

Memo



To: Mayor and Town Council
From: Shirley Freeman, Director of Finance/Administration
Date: November 8, 2016
Subject: FY2017 Budget Amendment – First Reading

A handwritten signature in blue ink, appearing to be "SAK", is written over the "From:" line of the memo.

Town of Bluffton
20 Bridge Street
PO Box 386
Bluffton, SC 29910
843.706.4500
843.757.6720 (fax)

Recommendation: Approve the attached proposed ordinance amending the FY 2017 budget to reappropriate prior year encumbrances and contract commitments, to recognize the Federal Grant award for the May River Preserve Stormwater Pond Development Project. In addition, to change the funding source for the Land Acquisition Project by Proceeds from the Sale of Assets and Hospitality Tax funding and the reflect the return of funds due to the Neighborhood Stabilization Program close out. An increase for the May River Road Streetscape project for Council approved construction contract and an increase for the Geothe Shults Sidewalk – Phase 1 project for added lighting and landscape.

Background: Annually each year, we make adjustments required by project and contractual commitments. This is a housekeeping matter which rolls forward committed amounts of active contracts, purchase orders, etc. to the following fiscal year.

The Town of Bluffton purchased property at 68 Boundary Street, Bluffton for \$1,095,548.77 requiring a budget amendment of \$95,549. Funding is provided from the Bluffton Village property sale of \$588,653.32 and Hospitality Tax fund balance.

As part of the FY2017 State Appropriation Act, Water Quality Infrastructure Projects (Proviso 118.16) SCDHEC has awarded the Town of Bluffton \$500,000 in support of its public water/sewer and water quality improvement projects. The Town proposes to utilize the funds for the Buck Island – Simmonsville Phase 5 project in support of water and sewer installation in an area currently un-served by public sanitary sewer and characterized by failing septic systems. Not only will the results of this project improve the quality of life of the residents in this area, it may reduce the loading of fecal coliform to our local waterways. This grant will replace the budgeted funding sources of \$400,000 of Storm Water Utility funds and \$100,000 of Alcohol Tax.

Mayor and Council
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Grant award in the amount of \$231,350 was received for the Fecal Load Reduction Best Management Practices in Support of the May River Watershed Action Plan, Phase III – May River Preserve Project.

The Neighborhood Stabilization Program was closed out which required the return of the remaining balance of \$77,615. This balance was designated as funding for the General Fund Affordable Housing program therefore, the amount for the program has been reduced.

Town Council authorized the Town Manager to negotiate and execute the construction contract for The May River Road Streetscape project with a 10% contingency. An additional amount of \$2,078,148 is requested for resulting in a revised FY2017 budget of \$4,486,548. Funding for the additional budget is \$743,657 Hospitality Tax, \$70,000 Local Accommodations Tax, \$40,000 Stormwater Utility Fees, \$600,000 TIF, \$25,000 General Fund Beautification Committee, \$250,000 SCE&G Non-Standard Fund and \$349,491 General Fund Fund Balance.

The Goethe Shultz Sidewalks – Phase 1 project request of \$188,164 additional funds for improved lighting and landscaping for a \$566,619 total project budget for FY2017. Funding for the additional budget is \$113,170 from Hospitality Tax and \$74,464 from Debt Service.

**AN ORDINANCE OF THE TOWN OF BLUFFTON
ORDINANCE NO. 2016-
FISCAL YEAR 2017 BUDGET**

**TO AMEND THE BUDGET FOR THE TOWN OF BLUFFTON, SOUTH CAROLINA, FOR THE FISCAL
YEAR ENDING JUNE 30, 2017;
TO PROVIDE FOR THE EXPENDITURES OF CERTAIN FUNDS;
AND TO ALLOCATE THE SOURCES OF REVENUE FOR THE SAID FUNDS.**

WHEREAS, Section 5-7-260 of the Code of Laws of South Carolina requires that a municipal council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, the Town Council did adopt the budget on June 14, 2016; and

WHEREAS, pursuant to Sections 4 and 5 of said budget, the Town Council is desirous of amending the budget so as to provide for budget appropriations for legal encumbrances and certain other commitments from the Fund Balance and other revenues of Fiscal Year 2016; and

WHEREAS, the Town Council wants to change the funding source of the Land Acquisition project to recognize the Proceeds from the Sale of Bluffton Village and additional available Hospitality Tax, and change the funding source of the Buck Island/Simmonsville - Phase 5 project to recognize the South Carolina Department of Health and Environmental Control Grant award; and

WHEREAS, the Town Council wants to increase the May River Preserve Stormwater Pond Development project to reflect a State Grant award and the Land Acquisition project to reflect the purchase price of the property at 68 Boundary Road, and decrease revenue due to funds returned for the Neighborhood Stabilization Program close out, and change the May River Streetscape project and the Goethe Shults Neighborhood Improvements – Phase 1 project; and

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BLUFFTON, SOUTH CAROLINA; AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID TOWN COUNCIL:

SECTION 1. AMENDMENT

The adopted fiscal year 2017 budget is amended to make the following changes and additions to the funds from prior years and to the projected revenue and expenditure accounts as follows:

GENERAL FUND

Revenues and Other Sources

Other Sources

Transfer In: CIP Fund Balance	\$ (77,615)
General Fund Fund Balance	7,757
General Fund Fund Balance	<u>349,491</u>
Total Other Sources	<u>279,633</u>
Total Revenues and Other Sources	<u>\$ 279,633</u>

Expenditures and Other Uses:

Expenditures

Organization Study Contract	\$ 7,757
Affordable Housing	<u>(77,615)</u>
Total Expenditures	<u>(69,858)</u>

Other Uses

Transfers to CIP	<u>349,491</u>
Total Other Uses	<u>349,491</u>
Total Expenditures and Other Uses	<u>\$ 279,633</u>

CAPITAL IMPROVEMENTS PROGRAM FUND

Revenues and Other Sources

Revenue	
Grants	\$ 734,365
Total Revenue	<u>\$ 734,365</u>
Other Sources	
SWU	\$ 171,502
Hospitality Tax	1,517,477
Local Accommodations Tax	105,864
Alcohol Tax	(100,000)
TIF Fund dst	674,464
CIP Fund Balance (MIDF)	549,063
CIP Fund Balance	91,414
General Fund Fund Balance	349,491
General Fund - Beautification Committee	25,000
SCE&G Non-Standard Fund	250,000
Proceeds from Sale of Assets	588,653
TBD	<u>(1,000,000)</u>
Total Revenue	<u>\$ 3,222,928</u>
Total Revenues and Other Sources	<u><u>\$ 3,957,293</u></u>

Expenditures and Other Uses:

Expenditures	
May River Streetscape	\$ 2,308,248
Oyster Factory Park (Garvin House)	102,669
Wetlands Restoration	11,034
May River Preserve - change name	231,350
Buck Island Simmonsville Road - Phase 3	300,000
Buck Island Simmonsville Road - Phase 4	148,843
Buck Island Simmonsville Road - Phase 5	80,201
Jason Able Sewer	33,468
Calhoun Street Streetscape	35,864
Community Safety Cameras	12,000
Goethe-Shults Neighborhood Improvemest - Phase 1	196,619
Land Acquisitions	95,549
Town Hall Renovations	476,640
Town Facility Improvements	2,423
Total Expenditures	<u>\$ 4,034,908</u>
Other Uses	
Transfer to: General Fund	<u>(77,615)</u>
Total Other Uses	<u>\$ (77,615)</u>
Total Expenditures and Other Uses	<u><u>\$ 3,957,293</u></u>

STORMWATER UTILITY FUND

Revenues and Other Sources

Revenue	
Grant	\$ 28,464
Total Revenue	<u>\$ 28,464</u>
Revenue	
SWU Fund Balance	\$ 242,999
Total Other Sources	<u>\$ 242,999</u>
Total Revenues and Other Sources	<u><u>\$ 271,463</u></u>

Expenditures and Other Uses:

Expenditures	
319 Grant	99,961
Total Expenditures	<u>\$ 99,961</u>
Other Uses	
Transfer to: CIP Fund	171,502
Total Other Uses	<u>\$ 171,502</u>
Total Expenditures and Other Uses	<u><u>\$ 271,463</u></u>

DEBT SERVICE

Revenues and Other Sources

Other Sources	
Debt Service Fund Balance	\$ 674,464
Total Other Sources	<u>674,464</u>
Total Revenues and Other Sources	<u><u>\$ 674,464</u></u>

Expenditures and Other Uses:

Other Uses	
Transfers to CIP	\$ 674,464
Total Other Uses	<u>674,464</u>
Total Expenditures and Other Uses	<u><u>\$ 674,464</u></u>

The effect of this amendment will be to increase the General Fund Capital Improvements Program Fund to \$18,978,518 (Attachment A and B), to increase the Capital Improvements Program Fund to \$16,449,408 (Attachment C), and to increase the Stormwater Utility Fund to \$3,172,958 (Attachment D) and to increase the Debt Service Fund to \$3,111,261 (Attachment E) for a total Consolidated Budget of \$41,712,145.

SECTION 2. SEVERABILITY

If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 3. EFFECTIVE DATE

This Ordinance shall be effective upon its enactment by the Town Council for the Town of Bluffton.

PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF BLUFFTON ON THIS ____ DAY OF _____, 2016.

Lisa Sulka, Mayor
Town of Bluffton, South Carolina

ATTEST:

Sandra Lunceford, Town Clerk
Town of Bluffton, South Carolina

First Reading: November 8, 2016



**TOWN OF BLUFFTON
GENERAL FUND REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

	Current Budget	Proposed Budget	Budget \$ Change
Revenues			
Real Property Taxes	\$ 4,777,000	\$ 4,777,000	\$ -
Licenses & Permits			
Business Licenses	1,875,000	1,875,000	-
MASC Telecommunications	109,140	109,140	-
MASC Insurance Tax Collection	1,590,000	1,590,000	-
Franchise Fees (electric, gas, water, telephone, cable)	2,022,000	2,022,000	-
Building Safety Permits	1,769,270	1,769,270	-
Application Fees	65,000	65,000	-
Administrative Fees	44,000	44,000	-
Total Licenses & Permits	<u>7,474,410</u>	<u>7,474,410</u>	<u>-</u>
State/County Revenue			
State Shared Revenues			
Local Government Fund	278,145	278,145	-
Federal Grants	132,310	132,310	-
Total State Shared Revenue	<u>410,455</u>	<u>410,455</u>	<u>-</u>
Other Local Governments			
School Crossing Guards	66,045	66,045	-
School Resource Officers	344,350	344,350	-
Total Other Local Governments	<u>410,395</u>	<u>410,395</u>	<u>-</u>
Total State/County Revenue	<u>820,850</u>	<u>820,850</u>	<u>-</u>
Service Revenues			
Contract Police Services	50,000	50,000	-
Impact Fee Collection Fee	51,500	51,500	-
Development Fees	826,000	826,000	-
Total Service Revenues	<u>927,500</u>	<u>927,500</u>	<u>-</u>
Fines & Fees			
Municipal Court	245,000	245,000	-
Victims Assistance	36,260	36,260	-
Forfeitures	20,000	20,000	-
Total Fees and Fines	<u>301,260</u>	<u>301,260</u>	<u>-</u>
Other Revenue			
Rental Income	38,000	38,000	-
Interest Income	6,500	6,500	-
Other Revenue	30,000	30,000	-
Total Other Revenues	<u>74,500</u>	<u>74,500</u>	<u>-</u>
Total Revenues	<u>14,375,520</u>	<u>14,375,520</u>	<u>-</u>
Transfers In & Other Financing Sources			
Proceeds from Capital Leases	324,600	324,600	-
Transfers in From:			
State Accommodations Tax	45,000	45,000	-
Capital Improvements Program (NSP)	77,615	-	(77,615)
Hospitality Tax	500,000	500,000	-
Stormwater Utility Fees	60,000	60,000	-
Prior Year Fund Balance	676,150	683,907	7,757
Municipal Improvement District Funds (MIDF)	660,955	660,955	-
Savings from Prior Year Fund Balance	1,979,045	2,328,536	349,491
Total Transfers	<u>3,998,765</u>	<u>4,278,398</u>	<u>279,633</u>
Total Transfers In & Other Financing Sources	<u>4,323,365</u>	<u>4,602,998</u>	<u>279,633</u>
Total Revenues and Other Financing Sources and Transfer In	<u>\$ 18,698,885</u>	<u>\$ 18,978,518</u>	<u>\$ 279,633</u>



**TOWN OF BLUFFTON
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDING JUNE 30, 2017**

	Original Budget	Proposed Budget	Budget \$ Change
Expenditures			
Town Council	\$ 162,055	\$ 162,055	\$ -
Executive	953,790	953,790	-
Economic Development	233,725	233,725	-
Human Resources	305,045	312,802	7,757
Police	6,434,210	6,434,210	-
Municipal Judges	56,085	56,085	-
Municipal Court	256,970	256,970	-
Finance	866,700	866,700	-
Information Technology	1,049,955	1,049,955	-
Customer Service	409,700	409,700	-
Planning & Community Development	1,037,565	959,950	(77,615)
Building Safety	707,825	707,825	-
Project Management	907,190	907,190	-
Public Works	1,255,075	1,230,075	(25,000)
Non-Departmental (Townwide)	1,422,995	1,422,995	-
Total Expenditures	<u>\$ 16,058,885</u>	<u>\$ 15,964,027</u>	<u>\$ (94,858)</u>
Transfers Out to CIP:			
Municipal Improvement District Funds (MIDF)	660,955	660,955	-
Savings from Prior Year Fund Balance	1,979,045	2,328,536	349,491
Transfer to CIP	-	25,000	25,000
Total Transfers	<u>2,640,000</u>	<u>3,014,491</u>	<u>374,491</u>
Total Expenditures and Transfers Out	<u>\$ 18,698,885</u>	<u>\$ 18,978,518</u>	<u>\$ 279,633</u>



**TOWN OF BLUFFTON
CAPITAL IMPROVEMENTS PROGRAM FUND
FOR YEAR ENDING JUNE 30, 2017**

Projects	SI by Focus Area	Adopted FY 2017 Budget	Proposed FY 2017 Budget	FUNDING SOURCES						Description of Other Funding
				Hospitality Tax	Local Accommodations Tax	SWU	MIDF	Grants	Other	
May River Road Streetscape Final Phase	IF	2,178,300	4,486,548	2,486,057	336,000	440,000			1,224,491	
Oyster Factory Park - Garvin House Rehabilitation	IF	202,000	304,669	122,669				172,000	10,000	Private Donation
Land Acquisition	EG /IF	1,000,000	1,095,549	506,896					588,653	Sale of Asset
Buck Island - Simonsville Sewer Phase 3		-	300,000			230,000	70,000		-	
May River Preserve Stormwater Pond Development	RW	10,000	241,350			10,000		231,350	-	
Stoney Creek Wetlands Restoration	RW	100,000	111,034			111,034			-	
Buckwalter Place Multi-County Commerce Park Improvements	IF	1,900,000	1,900,000						1,900,000	MCIP, economic development funds, grants, and related sources
Buck Island - Simonsville Sewer Phase 4	IF	685,800	834,643			280,800		302,615	251,228	Alcohol Tax, CIP Fund Balance
Calhoun Street Streetscape	CQ	30,000	65,864		65,864				-	
Buck Island - Simonsville Sewer Phase 5	IF	970,000	1,050,201			57,000		500,000	493,201	Alcohol Tax, TIF funds
Jason - Able Neighborhood Sewer	IF	874,000	907,468			833,468			74,000	BJWSA
Community Safety Cameras Phase 2	IF	74,000	86,000	12,000	47,000				27,000	TIF funds
Goethe - Shults Neighborhood Improvements Phase 1	IF	370,000	566,619	322,155					244,464	TIF funds
Old Town Lighting, Signage, and Parking	CW / IF	200,000	200,000	200,000					-	
Town Hall Renovation	IF	2,500,000	2,976,640				1,137,595		1,839,045	General Fund Prior Year Fund Balance
Town Facility Improvements	IF	22,000	24,423				24,423		-	
Buckwalter School Campus Pond Retrofit	RW	100,000	100,000			100,000			-	
Buck Island - Simonsville Neighborhood Sidewalks	IF	75,000	75,000						75,000	TIF funds
Goethe - Shults Neighborhood Improvements Phase 2	IF / CW	75,000	75,000						75,000	TIF funds
Dr. Mellichamp Drive Streetscape	IF	582,400	582,400	382,400					200,000	TIF funds
Hampton Parkway Striping	IF	62,000	62,000						62,000	TIF funds
Dog Park	CQ	54,000	54,000						54,000	Private Funding for Construction - County to Maintain
Oyster Factory Park Improvements	IF	10,000	10,000	10,000					-	
Don Ryan Center for Innovation Upfit	IF	140,000	140,000						140,000	General Fund Prior Year Fund Balance
Sewer Connection Program	IF	200,000	200,000			200,000			-	
Neighborhood Stabilization Program Income Proceeds	CQ	77,615	-						-	
Grand Total - Revised Budget		\$12,492,115	\$16,449,408	\$4,042,177	\$ 448,864	\$2,262,302	\$1,232,018	\$1,205,965	\$7,258,082	
Grand Total - Adopted Budget		\$12,492,115	\$16,449,408	\$2,524,700	\$ 343,000	\$2,090,800	\$ 682,955	\$ 471,600	\$6,379,060	
Amendment #1			\$ 3,957,293	\$1,517,477	\$ 105,864	\$ 171,502	\$ 549,063	\$ 734,365	\$ 879,022	



**TOWN OF BLUFFTON
 STORMWATER FUND
 FOR THE YEAR ENDING JUNE 30, 2017**

	Original Budget	Proposed Budget	Budget \$ Change
Revenues			
Stormwater Utility Fees	\$ 1,290,450	\$ 1,290,450	\$ -
Federal Grants	-	28,464	28,464
Interest Income	150	150	-
Total Revenues	<u>1,290,600</u>	<u>1,319,064</u>	<u>28,464</u>
Other Financing Sources			
Transfers in From:			
Prior Year Fund Balance	1,610,895	1,853,894	242,999
Total Other Financing Sources	<u>1,610,895</u>	<u>1,853,894</u>	<u>242,999</u>
Total Revenues and Other Financing Sources	<u>\$ 2,901,495</u>	<u>\$ 3,172,958</u>	<u>\$ 271,463</u>
Expenditures			
Personnel (Salaries & Benefits)			
Watershed Management	464,515	464,515	-
Total Personnel	<u>464,515</u>	<u>464,515</u>	<u>-</u>
Operating Costs			
Watershed Management Operating Costs	251,180	251,180	-
Stormwater Master Plan Update	35,000	35,000	-
Total Operating Costs	<u>286,180</u>	<u>286,180</u>	<u>-</u>
Total Expenditures	<u>750,695</u>	<u>750,695</u>	<u>-</u>
Capital Projects			
Hampton Lake Stormwater Retrofit	-	-	-
Wetlands Restoration	-	-	-
Stormwater Master Plan Update	-	-	-
319 Grant	-	99,961	99,961
Total Capital Projects	<u>-</u>	<u>99,961</u>	<u>99,961</u>
Other Financing Uses:			
Transfers Out to General Fund (Public Works Labor)	50,000	50,000	-
Transfers Out to General Fund (NAP for Septic)	10,000	10,000	-
Transfers Out CIP	2,090,800	2,262,302	171,502
Total Transfers Out	<u>2,150,800</u>	<u>2,322,302</u>	<u>171,502</u>
Total Expenditures and Other Financing Uses	<u>\$ 2,901,495</u>	<u>\$ 3,172,958</u>	<u>\$ 271,463</u>



**TOWN OF BLUFFTON
DEBT SERVICE FUND
FOR THE YEAR ENDING JUNE 30, 2017**

	Original Budget	Proposed Budget	Budget \$ Change
Revenues			
TIF District Property Tax	\$ 1,576,000	\$ 1,576,000	\$ -
Real and Personal Property Taxes (LEC GO BABs)	409,000	409,000	-
Federal Interest Rebate (LEC GO BABs)	102,400	102,400	-
Municipal Improvement District (MID) Fees	170,025	170,025	-
Interest Income	200	200	-
Total Revenues	<u>\$ 2,257,625</u>	<u>\$ 2,257,625</u>	<u>\$ -</u>
Expenditures			
Series 2014 TIF Bonds Debt Service			
Principal	\$ 729,210	\$ 729,210	\$ -
Interest	202,472	202,472	-
Series 2010 GO Build America Bonds Debt Service			
Principal	225,000	225,000	-
Interest	315,615	315,615	-
Other	50	50	-
Transfers to CIP	964,450	1,638,914	674,464
Total Expenditures	<u>\$ 2,436,797</u>	<u>\$ 3,111,261</u>	<u>\$ 674,464</u>
Net Change in Fund Balance	\$ (179,172)	\$ (853,636)	
Beginning Fund Balance	1,507,934	1,507,934	
Ending Fund Balance	<u>\$ 1,328,762</u>	<u>\$ 654,298</u>	