Council Members
District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

County Administrator
Dennis E. Marstall

County Attorney
Ginny L. Merck-Dupont

Clerk to Council
Sherrie Simpson

May 31, 2023 | **4:00 PM** | **101 North Main Street, Lancaster, SC 29720**

LANCASTER COUNTY COUNCIL
County Council Chambers, County Administration Building, 101 North Main Street, Lancaster, SC 29720

BUDGET WORKSHOP AGENDA

1. **Call to Order - Chairman Steve Harper**

2. **Welcome and Recognition - Chairman Steve Harper**

3. **Pledge of Allegiance and Invocation - Council Member Brian Carnes**

4. **Approval of the Agenda**

   [deletion and additions of non-substantive matter]

5. **Citizens Comments**

   [Lancaster County Council welcomes comments and input from citizens who may not be able to attend Council meetings in person. Written comments may be submitted via mail to ATTN: Sherrie Simpson, Post Office Box 1809, Lancaster, SC, 29721, by email to Sherrie Simpson at ssimpson@lancastersc.net or by online submission by selecting the "Citizens Comments" quick link located on the County website homepage at https://www.mylancastersc.org/. Comments must be no longer than approximately 3 minutes when read aloud. Comments received will be acknowledged during the Citizens Comments portion of the meeting. Comments will need to be received prior to 4:00 p.m. on the day of the meeting. Please use the same link above in order to submit input/comments for Public Hearings.]

6. **Discussion and Action Items**

   a. Budget Considerations Regarding Compensation for Fiscal Year 2023-2024 Budget and Other Related Matters - Dennis Marstall / Kim Belk

7. **Adjournment**

Anyone requiring special services to attend this meeting should contact 285-1565 at least 24 hours in advance of this meeting. Lancaster County Council agendas are posted at the Lancaster County Administration Building and are available on the Website: **www.mylancastersc.org**

Meetings are live streamed and can be found by using the following link:
https://www.youtube.com/@LancasterCoSCGov/streams

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1849
Contact Person / Sponsor: Dennis Marstall/Administration
Department: Administration
Date Requested to be on Agenda: 5/31/2023

Council Action Requested:
Provide Council feedback on items in the fiscal year 2023-2024 budget recommendation, as discussed during the 1st reading of Ordinance 2023-1849.

Points to Consider:
A balanced budget recommendation for FY 24 was presented for first reading on May 22, 2023.

The Administrator's recommended budget highlights a 6.5% pay increase for all full-time employees, with a recruitment and retention adjustment pool to increase compensation for specific and targeted positions, including an increased pay structure for Fire Rescue and several front line and other positions.

During the first reading, Councilmembers expressed interest in reviewing a larger pay increase for public safety employees, specifically wanting to see a 10% pay increase for sworn Sheriff's personnel and Corrections staff, plus an 8% increase for EMS non-administrative employees, and a new fire pay structure that is more competitive than area Fire Rescue services.

Staff will review budgetary numbers reflecting the requested information , as well as other budgetary issues raised during the May 22 meeting, related to the debt service fund, fund balance usage, and fire fee district funding.

Information presented will also include a look at parks and recreation facility rental rates, inspection fees for decks, and consideration of a new fee in the Coroner's Office.

Funding and Liability Factors:
Increasing compensation or making other budget adjustments will alter the recommended 2.3 mil increase identified in the Administrator's recommended budget.

Staff will outline the millage impact on the various requests to increase compensation or other expenditures within the budget.

Examples of the impact of a millage increase for a homeowner with a $250,000 house will be included.

Recommendation:
Provide feedback and guidance for any changes requested before the Second Reading of the Budget Ordinance on June 12.

ATTACHMENTS:

Description	Upload Date	Type
Budget Workshop Presentation May 31	5/26/2023	Presentation

Lancaster County South Carolina

FY2023-2024 Budget Workshop

May 31, 2023

Lancaster County South Carolina

Budget Goals

- Low to no impact on millage
- Competitive Compensation
- Technology, tools & training
- Productive work environments/facilities
- Plan for the future

Re-cap of Budget at First Reading

- Budget is balanced
- Mil Value:
  - Current Year: $455,297
  - FY2024: $480,515
- 2.30 Millage Increase
- $131,585,828, including 17 funds
- 4% growth over the current budget (all funds)
  - $7 million in General Fund

Lancaster County South Carolina

Six New Positions

FY24 Added Personnel			
Dept.	Position(s)	Cost (Total)	Notes
Sheriff	Sheriff Deputy (2)	$203,862	
Firefighter	Firefighter (2)	$176,570	
Delinquent Tax/Records	Records Clerk/Passport	$53,405	
Parks and Recreation	Park & Rec. Scheduler	$59,310	

Lancaster County South Carolina

Recruitment/Retention Adjustment

Adjusts targeted positions to help with staff recruitment and retention totaling **$188,329**

- Provides increase for several frontline positions Clerks I and Clerks II or similar to get to minimum of pay band
- Increases others to get to minimum of pay band or increase hourly wage
- Recognizes growth impact and workload increases, particularly where new positions are not recommended
- Provides $15,335 in administration line to address compaction issues or any other recruitment and retention issues that may arise

Lancaster County South Carolina

Recruitment/Retention Pool

Department	Amount (Approx.)
Administration (to address county-wide pay compaction issues)	15,335
Finance	10,147
Human Resources	3,164
Building Inspections	3,688
Assessor	4,126
Auditor	15,002
Treasurer	5,180
Elections	4,218
Clerk of Court	2,887

Lancaster County South Carolina

Recruitment/Retention Pool

Department	Amount (Approx.)
Coroner Part-time	15,319
Probate Court	983
Magistrate	33,445
EMS	1,345
Roads	14,916
Stormwater	5,169
Airport	9,436
Veterans Affairs	12,095
Parks & Recreation	31,875
Total	**188,329**

Lancaster County South Carolina

Fee Change Follow-up: Building

- $25 per sq.ft. approved in fee schedule since FY21
  - For determination of total job cost estimated valuation
- Permit fee determined using modifier of three-fourths of one percent of estimated value from sq.ft. pricing
  - Modifier has always existed in fee schedule
- These text edits related to residential decks made only to clarify current language
  - Eliminated confusing language already found in the adopted building codes
- York County also uses $25 per sq.ft. valuation for residential decks
- The resulting permit fee in Lancaster County remains lower than York County, Fort Mill, Rock Hill, Chesterfield County, Spartanburg County, and Union County, NC

Lancaster County South Carolina

Fee Change Follow-up: Recreation

Field Rental Comps			
Town	**Activity/Field**	**Type**	**Rate ($)**
Tega Cay	Practice/Game	Hourly	60
	Tournament	Daily	450
Ft. Mill	Practice/Game	Hourly	50
	Tournament	Daily	250
Waxhaw	Tournament	Daily	150
	Tournament	Lined	100
	w/lights	Hourly	12

Lancaster County South Carolina

Fee Change Follow-up: Recreation

Field Rental Comps			
Town	**Activity/Field**	**Type**	**Rate ($)**
Pineville	Stadium	Daily	500
	Regular Fields	Daily	300
	Lights (Residents)	Hourly	10
	Lights (Non-resident)	Hourly	20
	Multipurpose field	Daily	400
	Practices w/lights	Hourly	22, 40, 50*
	Practices w/o lights	Hourly	12, 20, 30*
	Practices w/lights	Hourly - Stadium	25, 55, 65*
	Practices w/lights	Hourly - Multipurpose	25, 50, 60*
	Practices w/o lights	Hourly - Stadium	15, 35, 45*
	Practices w/o lights	Hourly - Multipurpose	15, 30, 40*
	Field Prep - Baseball	Flat	30
	Field Prep - Multipurpose	Flat	35 or 50

*Resident, Non-Resident, Commercial

Fee Change Follow-up: Coroner’s Office

- $50 per day funeral home storage fee
  - Implemented at the Coroner's discretion on a case-by-case basis
  - Aimed to address funeral homes who take advantage of courtesy storage
  - Veterans exempt while awaiting disposition

Fund Balance Policy Follow-up

Fund balance is a measurement of financial resources available. It is the policy of the County to maintain adequate levels of fund balance to mitigate current and future risks and to ensure stable tax rates. For this reason, it is the County's objective to:

(a) Maintain a general fund unassigned fund balance at a level of 28-32 percent of the general fund operating budget; and

(b) If the year-end unassigned fund balance is more than 32 percent of the general fund operating budget, then the then the Administrator will assess and recommend to council ways in which the excess will be allocated during the next annual operating and capital budget process. The surplus can only be allocated for one of the following purposes: (i) One-time capital expenditures which do not increase ongoing operational costs; (ii) Establishing or increasing reserves for special purposes; (iii) Other one-time costs; and (iv) Debt reduction.

Lancaster County South Carolina

Debt Service Fund Follow-up

- Finance provides debt schedule showing what payments will come due during the next fiscal year through September
  - This is to ensure enough money is available for all payments until tax revenue begins to come in
- Treasurer provides letter with the estimated bank account balance associated with the debt fund
- The following is a breakdown of how the debt service millage has been calculated for FY2023/2024:
  - County Bonds due: $4,953,175
  - Carry over amount: -$1,644,930.68
  - Net due: $3,308,244.32
  - Mills needed based on mill value: 6.9 (decrease from 9.6)

Lancaster County South Carolina

New Position: Coroner's Office

- Currently Budgeted Part-time Deputy Coroner Position: approx. $30,000
  - Includes bi-weekly rate for PT Coroner duties plus transport hours accrued
- Full-time Cost: Approx. $91,220
  - Salary: $58,868
  - Fringe: $32,350
- Additional Funding Needed: Approx. $49,360
  - .10 mils additional increase

Pay Proposals for Public Safety: Sheriff's Office

Lancaster County South Carolina

- Non-sworn staff remains at 6.5% increase
- Sworn staff—career ladder pool available totaling 10% of current pay
  - Total Additional Funding Needed: Approx. $334,300
    - Includes Court Security fund
  - .70 mils Additional Increase in General Fund
  - .10 mils Additional Increase in Court Security Fund
- Detention Center—career ladder pool available 10% of current pay
  - Total Additional Funding Needed: $81,900
  - .20 mils Additional Increase in General fund

Lancaster County South Carolina

Pay Proposals for Public Safety: Fire

- Bring to 2023 minimums
  - Framework is the original MGT salary study, and highlights Fire Rescue titles hierarchy
  - Firefighter minimum pay: $44,045
- Total Additional Funding Needed: $281,530
  - .60 mil additional increase
  - Average Increase: $5,692
  - Lowest Increase: $2,866
  - Highest Increase: $20,587

Fire Rescue
Proposed Pay Scale (per updated pay study)
Impacts Fire Fee Districts and Contracted Positions

Rank	Base	Mid-Point	Top
Firefighter	$44,045	$47,980	$60,015
Senior Firefighter	$48,330	$51,440	$65,320
Engineer	$51,237	$55,814	$69,814
Lieutenant	$59,604	$64,929	$81,161
Captain	$69,338	$75,532	$94,478
Battalion Chief	$72,457	$78,929	$98,661
Assistant Chief	$72,924	$79,437	$99,363
Department Deputy Chief	$75,600	$79,437	$99,363
Department Chief	$81,000	$79,437	$99,363
Deputy Director	$84,831	$92,408	$115,587
Director	$103,786	$113,056	$141,415

Lancaster County South Carolina

Pay Proposals for Public Safety: EMS

- An Emergency Medical Technician (EMT) and Paramedic's salary is based on 2080 hours in a year. Normally, this is a 40-hour work week; however, medics have 728 scheduled or built in overtime hours annually because of the hours worked in a shift. They work a 24-hour shift then they are off for 48 hours returning on the fourth day for their next shift.
- A medic's normal work schedule reflects 48 hours the first week of the payroll and 72 hours the second week. This equates to 40 hours of overtime (time and a half) for the payroll week. The very next payroll, a medic's schedule reflects 48 hours the first week and 48 hours the second week resulting in 16 hours of overtime (time and a half) for the payroll week. So, medics are scheduled to work 2080 PLUS 728 overtime hours in a year. That would be 13 weeks of 40 hours of Overtime and 13 weeks of 16 hour of Overtime. This is SCHEDULED and does not include 'picking up' extra shifts.

Example:

A Paramedic's hourly rate is $19.11, and their Overtime rate is $28.67.

19.11 x 2080 = $39,748.80

28.67 x 728 = $20,871.76

Total annual salary for the year without any extra shifts = $60,620.56

Pay Proposals for Public Safety: EMS

- 8% increase for all non-administrative staff
- Total Additional Funding Needed: $57,015
  - .10 mil additional increase

Lancaster County South Carolina

Impact of Pay Proposals

- 1.80 Total Millage increase to implement these recommendations
- Based on these public safety pay changes and the other pay adjustments reviewed at first reading, in order to give a minimum of 3% pay increase in FY2025, for all County employees, the County would need to generate an estimated $1,400,000 in new revenue to sustain the increases identified for FY2024.

Lancaster County South Carolina

Budget Wrap-Up

- Budget is balanced
- Mil value $480,515

Fiscal Year Ended June 30	Potential County Operating	County Debt	County Capital Improv.	Potential County Court Security	Total	Total Increase (decrease) From Prior Year
2019	84.20	8.30	5.00	3.70	101.2	5.60
2020	88.70	11.25	5.00	3.80	108.75	7.55
2021	88.70	7.60	5.00	3.80	105.1	(3.65)
2022*	84.30	8.50	4.80	3.60	101.2	(3.90)
2023	84.30	9.60	4.80	3.60	102.3	1.10
2024	90.30	6.90	5.30	3.90	106.4	4.10

*Indicates a reassessment year in which rollback was required. Although overall millage decreased due to the rollback, in FY2022 taxes increased 3.90 mils over rollback, including 3.2 mils in operating.

Tax Impact Example

ITEM		RESIDENTIAL Owner Occ	Rental	TWO PRIVATE AUTOS	COMMERCIAL	INDUSTRIAL
Market value		250,000	250,000	35,000	500,000	1,000,000
Assessment ratio		4.0%	6.0%	6.0%	6.0%	10.5%
Assessed value		10,000	15,000	2,100	30,000	105,000
Current	Tax rate in mils	102.3	102.3	102.3	102.3	102.3
Fiscal	Sales tax credit factor	.000784	.000784	.000784	.000784	.000784
Year	Gross tax	1,023.00	1,534.50	214.83	3,069.00	10,741.50
	Credit amount	-196.00	-196.00	-27.44	-392.00	-784.00
	Billed tax	**827.00**	**1,338.50**	**187.39**	**2,677.00**	**9,957.50**
Next	Tax rate in mils	106.4	106.4	106.4	106.4	106.4
Fiscal	Sales tax credit factor	.000866	.000866	.000866	.000866	.000866
Year	Gross tax	1,064.00	1,596.00	223.44	3,192.00	11,172.00
	Credit amount	-216.50	-216.50	-30.31	-433.00	-866.00
	Billed tax	**847.50**	**1,379.50**	**193.13**	**2,759.00**	**10,306.00**
DIFFERENCE		**20.50**	**41.00**	**5.74**	**82.00**	**348.50**

Lancaster County South Carolina

Other Funds – Fire Fee District

- Merger of Pleasant Valley and Indian Land Fire District
- $4,270,151 proposed new budget (with 3 shifts, 4 person shifts – 24/7)

2022/2023 - 2023/2024 - ILFD,PVFD Budgets	2023-2024 ILFD	2023-2024 PVFD	FY 2024 ILFD Transitional	FY 2024 PVFD Transitional
Summary				
Total Labor Expenses	1,012,232	663,765	1,858,860	1,886,528
Total Operating Expenses	189,475	268,663	176,500	348,263
Total Both Labor and Operating Expenses	1,201,707	932,428	2,035,360	2,234,791

Indian Land and Pleasant Valley Fee District

Fire Fee District	ERU – 2,500 Sq. Ft.	$90 fee	$150	$175
Indian Land Fire District	11,315	$1,018,350	$1,697,250	$1,980,125
Pleasant Valley Fire District	11,018	$991,620	$1,652,700	$1,928,150
	22,333	$2,009,970	$3,349,950	$3,908,275

Recommend $175 fee

Lancaster County South Carolina

Next Steps

- Second Reading: June 12
- Public Hearing & Third Reading: June 26