



BUDGET IN BRIEF

Fiscal Year 2022-2023

Executive Summary

The table below summarizes the fiscal year 2023 Budget by each fund. The personal services category was a major cost driver in this budget and included increases for a 5% cost of living adjustment as well as an additional 1% for those employees below the minimum of the Compensation and Classification Study. There are also 23 new permanent positions as well as 3 strategic position reclassifications in the budget and 30 poll workers for Elections. Parks and Recreation will open new facilities in calendar year 2022 including 2 new soccer complexes and the re-opening of a renovated and expanded Indian Land Recreation Center which impacted staffing and operating costs. Capital projects included \$3.5 million for a new airport terminal as well as \$7 million in additional Transportation Funds from the State to fund road improvements based on recommendations from the County Transportation Commission. For more information on each fund please see the full budget document located on our website.

Lancaster County, South Carolina			
Original Adopted Budgets			
Fiscal Year Ended June 30, 2023			
General Funds			
General Fund			75,987,386
Capital Project Sales Tax Special Revenue Fund			20,602,500
Other Special Revenue Funds			
Court Security	\$	1,816,676	
Victims Services		47,000	
E-911		740,040	
Stormwater		2,881,985	
Transportation		7,900,000	
Indian Land Fire District		1,201,707	
Local Accommodations Tax		120,000	
Lancaster County Airport Commission		367,088	
Pleasant Valley Fire District		932,428	
Hospitality Tax Fund		1,700,000	
State Accommodations Tax Fund		255,000	
Van Wyck Fire District		148,140	
	\$	18,110,064	18,110,064
Debt Service Funds			
Debt Service			7,204,407
Capital Project Fund			
Capital Improvement			2,400,415
Total All Budgeted Funds			<u>\$ 124,304,772</u>

Budget Highlights

Major focus areas of this budget:

- Understand the goals of the County Council;
- Understand the needs of the departments;
- Evaluate County services and the impacts of population growth on those services;
- Safeguard the fiscal health of the County, with the understanding that the budget is primarily supported by local taxpayer funding; and
- Identify service enhancements and prepare for future growth and impacts.

Based on this focus, the budget recommendation, and subsequent adoption, is structured to:

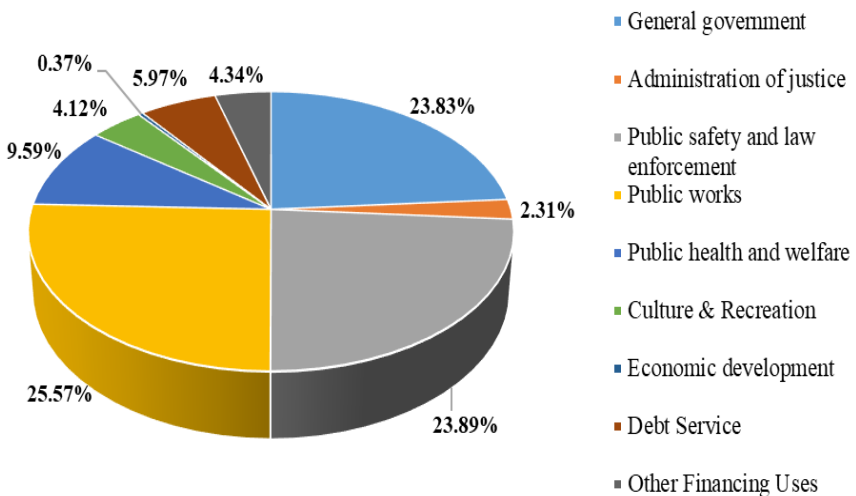
- ⇒ Establish a budget that does not increase the property tax millage rate, outside of the 1.10 for the debt service fund;
- ⇒ Highlight that employees are the County's key asset and invest in the workforce by implementing a minimum \$12 an hour for all employees and provide a 5% to 6% across-the-board pay raise for full-time employees while also bolstering staff in strategic areas to address growth and meet enhance service needs with 23 new positions and 3 reclassified positions;
- ⇒ Demonstrate that public safety is a priority for the County Council by investing in the Sheriff's career ladder compensation structure for patrol and detention officers. Additionally, continued investment in equipment for the public safety departments;
- ⇒ Plan for the future with the development and implementation of a County-wide Strategic Plan;
- ⇒ Address the current rise in inflation impacting all county expenditures, plus address cost increases for insurance (health, workers comp, property) and state mandates (elections and other);
- ⇒ Make strategic investments in its infrastructure and capital improvements by leveraging one-time federal funds provided by the American Rescue Plan Act (ARPA) for items like replacement Sheriff vehicles and IT equipment/network upgrades;
- ⇒ Utilize fund balance conservatively for capital investments by funding a new Airport Terminal facility while the County seeks Federal grant funds for reimbursement which will expand operations and future economic development opportunities; and
- ⇒ Focus on County roads with a one-time allocation from the State in the amount of \$7 million for the County's Transportation Commission budget. Additionally, Capital Project Sales Tax two proviso roads were approved to be funded with excess penny sales tax collections at \$9,000,000.

Expenditure Summary for All Funds

Expenditure:

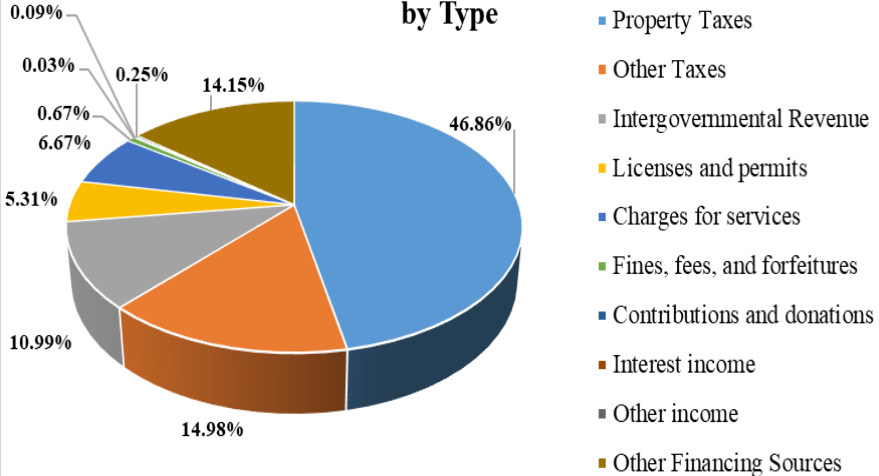
Public works represents the largest portion of budgeted expenditures with 26% of the budget. These expenditures are representative of the roads and solid waste departments as well as the County's Transportation Commission which received a one-time allocation from the State this year. The second largest is the Public Safety and Law Enforcement function with 23.9% which includes the sheriff's department, public safety communications, court security, & the detention center as well as emergency management, fire service, and E-911. General government expenditures represent the third largest portion of the budget with 23.8% of the budget. This category includes the administrative and financial departments of Lancaster County. Public health and welfare includes the EMS department and is also 10% of the FY23 budget. Debt Service includes lease and bond payments and is the fifth largest funded category with 6%. Other Financing Uses (OFU) includes transfers to other funds and fund balance surpluses. This use of funds represents 4.3% of the total budget.

FY2023 Budget Expenditures & Other Financing Uses



Revenue Summary for All Funds

**FY2023 Budget Revenues & Other Financing Sources
by Type**



Revenue:

The top categories of revenues (Property taxes, other taxes, Intergovernmental revenue, Charges for services, & Licenses and permits) are discussed in the Revenue Summary section of the budget document. These revenue sources represent approximately 86% of the total revenues budgeted for fiscal year 2023. Property Taxes represent the largest portion. These revenues are comprised of ad-valorem real, personal, vehicle, and local option sales taxes for property tax reductions. Fifteen percent of total revenues come from Other Taxes. The majority of these revenue sources are from the 1% sales tax for capital projects. Third is Other Financial Sources with 14% which includes transfers between funds and use of fund balance. The fourth largest revenue type is Intergovernmental Revenue with 11%. This revenue source consists of the following payment types: State Aid to Subdivisions, State Salary Participation, State DSS 4D Funds, State Election Commission, State Transportation C Funds, some State & Federal grants, and intergovernmental payments from other local governments. And fifth with 7% is Charges for Services which includes fire fees and stormwater fees in other funds as well as recreation and ambulance fees in the general fund.

General Fund Summary

General funds are a key component of the budget. These funds represent most of the cost of day-to-day services provided to County residents.

General Fund Revenue by Type	
Property taxes	\$ 49,355,220
Other taxes	3,175,475
Intergovernmental revenue	6,196,633
Licenses and permits	6,600,998
Charges for services	4,513,200
Fines, fees, and forfeitures	787,525
Contributions and donations	32,500
Interest income	110,000
Other	252,680
Other Financing Sources	4,963,155

The above table breaks up the budgeted revenues by type. This chart breaks up the fiscal year 2023 General Fund budgeted revenues by type. Property taxes represent the largest portion with 65% of all general fund revenues. This includes only the operating portion of taxes that are levied on the citizens of Lancaster County. Licenses and permits which is largely building permit revenue makes up 9% of the budget followed by intergovernmental revenue with 8%.

The below table shows the fiscal year 2023 General Fund budget by function. General Government represents the largest portion at 33% of the general fund budget. General services, financial services and administrative departments are all part of the General Government function. Public Safety & Law Enforcement represents the second largest portion, with 32% of the budget. This function includes the following departments: Coroner, Sheriff, Communications, Detention Center, Emergency Management, Fire Service, & Lancaster Firefighters. Public Health & Welfare comes in third with 12% of the budget. This is largely made up of EMS.

General Fund Budget Expenditures	
General government	\$24,980,347
Administration of justice	2,877,067
Public safety and law enforcement	24,574,686
Public works	8,369,665
Public health and welfare	9,424,486
Culture & Recreation	5,054,307
Economic development	458,740
Debt Service	50,000
Other financing uses	198,088

Other Funds Summary

Other funds include special revenue funds and capital project sales tax funds. Special revenue funds are used to account and report the proceeds of *specific revenue sources* that are *restricted* or *committed* for *specific purposes* other than debt service or capital projects.

Airport	367,088
Court Mandated Security	1,816,676
E-911 Fund	740,040
Hospitality Tax	1,700,000
Indian Land Fire District	1,201,707
Local Accommodations	120,000
Pleasant Valley Fire District	932,428
State Accommodations Tax	255,000
Stormwater	2,881,985
Transportation Commission	7,900,000
Van Wyck Fire District	148,140
Victims Services	47,000
Capital Project Sales Tax 2	8,601,000
Capital Project Sales Tax 3	12,001,500
Capital Improvement	2,400,415
Debt Service	7,204,407

Various capital projects are funded throughout the County budget as planned in the County's Capital Improvement Plan (CIP) which was updated in 2021. In 2017, the new capital threshold was set in the CIP at \$100,000 per item or more.

New construction, GO Bond projects, or land/building acquisitions, may be accounted for in the GO Bond projects accounts or some other unbudgeted fund. CIP items funded in this budget include:

- Ambulances for EMS;
- Hardware replacements for IT;
- Road preservation & paving;
- Heavy equipment replacement in Roads and Solid Waste departments;
- Safety upgrades at County Convenience Sites;
- Preliminary design work for a Regional Park;
- Parking lot reclamation at Springdale;
- In-car and body camera replacements for the Sheriff's Office.



LANCASTER COUNTY, SOUTH CAROLINA MISSION AND VISION



OUR VISION

The vision for Lancaster County is to be a great place to live, learn, work, worship, play, and raise a family.

OUR MISSION

Lancaster County facilitates its vision by being a safe community with responsible growth and economic opportunity. The mission of Lancaster County government is to continuously strive to provide progressive quality public services in a timely fashion and in a cost-effective manner.



For more detailed information and a look at the full budget document please visit our website at mylancastersc.org and go to the Finance Department.