



ORDINANCE NUMBER 26 – 2020

**CITY OF GREER
BUDGET ORDINANCE
FISCAL YEAR 2020 - 2021**

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF THE CITY OF GREER, SOUTH CAROLINA, MAKING APPROPRIATIONS THEREFORE, LEVYING TAXES, AND TO PROVIDE FOR AN EFFECTIVE DATE.

To provide for the levying of taxes for ordinary purposes in the City of Greer for the Fiscal Year beginning July 1, 2020, and ending June 30, 2021, by the City Council of the City of Greer, and to provide for the expenditure thereof.

WHEREAS:

- (1) SECTION 5-11-40 (c) of the South Carolina Code of Laws (1976), as amended, provides the authority to prepare an annual budget for all departments and agencies of the City Government; and
- (2) The annual budget shall be based upon estimated revenues and shall provide appropriations for City operations and debt service for all City departments; and
- (3) Pursuant to the above noted section of the Code of Laws, total funds appropriated in Fiscal Year 2020-2021 for the above purposes shall not exceed estimated revenues and carry forward funds available for expenditure in Fiscal Year 2019-2020.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GREER, SOUTH CAROLINA, DULY ASSEMBLED THAT:

SECTION 1: Funds appropriated herein are to be expended only in compliance with policies adopted by Council or, at Council's direction, as formulated and implemented by the City Administrator, either existing or adopted.

SECTION 2: The City Administrator is hereby authorized to arrange for the issuance of tax anticipation notes from time to time in anticipation of receipt of taxes by requesting bids for the issuance of such notes from such financial institutions as he shall determine. The aggregate amount of tax anticipation notes authorized hereunder to be issued by the City shall not exceed \$3 million. The notes shall be issued in compliance with State and Federal law. At the option of the City Administrator, the City may issue the notes as federally tax-exempt notes or as federally taxable notes. If the notes are issued as federally tax-exempt, then the notes are designated as qualified tax-exempt obligations under Section 265(b) of the Internal Revenue Code of 1986, as amended (the "Code"). If the notes are issued as taxable for federal income tax purposes, then the interest on the notes is not excludable from gross income for federal income tax purposes under Section 103 of the Code. The City Administrator is authorized to award the notes to the financial institution offering the lowest rate of interest to the City and to name the Paying Agent, if any, for the issue without further action of the City Council. The note shall be executed by the Mayor or the City Administrator and be attested by the Municipal Clerk.

SECTION 3: Council reserves the right to amend and alter any appropriation contained herein.

SECTION 4: Departmental appropriations are absolute. Department Heads shall not exceed the department sub-total amounts budgeted without prior approval by the City Administrator. The City Administrator must approve expenditure of contingency funds and transfers between line items within departments. However, contingency funds appropriated to the Mayor and City Council shall only be used at the discretion of the Mayor and City Council.

SECTION 5: Expenditures for any department should not exceed one-fourth (1/4) of its annual budget during each quarter of the budget cycle, except upon prior approval by the City Administrator. The purchase of supplies and repairs must be in accordance with provisions of the City's purchasing policy and any purchase or order which would obligate the City to continuous charges must be approved by the City Administrator prior to commitment of the City, provided, however, that the Administrator is authorized to purchase used vehicles and equipment from scheduled surplus equipment sales sponsored by City, County, State and Federal governmental agencies, outside of normal purchasing ordinances and procedures of the City. Items shall be purchased with funds from departments to which the equipment will be assigned or at the City Administrator's discretion.

SECTION 6: All non-Federal funds not expended during the Fiscal Year shall accrue to the City's General Fund for re-allocation during subsequent Fiscal Years. Federal funds which are earmarked shall be carried forward in accordance with Federal mandates. Where no mandate exists, the funds shall be transferred to the City's General Fund for re-appropriation. Individual accounts may be carried forward only upon approval of Council.

SECTION 7: All revenues provided for by law shall be collected and placed in ordinary City funds to supplement and provide sufficient funds for all ordinary City purposes. No public funds of the City of Greer shall be deposited unless the bank or depository shall pledge to the City a security equal in value to the funds deposited, after Federal Deposit Insurance Corporation guarantees have been considered. The security shall consist of either a surety bond executed by a licensed surety company, United States Government Bonds, bonds of the states of the United States or their political subdivisions, or such other security as shall be approved in writing by a majority of the City Council.

SECTION 8: Such funds as are herein appropriated as City contribution, donation or other support of any City agency or civic organization shall be made available on letter request by such agency or organization, to be disbursed in quarterly payments at the end of each quarter or at the direction of the City Administrator. A copy of the agency's previous year's audit shall be filed with the Municipal Clerk prior to such disbursement. An annual memorandum of understanding (MOU) must be submitted to and accepted by the City Administrator identifying the services or benefit(s) provided to the City.

SECTION 9: No property owned by the City of Greer shall be sold or optioned without prior approval of City Council. However, the City Administrator is authorized to trade vehicles and other equipment for subsequent purchases and to conduct periodic auctions and/or sealed bid offers of identified surplus city property.

SECTION 10: Fees collected by all offices shall be remitted to the Finance Department for deposit for their respective City purposes.

SECTION 11: The County Auditors of Greenville and Spartanburg Counties shall levy an ad valorem tax on all taxable property owned and used in the City of Greer, South Carolina, except such as exempt from taxation under the Constitution and laws of the state of South Carolina. The tax shall be collected and paid into the treasuries of Greenville and Spartanburg Counties, respectively, for credit to the City of Greer. The assessed value for the City is estimated to be \$151,308,793. The millage rate for the City of Greer is projected to be 97.8. The millage rate for the City of Greer for the fiscal year 2018-2019 was 97.8. There is no increase in the millage rate. 14.34 mills are required for satisfaction of debt service, and 83.46 mills are required for general operations. The estimated value of one (1) mill is \$151,308.

SECTION 12: The current fiscal year 2019-2020 budget revenue and expenditures are \$28,379,427 for the twelve (12) month period ending June 30, 2020. The projected revenue and expenditures for fiscal year 2020-2021 budget are \$30,109,154. The projected increase in revenue and expenditures is 6.1 percent.

SECTION 13: The annual budget documents and the estimated revenue for the payment of same is hereby adopted and is made a part of this Ordinance as fully as if incorporated herein.

SECTION 14: Funds sufficient to cover all fiscal year 2019-2020 budget items encumbered but unpaid at the close of the fiscal year shall be carried forward from the fiscal year 2019-2020 budget to the succeeding budget to meet such lawful obligations of the City of Greer.

SECTION 15: The financial policies of the City of Greer state that the City would establish a Contingency Fund, exclusive of all other reserves readily available for use in emergencies, to be established when prudently and financially feasible to do so. Greer City Council established and authorized the Contingency Fund effective fiscal year ended June 30, 2017. The Contingency Fund is funded through the reserves of the City's General Fund, calculated from the prior fiscal year's results of operations at a rate equivalent to that of 1% of the operational expenditures plus transfers to other funds, as detailed in the City's audited financial statements.

SECTION 16: All provisions of this Ordinance shall take effect on the 1st day of July, 2020.

SECTION 17: Any transfer of funds, except as allowed for in this ordinance, must be approved by a majority vote of the Greer City Council. Expenditure of funds from the General Fund and other City funds, as outlined in the General Fund budget or other budget as approved by City Council, is hereby approved by the City Council and the City Administrator is authorized to expend funds accordingly. Accordingly, the Capital Equipment Fund budget, Debt Service Fund budget, Facilities Use Fund budget, Greer Golf Fund budget, Hospitality and Accommodations Taxes Fund budget, Neighborhood Services Fund budget, Real Property Fund budget, Recreation Programs Fund budget, Road Paving Fund budget, Sanitation Services Fund budget, and Storm Water Fund budget are presented and approved for the convenience of the Greer City Council and staff, and for the ease of administration of appropriated funds.

SECTION 18: Should any section of this Ordinance be found in violation of any State or Federal statute, said ruling shall have no effect on the remaining portions of this document.

SECTION 19: The City Administrator shall be authorized to establish an employee bonus pool to hold funds for annual distribution to employees based on merit and length of service. The pool shall be funded by the immediately prior fiscal year's revenues in excess of expenditures. Any annual contribution to the bonus pool shall be determined by the following criteria after receipt of the financial audit: 1) Any millage assessed for the purpose of fund balance replenishment shall be used solely for that purpose. 2) Any

additional increase to fund balance shall be divided evenly, 50/50, with half of the funds being used exclusively to improve fund balance position, and half to fund the employee bonus pool at an amount up to, but not exceeding two percent (2%) of the total appropriation for employee salaries for the current fiscal year. 3) The pool shall be distributed to employees based on seniority and merit. 4) Any bonus amount will be subject to usual and customary employment taxes to both the employer and to the employee. 5) Any bonus available for distribution will be presented to employees during the annual Employee Appreciation Breakfast held in December. If it is determined that sufficient funds are available to allow a bonus distribution, there shall be a minimum distribution of \$100 for all part time employees and \$200 for all full time employees.

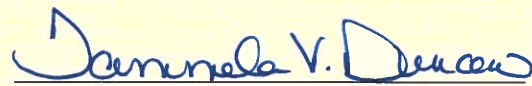
SECTION 20: The 2020-2021 Comprehensive Fee Schedule for the City of Greer is hereby approved and made a part of this Ordinance as fully as if incorporated herein. This ordinance shall repeal and replace in its entirety Ordinance 13-2008 and any subsequent amendments, originally adopting the Comprehensive Fee Schedule.

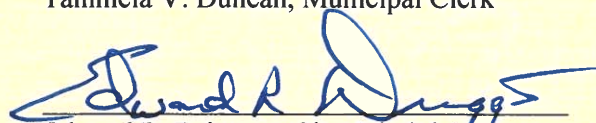
ADOPTED in regular meeting this 23rd day of June, 2020.

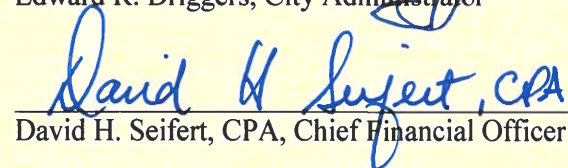
CITY OF GREER, SOUTH CAROLINA


Richard W. Damer, Mayor

ATTEST:


Tammela V. Duncan, Municipal Clerk


Edward R. Driggers, City Administrator


David H. Seifert, CPA, Chief Financial Officer

Introduced by: Councilmember Jay Arrowood

First Reading: June 9, 2020

Public Hearing: June 23, 2020

**Second and
Final Reading:** June 23, 2020