



## REQUEST FOR COUNCIL ACTION

### City of Greenville, South Carolina

Agenda Item No.

15d

**TO:** Honorable Mayor and Members of City Council

**FROM:** John F. McDonough, City Manager

Ordinance/First Reading  Ordinance/Second & Final Reading  Resolution/First & Final Reading  Information Only

**AGENDA DATE REQUESTED:** May 24, 2021

**ORDINANCE/RESOLUTION CAPTION:**

TO PROVIDE FOR THE ADOPTION OF A CITY OPERATING BUDGET, ITS EXECUTION AND EFFECT, FOR THE FISCAL PERIOD JULY 1, 2021, THROUGH JUNE 30, 2022, DECLARING CERTAIN TAX INCREMENT FINANCING REVENUES NET OF DEBT SERVICE PAYMENTS SURPLUS, AUTHORIZING THE TERMINATION OF TAX INCREMENT FINANCING DISTRICTS, AND OTHER MATTERS RELATED THERETO

**SUMMARY BACKGROUND:**

City Council held work sessions on the FY 2021-22 Operating Budget on April 12 and 26. A public hearing is scheduled prior to first reading during the meeting on May 24, 2021, to solicit public comment on the FY 2021-22 Operating Budget. This public hearing was advertised in the Greenville News on May 9, 2021, and the Greenville Journal on May 14, 2021.

The Ordinance being presented to City Council reflects the financial program as presented in the budget workshops, with some adjustments to the revenue and expenditure figures as budget review continued.

The financial program for FY 2021-22 provides resources to fund the daily operations of the City, as well as investments to address the FY 2022 City Council Priorities. The FY 2021-22 Operating Budget contemplates maintaining the current property tax millage of 85.3 mills subject to change in order to maintain required revenue neutrality due to the Greenville County property reassessment process taking place this year.

The draft budget ordinance also includes language creating the PARCZ Department and terminating the Central Business District TIF and West End TIF pursuant to the Intergovernmental Agreements with Greenville County and the Greenville County School District.

**IMPACT IF DENIED:**

Without an operating budget in place, the City will be required to cease operations on July 1, 2021, absent a continuing resolution. If approved, the City will begin executing the operating budget for FY 2021-22.

**FINANCIAL IMPACT:**

If adopted, the budget will authorize \$247,021,778 in expenditures across all funds.

#### REQUIRED SIGNATURES

Department Director \_\_\_\_\_

DocuSigned by:

*Matt Egan*

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City Attorney \_\_\_\_\_

DocuSigned by:

*Michael Pitts*

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DocuSigned by:

City Manager \_\_\_\_\_

*John McDonough*

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## A N O R D I N A N C E

TO PROVIDE FOR THE ADOPTION OF A CITY OPERATING BUDGET, ITS EXECUTION AND EFFECT, FOR THE FISCAL PERIOD JULY 1, 2021, THROUGH JUNE 30, 2022, DECLARING CERTAIN TAX INCREMENT FINANCING REVENUES NET OF DEBT SERVICE PAYMENTS SURPLUS, AUTHORIZING THE TERMINATION OF TAX INCREMENT FINANCING DISTRICTS, AND OTHER MATTERS RELATED THERETO

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GREENVILLE, SOUTH CAROLINA,

Section 1. In accordance with Section 2-196 of the Code of Ordinances of the City of Greenville, South Carolina, there is hereby adopted for the fiscal period July 1, 2021, to June 30, 2022, an operating budget for the City of Greenville, South Carolina, based on budget estimates of various funds as prepared by the City Manager and incorporated into the FY 2021-22 operating budget document, and as modified by the schedule listed in Section 2, below.

Section 2. The total revenues and expenditures for the fiscal period are estimated as follows:

| <u>Fund</u>                          | <u>Revenues</u> | <u>Expenditures</u> | <u>Fund Balance<br/>Accumulated<br/>(Appropriated)</u> |
|--------------------------------------|-----------------|---------------------|--|
| General Fund                         | \$136,157,807   | \$143,973,028       | (\$7,815,221)  |
| <b><i>Internal Service Funds</i></b> |                 |                     |  |
| Health Benefits                      | \$16,965,108    | \$16,965,108        | \$0  |
| Risk Management                      | \$3,927,240     | \$3,927,240         | \$0  |
| Fleet Services                       | \$4,545,780     | \$4,545,780         | \$0  |
| <b><i>Special Revenue Funds</i></b>  |                 |                     |  |
| Community Development                | \$884,492       | \$884,492           | \$0  |
| HOME Program                         | \$399,897       | \$399,897           | \$0  |
| HOPWA Program                        | \$705,716       | \$705,716           | \$0  |
| Hospitality Tax                      | \$11,507,705    | \$16,003,927        | (\$4,496,222)  |
| Sunday Alcohol Permits               | \$270,081       | \$150,000           | \$120,081  |
| State Accommodations Tax             | \$2,593,867     | \$2,424,103         | \$169,764  |
| Local Accommodations Tax             | \$3,762,824     | \$2,705,990         | \$1,056,834  |
| Admissions Tax                       | \$15,000        | \$0                 | \$15,000   |
| Victim Witness                       | \$138,860       | \$138,860           | \$0  |
| Utility Undergrounding               | \$1,146,026     | \$1,146,026         | \$0  |
| Event Management                     | \$710,558       | \$993,393           | (\$282,835)  |
| Solid Waste                          | \$6,969,769     | \$7,279,258         | (\$309,489)  |
| Transit                              | \$8,256,948     | \$8,256,948         | \$0  |
| Miscellaneous Grants Fund            | \$250,000       | \$250,000           | \$0  |

| <u>Fund</u>                      | <u>Revenues</u>   | <u>Expenditures</u> | <u>Fund Balance<br/>Accumulated<br/>(Appropriated)</u> |
|----------------------------------|-------------------|---------------------|--|
| <b><i>Enterprise Funds</i></b>   |                   |                     |  |
| Greenville Convention Center     | \$7,116,540       | \$7,116,540         | \$0  |
| Wastewater                       | \$8,351,964       | \$8,157,899         | \$194,065  |
| Stormwater Management            | \$6,254,325       | \$6,336,151         | (\$81,826)   |
| Parking                          | \$10,118,249      | \$10,318,885        | (\$200,636)  |
| Greenville Zoo                   | \$3,587,485       | \$3,671,036         | (\$83,551)   |
| <b><i>Debt Service Funds</i></b> |                   |                     |  |
| Downtown Infrastructure          | \$0               | \$396,517           | (\$396,517)  |
| West End Tax Increment           | \$0               | \$274,984           | (\$274,984)  |
| <br>Total (Memorandum Only)      | <br>\$234,636,241 | <br>\$247,021,778   | <br>(\$12,385,537)                                     |

- Section 3. Within each fund, the City Manager shall have the authority to transfer appropriated funds within any of the designated expenditure categories, and such transfers shall be entered on the books of account of the City. Within each fund, the City Manager also shall have the authority to transfer funds across departmental accounts to implement salary adjustments and staff reorganization. The City Manager is authorized to approve job titles, pay grades, establish evaluation points, and make salary adjustments upon the recommendation of the Human Resources Director and within the amounts appropriated in this budget.
- Section 4. A bound copy of the budget document containing detailed schedules which support the appropriations set forth in Section 2, above, shall be attested by the City Clerk and maintained as an official record in the offices of the City Manager, the Director of Management and Budget, and the City Clerk.
- Section 5. The sums appropriated and set forth in the detailed schedules for personnel services shall be paid in accordance with the current pay plan, or as shown in the budget for those positions not classified under the pay plan.
- Section 6. All sums received by the City of Greenville from any source whatsoever, unless by law designated for some special fund or purpose, may be used in meeting disbursements from the General Fund, as described in Section 2, above.
- Section 7. Any unexpended encumbrances remaining after the conclusion of the fiscal year ending June 30, 2021, shall be re-appropriated in the fiscal year beginning July 1, 2021.
- Section 8. The City Manager is authorized to inform the County Tax Collector, or such other officer of the County as may be appropriate, to levy such ad valorem millage as will be reasonable and appropriate to raise the ad valorem revenue reflected in the approved budget, provided such millage does not exceed the current rate unless necessary to maintain revenue neutrality due to the Greenville County property reassessment.
- Section 9. For the fiscal period July 1, 2020, to September 8, 2021, and subject to the inter-governmental agreements in place with the School District of Greenville County and the County of Greenville, the gross collections of tax increment revenues for the Central Business District and the West End District, less the payments of principal and interest due on the outstanding tax increment bonds, are declared surplus for purposes of Title 31, Chapter 6 of the South Carolina Code of Laws. Also pursuant to the intergovernmental

agreements, the TIF districts shall expire upon the final outstanding debt payments on September 8, 2021.

Section 10. There is hereby created the Department of Parks, Art, Recreation, Community Events and Zoo (PARCZ). The functions and duties previously exercised by the departments of Parks & Recreation and Events & Cultural Affairs are hereby vested in said department, as well as such additional functions and duties as the City Manager may assign. The Head of the PARCZ Department shall be a Director level position.

Section 11. This Ordinance shall become effective on July 1, 2021.

DONE, RATIFIED AND PASSED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

REVIEWED:

\_\_\_\_\_  
CITY MANAGER