



Town of BLUFFTON South Carolina



PROPOSED CONSOLIDATED MUNICIPAL BUDGET EXECUTIVE SUMMARY FISCAL YEAR 2022



Town of Bluffton, South Carolina
Consolidated Municipal Budget
Fiscal Year
July 1, 2021 through June 30, 2022

Elected Officials

Mayor - The Honorable Lisa Sulka

Council Members:

Mayor Pro Tempore - Fred Hamilton
Bridgette Frazier
Larry Toomer
Dan Wood

Appointed Officials

Scott Marshall – Interim Town Manager
Terry A. Finger – Town Attorney
Honorable Clifford Bush III, Chief Municipal Court Judge

Senior Management

Lisa Cunningham	Temporary Assistant Town Manager
Chris Forster	Director of Finance & Administration
Kim Chapman	Town Clerk
Stephanie Price	Chief of Police
Katherine Robinson	Director of Human Resources
Lisa Cunningham	Clerk of Courts
Brian McIlwee	Director of Engineering
Heather Colin	Director of Growth Management
Tommy Sunday	Director of Information Technology
Mike Levine	CEO, Don Ryan Center for Innovation

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The Town of Bluffton is located in Beaufort County, a southern coastal county in South Carolina. It is situated on a high bluff overlooking the May River, a pristine waterway that has strongly contributed to the Town's history, industry and recreational opportunities. Bluffton is located just 12 miles west of Hilton Head Island, SC and approximately 20 miles northeast of Savannah, GA.

The Town of Bluffton, established in 1825, was approximately one square mile when originally incorporated in 1852 as a summer coastal retreat. The town is rich with historical significance. The Calhoun Street Steamboat landing served as a stopover for travelers making their way between Savannah, Beaufort and Charleston. During General Tecumseh Sherman's infamous March to the Sea, the Town of Bluffton was burned by the Union Army in June of 1863. Prior to the Civil War, there were 60 brick and mortar buildings in the town. After the war, there stood only two churches and 15 residences. In 1996, Old Town Bluffton was granted National Historical Designation with 54 contributing structures.

After a series of annexations, which began in 1987, the Town of Bluffton is now 54 square miles and has seen the population increase from 738 to well over 20,000 today. While the population numbers still classify Bluffton as a small town, in terms of police and planning purposes, the town serves a daily population of 40,000 to 50,000 when tourists and visitors to the town are included.

Most of Bluffton's 54 square miles is already master planned. Ninety-two percent of Bluffton is covered by development agreements, though it is only about a 46% built-out. This means that the town must plan to continue to facilitate steady growth for the foreseeable future.

Strategic Plan Summary

A Mayor and Council Strategic Planning session was held in February 2020. The retreat relied on information from the Strategic Plan Alignment and Development Surveys and a list of proposed project initiatives related to the Strategic Plan Focus Areas. These focus areas are designed to keep the organization's priorities from getting distracted by what may appear to be competing opportunities. This strategic focus will drive policy decisions and priorities for the town. The Town of Bluffton's Strategic Focus Areas are:

1. May River and Surrounding Rivers and Watersheds
2. Town Organization
3. Economic Growth
4. Fiscal Sustainability
5. Community Quality of Life
6. Infrastructure
7. Housing

Bluffton's Vision statement reflects a welcoming and inclusive community, committed to retaining its historic nature, livable neighborhoods, active lifestyle and respect for the May

River. Town Council and Town Staff are committed to work together to create a great community now and one that is also sustainable for the generations to come.

Bluffton's Mission statement reflects its commitment to people and processes by:

1. Providing excellent services by continuously looking for improvements in services using best practices.
2. Providing award winning fiscal management services to our citizens.
3. Providing exceptional customer service that is focused on solutions and meeting the needs of our citizens.
4. Providing meaningful public engagement opportunities for our community.
5. Providing a work environment committed to teamwork, communication, transparency, ethical behavior and progressive compensation to help employees reach their full potential.
6. Providing and using performance measures to determine if our services are getting the intended results.

Why Does the Town Prepare a Budget?

1. Establishes priorities to determine how resources will be allocated among the Town's programs and services.
2. Identifies the costs of providing programs and services.
3. Establishes the amount of revenue projected to be available, and subsequently sets limitations on the amount of expenditures that can be supported.
4. Aligns allocated funding with Strategic Plan Action Agenda priorities established by Town Council.
5. Provides budgetary targets to compare with actual revenues and expenditures throughout the year.

The State of South Carolina requires Town Council to adopt an annual balanced budget ordinance prior to July 1. The Town's annual budget is developed in conjunction with feedback from citizens, various boards and commissions including the Town's Planning Commission, the Mayor and Council, the Town Manager, and each department within the Town. Town Council adopts the budget via two readings of the Consolidated Budget Ordinance as well as a public hearing. The first reading is held in May, and the second reading and associated public hearing is held in June. Town Council also holds two budget workshops to review projected revenues, expenditure requests, programs, services, and capital projects.

Property Tax Overview

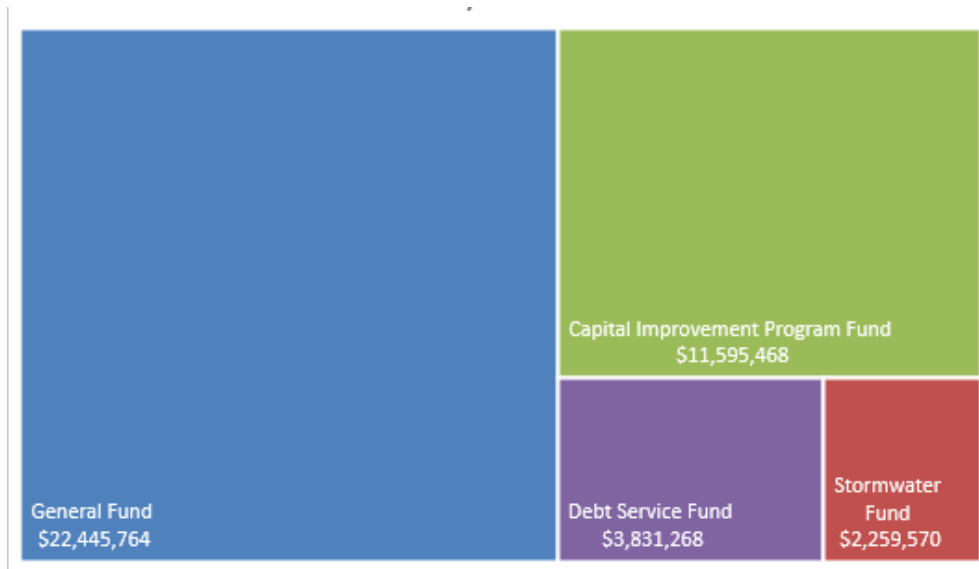
Estimated 2021 Beaufort County Tax Bill
for Average Bluffton Home Appraised Value

Home Appraised Value	\$ 280,000	\$ 280,000
Resident Assessed Value	4%	6%

610 Town of Bluffton	Millage	Property Tax & Fees	Property Tax & Fees
County Operations	53.9	\$ 603.68	\$ 905.52
County Debt	5.5	61.60	92.40
County Purchase Prop	4.8	53.76	80.64
*School Operations	114.0	-	1,915.20
School Debt	36.3	406.56	609.84
Bluffton Fire District	25.7	287.84	431.76
Town of Bluffton Operations	36.8	412.16	618.24
Town of Bluffton Debt	1.7	19.04	28.56
Stormwater (SW) Municipal District Fee		115.00	115.00
Stormwater (SW) County Fee		24.67	24.67
Total	278.7	\$ 1,984.31	\$ 4,821.83

*School Operations applicable to nonresidents and commercial taxpayers.

FY 2022 Consolidated Budget Summary



Fund	FY 2021 Revised Budget	FY 2022 Proposed Budget	% Change	% of Budget
General Fund	\$ 19,501,476	\$ 22,445,764	15.1%	55.9%
Stormwater Fund	2,538,882	2,259,570	-11.0%	5.6%
Capital Improvement Program Fund	16,699,161	11,595,468	-30.6%	28.9%
Debt Service Fund	5,125,119	3,831,268	-25.2%	9.6%
Total Consolidated Budget	\$ 43,864,638	\$ 40,132,070	-8.5%	100.0%

FUND TYPES

General Fund

The Town's primary operating fund and is used to account for all Town financial resources except those to be accounted for in another fund. Principal sources of revenue are property taxes and licenses and permit fees.

Stormwater Fund

Accounts for and reports the financial resources of all stormwater-related expenditures including routine maintenance and capital projects. The primary source of revenue is stormwater utility fees and state and federal grants.

Capital Improvements Program (CIP) Fund

Accounts for and reports financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. In addition to funding with bond proceeds and intergovernmental revenue such as state and federal grants, hospitality tax fees fund tourism-related projects. Capital Projects are primarily non-recurring in nature. All capital categories require a cost threshold of greater than \$5,000 except for roads, buildings and computer software (recorded in general fund) with a threshold of greater than \$50,000.

Debt Service Fund

Accounts for the accumulation of resources for the payment of interest and principal on general long-term debt obligations. The primary source of revenue is property tax and bond proceeds.

Where Our Funding Comes From

FY 2022 Proposed Consolidated Budget



	FY 2021		FY 2022		\$	%
	Revised	% of	Proposed	% of	Budget	Budget
Revenues	Budget	Budget	Budget	Budget	Change	Change
Property Taxes	\$ 9,342,507	21.3%	\$ 9,919,738	24.7%	\$ 577,231	6.2%
Licenses & Permits	12,298,437	28.0%	13,511,174	33.7%	1,212,737	9.9%
Grants and Entitlements	1,210,000	2.8%	930,000	2.3%	(280,000)	-23.1%
Intergovernmental	708,000	1.6%	922,710	2.3%	214,710	30.3%
Service Revenues	618,035	1.4%	710,000	1.8%	91,965	14.9%
Fines & Fees	220,000	0.5%	200,000	0.5%	(20,000)	-9.1%
Interest Income	29,550	0.1%	29,400	0.1%	(150)	-0.5%
Miscellaneous Revenues	147,000	0.3%	120,000	0.3%	(27,000)	-18.4%
Sub-Total Revenues	24,573,529	56.0%	26,343,022	65.7%	1,769,493	7.2%
Other Financing Sources	810,224	1.9%	609,500	1.5%	(200,724)	-24.8%
Transfers In	18,480,885	42.1%	13,179,548	32.8%	(5,301,337)	-28.7%
Sub-Total Other Financing Sources	19,291,109	44.0%	13,789,048	34.3%	(5,502,061)	-28.5%
Total Consolidated Revenues	\$ 43,864,638	100.0%	\$ 40,132,070	100.0%	\$(3,732,568)	-8.5%

Where Our Resources Go

FY 2022 Proposed Consolidated Budget



Expenditures	FY 2021		FY 2022		\$ Budget Change	% Budget Change
	Revised Budget	% of Budget	Proposed Budget	% of Budget		
Personnel and Benefits	\$ 13,427,182	30.6%	\$ 14,822,371	36.9%	\$ 1,395,189	10.4%
Operating	6,698,707	15.3%	7,235,035	18.0%	536,328	8.0%
Principal and Interest	2,735,876	6.2%	1,778,922	4.4%	(956,954)	-35.0%
Capital Outlay	82,900	0.2%	244,784	0.6%	161,884	195.3%
Stormwater and Sewer Projects	4,272,178	9.7%	2,833,060	7.1%	(1,439,118)	-33.7%
Road Projects	2,323,842	5.3%	1,485,730	3.7%	(838,112)	-36.1%
Facilities Projects	2,028,865	4.6%	292,631	0.7%	(1,736,234)	-85.6%
Land Acquisition	993,386	2.3%	998,386	2.5%	5,000	0.5%
Affordable Housing	880,321	2.0%	880,321	2.2%	-	0.0%
Economic Development Projects	500,000	1.1%	2,604,190	6.5%	2,104,190	420.8%
Park Projects	544,372	1.2%	2,162,650	5.4%	1,618,278	297.3%
Information Technology Infrastructure Projects	76,197	0.3%	338,500	0.9%	262,303	344.2%
Sub-Total Expenditures	34,563,826	78.8%	35,676,580	88.9%	1,112,754	3.2%
Bond Costs	77,000	0.2%	-	0.0%	(77,000)	-100.0%
Contribution to Fund Balance	5,003,000	11.4%	361,253	0.9%	(4,641,747)	-92.8%
Transfers Out	4,220,812	9.6%	4,094,237	10.2%	(126,575)	-3.0%
Sub-Total Other Financing Uses	9,300,812	21.2%	4,455,490	11.1%	(4,845,322)	-52.1%
Total Consolidated Expenditures	\$ 43,864,638	100.0%	\$ 40,132,070	100.0%	\$ (3,732,568)	-8.5%

Town Workforce

Personnel by Department and Division	FY 2021 Budget		FY 2022 Budget		Change	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Executive Department	6	-	6	1	-	1
Human Resources Department	3	-	3	-	-	-
Economic Development Department (DRCI)	3	-	3	-	-	-
Municipal Court Department	3	-	3	-	-	-
Information Technology Department	6	-	7	-	1	-
Finance Department	9	-	10	-	1	-
Growth Management Department						
Customer Service Division	3	1	3	1	-	-
Planning & Community Development Division	11	-	11	-	-	-
Building Safety Division	7	-	7	-	-	-
Engineering Department						
Public Works Division	13	-	14	-	1	-
Project Management Division	6	2	7	1	1	(1)
Watershed Management Division (SWU Fund)	7	-	8	-	1	-
Police Department						
Non-Sworn Positions	6	10	6	11	-	1
Sworn Positions - Salary	3	-	3	-	-	-
Sworn Positions	56	-	58	-	2	-
Total Personnel	142	13	149	14	7	1

Position Changes:

- Funds unfrozen positions
 - Historical Planner – Planning and Growth Management
 - Planning Inspector – Planning and Growth Management
- Proposal for seven new full-time positions
 - 2 Sworn Police Officers – Police Department
 - IT Support Coordinator – Information Technology
 - Senior Financial Analyst – Finance
 - Public Works Worker – Engineering
 - CIP Administrator – Engineering
 - Stormwater Permit Administrator – Engineering
- Proposal for two new part-time positions offset by elimination of one part-time position
 - Social Worker – Police Department
 - Administrative Assistant – Executive Office
 - Eliminate Project Manager – Engineering
- Proposal for department organization change
 - Public Works Worker to Team Leader – Engineering

Department/Division Budget Overview

Salaries and Benefits

- ✓ Includes 5% increase for all Town employees
- ✓ Includes PTO payout option of up to 25 hours for employees
- ✓ Includes Public Employee Benefit Authority 1% employer retirement increase
- ✓ Includes Public Employee Benefit Authority 1% employer health insurance increase
- ✓ Restores two positions frozen in FY21 – Growth Management Historical Planner and Growth Management Planning Inspector
- ✓ Addition of seven new full-time positions - Stormwater Permit Administrator, CIP Administrator, Public Works Worker, Senior Financial Analyst, IT Support Coordinator and two Sworn Officers
- ✓ Addition of two new part-time employee positions – Administrative Assistant and Social Worker
- ✓ Reclassification of an open Police Sergeant position into an Assistant Chief position
- ✓ Reclassification of a Public Works worker position into a Team Leader position

Legislative Department

Budget: \$215,181

- ✓ Supports Mayor and Town Council training and operating expenditures
- ✓ Supports election and run-off election, if needed
- ✓ Supports Judge Bush contract and subsequent training and operating expenditures

Executive Office,

Budget: \$1,174,292

Interim Town Manager: Scott Marshall

- ✓ Supports staffing and operations for the Executive Office to provide high standards of service delivery
- ✓ Addition of a part-time Administrative Assistant position
- ✓ Continues support of town and local events
- ✓ Restores limited in-state/out-of-state travel for staff specific training for executive government leadership
- ✓ Continues to support and emphasize clear and concise public information through the Town's Public Information Officer
- ✓ Continues support of town website and social media communications for our community
- ✓ Continues to support the Town's emergency preparedness through the Director of Emergency Operations
- ✓ Continues support of the USCB Ambassador program

Department/Division Budget Overview (continued)

Human Resources

Budget: \$497,717

Director: Katherine Robinson

- ✓ Supports staffing and operations for the Human Resources Office to provide high standards of service delivery
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Includes Employee Class and Compensation study
- ✓ Continues Employee Programs including wellness reimbursement, employee on-boarding, tuition reimbursement and employee recognition
- ✓ Continues Employee and Town Celebrations

Information Technology

Budget: \$1,335,612

Director: Thomas Sunday

- ✓ Supports staffing and operations for the Information Technology department to provide high standards of service delivery
- ✓ Addition of full-time IT Support Coordinator
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Continues maintenance and license agreements for existing software (including Spillman, Occularis, EnerGov, MUNIS, AutoCAD) and supports upgraded hardware, software and associated training to improve staff efficiencies
- ✓ Continues replacement plan of computers as part of IT Strategic Plan
- ✓ Supports principal and interest payments of prior year purchased vehicle

Finance and Administration

Budget: \$1,107,169

Director: Chris Forster

- ✓ Supports staffing and operations for the Finance Department to provide high standards of service delivery
- ✓ Addition of full-time Senior Financial Analyst
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Continues collection efforts including but not limited to property tax, business license, etc.
- ✓ Supports external Town of Bluffton financial audit
- ✓ Continues monitoring of economic conditions with constant review of revenues and expenditures to determine budget amendments
- ✓ Supports contract for monitoring of short-term rentals within town limits
- ✓ Supports contract for grants research and management

Department/Division Budget Overview (continued)

Clerk of Courts

Budget: \$374,820

Director: Lisa Cunningham

Growth Management

- ✓ Budget: \$2,587,721 Supports staffing and operations for the Clerk of Courts office to provide high standards of service delivery
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Supports Public Defender for misdemeanor cases per statement recommendation

Director: Heather Colin

- ✓ Supports staffing and operations for the Growth Management Department to provide high standards of service delivery
- ✓ Restores two positions frozen in FY21 – Historical Planner and Planning Inspector
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Includes comprehensive plan
- ✓ Maintains support of Affordable Housing initiatives and Affordable Housing Committee Work Plan implementation
- ✓ Addition of town vehicle to support planning inspector position
- ✓ Supports principal and interest payments of prior year purchased vehicle

Police Department

Budget: \$7,675,555

Chief: Stephanie Price

- ✓ Supports staffing and operations for the Police Department to provide high standards of service delivery
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Addition of two full-time Sworn Officers
- ✓ Addition of a part-time Social Worker
- ✓ Maintains current levels of Bluffton K-9 Unit, Drug Task Force, Special Investigations, Lutzie 43, School Resources, and Crossing Guards
- ✓ Supports principal and interest payments of prior year purchased equipment and vehicles
- ✓ Supports equipment and vehicle for two new Sworn Officer positions
- ✓ Establishes new vehicle lease program which may support up to 16 vehicle replacements of aged Police Department fleet

Department/Division Budget Overview (continued)

Engineering

Budget: \$4,292,918

Director: Bryan McIlwee

- ✓ Supports staffing and operations for the Engineering Department to provide high standards of service delivery
- ✓ Addition of full-time CIP Administrator and Public Works Worker
- ✓ Reclassification of a Public Works worker position into a Team Leader position
- ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
- ✓ Continues and enhances support of Town celebrations
- ✓ Maintains Beautification Committee work plan funding recommendations as well as Tree City USA designation
- ✓ Support public open space maintenance enhancements
- ✓ Provides utilities and maintenance for capital projects completed in FY2021
- ✓ Continues Urban Design professional services to improve project aesthetics
- ✓ Support on-going maintenance contracts for town facilities, equipment and parks maintenance
- ✓ Supports principal and interest payment of prior year purchased equipment and vehicles
- ✓ Includes support for Watershed Management Division \$1,313,517 use of Stormwater Utility Fees for the following:
 - ✓ Addition of full-time Stormwater Permit Administrator
 - ✓ Restores limited in-state/out-of-state travel for professional certifications for staff
 - ✓ Supports May River Watershed Action Plan and MS4 Program Implementation
 - ✓ Supports Town performed drainage & ditch maintenance and routine drainage maintenance work in conjunction with SCDOT and Beaufort County
 - ✓ Supports University of South Carolina Beaufort (USCB) Water Quality Monitoring Services
 - ✓ Supports the Water Quality model and projects

Townwide Department

Budget: \$2,817,971

- ✓ Supports residential garbage service per contract
- ✓ Supports increased insurance for additional town equipment and building premiums
- ✓ Supports contribution for Career Criminal Prosecution team through Solicitor Duffy Stone's office to enhance the Prosecution Team
- ✓ Supports Palmetto Breeze Urban Area local match request
- ✓ Includes consolidated legal expenditures for all departments
- ✓ Includes Reforestation program
- ✓ Maintains Bluffton bike taxi Historic District transportation

Department/Division Budget Overview (continued)

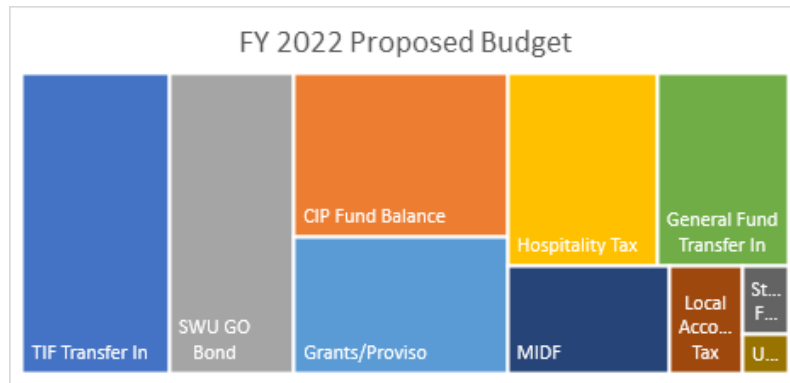
Economic Development

Budget: \$400,325

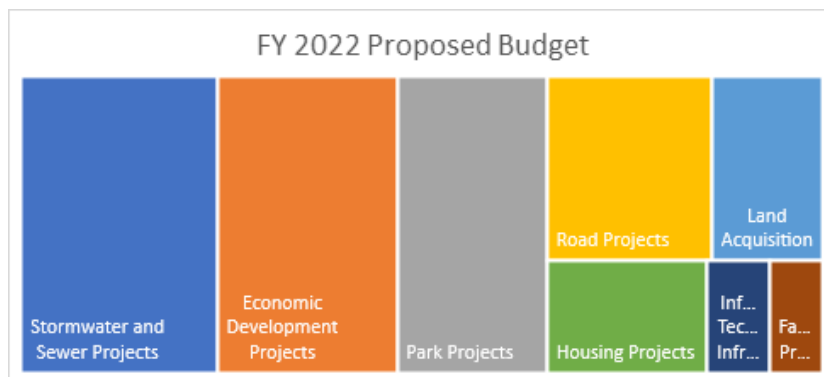
Chief Executive Officer: Mike Levine

- ✓ Continues support of Don Ryan Center for Innovation program
 - ✓ Business Incubation
 - ✓ Business Retention, Expansion and Recruitment
 - ✓ Economic Development

Capital Improvement Program (CIP) Fund



Funding Sources	FY 2022 Proposed Budget	% of Budget
TIF Transfer In	2,229,437	19.2%
CIP Fund Balance	1,761,856	15.2%
SWU GO Bond	1,880,468	16.2%
Hospitality Tax	1,446,495	12.5%
Grants/Proviso	1,468,992	12.7%
General Fund Transfer In	1,280,000	11.0%
MIDF	881,095	7.6%
Local Accommodations Tax	395,000	3.4%
Stormwater Fund Transfer In	161,500	1.4%
Utility Tax Credits	90,625	0.8%
Total CIP Funding Sources	\$ 11,595,468	100.0%



Projects	FY 2022 Proposed Budget	% of Budget
Stormwater and Sewer Projects	\$ 2,833,060	24.4%
Economic Development Projects	2,604,190	22.5%
Park Projects	2,162,650	18.7%
Road Projects	1,485,730	12.8%
Land Acquisition	998,386	8.6%
Housing Projects	880,321	7.6%
Information Technology Infrastructure Projects	338,500	2.9%
Facilities Projects	292,631	2.5%
Total Project Expenditures	\$ 11,595,468	100.0%

Expenditure Budget by Fund

General Fund Budget	Salaries & Benefits	Operating	Capital Outlay	Debt	Total
Total General Fund Expenditures	\$ 14,138,346	\$ 6,631,623	\$ 218,654	\$ 177,141	\$ 21,165,764
Transfer to Capital Improvements Program Fund					1,280,000
Total General Fund Budget					\$ 22,445,764

Stormwater Fund Budget	Salaries & Benefits	Operating	Capital Outlay	Debt	Total
Watershed Management Expenditures	\$ 684,025	\$ 603,362	\$ 26,130	\$ -	\$ 1,313,517
Contribution to Fund Balance					361,253
Transfer to General Fund					130,000
Transfer to Debt Service					293,300
Transfer to Capital Improvements Program Fund					161,500
Total Stormwater Fund Budget					\$ 2,259,570

Capital Improvements Program Fund Budget	Capital Outlay	Total
Stormwater and Sewer Projects	\$ 2,833,060	\$ 2,833,060
Economic Development Projects	2,604,190	2,604,190
Park Projects	2,162,650	2,162,650
Road Projects	1,485,730	1,485,730
Land Acquisition	998,386	998,386
Affordable Housing Projects	880,321	880,321
Information Technology Infrastructure Projects	338,500	338,500
Facilities Projects	292,631	292,631
Total Capital Improvements Program Fund Budget		\$ 11,595,468

Debt Service Fund Budget	Operating	Principal	Interest	Total
GO Bonds - LEC	\$ -	\$ 220,000	\$ 156,800	\$ 376,800
GO Bonds - SWU Projects	-	140,000	153,300	293,300
TIF Special Revenue Bonds	-	829,620	102,061	931,681
Miscellaneous Expenditures	50			50
Transfer to Capital Improvements Program Fund				2,229,437
Total Debt Service Fund Budget				\$ 3,831,268



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HEART OF THE LOWCOUNTRY

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