

April 19, 2010

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

Dear Members of Council:

I am pleased to submit for your consideration the Recommended Fiscal Year FY 2010/11 Operating Budget. The attached budget document continues our efforts to present financial information to you and the public in a clear and concise manner. As was done last year to assist you in your deliberations, the proposed budget aligns expenditures and revenues according to programmatic effort. This arrangement will permit you to efficiently view all resources committed to service efforts. The Recommended Operating Budget, along with the Capital Improvement Plan (CIP), reflect our best efforts to continue providing essential and efficient public services and contribute to fund balance while maintaining financial stability through the ongoing economic recession.

The principal factors driving budgetary decision making are the negative impacts on our general fund revenues brought about by the recession. We are projecting no growth in our tax base and significant reductions in fees and fines due to the ongoing slow down to development activity. Once again, the most notable revenue change is the reduction in state aid. These impacts to our revenue necessitate a significantly smaller general fund.

Given the uncertainty regarding the pace and timing of economic recovery and the weakened state of the County resources held in reserve, it is imperative that we approach FY 2010/11 budget decisions with a cautious eye on FY 2011/12 and beyond. To that end, this budget seeks to restore and strengthen the county's reserves, preserve the county's credit rating, and maximize the flexibility available to County Council in future years.

We are very pleased to report that, through remarkable cooperation from county department heads and excellent work of the County budget office, we have addressed the above concerns and produced a balanced budget that avoids layoffs and responsibly provides for stability and flexibility going forward.

The FY 2010/11 Recommended Operating Budget sets aside for the second year our priority to attract and retain talented and capable staff able to perform a high level of public service. Given the current state of the economy, there is no cost of living adjustment included in the budget. Vacant positions "frozen" in the current fiscal year are to remain frozen, and positions vacated during the new budget year will be thoughtfully considered before filling. However, neither furlough days nor workforce reductions are included in the Recommended Operating Budget. The County's workforce is stabilized and only a few

new positions have become vacant in the past eighteen months. We do recommend the establishment of incentives for retirement of those eligible employees under the provisions of the plan outlined during the Council budget work session. It would be our intent to leave those vacated position unfilled to the extent that they do not directly impact service delivery. Despite this, potential savings from this program have not yet been incorporated into the recommended budget. Health care costs are not increased this year, though there may be some required adjustments to the benefit package and/or the required financial participation of each employee. Workers' compensation costs continue their downward trend. State imposed employer contributions to the State Retirement System have been increased for public safety employees. As you recall, the state deferred this increase to this fiscal year.

The County's current and future costs for retiree health care benefits continue to be an important and fiscally significant issue. As you are aware, the County is required by the Governmental Accounting Standards Board (GASB) to define and account for future costs associated with retiree benefits in the Comprehensive Annual Financial Report (CAFR). An actuarial study estimated our liability on June 30, 2008 at \$75 million, and this amount continues to grow. A new actuarial study will be conducted, and a new liability estimated by the conclusion of the fiscal year.

State Act 388 and Act 402 continue to present the County with a new set of challenges for managing our organization. The constraint on the County's ability to raise revenue for operating needs is more acute as the County grapples with the reductions in the Local Government Fund that occurred the past two fiscal years and those planned for next fiscal year. As you are aware, State Act 388 virtually insists local governments take steps necessary to insure we preserve the financial flexibility the Act allows. Failure to adjust annually as permitted by law only serves to further diminish our latitude to address future matters requiring resource-based solutions. To that end, and as permitted by law, my recommendation includes an adjustment in County operating millage rate for population growth. Because the Consumer Price Index (CPI) was negative at the end of the calendar year, there will be no increase proposed associated with this indicator as allowed under the Act. The debt service millage will be increased this year to meet all bonded debt obligations.

State Act 402, in addition to imposing a 15% valuation increase limitation at the time of reappraisal, outlines tax base changes when property changes hands known as Assessable Transfers of Interest (ATI). We have been conservative in our estimate of tax revenue by assuming no tax base growth. Understanding that changes to the ATI may negatively impact our total revenue, we continue to work on tax revenue estimates and to refine our understanding of this pending legislative change. Staff continues to diligently study shifting market values occurring in commercial property.

As you know, this budgeting process also includes the establishment of funding levels for a number of other tax district entities. Their requests are contained herein including several entities seeking an Act 388 based millage rate adjustment.

I offer the FY 2010/11 Operating Budget Recommendation to you for your consideration, review and endorsement as appropriate. I suggest that the recommendations contained in this document reflect, to the extent possible, Council's direction for cost efficient and highly effective public service delivery. I also suggest that these budget recommendations offer a fiscal equilibrium which is alternately conscious of our economic uncertainties, our tax payer's burden and our community's need to grow and develop responsibly.

Executive Summary

The FY 2010/11 Operating Budget total from all sources is \$152,613,624, a 3.2% increase from FY 2009/2010. The overall budget amount reflects a \$2.76 million reduction (-3.2%) in the tax-supported General Fund portion of the budget; and, as stated earlier, includes the Act 388 millage cap formula (0%

CPI + 1.5% population growth) which will be added to fund balance. The tax base growth is estimated at 0%. Additional requests for Act 388 millage cap formulas include Spartanburg Parks Commission increasing their budget by \$604,155, including a transfer from Hospitality Tax to fund Tyger River Regional Park operating expenditures. Spartanburg County Community College is requesting an increase in their budget by \$1,378,000 (25%), including the use of \$1.3 million in fund balance to renovate the Evans Building. The Library is also requesting a millage adjustment. Their proposed budget is \$11,582,316, and represents a 0.88% decrease. Charles Lea is not requesting a millage adjustment, and their budget remains at \$1,278,000 to fund the Adult Day Care Program.

The Road Maintenance Fund Revenues decrease 27% to \$5,035,000 and include a contribution of \$875,000 to fund balance. The Storm Water Management Fund revenue increases 28.3%. Last fiscal year there was a contribution to fund balance, effectively lowering revenues, and appropriations to the City of Spartanburg and the City of Greer for providing storm water management services within their municipal boundaries. The Solid Waste Fund increases 28% because approximately \$950,000 in equipment expenditures will be funded with reserved funds and proceeds from the sale of existing equipment. SADAC's revenues decrease 0.2% related to outside funding sources, even with the addition of \$738,000 use of fund balance to fund current programs. Much work will be done in the coming year to identify additional revenue sources and to reduce services. The Special Revenue Fund is decreased 7.0% mainly attributable to shifting the home detention program to the General Fund budget. A new fund, created by Council in the current fiscal year, appears in the budget for the 7th Circuit Public Defender. Revenues for the new Fund are \$1.9 million, and include an \$898,035 contribution from the General Fund. By law, these funds must be reported in a separate fund, and the activity for Spartanburg County and Cherokee County are reported in two distinct departments.

The Debt Fund millage increases 1.2 mils, collected to retire previous obligations as well as those issued in FY2009/10. Community Development is requesting a 2.5% increase in its revenues related to Federal funding and the second year of modest reductions in General Fund support. The Capital Project Reserve Fund will be closed at the end of the fiscal year. The 9-1-1 Fund is projecting a decrease of 8.1% reflecting their projected revenues for the current fiscal year. The Palmetto Landfill Fund was closed on June 30, 2009. The Hospitality Tax Fund is projecting a 44.5% increase in revenues based on actual collection activity, and the use of \$861,000 from fund balance for pay-go capital projects. Also included is the funding for the Arts Partnership and the Spartanburg Regional Museum previously funded from General Fund.

There are a few housekeeping items in the FY 2010/11 budget. The General Fund contribution to the Spartanburg Humane Society is now reported in its own department. The cost, formerly reported in program area Public Safety has been moved to the Community Outreach and Health Services program area. In Fund 19, 9-1-1 Communications, GIS activities related to this program were previously reported in Community Infrastructure and can now be found in the Public Safety program area. General Fund's Registration and Elections activity was moved from Quality Customer Service to Enhancing our Quality of Life. Fund 14, Community Development, has moved from Community Infrastructure to Enhancing our Quality of Life. We believe these shifts between program areas more properly align these important service areas.

Creating a Safe and Secure Community – Program Services

For FY 2010/11, the Recommended Operating Budget includes a total of \$56,471,820 to provide for the safety and security of our community. Monies derived from the tax supported General Fund provides 94% of the revenue necessary to support these services. The remaining \$3.4 million in proceeds for this program are primarily received from grants and dollars collected from telephone surcharges.

As in years past, major departmental expenditures in this program occur in the Sheriff's Office, Detention Facility, Emergency Communications Department, EMS, Clerk of Court, Circuit Solicitor, Magisterial Court,

and Probate Court. Although funding for Detention is significantly increased, a staffing solution has been incorporated that is expected to lower utilization of overtime, decreasing personnel costs from historical levels. The State required an increased contribution to retirement program for all public safety officers. This increase was deferred from FY 2009/10. Again this year, based on current year spending for Sheriff overtime, we believe there is no need for additional funding in the new fiscal year, always mindful that extra-ordinary events may dictate a higher level of resources. One new clerical support position is proposed for the Coroner's Department. The use of cash to purchase four new ambulances for EMS is deferred. Currently, Spartanburg Regional Hospital takes ownership of the ambulances and other capital equipment after the purchase is made by the County. Alternative funding options will be studied in the upcoming year. As previously noted, the 7th Circuit Public Defender costs are now reported in Fund 12, and include operating dollars for both Cherokee and Spartanburg operations.

Excelling at Customer Service – Program Services

The FY 2010/11 Recommended Operating Budget includes a total of \$17,843,022 to provide for the administrative infrastructure required for our government's service operations. The proposed funding level reflects a decrease of \$2.16 million or -10.82%. Operational savings were identified by each department as budgets were submitted for review. Property and other insurance costs are reduced. Monies derived from the tax supported General Fund provide 100% of the revenue necessary to support operations. In FY 2007/08, an overhead allocation program was put into place to recover available dollars from funds using services provided by General Fund. The \$1.6 million allocation is budgeted this fiscal year, and has been expanded to share in the costs of retiree health care and unemployment claims.

Major departmental expenditures in this program occur in the County Administration, County Attorney, Assessor, Treasurer, Auditor, Delinquent Tax, Register of Deeds, Finance, Information Technologies, and Facilities Maintenance departments. In addition to departmental expenditures included under this effort, non-departmental monies are part of the total program recommendation. Non-departmental monies are for general government purposes and it is not appropriate for them to be included as part of any specific department budget. For example, fleet-related charges are now budgeted in Non-departmental; also the savings from "frozen" vacant positions and estimated workers' compensations savings are budgeted here until the new rates are confirmed. The County will be opting for higher deductible workers' compensation insurance resulting in \$1.2 million in savings; however, reserves must be budgeted to cover new claim costs estimated not to exceed \$600,000 County wide. Liability and property insurance premiums are also budgeted in Non-Departmental (\$1.1 million), as are County payments for retiree health plan benefits \$1.12 million—over \$500,000 in savings brought about by policy changes.

Preserving the Community Infrastructure – Program Services

The FY 2010/11 Recommended Operating Budget includes a total of \$22,699,285 to provide for the maintenance, preservation, and improvement of the county's infrastructure. The proposed funding level reflects an increase of \$613,679 (2.8%) from the prior fiscal year. Monies derived from the tax supported General Fund and tax supported Storm Water Fund provide \$6.97 million (31%) of the revenue necessary to support this operation. The remaining \$15.7 million in revenue for this program is received from fees, State "C" fund contributions, and federal grant proceeds.

Major departmental expenditures in this program occur in the Public Works, Solid Waste, Storm Water Management, and Planning Departments. A total of \$4,036,683 is transferred from these service areas to the Capital Projects Fund to support efforts identified in the Capital Improvement Plan. The overall commitment to the maintenance and improvement of our infrastructure remains high. Investment in road resurfacing and transportation safety improvements made possible by the Road Maintenance Fee easing the burden on General Fund tax dollars. Program services for the elimination of dirt roads, bridge

maintenance, storm water outfall mapping, and routine maintenance of our road network are decreased from FY 2010/11 and reflect a contribution to reserves to provide resources for capital projects planned in future fiscal years.

Efforts to further explore and develop the County's next generation land use planning models continue. Land use planning and likely revisions to how the community's infrastructure is conceptualized and developed will impact future operating and capital budgets significantly.

Enhancing the Quality of Life in Our Community – Program Services

For FY 2010/11, Quality of Life program services which provide for education, recreation and care of County citizens constitute a total of \$45,352,762, an 8.56% increase from the current budget. Monies derived from the tax supported General Fund provide \$3,533,166 (8%) of the revenue necessary to support operations. Other tax supported monies include proceeds from the Hospitality Tax Fund, Parks and Recreation Fund, Community College Fund, Charles Lea Fund, and Public Library Fund. Collectively these sources of monies, along with federal and state grants, and State Aid to Local Subdivisions provide \$41.8 million (92%) of the program resources.

Major departmental expenditures in this program occur in the Spartanburg Parks Commission, Spartanburg Alcohol and Drug Abuse Commission (SADAC), Community Development, Indigent Care, Workforce Investment Board, Spartanburg Community College, Charles Lea Center, and the Spartanburg County Public Library System. For FY2010/11, those departments and agencies included in this program derive their monies from special purpose tax or tax district levies. SADAC is requesting a substantial contribution from fund balance to continue operations at current service levels.

Spartanburg Community College is requesting that their millage be increased by the Act 388 cap to help offset state cuts. Spartanburg Community College will be using the \$1.3 million contribution from its fund balance for renovations at the Evans Building as they begin the process of converting this building into a downtown campus.

Spartanburg Parks Commission is also requesting that their millage be adjusted by the Act 388 cap to begin preparing for the financial impact of operating new park facilities. Included in the FY 2011-15 Capital Improvement Plan is a list of Parks and Recreation capital projects, funded by the County's Hospitality Tax. These projects, while revolutionizing our Parks infrastructure and ability to attract tourists, will have a significant impact on operational costs. By preparing for those impacts now, the Parks and Recreation Commission will be able to ensure that all new facilities are operated in a manner that meets public approval, preserves substantial public investment, and minimizes the long-term financial impact on tax payers. To that end, the recommended budget for the Hospitality Tax funds includes a transfer to the Parks Commission fund to help offset operational costs associated with Tyger River Regional Park. Also included is a transfer to the debt service fund to offset principle and interest payments associated with the Certificates of Participation issue authorized in FY 2009/10.

The County's efforts to attract and retain quality business to our community continue to receive support for economic development in this recommendation, including funding for the Economic Futures Group at \$209,520. Medical services for the indigent are provided at a total cost of \$752,393, a 13.6% reduction from the current fiscal year. County funding to a broad array of non-profit organizations that support the health and human services of our population and protect our most at-risk citizens is recommended to be reduced by 10% for a total of \$1,097,020 including an unchanged \$675,000 for the Humane Society. The Arts Partnership and Regional Museum are recommended to be funded at their current level of \$266,150, but funding has been shifted from General Fund to Hospitality Tax Fund. Hospitality Tax expenditures are recommended at \$3,766,000 and include \$3,298,513 for repayment of debt, the new Tyger River Regional Park, and capital projects related to enhanced recreational infrastructure. Funding for job training and

employment services through the federally funded Workforce Investment Board is included in this program at a total appropriation of \$5,899,798 which reflects a 4.7% increase from the current fiscal year. The Community development program which utilizes federal Community Development Block Grant and HOME funds for assistance to low and moderate income families is recommended at \$2,000,296 and reflects an increase in federal funding and a modest reduction in General Fund dollars.

Debt Service and Other Transfers

The Debt Service Fund collectively represents the County's principal and interest payments required to retire debt obligations. These include General Obligation Bonds, Special Revenue Bonds, Refunding Bonds, Certificates of Participation, Voter-Approved Bonds and lease obligations. The FY 2010/11 Recommended Operating Budget observes the County policy of adjusting the annual millage levy for debt according to debt service requirements. The portion of the Debt Fund supported by tax dollars is recommended to be increased from 2.0 mills to 3.2 mills, an increase of 1.2 mills. The increase in debt service millage, though significantly less than the FY 2008/09 level, is directly related to the repayment of the General Obligation Bond authorized in FY 2009/10, repayment of the Brownfields Revolving Loan for the clean-up of Victor Mill and a reduction in alternate revenue streams that previously helped to decrease reliance on tax revenues for repayment of existing debt.

Principle and Interest payments associated with the Solid Waste Revenue Bonds and Hospitality Tax Certificates of Participation are also included in the recommended Debt Service budget. These payments are directly offset by transfers from the Solid Waste Fund and Hospitality Tax fund, respectively. The Recommended FY 2011-15 Capital Improvement Plan includes a capital lease for the acquisition of vehicles for the Sheriff's Office and for technology components that support County systems. This capital lease will not impact the recommended debt service millage for FY 2010/11.

Fund Balance (Reserves)

For Fiscal Year 2010/11 I am recommending that an appropriation of \$3 million be deposited into our General Fund available reserves to restore our fund balance to the policy level of 10% of budgeted operating costs. As previously noted, the importance of fund balance given the revenue constraints imposed upon us cannot be overstated as we work our way through federal, State and local economic downturns. As noted in the FY 2006/07, FY 2007/08 and FY 2008/09 Audit Report to Council, the past few years has seen the County's increased reliance on the use of fund balance to provide for routine operational expenses. The projections estimating an impact on fund balance from the current fiscal year are analyzed constantly. The cost savings programs instituted this year, include deferring capital expenditures, shifting programming to relieve the burden on General Fund, freezing vacant positions and freezing spending.

Future Outlook

While we remain optimistic for a rapid and robust recovery in the state and local economies, many believe it may be quite some time before economic growth returns to prior levels. However, it is important for us to recognize that even with the most rapid recovery, due to the nature and timing of our major revenue streams, it may be FY 2012/13 or beyond before general fund revenues return to prior levels. Therefore we approach FY 2010/11 as a year of preparation. When the recession comes to an end, Spartanburg County will be well positioned to pursue prosperity. Nevertheless, the limitations placed upon the County will require creativity if we are to provide effective services that keep pace with growing citizen demand and support the creation of a prosperous community.

At the writing of the transmittal letters for the FY 2007/08, FY 2008/09 and FY 2009/10 Operating Budget Recommendations, I noted that the "specific affect on the County revenue stream that results from State Act 388 and the voter approved limitation on property tax assessments is not entirely known...". Three

years later, the impact of this legislation becomes clearer. The proposed budget continues to position the County to meet the requirements of the law and maximizes the means to ensure fiscal flexibility in these uncertain times. As stated last year, the implications of Act 402, however, remain unclear as we step further away from the first reappraisal year under this new legislation and realize the losses that can never be recaptured from the 15% assessment cap. Legislative changes to the statutory language regarding Assessable Transfers of Interest (ATI) have the potential to have a significant negative impact on the growth of our tax base. The commercial real estate market is being monitored closely. Yet, the County continues to meet these challenges, as well as the challenges for ever increasing public demands for service, responsiveness and accountability even in the face of historic economic constraints.

With the FY 2010/11 Operating Budget Recommendation, I am proud to present this complex financial information in a way that makes priorities and objectives clear. I welcome discussion on both the form and content of this presentation. I envision future changes to the document which will have us speak with even greater clarity of the programs provided by County government, the relative effectiveness of those programs, and the resources necessary to yield for our citizens the services they seek. The staff of Spartanburg County Government continues to work as a team on all fronts, and I thank them for their continued service and dedication to our community.

In conclusion, Section 4-9-630(4) of the 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 Fiscal Year 2010/11 budget to you for your consideration. I look forward to working with you and our public on its adoption.

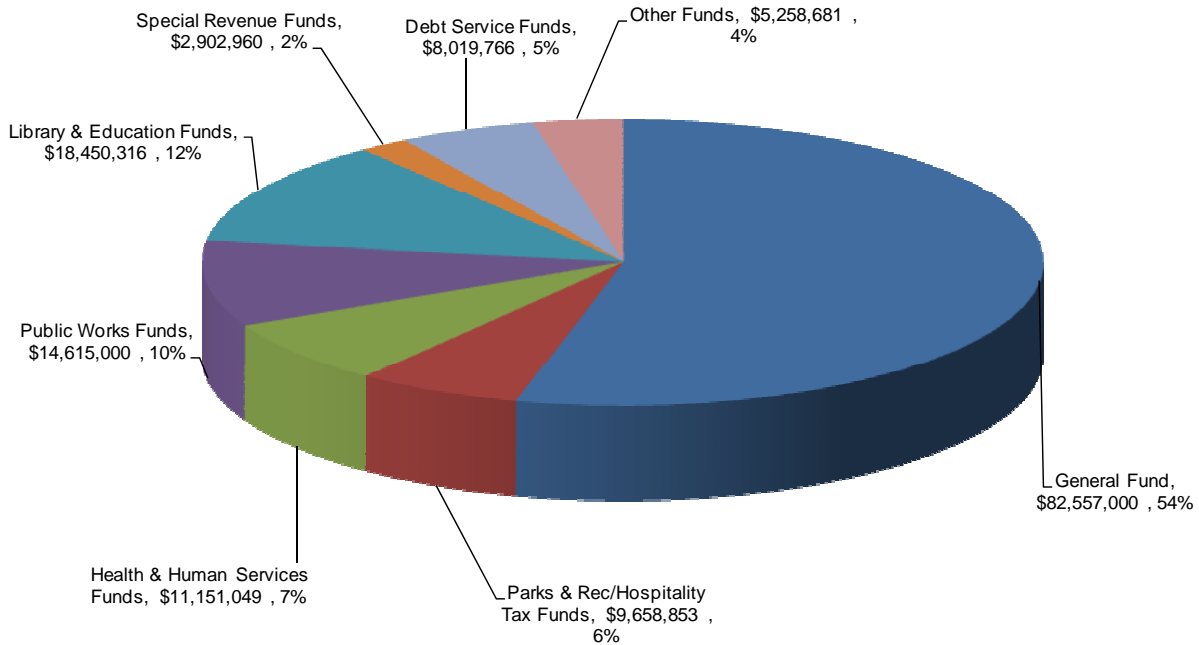
Sincerely,



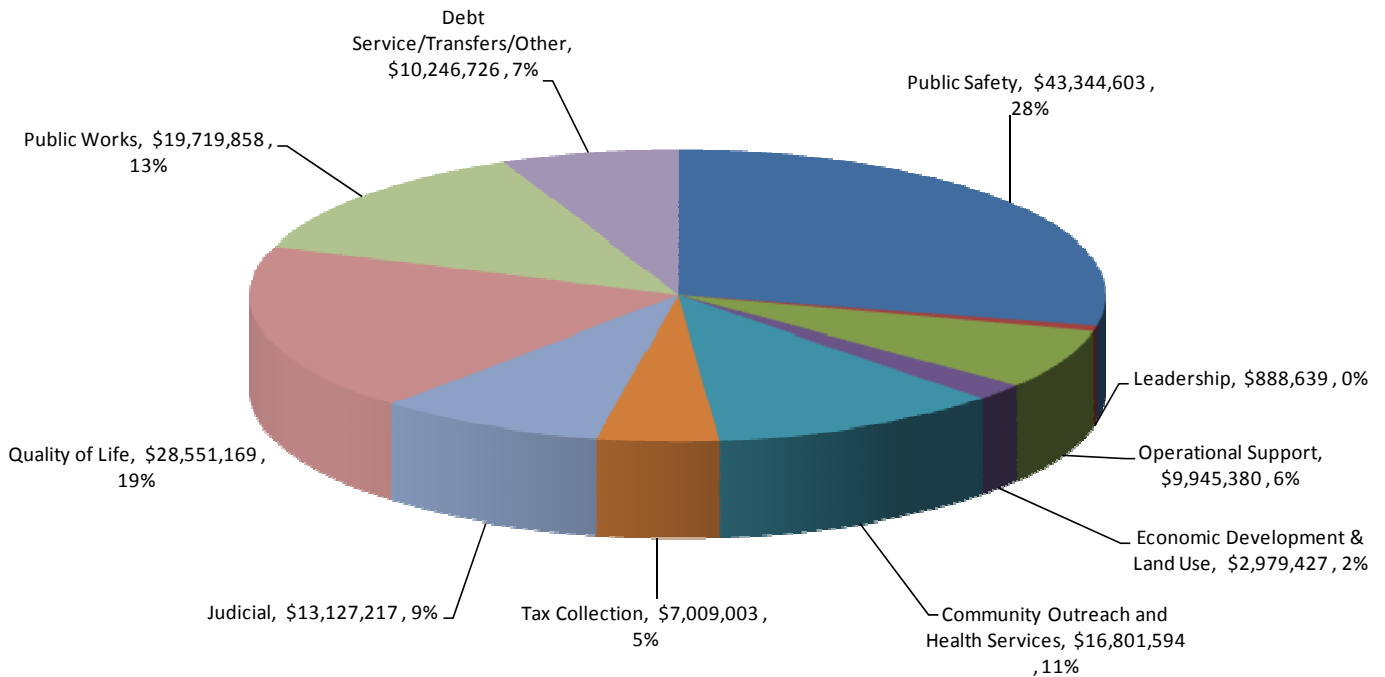
D. Glenn Breed
County Administrator

FY 2010/11 RECOMMENDED BUDGET REVENUE AND EXPENDITURE SUMMARY \$152,613,624

FY 2010/11 Recommended Revenues



FY 2010/11 Recommended Expenditures



FY 2010/11 CONSOLIDATED REVENUE SUMMARY

<u>Code</u>	<u>Revenue Source (Code)</u>	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10</u>	<u>FY 10/11</u>	<u>\$ INC/DEC</u>	<u>%INC/DEC</u>
		<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>FY 10 TO 11</u>	<u>FY 10 TO 11</u>
	Taxes - Current (7100)	43,183,534	46,522,458	51,493,000	52,227,622	734,622	1.4%
	Delinquent Taxes (7150)	3,072,956	3,161,279	3,875,000	4,000,000	125,000	3.2%
	Permits (7200)	932,697	537,895	776,000	440,500	(335,500)	-43.2%
	Fines (7220)	3,921,087	3,118,501	3,450,000	3,151,000	(299,000)	-8.7%
	Fees and Costs (7240)	5,159,537	4,346,588	5,012,500	4,761,900	(250,600)	-5.0%
	Interest Income (7260)	1,527,540	517,868	430,000	600,000	170,000	39.5%
	State Sources (7300)	15,545,712	14,734,875	13,200,000	10,222,000	(2,978,000)	-22.6%
	Federal Sources (7350)	302,430	173,020	222,780	175,000	(47,780)	-21.4%
	Miscellaneous (7400)	5,435,240	4,838,035	4,338,000	4,452,200	114,200	2.6%
	Emergency Preparedness (7440)	28,302	26,573	0	26,000	0	n/a
	State Supplements (7460)	895,146	742,355	919,000	736,000	(183,000)	-19.9%
	Fund Balances (7699)	0	0	-2,250,000	-2,597,986	(347,986)	15.5%
	Planning Department-Projects (7870)	91,589	121,775	130,000	122,000	(8,000)	-6.2%
	Indirect Cost Allocation (7999)	941,032	1,287,000	1,287,000	1,663,444	376,444	29.2%
	Veterans Affairs (9129)	30,000	32,000	30,000	32,000	2,000	6.7%
	Non-Department (9200)	11,656	11,656	0	11,700	11,700	n/a
	Victim/Witness Program (9267)	27,364	11,211	27,400	15,000	(12,400)	-45.3%
	Circuit Solicitor (9268)	211,332	225,442	225,000	225,000	0	0.0%
	Pre-Trial Intervention - Adult (9269)	345,482	408,265	350,000	409,000	59,000	16.9%
	Pre-Trial Intervention - Juvenile (9270)	10,589	16,522	11,000	17,000	6,000	54.5%
	Sheriff (9300)	1,330,312	1,501,918	1,486,620	1,540,000	53,380	3.6%
	Coroner (9305)	0	1,800	0	0	0	n/a
	Detention (9310)	2,737	0	0	0	0	n/a
	JAG (9450)	2,737	0	0	0	0	n/a
	Rescue Squads (9527)	50,280	42,729	56,000	43,000	(13,000)	-23.2%
	Emergency Services Academy (9551)	9,105	21,822	15,000	22,000	7,000	46.7%
	Transfers (9999)	898,480	368,054	228,700	262,620	33,920	14.8%
	TOTAL, ALL GEN. FUND REVENUES	83,966,876	82,769,641	85,313,000	82,557,000	(2,782,000)	-3.3%
002	Road Maintenance Fee Fund	6,036,710	6,001,410	6,902,452	5,035,000	(1,867,452)	-27.1%
003	Stormwater Management Fund	889,156	1,226,761	808,223	1,037,000	228,777	28.3%
004	Solid Waste Management Fund	10,720,387	7,364,555	6,658,108	8,543,000	1,884,892	28.3%
007	SADAC Fund	3,804,030	3,509,002	3,981,941	3,973,251	(8,690)	-0.2%
009	Special Revenue Fund	7,947,460	8,529,643	3,120,795	2,902,959	(217,836)	-7.0%
012	7th Circuit Public Defender	0	0	0	1,902,384	1,902,384	N/A
014	Community Development (CED) Fund	1,960,706	1,593,687	1,951,052	2,000,296	49,244	2.5%
018	Capital Projects Reserve Fund	3,299,467	0	126,026	0	(126,026)	N/A
019	9-1-1 Phone System Fund	1,419,377	1,291,335	1,485,643	1,356,000	(129,643)	-8.7%
020	Palmetto Landfill Fund	553,858	440,861	0	0	0	N/A

<u>Code</u>	<u>Revenue Source (Code)</u>	<u>FY 07/08</u> <u>ACTUAL</u>	<u>FY 08/09</u> <u>ACTUAL</u>	<u>FY 09/10</u> <u>BUDGET</u>	<u>FY 10/11</u> <u>BUDGET</u>	<u>\$ INC/DEC</u> <u>FY 10 TO 11</u>	<u>%INC/DEC</u> <u>FY 10 TO 11</u>
022	Parks and Recreation Commission Fund	5,862,629	5,984,205	5,288,698	5,892,853	604,155	11.4%
023	Hospitality Tax Fund	1,869,821	2,977,578	2,605,000	3,766,000	1,161,000	44.6%
028	Jail Maintenance Fund	424,954	0	0	0	0	N/A
030	Workforce Investment Board	6,912,355	6,883,822	5,631,723	5,899,798	268,075	4.8%
060	Spartanburg Comm. College Fund	4,902,856	5,445,861	5,490,000	6,868,000	1,378,000	25.1%
061	Charles Lea Center	1,204,764	1,314,515	1,278,000	1,278,000	0	0.0%
066	Spartanburg County Public Library Fund	11,142,896	11,816,911	11,685,136	11,582,316	(102,820)	-0.9%
070	Debt Service Fund	8,189,812	8,367,547	5,582,680	8,019,766	2,437,086	43.7%
TOTAL, ALL FY 20010/11 REVENUE		161,108,113	155,517,334	147,908,477	152,613,624	4,705,147	3.2%

SIGNIFICANT REVENUE OVERVIEW

The following section provides a description and analysis of all significant revenues sources used in the FY 2010/11 Budget. Revenues are organized by General Fund and all Other Funds.

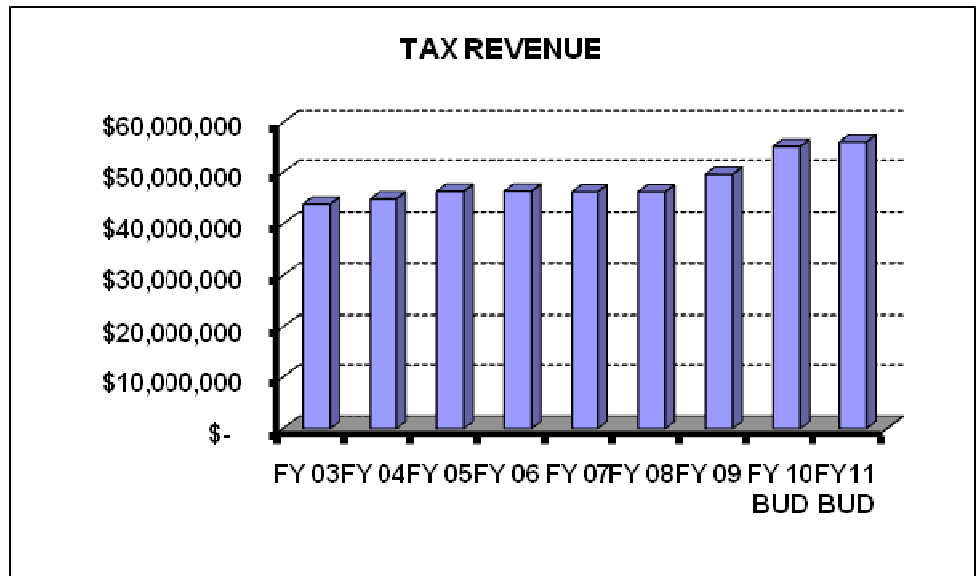
GENERAL FUND

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.

New tax reform law was voter-approved in 2007 (Act 388) and implemented in 2008. Part of this reform includes the capping of property tax growth at 15% at the five-year reappraisal intervals. Tax year

2009 was a reappraisal year, and the tax base reflected growth of 10.2%. The next reappraisal will occur in 2013. Under Act 388, the County is allowed to increase its previous year's general operating tax levy by the Consumer Price Index (CPI) (0%) and by its population increase (1.5%). For the FY 2010/11 budget, it is estimated that the Tax base will not change.

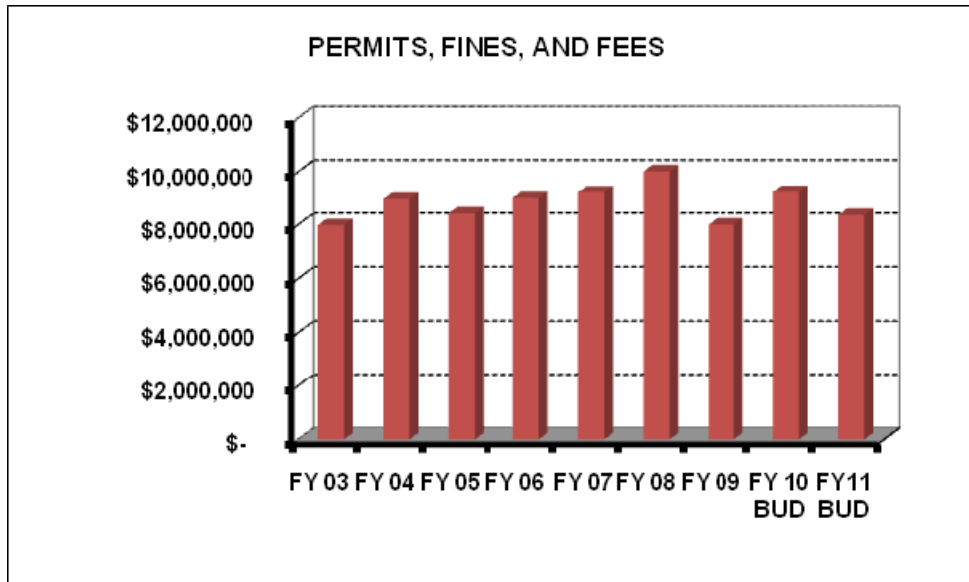


Property tax revenue, including delinquent tax collections, is budgeted at \$52,227,622 or 64% of all General Fund revenues. In FY 2008/09, taxes represented 58% of all General Fund revenues, and in FY 2009/10 it was 65%. These percent changes are important and reflect the impact of overall revenue shortfalls the County is facing resulting from the recession.

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 \$440,500 and represent a 43% decrease from last year directly related to the local economy.

Fines are received from the Magistrate Court and the Clerk of Court. These fines total \$3,151,000 and represent an 8.7% decrease from last fiscal year to reflect prior year actual collections and current year-end estimates.

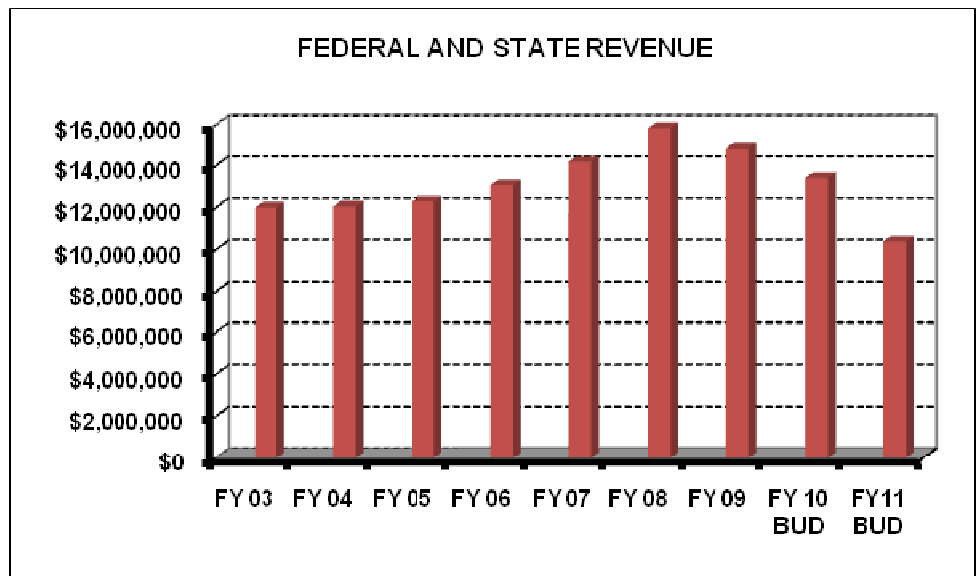


Fees are collected for subdivision platting, Register of Deeds activities, Probate Court, Clerk of Court, Public Defender, Master-In-Equity Court, vital statistics, Department of Motor Vehicles tags issued by the Treasurer, and other miscellaneous activities. Fees total \$4,761,900, and represent a 5% decrease from last fiscal year to reflect actual collections. A new False Alarm Ordinance is expected to be implemented in the new fiscal year and will generate revenue until the compliance

stage is reached. Cost recovery is an important aspect of any fee structure, and a comprehensive analysis of all fees is underway.

State and Federal Sources

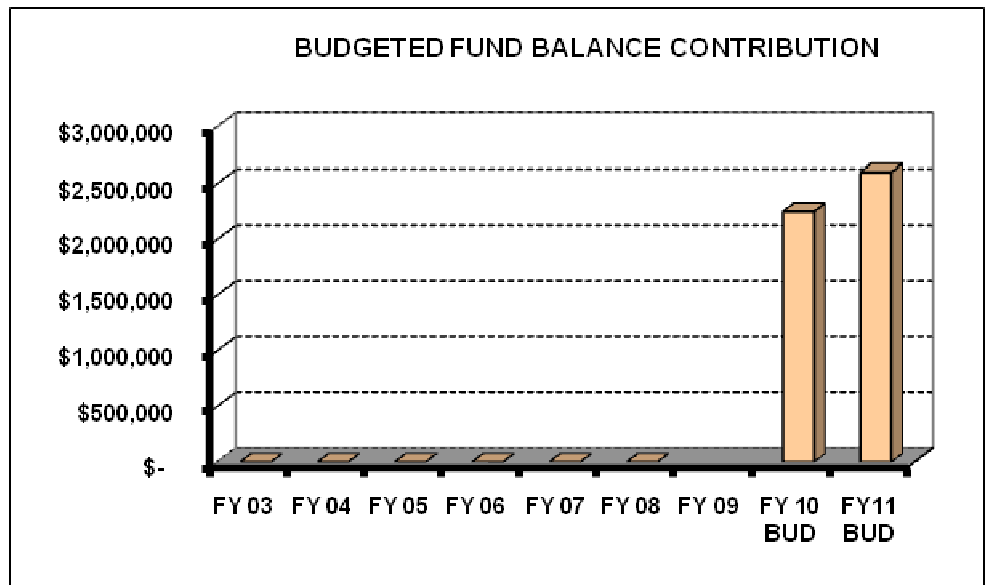
State revenues include appropriations for the Local Government Distribution, Public Defender activities, and reimbursement for election, Veteran's Affairs and other miscellaneous activities. The Local Government Distribution is budgeted at \$10,102,000, an 18.5% decrease from budgeted FY 2009/10. This once very stable revenue source has been the subject of much debate and funding reductions over the past three years. The downward trend began with the passage of Act 388. The County is now at 1998 funding levels.



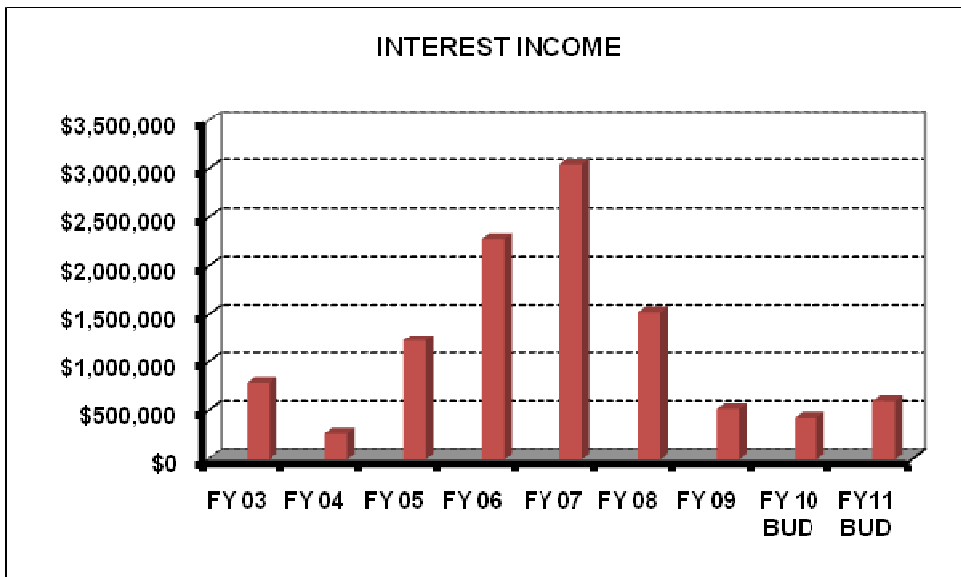
Federal revenues include payment of grant indirect costs reimbursements. Total Federal Sources are \$175,000, or 21% less than FY 2009/10 because of reduced grant activity.

Fund Balance Appropriated

It is estimated that there will be no carry forward dollars available at the conclusion of FY 2009/10. \$642,071 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, a contribution of \$240,071 to fund balance for the General Fund Vehicle and Replacement reserve for future replacements.



A planned \$3 million contribution to fund balance is budgeted to stabilize available fund balance and position the County to react positively to unplanned revenue and cost changes in the future.



Interest Income

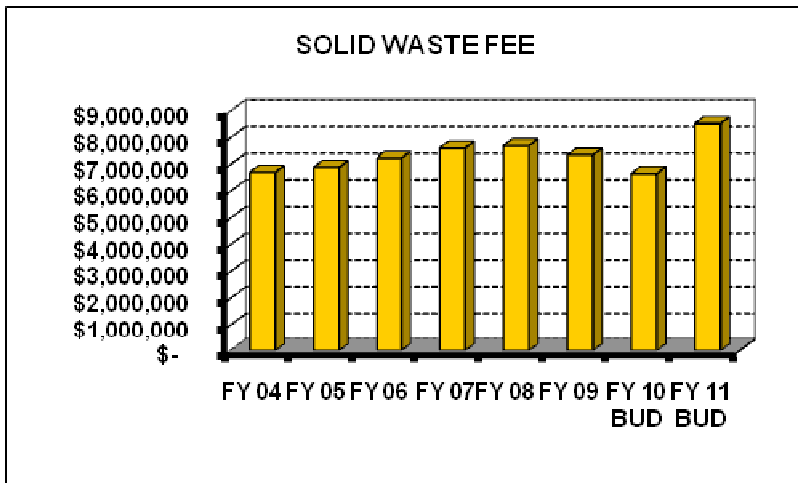
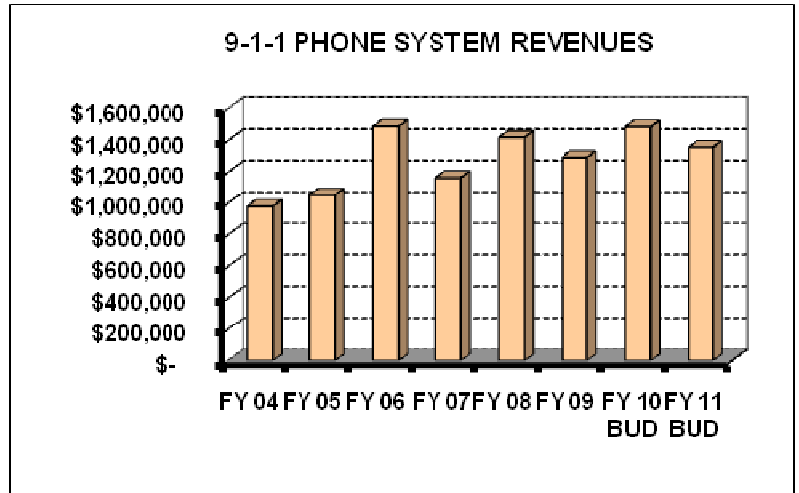
Interest earnings represent revenue earned on investments of idle county money. Interest rates have dropped to historical levels, even lower than the levels experienced in FY 02 through FY 06, which is an effort by the Federal Reserve to help reinvigorate the national economy. A continued downturn in earnings is projected. In FY 2010/11, taxing entities will be asked to help shoulder costs of credit card service charges. Because bank charges offset

dollars posted to interest earnings, an increase of \$400,000 is projected.

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. 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 FY2010/11, it is anticipated that revenue from these two sources will total \$1,185,000, a decrease of 15% over FY 2009/10 budget estimates. The decrease is attributable to fewer land lines and more wireless communication.



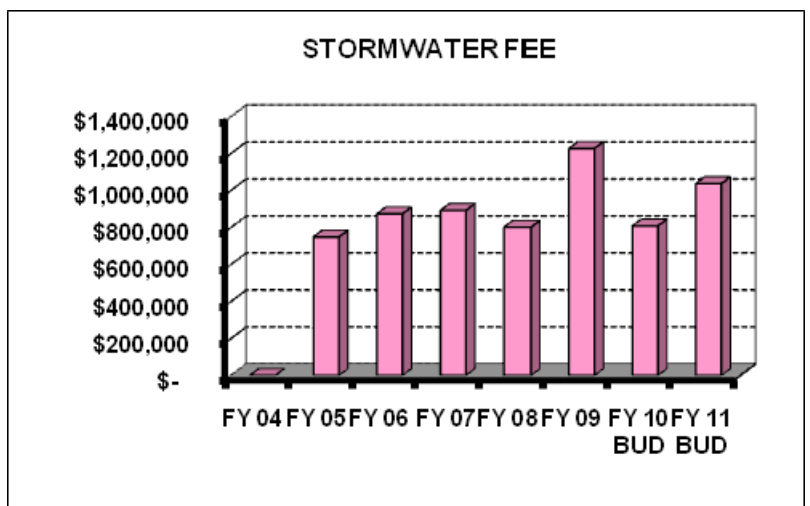
Solid Waste Fund Revenue

A number of different revenue sources contribute to the total revenue received in the Solid Waste Management Fund including: Recycling Sales (estimated \$400,000 a 38% decrease); State Tire Disposal Fee (\$90,000, an 18% decrease); Tipping Fees (\$1,150,000, a 1.7% decrease); and Contract Fees (\$240,000, a 20% increase). The majority of the revenue received comes from the annual fee levied on households in Spartanburg County and is shown in the bar chart to the left. That fee is currently forty-seven dollars (\$47) and generates \$5.55 million.

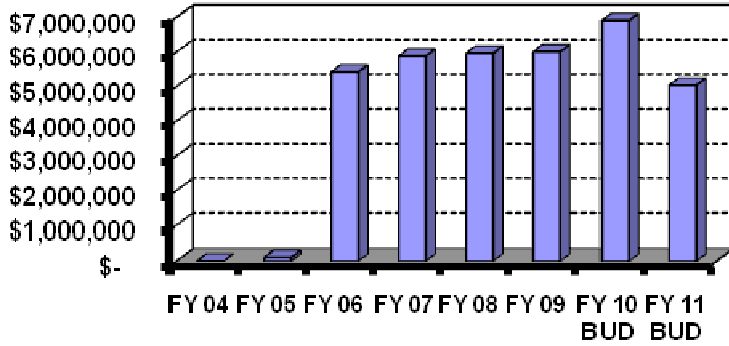
As population in the county continues to grow, these revenues will increase proportionally.

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. The County remits a share of this tax to the City of Spartanburg and Greer for their independent contribution to this effort. FY 2010/11 revenues are estimated at \$1,974,000 or 7% less than budgeted in FY 2009/10.



ROAD MAINTENANCE FEE



Road Maintenance Fee

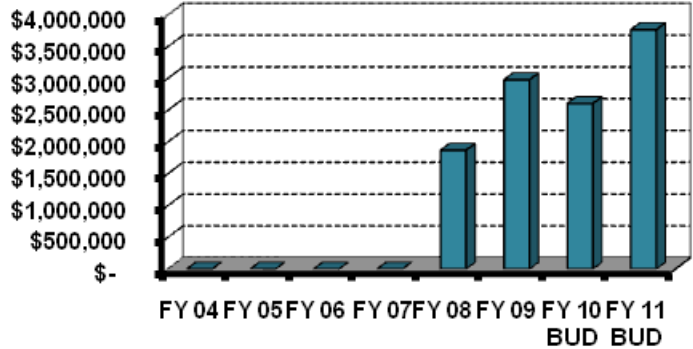
On July 1, 2006, a \$25 per vehicle fee was imposed to implement a road maintenance and improvement program to significantly enhance the safety and quality of the County's transportation infrastructure. Aside from any portion of these funds directed to municipalities for funding their municipal road maintenance and transportation needs, resources are used exclusively for specified road and bridge improvement projects and the expanded resurfacing program. In FY 2010/11, 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. This fee generates \$5.9 million for needed capital infrastructure projects.

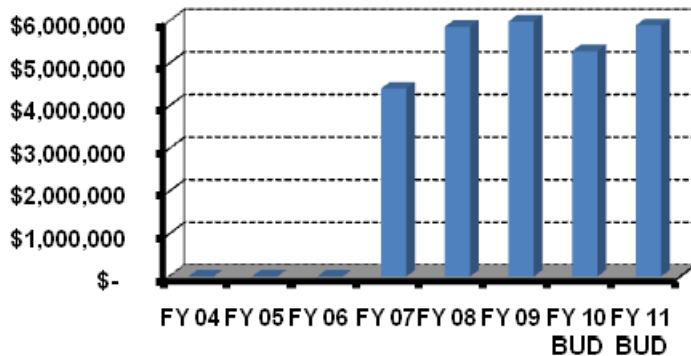
Hospitality Tax

Spartanburg County's 2% Local Hospitality tax on prepared meals and beverages became effective January 1, 2008. The Local Hospitality Tax provides a dedicated source of revenue and an appropriate and efficient means of funding tourist-related infrastructure and capital improvement projects. It is the Council's intent to enhance the County's appeal to tourists through further development of the County as a destination for tourist related activities. It is estimated to generate \$2,900,000 in FY 2010/11, an 11% increase based on actual collection history.

HOSPITALITY TAX



PARKS COMMISSION REVENUES



Parks and Recreation

A Parks and Recreation Commission was created in FY 2006/07, along with a new Special Revenue Fund. Recreation activities were previously budgeted in General Fund. Revenue is received from millage approved by County Council, along with user fees and miscellaneous activities. Millage generated \$4.48 million in FY 2007/08; approximately \$4.24 million in FY 2008/09; and the FY 2009/10 budgeted estimate is approximately \$5 million. The millage will be increased in accordance to provisions in Act 388—Consumer Price Index (CPI) at 0% and population increase at 1.5%. \$208,000 will

be transferred from the Hospital Tax Fund to support new park operations.

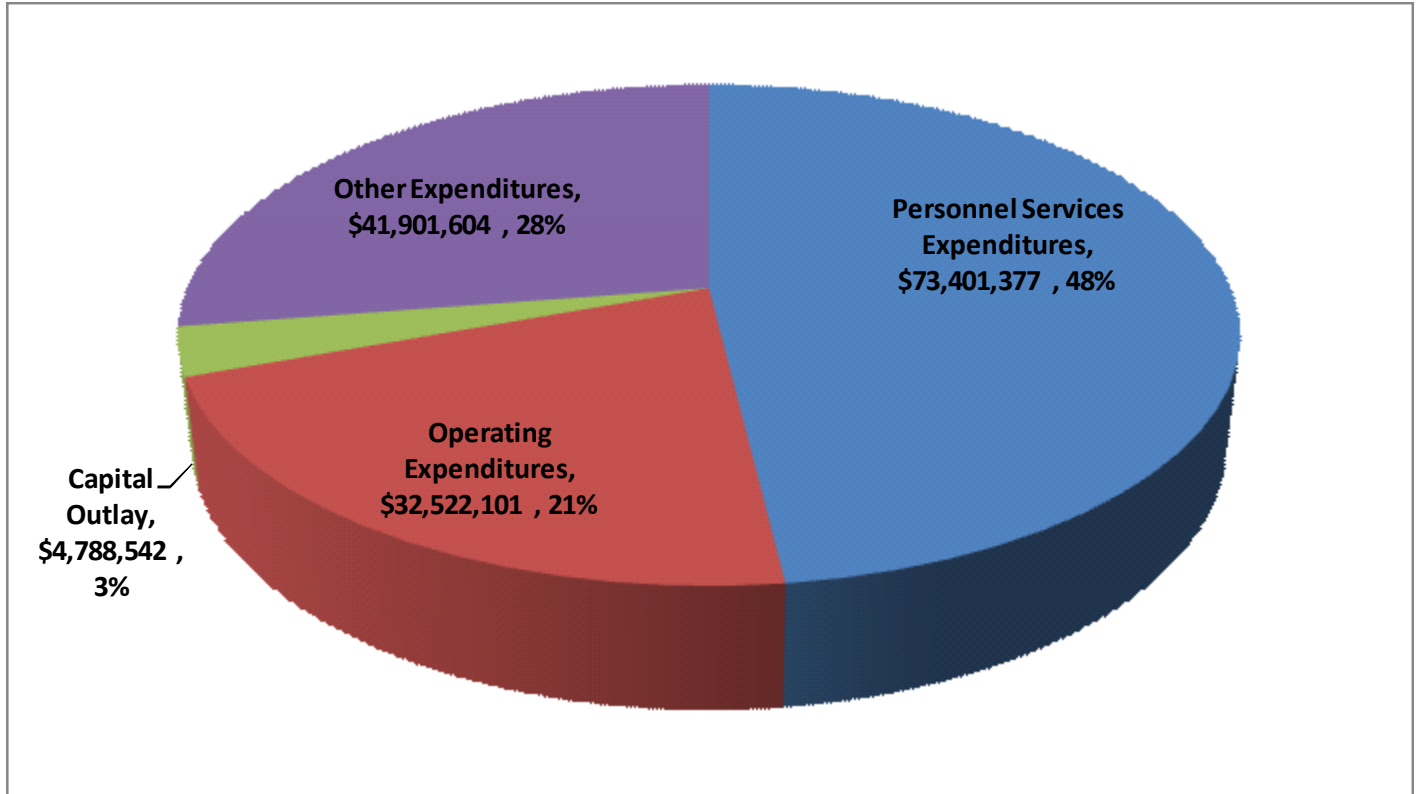
FY 2010/11 CONSOLIDATED EXPENDITURE SUMMARY

FUND	DEPT NO.	DEPARTMENT	FY 07/08	FY 08/09	FY 09/10	FY 10/11	\$ INC/DEC
			ACTUAL	ACTUAL	BUDGET	BUDGET	FY 11 - 10
1	9103	County Council	318,012	313,717	366,116	336,059	(30,057)
1	9100	County Delegation	57,804	64,455	66,696	65,597	(1,100)
1	9110	County Administration	475,926	458,579	489,762	486,984	(2,778)
		TOTAL, COUNTY LEADERSHIP	851,742	836,751	922,574	888,639	(33,934)
1	9150	County Auditor	963,563	987,134	1,007,903	1,014,596	6,693
1	9153	County Treasurer	906,514	960,561	979,551	990,078	10,528
1	9159	Assessor's Office	2,444,602	2,930,033	2,296,835	2,261,229	(35,606)
1	9120	Register of Deeds	2,124,056	1,835,720	1,606,843	1,635,795	28,952
1	9165	Delinquent Tax	439,733	518,772	1,129,486	1,107,304	(22,182)
		TOTAL, TAX COLLECTION	6,878,469	7,232,219	7,020,617	7,009,003	(11,614)
1	9300	Sheriff's Office	22,518,824	22,218,206	20,826,546	20,442,256	(384,290)
1	9310	Detention Facility	14,848,445	14,314,818	12,887,293	13,512,376	625,082
1	9305	Coroner	1,021,725	1,045,908	823,412	880,345	56,933
1	9506	Emergency Medical Services	718,504	1,928,610	1,709,648	1,304,222	(405,426)
1	9556	Emergency Management	230,553	243,231	150,043	153,360	3,317
1	9557	Hazardous Materials (HAZ MAT)	192,073	176,921	206,819	204,920	(1,898)
1	9551	Emergency Services Academy	229,132	260,024	199,733	173,100	(26,633)
1	9238	Communications - County	378,702	327,091	350,994	332,444	(18,550)
1	9236	Communications - Maintenance	231,244	235,993	225,095	216,639	(8,455)
1	9237	Communications - Operations	3,031,058	3,300,363	3,195,587	3,388,991	193,405
1	9415	Environmental Enforcement	1,440,482	1,527,113	1,510,584	791,077	(719,507)
1	9550	Volunteer Fire Departments	60,750	113,037	446,750	442,122	(4,628)
1	9527	Rescue Squads	154,500	118,974	125,750	88,750	(37,000)
	XXXX	Local Law Enforcement Grant	65,032	0	0	0	0
		TOTAL, PUBLIC SAFETY	45,121,023	45,810,290	42,658,253	41,930,604	(727,648)
1	9250	Clerk of Court	2,111,318	2,342,297	2,400,778	2,385,808	(14,970)
1	9268	Circuit Solicitor	3,298,185	3,623,324	3,377,220	3,528,755	151,535
1	9265	Magisterial Court	2,461,508	2,452,743	2,476,261	2,539,716	63,455
1	9264	District Magistrates	654,030	627,534	692,233	643,096	(49,136)
1	9259	Master-in-Equity	357,930	360,678	365,181	365,181	(0)
1	9256	Probate Court	1,050,023	1,079,205	1,106,510	1,112,913	6,404
1	9262	Public Defender	1,523,596	1,517,566	1,465,415	0	(1,465,415)
1	9269	PreTrial Intervention - Adult	249,175	270,526	272,660	269,809	(2,850)
1	9270	PreTrial Intervention - Juvenile	90,362	96,271	101,949	101,949	0
1	9267	Victim Witness Program	147,207	159,482	160,435	160,435	0
		TOTAL, JUDICIAL	11,943,335	12,529,625	12,418,642	11,107,664	(1,310,978)
1	9404	Public Works Administration	150,076	150,839	148,152	161,576	13,424
1	9401	Public Works Engineering	373,259	440,046	324,854	339,257	14,404
1	9405	Roads and Bridges	4,204,279	4,521,602	3,115,129	3,139,058	23,929
		TOTAL, PUBLIC WORKS	4,727,613	5,112,487	3,588,135	3,639,891	51,757
1	9183	Planning and Development	974,190	917,894	1,208,896	1,079,197	(129,700)
1	9180	Economic Development	282,565	282,565	161,201	231,809	70,608
1	9133	Building Codes	1,179,739	1,211,862	1,211,121	1,213,221	2,100
1		Outside Agencies	36,532	27,221	36,485	1,460	(35,025)
		TOTAL, ECON. DEV. and LAND USE	2,473,026	2,439,542	2,617,704	2,525,687	(92,017)

<u>FUND</u>	<u>DEPT NO.</u>	<u>DEPARTMENT</u>	<u>FY 07/08 ACTUAL</u>	<u>FY 08/09 ACTUAL</u>	<u>FY 09/10 BUDGET</u>	<u>FY 10/11 BUDGET</u>	<u>\$ INC/DEC FY 11 - 10</u>
1	9116	Human Resources	520,849	586,355	666,146	625,206	(40,940)
1	9111	Office of Budget Management	292,082	291,527	333,663	341,853	8,190
1	9168	Finance Department	577,133	582,399	637,056	594,586	(42,470)
1	9156	Internal Auditor	160,298	193,754	193,181	194,894	1,712
1	9171	Purchasing	192,060	201,932	209,996	192,755	(17,241)
1	9163	Information Technologies	1,023,445	1,271,042	1,266,961	1,345,360	78,399
1	9164	Geographic Information Services (GIS)	450,968	458,831	412,584	392,038	(20,546)
1	9607	Facilities Maintenance	3,371,670	3,336,915	3,273,291	2,782,627	(490,664)
1	9113	Legal Services	267,031	299,361	271,002	413,553	142,551
1	9200	Non-Departmental	3,784,010	3,668,461	4,800,863	3,062,509	(1,738,354)
		TOTAL, OPERATIONAL SUPPORT	10,639,546	10,890,575	12,064,743	9,945,380	(2,119,363)
1	9123	Registration and Elections	797,156	670,644	719,849	703,966	(15,884)
1	9129	Veterans Affairs	288,845	330,474	310,899	310,849	(50)
1	9503	Indigent Care Services	928,880	878,402	870,889	752,393	(118,496)
1		Outside Agencies	1,217,606	1,258,227	1,113,943	1,765,959	652,016
		TOTAL, HEALTH & HUMAN SERVICES	3,232,487	3,137,747	3,015,581	3,533,166	517,586
1	0	Outside Agencies	265,280	266,150	266,150	0	(266,150)
		TOTAL, QUALITY OF LIFE	265,280	266,150	266,150	0	(266,150)
1	9999	Transfers	1,685,257	1,635,060	740,602	1,976,960	1,236,358
		TOTAL, TRANSFERS/OTHER	1,685,257	1,635,060	740,602	1,976,960	1,236,358
1		TOTAL, ALL GENERAL FUND DEPTS.	87,817,778	89,890,444	85,313,000	82,557,000	(2,756,000)
2		TOTAL, ROAD MAINTENANCE FEE FUND	5,079,130	6,497,264	6,902,452	5,035,000	(1,867,452)
3		TOTAL, STORMWATER MGMT FUND	762,079	1,433,236	808,223	1,037,000	228,777
4		TOTAL, SOLID WASTE FUND	10,720,388	8,964,862	6,658,108	8,543,000	1,884,892
7		TOTAL, SADAC FUND	3,804,031	4,112,269	3,981,941	3,973,251	(8,690)
9		TOTAL, SPECIAL REVENUE FUND	8,031,077	6,930,914	3,120,796	2,902,960	(217,836)
12		TOTAL, PUBLIC DEFENDER 7TH CIRCUIT FUND		0	0	1,902,385	1,902,385
14		TOTAL, COMM. AND ECON. DEV. FUND	1,968,770	2,093,732	1,951,052	2,000,296	49,244
18		TOTAL, CAPITAL PROJECTS FUND	3,299,466	272,000	126,026	0	(126,026)
19		TOTAL, 9-1-1 PHONE SYSTEM FUND	1,305,682	1,329,997	1,475,644	1,356,000	(119,644)
20		TOTAL, PALMETTO LANDFILL FUND	729,323	440,067	0	0	0
22		TOTAL, PARKS & RECREATION FUND	4,144,713	5,014,222	5,288,698	5,892,853	604,155
23		TOTAL, HOSPITALITY TAX FUND	30,600	1,774,910	2,605,000	3,766,000	1,161,000
28		TOTAL, JAIL MAINTENANCE FUND	418,250	(46,486)	0	0	0
30		TOTAL, WORKFORCE INVESTMENT BOARI	6,912,355	6,883,822	5,631,723	5,899,798	268,075
60		TOTAL, SPARTANBURG COMM. COLLEGE	4,614,253	5,158,170	5,490,000	6,868,000	1,378,000
61		TOTAL, CHARLES LEA CENTER	1,047,208	1,219,391	1,278,000	1,278,000	0
66		TOTAL, COUNTY LIBRARY SYSTEM	11,624,524	11,285,765	11,685,136	11,582,316	(102,820)
70		TOTAL, DEBT SERVICE FUND	7,583,848	7,983,511	5,582,680	8,019,766	2,437,086
		TOTAL, ALL COUNTY FUNDS	159,893,475	161,238,090	147,898,479	152,613,624	4,715,145

FY 2010/11 RECOMMENDED EXPENDITURES BY TYPE

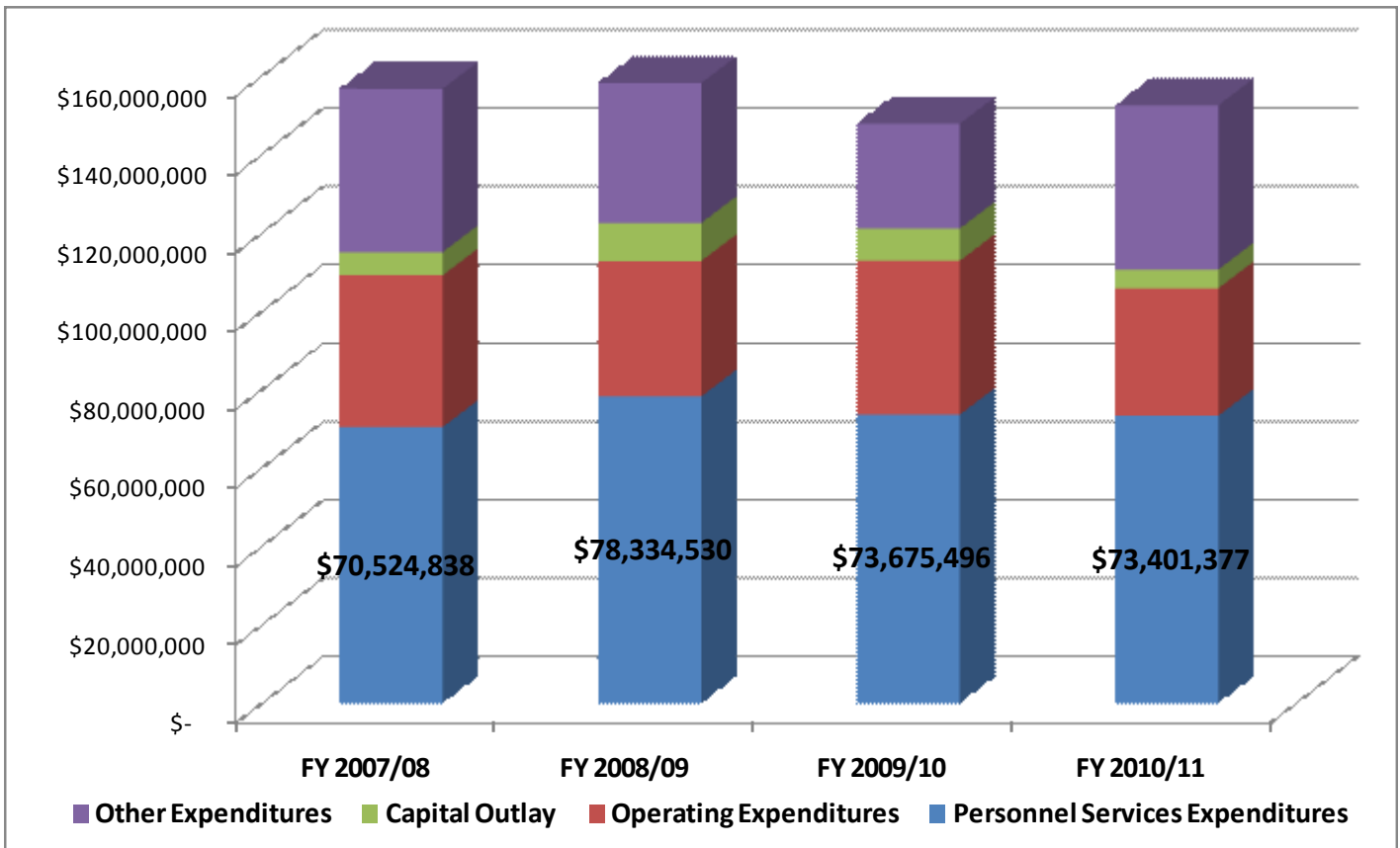
In the financial information for each department, division, and fund, expenditures are organized by type. Types of expenditures include: *Personnel Services Expenditures* (salaries, health insurance, retirement, etc.); *Operating Expenditures* (office supplies, software, clothing, etc.); *Capital Outlay* (desks, chairs, computer equipment, etc.); and *Other Expenditures* (transfers, outside agency contributions, etc.). The pie chart below shows the distribution of expenditures by type for FY 2010/11.



* For purposes of this chart, the annual appropriation for Emergency Medical Services is classified under Other Expenditures. Transfers to other funds (i.e. County Library System, Charles Lea Center, etc.) are also classified as Other Expenditures.

EXPENDITURES	FY 2010/11 EXPENDITURES BY TYPE					
	FY 2006/07 ACTUAL	FY 2007/08 BUDGET	FY 2008/09 BUDGET	FY 2009/10 BUDGET	FY 2010/11 BUDGET	INC/DEC FY 11 - 10
Personnel Services Expenditures	\$ 67,731,307	\$ 70,524,838	\$ 78,334,530	\$ 73,675,496	\$ 73,401,377	\$ (274,119)
Operating Expenditures	\$ 34,749,054	\$ 38,716,180	\$ 34,532,044	\$ 39,264,506	\$ 32,522,101	\$ (6,742,405)
Capital Outlay	\$ 8,919,700	\$ 5,905,062	\$ 9,712,369	\$ 8,242,142	\$ 4,788,542	\$ (3,453,600)
Other Expenditures	\$ 30,277,711	\$ 41,682,582	\$ 35,698,701	\$ 26,716,335	\$ 41,901,604	\$ 15,185,269
EXPENDITURE TOTAL	\$ 141,677,772	\$ 156,828,663	\$ 158,277,644	\$ 147,898,479	\$ 152,613,624	\$ 4,715,146

Using the data from the previous page, this stacked bar graph shows a four-year analysis including the FY 2010/110 Recommended Budget of all expenditures by type. Personnel Services Expenditures account for the largest portion of expenditures, ranging from forty-five percent (45%) to fifty percent (50%) over the four-year period. The dollar amount on the stacked bar graph represents Personnel Services Expenditures.



* For purposes of this graph, the annual appropriation for Emergency Medical Services is classified under Other Expenditures.

COUNTY PERSONNEL COUNTY ORGANIZATION CHART

The new Organizational Chart will be included in the Adopted Operating Budget book.

LIST OF PRINCIPAL COUNTY OFFICIALS

(As of April 2010)

Title (*Denotes Elected Official)

Name

County Council

*Chairman at Large	Jeffrey A. Horton
*District 1	Michael D. Brown
*District 2	O'Neal Mintz
*District 3	David Britt
*District 4	Jane W. Hall
*District 5	Dale Culbreth
*District 6	Tom Foster

General Government

County Administrator	D. Glenn Breed
Deputy County Administrator	James H. Hipp
Assistant County Administrator	(Vacant)
Budget Management Director	Linda Blackerby
Finance Director	A.G. Rickett / Sabrina Mason
Assessor	Guilford Bulman
*Auditor (Assessed Valuations)	Sharon West
Internal Auditor	Lisa Benfield
Acting Delinquent Tax Collector	Steve Ford
County Attorney	Edwin Haskell
GIS Director	Rod Brown
Planning and Development Director	(Vacant)
Procurement Director	Michael Emory
Human Resources Director	Tony Bell
Information Technologies Director	Kim Danner
Acting Records Mgmt/Register of Deeds Director	Dorothy Earle
Registrations and Elections Director	Henry Laye, III
*Treasurer	Oren L. Brady, III

Judicial

*Circuit Solicitor	Trey Gowdy
*Clerk of Court	Hope Blackley
Master-In-Equity	Gordon G. Cooper
*Probate Court	Ponda Caldwell
Public Defender	Clay Allen
Magisterial Court	David J. Turner

Public Safety

Environmental Enforcement Director	Don Arnold
Office of Emergency Services Director	(Vacant)
*Coroner	Rusty Clevenger
Detention Facilities Director	Larry W. Powers
Emergency Medical Services Director	Jimmy Greene
Building Codes Director	Michael Padgett
*Sheriff	Chuck Wright, Jr.

Title (*Denotes Elected Official)

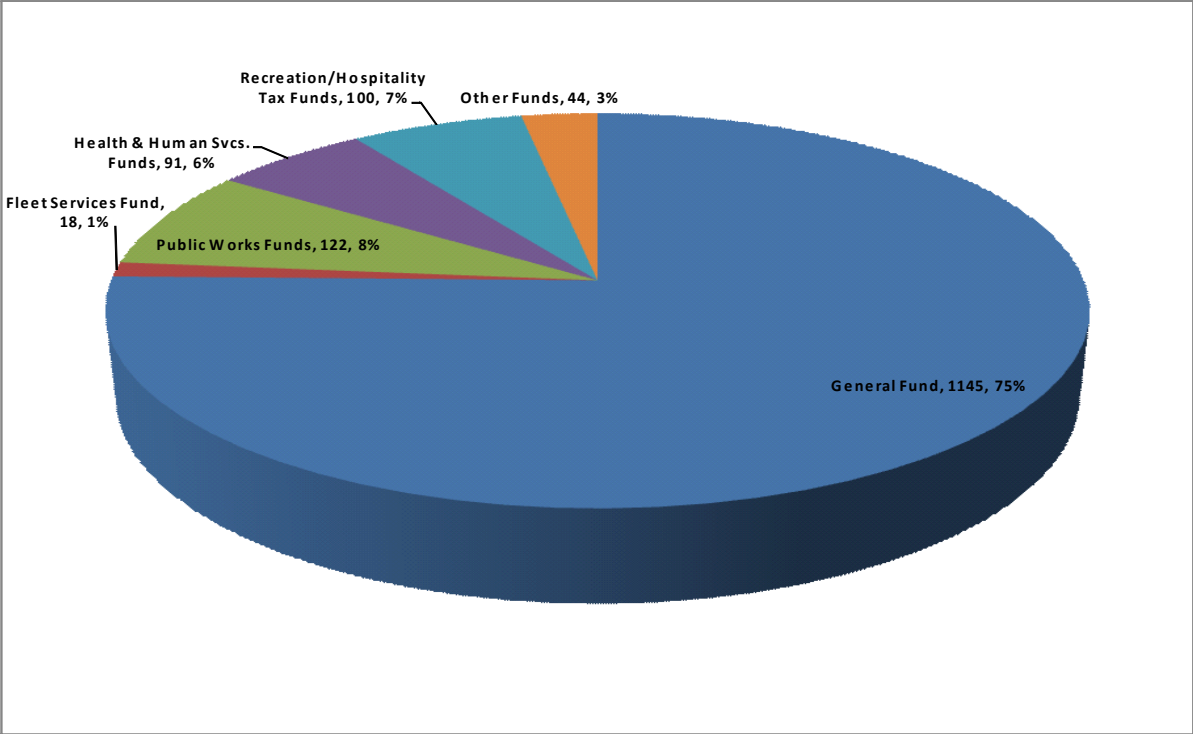
Name

Other

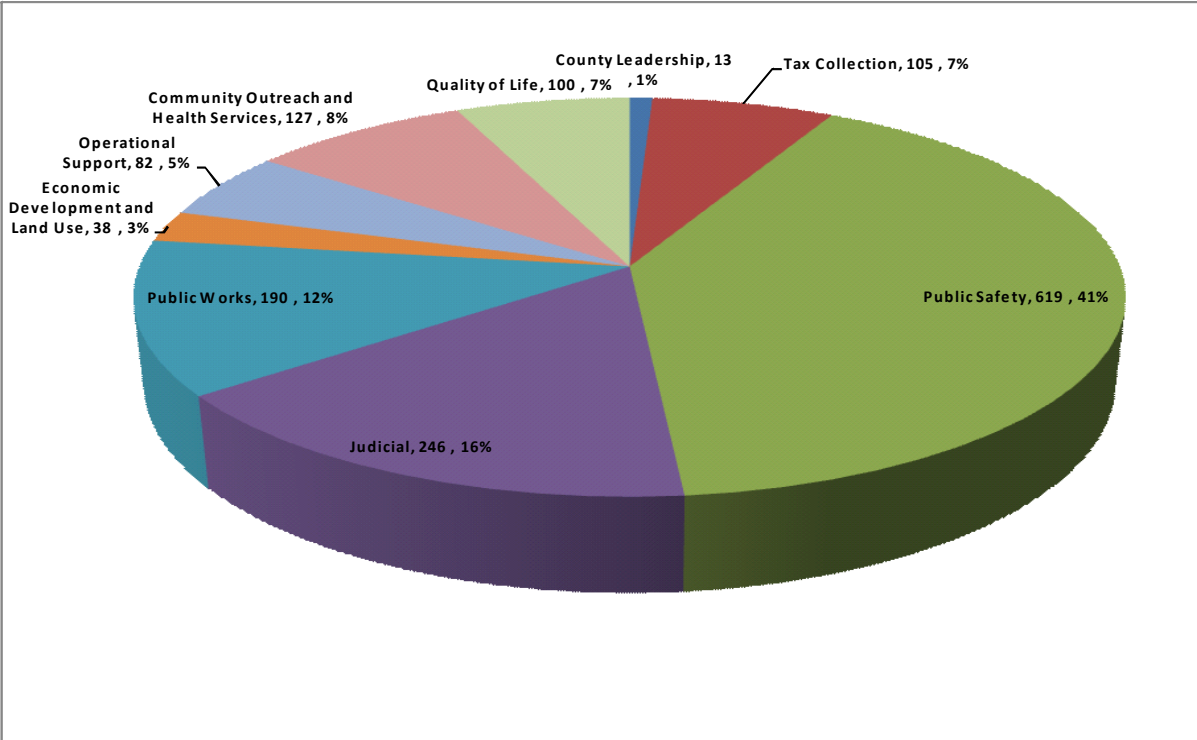
Alcohol and Drug Abuse Director	David L. Forrester
Library Director	Todd Stevens
Public Works Director	Michael N. Garrett
Public Works Director of Operations	Steve Belue
Fleet Services Director	Johnnie Lewis
Parks and Recreation Director	Jeffrey Caton
Veteran's Affairs Director	Gerald Keihl
Community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

AUTHORIZED COUNTY PERSONNEL SUMMARY 1,520 RECOMMENDED AUTHORIZED POSITIONS

FY 2010/11 AUTHORIZED PERSONNEL BY FUND



FY 2010/11 AUTHORIZED PERSONNEL BY PROGRAM



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, 2010 AND ENDING JUNE 30, 2011; 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, 2010, and ending June 30, 2011, 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:

	Estimated FY11 Millage
General Fund	52.1 Mills
County Fire	0.5 Mills
Stormwater Management	1.0 Mills

General Fund:

07100 TAXES-CURRENT	\$ 52,227,622
07150 DELINQUENT TAXES	4,000,000
07200 PERMITS	440,500
07220 FINES	3,151,000
07240 FEES & COST	4,761,900
07260 INTEREST INCOME	600,000
07300 STATE SOURCES	10,222,000
07350 FEDERAL SOURCES	175,000
07400 MISCELLANEOUS	4,452,200
07440 EMERGENCY PREPAREDNESS	26,000
07460 STATE SUPPLEMENTS	736,000
07699 FUND BALANCES	(2,597,986)
07870 PLANNING DEPT-PROJECTS	122,000
07999 INDIRECT COST ALLOCATION	1,663,444
09129 VETERANS AFFAIRS	32,000
09200 NON-DEPARTMENTAL	11,700
09267 VICTIM/WITNESS PROGRAM	15,000
09268 CIRCUIT SOLICITOR	225,000
09269 PRETRIAL - ADULT	409,000
09270 PRETRIAL - JUVENILE	17,000

09300 SHERIFF	1,540,000
09527 RESCUE SQUADS	43,000
09551 EMERGENCY SERVICES ACADE	22,000
09999 TRANSFERS BETWEEN FUNDS	262,620
GENERAL FUND	\$ 82,557,000

Road Maintenance Fee Fund:

07244 ROAD MAINTENANCE FEES	5,900,000
07260 INTEREST INCOME	10,000
07699 FUND BALANCES	(875,000)
ROAD MAINTENANCE FEE	\$ 5,035,000

Storm Water Management Fund:

07100 TAXES-CURRENT	974,000
07150 DELINQUENT TAXES	50,000
07260 INTEREST INCOME	13,000
STORM WATER MANAGEMENT	\$ 1,037,000

Solid Waste Management Fund:

07260 INTEREST INCOME	80,000
07400 MISCELLANEOUS	90,071
07699 FUND BALANCES	942,929
07700 LANDFILL REVENUES	7,430,000
SOLID WASTE MANAGEMENT	\$ 8,543,000

Fleet Services Fund:

09421 CHARGES FOR SERVICE	1,092,500
09999 TRANSFER FUNDS	(1,092,500)
FLEET SERVICES FUND	\$0

Alcohol & Drug Abuse Fund:

07260 INTEREST INCOME	20,000
07699 FUND BALANCES	737,959
07730 ALCOHOL & DRUG ABUSE REV	3,215,292
ALCOHOL & DRUG ABUSE	\$ 3,973,251

Special Revenue Fund:

07300 STATE SOURCES	442,000
09258 SOLICITOR GRANTS	59,557
09266 JUVENILE ARBITRATION	57,614
09300 SHERIFF	58,000
09400 ADMINISTRATION	250,000
09402 C FUNDS	1,464,967
09640 SOCIAL SERVICES	71,419
09875 TRANSPORTATION PLANNING	453,740
09999 TRANSFERS BETWEEN FUNDS	45,662
SPECIAL REVENUE FUND	\$ 2,902,959

Public Defender 7th Circuit:

09261 PUBLIC DEFENDER CHEROKEE	327,349
09262 PUBLIC DEFENDER SPARTANB	677,000
09999 TRANSFERS BETWEEN FUNDS	898,035
PUBLIC DEFENDER 7TH CIRCUIT	\$ 1,902,384

Community Development:

07699 FUND BALANCES	20,000
09876 HUD ENTITLEMENT FUNDS	1,237,035
09887 CDBG HUD HOME	552,069
09999 TRANSFERS BETWEEN FUNDS	191,192
COMMUNITY DEVELOPOMENT	\$ 2,000,296

911 Phone System Fund:

07400 MISCELLANEOUS	1,350,000
07699 FUND BALANCES	6,000
911 PHONE SYSTEM FUND	\$ 1,356,000

Hospitality Tax Fund:

07260 INTEREST INCOME	1,000
07400 MISCELLANEOUS	2,904,000
07699 FUND BALANCES	861,000
HOSPITALITY TAX FUND	\$ 3,766,000

Workforce Investment Board:

07800 WORKFORCE INVESTMENT BOA	5,899,798
WORKFORCE INVESTMENT BOARD	\$ 5,899,798

Debt Service Fund:

07100 TAXES-CURRENT	3,257,877
07150 DELINQUENT TAXES	280,000
09512 MOUNTAINVIEW NURSING HOM	17,000
09606 MEMORIAL AUDITORIUM	551,955
09901 USC UPSTATE	67,834
09999 TRANSFERS BETWEEN FUNDS	3,845,100
DEBT SERVICE FUND	\$ 8,019,766

Special Purpose Funds: (All taxable property)

07100 TAXES-CURRENT	4,855,528
07150 DELINQUENT TAXES	235,000
07260 INTEREST INCOME	4,750
07400 MISCELLANEOUS	27,650
09201 SPECIAL PROJECTS	285,000
09215 REC CENTERS/COUNTY	5,000
09217 RECREATION/ATHLETICS	52,000
09218 RECREATION/TRAIN	28,000
09219 DSS SUMMER LUNCH PROGRAM	46,000
09221 CLEVELAND PARK	140,000
09230 RECREATION PROJECTS	6,000
09999 TRANSFERS BETWEEN FUNDS	207,925
COUNTY RECREATION DISTRICT	\$ 5,892,853
SPARTANBURG COMMUNITY COLLEGE	\$ 6,868,000
CHARLES LEA CENTER	\$ 1,278,000
COUNTY LIBRARY FUND	\$ 11,582,316
TOTAL ALL FUNDS	\$ 152,613,624

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. 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. 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. 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.

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 21, 2010, 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, 2010 and ending June 30, 2011, to wit:

General Fund:

09100 COUNTY DELEGATION	\$	65,596
09103 COUNTY COUNCIL		336,058
09110 COUNTY ADMINISTRATOR		486,985
09111 BUDGET MANAGEMENT		341,853
09113 LEGAL SERVICES		413,553
09116 HUMAN RESOURCES		625,206
09120 REGISTER OF DEEDS		1,635,795
09123 REGISTRATION & ELECTIONS		703,965
09129 VETERANS AFFAIRS		310,849
09133 BUILDING CODES		1,213,221
09150 AUDITOR		1,014,597
09153 TREASURER		990,079
09156 INTERNAL AUDITOR		194,894
09159 ASSESSOR		2,261,229
09163 INFORMATION TECHNOLOGIES		1,345,360
09164 GIS		392,038

09165 DELINQUENT TAX	1,107,304
09168 FINANCE	594,587
09171 PURCHASING	192,756
09180 ECONOMIC DEVELOPMENT	231,809
09183 PLANNING & DEVELOPMENT	1,079,196
09200 NON-DEPARTMENTAL	3,062,509
09236 COMMUNICATIONS-MAINT.	216,639
09237 COMMUNICATIONS-OPERATIONS	3,388,992
09238 COMMUNICATIONS-COUNTY	332,444
09250 CLERK OF COURT	2,385,809
09256 PROBATE COURT	1,112,913
09259 MASTER-IN-EQUITY	365,182
09264 DISTRICT MAGISTRATES	643,097
09265 MAGISTERIAL COURT	2,539,716
09267 VICTIMWITNESS PROGRAM	160,435
09268 CIRCUIT SOLICITOR	3,528,754
09269 PRETRIAL - ADULT	269,810
09270 PRETRIAL - JUVENILE	101,949
09300 SHERIFF	20,442,257
09305 CORONER	880,345
09310 DETENTION FACILITY	13,512,375
09401 ENGINEERING	339,258
09404 PUBLIC WORKS ADMINISTRATIATION	161,575
09405 ROADS & BRIDGES	3,139,058
09415 ENVIRONMENTAL ENFORCEMENT	791,077
09503 INDIGENT CARE SERVICES	752,393
09506 EMERGENCY MEDICAL SERVICE	1,304,222
09507 TRANS SERVICE BUREAU	48,500
09512 MOUNTAINVIEW NURSING HOME	95,259
09515 AREA MENTAL HEALTH	365,600
09518 HEALTH DEPARTMENT	270,000
09527 RESCUE SQUADS	88,750
09550 VOLUNTEER FIRE DEPT	442,122
09551 EMERGENCY SERVICES ACADEMY	173,101
09556 EMERGENCY MANAGEMENT	153,361
09557 HAZ MAT TEAM	204,920
09607 FACILITIES MAINTENANCE	2,782,627
09620 COUNTY EXTENSION OFFICE	1,460
09640 SOCIAL SERVICES	141,500
09643 SENIOR CENTERS OF SPARTBG	80,100
09645 HUMANE SOCIETY	675,000
09649 GIRLS HOME (E.H.SMITH)	31,500
09652 GLENN SPRINGS ACADEMY	58,500
09999 TRANSFERS BETWEEN FUNDS	1,976,960
GENERAL FUND TOTAL	\$ 82,557,000

Road Maintenance Fee Fund:

09400 ADMINISTRATION	5,035,000
ROAD MAINTENANCE FEE	\$ 5,035,000

Storm Water Management Fund:

09400 ADMINISTRATION	612,000
09999 TRANSFERS BETWEEN FUNDS	425,000
STORM WATER MANAGEMENT	\$ 1,037,000

Solid Waste Management Fund:

09400 ADMINISTRATION	861,011
09410 SOLID WASTE COLLECTION	2,672,949
09415 ENVIRONMENTAL ENFORCEMENT	388,977
09700 LANDFILLS	1,657,412
09701 LANDFILL ENGINEERING	743,866
09999 TRANSFERS BETWEEN FUNDS	2,218,785
SOLID WASTE MANAGEMENT	\$ 8,543,000

Fleet Services Fund:

09420 FLEET SERVICES	1,092,501
09421 FLEET SERVICES ALLOCATION	-1,092,501
FLEET SERVICES FUND	\$0

Alcohol & Drug Abuse Fund:

09730 SADAC-ADMINISTRATIVE	22,317
09732 SADAC-COMMUNITY REFERRAL	1,036,502
09733 SADAC - AET GRANT	97,836
09734 SADAC - YAS	195,100
09735 BRIDGE GRANT	155,386
09736 SADAC-ADSAP	582,057
09740 SADAC-PREVENTION	243,595
09742 SADAC-DETOX	825,645
09744 SADAC - DRUG COURT	281,371
09745 DAODAS HIV Outpatient	65,000
09747 ADL I O P	139,001
09748 SADAC-IOP	314,940
09999 TRANSFERS BETWEEN FUNDS	14,500
ALCOHOL & DRUG ABUSE	\$ 3,973,251

Special Revenue Fund:

07300 STATE SOURCES	442,000
09258 SOLICITOR GRANTS	59,557
09266 JUVENILE ARBITRATION	57,614
09300 SHERIFF	58,000
09400 ADMINISTRATION	250,000
09402 C FUNDS	1,464,967
09640 SOCIAL SERVICES	117,081
09875 TRANSPORTATION PLANNING	191,120
09999 TRANSFERS BETWEEN FUNDS	262,620
SPECIAL REVENUE FUND	\$ 2,902,959

Public Defender 7th Circuit:

09261 PUBLIC DEFENDER CHEROKEE	327,349
09262 PUBLIC DEFENDER SPARTANBU	1,575,035
PUBLIC DEFENDER 7TH CIRCUIT	\$ 1,902,384

Community Development:

09876 HUD ENTITLEMENT FUNDS	1,236,765
09881 COMMUNITY DEVELOPMENT	211,346
09887 CDBG HUD HOME	552,185
COMMUNITY DEVELOPMENT	\$ 2,000,296

911 Phone System Fund:

09164 GIS	188,827
09237 COMMUNICATIONS-OPERATIONS	1,060,173
09999 TRANSFERS BETWEEN FUNDS	107,000
911 PHONE SYSTEM FUND	\$ 1,356,000

Hospitality Tax Fund:

09400 ADMINISTRATION	201,337
09670 SPTG CO REGIONAL MUSEUM	39,150
09673 ARTS PARTNERSHIP	227,000
09999 TRANSFERS BETWEEN FUNDS	3,298,513
HOSPITALITY TAX FUND	\$ 3,766,000

Workforce Investment Board:

09800 WIB COORDINATOR	5,899,798
WORKFORCE INVESTMENT BOARD	\$ 5,899,798

Debt Service Fund:

09699 BOND DEBT SERVICE	3,578,307
09884 EPA/BROWNFIELD	47,133
09901 USC UPSTATE	237,650
09902 COPS TOURISM	1,390,588
09909 SOLID WASTE REVENUE BOND	1,270,673
09998 LEASE/DEBT PAYMENTS	1,495,415
DEBT SERVICE FUND	\$ 8,019,766

Special Purpose Levy: (All taxable property)

SPARTANBURG COMMUNITY COLLEGE	\$ 6,868,000
CHARLES LEA CENTER	\$ 1,278,000
COUNTY LIBRARY FUND	\$ 11,582,316
COUNTY RECREATION DISTRICT	\$ 5,892,853
TOTAL APPROPRIATIONS ALL FUNDS	\$ 152,613,624

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, 2010 and ending June 30, 2011, as stated below to produce the amounts hereinafter mentioned and set forth herein:

	FY 2010/11 Budget	Estimated Millage Rate
Spartanburg Community College	\$ 5,148,488	5.6 Mils
Charles Lea Center	\$ 1,161,013	1.3 Mils
County Library	\$ 9,427,422	10.6 Mils
Debt Service Fund	\$ 2,857,877	3.2 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, 2010 and ending June 30, 2011, as stated below to produce the amounts hereinafter mentioned and set forth herein:

	FY 2010/11 Budget	Estimated Millage Rate
Parks Commission Fund	\$ 4,449,692	5.9 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, 2010 and ending June 30, 2011, as stated below to produce the amounts hereinafter mentioned and set forth herein:

Special Tax Districts	FY 2010/11 Budget	Estimated Millage Rate
Campobello	\$ 213,724	27.1
Chesnee Community	\$ 191,464	19.1
Cooley Springs	\$ 139,407	23.9
Cowpens	\$ 124,196	30.1
Cross Anchor	\$ 71,615	30.7
Draper	\$ 5,171	12.5
Duncan	\$ 257,248	17.5
East Greer	\$ 146,312	38.9
Enoree Community	\$ 27,636	5.4
Inman Community	\$ 516,250	22.0
Inman Town	\$ 1,583	3.5
Hobbysville	\$ 55,935	16.8
Landrum	\$ 102,459	10.7
Poplar Springs	\$ 743,030	15.5
Tyger River	\$ 896,902	29.4
Una	\$ 228,414	21.5
Woodruff	\$ 295,413	20.9

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, 2010 and ending June 30, 2011, as stated below to produce the amounts hereinafter mentioned and set forth herein:

Special Tax Districts	FY 2010/11 Budget	Estimated Millage Rate
Lakewood Hills	\$ 4,011	8.0 Mils
Twin Lakes	\$ 41,268	17.0Mils

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

SECTION 9. The County Administrator shall administer the budget and may authorize the transfer of appropriated funds between line item accounts within a department or non-departmental account, between departments or non-departmental accounts, and to establish new accounts as necessary to achieve the goals of this budget and for the purpose of providing continuing County services approved by County Council in the Budget Ordinance provided, however, that all transfers of appropriated funds between departments, non-departmental

accounts, or to establish new funds shall first be approved by County Council in accordance with the procedures set forth in 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 County 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, 2010, 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 2010 budget items encumbered but unpaid at the close of the fiscal year shall be carried forward from the fiscal year 2010 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 2011 as a result of new grants, donations, and other miscellaneous and unplanned revenue in amounts less than \$250,000 (Two hundred fifty thousand dollars) shall be accepted on behalf of the County by the Administrator who will adjust line items accordingly.

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, 2010.

SPARTANBURG COUNTY COUNCIL

By: _____
Jeffrey A. Horton, Chairman

ATTEST:

D. Glenn Breed
County Administrator

First Reading:
Second Reading:
Public Hearing:
Third Reading:

LEGAL COMPLIANCE

I hereby certify that, in my opinion, the proposed budget does not exceed anticipated revenues for Fiscal Year 2011, and is in full compliance with Section 4-9-140, 1976 South Carolina Code of Laws, as amended.

D. Glenn Breed
County Administrator

