



The Town of Bluffton, South Carolina

# POPULAR ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2014



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## Demographic and Economic Statistics

### Population Statistics

Population.....	12,893 <sup>(1)</sup>
% Male .....	48.9% <sup>(1)</sup>
% Female.....	51.1% <sup>(1)</sup>
% with Bachelor's degree or higher.....	33.2% <sup>(1)</sup>
Median age .....	32.7 Years <sup>(1)</sup>
Per capita income .....	\$27,247 <sup>(2)</sup>
Median family income .....	\$64,000 <sup>(2)</sup>
Average travel time to work in minutes ....	22.9 <sup>(2)</sup>

### Unemployment Rate

County.....	5.9% <sup>(3)</sup>
State.....	5.3% <sup>(3)</sup>

### References

- (1) 2010 Census
- (2) U.S. Census Bureau, 2007—2011 American Community Survey
- (3) Annual Bureau of Labor Statistics (6/2014)



## Town of Bluffton Vision 2029

Bluffton 2029 is a beautiful Southern town that is the heart of the Lowcountry. The Bluffton community has an authentic historic district, celebrates the May River and respects the Bluffton character.

Bluffton is a community of livable neighborhoods and has unique community destinations. Bluffton residents enjoy an active lifestyle and opportunities to have fun.



# A Message from the Director

## To the Citizens of the Town of Bluffton:

I am pleased to present to you the Town of Bluffton's Popular Annual Financial Report for the fiscal year ended June 30, 2014. This report is intended to increase awareness throughout the community of the financial operations of the Town. As such, this report is written in a manner that will summarize and communicate, in a user-friendly manner, the Town's financial condition. I am pleased to announce the Town of Bluffton received the Award of Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association (GFOA) for our Popular Annual Financial Report prepared for Fiscal Year ended June 30, 2013.

In addition to providing financial information, it is important to demonstrate what makes Bluffton a great place to live and work. Bluffton's "State of Mind" uniqueness contributes to a variety of community events and destinations. It is important for us to demonstrate the role the Town government is playing in supporting these activities.

Financial information within this report is derived in large part from the Town's 2014 independently audited set of financial statements that are prepared in accordance with generally accepted accounting principles. These audited statements are part of the Town's 2014 Comprehensive Annual Financial Report (CAFR). We are proud to say the Town's CAFR has been awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for each of the last six years.

I welcome any feedback, comments, or concerns regarding the information included in this report.

Sincerely,

A handwritten signature in blue ink that reads "Shirley A. Freeman".

Shirley A. Freeman  
Director of Finance / Administration





# Town of Bluffton, South Carolina

*Established 1825*

## Bluffton at a Glance

Founded in 1852 as a popular summer location for wealthy Savannah merchants and plantation owners, Bluffton is now considered one of the fastest-growing municipalities in the state. The town situated on a bluff along the May River just twelve miles from Hilton Head, has grown 911% between 2000 and 2010. Now designated a National Historic District, Bluffton is part of the Hilton Head Urbanized Area, the Sun City-Hilton Head Urban Cluster and the Hilton Head Island—Bluffton—Beaufort Metropolitan



The Hargray building at the USC Beaufort Campus

## Colleges and Universities

The following post-secondary schools provide educational advancement opportunities to the citizens of Bluffton:

- ▶ The University of South Carolina at Beaufort (USCB)
- ▶ The Technical College of the Lowcountry (TCL)
- ▶ Savannah College of Art and Design (SCAD)

## Transportation

Bluffton is located:

- ▶ 15 miles from Interstate Highway 95
- ▶ 26 miles from the Savannah/Hilton Head International Airport
- ▶ 12 miles from the Hilton Head Island Airport

The Palmetto Breeze offers public transit service via nine routes through Bluffton daily.

The Town joined the Lowcountry Area Transportation Study (LATS), a Metropolitan Planning Organization for regional organization, federally mandated to plan for transportation improvements.



## About this Report

Although this report is largely derived from the Town's 2014 Comprehensive Annual Financial Report (CAFR), this report is not prepared in accordance with generally accepted accounting principles (GAAP). Information on governmental funds is presented using the current financial resources measurement focus and the modified accrual basis of accounting. The report is presented in a summarized manner and certain financial statements, discretely presented component units and note disclosures required by GAAP are omitted. A copy of the Town's audited 2014 CAFR, which is prepared in accordance with GAAP and contains more detailed information, is located at [www.townofbluffton.sc.gov/documents/cafr.2014.pdf](http://www.townofbluffton.sc.gov/documents/cafr.2014.pdf)

## A Bluffton “State of Mind”

Bluffton’s “State of Mind” contributes to a unique variety of community events and destinations. The Town hosts festivals throughout the year that celebrate the May River, Gullah Heritage, seafood harvests and other local art and cultural interests. Bluffton supports its active community by providing for areas to engage in river sports, nature pathways and parks. Local art, festivals and activities foster community spirit among neighbors and provide a means for town expression and entertainment.

### Parks and Leisure

- ▶ Oyster Factory Park
- ▶ DuBois Park
- ▶ Oscar Frazier Park
- ▶ Buckwalter Regional Park
- ▶ Tom Herbkersman Commons
- ▶ Pritchard Pocket Park
- ▶ Buckwalter Place Greenway Trail
- ▶ Linear Park and Leisure Trail
- ▶ MC Riley Sports Complex



### Lowcountry Artists

- ▶ Four Corners Art Gallery
- ▶ Jacob Preston Studio
- ▶ Society of Bluffton Artists
- ▶ Pluff Mud Art
- ▶ Palmetto Bluff Gallery
- ▶ May River Art Gallery
- ▶ The Filling Station Art Gallery
- ▶ Gallery without Walls

### Annual Festivals and Events

The Town helped to coordinate more than 230 special events during the year, below is a list of just a few:

- ▶ Bluffton Farmers Market
- ▶ Bluffton Village Festival
- ▶ Historic Bluffton Arts and Seafood Festival
- ▶ May River Clean-up
- ▶ Hand Me Down Gullah Festival
- ▶ Burning of Bluffton
- ▶ BBQ & Blues Festival
- ▶ Beer & Brats Festival
- ▶ Bluffton International Craft Beer Festival
- ▶ The Turkey Chase 5k
- ▶ Annual Bluffton Christmas Tree Lighting and Light Up the Night Events
- ▶ Bluffton Christmas Parade





# Town of Bluffton, South Carolina

*Established 1825*

## Elected Officials

The Town of Bluffton was incorporated in 1852. The Town operates under a Council–Manager form of government. Town Council is composed of a Mayor and four council members. Mayor and council members serve staggered four-year terms. The at-large elections are non-partisan and as of June 30, 2012 there were approximately 6,900\* registered voters on the rolls.



**Councilman  
Fred Hamilton**

**Councilman  
Larry Toomer**

**Mayor Lisa Sulka**

**Councilman  
Ted Huffman**

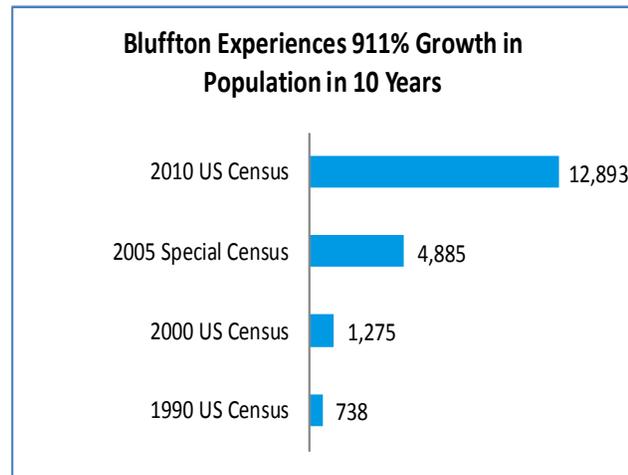
**Councilwoman  
Karen Lavery**

FY 2013 Fact	Figure
Town Property Tax Rate:	\$40/\$1,000 TAV
Town Bonded Debt Tax Rate:	\$4.35/\$1,000 TAV
Total County–Wide Property Tax Rate:	\$260.44/\$1,000 TAV
Town Share of Total:	17%
Total Annual Budget:	\$21,930,765
Employees:	98 FTEs
Outstanding Debt:	\$17,045,036

TAV—Taxable Assessed Value

FTEs—Full-time Equivalents

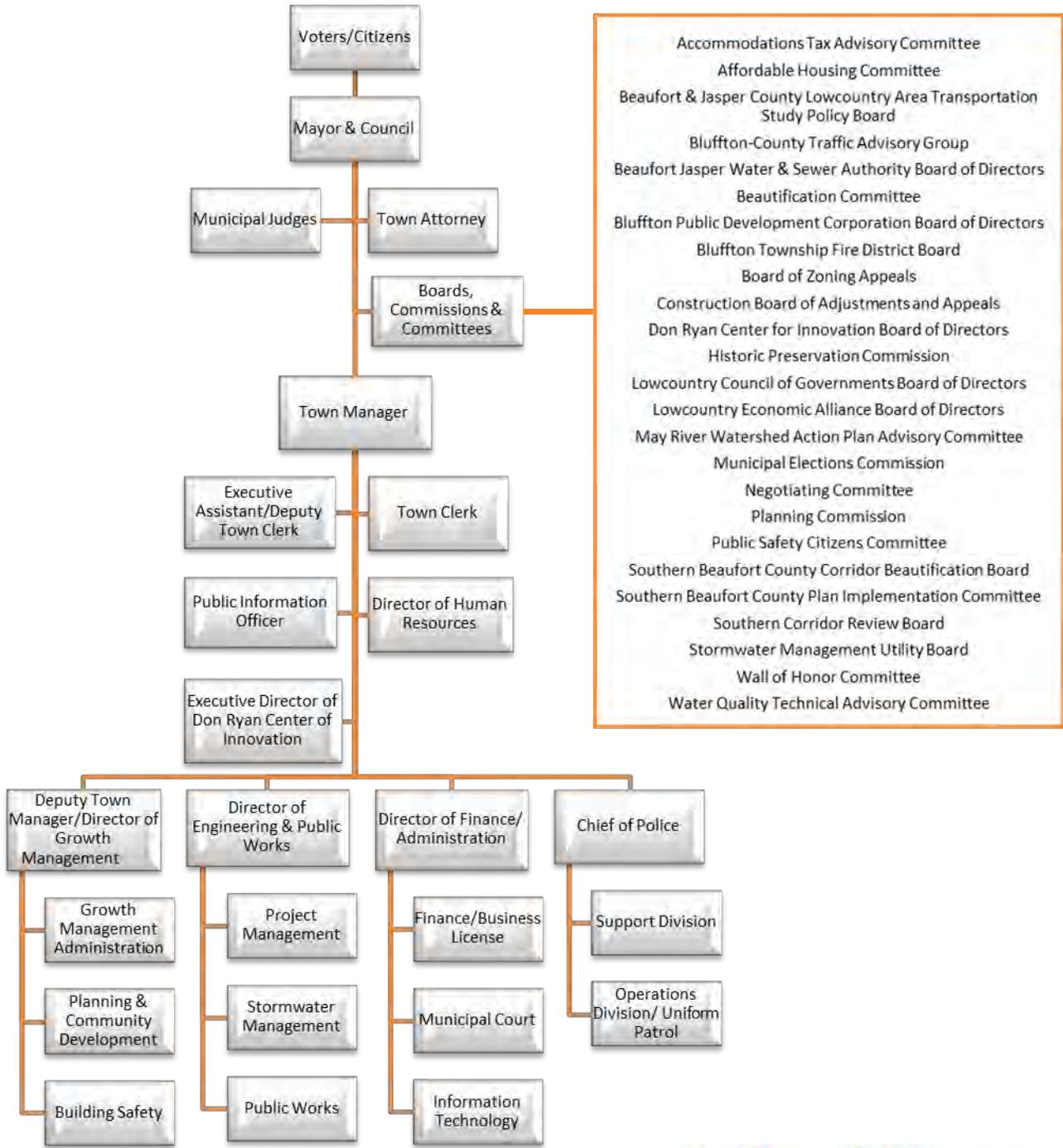
Town Council is responsible for setting millage rates during the annual budget process prior to the start of each fiscal year. The property tax rate was 49 mills in the year 2000 but has decreased to 44.35 mills in recent years due in large part to the Town’s increased population and property development.



## Where Your Property Tax Dollar Goes



# Organizational Chart

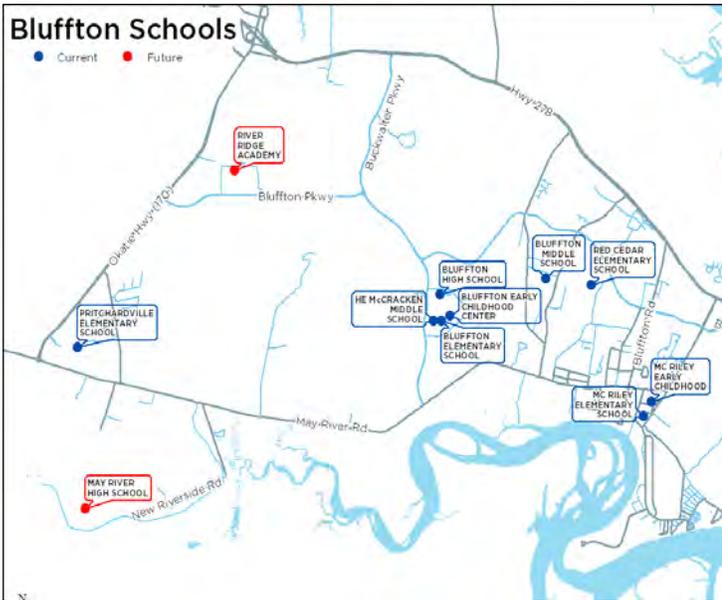
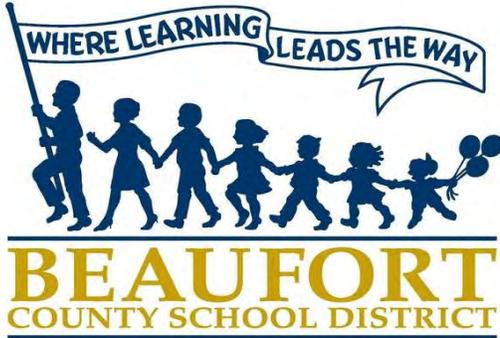




# Town of Bluffton, South Carolina

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## Education News



Beaufort County is one of the America’s Promise Alliance’s 100 Best Communities for Young People for its comprehensive menu of initiatives to help young people succeed. The national competition recognizes communities across the country that focus on reducing high school dropout rates and providing service and support to youth.



Ten years ago, the town of Bluffton had one elementary school. Today we are proud to claim five elementary schools, two middle schools and one high school.

Construction is under way on two new schools. River Ridge Academy is a 1,000-capacity Pre Kindergarten thru eighth grade school being built near the intersection of Bluffton Parkway and Highway 170 and the 1,400-capacity May River High School is being built in the New Riverside area. River Ridge Academy is scheduled to open in August 2015, while May River High is scheduled to open in August 2016.

Nearly half of the district schools rated Excellent on 2014 School Report Cards from the South Carolina Department of Education were Bluffton schools (Okatie Elementary, Pritchardville Elementary, Red Cedar Elementary, Bluffton Elementary and Bluffton High). In 2014, 91% of Bluffton High School students passed the high school exit exam on their first attempt. That’s the best performance of any high school in the district and much better than the state average of 82 %.

Okatie Elementary School became the first school in state history to earn three top honors: a National Blue Ribbon School award from the U.S. Department of Education, the 2014 Dick and Tunky Riley Award for the state’s top School Improvement Council and a 2014 Palmetto’s Finest award from the South Carolina Association of School Administrators.



District officials broke ground for May River High School on October 30th. The school is scheduled to open in August 2016.

## Bluffton Tourism



As depicted in the map to the left, the Town of Bluffton is located in Beaufort County, a southern coastal county in South Carolina. Bluffton is located just 12 miles west of Hilton Head Island, SC approximately 20 miles northeast of Savannah, GA, 25 miles southwest of Parris Island and 90 miles southwest of Charleston, SC.

Hilton Head Island is home to one of golf's greatest traditions, South Carolina's only PGA Tour event, the RBC Heritage is sponsored by the Royal Bank of Canada and presented by Boeing typically the week following the Masters in April.



The St. Patrick's Day celebration in Savannah, Georgia is the city's largest annual celebration and the second largest St. Patrick's Day gathering in the United States. Attracting roughly 400,000 Irish, honorary Irish visitors and local celebrators each



year, Savannah's St. Patrick's Day traditions are steeped in the area's rich Irish heritage.

Parris Island, where all Marine recruits are trained east of the Mississippi River, is one of the most visited military facilities in the world. This translates into a significant economic impact for surrounding communities. Most visitors come to attend the recruit Graduation Ceremony.



Visitors to these and other area events can find lodging, dining, tours and attractions in nearby Bluffton.

The Town of Bluffton is home to the award winning Inn at Palmetto Bluff:

- ▶ Received the AAA/CAA Five Diamond Award in 2014.
- ▶ It has received the *Forbes Travel Guide* Four Star Award for 2014.
- ▶ *U.S. News and World Report* ranked it No. 1 hotel in South Carolina and No. 2 top 10 hotels in the United States in 2014.
- ▶ *Conde Nast Traveler* rated it the 11th best hotel or resort worldwide and the #1 best resort in the U.S.



The Inn was developed by Charlotte-based Crescent Communities and is managed by Montage Hotels & Resorts. It is in the Palmetto Bluff planned community in Bluffton and features 50 cottage-style suites, a Jack Nicklaus Signature golf course, day spa and amenities such as horseback riding, kayaking and nature preserves. Crescent Communities has announced a \$100 million expansion plan to the Inn that will open in the Spring of 2016.



# Town of Bluffton, South Carolina

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## Bluffton Business News

Bluffton serves as a critical hub in the Beaufort County region, and with steady population growth throughout the last 20 years, the future development of the region has come into focus. Through several public sessions, the Growth Framework Map was created to define where growth should occur. It is a planning tool that organizes the future growth patterns of the Town and identifies centers for development and surrounding edges with varying degrees of residential and non-residential intensity.

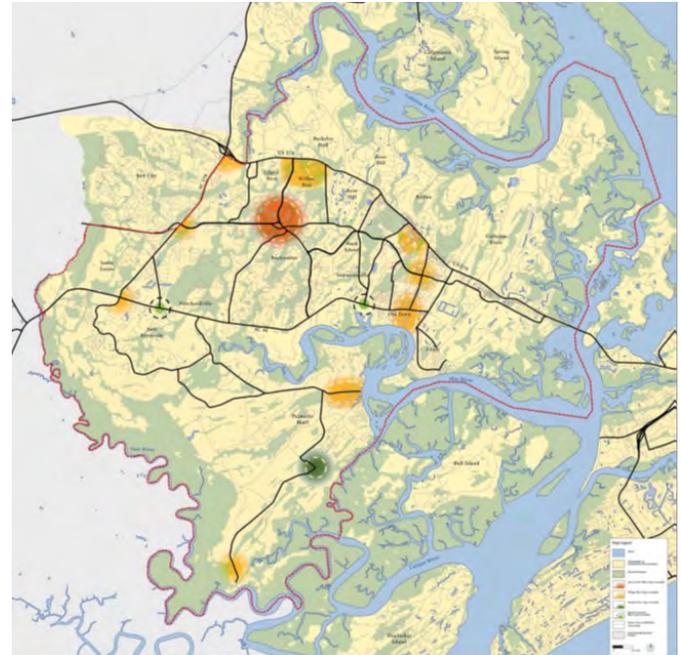
The vision of the plan prepares for a more compact and sustainable future, where new development is at higher density and focused away from key natural resources. It envisions the next century of Bluffton as a period during which Bluffton matures into a connected, complete southern town that effectively and efficiently provides services and attracts development.

Where you do business says as much as how you do business. It's why more and more companies are moving to the heart of the Lowcountry—Bluffton, SC. Dedicated to entrepreneurship, innovation and attracting high-tech industries, Bluffton provides an atmosphere that inspires new ideas and encourages business growth.

Please visit the Town's website or the Bluffton Public Development Corporation's newly launched website at [www.blufftonpublicdevelopmentcorporation.com](http://www.blufftonpublicdevelopmentcorporation.com) for more information.

### The 10 Largest Employers

- ▶ Beaufort County School District (Bluffton sites)
- ▶ CareCore National, LLC (Bluffton site)
- ▶ The Inn at Palmetto Bluff
- ▶ Publix Supermarkets
- ▶ NHC Healthcare (Bluffton site)
- ▶ Resort Services, Inc.
- ▶ Hargray Communications
- ▶ Kroger
- ▶ Town of Bluffton
- ▶ Outback Steakhouse



### Chamber of Commerce named Chamber of the Year in 2014

For the third time since 2000, the Hilton Head Island-Bluffton Chamber of Commerce has been named Chamber of the Year by the Association of Chamber of Commerce Executives. National Chamber of the Year is the highest national award presented to chambers of commerce.

Forty-one applicants were divided into categories based on their budget, number of members and local population. Chamber president Bill Miles said the judges were impressed with the chamber's work to help attract JetBlue to Savannah.

The Hilton Head Island - Bluffton Chamber won the national award in 2000 and 2006 and was a finalist in 2010 and 2012. The Association of Chamber of Commerce Executives has more than 1,400 members in the U.S. and Canada.

## Don Ryan Center for Innovation



In a world of innovation, one thing is certain: The better the idea, the faster you need to get it to market.

The Don Ryan Center for Innovation is a public-private partnership between the Clemson Institute for Economic and Community Development, CareCore National and the Town of Bluffton. Our mission is to advance regional economic development by offering a technology incubator program that provides the resources entrepreneurs, inventors and small business people need to assist them in their quest for success.

The center offers space and resources, and links participants to support in intellectual property, technology evaluation and product development services as well as seed financing, business mentorships, corporate relationships and hands-on consulting support.

Located in Bluffton, in the beautiful South Carolina Lowcountry, the Don Ryan Center for Innovation is the catalyst innovators need to make their tech vision a reality.

### Meet One of Our Innovators

The Elongator is a patented integral unfolding tailgate that extends the length of a pickup truck cargo bed to securely carry long loads as well as providing a built in ramp that can provide easy access to the cargo bed for wheeled vehicles and equipment such as an ATV, a motorcycle, a lawn tractor or mower. The Elongator, can be easily installed by the owner in minutes on all popular pickup truck models as a replacement to the OEM tailgate. It features the same level of quality and finish as the OEM – at no extra weight - while offering 4 additional features that are integrated into the tailgate:

- 1) The Elongator extends the length of the bed an average of two feet;
- 2) The Elongator contains two ramps that the owner can remove and attach to the tailgate extension when it is lowered to a 210 degree position allowing for easy loading of equipment and vehicles such as ATV's;
- 3) The Elongator gate can be extended and then positioned at 90 degrees to the truck bed while the gate is closed - creating a locking "cargo box";
- 4) The Elongator has integrated strap points that can be used to secure the cargo.



CENTER FOR INNOVATION  
**Empowering Innovators.  
 Accelerating Innovation.**



For more information about our other innovators, please visit <http://www.ryan-innovation-center.com>





# Town of Bluffton, South Carolina

*Established 1825*

## What's Happening Around Town



The Bluffton Farmers Market was ranked 1st in the state of South Carolina and 11th nationwide in the midsize market division by American Farmland Trust (AFT). The AFT's America's Favorite Farmers Markets™ contest's purpose is to raise national awareness about local farmers markets, the role they play in supporting local farms and the need to protect America's farmland.

Bluffton Police Department's officers and Bluffton Fire District's firefighters were proud to host their inaugural National Night Out in August. Bluffton joined more than 16,000 communities throughout the U.S., Canada and military bases around the world August 5<sup>th</sup> to raise public-safety awareness, enhance community pride and strengthen public service partnerships with residents and neighborhoods.



The Bluffton Beach Sweep/River Sweep is South Carolina's largest one-day volunteer cleanup event of its kind. The annual event, starting in 1988, took place at the Oyster Factory Park in September. Over 4,300 volunteers from all over the state picked up 33,000 pounds of marine debris and litter. This three hour event grows more popular every year.

The 2014 Hilton Head Island/Bluffton Chamber of Commerce Leadership Class introduced the Oscar Frazier Fitness Trail. The Public Recreation Outreach Wellness Project is a fitness trail that includes over 10 pieces of exercise equipment, including a sit-up bench, a pull-up bar, parallel bars and push-up bars. It is spread out in the Park at 10 Recreation Court. Each station, equipped with instructions on how to use the equipment, provides the community with the benefits of staying active while enjoying a unique experience.



## 2014 Financial Highlights

The previous sections of this document provided information on what is happening in our Town. The remainder of this document will provide readers with the Town's financial information for the fiscal year ended June 30, 2014.



The Heyward House and Bluffton Welcome Center circa 1840

### A Successful Year

- ▶ The General Fund (the chief operating fund of the Town) had revenues in excess of expenditures (net change in fund balance) in the amount of \$1,985,712 during the fiscal year. The Town saw growth in the number of residential building permits and its related fees as the economy continues to recover.
- ▶ At the end of the fiscal year the General Fund had an unassigned\* or unrestricted fund balance of \$5,917,866 or 57% of the year's total General Fund expenditures (\$10,361,561). This indicates a strong financial position for the Town.
- ▶ The Town continues to expand its footprint at the Buckwalter Place Technology Park with the purchase of 5 acres from Beaufort County funded with utility tax credits provided by area utilities for economic development projects and Multi-County Industrial Park Fees. The land purchase improves the Town's assets available for future economic development.

### The Challenges Ahead

- ▶ Fund Balance Reserves—The Town strives to maintain service levels and adequate fund balance reserves through the adoption of financial policies. Financial policy standards were all met again in FY 2014.
- ▶ Infrastructure Maintenance—Appropriately funding public assets and infrastructure as to not accumulate deferred maintenance costs. The Town continues to fund an Equipment Replacement Reserve to help alleviate the costs of future vehicle replacements.
- ▶ Economic Development—Attracting and retaining businesses and adopting additional economic development strategies will continue to be a top priority in FY 2015.

\* Unassigned fund balance represents fund balance that is not designated as nonspendable, restricted, committed or assigned for other intended purposes by external parties from the government, government elected officials or assigned staff.



# Town of Bluffton, South Carolina

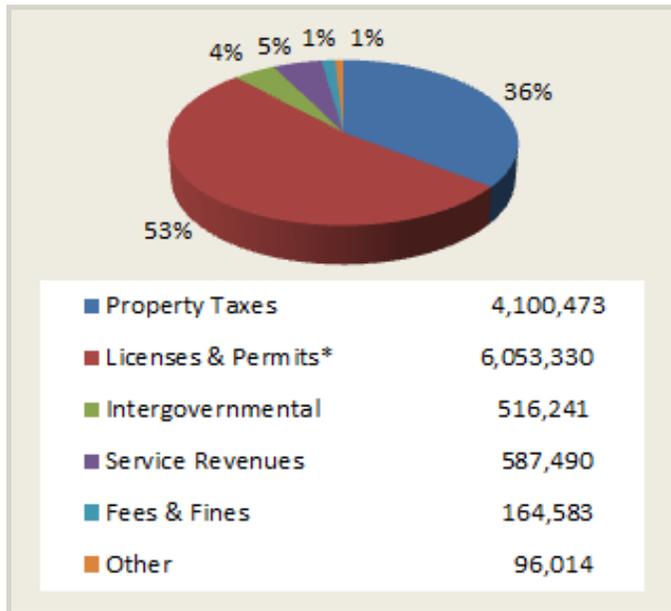
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## Where Our Money Comes From

The Town pays for the services it provides to its citizens and businesses from various sources, referred to as revenue, such as various taxes, grants and charges for services.

### The General Fund

When assessing the financial results of the Town, the Town’s General Fund is the primary focus. The General Fund is the general operating fund of the Town and supports the regular day-to-day operations. It is used to account for all revenues and expenditures of the Town, except for those required to be accounted for in another fund such as Capital Improvement Projects or Stormwater activity. Below are the details of where the Town’s General Fund revenues come from:



*Licenses & Permits	2014	2013
Franchise Fees	\$ 2,035,473	\$ 1,322,686
Business Licenses	1,416,147	1,284,970
MASC Insurance Tax Collections	1,310,818	1,258,503
MASC Telecommunications	102,901	100,060
Building Permits	1,090,532	979,777
Municipal Improvement Dev. Fees	-	233,100
Administrative Fees	50,646	50,646
Fee in Lieu of Developer Fees	10,573	10,573
Application Fees	36,260	48,514
<b>Total</b>	<b>\$ 6,053,330</b>	<b>\$ 5,288,829</b>

### Licenses and Permits

License and permit collections increased by almost \$800,000 from fiscal year 2013. These revenue increases indicate a strengthening local economy. Major sources of revenues from licensing and permitting are as follows:

- ▶ Franchise Fees—Revenues resulting from any utility franchise fees paid to the Town including gas, electric and cable.
- ▶ Business Licenses—Revenues collected for all businesses licensed in the Town.
- ▶ Municipal Association of South Carolina (MASC) Telecommunications and Insurance Tax—Revenues collected by MASC for the Town pursuant to the Telecommunications Act of 1999 and insurance and broker’s tax.
- ▶ Building Safety Permits—Revenues from building permitting and inspection fees collected for residential and commercial development.
- ▶ Municipal Improvement Development Fees (MIDF)—Revenues paid per dwelling unit in the Jones, New Riverside, and Buckwalter Tracts upon initial building permit application. These revenues are recognized in the Capital Improvements Program Fund starting in Fiscal Year 2014.

## Where Our Money Goes



Once the Town receives taxes and other revenues, the monies must be efficiently spent to provide services to the citizens and businesses of the Town. As detailed in this section, the Town provides a variety of services to its residents and businesses.

Most service expenditures are recorded within the Town’s General Fund since this fund finances the Town’s daily operations.

During the year ended 2014, the Town expended its funds as shown below. The per capita amounts represent the amount that the Town expended on each type of service per resident while the aggregate represents the total amount spent.

The expenditures shown to the right are classified by the type of service provided. Below is a summary of the function and departments reported within the pie chart.

**Administrative** expenditures include the costs of all elected officials and the departments of Executive, Human Resources, Finance, Information Technology Departments and other Town-wide costs.

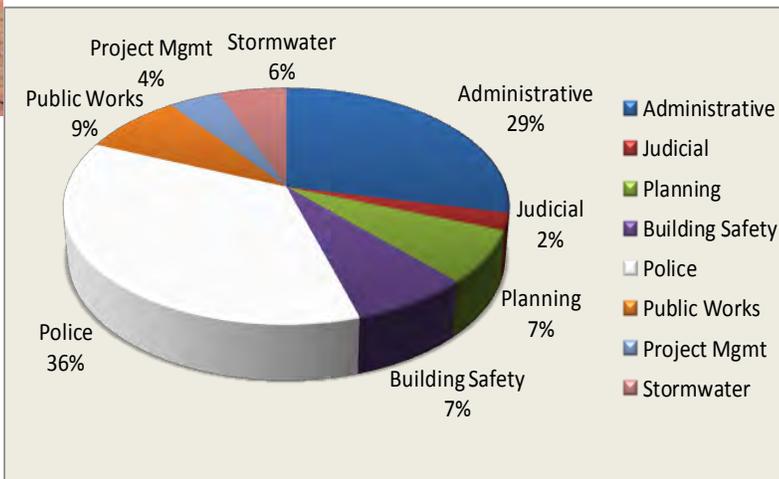
**Judicial** expenditures include the costs of Municipal Court and Judges.

**Planning** expenditures include the costs of Growth Management and the Planning & Community Development Departments.

**Public Works** expenditures include the costs of the Facilities/Asset Management Department.

The remaining functions represent actual individual departments within the Town.

The Town continues to experience rising revenues and expenditures related to Building Safety services with the ongoing growth of the area.



Expenditures Per Capita				
	2014 \$'s	Per Capita	2013 \$'s	Per Capita
Administrative	\$ 3,043,277	236	\$ 2,831,922	\$ 220
Judicial	260,994	20	298,752	23
Planning	810,964	63	889,177	69
Building Safety	848,123	66	676,502	52
Police	4,025,750	312	3,742,497	290
Public Works	882,139	68	860,678	67
Project Mgmt.	490,314	38	567,703	44
<b>Total</b>	<b>\$10,361,561</b>	<b>\$803</b>	<b>\$9,867,231</b>	<b>\$765</b>



# Town of Bluffton, South Carolina

*Established 1825*

## Assets and Liabilities

In addition to where the Town's money comes from and where it goes, it is also important to understand the flow of the Town's financial position. When we look at the overall financial condition of the Town, it is better to use the full accrual basis of accounting, which is similar to the basis of accounting used in the private sector. This allows us to consider all assets, liabilities, revenues and expenses of the Town.

The following schedule is intended to show the difference (defined as net position) between the Town's total assets and the Town's total liabilities as of June 30, 2014. The Statement of Net Position reflects a healthy financial condition.

Net Position	
Our Assets—What We Have	
Unrestricted current assets consisting mainly of cash and amounts owed to the Town	\$12,801,518
Restricted current assets consisting entirely of cash	5,099,736
Capital assets consisting primarily of land, buildings, equipment and vehicles	27,792,817
Total Assets of the Town	\$45,694,071
Our Liabilities—What We Owe	
Current liabilities consisting of all the amounts the Town owes and expects to pay in FY 2015 except for bonds	\$ 2,047,724
Amounts the Town owes and expects to pay after 2015, except for bonds	789,151
Amount of bonds payable (net of premium/discount)	16,217,503
Total Liabilities of the Town	\$19,054,378
Net Position	\$26,639,693

The assets of the Town exceeded its liabilities at the close of the fiscal year by \$26,639,693 (net position). Of this amount, \$8,328,146 (unrestricted net position) may be used to meet the Town's ongoing obligations to its citizens and creditors. Portions of the restricted net position amount are designated for future capital improvements, tourism projects and related support, debt service and other designated purposes.

## Outstanding Bonds



Streetscape at the Calhoun Street Promenade

### Bonds

(in thousands)	2010	2011	2012	2013	2014
<b>General Obligation Bonds</b>					
Beginning balance	\$ 40	\$ 20	\$ 6,500	\$ 6,500	\$ 6,500
Debt issued during the year	-	6,500	-	-	-
Principal repaid during the year	(20)	(20)	-	-	-
Ending Balance	\$ 20	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,300
<b>TIF Revenue Bonds</b>					
Beginning balance	\$ 13,450	\$ 12,875	\$ 11,870	\$ 11,240	\$ 10,590
Debt issued during the year	-	-	-	-	-
Principal repaid during the year	(575)	(12,875)	(630)	(650)	(670)
Ending Balance	\$ 12,875	\$ 11,870	\$ 11,240	\$ 10,590	\$ 9,920
<b>Total Outstanding Bonds</b>	<b>\$ 12.895</b>	<b>\$ 18,370</b>	<b>\$ 17,740</b>	<b>\$ 17,090</b>	<b>\$ 16,220</b>
<b>Outstanding Bonds per Capita (\$000's)</b>	<b>\$ 1.03</b>	<b>\$ 1.43</b>	<b>\$ 1.38</b>	<b>\$ 1.33</b>	<b>\$ 1.26</b>

A major liability of the Town is the amount of outstanding general obligation and revenue bonds. General obligation bonds are debt instruments issued by the Town to raise funds for public projects (i.e. Law Enforcement Center). What makes general obligation bonds (or GO bonds for short) unique is that they are backed by the full faith and credit of the issuing municipality. The Town's total bond issuances outstanding as of June 30, 2014 equal approximately \$16.2 million dollars. The Town maintains a bond rating of Aa2 from Moody's and improved to a AA+ Municipal Bond rating from Standard and Poor's rating agencies in 2014. Rating agencies assess the credit quality of municipal bond issues and assign a credit rating based on their analysis. Both agencies stated the high ratings reflect the growth in the Town's tax base in recent years and a healthy financial position supported by fiscal policies, professional management and modest debt as shown in the bonds per capita results above.



# Town of Bluffton, South Carolina

*Established 1825*

## Revenues vs. Expenditures

The table below summarizes the revenue and expenditure activity of the Town’s General Fund. The Town’s revenues covered service expenditures as well as limited debt and capital outlay expenditures.

The General Fund	
Revenues of the Town including other financing sources*	\$ 12,347,273
Expenditures of the Town to provide services	(9,964,295)
Excess Revenues	\$ 2,382,978
Debt Service Expenditures	(95,648)
Capital Outlay Expenditures including other financing uses*	(301,618)
Excess Revenues	\$ 1,985,712

The Town maintains a separate Capital Improvements Program (CIP) Fund to account for the financial transactions and resources used by the Town for the acquisition or construction of major capital projects. The table below lists the CIP projects and related expenditures that the Town incurred during fiscal year 2014.

The Capital Improvements Program Fund	
Beginning Fund Balance	\$ 1,979,496
Capital Improvements Program Revenue	907,599
Capital Expenditures by Project:	
Buckwalter Place Technology Park Expansion	(472,349)
May River Road/Bruin Road Streetscape	(83,503)
Calhoun Street	(46,766)
Parks Projects	(262,067)
Buck Island/Simmons ville Sewer	(65,188)
Land Acquisition	(366,036)
Bluffton Parkway	(33,264)
Other Projects	(57,994)
Funding transfers from other Funds	757,787
Ending Fund Balance	\$ 2,257,715



A Stormwater Management Department team member performs water quality tests. The Town completed the New Riverside Stormwater lagoon in 2014. This is the first major construction project aimed at restoring the health of the May River. The project was funded in part by the Town’s US EPA 319 Grant through SCDHEC.

The Stormwater Fund is used to account for stormwater utility fees collected on property tax bills and restricted for use in the Town’s Stormwater Management Program. Related grants are also recorded in this fund. The table below lists the routine operating and capital expenditures that the Town incurred during fiscal year 2014.

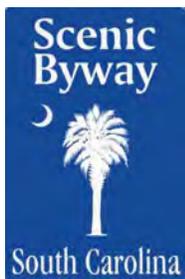
The Stormwater Fund	
Beginning Fund Balance	\$ 1,563,436
Stormwater Fund Revenue	1,255,176
Personnel & Operating Expenditures	(624,318)
Capital Expenditures by Project:	
Stormwater Improvements	(136,234)
Section 319 Grant Pilot Project	(139,445)
Funding transfers to other Funds	(47,418)
Ending Fund Balance	\$ 1,871,197

\* Other Financing Sources (uses) are increases (decreases) to Fund Balance and include Proceeds from Capital Leases and Transfers In and (Transfers Out) from and (to) other funds.

## Awards & Accolades

### Notable Mentions for the Town of Bluffton in 2014

- *Forbes Magazine's* Top U.S. Cities for Retirement
- *Family Circle Magazine* featured Town Councilman Larry Toomer, his family, and his family business, Bluffton Oyster Company
- *The Huffington Post* named Bluffton its #1 destination for its list, "Ten Amazing Non-Beach Alternatives for a Summer Getaway"
- NerdWallet, a consumer advisory company, named Bluffton one of the ten "Cities on the Rise in South Carolina" and also one of the ten "Top Cities for Homeownership in South Carolina"
- *Southern Living Magazine* named Bluffton its Best Community Revitalization Award winner for the Wharf Street Redevelopment Project
- Standard's & Poor upgraded the Town's Bond Rating to AA+
- Charleston's *Post & Courier* article, "Bluffton as an Innovator in Using Development Rights Transfer Program to Reduce Suburban Sprawl"
- *Movoto*, a real estate web-based service, named Bluffton one of the "Safest Places in South Carolina"



Courtesy of Unique Perspective, LLC

View of the May River from above



Additional copies of this report may be obtained by contacting:

The Town of Bluffton  
Attn: Finance Department  
20 Bridge Street  
Bluffton, SC 29910  
(843)706-4545

In addition, this report is available at:

[www.townofbluffton.sc.gov/documents/pafr.2014.pdf](http://www.townofbluffton.sc.gov/documents/pafr.2014.pdf)

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