

Lancaster County Council Administration Committee

Thursday, November 19, 2015

**County Council Conference Room
Council Administration Building
101 N. Main Street
Lancaster, SC 29720**

1. **Call to Order – Committee Chair Brian Carnes** **4:30 p.m.**
2. **Approval of the agenda** *[deletions and additions of non-substantive matters]*
3. **Minutes of the October 15, 2015 – pgs. 3-5**
4. **Citizens Comments**
5. **Discussion / Action Items**
 - a. **Resolution #0901-R2015**
A Resolution describing the Walnut Creek Improvement District (formerly known as the Edenmoor Improvement District) as proposed to be enlarged and the amended improvement plan effected thereby, the projected time schedule for the accomplishment of the amended improvement plan, the estimated cost of the improvements and the amount of such costs to be derived from assessments, bonds or other funds; setting forth the proposed basis and rates of assessments to be imposed within the enlarged improvement district; ordering a public hearing; and other matters relating thereto. *John Weaver – pgs. 6-18*
 - b. Sheriff's Office career ladder. *(Favorable – Public Safety Committee) Sheriff Faile/Steve Willis – pgs. 19-26*
 - c. Bond ratings and rating methodologies. *Veronica Thompson – pgs. 27-34*
 - d. Amendment of the Financial Policy to reflect new fund balance limits. *Kimberly Hill pgs. 35-42*
 - e. Capital Project Sales Tax #1, final collections. *Veronica Thompson – pgs. 43-45*
 - f. Overview of fiscal year 2015-2016 audit. *Veronica Thompson – pgs. 46*

- g. Fire Truck/Public Works facility information. *Steve Willis – pgs.47-51*
- h. Multi-County Park Agreement regarding Project 2015-04. *Michael Trotter and Steve Willis – pgs. 52-54*

6. Executive Session

- a. Judicial Security matter – SC Code § 30-4-70(a)(3). *Jeff Hammond*
- b. Contractual Matter – SC Code § 30-4-70(2). *Chris Nunnery*
- c. Economic Development Matter regarding Project 2015-04– SC Code §30-4-70(5). *Michael Trotter*

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 Administration Committee agendas are posted at the Lancaster County Administration Building and are available on the Website: www.mylancastersc.org



MINUTES OF THE LANCASTER COUNTY COUNCIL ADMINISTRATION
COMMITTEE MEETING
COUNTY ADMINISTRATION BUILDING
COUNCIL CHAMBER
101 N. MAIN STREET, LANCASTER

Members of Lancaster County Council

Administration Committee

Brian Carnes, District 7, Chairman

Bob Bundy, District 3

Charlene McGriff, District 2

DRAFT

**Thursday, October 15, 2015
4:30 p.m.**

Council Members present were Brian Carnes, Bob Bundy and Charlene McGriff. Also present was Steve Willis, John Weaver, Veronica Thompson, Debbie Hardin, Brenisha Wells, and other staff. A quorum of the Lancaster County Administration Committee was present for the meeting.

The following press was notified of the meeting by e-mail or by fax in accordance with the Freedom of Information Act: Lancaster News, Kershaw News Era, The Rock Hill Herald, Fort Mill Times, Cable News 2, Channel 9 and the local Government Channel. The agenda was also posted in the lobby of the County Administration Building the required length of time and on the county website.

Call to Order

Chairman Carnes called the meeting to order at 4:30 p.m.

Approval of Agenda

Councilwoman McGriff moved to approve the agenda as presented. Passed 3-0.

Minutes of the September 24, 2015 meeting

Councilwoman McGriff moved to approve the minutes of the September 24, 2015 meeting. Passed 3-0.

Citizen Comments

There were no citizen comments.

Discussion/Action

Tree Tops Development Agreement

DRAFT

County Attorney John Weaver stated that justification of the issue on hand is outlined on pages 6, 7, 8, 9 of the agenda packet. Mr. Weaver explained that Lennar Carolina's, LLC (Lennar) is requesting a five (5) month extension (from December 15, 2015 until May 15, 2016) in which to pay the School Payment and Funds for Public Safety as required. Mr. Weaver further explained that Lennar is requesting an extension due to lengthy negotiations with Lancaster County Water and Sewer District (LCWSD). Mr. Hardy was invited to attend the meeting, but wasn't present.

Councilwoman McGriff asked if the delay was because of the County or LCWSD. She wanted to know if it was normal practice for the County to grant extensions for the reason outlined in Mr. Hardy's letter of request. Councilwoman McGriff's concern was granting an extension that could potentially open the doors for future requests – that are not of normal practice. Mr. Weaver stated that the only incident that he knows where an applicant requested a similar request was with Planned Development District (PDD) 26, in which the County denied. County Administrator Steve Willis stated that the only request that he recalls is about eight (8) years ago as it involved a Sewer Bond. Councilman Bundy expressed the same concern as Councilwoman McGriff. He also made a point to consider the Cluster Ordinance that was passed in December. Councilman Bundy feels that the citizens shouldn't have to bear the burden for this request. Chairman Carnes stated that if the request is approved, Lennar should pay market interest during the five (5) month extension.

Mr. Weaver stated that Lennar doesn't have any bargain control as it relates to this issue.

Councilwoman McGriff moved to deny the request. Passed 3-0.

Executive Session

Councilwoman McGriff moved to go into Executive Session. Passed 3-0.

Councilwoman McGriff moved to return from Executive Session to the regular meeting. Passed 3-0.

County Attorney John Weaver stated that Council discussed two (2) items in Executive Session, one (1) contractual matter and one (1) economic development matter, no action taken or motions made.

Adjournment

There being no further business, Councilwoman McGriff moved to adjourn. Passed 3-0.

DRAFT

Respectfully Submitted:

Approved by Committee Chair

Brenisha S. Wells
Deputy Clerk to Council

Brian Carnes, Committee Chair

Agenda Item Summary

Ordinance # / Resolution# 0901-R2015
Contact Person / Sponsor: John Weaver
Department: Planning / County Attorney
Date Requested to be on Agenda:
Committee: Administration Committee on 11/19/2015

Issue for Consideration: Whether or not it is appropriate for the County to favorably consider a Resolution that materially impacts the Walnut Creek subdivision (Improvement District) as it continues to develop and enlarge?

Points to Consider: This large subdivision (828 acre mixed use PDD) began in 2006 with associated revenue bonds in excess of \$35 Million Dollars and is located in the Indian Land section of Lancaster County (formerly known as the Edenmore Improvement District). In 2009, development stopped because of the poor economic climate with there being 634 parcels owned by others. So as to complete the development and bring the bonds out of default, a third-party purchaser has purchased the bonds and is continuing with the development, including an expansion of the original boundaries. It has been requested of Council that a revised, modified Improvement District Plan be considered and approved by Council, including a "refinancing" of the original bonds so as to allow for infrastructure such as roads, a sanitary sewer system, a water system, stormwater drainage and a fire station, all intended to support the development of 2,235 residential units on 620 acres, 300 acres of open space and 100,000 square feet of commercial development. The estimated total cost of the project's infrastructure is \$91.5 Million Dollars, with \$60 Million Dollars of the total being paid by new property assessments. The attached Amended Walnut Creek Improvement Plan details with specificity the terms and conditions of the future development and the financing of the infrastructure thereof. .

Funding and Liability Factors: N/A

Council Options: Approve or reject the Resolution.

Recommendation: The County Attorney recommends that Council approval the Resolution.

STATE OF SOUTH CAROLINA

COUNTY OF LANCASTER

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RESOLUTION NO. 0901-R2015

A RESOLUTION

DESCRIBING THE WALNUT CREEK IMPROVEMENT DISTRICT (FORMERLY KNOWN AS THE EDENMOOR IMPROVEMENT DISTRICT) AS PROPOSED TO BE ENLARGED AND THE AMENDED IMPROVEMENT PLAN EFFECTED THEREBY, THE PROJECTED TIME SCHEDULE FOR THE ACCOMPLISHMENT OF THE AMENDED IMPROVEMENT PLAN, THE ESTIMATED COST OF THE IMPROVEMENTS AND THE AMOUNT OF SUCH COSTS TO BE DERIVED FROM ASSESSMENTS, BONDS OR OTHER FUNDS; SETTING FORTH THE PROPOSED BASIS AND RATES OF ASSESSMENTS TO BE IMPOSED WITHIN THE ENLARGED IMPROVEMENT DISTRICT; ORDERING A PUBLIC HEARING; AND OTHER MATTERS RELATING THERETO.

Be it ordained by the County Council of Lancaster County, South Carolina (the "County"):

Section 1. Findings.

The Lancaster County Council (the "County Council") finds that:

(a) The County Council, by Ordinance No. 713 enacted on January 30, 2006, as corrected and confirmed by Resolution No. 527 (the "Resolution"), authorized the creation of the Edenmoor Improvement District (the "Improvement District"), relating to an approximately 868-acre mixed use planned development known as "Edenmoor" (the "Development") and approved the Assessment Roll A, including the Rate and Method of Apportionment of Assessment A attached as an appendix thereto (the "Original Assessment Roll A"), and the Assessment Roll B, including the Rate and Method of Apportionment of Assessment B attached as an appendix thereto (the "Original Assessment Roll B" and, together with the Original Assessment Roll A, the "Original Assessment Rolls").

(b) The County has heretofore issued its \$24,115,000 original principal amount Edenmoor Improvement District Assessment Revenue Bonds, Series 2006A (the "Series 2006A Bonds") and \$11,500,000 original principal amount Edenmoor Improvement District Assessment Revenue Bonds, Series 2006B (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006 Bonds").

(c) The County understands that Edenmoor Acquisition LLC, or one of its affiliated assignees (the "Sole Bondholder"), is presently the owner of 100% of the Series 2006 Bonds.

(d) The Series 2006 Bonds were issued in order to fund certain improvements within or associated with the Development, which Bonds are payable from and secured by non-*ad valorem* assessments imposed upon the parcels therein (the "Assessments").

(e) The Assessments presently consist of an Assessment A securing the Series 2006A Bonds, and an Assessment B securing the Series 2006B Bonds, each as further described in the Original Assessment Rolls for the Improvement District (the "Assessment Documents").

(f) Prior to the issuance of the Series 2006 Bonds, the County Council adopted an "improvement plan" (within the meaning of Section 4-35-30(4) of the Code of Laws of South Carolina 1976, as amended (the "Act")), entitled "Lawson's Bend Improvement Plan" (the "Original Improvement Plan") which Original Improvement Plan, among other things, contemplated the creation of the Improvement District as an "improvement district" (within the meaning of Section 4-35-30(3) of the Act).

(g) After the original developer of the Development ceased development in 2009 and, thereafter, defaulted in its payment of Assessments imposed upon certain parcels within the Development, Edenmoor Land Acquisition, LLC and Edenmoor Land Acquisition II, LLC (collectively, the "Purchaser") purchased such parcels.

(h) The Purchaser has continued work to complete the Development and approximately 634 parcels within the Development are owned by residential property owners or third-party builders or developers other than the Purchaser.

(i) The Purchaser and the Sole Bondholder desire to make certain changes to the Assessment Documents, namely (I) changing all references therein from "Edenmoor" or "Edenmoor Improvement District" to "Walnut Creek" or "Walnut Creek Improvement District", as applicable; (II) subdividing the Improvement District so it relates to specific parcels within the Development (referenced herein as Bond Area 1, Bond Area 2 and Bond Area 3 (each, a "Bond Area"), as further defined herein); (III) modifying and updating the Assessment A applicable to each such Bond Area (including increasing the Assessment A which may be imposed upon parcels within Bond Area 2 and Bond Area 3 only) and, correspondingly, to specific sub-series of Series A Bonds (as defined in the Original Assessment Roll A) which are presently outstanding or are New Bonds (as defined herein) to be issued in the future or may be issued to refund such bonds; (IV) adding two parcels to the Improvement District within Bond Area 2 and Bond Area 3; (V) modifying the density classifications in the Assessment Documents for new development within Bond Area 2 and Bond Area 3; and (VI) contemplating the issuance and sale to the Sole Bondholder or its affiliate of new bonds secured by and payable from Assessments imposed on Bond Area 2 and Bond Area 3, solely for purposes of reimbursement for Improvements funded directly by the Purchaser or its affiliates.

(j) There have been filed with the Clerk to Council a proposed list of the parcels within Bond Area 1, Bond Area 2 and Bond Area 3 (including the two additional parcels proposed to be added therein), including a representative map of the Improvement District showing each such Bond Area.

(k) A copy of the Amended Improvement Plan, which updates and makes certain changes to the Original Improvement Plan consistent with the proposed changes to the Assessment Documents described above and may be further amended or supplemented from time to time, is attached hereto as Exhibit A and incorporated herein by reference and available for review at the office of the County Administrator. The Amended Improvement Plan contemplates the construction of a roadway system, a sanitary sewer system, a water system and a drainage system and other public improvements within the Improvement District, whether currently completed or proposed as more particularly described therein (collectively, the "Improvements"), which constitute "improvements" (within the meaning of Section 4-35-30(2) of the Act).

(l) The Council finds that (1) the Improvements are and may be beneficial within the designated Improvement District, (2) the Improvements have and are likely to further significantly improve property values within the Improvement District by promoting the development of the property, (3) it is and would be fair and equitable to finance all or part of the cost of the Improvements by an assessment upon the real property located within the Improvement District, (4) written consent for the creation of the Improvement District from a majority of the owners of real property within the

Improvement District having an aggregate assessed value in excess of sixty-six percent of the assessed value of all real property within the Improvement District was obtained prior to the original establishment of the Improvement District, and (5) written consent for certain modifications to the Improvement District (as enlarged, the "Enlarged Improvement District"), namely the addition of two parcels to Bond Area 2 and Bond Area 3, increasing the Assessment A which may be imposed upon parcels within Bond Area 2 and Bond Area 3 only, modifying the density classifications for new development within Bond Area 2 and Bond Area 3 and contemplating the issuance and sale to the Sole Bondholder or its affiliate of new bonds secured by and payable from Assessments imposed on Bond Area 2 and Bond Area 3, solely for purposes of reimbursement for Improvements funded directly by the Purchaser or its affiliates, from a majority of the owners of real property within the applicable sub-districts of the Improvement District (e.g., Bond Area 2 and Bond Area 3) having an aggregate assessed value in excess of sixty-six percent of the assessed value of Bond Area 2 and Bond Area 3, has been or will be obtained prior to the amendment of the Assessment Documents to effect such modifications.

(m) Pursuant to the Act, the Council may make such modifications to the Improvement District and implement and finance, in whole or in part, the Amended Improvement Plan in the Improvement District in accordance with the provisions of the Act.

(n) In accordance with the requirements of Section 4-35-70 of the Act, Council hereby directs and authorizes the publication of this resolution and the establishment of the time and place of a public hearing concerning the Amended Improvement Plan.

It is now necessary and in the best interest of the health, safety, and general welfare of the citizens of the County that the Enlarged Improvement District and Amended Improvement Plan be described and the other requirements of the Act be met through adoption and publication of this resolution.

Section 2. Description of Enlarged Improvement District.

The Enlarged Improvement District shall consist of an approximately 922-acre mixed-use planned development consisting of proposed residential, commercial and recreational land uses and including the County park. The Enlarged Improvement District consists of (a) approximately 803 acres which is contained within the St. Katherine Planned Development District – 8 (the "SKPDD-8"), established by Ordinance #504 of the County Council on July 28, 2002 ("Ordinance #504"), (b) approximately 17 acres which is contiguous to the SKPDD-8 and was acquired after the enactment of Ordinance #504, and (c) approximately 57 acres which are contiguous to the SKPDD-8 and are proposed to be added to and included within the Enlarged Improvement District (one parcel within Bond Area 2 and one parcel within Bond Area 3). The Enlarged Improvement District will also include such easements and rights-of-way contiguous thereto as shall be necessary for the construction of certain of the Improvements. The property is located on U. S. Highway 521, S. C. Highway 75, Jim Wilson and Twelve Mile Creek Roads.

Section 3. Description of Improvements.

The Council finds that the current and future development within the Enlarged Improvement District requires the acquisition and construction of the following Improvements:

(a) roadway system consisting of streets, curbs, gutters, bridges, intersection improvements, Hancock and Claude Phillips Road improvements;

(b) sanitary sewer system consisting of force mains, gravity mains, pump stations and related facilities;

(c) water system consisting of four inch, six inch, eight inch and ten inch water mains, valves, joints, fire hydrants and related facilities;

(d) stormwater drainage system designed to meet current standards;

(e) other public improvements including but not limited to a fire station and related equipment; and

(f) such other improvements as allowed under the terms of the Act and as may be approved by the Council.

all as described and more particularly identified in the Amended Improvement Plan attached hereto and incorporated herein as Exhibit A (collectively, the "Improvements").

Section 4. Time Schedule for Amended Improvement Plan.

The implementation of the Amended Improvement Plan began shortly after the Series 2006 Bonds were issued in June 2006. Presently, the Development consists of four major phases, each with multiple sub-phases, of construction that are anticipated to include approximately 2,235 residential units on approximately 620 acres, approximately 300 acres of common open space, rights of way and recreation areas, and approximately 100,000 square feet of commercial development. The implementation of the Amended Improvement Plan will be phased in over approximately seven years from the date hereof, with each phase expected to take approximately three to five years to complete.

Section 5. Estimated Cost of Improvements; Amount to be Derived from Assessments.

Approximately \$29,250,000 of the proceeds of the Series 2006 Bonds were used to finance certain costs of the Improvements, and the County understands that approximately \$25,000,000 of the Improvements have been provided directly by the Purchaser. It is expected that the total costs of the Improvements will cost approximately \$91,500,000, a portion of which has been or will be financed by a combination of "assessments" (within the meaning of Section 4-35-30(1) of the Act) on real property in the Enlarged Improvement District benefiting from the Improvements and the issuance of revenue bonds as described in Section 6.

Section 6. Amount of Cost of Improvements to be Derived from Bonds or Other Permitted Funding Sources.

As described above, the County has previously issued the Series 2006 Bonds in order to finance a portion of the cost of the Improvements, and understands that the Purchaser has expended its own funds to finance other costs of the Improvements. The Original Improvement Plan contemplated that the County could issue up to \$60,000,000 in revenue bonds in one or more series secured by the Assessments, of which approximately \$36,000,000 principal amount of such bonds has been previously issued, all of which have been or would be serviced from revenue to be derived from the Assessments. The Amended Improvement Plan contemplates that the County may additionally issue not exceeding \$6,000,000 in revenue bonds in one or more series (the "New Bonds") secured by the Assessments imposed within Bond Area 2 or Bond Area 3 and to be serviced from revenue to be derived from the Assessments with Bond Area 2 or Bond Area 3, the details of which shall be prescribed by a separate ordinance of the County Council; provided, however, that (1) the New Bonds would be issued and sold only to the Purchaser or its affiliates, in order to reimburse the Purchaser for such previously-expended costs and (2) the New Bonds would be secured by and payable from Assessments imposed within Bond

Area 2 or Bond Area 3, and in any event not from Assessments imposed within Bond Area 1, and (3) nothing herein or in the Amended Improvement Plan shall obligate the County to issue the New Bonds in any particular amount, if at all. The New Bonds described in this Section 6 may be combined with or constitute a portion of a larger debt issue including bonds issued for other purposes, including the refunding of all or a portion of the Series 2006 Bonds, or issued in connection with any exchange of Series 2006 Bonds.

Section 7. **Basis for and Rates of Assessment to be Imposed Within the Enlarged Improvement District.**

Assessments have been and shall be imposed upon properties in the Enlarged Improvement District based upon one or more of assessed value, area, per parcel basis or the value of improvements to be constructed within the Enlarged Improvement District, or a combination of them, according to the procedure set forth in an assessment study, which shall establish assessment rates fairly reflecting the advantages derived from the Improvements by each of the individual parcels. As of the date of this Resolution, Assessments for property within the Improvement District have been and are established according to the Original Assessment Rolls.

The total of the Assessments shall equal the anticipated costs of the Improvements which were or are to be provided for the benefit of the property in the Enlarged Improvement District, including any costs associated with the issuance and repayment of the Series 2006 Bonds or New Bonds (or any refunding bonds) and administrative costs of the Enlarged Improvement District. The Assessment on each parcel shall be based on the equivalent units of each parcel as a percent of the total of the equivalent units for all of the parcels in the Enlarged Improvement District. The equivalent units for each parcel shall be based on an estimate of the numbers of units of each class anticipated to be built on each parcel. It is expected that the property within the Enlarged Improvement District shall be identified as being in one of a number of classifications based upon relative benefit received from the Improvements by each class of property. Equivalent units shall reflect the relationship between the classes of property and the benefit received from the Improvements for each type of property.

The Assessments have been and shall be set at a rate or rates intended to be sufficient to produce revenue equal to the amount of bonds issued and outstanding or to be issued and outstanding, as applicable, plus accrued interest at any time at a rate that equates to the rate on the Series 2006 Bonds and the New Bonds (or any refunding bonds) plus a pro-rata share of administrative expenses of the Enlarged Improvement District.

Upon the division of any parcel, the Assessment on that parcel prior to the subdivision shall be reallocated to each new parcel in proportion to the equivalent units of each parcel and the Assessment for the parcel prior to the subdivision. The Assessments after the subdivision of a parcel shall equal the sum of the Assessments before the subdivision of the parcel.

An Assessment shall not be imposed upon Improvements within the boundaries of the Enlarged Improvement District or other property within the Enlarged Improvement District which does not receive a benefit of the Improvements.

Section 8. **Public Hearing.** The Council hereby establishes January 25, 2016, as the date of the public hearing to be held in accordance with the provisions of Section 4-35-70 of the Act. Such public hearing shall be held at 7:00 p.m., January 25, 2016 in County Council Chambers, 2nd Floor of the County Administration Building located at 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. At the public hearing and at any adjournment of it, all interested persons may be heard either in person or by their designees.

Section 9. Public Notice.

Pursuant to Section 4-35-70 of the Act, the Council hereby authorizes the publication of this Resolution in its entirety once a week for three successive weeks in a newspaper of general circulation within the County, with the final publication to occur not less than 10 days prior to the public hearing to be held on January 25, 2016.

Section 10. Authority to Act.

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the purposes of this Resolution.

Section 11. Severability.

If any section, subsection or clause of this Resolution is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 12. Controlling Provisions.

To the extent this Resolution contains provisions that conflict with provisions contained elsewhere in other County resolutions or orders, the provisions contained in this Resolution supersede all other provisions and this Resolution is controlling.

Section 13. Effective Date.

This Resolution is effective upon adoption.

AND IT IS SO RESOLVED,

Dated this ____ day of _____, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

AMENDED WALNUT CREEK IMPROVEMENT PLAN

Overview

Pursuant to S. C. Code of Laws Section 4-35-10, et seq. (the "Act"), Lancaster County, South Carolina (the "County") is authorized to designate an area within the County within which an improvement plan is to be accomplished. An "improvement plan" means the overall plan by which the governing body of the county proposes to effect improvements within an improvement district to preserve property values, prevent deterioration, and preserve the tax base.

The County Council, by Ordinance No. 713 enacted on January 30, 2006, as corrected and confirmed by Resolution No. 527 adopted on May 22, 2006 (the "Resolution"), authorized the creation of the Edenmoor Improvement District (the "Improvement District"), relating to an approximately 868-acre mixed use planned development known as "Edenmoor" (the "Development") and approved the Assessment Roll A, including the Rate and Method of Apportionment of Assessment A attached as an appendix thereto (the "Original Assessment Roll A"), and the Assessment Roll B, including the Rate and Method of Apportionment of Assessment B attached as an appendix thereto (the "Original Assessment Roll B" and, together with the Original Assessment Roll A, the "Original Assessment Rolls").

The County has heretofore issued its \$24,115,000 original principal amount Edenmoor Improvement District Assessment Revenue Bonds, Series 2006A (the "Series 2006A Bonds") and \$11,500,000 original principal amount Edenmoor Improvement District Assessment Revenue Bonds, Series 2006B (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006 Bonds"), which Series 2006 Bonds were issued in order to fund certain improvements within or associated with the Development, which Bonds are payable from and secured by non-*ad valorem* assessments imposed upon the parcels therein (the "Assessments"). The Assessments presently consist of an Assessment A securing the Series 2006A Bonds, and an Assessment B securing the Series 2006B Bonds, each as further described in the Original Assessment Rolls for the Improvement District (the "Assessment Documents").

Prior to the issuance of the Series 2006 Bonds, the County Council adopted an "improvement plan" (within the meaning of Section 4-35-30(4) of the Code of Laws of South Carolina 1976, as amended (the "Act"), entitled "Lawson's Bend Improvement Plan" and subsequently known as the "Edenmoor Improvement Plan" (the "Original Improvement Plan") which Original Improvement Plan, among other things, contemplated the creation of the Improvement District as an "improvement district" (within the meaning of Section 4-35-30(3) of the Act). The Original Improvement Plan contemplated that it could be amended or supplemented from time to time.

After the original developer of the Development ceased development in 2009 and, thereafter, defaulted in its payment of Assessments imposed upon certain parcels within the Development, Edenmoor Land Acquisition, LLC and Edenmoor Land Acquisition II, LLC (collectively, the "Purchaser") purchased such parcels. The Purchaser has continued work to complete the Development and now desires to make certain changes to the Original Assessment

Rolls, namely (I) changing all references therein from “Edenmoor” or “Edenmoor Improvement District” to “Walnut Creek” or “Walnut Creek Improvement District”, as applicable; (II) subdividing the Improvement District so it relates to specific parcels within the Development (referenced herein as Bond Area 1, Bond Area 2 and Bond Area 3 (each, a “Bond Area”), as further defined herein); (III) modifying and updating the Assessment A applicable to each such Bond Area (including increasing the Assessment A which may be imposed upon parcels within Bond Area 2 and Bond Area 3 only) and, correspondingly, to specific sub-series of Series A Bonds (as defined in the Original Assessment Roll A) which are presently outstanding or are New Bonds (as defined herein) issued in the future or may be issued to refund such bonds; (IV) adding two parcels to the Improvement District within Bond Area 2 and Bond Area 3; (V) modifying the density classifications in the Assessment Documents for new development within Bond Area 2 and Bond Area 3; and (VI) contemplating the issuance and sale to an affiliate of the Purchaser of new bonds secured by and payable from Assessments imposed on Bond Area 2 and Bond Area 3, solely for purposes of reimbursement for Improvements funded directly by the Purchaser or its affiliates.

The Original Improvement Plan, as amended hereby (as so amended, the “Amended Improvement Plan”), the Report of the Civil Engineer dated January 2006, as supplemented by the Supplemental Report of the Civil Engineer dated October 28, 2015 (as so supplemented, the “Engineer’s Report”), a copy of which is attached hereto and incorporated herein by reference, and Ordinance #504 of the County Council on July 28, 2002 as amended by Ordinance #710 of the County Council enacted January 30, 2006 (“Ordinance #504”), a copy of which is attached hereto and incorporated herein by reference, constitute the “improvement plan” for the Walnut Creek Improvement District, formerly known as the Edenmoor Improvement District, as contemplated to be enlarged as described herein (as so enlarged, the “Enlarged Improvement District”).

Walnut Creek (formerly known as Edenmoor, St. Katherine or Lawson’s Bend), a proposed 922-acre planned development district to be located in the “panhandle” of Lancaster County (at the northwest corner of the intersection of Highway 521 and 75), will constitute one of the most significant community developments in the region. Lying roughly equidistant from south Charlotte, the City of Lancaster, Monroe, and Rock Hill, Walnut Creek promises to serve as the new “crossroads” of the Piedmont Area.

This enterprise, which since 2011 has been directed and will continue to be directed by the Purchaser, will improve the area economically and aesthetically, both in the short term and for future generations.

Location of Enlarged Improvement District

The Enlarged Improvement District is located at the northwest corner of the intersection of U. S. Highway 521 and S. C. Highway 75, as more particularly described in the Engineer's Report and including two additional parcels of property presently owned by Edenmoor Land Acquisition II, LLC, constituting approximately 57 acres and identified as TMS # 0015-00-021.00 and 0015-00-012.00.

Description of Enlarged Improvement District

The Enlarged Improvement District shall consist of an approximately 922-acre mixed use planned development consisting of proposed residential, commercial and recreational land uses and including the County park. The Enlarged Improvement District is contained within or contiguous to the Walnut Creek Planned Development District – 8 (the "EPDD-8"), established by Ordinance #504. The Enlarged Improvement District will also include such easements and rights-of-way contiguous thereto as shall be necessary for the construction of certain of the Improvements. The property is located on U. S. Highway 521, S. C. Highway 75, Jim Wilson and Twelve Mile Creek Roads. The Engineer's Report contains a more detailed description of the location of the Enlarged Improvement District.

Proposed Land Use

The property within the Enlarged Improvement District shall be developed pursuant to Ordinance #504 which specifies the allowable land uses. The proposed land uses are also described in the Engineer's Report.

Government Approvals and Regulatory Agency Permits

The implementation of this Amended Improvement Plan will require compliance with applicable zoning and land use regulations, and completion of county development review and application process.

Construction of individual development and public works projects will require, either individually or in combination, the following types of approvals and/or permits:

1. Permits and Approvals Issued by Lancaster County
2. Permits Issued by the State of South Carolina
 - a. Land Disturbance Permit
 - b. Permits to Construct Water/Wastewater Facilities
 - c. Permits to Operate Water/Wastewater Facilities
 - d. Permits to Encroach into Publicly Maintained Right-of-Way
3. Permits and Approvals issued by the United States Government.

The permits and applicable regulations for the implementation of this Amended Improvement Plan are more particularly described in the Engineer's Report.

Description of Improvements

The Improvements to be constructed within the Enlarged Improvement District include:

- (a) roadway system consisting of streets, curbs, gutters, bridges, intersection improvements, right-of-way improvements, street lighting and signage, Hancock and Claude Phillips Road improvements;
- (b) sanitary sewer system consisting of force mains, gravity mains, pump stations and related facilities;
- (c) water system consisting of four inch, six inch, eight inch and ten inch water mains, valves, joints, fire hydrants and related facilities;
- (d) stormwater drainage system designed to meet current standards;
- (e) other public improvements including but not limited to a recreational area and facilities, a combined Sheriff and EMS substation and related equipment, and such other improvements as allowed under the terms of the Act and as may be approved by the County Council of Lancaster County, South Carolina.
- (f) Other improvements, which are not to be financed as part of the Enlarged Improvement District, include electric service, natural gas services, telephone service, and cable television service; and

Improvements described in paragraphs (a) through (e) above are described in more detail in the Engineer's Report.

Time Schedule for Implementing Amended Improvement Plan

The implementation of the Original Improvement Plan began shortly after the Series 2006 Bonds were issued in June 2006. Presently, the Development consists of four major phases, each with multiple sub-phases, of construction that are anticipated to include approximately 2,235 residential units on approximately 620 acres, approximately 300 acres of common open space, rights of way and recreation areas, and approximately 100,000 square feet of commercial development. This Amended Improvement Plan will be implemented over approximately seven years from the date hereof, with each phase expected to take approximately three to five years to complete, as more particularly described in the Engineer's Report.

Estimated Cost of Improvements

Approximately \$29,250,000 of the proceeds of the Series 2006 Bonds were used to finance certain costs of the Improvements, and the County understands that approximately \$25,000,000 of the Improvements have been provided directly by the Purchaser. It is expected that the total costs of the Improvements will cost approximately \$91,500,000, a portion of which

has been or will be financed by a combination of "assessments" (within the meaning of Section 4-35-30(1) of the Act) on real property in the Enlarged Improvement District benefiting from the Improvements and the issuance of revenue bonds as described below. Detailed estimates of the costs of Improvements are contained in the Engineer's Report.

Amount of Cost of Improvements to be Derived from Bonds or Other Permitted Funding Sources

As described above, the County has previously issued the Series 2006 Bonds in order to finance a portion of the cost of the Improvements, and understands that the Purchaser has expended its own funds to finance other costs of the Improvements. The Original Improvement Plan contemplated that the County could issue up to \$60,000,000 in revenue bonds in one or more series secured by the Assessments, of which approximately \$36,000,000 principal amount of such bonds has been previously issued, all of which have been or would be serviced from revenue to be derived from the Assessments.

This Amended Improvement Plan contemplates that the County may additionally issue not exceeding \$6,000,000 in revenue bonds in one or more series (the "New Bonds") secured by the Assessments imposed within Bond Area 2 or Bond Area 3 and to be serviced from revenue to be derived from the Assessments with Bond Area 2 or Bond Area 3, the details of which shall be prescribed by a separate ordinance of the County Council; provided, however, that (1) the New Bonds would be issued and sold only to the Purchaser or its affiliates, in order to reimburse the Purchaser for such previously-expended costs and (2) the New Bonds would be secured by and payable from Assessments imposed within Bond Area 2 or Bond Area 3, and in any event not from Assessments imposed within Bond Area 1, and (3) nothing in this Amended Improvement Plan shall obligate the County to issue the New Bonds in any particular amount, if at all.

The New Bonds described herein may be combined with or constitute a portion of a larger debt issue including bonds issued for other purposes, including the refunding of all or a portion of the Series 2006 Bonds, or issued in connection with any exchange of Series 2006 Bonds.

Basis for and Rates of Assessment to be Imposed Within the Enlarged Improvement District

Assessments have been and shall be imposed upon properties in the Enlarged Improvement District based upon one or more of assessed value, area, per parcel basis or the value of improvements to be constructed within the Enlarged Improvement District, or a combination of them, according to the procedure set forth in an assessment study, which shall establish assessment rates fairly reflecting the advantages derived from the Improvements by each of the individual parcels. As of the date of this Amended Improvement Plan, Assessments for property within the Improvement District have been and are established according to the Original Assessment Rolls.

The total of the Assessments shall equal the anticipated costs of the Improvements to be provided for the benefit of the property in the Enlarged Improvement District, including any

costs associated with the issuance and repayment of the bonds and administrative costs of the Enlarged Improvement District. The Assessment on each parcel shall be based on the equivalent units of each parcel as a percent of the total of the equivalent units for all of the parcels in the Enlarged Improvement District. The equivalent units for each parcel shall be based on an estimate of the numbers of units of each class anticipated to be built on each parcel. It is expected that the property within the Enlarged Improvement District shall be identified as being in one of a number of classifications based on relative benefit received from the Improvements by each class of property. Equivalent units shall reflect the relationship between the classes of property and the benefit received from the improvements for each type of property.

The Assessments have been and shall be set at a rate or rates intended to be sufficient to produce revenue equal to the amount of bonds issued and outstanding or to be issued and outstanding, as applicable, plus accrued interest at any time at a rate that equates to the rate on the bonds, a pro-rata share of administrative expenses of the Enlarged Improvement District.

Upon the division of any parcel, the Assessment on that parcel prior to the subdivision shall be reallocated to each new parcel in proportion to the equivalent units of each parcel and the Assessment for the parcel prior to the subdivision. The Assessments after the subdivision of a parcel shall equal the sum of the Assessments before the subdivision of the parcel.

An Assessment shall not be imposed upon Improvements within the boundaries of the Enlarged Improvement District or other property within the Enlarged Improvement District which does not receive a benefit from the Improvements.

Amendments

This Amended Improvement Plan may be amended or supplemented from time to time.

Agenda Item Summary

Ordinance # / Resolution#:	Discussion Item
Contact Person / Sponsor:	Barry Faile/ Steve Willis
Department:	Sheriff/ Admin
Date Requested to be on Agenda:	Public Safety Committee – November 10, 2015 Administration Committee – November 19, 2015

Issue for Consideration:

Salary adjustments within the Sheriff's budget.

Points to Consider:

Sheriff Faile reports he is having problems filling vacancies with qualified candidates at the current salary level. While I don't have any evidence, I feel certain the recent public – police issues have contributed to this problem.

As the vacancy level fluctuates, Sheriff Faile will bring current data to each meeting. We cannot fill previously authorized positions, much less the new ones approved in this budget.

We would like to discuss not filling some of these positions for the remainder of the fiscal year and using those funds to make salary adjustments as proposed by Sheriff Faile. This will leave us short of positions for the remainder of the fiscal year; however, failing to take action will leave us short of an even greater number of positions.

Funding and Liability Factors:

We are proposing a reallocation of existing budgetary funds, not a budget amendment of additional General Fund dollars. Council made clear during the budget process we would need to work within existing allocations and we are doing so. If Council, following deliberation, determines the need is such that additional GF dollars are needed that would be a policy decision.

We would need to restore the intentionally vacated positions in the FY 16-17 budget.

The higher salaries would be a recurring impact on the county budget.

Council Options:

To be determined based upon Committee discussions.

Staff Recommendation:

Reallocate resources to minimize the impact to Sheriff Faile.

Committee Recommendation:

To be determined.

SALARY SURVEY OCTOBER 2015

DEPUTY 1/POLICE OFFICER 1 (UNCERTIFIED)

DEPARTMENT	MINIMUM	MIDPOINT	MAXIMUM
Lancaster CSO	29,608		35,608
YCSO	33,264	39,917	46,570
SCHP	37,069		
RHPD	35,963	43,149	50,336
Charleston City	36,348		48,174
Mt Pleasant PD	37,420		59,845
MUSC	34,344	40,630	45,900
Spartanburg CSO	29,474	36,843	44,211
Fort Mill PD	36,356		
CMPD	42,009		

Deputy II/POLICE OFFICER II (CERTIFIED)

DEPARTMENT	MINIMUM	MIDPOINT	MAXIMUM
Lancaster CSO	33,158		44,808
YCSO	34,805	41,766	48,727
SCHP (with 3 years)	40,775		
RHPD	37,876	45,448	53,019
Charleston City			
Mt Pleasant PD	38,551		61,659
MUSC	37,573	43,194	46,953
Spartanburg CSO	30,948	38,685	46,421
Fort Mill PD	38,173 (after 1 year and completion of academy)		
CMPD (lateral transfer)	43,791		

Deputy III/Master Deputy/Senior Police Officer

DEPARTMENT	MINIMUM	MIDPOINT	MAXIMUM
Lancaster CSO	39,158		47,158
YCSO	49,430		57,360
SCHP	44,852		
RHPD	41,683	50,024	58,364
Charleston City	48,174		53,112
Mt Pleasant PD	38,551		61,659
MUSC	38,512	45,760	52,421
Spartanburg CSO	32,494	40,618	48,742
FMPD	44,547		

Sergeant

DEPARTMENT	MINIMUM	MIDPOINT	MAXIMUM
Lancaster CSO	41,450		53,465
YCSO (Master Deputy II)	40,971 (usually starts higher)	49,166	57,360
SCHP	47,889		67,777
RHPD	43,596	52,332	61,068
Charleston City	50,583		64,558
Mt Pleasant PD	44,928		71,916
MUSC	42,364		58,848
Spartanburg CSO	39,498	49,372	59,246
FMPD (includes Investigators)	46,224		

Lieutenant

DEPARTMENT	MINIMUM	MIDPOINT	MAXIMUM
Lancaster CSO	46,900		60,436
YCSO	47,138	56,565	65,993
SCHP	55,072		77,943
RHPD	53,164	63,804	74,443
Charleston City	64,558		78,471
Mt Pleasant PD	49,440		79,104
MUSC	48,527		71,608
Spartanburg CSO	43,322	54,153	64,985
FMPD	47,901		

Captain

DEPARTMENT	MINIMUM	MIDPOINT	MAXIMUM
Lancaster CSO	50,767		68,678
YCSO	51,762	62,114	72,467
SCHP	63,332		89,634
RHPD	60,819	72,966	85,113
Charleston City	71,175		86,519
Mt Pleasant PD	54,384		87,014
MUSC			
Spartanburg CSO	58,355	72,944	87,944
FMPD	52,932		

Analysis

Rank	Min Average	LCSO Minimum	Difference	Max Average	LCSO Max	Difference
Dep I	34840	29608	-5232	49173	35608	-13565
Dep II	36755	33158	-3597	51356	44808	-6548
Dep III	41957	39158	-2799	55276	47158	-8118
Sergeant	44810	41450	-4703	62968	53465	-9503
LT	51603	46900	-6083	73221	60436	-12785
Captain	59971	50767	-9527	84782	68678	-16104

A note on the analysis: The Minimum pay scale is more accurate than the Maximum scale for comparison purposes. This appears to be due to the fact that several factors can contribute to the maximum salary, including education, years of service, and other factors.

Lancaster County Sheriff's Office- Career Ladder Proposed 2016/2017 budget				
Band (Rank/Title)	Salary Range	Education/Experience	Specialized Training	Other Requirements
Band 1 (Class 3)	\$31,000-\$36,000	Less than 5 years	None	None
	\$33,000-\$38,000	5-12 years	None	None
	\$35,000-\$40,000	12 years	None	None
Band 1 (Deputy Trainee) Uncertified	\$35,000-\$39,000	AS + 2%, BS + 4%, MA + 6%	None	None
Band 2 (Deputy)- Class I Certified	\$37,500-\$39,500 Deputy	Less than 2 Years AS + 2%, BS + 4%, MA + 6%	None	None
	\$38,500-\$40,500 Deputy First Class	2- 6 Years AS + 2%, BS + 4%, MA + 6%	None	None
	\$40,500-\$41,500 Lance Corporal	6-10 Years AS + 2%, BS + 4%, MA + 6%	None	None
	\$41,500-\$43,500 Senior Deputy	10-15 Years AS + 2%, BS + 4%, MA + 6%	None	None
	\$43,500-\$45,500 Master Deputy	15 + years AS + 2%, BS + 4%, MA + 6%	None	None
Band 3 (Corporal) Competitive position appointed through promotional process AS + 2%, BS + 4%, MA + 6%	\$40,500-\$43,500	Less than 10 years and Less than 5 years Cpl.	None	As Listed on job description
	\$41,500-\$45,500	More than 10 years or More than 5 years Cpl.	None	As Listed on job description
	\$43,500-\$47,500	More than 15 years or More than 10 years Cpl.	None	As Listed on job description
Band 4 (Senior Deputy) AS + 2%, BS + 4%, MA + 5%	\$41,500-\$48,000	6 Years Certified Service AS + 2%, BS + 4%, MA + 5%	Attend All required In-Service Training & Attend 60 hours additional law enforcement Training	Completion of 10 qualifying Community Policing Initiatives and/or Community Service Projects/events and have no at fault accidents within the previous 12 months and no written warnings within the previous 12 months or suspensions within the previous 24 months.

Band 5 (Investigator I) AS + 2%, BS + 4%, MA + 6%	\$42,500-\$47,000	Competitive Position appointed through promotional process	Basic Investigations	As Listed on job description
Band 6 (Sergeant) Competitive position appointed through promotional process AS + 2%, BS + 4%, MA + 6%	\$46,500-\$50,500	Less than 10 years and Less than 5 years Sgt.	Leadership Training	As Listed on job description
	\$49,500-\$54,500	More than 10 years or More than 5 years Sgt.	Leadership Training	As Listed on job description
	\$52,500-\$58,500	More than 15 years or More than 10 years Sgt.	Leadership Training	As Listed on job description
Band 7 (Investigator II) AS + 2%, BS + 4%, MA + 6%	\$45,500-\$50,000	Must Have 5 years of experience as an Investigator I Or 3 years as an Investigator I and 6 years certified service and meet the special/other requirements	Attend All required In-Service Training & Attend 60 hours additional law enforcement Training	Completion of 10 qualifying Community Policing Initiatives and/or Community Service Projects/events and have no at fault accidents within the previous 12 months and no written warnings within the previous 12 months or suspensions within the previous 24 months.
Band 8 (Master Deputy)	\$43,500-\$53,000	10 years Certified Service	Attend All required In-Service Training & Attend 16 hours Management/Supervision and 40 hours additional law enforcement Training	Completion of 10 qualifying Community Policing Initiatives and/or Community Service Projects/events and have no at fault accidents within the previous 12 months and no written warnings within the previous 12 months or suspensions within the previous 24 months.

Band 9 (Investigator III) AS + 2%, BS + 4%, MA + 6%	\$49,000-\$58,000	Must Have 10 years of experience as an Investigator Or 7 years as an Investigator and 10 years certified service and meet the special/other requirements	Attend All required In-Service Training & Attend 16 hours Management/Supervision and 40 hours additional law enforcement Training	Completion of 10 qualifying Community Policing Initiatives and/or Community Service Projects/events and have no at fault accidents within the previous 12 months and no written warnings within the previous 12 months or suspensions within the previous 24 months.
Band 10 (Lieutenant) Competitive position appointed through promotional process AS + 2%, BS + 4%, MA + 6%	\$51,500-\$55,500	Less than 15 years and Less than 5 years Lieutenant	Leadership Training	None
	\$55,500-\$59,500	More than 15 years or More than 5 years Lieutenant	Leadership Training	None
	\$59,500-\$64,500	More than 20 years or More than 10 years Lieutenant	Leadership Training	None
Band 11 (Captain) Appointed by Sheriff AS + 2%, BS + 4%, MA + 6%	\$57,000-\$66,000	Less than 20 years and Less than 5 years Captain		None
	\$65,000-\$76,000	More than 20 years or More than 5 years Captain		None
Band 12 (Major)	\$68,000- \$95,000	Appointed by the Sheriff		None

Agenda Item Summary

Ordinance # / Resolution#:

Contact Person / Sponsor: Veronica C. Thompson

Department: Finance

Date Requested to be on Agenda: Admin Committee 11/19/15

Issue for Consideration:

The County's bond ratings and rating methodologies will be summarized.

Points to Consider:

The County's debt in the US Public Finance market is rated by Standard & Poor's (S&P) and Moody's. The rates are important in determining the County's ability to pay off debt and is essential for acquiring competitive interest rates. The rating companies look at several components when assigning a bond rate. Some components are internal and others are external.

Outstanding Debt- S&P Rating AA-

Moody's Rating Aa2 (rating upgrade June 2015)

Funding and Liability Factors:

The County's strong bond rates shows that we are fiscally responsible and save the taxpayers thousands of dollars in annual interest payments. Growing the tax base and maintaining a healthy fund balance are important factors in maintaining or increasing the County's rating.

Council Options:

Be cognizant that the County's Economy, Finances, Debt, & Management are the rating factors. Strong policies & decisions will indicate that we strive to be fiscally & economically responsible.

Recommendation:

Amend the Financial Policies to include additional information about the use of fund balance (Budget Analyst has additional information). Also consider debt policies that will guide Council's decision making and ensure we're good stewards.

BOND RATING TIERS & FACTORS

Quality Grade	Standard & Poor's	Moody's
Highest	AAA	Aaa
Very Strong (County AA- & Aa2)	AA	Aa
Upper Medium (Strong)	A	A
Medium	BBB	Baa
Lower	BB	Ba
Low	B	B

Moody's Rating Factors & Weights

Rating Factor	Factor Weight
Economy/Tax Base	30%
Finances	30%
Management	20%
Debt/Pensions	20%

Standard & Poor's Rating Factors & Weights

Rating Factor	Factor Weight
Institutional Framework	10%
Economy	30%
Management	20%
Financial Measures	30%
Debt & Contingent Liabilities	10%

NOTICE OF MATERIAL EVENT

Lancaster County, South Carolina (the "County") hereby provides notice of the following event related to the below described bonds (the "Bonds") pursuant to Continuing Disclosure Certificates executed and delivered in connection with the issuance of the Bonds.

CUSIP Prefix

514084

Name of Bond Issues

\$5,600,000 General Obligation Bonds, Series 2008

\$4,630,000 General Obligation Refunding Bonds, Series 2009

\$595,000 General Obligation Bonds, Series 2010A

\$1,905,000 General Obligation Bonds, Taxable Series 2010B
(Build America Bonds – Direct Payment to Issuer)

\$7,000,000 General Obligation Bonds, Taxable Series 2010C
(Build America Bonds – Direct Payment to Issuer)

\$3,660,000 General Obligation Refunding Bonds, Series 2010D

Event

On June 4, 2015, Moody's Investors Service upgraded the rating on the County's outstanding general obligation debt from Aa3 to Aa2.

LANCASTER COUNTY, SOUTH CAROLINA

June 8, 2015

MOODY'S

INVESTORS SERVICE

New Issue: Moody's upgrades Lancaster County, SC's GO bonds to Aa2

Global Credit Research - 04 Jun 2015

Assigns Aa2 to \$24.5M GO Bonds, Series 2015 A, B & C

LANCASTER (COUNTY OF) SC
Counties
SC

Moody's Rating

ISSUE

RATING

General Obligation Bonds, Series 2015A

Aa2

Sale Amount	\$16,500,000
Expected Sale Date	06/09/15
Rating Description	General Obligation

General Obligation Refunding Bonds (Pleasant Valley Fire Protection District), Series 2015B Aa2

Sale Amount	\$1,690,000
Expected Sale Date	06/09/15
Rating Description	General Obligation

General Obligation Refunding Bonds, Series 2015C

Aa2

Sale Amount	\$6,280,000
Expected Sale Date	06/09/15
Rating Description	General Obligation

Moody's Outlook NOO

NEW YORK, June 04, 2015 --Moody's Investors Service has assigned a Aa2 rating to Lancaster County's (SC) \$16.5 million General Obligation Bonds, Series 2015A, \$1.7 million General Obligation Refunding Bonds (Pleasant Valley Fire Protection District), Series 2015B and \$6.3 million General Obligation Refunding Bonds, Series 2015C. Concurrently, we have upgraded to Aa2 from Aa3 the rating on the county's outstanding general obligation debt and to Aa3 from A1 on the county's outstanding installment purchase revenue bonds (IPRBs).

SUMMARY RATING RATIONALE

The upgrade to Aa2 reflects the continued growth of the county's moderately-sized tax base, which benefits from proximity to Charlotte (Aaa stable), and a strong reserve position. The rating also incorporates the county's below average socioeconomic factors and manageable debt and pension burdens. The Aa3 rating on the IPRBs reflects the essential nature of the assets included in the leasehold interest - the county courthouse and jail and sheriff facility - and sound legal provisions, including a fully funded debt service reserve fund.

OUTLOOK

Outlooks are not typically assigned to issuers with this amount of debt outstanding.

WHAT COULD MAKE THE RATING GO UP:

- Significant tax base growth coupled with improved demographics
- Fund balance growth

WHAT COULD MAKE THE RATING GO DOWN:

- Tax base deterioration or weakened socioeconomic factors
- Significant decrease in reserve levels

STRENGTHS

- Growing tax base that benefits from proximity to Charlotte
- Strong reserve levels bolstered by formal policies and conservative budgeting
- Manageable debt and pension burdens

CHALLENGES

- Below average socioeconomic factors and high poverty rate

RECENT DEVELOPMENTS

Recent developments are incorporated in the Detailed Rating Rationale.

DETAILED CREDIT DISCUSSION

TAX BASE AND ECONOMY: ONGOING TAX BASE GROWTH EXPECTED; WEAK SOCIOECONOMIC FACTORS

Lancaster County's tax base will continue to expand, benefiting from a diversifying economy and proximity to Charlotte. Despite the recent recession and housing downturn, the county's \$5.6 billion base has experienced continued growth, averaging a strong 2.7% increase annually and not reporting a single year of tax base declines. In 2014, the county reported \$359 million in building permits, the majority of which are for properties in the northern portion of the county. Future growth will be driven by recent announcements for new and expanding manufacturing plants, a mortgage company and an 800-home development.

Historically a manufacturing-based economy, the county has diversified in recent years, as seen by the largest employers. In addition to the county and school district, the largest employer is Red Ventures, an internet marketing firm that employs 1,600 and is reportedly expanding, and several healthcare facilities. While countywide unemployment of 6.7% as of March 2015 remains above state (6.2%) and national (5.2%) levels, the labor force continues to grow, likely due to a high number of job opportunities in the region. Socioeconomic factors are below national levels, as seen by median family income, which equals 78.2% of the nation.

FINANCIAL OPERATIONS AND RESERVES: AMPLE RESERVE POSITION BENEFITS FROM FORMAL POLICIES

The county's financial position will remain solid, given conservative budgeting practices and the multi-year maintenance of solid General Fund balance levels, in line with budgetary growth. The county's General Fund balance averaged a strong 50.4% of annual revenues during the five-year period ending fiscal 2014. Despite a fund balance appropriation of \$1 million in fiscal 2014, the county reported a \$2.8 million surplus due to economically sensitive revenues over budget and expenditure savings. Total General Fund balance at fiscal year-end was strong at \$20.4 million (49.1% of revenues), \$16.9 million (40.7% of revenues) of which was unassigned. In addition to General Fund reserves, the county maintains approximately \$9 million in the Capital Projects Sales Tax Fund, which is restricted for capital needs but provides additional flexibility. Officials project a \$1.5 million decrease in unassigned fund balance in fiscal 2015 due to the planned use of reserves for one-time purchases. Despite the expected draw, reserves will remain well in excess of the formally adopted fund balance policy, which requires that unassigned fund balance equal three months' of operating expenditures.

The proposed fiscal 2016 budget assumes nearly a 5% increase in the tax base and a 2.8 mill increase in the tax rate to support increased services related to the growing base. The budget also includes the use of \$1.3 million in reserves for one-time needs. The county's largest revenue source is property taxes, which accounted for 59.3% of fiscal 2014 revenues.

Liquidity

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Moody's
INVESTORS SERVICE

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Agenda Item Summary

Ordinance # / Resolution#:

Contact Person / Sponsor: Kimberly Hill

Department: Finance

Date Requested to be on Agenda: 11/19/2015

Issue for Consideration:

Amendment of the Financial Policy to reflect new fund balance limits.

Points to Consider:

The current policy states that we retain a minimum of 3 months of expenditures in fund balance. There is no maximum and no timeline for replenishment. See Attachment A.

Benchmarking shows that counties are moving toward using a percentage rather than a period of time. Please see attachment B for more detail.

During the bond rating process last year, 30% of the budget in fund balance was the mentioned ideal amount to have by Standard & Poor.

Experts in the field recommend a minimum of 2 months, but list other factors that could warrant needing more. Please see attachment C for more information.

Funding and Liability Factors:

This will provide a better outline for the use of fund balance in the budget process while improving the County's policy alignment with best practices.

Council Options:

Whether or not to amend the Financial Policy.

Recommendation:

Amend the policy to state unassigned fund balance should include 30% of budgeted expenditures. Any balance in excess of 30% will be allocated during the next annual budget process. In case of an emergency situation in which the Fund Balance falls below 30%, the County will replenish the funds over a 3 year period. It is recommended this change be made as part of the budget process, along with any other financial policy changes that may arise between then and now.

Attachment A: Current Policy

Fund Balance

Fund balance is a measurement of financial resources available. Fund balance reporting shall be consistent with Statement No. 54 of the Governmental Accounting Standards Board. 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 at least three months of the general fund operating budget; and

(b) If the year-end unassigned fund balance is more than three months of the general fund operating budget, then the excess may be used to fund the following activities only during positive economic times:

(i) one-time capital expenditures which do not increase ongoing operational costs;

(ii) other one-time costs; and

(iii) debt reduction.

(c) If the unassigned fund balance falls below three months of the general fund operating budget, Council will pursue ways of increasing revenues or decreasing expenditures, or a combination of both until the three month threshold is attained.

(d) Committed Fund balance, self imposed limitations, can only be established by County Council. Once resources are committed, the purpose can only be changed by action of Council. The action to commit the funds must take place before the end of the fiscal year, though the actual can be determined after the close of the fiscal year.

(e) The County's intended use of resources, Assigned Fund Balance, can be assigned by the County Administrator and Finance Director. The County Administrator must inform the Council of assigned resources during the fiscal year.

Attachment B: Fund Balance Comparisons

County	Total General Fund Budget	General Fund Fund Balance June 30, 2014*	Financial Policy	Bond Rating*
Lancaster	2014: \$40,698,990 2015: \$41,057,263 2016: \$44,906,126	Total FB: \$20,407,023 Unassigned: \$16,940,776	Maintain an unassigned fund balance of at least 3 months of the general operating budget.	Aa3 Moody's A Standard & Poor's
	2014: \$41,464,153 2015: \$41,195,283 2016: \$41,848,004	Total FB: \$22,132,964 Unassigned: \$7,956,354	Unassigned fund balance should include an amount between 25-30% of general fund expenditures which would be equivalent to 90-120 days of coverage. Any in excess of 30% is allocated during the next annual budget process.	Aa2 Moody's AA+/Stable Standard & Poor's
York	2014: \$96,485,525 2015: \$106,338,000 2016: \$114,504,172	Total FB: \$64,463,000 Unassigned: \$44,224,000	Minimum unassigned fund balance target of 25% of the next year's budget.	AA Fitch Aa1 Moody's AA+ Standard & Poor's
	2014: \$52,115,310 2015: \$54,125,434 2016: \$54,753,707	Total FB: \$12,655,990 Unassigned: \$10,828,609	Requires an amount of at least 25% of General Fund expenditures.	Aa2 Moody's A Standard & Poor's
Horry	2014: \$137,091,573 2015: \$135,479,403 2016: \$146,138,975	Total FB: \$41,360,274 Committed: \$31,775,011 Unassigned: \$9,390,973	Must maintain 15% of operating budget in fund balance for lower revenue collection periods. Horry is committing more funds for specific usages. For example, over \$19 million is committed to a stabilization reserve for emergency situations.	AA+ Fitch Aa2 Moody's AA Standard & Poor's
	2014: \$56,431,452 2015: \$63,903,235 2016: \$67,210,045	Total FB: \$21,019,723 Unassigned: \$17,984,838	Requires 2-6 months of expenditures in unassigned fund balance. The County must be conservative in increasing its budget without too much reliance on fund balance.	Aa3 Moody's AA Standard & Poor's

*Due to the time of year this document was created, many of the counties have not yet published this information. For that reason, last year's numbers are being used for comparison purposes.

[Home](#) / [Products and Services](#) / [Resources](#) / [Best Practices/Advisories](#) / Appropriate Level of Unrestricted Fund Balance in the General Fund

Appropriate Level of Unrestricted Fund Balance in the General Fund

Type:

Best Practice

Approved by GFOA's Executive Board:

September 2015

Background:

In the context of financial reporting, the term *fund balance* is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis.¹ While in both cases *fund balance* is intended to serve as a measure of the financial resources available in a governmental fund; it is essential that differences between GAAP *fund balance* and budgetary *fund balance* be fully appreciated.

1. GAAP financial statements report up to five separate categories of fund balance based on the type and source of constraints placed on how resources can be spent (presented in descending order from most constraining to least constraining): *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.² The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *unrestricted fund balance*. In contrast, budgetary fund balance, while it is subject to the same constraints on spending as GAAP fund balance, typically represents simply the total amount accumulated from prior years at a point in time.
2. The calculation of GAAP fund balance and budgetary fund balance sometimes is complicated by the use of sub-funds within the general fund. In such cases, GAAP fund balance includes amounts from all of the subfunds, whereas budgetary fund balance typically does not.
3. Often the timing of the recognition of revenues and expenditures is different for purposes of GAAP financial reporting and budgeting. For example, encumbrances arising from purchase orders often are recognized as expenditures for budgetary purposes, but never for the preparation of GAAP financial statements.

The effect of these and other differences on the amounts reported as *GAAP fund balance* and *budgetary fund balance* in the general fund should be clarified, understood, and documented.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial resources available in other funds should also be considered in assessing the adequacy of unrestricted fund balance in the general fund.

Recommendation:

GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.³ Such a guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.⁴ In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

Appropriate Level. The adequacy of unrestricted fund balance in the general fund should take into account each government's own unique circumstances. For example, governments that may be vulnerable to natural disasters, more dependent on a volatile revenue source, or potentially subject to cuts in state aid and/or federal grants may need to maintain a higher level in the unrestricted fund balance. Articulating these risks in a fund balance policy makes it easier to explain to stakeholders the rationale for a seemingly higher than normal level of fund balance that protects taxpayers and employees from unexpected changes in financial condition. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.⁵ The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.⁶ Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time. In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance, rather than on unrestricted fund balance.

Use and Replenishment.

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

1. Define the time period within which and contingencies for which fund balances will be used;

2. Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;
3. Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Generally, governments should seek to replenish their fund balances within one to three years of use. Specifically, factors influencing the replenishment time horizon include:

1. The budgetary reasons behind the fund balance targets;
2. Recovering from an extreme event;
3. Political continuity;
4. Financial planning time horizons;
5. Long-term forecasts and economic conditions;
6. External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

Unrestricted Fund Balance Above Formal Policy Requirement. In some cases, governments can find themselves in a position with an amount of unrestricted fund balance in the general fund over their formal policy reserve requirement even after taking into account potential financial risks in the foreseeable future. Amounts over the formal policy may reflect a structural trend, in which case governments should consider a policy as to how this would be addressed. Additionally, an education or communication strategy, or at a minimum, explanation of large changes in fund balance is encouraged. In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.

Committee:

Accounting, Auditing, and Financial Reporting
Governmental Budgeting and Fiscal Policy

Notes:

1. For the sake of clarity, this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
2. These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.
3. Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
4. See Recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to "maintain a prudent level of financial resources to protect against reducing service levels or raising

taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (Recommended Practice 4.1).

5. In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America's largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.
6. In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues and/or expenditures, that decision should be followed consistently from period to period.

Attachment D: Proposed Policy

Fund balance is a measurement of financial resources available. Fund balance reporting shall be consistent with Statement No. 54 of the Governmental Accounting Standards Board. 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 30 percent of the general fund operating budget;

(b) If the year-end unassigned fund balance is more than 30 percent of the general fund operating budget, 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 established for special purposes;

(iii) Other one-time costs; and

(iv) Debt reduction.

(c) If the unassigned fund balance falls below 30 percent of the general fund operating budget, the Administrator will pursue and recommend to Council ways of increasing revenues or decreasing expenditures, or a combination of both until the threshold is attained within a time period not to exceed three years. At the inception of the implementation of this policy, such recommendations, and implementation of plans to increase the fund balance(s) of the County may be through the annual County budget ordinance(s), or through separate ordinances of the County.

(d) County council may authorize the expenditure of fund balance that would cause the unassigned fund balance to decrease to below 30 percent of regular general fund expenditures by a supermajority (three-fourths of the members present and voting) vote. After such vote the Administrator will plan and recommend to Council ways to replenish the balance to 30 percent. The threshold must be reached within a period not to exceed three years.

(d) Committed fund balance, self imposed limitations, can only be established by County Council. Once resources are committed, the purpose can only be changed by action of Council. The action to commit the funds must take place before the end of the fiscal year, though the actual can be determined after the close of the fiscal year.

(e) The County's intended use of resources, Assigned fund balance, can be assigned by the County Administrator and Finance Director. The County Administrator must inform the Council of assigned resources during the fiscal year.

Agenda Item Summary

Ordinance # / Resolution#:

Contact Person / Sponsor: Veronica C. Thompson

Department: Finance

Date Requested to be on Agenda: Admin Committee 11/19/15

Issue for Consideration:

The final Capital Projects Sales Tax #1 distribution has been received and the budgetary fund needs to be amended for the surplus and final debt payment. In August, Council approved a resolution to defease the Courthouse debt.

Points to Consider:

Per County Bond Counsel, the CPST Act does not specify a time limit for spending the overage. It is recommended that the funds be spent by the end of the current fiscal year for the approved projects. Overages could be used for projects approved in the referendum re-imposing tax after the County exhausts the uses for the first CPST.

Funding and Liability Factors:

Total amount collected is \$44,726,619.69. The maximum collection approved by the voters was \$42,400,000, which leaves a surplus of \$2,326,619.69.

Council Options:

Whether to amend or not amend the CPST Fund for potential expenditures and decide how the funds will be spent. Jeff Hammond has a list of potential items.

Recommendation:

None.

COUNTY OF LANCASTER

FY 2015-2016 CASH RECEIPTS REPORT BY ACCOUNT FOR ALL CASH ACCOUNTS

DEPOSIT DATES: 05/01/2009 TO 06/30/2016

USER ID: TO

DEPOSIT NUMBER	DEPOSIT DATE	REFERENCE	INITIALS	DEPOSITAMT
31-4-015-424-00 1% LOCAL OPT. REV CAPITAL PROJECTS				
13045	10/22/2009	18358	CW	1,198,311.14
STATE LOCAL OPTION SALES TAX				
13166	01/26/2010	19554	CW	1,282,467.25
STATE LOCAL OPTION CAPITAL SALES TAX				
13249	04/23/2010	20599	CW	1,336,582.46
STATE CAPITAL PROJECT SALES TAX				
13321	07/23/2010	21593	PM	1,464,632.38
STATE CAPITAL SALES TAX				
13394	10/27/2010	22659	CW	1,430,471.78
STATE LOCAL OPTION CAPITAL PROJECT TAX				
13465	01/27/2011	23782	PM	1,595,300.00
STATE 1% SALES TAX				
13521	04/14/2011	24732	CW	1,656,839.07
STATE 1% SALES TAX				
13590	07/22/2011	25889	CW	1,702,682.15
STATE 1%				
13659	10/20/2011	26976	PM	1,758,836.80
STATE CAPITAL PROJECT SALES TAX 1 %				
13728	01/17/2012	28153	PM	1,573,063.40
STATE CAPITOL SALES TAX 1 %				
13804	04/30/2012	29539	PM	1,791,056.48
STATE CAPITOL PROJECT SALES TAX 1% 3RD QUARTER				
13871	07/27/2012	30668	PM	1,801,831.14
STATE CAPITAL PROJECTS 1&				
13933	10/22/2012	31772	AB	1,758,205.46
STATE CAPITAL PROJECT SALES 1ST QUARTER				
14005	01/28/2013	33407	CW	1,769,972.16
STATE LOCAL OPTION SECOND 2013				
14069	04/25/2013	34716	AB	1,814,472.98
LOCAL OPTION 1% 3RD QUARTER				
14135	07/25/2013	35905	AB	1,883,029.03
STATE FOR LOCAL OPT SALES TAX 1 % 4TH QUARTER				
14196	10/18/2013	37255	PM	1,974,389.20
state local option capital project sales tax 1st quarter				
14259	01/21/2014	38607	PM	1,936,316.16
STATE LOCAL OPTION SALES TAX SECOND QUARTER				
14320	04/18/2014	38719	AB	1,977,776.34
STATE THIRD QUARTER				
14382	07/18/2014	40355	CW	1,983,280.63
STATE LOCAL OPTION 4TH QUARTER FY 2014				
14461	11/04/2014	42416	AC	2,158,143.35
STATE/LOCAL OPTION CAPITAL PROJECT-FIRST QUARTER 2015				
14519	01/28/2015	43605	PM	1,853,448.26
STATE LOCAL OPTION CAPITAL SALES TAX				
14580	04/21/2015	43908	AC	2,307,420.09
STATE LOCAL OPTIONS CAPITAL PROJECT SALES TAX THIRD QUARTER				
14652	07/30/2015	45804	AB	2,336,231.75

COUNTY OF LANCASTER

FY 2015-2016 CASH RECEIPTS REPORT BY ACCOUNT FOR ALL CASH ACCOUNTS

DEPOSIT DATES: 05/01/2009 TO 06/30/2016

USER ID: TO

<u>DEPOSIT NUMBER</u>	<u>DEPOSIT DATE</u>	<u>REFERENCE</u>	<u>INITIALS</u>	<u>DEPOSIT AMT</u>
31-4-015-424-00 1% LOCAL OPT. REV CAPITAL PROJECTS				
SC STATE TREASURER LOCAL OPTION CAPITAL PROJECT SALES				
TAX 4TH QUARTER				
14717	10/28/2015	45875	AC	2,381,860.23
STATE LOCAL OPTION CAPITAL SALES TAX				<u>44,726,619.69</u>
REPORT TOTAL				<u><u>44,726,619.69</u></u>

Agenda Item Summary

Ordinance # / Resolution#:

Contact Person / Sponsor: Veronica C. Thompson

Department: Finance

Date Requested to be on Agenda: Information Only

Issue for Consideration:

The County's financial results for the fiscal year ended June 30, 2015 will be summarized.

Points to Consider:

The External Auditors will be presenting the FY15 results at the November 23rd meeting. At the time of this summary, I am finalizing review of the CAFR and present the following results to the Committee:

Unassigned Fund Balance-	\$17,842,835	FY15	\$16,940,776	FY14
Net Position-	\$56,734,043	FY15	\$83,751,863	FY14*

*Net Position decreased due to the implementation of GASB 68- Accounting & Financial Reporting for Pensions.

Budgetary Compliance- The legal level of budgetary control is the fund level. Overall for the General Fund, which is the County's major fund, ended with a combined positive variance. Significant variances within the departments will be discussed in the MD&A (Management's Discussion & Analysis) portion of the CAFR.

Funding and Liability Factors:

None.

Council Options:

N/A

Recommendation:

None.

Agenda Item Summary

Ordinance # / Resolution#:	Discussion Item
Contact Person / Sponsor:	Steve Willis
Department:	Admin
Date Requested to be on Agenda:	October 26, 2015 - Council / 11-19-15 Admin.

Issue for Consideration:

Cost estimates on fire trucks/ Fleet Operations facility.

Points to Consider:

The bids were opened on October 19th for the fire truck purchase. The total amount of bond funding needed is \$6,635,199. Please note that both Indian Land and Pleasant Valley fire departments will be adding other funds for pumper-tankers. Also, the Council has previously endorsed the concept of using the proceeds from the sale of existing surplus apparatus to fund building improvements (additional truck bays) at the Rich Hill fire station.

We have an engineering cost estimate for the Fleet Operations facility. I need to stress this is not a bid price. Our plan would be to utilize the Construction Manager At Risk model to build this facility. That price is \$3,728,185. This is just the Fleet Operations facility and does not include a Public Works Administration facility or EMS facility.

The CAFR has not been finalized and we will not have our debt ceiling numbers until late next week.

This will be referred to the Administration Committee for review and recommendation. I do need to note that we do have a time constraint on ordering the fire trucks to avoid a price increase on January 1st.

Funding and Liability Factors:

Outlined above.

Council Options:

Information only at this time. We will also work with McNair to obtain bond cost estimates.

Staff Recommendation:

To be determined.

Committee Recommendation:

To be determined.

Department Name	2015 Purchase
Antioch	Engine
Bell Town	Engine
Buford	Engine
Camp Creek	Engine
Charlotte Rd/Van Wyck	Rescue
Elgin	Rescue
Flat Creek	Engine
Gooches	Rescue
Heath Springs	Engine
Indian Land (UPGRADE)	Pumper/Tanker
Kershaw	Engine
McDonald Green	Engine
Pleasant Valley (UPGRADE)	Pumper/Tanker
Rich Hill	Funds for Building
Riverside	Engine
Shiloh Zion	Engine
Tradesville	Tanker
Unity	Rescue
Lancaster	Rescue
Total	10 Engines
	5 Rescues
Note: Pleasant Valley/Indian Land Upgrade-Devel. Fnds	3 Tankers
	18 Total

Lancaster County Total Package Breakdown

1. Ten (10) Custom Cab Engines (combined purchase)	\$476,300.00
	<u>X 10</u>
	4,763,000.00
100% Advance Payment Discount	<u>(182,281.00)</u>
	\$4,580,719.00

2. Two (2) Custom Pumper/Tankers (combine purchase)	\$476,272.00
	<u>X 2</u>
	952,544.00
100% Advance Payment Discount	<u>(35,045.00)</u>
	\$917,499.00

3. One (1) Dry Side Tanker (combine purchase)	\$264,326.00
100% Advance Payment Discount	<u>(7,526.00)</u>
	\$256,800.00

4. Five (5) Rescues (combine purchase)	\$272,337.00
	<u>X 5</u>
	\$1,361,685.00
100% Advance Payment Discount	<u>(77,605.00)</u>
	\$1,284,080.00

Net Due Pierce 30 Days from Purchase Order	\$7,039,098.00
--	-----------------------

5. Pleasant Valley Pumper/Tanker (Fee District Contrib.)	(\$ 201,949.50)
6. Indian Land Pumper/Tanker (Fee District Contrib.)	(\$ 201,949.50)

****NOTE: Pleasant Valley and Indian Land Fee Districts request Development Funds be used to pay these contribution amounts.

TOTAL NEEDED FOR THE BOND TO FINANCE PURCHASE	\$6,635,199.00
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**Lancaster
County
Fire Rescue**

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Lancaster, SC
29721

Business Phone
803-283-8888

Fax
803-283-6333

E-mail
LCFR@comporium.net



Proud and Progressive

BIDDER'S SCHEDULE

BID ID - APPARATUS 2015 BID
USE THIS SHEET FOR PRICING.

ITEM

PRICE

Custom Cab Engine
(Priced per unit - 10 to be purchased) \$477,300.00 / \$476,300.00
\$4,763,000.00

Custom Cab Pumper/Tanker 1700 gallon
(Priced per unit - 2 to be purchased) \$489,872.00 / \$476,272.00
\$952,544.00

Commercial Chassis 2000 gallon
Tanker (Priced per unit - 1 to be
purchased) \$280,326.00 / \$264,326.00

Commercial Chassis Rescue Truck
(Priced per unit - 5 to be purchased) \$274,337.00 / \$272,337.00
\$1,361,685.00

Custom Cab Engine + Commercial
Chassis 2000 gallon tanker + Custom 1700 gallon pumper/tanker +
Commercial Chassis Rescue Truck Price if your company is awarded the bid
for all three apparatus. This will be a total award package priced at 10 engines,
5 rescue trucks, 2 custom pumper tankers and 1 commercial tanker.
\$7,341,555.00

Note: This allows for discounting if all units are purchased from one
manufacturer or entity.

DO NOT Add Sales Tax - \$300.00 SC Sales Tax will be added to each bid price for each unit
purchased.

Were exceptions taken to any of the YES NO (circle one)
specifications?

DELIVERY WILL BE MADE WITHIN 300 DAYS AFTER
RECEIPT OF PURCHASE ORDER.

BIDDER'S SIGNATURE _____

PRINT NAME OF COMPANY AND NAME OF BIDDER:
Spartan Fire & Emergency Apparatus, Inc.

ADDRESS 319 Southport Road, Roebuck, SC 29376

TELEPHONE NUMBER 864-582-2376

DATE October 19, 2015

**THIS FORM MUST BE PART OF THE BID SUBMISSION. FAILURE TO INCLUDE THIS
FORM MAY RESULT IN BID REJECTION DUE TO INCOMPLETE SUBMISSION.**



Lancaster County Fleet Maintenance Facility

Lancaster County
Lancaster, SC
Conceptual Budget

April 27, 2015

Budget Breakdown

GSF 22,100

	TOTAL	COST PER SF
Site (6.6 Acres)	\$1,215,244	\$54.99
Offsite Improvements Allowance	\$450,392	\$20.38
Fleet Maintenance Facility (22,100 SF)	\$1,550,422	\$70.15
TOTAL	\$3,216,059	
General Conditions (9 Months)	\$198,030	
Contingency - 5%	\$170,704	
Project Fee - 4%	\$143,392	
RECOMMENDED BUDGET	\$3,728,185	\$168.70

DRAFT

11/13/15 (JLW)

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2015-____

COUNTY OF LANCASTER

)

AN ORDINANCE

TO AMEND THE AMENDED AND RESTATED MASTER MULTI-COUNTY PARK AGREEMENT BETWEEN CHESTERFIELD COUNTY, SOUTH CAROLINA AND LANCASTER COUNTY, SOUTH CAROLINA, AS AMENDED AND RESTATED AS OF NOVEMBER 9, 2015, SO AS TO ADD TO THE AGREEMENT PROPERTY LOCATED IN LANCASTER COUNTY (ONE PARCEL – PROJECT 2015-04; FIVE PARCELS -- LINEBERGER); AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and determinations; Purpose.

(a) The Council finds and determines that:

(1) Lancaster County, South Carolina ("Lancaster County") is authorized by Article VIII, Section 13(D) of the South Carolina Constitution and by Sections 4-1-170, -172 and -175 of the Code of Laws of South Carolina 1976, as amended, to jointly develop, in conjunction with contiguous counties, industrial and business parks (each a "Multi-County Park"); and

(2) Lancaster County and Chesterfield County, South Carolina ("Chesterfield County"), are contiguous counties which, pursuant to Ordinance No. 14-15-20, enacted by Chesterfield County Council on November 4, 2015, and Ordinance No. 2015-1352, enacted by Lancaster County Council on November 9, 2015, authorized and approved an Amended and Restated Master Multi-County Park Agreement, as amended and restated as of November 9, 2015 (the "Amended and Restated Park Agreement") that provided for the establishment of a Multi-County Park (the "Multi-County Park"); and

(3) the Amended and Restated Park Agreement provides that property may be added to the Multi-County Park upon the passage of an approving ordinance of the county in which the subject property is located and a resolution of the non-host county.

(b) It is the purpose of this ordinance to approve the addition of the following properties to the Amended and Restated Park Agreement: One parcel owned by Project 2015-04 (Tax Map No. 0066-00-031.00) and five parcels owned by Kim Lineberger, Trustee (0081-00-031.00, 0081-00-032.00, 0081-00-034.01, 0081N-0B-005.00 and 0081N-0B-006.00).

Section 2. Approval of amendment.

Council approves the amendment of Exhibit A (Lancaster County) of the Amended and Restated Park Agreement by adding at the end of Exhibit A (Lancaster County):

/E. Properties included pursuant to Lancaster County Ordinance No. 2015-____, enacted on _____, 201_:

2013 W. Meeting Street

Tax Map No.

Owner

0066-00-031.00

Project 2015-04

1212 Kershaw Camden Highway

Tax Map No.

Owner

0081-00-031.00

Lineberger, Kim, Trustee

0081-00-032.00

Lineberger, Kim, Trustee

0081-00-034.01

Lineberger, Kim, Trustee

0081N-0B-005.00

Lineberger, Kim, Trustee

0081N-0B-006.00

Lineberger, Kim, Trustee/

Section 3. Preparation of amended Park Agreement.

When Chesterfield County has passed a resolution approving the addition of the property, as provided in this ordinance, the County Administrator shall cause to be prepared a revised Amended and Restated Park Agreement with Exhibit A (Lancaster County) revised as set forth in Section 2 of this ordinance. A copy of the revised Amended and Restated Park Agreement with a revised Exhibit A (Lancaster County) shall be provided to the Administrator, Clerk to Council, Assessor, Auditor and Treasurer of Lancaster County and Chesterfield County.

Section 4. Conflicting provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions, policies, procedures and actions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 5. Severability.

If any section of this ordinance is, for any reason, determined to be void or invalid by a court of competent jurisdiction, it shall not affect the validity of any other section of this ordinance which is not itself void or invalid.

Section 6. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this __ day of _____, 201__.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third Reading: