

BUDGET OVERVIEW

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**



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FY 08 ADOPTED OPERATING BUDGET**



July 1, 2007

Honorable Jeff Horton, Chairman
Members, Spartanburg County Council
County Administrative Building
366 North Church Street
Spartanburg, South Carolina 29303

Dear Members of Council:

I am pleased to present the Fiscal Year 2007-08 Adopted Operating Budget. For Fiscal Year 2007-08, you will notice the budget document has been streamlined to provide for a more concise display of County revenues, expenditures and departmental activities. You will also notice that several new funds appear in the budget document this year. We have included these funds to provide for the necessary appropriation to the companion Capital Budget.

The FY 2007-08 Adopted Operating Budget is fiscally sound, efficient in its use of resources, and practical given our public service demands. I have crafted this budget with a long-term view toward ensuring our County will be a desirable home for future families and a competitive destination for future business investment. This budget takes into account the presumed effect of recent State actions to constrain revenue from local property taxes. It similarly recognizes the implications of a constitutionally mandated limitation on property tax assessments. The budget utilizes the provisions of South Carolina Act 388 and adjusts millage rates for growth in population and change in the Consumer Price Index (CPI).

High priority is placed on ensuring the County is able to attract and retain talented and capable staff in the years to come so that we are able to perform a high level of public service. This budget makes significant improvements regarding market competitive employee compensation, including implementation the first phase of a staged adjustment to employee compensation based on the results of the County's recently undertaken classification and compensation assessment. The budget also provides increases in Sheriff's Office and Solicitor's Office staffing levels where the quality of service delivery is threatened by insufficient numbers of employees available to provide the necessary and fundamental tasks of government.

Operational infrastructure needs of the County which directly relate to the ability of our employees to carry out their service mission are addressed in this budget. The budget provides funds necessary to insure employees have safe, reliable equipment to use that does not unnecessarily or inappropriately hinder their work.

This budget provides for those business costs that escalate each year as a matter of course. Employee health insurance, retirement benefits, worker's compensation insurance, and fuel costs are notable examples of how simply maintaining the status quo is increasingly expensive. Wherever possible, we are taking actions to minimize the effect of these increases and position the County for

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

future cost containment. The following description of budgetary initiatives provides additional information on our efforts to improve efficiency and minimize the impact of these increases.

Highlights are noted in the following sections of this transmittal letter.

- I. Executive Summary
- II. General Fund Revenue
- III. General Fund Expenditures
- IV. Other Funds
- V. Debt and Debt Service
- VI. Fund Balance (Reserves)
- VII. Other Council Approved Millages
- VIII. Future Outlook

I. Executive Summary

For FY 2007-08, the adopted spending total for all funds is \$153,194,822, a \$24.54 million dollar (19.1%) increase from the prior fiscal year. Approximately \$7.3 million of the total spending increase is related to the tax-payer supported portion of the General Fund budget. However, the majority of increase in total spending has no effect on local revenues. It results from technical changes in our budgeting of funds to reflect the requirements of the Capital Budget and recognition of budgeted grant funds. Existing monies in the CIP Jail Maintenance Fund (\$418,000) and the Capital Project Reserve Fund (\$3.2 million), for example, will be transferred and appropriated in the Capital Budget thus increasing the total spending of the County in the upcoming fiscal year. The Solid Waste Enterprise Fund is increased \$4.4 million as a result of the expansion of Cell VI at the Wellford Landfill and Convenience Center 16 expansion. The Special Revenue Fund is increased nearly \$2.6 million to accurately capture those grant monies received and expended by the County on an annual basis. Spartanburg County is the fiscally responsible party for receipt and appropriation of federal Workforce Investment grant monies. For Fiscal Year 2007-2008, these funds are increased \$2.1 million dollars. State and federal funding received by the Spartanburg Alcohol and Drug Abuse Commission is increased nearly \$250,000 from the prior year and federal funding supporting the County's Community and Economic Development Department are increased more than \$200,000. Spartanburg Community College will receive an additional \$1.0 million dollars for one-time capital improvement needs.

The adopted budget includes a 3% increase in compensation for County employees, funding to begin implementation of the wage and classification study, monies to provide for an approximate 14.5% increase in employee health insurance costs, rising expenses related to worker's compensation, and an additional 1.1% State pension system contribution requirement. My recommendation for the tax-supported General Fund totals \$84,806,323, which is 9.4% more than the current fiscal year.

II. General Fund Revenue

A significant issue in the FY 2007-08 Adopted Operating Budget is the fiscal implications of State initiated tax legislation and voter approved amendments to constrain growth in the taxable base. At a minimum, it is understood these revisions to our tax system carry significant consequences for the ability of the County to address its long term revenue needs. Revenue enhancement options to meet increased demands for service previously available to the County are no longer viable. Instead, the County is generally constrained in its operating revenue growth by annual increases in the Consumer Price Index (CPI) and the percentage of population growth. Such restrictions on revenue growth unnecessarily limit the County's fiscal options when addressing future needs. Additionally, the mechanisms of the State legislation strongly encourage Counties of the State to

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

take full advantage of CPI and population growth options to offset the negative and compounding effect of a status quo millage assessment.

As a result of new State legislation, the budget provides an increase of 3.5% in general operating millage to State permitted levels. This recommended increase is estimated to add approximately 1.6 mills to our existing millage base and raise approximately \$1.4 million in additional, tax supported revenue. While this recommendation is a difficult choice, I strongly believe it is the most appropriate and fiscally responsible course of action the County can pursue. Failing to take this action would result in the County operating revenue stream being constricted for the foreseeable future, causing reserves to diminish and virtually assuring the County is poorly positioned to address the inevitable needs of our future citizenry.

With the exception of an increase in the fees charged by emergency medical services (EMS), the fee structure of the County operating budget is remains unchanged. EMS related fees are proposed to increase to approved Medicaid reimbursement levels.

A particularly positive revenue note is continued growth in revenue from interest income. These funds, derived from earnings on our investments, are conservatively estimated to reach \$2.2 million during FY 2007-08, \$800,000 more than the projected revenue in fiscal year 2006-07. Proceeds from State Aid to Local Subdivisions are also significantly higher in FY 2007-08 with the General Fund portion of this revenue source increasing slightly more than \$1.6 million from the prior fiscal year.

The Palmetto Landfill Fund's transfer of proceeds to General Fund is reduced from \$800,000 to approximately \$27,000. As this facility reaches capacity, expected decreases in revenue generated by our host fee agreement are being realized. In recognition of this declining revenue source, available monies from the Palmetto Landfill Fund have been earmarked for one-time projects and are recognized in the CIP project budgets.

III. General Fund Expenditures

Personnel

At the direction of Council, the County has been engaged in an assessment of our classification and compensation system. The purpose of this assessment is two fold: to identify significant variations between the marketplace and the County's compensation schedule and to insure a degree of equity in pay amongst the numerous job classifications utilized by the County. The results of this study will soon be complete. Funding equivalent to approximately 1% of the County's salary base (\$365,000) is included in the Fiscal Year 2007-08 budget as the first stage of a multi-stage implementation schedule. The funds allocated for FY 2007-08 will be utilized to address those areas where significant differences between County compensation and market level compensation impede our ability to attract and retain high quality employees. Funds will also be used to address egregious inequities in pay between job classifications and to create new incentive for job classifications which are historically difficult to recruit.

As has been practice, this budget also includes a 3% compensation adjustment for County staff at a cost of \$1,095,000. Noted costs include the corresponding required increase for FICA, employee retirement contributions and worker's compensation. The addition of a 3% compensation addition for all employees helps protect our overall compensation schedule from the eroding effects of inflation. It also insures all employees with satisfactory job performance reviews are insulated from real dollar declines in income.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Upward spiraling health insurance costs continue to challenge the County and its resource streams. For the upcoming year, the County has been assessed a 14.5% increase in employee health care premiums which will require an additional \$836,000 in County funding. As a matter of policy, the employee's contribution to their health plan benefit be increased in comparable measure. Employees of the County possess the greatest ability to affect the long term cost of health care. Healthy lifestyles and proactive disease management are two examples where employees can significantly impact health care expenses. I trust that by asking employees to share in rising expenses for unchanged levels of health care services we provide them with an appropriate degree of incentive to better manage their own utilization of the system. The County, however, must also proactively facilitate and support their efforts on this issue. This budget includes approximately \$230,000 for two contract nurse practitioner positions to provide employee health assessments, triage for on job related injuries and monitoring of employees with special medical needs. By utilizing contract nurse practitioners, we will lessen demand on more costly occupational medical and primary care services. The County continues to study opportunities to work collaboratively with other public and perhaps private sector entities to jointly address issues of rising employee benefit costs in either a fully insured or self-insured arrangement.

In order to address select public service needs, funding was provided for five (5) new positions in the Solicitor's Office to address their growing case loads, and three (3) new Deputy positions were approved in the Sheriff's Office, which will enhance our public safety services.

For FY 2007-08, personnel expenses in the General Fund total \$59.5 million (excluding EMS personnel expenses), an increase of 7.9% percent from the current fiscal year.

Operating

Operating expenses for departments and agencies of the County have increased a modest 5.8% over last fiscal year reflecting the inflationary costs of goods and services purchased. County staff continues to be exceptionally diligent in constraining operational costs and they are to be applauded for their efforts to keep these expenses to an absolute minimum. Similarly, while fuel costs have risen dramatically during the last eighteen (18) months placing an increased financial burden on County operations, the acquisition of new vehicles in the Sheriff's Department and the proposed capital purchase of vehicles and equipment for other departments of government permits us to offset increased fuel expense with maintenance cost reductions. Increasing costs of other utilities such as gas, electricity and water are being addressed through a cooperative assessment of our usage patterns with utility providers.

General Fund operating expenses total \$17.88 million, an increase of \$973,468 from the current budget.

Capital

Recommended General Fund capital outlay expenditures for FY 2007-08 total \$1.27 million, a decrease of 30% from the prior fiscal year. Funding for capital projects previously budgeted in General Fund are now included in the Capital Improvement Program (CIP). Capital outlay expenditures such as basic office equipment, copiers, computers and similar expenses continue to be reflected in the operating budget.

Departmental Notes

A summary of departmental expenditures and major changes in program efforts are included in your Adopted Operating Budget document. Several noteworthy departmental items are described below.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Expenses related to the **Detention Center** continue to rise as jail populations remain in excess of rated capacity. A direct consequence of excessive jail populations is high staff turnover. During FY 2007-08, the Detention Facility has averaged in excess of twenty (20) vacant staff positions. In order to provide appropriate staffing levels and insure safety and security, required staff overtime is common practice. The FY 2008 budget includes \$1.35 million for overtime expense. The County continues to review options for decreasing staff vacancies and minimizing the use of overtime compensation.

Circuit Solicitor staff increases by five (5) new positions in order to reduce staff caseloads and address new demands for service. The numbers of cases related to driving under the influence (DUI), criminal domestic violence, and child abuse continue to rise demanding additional attention of prosecutorial staff. Currently, 7th Circuit attorney caseloads are among the highest in the State.

The **Sheriff's Office** staff increases by three (3) new Deputy positions, at a total costs including personnel services expenditures, operating expenditure and capital items of \$214,000.

Included in the **Non-Departmental** budget is the appropriation of funds to begin planning and construction of improvements to the Spartanburg Downtown Airport. Revenue for this effort results, in part, from increased plane registrations in the County subsequent to the Council supported lowering of aircraft assessments from 10.5% to 4%. Also included in the Non-Departmental account is funding to support the Community Services Building lease agreement with Spartanburg Community College and funding for the contract services of two nurse practitioners.

The implementation of a State Case Management System software system, an initiative of State Court Administration to improve the efficiency of operations, is scheduled for completion in the Fall of 2007. County funding for this effort is included in the **Information Technology** Department.

IV. Other Funds

Expenditures in the **Solid Waste Fund** increase \$4.4 million in FY 2007-08 to reflect capital project improvements at the Wellford landfill and public disposal sites. The increased funding provides for multiple projects including a Phase VI Cell 1 Liner, improvements to Convenience Center 16 designed to separate public traffic from main operations of the landfill, and routine equipment and vehicle replacements. Specific details for each of these projects are included in the Capital Improvement Plan (CIP).

County funding support for the **Spartanburg Community College** increases by \$1.06 million over the prior fiscal year. Of the increase, \$1.0 million is for one-time capital items associated with the accelerated business center at the Tyger River campus.

This budget includes funding requested by the **Spartanburg County Public Libraries** to provide for new facilities and services in the Boiling Springs area. In order to provide these additional funds, a one time one-half mil increase (0.5) (estimated) is expected to yield approximately \$500,000 for branch library construction.

The FY 2007-08 budget includes appropriation of approximately \$3.6 million in monies previously reserved in the **Capital Projects Reserve and Jail Maintenance Funds**. These monies have been reserved for improvements to detention facility operations. The proposed Capital Improvement Plan (CIP) includes expansion of the existing California Avenue Detention Facility as well as repairs and upgrades to existing detention facilities. These reserve funds are appropriated in the operating budget and transferred to the capital budget to support the proposed detention facility improvements.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

As previously noted, revenues expected from the host agreement with the **Palmetto Landfill** are expected to decline in FY 2007-08. A reduction of approximately \$350,000 in revenue to the Palmetto Landfill Fund is expected. Available monies will be used to support one-time Capital projects as detailed in the recommended Capital Improvement Plan (CIP).

Federal funding for **Workforce Investment** is expected to increase dramatically in Fiscal Year 2008, adding approximately \$2.1 million more in federal funding support to this effort. Spartanburg County is the designated agency for receipt of these funds and therefore maintains fiduciary responsibility for expenditure and reporting on the use of these monies. Operational decisions regarding the use of these monies are made by the County Council appointed Workforce Investment Board.

V. Debt Service

The Adopted Operating Budget implements Council direction from the prior year to set debt millage levels annually and according to debt service requirements. Consequently, a General Fund transfer of money to support the debt service budget is not included in this year's budget. For FY 2007-08, Debt Service is budgeted at \$7,864,736, approximately \$1.27 million more than the prior year. This increase results from the addition to the debt service fund of principal and interest payments for year one of Sheriff's Department vehicles and the expenses for year two implementation of the vehicle equipment replacement schedule. Currently, I am estimating the effect on debt service millage to be approximately 1.2 mills. However, this figure is likely to change and is dependent on County receipt of Sheriff seized asset monies to be used to offset County expenses.

Additionally for FY 2007-08, the County will issue approximately \$2.8 million in bonded indebtedness to permit the University of South Carolina Upstate funding to acquire property within their identified campus borders. USC Upstate has committed to providing offsetting revenue for this bond issuance during the initial four years of the bond obligation and until current bond indebtedness incurred for the University is satisfied. Subsequently, the County is asked to assume this financial responsibility.

VI. Fund Balance (Reserves)

For Fiscal Year 2008 an appropriation of \$468,000 is allocated to undesignated reserves in order to increase our fund balance. It is exceptionally important given the revenue restrictions placed on local government by State tax revisions that the County proactively increases its reserve to the fiscal policy objective of fifteen percent (15%). These monies will serve us well when future, unanticipated needs arise that require immediate financial support. Increasing our fund balance reserves also has the corresponding benefit of positioning the County to seek improvement in its financial ratings, an important factor in the long term cost of our enhanced capital programming efforts.

I am currently projecting that revenue will exceed expenditures in the current year budget by \$1.8 million dollars. The adopted budget presumes using this surplus to fund FY 2007-08 activities.

VII. Other Council Approved Millages

Consistent with prior practice, the **Fire Service Area (FSA)** millage rates will be increased by the Consumer Price Index (CPI) which for the preceding year is 3.2%.

VIII. Future Outlook

The specific effect on the County revenue stream that results from State Act 388 and the voter approved limitation on property tax assessments is not entirely known and will not be known for some time. What is clear, however, is that these legislative revisions have limited the options available to present and future County Councils in addressing issues of funding public services. The

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

County is now subject to a prescribed limitation on millage which permits little leeway barring a specific emergency condition. The few financial choices which remain at the discretion of the County include annually increasing general operating millage by the Consumer Price Index (CPI) and the percentage growth in population of the County. It is incumbent on the County to exercise this option as a matter of fiscal policy and to insure a degree of protection to the County's overall financial structure. Failure to make these small, incremental changes on an annual basis will likely result in a financially difficult future.

Similarly, it is critically important that the County take a more aggressive approach toward increasing its financial reserves to fiscal policy limits. The cost of delivering public services inevitably rises and our ability to rapidly increase our revenue streams to compensate is now constrained. Fiscal reserves and fund balance provide us a hedge against the inherent risk associated with legislatively mandated revenue restriction.

The need to plan for future needs of the County is a reality today. Making difficult financial decisions which position us to accommodate the demands of a growing and increasingly vibrant community is one facet of that planning. Your approval of a Capital Improvement Program (CIP) which substantially improves our ability to project our capital needs is another facet. Working closely with the stakeholders of our community to develop sound, reasoned, and practical policy solutions to complex growth issues is yet a third facet. The staff of Spartanburg County Government is working diligently on all of these fronts.

In conclusion, Section 4-9-630(4) of the 1976 Code of Laws of the State of South Carolina, as amended, requires the County Administrator to prepare this document for Council's review and consideration. I am pleased and honored to present the Adopted Fiscal Year 2007-2008 Operating Budget to you and I look forward to working with you on its implementation.

Sincerely,

D. Glenn Breed
County Administrator

SUMMARY OF CHANGES RECOMMENDED TO COUNTY COUNCIL'S ADOPTED BUDGET

Council Amendments to Administrator's FY 2008 Recommended Budget Plan		
<i>General Fund</i>	Expenditures	Revenues
Administrator's Recommended Budget	\$ 85,010,532	\$ 85,010,532
County Council Amendments - Expenditures		
Add - Additional Appropriation for EMS Based on Revised Budget	\$ 239,664	
Add -Three (3) Sheriff's Deputies with Equipment and Vehicles	\$ 214,000	
Eliminate - Public Information Officer Position	\$ (69,470)	
Eliminate - Three (3) Information Technology Positions	\$ (120,033)	
Eliminate - Delinquent Tax Accountant Position	\$ (41,620)	
Eliminate - Circuit Solicitor Administrative Secretary	\$ (32,170)	
Eliminate - Coroner Administrative Secretary	\$ (29,580)	
Reduce - Funding for Classification and Compensation Implementation	\$ (365,000)	
County Council Amendments - Revenues		
Reduce - Current Taxes		\$ (443,873)
Increase - FY 2006-07 Cash Carryover		\$ 239,664
Subtotal	\$ (204,209)	\$ (204,209)
Total Amendments, General Fund	\$ 84,806,323	\$ 84,806,323
Parks and Recreation Fund		
	Expenditures	Revenues
Administrator's Recommended Budget	\$ 5,164,177	\$ 5,164,177
County Council Amendments - Expenditures		
Reduce - Unspecified Expenditures	\$ (412,280)	
County Council Amendments - Revenues		
Reduce - Current Taxes		\$ (412,280)
Subtotal	\$ (412,280)	\$ (412,280)
Total Amendments, Parks and Recreation Fund	\$4,751,897	\$4,751,897
Spartanburg Community College		
	Expenditures	Revenues
Administrator's Recommended Budget	\$ 3,614,253	\$ 3,614,253
County Council Amendments - Expenditures		
Add - Funding for Capital Improvements	\$ 1,000,000	
County Council Amendments - Revenues		
Add - Current Taxes		\$ 1,000,000
Subtotal	\$ 1,000,000	\$ 1,000,000
Total Amendment, Spartanburg Community College	\$4,614,253	\$4,614,253

SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET

FY 08 CONSOLIDATED BUDGET SUMMARY

<u>Account Description</u>	<u>FY 05/06 ACTUAL</u>	<u>FY 06/07 BUDGET</u>	<u>FY 07/08 RECOMM</u>	<u>FY 07/08 ADOPTED</u>	<u>\$ INC/DEC FY 08-07</u>	<u>% INC/DEC FY 08-07</u>
REVENUES						
General Fund (001)						
Current Property Taxes	38,052,163	35,161,792	38,375,000	37,931,327	2,769,535	7.9%
Other Property Taxes	4,844,852	6,009,500	6,167,000	6,167,000	157,500	2.6%
Delinquent Taxes	3,538,425	2,750,000	3,000,000	3,000,000	250,000	9.1%
Permits	961,210	960,350	970,000	970,000	9,650	1.0%
Fines	3,001,388	3,375,000	3,525,000	3,525,000	150,000	4.4%
Fees	8,738,729	7,555,510	9,133,314	9,133,314	1,577,804	20.9%
Interest	2,283,721	1,400,000	2,200,000	2,200,000	800,000	57.1%
State Aid/Grants	13,617,554	13,513,700	15,586,000	15,586,000	2,072,300	15.3%
Federal Aid/Grants	1,140,380	1,279,500	972,980	972,980	(306,520)	-24.0%
Miscellaneous	2,649,577	2,241,314	2,695,500	2,695,500	454,186	20.3%
Fund Balance Appropriated	0	2,085,036	2,002,230	2,241,694	156,658	7.5%
Transfers	892,999	1,155,834	383,508	383,508	(772,326)	-66.8%
TOTAL, GENERAL FUND	79,720,998	77,487,536	85,010,532	84,806,323	7,318,787	9.4%
Road Maintenance Fee Fund (002)						
Road Maintenance Fee	5,418,780	5,390,000	5,390,000	5,390,000	0	0.0%
Fund Balance	0	(245,577)	(83,802)	(83,802)	161,775	-65.9%
C Funds	0	500,000	0	0	(500,000)	-100.0%
TOTAL, ROAD MAINTENANCE FEE	5,418,780	5,644,423	5,306,198	5,306,198	(338,225)	-6.0%
Stormwater Management Fund (003)						
Taxes - Current	809,658	748,580	767,418	767,418	18,838	2.5%
Fund Balance	0	(68,330)	(113,397)	(113,397)	(45,067)	0.0%
Delinquent Tax - Current Year	63,997	0	0	0	0	0.0%
TOTAL, STORMWATER MGMT.	873,655	680,250	654,021	654,021	(26,229)	-3.9%
Solid Waste Mgmt. Fund (004)						
Annual Fee	5,356,128	5,050,000	5,400,000	5,400,000	350,000	6.9%
User Fees	999,421	1,100,000	1,255,219	1,255,219	155,219	14.1%
State Tire Disposal Fee	108,650	90,000	100,000	100,000	10,000	11.1%
Other	769,935	430,000	725,000	725,000	295,000	68.6%
Fund Balance	0	645,583	4,215,288	4,215,288	3,569,705	552.9%
TOTAL, SOLID WASTE MGMT.	7,234,133	7,315,583	11,695,507	11,695,507	4,379,924	59.9%
Fleet Services Fund (005)						
Charges for Service/Sales	0	0	1,157,420	1,157,420	1,157,420	
Transfer Funds	0	0	(1,117,420)	(1,117,420)	(1,117,420)	
Fund Balance Appropriated	0	0	(40,000)	(40,000)	(40,000)	
Other	31,750	25,000	0	0	(25,000)	-100.0%
TOTAL, FLEET SERVICES	31,750	25,000	0	0	(25,000)	-100.0%
Alcohol & Drug Abuse Fund (007)						
Mini Bottle	428,228	470,000	430,000	430,000	(40,000)	-8.5%
Other	2,836,590	2,829,000	2,898,907	2,898,907	69,907	2.5%
Fund Balance	0	309,795	526,391	526,391	216,596	69.9%
TOTAL, ALCOHOL & DRUG ABUSE	3,264,818	3,608,795	3,855,298	3,855,298	246,503	6.8%

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

<u>Account Description</u>	<u>FY 05/06 ACTUAL</u>	<u>FY 06/07 BUDGET</u>	<u>FY 07/08 RECOMM</u>	<u>FY 07/08 ADOPTED</u>	<u>\$ INC/DEC FY 08-07</u>	<u>% INC/DEC FY 08-07</u>
Special Revenue Funds (009)						
Available Revenues	0	453,958	3,024,366	3,024,366	2,570,408	566.2%
TOTAL, SPECIAL REVENUE	0	453,958	3,024,366	3,024,366	2,570,408	566.2%
Community & Econ Dev. Fund (014)						
Federal Grants	1,665,001	2,114,285	2,326,364	2,326,364	212,079	10.0%
County Funds	239,060	239,060	239,060	239,060	0	0.0%
TOTAL, COMM. & ECON. DEV.	1,904,061	2,353,345	2,565,424	2,565,424	212,079	9.0%
Capital Projects Reserve Fund (018)						
Fund Balance	0	0	3,200,750	3,200,750	3,200,750	
TOTAL, CAPITAL PROJ. RESERVE	0	0	3,200,750	3,200,750	3,200,750	
9-1-1 Phone System Fund (019)						
Phone Subscriber Fees	720,130	580,000	675,000	675,000	95,000	16.4%
Wireless Surcharge	768,737	650,000	818,000	818,000	168,000	25.8%
Fund Balance	0	(104,787)	(10,617)	(10,617)	94,170	0.0%
Miscellaneous	135	0	0	0	0	0.0%
TOTAL, 9-1-1 Phone System	1,489,002	1,125,213	1,482,383	1,482,383	357,170	31.7%
Palmetto Landfill Fund (020)						
Waste Disposal Fees	973,574	1,000,000	650,000	650,000	(350,000)	-35.0%
Fund Balance	0	67,247	(82,280)	(82,280)	(149,527)	-222.4%
TOTAL, PALMETTO LANDFILL	973,574	1,067,247	567,720	567,720	(499,527)	-46.8%
Parks and Recreation Comm. (022)						
Taxes - Current	0	3,076,763	4,218,602	3,806,324	729,561	23.7%
Other Taxes	0	219,575	219,575	219,575	0	0.0%
Delinquent Taxes	0	78,962	164,000	164,000	85,038	107.7%
User Fees	0	187,000	187,000	187,000	0	0.0%
Other	0	375,000	375,000	375,000	0	0.0%
TOTAL, PARKS AND REC.	0	3,937,300	5,164,177	4,751,899	814,599	20.7%
Jail Maintenance Fund (028)						
Fund Balance	0	0	418,250	418,250	418,250	
TOTAL, JAIL MAINTENANCE	0	0	418,250	418,250	418,250	
Workforce Investment Board (030)						
WIA Funds	3,486,200	3,592,874	5,715,962	5,715,962	2,123,088	59.1%
TOTAL, WIB	3,486,200	3,592,874	5,715,962	5,715,962	2,123,088	59.1%
Debt Service Fund (070)						
Taxes - Current	2,849,769	3,370,170	4,426,391	4,426,391	1,056,221	31.3%
Fee-In-Lieu of Taxes	167,338	260,000	160,000	160,000	(100,000)	-38.5%
Delinquent Taxes	230,942	164,000	224,000	224,000	60,000	36.6%
Transfers In	2,362,397	2,285,280	2,301,109	2,301,109	15,829	0.7%
Accommodations Tax	632,311	500,000	500,000	500,000	0	0.0%
Bond Proceeds	13,145,000	0	0	0	0	0.0%
Other	12,750	17,000	253,236	253,236	236,236	1389.6%
Fund Balance Appropriated	0	0	0	0	0	0.0%
TOTAL, DEBT SERVICE FUND	19,400,506	6,596,450	7,864,736	7,864,736	1,268,286	19.2%

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

<u>Account Description</u>	<u>FY 05/06 ACTUAL</u>	<u>FY 06/07 BUDGET</u>	<u>FY 07/08 RECOMM</u>	<u>FY 07/08 ADOPTED</u>	<u>\$ INC/DEC FY 08-07</u>	<u>% INC/DEC FY 08-07</u>
Special Purpose Funds						
Spartanburg Comm. College (060)	3,765,107	3,553,600	3,614,253	4,614,253	1,060,653	29.8%
Charles Lea Center (061)	1,071,656	1,047,288	1,047,208	1,047,208	(80)	0.0%
Spartanburg County Library (066)	10,233,409	10,168,985	11,624,524	11,624,524	1,455,539	14.3%
TOTAL, SPECIAL PURPOSE FUNDS	15,070,172	14,769,873	16,285,985	17,285,985	2,516,112	17.0%
TOTAL, REVENUES - ALL FUNDS	138,867,650	128,657,847	152,811,309	153,194,822	24,536,975	19.1%
EXPENDITURES						
General Fund (001)						
General Government	12,099,011	12,929,885	14,169,608	14,352,057	1,422,172	11.0%
Public Safety	37,262,056	36,815,789	37,637,838	38,798,628	1,982,839	5.4%
Judicial	10,420,922	11,391,273	11,590,738	11,952,097	560,824	4.9%
Public Works	6,079,563	5,929,728	4,453,294	4,564,070	(1,365,658)	-23.0%
Health and Human Services	3,789,775	3,907,502	3,796,789	4,043,017	135,515	3.5%
Recreation, Education & Culture	3,826,552	265,280	265,280	265,280	0	0.0%
Environmental and Conservation	900,603	1,161,243	1,383,611	1,406,490	245,247	21.1%
County Buildings	1,884,796	2,658,848	3,123,565	3,158,850	500,002	18.8%
Non-Departmental & Transfers	4,161,569	2,427,988	8,589,809	6,265,834	3,837,846	158.1%
TOTAL, GENERAL FUND	80,424,848	77,487,536	85,010,532	84,806,323	7,318,787	9.4%
Road Maintenance Fee Fund (002)	4,412,816	5,644,423	5,306,198	5,306,198	(338,225)	-6.0%
Stormwater Management Fund (003)	305,244	680,250	654,021	654,021	(26,229)	-3.9%
Solid Waste Management Fund (004)	8,487,945	7,315,583	11,695,507	11,695,507	4,379,924	59.9%
Fleet Services Fund (005)						
Fleet Services	236,576	25,000	1,117,420	1,117,420	1,092,420	4369.7%
Fleet Services Allocation	0	0	(1,117,420)	(1,117,420)	(1,117,420)	
Alcohol & Drug Abuse Fund (007)	3,187,989	3,608,795	3,855,298	3,855,298	246,503	6.8%
Special Revenue Fund (009)	0	453,958	3,024,366	3,024,366	2,570,408	566.2%
Community & Econ. Dev. (014)	1,882,733	2,353,345	2,565,424	2,565,424	212,079	9.0%
Capital Projects Reserve Fund (018)	0	0	3,200,750	3,200,750	3,200,750	
9-1-1 Phone System Fund (019)	1,228,619	1,125,213	1,482,383	1,482,383	357,170	31.7%
Palmetto Landfill Fund (020)	1,066,316	1,067,247	567,720	567,720	(499,527)	-46.8%
Parks and Recreation Commission (022)	0	3,937,300	5,164,177	4,751,899	814,599	20.7%
Jail Maintenance Fund (028)	0	0	418,250	418,250	418,250	
Workforce Investment Fund (030)	4,167,414	3,592,874	5,715,962	5,715,962	2,123,088	59.1%
Debt Service Fund (070)	19,696,388	6,596,450	7,864,736	7,864,736	1,268,286	19.2%
Special Purpose Funds						
Spartanburg Comm. College Fund (060)	3,553,600	3,553,600	3,614,253	4,614,253	1,060,653	29.8%
Charles Lea Center Fund (061)	1,096,120	1,047,288	1,047,208	1,047,208	(80)	0.0%
Spartanburg County Library Fund (066)	10,403,473	10,168,985	11,624,524	11,624,524	1,455,539	14.3%
TOTAL, OTHER FUNDS	59,725,232	51,170,311	67,800,777	68,388,499	17,218,188	33.6%
TOTAL, EXPENDITURES - ALL FUNDS	\$140,150,079	\$128,657,847	\$152,811,309	\$153,194,822	24,536,975	19.1%

FUND DESCRIPTIONS

General Fund (001) – This fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. The general operations and maintenance activities for the county are accounted for in the General Fund. Information on the General Fund can be found on pages 47-187.

Special Revenue Funds – These funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Road Maintenance Fee Fund (002) – This fund is used to account for the fees collected for maintenance and improvement of transportation infrastructure in Spartanburg County as well as to pay for the debt service obligations of any outstanding bond indebtedness issued for county transportation infrastructure. Information on the Road Maintenance Fee Fund budget can be found on page 210.

Stormwater Management Fund (003) – This fund is used to account for the county's regulation of stormwater in compliance with provisions of the South Carolina Pollution Control Act and the amended United States Clean Water Act. Information on the Stormwater Management Fund budget can be found on page 212.

Solid Waste Management Fund (004) – This fund is used to account for the county's landfill operations, trash collection costs for hauling, maintaining county convenience stations throughout the county, environmental enforcement, and litter control. Information on the Solid Waste Management Fund budget can be found on page 205.

Special Revenue Fund (009) – This fund is used to account for monies for various specific revenues that are legally restricted to expenditures for a particular purpose. Information on the Special Revenue Fund budget can be found on page 239.

Community and Economic Development Fund (014) – This fund is used for the United States Department of Housing and Urban Development (HUD) Grant. Information on the Community and Economic Development Fund budget can be found on page 192.

Capital Projects Reserve Fund (018) – Several years ago, a portion of the funds received from the federal government for housing federal prisoners were set aside by Council directive with the intention to use for future jail expansion. This fund has been inactive for some time. In FY 08, the funds will be transferred to the Capital Projects Fund. Information on the Capital Projects Reserve Fund can be found on page 191.

9-1-1 Phone System Fund (019) – This fund is used to account for monies collected from telephone subscribers. These funds can only be expended for costs associated with operation of Emergency 9-1-1 dispatching of police, fire, ambulance, and rescue services. Information on the 9-1-1 Phone System Fund budget can be found on page 200.

Palmetto Landfill Fund (020) – This fund is used to account for monies collected from a host agreement with the Palmetto Landfill Corporation and the payment of associated landfill monitoring costs. Information on the Palmetto Landfill Fund budget can be found on page 203.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

County Recreation Commission (022) – This fund is used to account for the operations of the Spartanburg County Recreation Commission. The Commission is the primary service provider of parks and recreation services in Spartanburg County. Income is derived from fees for services paid by individuals, businesses, industry, state and federal grants, and taxes. Information on the County Recreation Commission budget can be found on page 229. Additional information on the Parks and Recreation Commission can be found at <http://www.spartanburgcounty.org/govt/depts/prksrec/index.htm>.

Jail Maintenance Fund (028) - Several years ago, this fund was established for the new jail construction. In FY 04, housing of federal prisoner funds in the amount of \$547,000 were set aside to provide for needed jail renovations and repairs. Over time, several repairs have been made from this fund, thus reducing the available balance. The available balance is currently \$418,250, and the funds will be transferred to the Capital Projects Fund, thus closing out this fund. Information on the Jail Maintenance Fund can be found on page 202.

Workforce Investment Board (030) – This fund is used to account for the operation of the Federal Workforce Investment Act (WIA) program which provides job training to the unemployed and underemployed persons. Information on the Workforce Investment Board budget can be found on page 225.

Spartanburg Community College (060) – This fund is used to account for the tax levy receipts and disbursements to Spartanburg Community College. Information on the county's financial contribution to Spartanburg Community College can be found on page 227. Additional information on Spartanburg Community College can be found at <http://www.stcsc.edu/>.

Charles Lea Center (061) – This fund is used to account for the tax levy receipts and disbursements to the Charles Lea Center, a school for the mentally and physically handicapped. Information on the county's financial contribution to the Charles Lea Center can be found on page 224. Additional information on the Charles Lea Center can be found at <http://www.charlesleacenter.org/>.

Debt Service Fund (070) – This fund is used to account for the accumulation of resources and payment of general obligation and revenue bond principal and interest. Revenue bond reserves are maintained in this fund. Information on the Debt Service Fund budget can be found on page 196.

Capital Projects Fund (040) – These funds are used to account for the financing, acquisition, renovation, and construction of major capital projects. Summary information on the Capital Improvement Plan can be found on pages 247-275. The complete FY 2008-12 Recommended Capital Improvement Plan can be accessed at <http://www.spartanburgcounty.org/govt/depts/bdgtmngt/cip/toc.htm>.

Internal Service Funds – These funds are used to account for the financing of services by one department to other departments and other government units on a cost reimbursement basis.

Fleet Services Fund (005) – This fund is used to account for fuel, repair, and maintenance costs of county and other government entity's vehicles on a cost reimbursement basis. Information on the Fleet Services Fund budget can be found on page 198.

Discretely Presented Component Units – Component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial positions, results of operations, and cash flows from those of Spartanburg County.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Alcohol and Drug Abuse Commission (007) – This fund is used to account for the operations of the Spartanburg County Alcohol and Drug Abuse Commission (SADAC). The Commission is the primary service provider of alcohol and drug education, prevention, intervention, and treatment services in Spartanburg County. Income is derived from fees for services paid by individuals, businesses, industry, state, and federal grants. Information on the SADAC budget can be found on pages 214-223.

Spartanburg County Public Library System (066) – A county appointed library board oversees the operation of the main downtown library and branch libraries throughout the county. There is a separate millage for the operation of the libraries and the county only acts as a collection agency for the revenue and a separate set of financial records is also maintained. Information on the Spartanburg County Public Library System can be found on page 228. Additional information on the library system can be found at www.infodepot.org.

SIGNIFICANT REVENUE SOURCES

The following section provides a description and analysis of all significant revenues sources used in the FY 08 Recommended Budget. Revenues are organized by General Fund and all Other Funds.

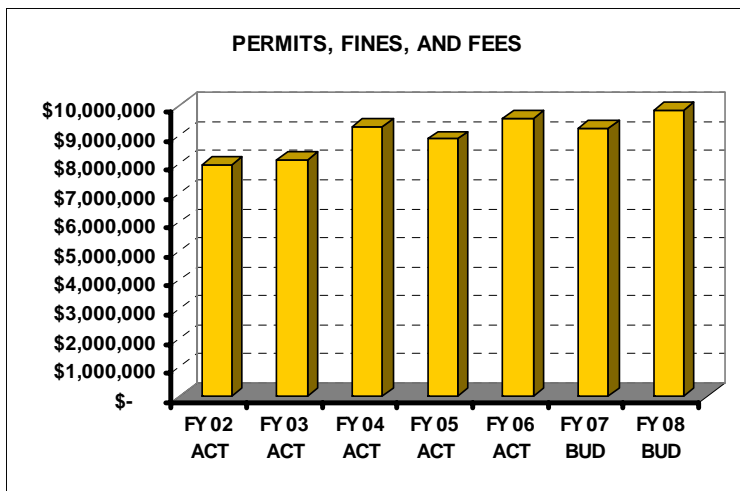
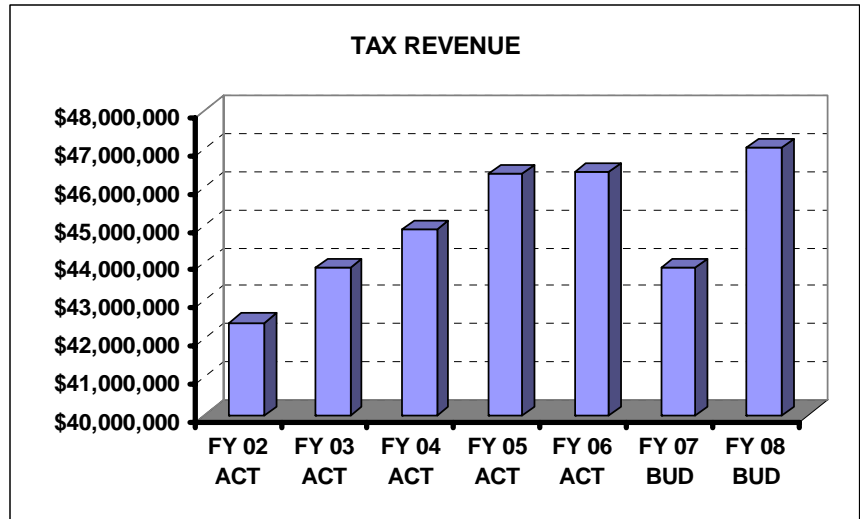
GENERAL FUND

Taxes

Revenue is derived from the levy of taxes on personal tangible property and real property, as well as delinquent tax collections. Property taxes are estimated by taking the total assessed value of property, multiplied by the current millage rate then multiplied by a collection rate.

Tax revenue includes real, personal and delinquent property tax. New tax reform law was voter-approved in 2007 for implementation in 2008. Part of this reform includes the capping of property tax growth at 15%. In turn, the county is

allowed to increase its previous year's general operating tax levy by the Consumer Price Index (CPI)—3.2% and by population increase 1.62%. For the FY 08 budget, it is estimated that the tax base will grow 3.5 percent (3.5%). As a result of these efforts, as well as a continued emphasis on delinquent tax collection, property tax revenue is estimated to be \$44,542,000, an 8.2% increase over last fiscal year. South Carolina Code of Laws requires that all real property be reappraised every five years and adjusted to current market value to ensure fairness in the taxation process. The next reappraisal will occur in 2008.



Permits, Fines, and Fees

Permit fees are collected for the review and issuance of permits for mobile homes, new buildings, building renovations, billboards, development standards, grading, septic tanks and junk yards. Permit Fees total \$970,000, and represent a one percent (1%) increase over last fiscal year.

Fines are received from the Magistrate Court and the Clerk of Court. These fines total \$3,525,000, and represent a four percent (4%) increase over last fiscal year.

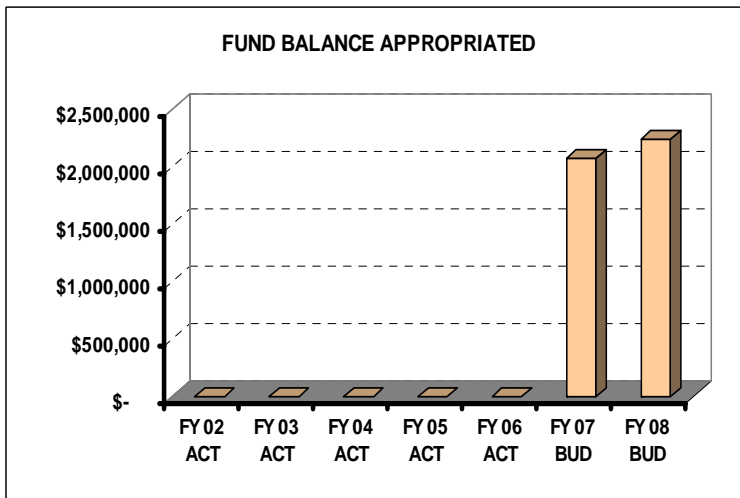
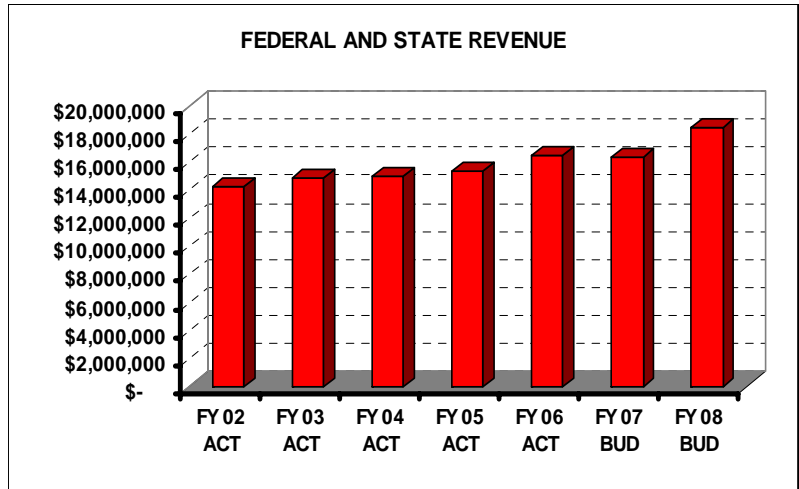
Fees are collected for subdivision platting, Register of Deeds activities, Probate Court, Clerk of Court, Public Defender, Master-In-Equity Court, vital statistics, Department of Motor Vehicle tags issued by the Treasurer, and other miscellaneous activities. Fees total \$5,355,000, and represent an increase of eight percent (8%) over last fiscal year.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

State and Federal Sources

State revenues include appropriations for the Local Government Distribution, Public Defender activities, and reimbursement for election, veterans' affairs and other miscellaneous activities. The Local Government Distribution is budgeted at \$13,875,000, a thirteen (13%) increase over FY 07.

Federal revenues include payment of grant indirect costs reimbursements. Total State and Federal Sources are \$15,056,980, or 12.5% increase over FY 07.

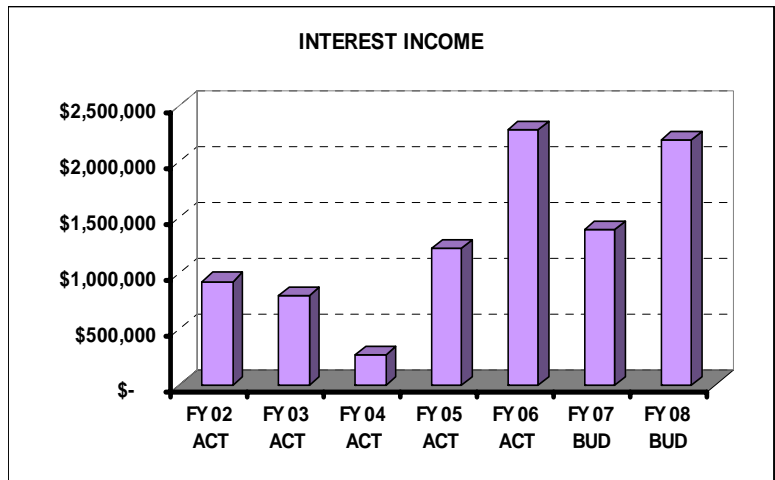


Fund Balance Appropriated

It is estimated that \$1.8 million will be unexpended in the current fiscal year and carried forward. \$871,000 is being unreserved and transferred to the Capital Projects Fund to fund the replacement of Roads and Bridges equipment and vehicles, and other General Fund owned vehicles scheduled for replacement, as well as, funding to establish the General Fund Vehicle and Replacement reserve for future replacements. A planned \$468,000 contribution to fund balance is budgeted.

Interest Income

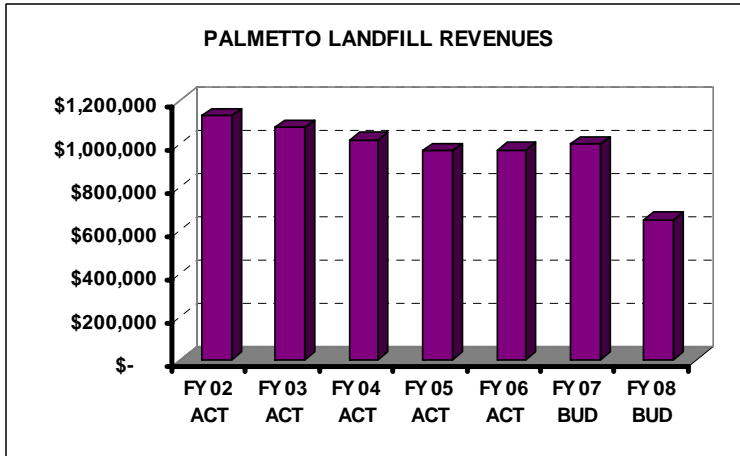
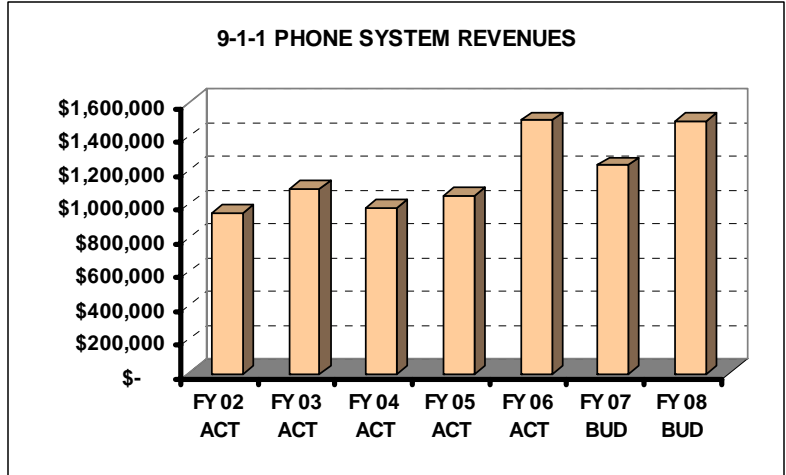
Interest earnings represent revenue earned on investments of idle county money. In FY 02, interest earning accounted for only 1.27% of General Fund revenues. This figure dropped to 0.37% in FY 04, which was a reflection of the low interest rates set by the Federal Reserve to help reinvigorate the national economy. In the past several years, interest rates have increased, and in FY 08, interest income will constitute 2.59% of General Fund revenues.



OTHER FUNDS

9-1-1 Phone System Revenues

Revenues are received from state and federal charges imposed on telephone subscribers and can only be used for the costs associated with the operations of the emergency 9-1-1 system. A shift has occurred from land phone lines to cellular phone lines, and cellular phone usage continues to increase. The state monthly wire line surcharge is \$0.50, and is set by County Council. The federal monthly wire line surcharge is currently \$1.50. For FY 08 it is anticipated that revenue from the wire line surcharges will increase by \$263,000 or 21% to \$1,493,000.

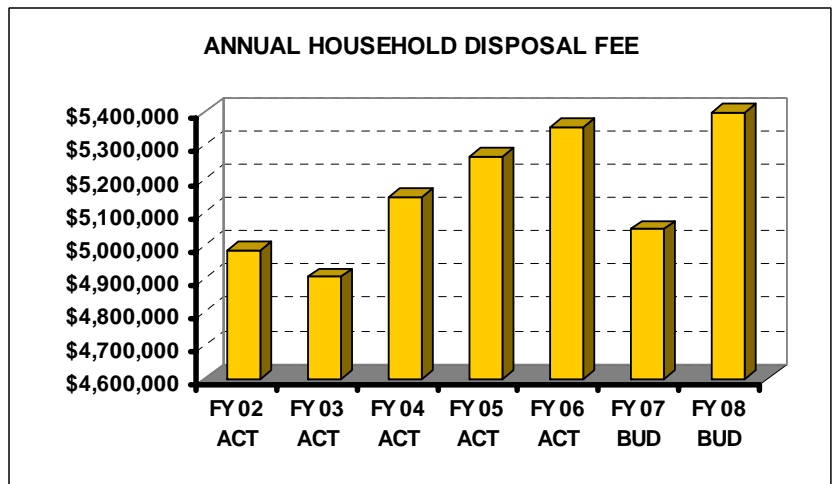


Palmetto Landfill Revenues

For a number of years, the Palmetto Landfill has generated revenue from a one dollar (\$1) per ton of solid waste received host fee agreement. As capacity at this site is close to being reached, revenue generated from expected tonnage decreases. The average tonnage is now down to 2,500 tons per day, or 650,000 tons a year generating \$650,000 from a high of \$1,113,000 million in FY 02.

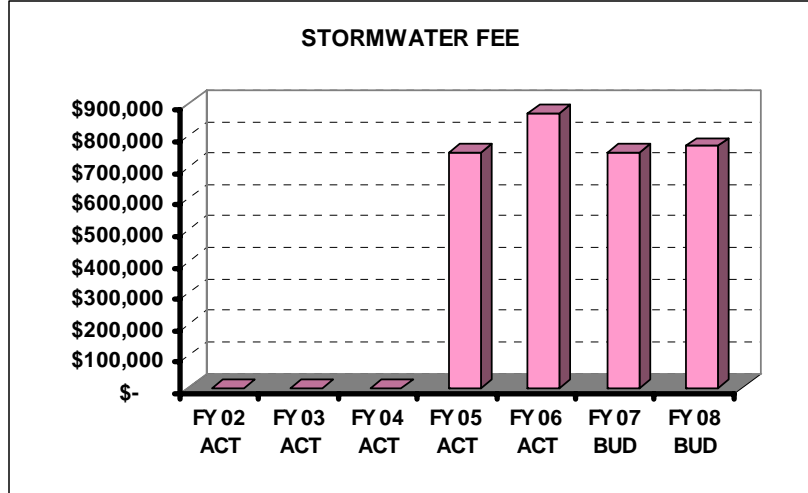
Solid Waste Fund Revenues

A number of different revenue sources contribute to the total revenue received in the Solid Waste Management Fund including: Recycling Sales (estimated \$450,000 in FY 08); State Tire Disposal Fee (\$100,000); Tipping Fees (\$1,255,219); and Contract Fees (\$275,000). The majority of the revenue received comes from the annual fee levied on households in Spartanburg County. That fee is currently forty-seven dollars (\$47). As population in the county continues to grow, these revenues will increase proportionally. Since FY 02, revenues have increased approximately 8.3% based on FY 08 projections. The bar chart to the right shows annual revenue from the annual fee levied on households in the county for solid waste operations.



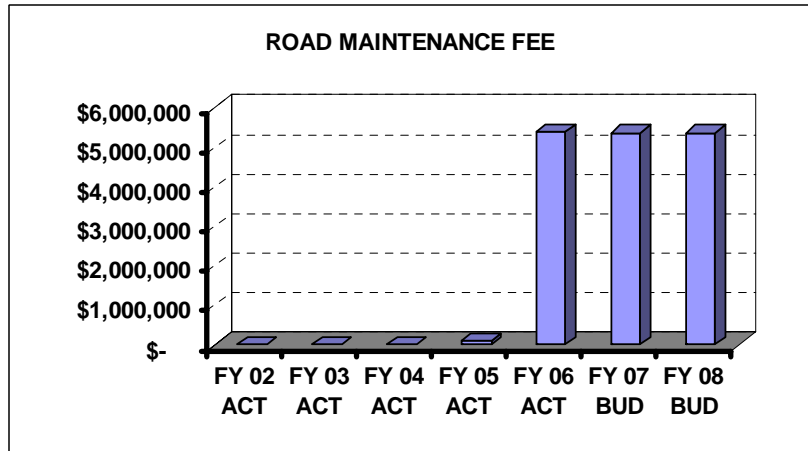
**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Stormwater Fund Revenues On July 1, 2005, a (one) 1 mil tax levy was imposed on all taxable property in Spartanburg County to comply with the National Pollution Discharge Elimination System (NPDES II) general permit program. As property value continues to increase, the revenue generated from this modest source will increase. FY 08 revenues are estimated at \$767,418, or 3.5% more than revenue budgeted in FY 07.

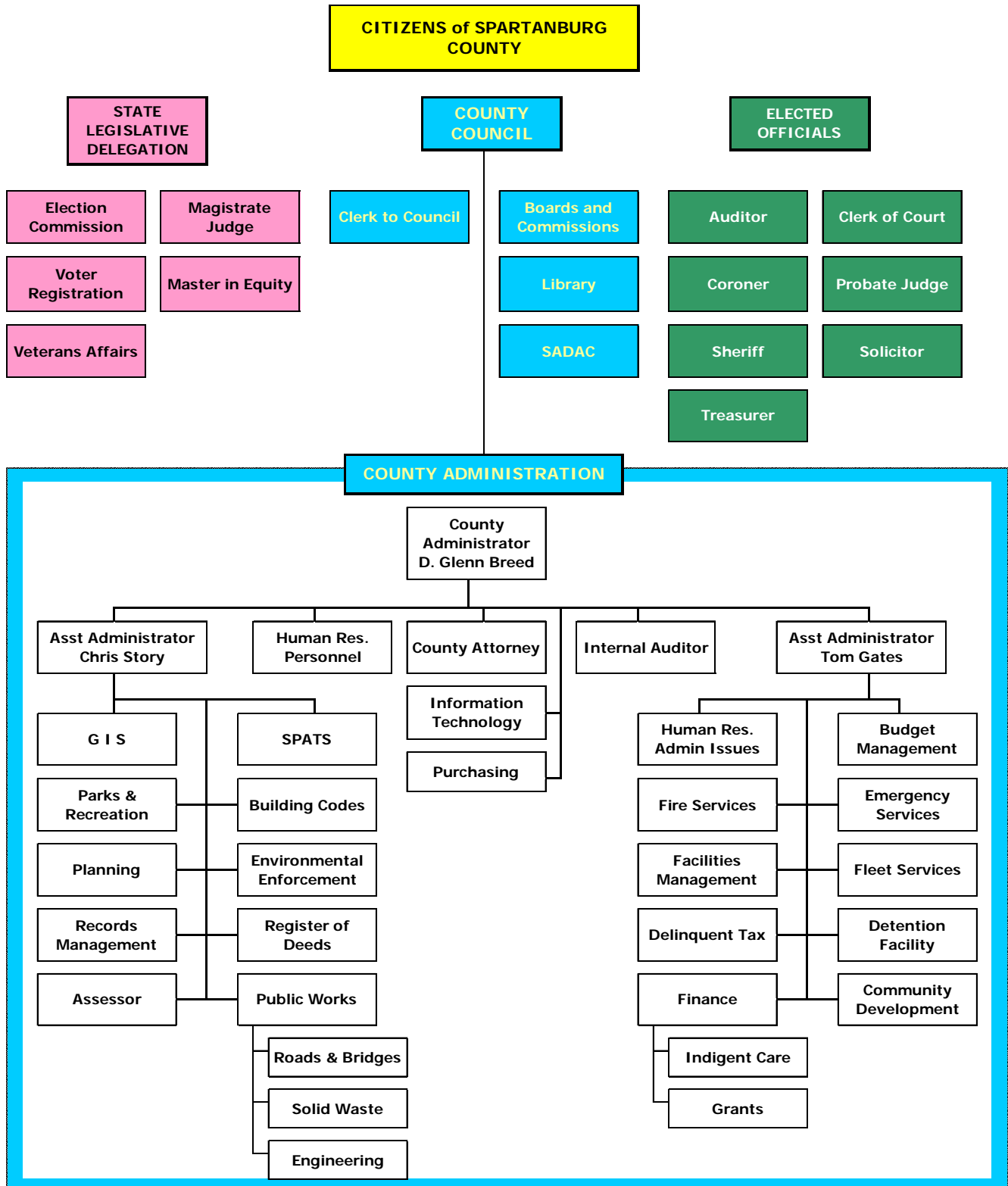


Road Maintenance Fee

On July 1, 2006, a \$25 per vehicle fee was imposed to implement a road maintenance and improvement program to significantly enhance the safety and quality of the County's transportation infrastructure. Aside from any portion of these funds directed to municipalities for funding their municipal road maintenance and transportation needs, resources are used exclusively for specified road and bridge improvement projects and the expanded resurfacing program. In FY 08, several public safety projects including bridge replacement, road widening, and intersection improvements will be funded through this fee. There has been no significant change in the number of vehicles owned and taxed since the program's inception, keeping revenue flat.



COUNTY PERSONNEL COUNTY ORGANIZATION CHART



LIST OF PRINCIPAL COUNTY OFFICIALS

(Principal Officials as of July 2007)

<u>Title (*Denotes Elected Official)</u>	<u>Name</u>
<u>County Council</u>	
Chairman at Large	Jeffrey A. Horton
District 1	Johnnye-Code Stewart
District 2	O'Neal Mintz
District 3	David Britt
District 4	Rock Adams
District 5	Dale Culbreth
District 6	Tom Foster
<u>General Government</u>	
County Administrator	D. Glenn Breed
Assistant County Administrator	Thomas Gates
Assistant County Administrator	Chris Story
Budget Management Director	Linda Blackerby
Finance Director	A.G. Rickett
Assessor	Gil Bulman
*Auditor (Assessed Valuations)	Sharon West
Internal Auditor	Lisa Benfield
Delinquent Tax Collector	Glenda Wright
County Attorney	Edwin Haskell
GIS Director	Rod Brown
Planning and Development Director	(Vacant)
Procurement Director	Mike Emory
Human Resources Director	Tony Bell
Information Technologies Director	Kim Danner
Records Mgmt/Register of Deeds Director	Steve Ford
Registrations and Elections Director	Henry Laye, III
*Treasurer	Oren L. Brady, III
<u>Judicial</u>	
*Circuit Solicitor	Trey Gowdy
*Clerk of Court	Marcus W. Kitchens
Master-In-Equity	Gordon Cooper
*Probate Court	Ponda Caldwell
Public Defender	Clay Allen
Magisterial Court	Jason T. Wall
<u>Public Safety</u>	
Environmental Enforcement Director	Don Arnold
Office of Emergency Services Director	(Vacant)
*Coroner	Jim Burnett
Detention Facilities Director	Larry Powers
Emergency Medical Services Director	Jimmy Greene
Building Codes Director	Michael Padgett
*Sheriff	Chuck Wright, Jr.

SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET

(LIST OF PRINCIPAL OFFICIALS CONTINUED)

Title (*Denotes Elected Official)

Name

Other

Alcohol and Drug Abuse Director	David L. Forrester
Library Director	Todd Stevens
Public Works Director	Michael N. Garrett
Public Works Director of Operations	Steve Belue
Fleet Services Director	Johnnie Lewis
Parks and Recreation Director	Jeffrey Caton
Veteran's Affairs Director	Gerald Keihl
Community and Economic Dev. Director	Kathy Rivers
Workforce Investment Board	Sylvia Fesperman

SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET

AUTHORIZED COUNTY PERSONNEL SUMMARY – ALL FUNDS (WITH PART-TIME POSITIONS NOTED)

	FY 06/07 REG	FY 06/07 PT	FY 06/07 TOTAL	FY 07/08 REG	FY 07/08 PT	FY 07/08 TOTAL	INC/DEC FY 08 - 07
GENERAL FUND							0
General Government	207	10	217	209	9	218	1
Public Safety	576	10	586	580	9	589	3
Judicial	171	57	228	172	56	228	0
Public Works	68	0	68	68	0	68	0
Health and Welfare	4	0	4	4	0	4	0
Recreation and Culture	0	0	0	0	0	0	0
Environmental and Conservation	14	0	14	14	0	14	0
County Buildings and Maintenance	18	0	18	18	0	18	0
TOTAL, GENERAL FUND	1,058	77	1,135	1,065	74	1,139	4
OTHER FUNDS							
Community and Economic Develop.	12	0	12	11	0	11	(1)
Fleet Services Fund	18	0	18	18	0	18	0
9-1-1 Phone System Fund	3	0	3	3	0	3	0
Palmetto Landfill Fund	1	0	1	1	0	1	0
Road Maintenance Fee Fund	6	0	6	6	0	6	0
Solid Waste Management Fund	43	61	104	43	62	105	1
Stormwater Management Fund	4	0	4	4	0	4	0
Alcohol and Drug Commission	50	31	81	49	31	80	(1)
Workforce Investment Board	29	0	29	29	0	29	0
County Recreation District	53	30	83	55	40	95	12
All Special Revenue Funds	8	2	10	20	3	23	13
TOTAL, OTHER FUNDS	227	124	351	239	136	375	24
GRAND TOTAL, ALL FUNDS	1,285	201	1,486	1,304	210	1,514	28

Note: A listing of all authorized county positions can be found in Appendix A, pages 277-292.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

BUDGET ORDINANCE NO.

A BUDGET ORDINANCE RELATING TO THE FISCAL AFFAIRS OF SPARTANBURG COUNTY MAKING APPROPRIATIONS THEREFORE, LEVYING TAXES FOR THE FISCAL YEAR BEGINNING JULY 1, 2007 AND ENDING JUNE 30, 2008; TO PROVIDE FOR BUDGET CONTROL OF SAID APPROPRIATION BY THE SPARTANBURG COUNTY COUNCIL.

**Part I
*Operation of County Government***

SECTION 1. The County Auditor of Spartanburg County shall levy an ad valorem tax on all the taxable property in Spartanburg County for the fiscal year beginning July 1, 2007, and ending June 30, 2008, as stated below which when combined with the following anticipated other revenue, including carry-over balances accruing to Spartanburg County shall produce to wit:

Millage Rates:

	<u>Estimated FY08 Millage</u>
General Fund	47.5 Mills
County Fire	.5 Mills
Stormwater Management	1.0 Mills

General Fund:

Taxes – current	37,931,327
Merchant’s inventory	804,000
Homestead exemption	1,916,000
Fee-in-lieu of taxes	3,020,000
County-wide fire levy	382,000
State 2% accommodations tax	45,000
Delinquent taxes	3,000,000
Permits	970,000
Fines	3,525,000
Fees & costs	5,355,000
Interest income	2,200,000
State Sources	14,749,000
Rescue Squads	64,000
Veterans Affairs	30,000
Federal sources	307,980
Miscellaneous	4,259,000
State supplements	628,000
Planning department projects	60,000
Council of Governments	0
Recreation	0
Circuit Solicitor	989,500
Sheriff	1,930,314
State road (“C”) funds	0
Emergency Services Academy	15,000
Transfers from Other Funds	383,508
Fund balance appropriated	2,241,694
Total General Fund	84,806,323

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Road Maintenance Fee Fund:

Road Maintenance Fee	5,390,000
State Sources	0
Fund Balance contribution	(83,802)
Total Road Maintenance Fee Fund	5,306,198

Storm Water Management Fund:

Taxes - Current	767,418
Fund balance contribution	(113,397)
Total Storm Water Management Fund	654,021

Solid Waste Management Fund:

Annual household fee	5,400,000
State tire disposal fee	100,000
User dumping fees	1,255,219
Recycling sales & misc.	450,000
Contract Fees	275,000
Fund balance appropriated	4,215,288
Total Solid Waste Management Fund	11,695,507

Fleet Services Fund

Charges for Service/Sales	1,157,420
Transfer funds	(1,117,420)
Fund Balance Appropriated	(40,000)
Total Fleet Services Fund	0

Alcohol & Drug Abuse Fund:

Mini bottle	430,000
State grants/fees	2,898,907
Fund balance appropriated	526,391
Total Alcohol & Drug Abuse Fund	3,855,298

Special Revenue Fund:

State aid/Grant	1,531,538
Other	1,492,828
Total Special Revenue Fund	3,024,366

Community & Economic Development:

County Funds	239,060
HUD CD Block Grant	1,327,144
HUD CD Home Program	525,753
Supportive Housing	160,165
Fund balance appropriated	313,302
Total Community & Econ Dev Fund	2,565,424

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Capital Projects Reserve Fund:

Fund balance appropriated	3,200,750
Total Capital Projects Reserve Fund	3,200,750

911 Phone System Fund:

Subscriber fees	1,493,000
Fund balance contribution	(10,617)
Total 911 Phone System Fund	1,482,383

Palmetto Landfill Fund:

Host Fee	650,000
Fund balance appropriated	(82,280)
Total Palmetto Landfill Fund	567,720

Jail Maintenance Fund

Fund balance appropriated	418,250
Total Jail Maintenance Fund	418,250

Workforce Investment Board:

JTPA funds/WIB Coordinator	5,715,962
Fund balance appropriated	0
Total Workforce Investment Board	5,715,962

Debt Service Fund:

Property taxes	4,426,391
Transfers-in	2,301,109
Fee-in-lieu of taxes	160,000
Other revenue	977,236
Fund Balance appropriated	0
Total Debt Service Fund	7,864,736

Special Purpose Funds: (All taxable property)

Community College Fund	
Property Taxes (Current)	4,583,290
Other	100,000
Fund balance contribution	(69,037)
Transfers-in	0
Total Community College Fund	4,614,253

Charles Lea Center Fund	
Property Taxes	1,028,948
Other	51,490
Fund balance contribution	(33,230)
Total Charles Lea Center Fund	1,047,208

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

County Library Fund	
Property Taxes	8,384,044
Other	2,740,480
Fund balance appropriated	500,000
Total County Library Fund	11,624,524
Parks Commission Fund	
Property Taxes	4,025,899
Other	726,000
Total Parks Commission Fund	4,751,899
Total Special Purpose Funds	<u>22,037,884</u>

Total Revenue All Funds: \$153,194,822

Provided, however, that the County Auditor shall reduce the levy as to all property within the corporate limits of the City of Spartanburg and the City of Greer an amount equal to the taxes to be collected by the County from property within these cities to support Animal Control Services (\$984,838). Such reduction shall relieve the taxpayers of these cities from support of this service since these cities make appropriations to support Animal Control Services. This section is adopted pursuant to Section 4-9-30(5), Code of Laws South Carolina, 1976, which empowers County Council to tax different areas at different rates related to the nature and level of services provided, County Council having found that the nature and level of this service warrants such a different rate.

Provided further, that the County Auditor shall reduce the levy as to all property within the corporate limits of all incorporated municipalities within the County an amount equal to the taxes to be collected by the County from property within said municipalities to support Building Codes and Development Standards (\$329,731). Since this service was not being rendered by the County on March 7, 1973, such reduction shall relieve the taxpayers of these municipalities for support of this service recognizing that these municipalities make appropriations to provide land use administration. This section is adopted pursuant to Section 4-9-30 (5), Code of Laws South Carolina, 1976, which empowers County Council to tax different areas of the County at different rates related to the nature and level of service provided, the County Council having found that the nature and level of this service warrants such a different rate.

Provided further, that the County Auditor shall reduce the levy as to all property within the corporate limits of all incorporated municipalities within the County an amount equal to the taxes to be collected by the County from property within said municipalities to support the Volunteer Fire Departments (\$65,946). Such reduction shall relieve the taxpayers of these municipalities for support of this service recognizing that these municipalities make appropriations to provide fire services. This section is adopted pursuant to Section 4-9-30 (5), Code of Laws South Carolina, 1976, which empowers County Council to tax different areas of the County at different rates related to the nature and level of service provided, the County Council having found that the nature and level of this service warrants such a different rate.

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

SECTION 2. All of the appropriations in this Ordinance shall be disbursed in accordance with the Annual Budget Document adopted by the Spartanburg County Council on June 18, 2007, incorporated herein by reference.

SECTION 3. There is hereby appropriated from the General Fund and other Funds of Spartanburg County the following amounts of money for the following respective corporate purposes of Spartanburg County for and during the period beginning July 1, 2007 and ending June 30, 2008, to wit:

General Fund:

9515 Area Mental Health	359,960
9673 Arts Partnership	226,130
9159 Assessor	2,336,820
9150 Auditor	944,980
9652 Boys Home	53,000
9111 Budget Management	317,540
9133 Building Codes	1,183,565
9268 Circuit Solicitor	3,309,553
9250 Clerk of Court	2,292,260
9237 Communications - Operations	3,189,580
9238 Communications-County	389,320
9236 Communications-Maintenance	238,750
9305 Coroner	908,720
9110 County Administration	487,070
9607 County Buildings	3,158,850
9103 County Council	379,880
9620 County Extension	1,460
9100 Delegation	59,350
9165 Delinquent Tax	411,910
9310 Detention	12,978,268
9264 District Magistrates	648,321
9180 Economic Development	282,570
9649 Ellen Hines Smith Girls Home	22,000
9506 Emergency Medical Services	1,733,562
9556 Emergency Preparedness Office	222,070
9551 Emergency Services Academy	238,680
9401 Engineering	429,920
9415 Environmental Enforcement	1,370,070
9168 Finance	571,720
9164 GIS	426,240
9557 Haz Mat Team	199,490
9518 Health Department	270,000
9116 Human Resources	469,111
9503 Indigent Care Services	930,835
9156 Internal Auditor	183,895
9163 IT	1,012,386
9113 Legal Services	272,130

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

9265 Magisterial Court	2,479,750
9259 Master In Equity	353,010
9512 Mountainview Nursing Home	104,340
9553 National Guard	0
9200 Non Department	3,643,774
9183 Planning	1,065,790
9269 Pre Trial Adult	246,590
9270 Pre Trial Juvenile	92,250
9256 Probate Court	1,055,520
9262 Public Defender	1,331,673
9404 Public Works Administration	162,390
9171 Purchasing	188,900
9126 Records Management	0
9120 Register of Deeds	1,764,700
9123 Registration Election	805,160
9527 Rescue Squads	154,500
9405 Roads and Bridges	3,971,760
9643 Senior Centers of Spartanburg	231,320
9300 Sheriff	20,373,000
9640 Social Services	135,000
9625 Soil & Water Conservation	34,960
9670 Spartanburg County Regional Museum	39,150
9999 Transfers Between Funds	2,622,060
9507 Transportation Service Bureau	48,500
9153 Treasurer	932,500
9129 Veterans Affairs	255,840
9267 Victim Witness	143,170
9550 Volunteer Fire Department	60,750
General Fund Total	84,806,323

Road Maintenance Fee Fund:

9400 Administration	5,306,198
Total Road Maintenance Fee Fund	5,306,198

Storm Water Management Fund:

9400 Administration	372,255
9999 Transfers to Other Funds	281,766
Total Storm Water Mgmt Fund	654,021

Solid Waste Management Fund:

9400 Administration	503,155
9410 Solid Waste Collection	2,145,684
9415 Environmental Enforcement	348,250
9700 Landfill Operations	1,693,816
9701 Landfill Engineering	988,002
9999 Transfers to Other Funds	6,016,600
Total Solid Waste Mgmt Fund	11,695,507

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Fleet Services Fund:

9420	Fleet Services	1,117,420
9421	Fleet Services Allocation	(1,117,420)
9999	Transfer Between Funds	0
	Total Fleet Services Fund	0

Alcohol & Drug Abuse Fund:

9730	SADAC Administrative	75,538
9732	Community Referral	814,501
9734	School Intervention	212,353
9735	Bridge Grant	92,371
9736	ADSAP	497,008
9738	Occupational	292,135
9739	HIV Prevention	73,256
9740	Prevention	286,710
9742	Detox	864,217
9743	DFS Grant	0
9744	Drug Court	213,549
9745	DADDAS HIV Outpatient	64,999
9747	ADLIOP	152,661
9748	IOP	216,000
9756	DOADAS Intensive Family Services	0
	Total Alcohol & Drug Abuse Fund	3,855,298

Special Revenue Fund:

7150	Delinquent Tax	782,581
7300	State Sources	429,750
9258	Solicitor Grants	474,908
9266	Juvenile Arbitration	82,333
9268	Circuit Solicitor	48,204
9272	Victim Advocate Services	54,391
9300	Sheriff	57,232
9306	Sheriff Grants	246,614
9310	Detention Facility	244,094
9402	C Funds	220,484
9640	Social Services	108,775
9875	Transportation Planning	275,000
	Total Special Revenue Fund	3,024,366

Community & Economic Development:

9876	HUD Entitlement Fund Expenditures	1,582,563
9878	CDBG General Administration	0
9881	CED Department costs	278,274
9887	CDBG HUD Home	544,422
9896	Supportive Housing Program	160,165
	Total Community & Economic Dev.	2,565,424

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

Capital Projects Reserve Fund:

9999	Transfers to Other Funds	3,200,750
	Total Capital Projects Reserve Fund	3,200,750

911 Phone System Fund:

9183	Planning & Development	69,529
9237	Communications/Operations	1,099,354
9999	Transfers to Other Funds	313,500
	Total 911 Phone System Fund	1,482,383

Palmetto Landfill Fund:

9400	Solid Waste Administration	67,046
9405	Roads & Bridges	0
9999	Transfers Between Funds	500,674
	Total Palmetto Landfill Fund	567,720

Jail Maintenance Fund

9999	Transfers to Other Funds	418,250
	Total Jail Maintenance Fund	418,250

Workforce Investment Board:

9800	Workforce Investment Board	5,715,962
	Total Workforce Investment Board	5,715,962

Debt Service Fund:

9606	Memorial Auditorium	246,650
9698	New Bond Issue	236,236
9699	Bond Debt Service	4,635,157
9910	County Library	1,664,247
9998	Lease/Debt Payments	1,082,446
	Debt Service Fund Total	7,864,736

Special Purpose Levy: (All taxable property)

Spartanburg Community College	4,614,253
Charles Lea Center	1,047,208
County Library	11,624,524
Parks Commission Fund	4,751,899
Total Special Purpose Funds	<u>22,037,884</u>
Total Appropriations All Funds	<u>153,194,822</u>

SECTION 4. The County Auditor shall levy a Special Purpose Tax on all taxable property in Spartanburg County for County purposes for the fiscal year beginning July 1,

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

2007 and ending June 30, 2008, as stated below to produce the amounts hereinafter mentioned and set forth herein:

	<u>FY08 Budget</u>	<u>FY08 Estimated Millage Rate</u>
Spartanburg Community College	4,293,299	5.1 Mils
Charles Lea Center	955,500	1.2 Mils
County Library	8,384,044	10.5 Mils
Debt Service Fund	4,426,391	5.6 Mils

SECTION 5. The County Auditor shall levy an ad valorem tax on all unincorporated taxable property and, where incorporated property has through agreement with duly elected municipal representatives been authorized for taxation, for Parks and Recreation purposes for the fiscal year beginning July 1, 2007 and ending June 30, 2008, as stated below to produce the amounts hereinafter mentioned and set forth herein:

	<u>FY08 Budget</u>	<u>FY08 Estimated Millage Rate</u>
Parks Commission Fund	3,806,324	5.5 Mils

SECTION 6. The County Auditor shall levy an ad valorem tax on all taxable property within the following Fire Service Areas for the fiscal year beginning July 1, 2007 and ending June 30, 2008, as stated below to produce the amounts hereinafter mentioned and set forth herein:

	<u>FY 08 Budget</u>	<u>FY 08 Estimated Millage</u>
Campobello	191,517	25.9 Mils
Chesnee Community	151,443	17.0 Mils
Cooley Springs	124,873	24.0 Mils
Cowpens	135,004	28.6 Mils
Cross Anchor	67,326	28.6 Mils
Draper	3,298	13.9 Mils
Duncan	228,627	17.1 Mils
East Greer	127,331	39.2 Mils
Enoree Community	18,808	4.7 Mils
Inman Community	415,201	19.9 Mils
Inman Town	1,309	3.2 Mils
Hobbysville	51,652	16.1 Mils
Landrum	84,666	9.7 Mils
Poplar Springs	588,693	15.0 Mils
Tyger River	636,981	23.0 Mils
Una	207,120	21.3 Mils
Woodruff	158,873	12.5 Mils

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

SECTION 7. The County Auditor shall levy an ad valorem tax on all the taxable property within the following Special Tax Districts for the fiscal year beginning July 1, 2007 and ending June 30, 2008, as stated below to produce the amounts hereinafter mentioned and set forth herein:

Special Tax Districts	<u>FY08 Budget</u>	<u>FY08 Estimated Millage Rate</u>
Lakewood Hills	3,957	8.0 Mils
Twin Lakes	38,812	17.0 Mils

SECTION 8. All appropriations are conditional and proportionate and are subject to proportionate increase, reduction, or transfer from one department appropriation category to another within the ordinance upon motion duly made and carried by majority vote of the Council at any regular or special meeting of the Council.

SECTION 9. The County Administrator shall administer the budget and may authorize the transfer of appropriated funds between departments or non-departmental accounts or the establishment of new accounts as necessary to achieve the goals of this budget; provided, that all fund transfers between departments, non-departmental, or newly established accounts shall be first approved by County Council in accordance with Section 8 of this ordinance.

SECTION 10. The County Administrator shall be authorized to expend up to \$5,000 five thousand dollars (\$5,000) from the Council Contingency Account as a supplemental appropriation for a special purpose not anticipated when the original budget appropriation was approved.

SECTION 11. The County Administrator is authorized to carry forward unexpended funds in accounts existing at the end of June 30, 2007, to complete the purpose of the original appropriation approved by County Council for the previous budget year.

Further, funds sufficient to cover all fiscal year 2007 budget items encumbered but unpaid at the close of the fiscal year shall be carried forward from the fiscal year 2007 budget to the succeeding budget to meet such lawful obligations of the County. Unencumbered appropriations shall remain in the respective funds as unrestricted reserves.

SECTION 12. Any funds received during fiscal year 2008 as a result of new grants, donations, and other miscellaneous and unplanned revenue in amounts less than \$100,000 (One hundred thousand dollars) shall be accepted on behalf of the County by the Administrator who will adjust line items accordingly.

SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET

PART II

Permanent Provisions

In accordance with Spartanburg County Code Section 66-5 and 66-6 the annual Landfill Residential Service Charge on residential properties shall be forty-seven dollars (\$47.00).

In accordance with Spartanburg County Code Section 66-7 and 66-8 the service charges/handling fees to be collected at landfill locations from industrial, commercial and municipal haulers shall be thirty-three dollars (\$33.00) per ton.

In accordance with Spartanburg County Code the annual Road Maintenance fee on every vehicle required to be registered and licensed in Spartanburg County by the South Carolina Department of Motor Vehicles, with the exception of those vehicles defined in Section 3 of Spartanburg County Ordinance Number 0-05-03, shall be twenty-five dollars (\$25) and shall be included on motor vehicle tax notices.

In accordance with State statute the monthly wire line surcharge shall be \$0.50.

The mileage reimbursement rate paid to County employees using their personal vehicles shall be the same as established by the Internal Revenue Service.

PART III

Enacting Provisions

SECTION 1. If any section or item or any part of this Ordinance shall be declared invalid, it shall not be construed to affect the validity of any other section or item hereof.

SECTION 2. All provisions of Part 1 of this Ordinance shall take effect on the 1st day of July, 2007.

SPARTANBURG COUNTY COUNCIL

By: _____
Jeffrey A. Horton, Chairman

ATTEST:

D. Glenn Breed
County Administrator

**SPARTANBURG COUNTY, SOUTH CAROLINA
FY 08 ADOPTED OPERATING BUDGET**

First Reading: Wednesday, May 2, 2007
Second Reading: Monday, May 21, 2007
Public Hearing: Monday, May 21, 2007
Third Reading: Monday, June 18, 2007

LEGAL COMPLIANCE

I hereby certify that, in my opinion, the proposed budget does not exceed anticipated revenues for Fiscal Year 2008, and is in full compliance with Section 4-9-140, 1976 South Carolina Code of Laws, as amended.

D. Glenn Breed
County Administrator