kernell stated there have been major accomplishments in regards to the budget. The millage rate has not increased for the 23rd and 24th consecutive year. Many districts have requested millage increases. The General Fund has maintained a balance of \$50,000,000.00 and will start FY 2016 with a balance of approximately \$58,000,000.00. Some of this money will be used for major capital needs; however, the money will be restored within a couple of years. The expenditures included in the budget reflect the priorities of the Greenville County Council. Greenville County has the leanest staff per capita within the State but the highest population of any county. The proposed budget marked completion of the first budget cycle with the addition of the Recreation Department. The County spent a lot of money and effort investing in technology which has kept the County from having to hire additional workers.

Mr. Kernell reviewed actions taken to prepare the FY 2016/2017 Proposed Biennium Budget. All services were inventoried and departmental budget were reviewed in an effort to streamline services, reduce unnecessary expenses, and realign resources. All funds were reviewed for possible transfers and General Fund operating account increases were minimized.

The total budget proposed for FY 2016/2017 totaled \$516,638,915 which included all funds, not just the General Fund. The General Fund was where most of the

County's operations were funded. The proposed budget consisted of four major components: General Fund, Special Revenue, Debt Service Fund and Enterprise Fund.

Highlights of the Proposed Biennium Budget included providing services the citizens of Greenville County expect without a tax increase for the 23rd and 24th consecutive year. There was a major focus on Public Safety Needs as well as significant investment in infrastructure. Other highlights included an intentional focus on maintaining a sound fiscal condition, continued investment into Economic Development as well as the development of the Recreation Department's Deferred Maintenance and Capital Growth Plan.

Public Safety Highlights:

The Sheriff's Office requested 10 deputies each year for a total of 20 new deputies.

EMS requested a total of 8 new paramedics for FY 2016 which would provide two additional paramedics per each 12 hour shift. These additional paramedics would be available to cover in case of sickness or other absences as well as staff an additional vehicle to insure appropriate response times. Additionally, two communications specialists and two operations support technicians were included.

The Detention Center requested four detention officers over the two year period.

The Coroner's Office requested two additional deputy coroners and the Circuit Solicitor requested two assistant solicitors.

The Public Defender did request additional staff but Mr. Kernell stated the County preferred not to provide for this request as the County would not have the ability to cut back on staff or fund them at a lower level if something were to happen in a subsequent year with the budget. However, funding was increased for outside contract attorneys and for an additional outside contract attorney due to increased caseloads.

Bond Court requested one administrative support position for each year and Probate Court asked for two additional administrative positions for FY 2016.

Mr. Kernell pointed out the positions with both Probate Court and the Coroner's Office would be funded with fees such as charges for death certificates.

Additional funding for EMS Medical Supplies and Contractual Obligations were included in the proposed budget. This included partnering with one of the local fire services for additional emergency vehicles.

Mr. Kernell stated operational funding for the DNA Laboratory was included in the proposed budget for equipment and supplies.

Chairman Taylor asked if the DNA Laboratory performed work for other counties.

Mr. Kernell stated the DNA Laboratory workload was focused mainly on Greenville County but they have done work for other counties.

Funding for a new E911 CAD (Computer Aided Dispatch) System was included in

the proposed budget. A new radio system was not included in the budget. A consultant has been hired to review the current system which would no longer be supported by the manufacturer, Motorola, after 2018. However, Mr. Kernell stated there was time to review the current system and possible alternatives. A report was expected within the next six months. The implementation of a new radio system would be expensive and would require some debt issuance.

Infrastructure Improvements Highlights

Mr. Kernell stated there was a considerable amount of funding provided for Infrastructure Improvements to include: Neighborhood Drainage Improvements (\$600,000), Stormwater Capital Projects (\$3.9 million) and the Road Program (\$8.5 million). The funding for the Road Program included C-Funds in the amount of \$2.5 million and \$6 million from County funds. The C-Funds are provided by the State of South Carolina and Greenville County has been very successful in past years matching C-Funds in order to take care of the roads.

Fiscal Condition Highlights

The proposed budget maintained adequate reserves and met standards to maintain Triple A Bond Ratings. Salary adjustments included in the budget were 3.0% for FY 2016 and 2.5% for FY 2017. Health insurance rates increase 7.5% for both years of the biennium. Mr. Kernell stated the County was taxed on the current health plan which has increased the cost. This cost was approximately \$600,000 to \$700,000 per year. Greenville County's workforce has aged which has caused increased costs to the County.

Councilor Cates inquired about the taxes on the current health plan.

Mr. Kernell stated the County was taxed on the health plan by an employer tax and this was a new component. The tax was due to national changes in health care laws. In the past, the County was exempt from taxes associated with the health plan. Mr. Kernell stated another tax, the "Cadillac Tax", could also affect the budget in that it would set a level for which medical claims were paid. If that level was exceeded, the County may have to pay additional taxes up to 40% or \$12,000,000. Mr. Kernell added there was pending legislation on the federal level to remove the "Cadillac Tax".

Councilor Baldwin asked if the "Cadillac Tax" was based on benefits paid out by the plan or benefits available. He stated it was his understanding the "Cadillac Tax" applied to plans that offered good benefits.

Mr. Kernell stated the "Cadillac Tax" was based on the payout of benefits.

Mr. Dill stated NACO was fighting the costs of the "Cadillac Tax". Some states have actually filed a lawsuit to abolish the "Cadillac Tax".

A total of \$8 million was designated for vehicle replacements and additions: \$5 million for FY 2016 and \$3 million for FY 2017. The proposed budget provided for five ambulances for FY 2016 and five for FY 2017 as well as several large pieces of equipment. The current ambulance fleet of 30 vehicles was very old and the goal was to replace most of them over the next few years.

A total of \$200,000 was allocated to match Federal Grants and other external grants. The County received a number of Law Enforcement Grants and other grants and those funds would be used for the local match.

Economic Development Highlights

The proposed budget provided \$30.2 million for FY 2016 and \$49.7 million for FY 2017 for capital projects. County Square Redevelopment was allotted \$20 million for FY 2016 and \$40 million for FY 2017 of those funds for a total of \$60 million to cover the cost of a new facility and parking structure for Greenville County Government. Mr. Kernell stressed the need to start discussions about the new proposed facility soon, as interest rates were at an all-time low and the economy was rebounding. Funding was provided for in the current budget for a new facility but was not utilized for a variety of reasons. The County had approximately 35 acres to use for the proposed facility.

Parks, Recreation, and Tourism was allotted \$3.1 million for FY 2016 and \$4.75 million for FY 2017 for capital projects. Most of the money would be used for deferred maintenance. Funding of \$3 million dollars in FY 2017 was allocated for a special revenue bond for the Pavilion for the ice, locker rooms and a sprinkler system.

Funding for Economic Development included \$372,000 for Upstate Alliance and \$2.28 million for GADC over the biennium budget.

General Fund Resources

Mr. Kernell stated 58% of budgeted revenues from the General Fund would be derived from ad valorem taxes. Intergovernmental, or State, revenues account for 14% of the fund. Mr. Kernell stated there was no expectation this amount would increase over the next two years. County office fees and fines generated 20% of budget revenue and other miscellaneous revenue sources made up the remaining 8%. Mr. Kernell reviewed the General Fund Revenues and Expenditures from FY 2013 through projections for FY 2016-FY 2017.

The General Fund was expected to be \$58,000,000 at the beginning of FY 2016 and expected to decline over the next couple of years. Those funds would be utilized for capital needs.

Capital Projects Included in FY 2016/2017 Biennium Budget

Mr. Kernell stated the budget provided for technological improvements to include enhancements to operating systems, imaging and digitization of Probate Court and Register of Deeds documents, and an Enterprise Resource Planning (ERP) system for integrated financial, tax, treasury, and human resources systems.

Facilities and Construction Projects included in the budget were increased funding for waterlines, renovation funds for Courthouse offices (Solicitor and Public Defender), and a new County Square facility. Financing Plans for the new County Square have not been presented as of yet, but, tentative plans showed 100% financing of the project. The property County Square currently sits on would be sold to replenish some of the money used to finance the new building.

Parks, Recreation, and Tourism projects included in the proposed budget included deferred maintenance for several parks and/or facilities, The Pavilion ice repair, gym and playground equipment for the Staunton Bridge Community Center, and extension of the Swamp Rabbit Trail.

A total of \$12 million, \$6 million for each year of the biennium, was appropriated for road improvements. Additional funding from C-Funds would be utilized for road improvements and the County would continue to take advantage of these funds.

Councilor Dill asked if the entire Pavilion needed new sprinklers.

Mr. Kernell stated the sprinklers would have to be replaced throughout the entire building to bring it up to current code requirements. The projected cost would be \$750,000.00.

Councilor Burns stated the actual Projected Biennium Budget indicated \$12.5 million for each year of the budget for road paving not \$12 million (\$6 million for each year) as Mr. Kernell previously stated.

Mr. Kernell stated these amounts included transfers out to other funds such as Public Works.

Proprietary Funds

Mr. Kernell reviewed the Propriety Funds aspect of the Biennium budget comprised of Solid Waste and Stormwater Management as well as Internal Service Fund (Health and Dental Fund, Fleet Management and Workers Compensation).

Budget Adoption Process

May 19	1 st reading – FY 2016 and FY 2017 Ordinances
May	Budget Workshop(s)
June 2	2 nd reading – FY 2016 and FY 2017 Ordinances
June 16	3 rd Reading/Public Hearing – FY 2016 Ordinance
July 21	3 rd Reading/Public Hearing – FY 2017 Ordinance

Vice Chairman Kirven asked if the budget had to be approved by July 1, 2015.

Mr. Kernell stated the FY 2016 budget would need to be approved by the end of the fiscal year (June 30, 2015). The FY 2016 budget would need to be approved first and the FY 2017 could be approved later.

Biennium Budget Summary

Mr. Kernell completed the presentation of the Proposed Operating and Capital Biennium Budget for FY 2016/FY 2017 and summarized key points. No proposed tax increases, the budget met requirements to maintain Triple A ratings, and addressed County Council's priorities and goals. The proposed budget increased

personnel in public safety areas, addressed capital needs, and maintained adequate reserves.

Mr. Kernell thanked all staff members involved in the budget process for their hard work.

Councilor Seman inquired about the total cost requested by all the departments.

Mr. Kernell stated he did not have those figures. Each department submitted requests and each request was reviewed by the budget staff. The completed budget was quite different from the requests that were submitted, but Mr. Kernell stated he was confident with the proposed budget. The budget did not include the proposed real estate transaction. If the transaction went through, the County would be in very good financial state.

Mr. Payne referenced Page 33 of the proposed budget titled "Budget Summaries". He questioned the areas of Elected & Appointed Offices – Judicial, Fiscal and Law Enforcement and how much of each figure included State mandated funds. Mr. Payne stated it was his understanding the Local Government Fund was intended to reimburse counties for officers who serve local residents under these categories. Mr. Payne inquired as to the current amount under the Local Government Fund for Greenville County reimbursements.

Mr. Kernell stated current figures were at \$24-25 million in expenditures and approximately \$17 million in revenue.

MOTION

Councilor Gibson made a motion to move the Proposed Operating and Capital Biennium Budget for FY 2016 and FY 2017 to County Council for first reading without recommendation.

Motion carried unanimously.

Item (5)

ADJOURNMENT

ACTION:

Councilor Kirven moved to adjourn the meeting at 5:37 p.m.

Motion carried unanimously.

Respectfully submitted:

Theresa Kizer, Clerk to Council