

TOWN COUNCIL
STAFF REPORT
Department of Finance & Administration



MEETING DATE:	June 13, 2018
PROJECT:	I.3. Consideration of an Ordinance Amending the Town of Bluffton Fiscal Year 2018 Budget to Recognize Additional Expenditures and to Allocate the Sources of Revenue for All Funds – Final Reading – Trisha Greathouse, Director of Finance and Administration
PROJECT MANAGER:	Trisha Greathouse, Director of Finance & Administration

RECOMMENDATION: Town Council approves the proposed ordinance amending the FY 2018 budget to increase the General Fund by \$160,000 to account for a higher than expected increase of properties included in the Waste Management contract with Town growth, the cost to the Bluffton Police Department for MiFi service previously supported by the Beaufort County Sheriff's Office budget and funding necessary to support due diligence services for a potential land acquisition opportunity and to increase the Capital Improvements Program (CIP) Fund budget by \$106,440 to account for the donations to Oscar Frazier Park from the Hilton Head Island–Bluffton Chamber of Commerce Leadership Class and the Bluffton Rotary Club for the Imagination Train and the playground turf as well as land acquisition project costs for due diligence services for a new consolidated budget of \$43,994,484.

BACKGROUND:

- The impact of the increased Town of Bluffton properties provided garbage service through the Waste Management contract is expected to exceed the budgeted amount by \$120,000. The funding source for this additional expenditure is property tax revenue increases from growth and miscellaneous income.
- Previous support of the Town police MiFi service provided by Beaufort County ended June 30, 2017. The funding source for this unbudgeted expenditure is additional miscellaneous income received over the budgeted amount.
- The CIP Fund budget amendment recognizes the Leadership Group donation to the Town of the Imagination Train and related site features located at Oscar Frazier Park. This donation will become a Town asset.
- Additionally, the CIP Fund budget amendment recognizes the Bluffton Rotary Club donation to the Town for the additional cost of the playground turf at Oscar Frazier Park.
- Additional funds of \$15,000 for land acquisition project costs for due diligence services (i.e. environmental studies, surveys, title work, etc.) with a funding source of general fund fund balance transfers.

No changes since first reading.

ATTACHMENTS:

1. Ordinance
 - o Attachment A: General Fund Budget
 - o Attachment B: Capital Improvements Program Fund Budget
 - o Attachment C: Consolidated Budget
2. Council Motion Recommendation

**AN ORDINANCE OF THE TOWN OF BLUFFTON
ORDINANCE NO. 2018-
FISCAL YEAR 2018 BUDGET**

**TO AMEND THE BUDGET FOR THE TOWN OF BLUFFTON, SOUTH CAROLINA, FOR THE
FISCAL YEAR ENDING JUNE 30, 2018;
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 Ordinance 2017-04 on June 13, 2017; and Budget Amendment Ordinance 2017-10 on October 10, 2017; and Budget Amendment Ordinance 2018-01 on February 13, 2018; and

WHEREAS, pursuant to Sections 4 and 5 of said budget, the Town Council is desirous of amending the budget so as to revise the General Fund appropriations for Fiscal Year 2018 related to impact of higher than expected increase of properties included in the Waste Management contract with Town growth, the cost to the Bluffton Police Department for MiFi service previously supported by the Beaufort County Sheriff's Office budget and funding necessary to support due diligence services for a potential land acquisition opportunity expenditures; and

WHEREAS, pursuant to Sections 4 and 5 of said budget, the Town Council is desirous of amending the budget so as to revise the Capital Improvements Program (CIP) Fund appropriations for Fiscal Year 2018 related the donations to Oscar Frazier Park from the Hilton Head Island-Bluffton Chamber of Commerce Leadership Class and the Bluffton Rotary Club for the Imagination Train and the playground turf as well as land acquisition project costs for due diligence services; 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 2018 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

Revenue	
Property Tax	\$ 60,000
Miscellaneous	85,000
Total Revenue	<u>\$ 145,000</u>
Other Sources	
General Fund Prior Year Fund Balance	\$ 15,000
Total Other Sources	<u>15,000</u>
Total Revenues and Other Sources	<u>\$ 160,000</u>

Expenditures and Other Uses:

Expenditures	
Police	\$ 25,000
Townwide	120,000
Total Expenditures	<u>145,000</u>
Other Uses	
Transfers to CIP	15,000
Total Other Uses	<u>15,000</u>
Total Expenditures and Other Uses	<u>\$ 160,000</u>

CAPITAL IMPROVEMENTS PROGRAM FUND

Revenues and Other Sources

Revenue	
Donations	\$ 85,000
Total Revenue	<u>\$ 85,000</u>
Other Sources	
Hospitality Tax	\$ 6,440
General Fund Fund Balance	15,000
Total Revenue	<u>\$ 21,440</u>
Total Revenues and Other Sources	<u>\$ 106,440</u>

Expenditures and Other Uses:

Expenditures	
Oscar Frazier Park Improvements	\$ 91,440
Land Acquisitions	15,000
Total Expenditures	<u>\$ 106,440</u>
Total Expenditures and Other Uses	<u>\$ 106,440</u>

The effect of this amendment will be to increase the General Fund to \$21,022,971 (Attachment A), to increase the Capital Improvement Program Fund to \$17,180,360 (Attachment B), and no change to the Stormwater Fund Budget of \$3,185,885 or the Debt Service Fund budget of \$2,605,268 for a total Consolidated Budget of \$43,994,484 (Schedule C).

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 _____, 2018.

Lisa Sulka, Mayor
Town of Bluffton, South Carolina

ATTEST:

Kim Chapman, Town Clerk
Town of Bluffton, South Carolina

Attachments:

- A. General Fund Budget
- B. Capital Improvement Program Fund Budget
- C. Consolidated Budget

First Reading: May 8, 2018
Second and Final Reading: June 13, 2018

TOWN OF BLUFFTON
GENERAL FUND REVENUE AND EXPENDITURE BUDGET
FOR THE YEAR ENDING JUNE 30, 2018

	Current Budget	Proposed Budget	Budget \$ Change
Revenues			
Property Taxes	\$ 4,965,000	\$ 5,085,000	\$ 120,000
Licenses & Permits			
Business Licenses	1,944,300	1,944,300	-
MASC Telecommunications	67,500	67,500	-
MASC Insurance Tax Collection	1,670,000	1,670,000	-
Franchise Fees (electric, gas, water, telephone, cable)	2,266,000	2,266,000	-
Building Safety Permits	1,900,000	1,900,000	-
Application Fees	70,000	70,000	-
Administrative Fees	44,000	44,000	-
Total Licenses & Permits	<u>7,961,800</u>	<u>7,961,800</u>	<u>-</u>
Intergovernmental	1,018,516	1,018,516	-
Service Revenues	911,000	911,000	-
Fines & Fees	315,000	315,000	-
Miscellaneous Revenues	93,010	118,010	25,000
Total Revenues	<u>15,264,326</u>	<u>15,409,326</u>	<u>145,000</u>
Transfers In	<u>5,598,645</u>	<u>5,613,645</u>	<u>15,000</u>
Total Other Financing Sources & Transfers In	<u>5,598,645</u>	<u>5,613,645</u>	<u>15,000</u>
Total Revenues and Other Financing Sources	<u>\$ 20,862,971</u>	<u>\$ 21,022,971</u>	<u>\$ 160,000</u>
Expenditures			
Town Council	\$ 162,435	\$ 162,435	\$ -
Executive	843,178	843,178	-
Economic Development	378,736	378,736	-
Human Resources	290,579	290,579	-
Police	6,413,862	6,438,862	25,000
Municipal Judges	58,820	58,820	-
Municipal Court	279,640	279,640	-
Finance	811,807	811,807	-
Information Technology	1,061,208	1,061,208	-
Customer Service	286,875	286,875	-
Planning & Community Development	1,247,101	1,247,101	-
Building Safety	741,925	741,925	-
Project Management	1,027,593	1,027,593	-
Public Works	1,169,582	1,169,582	-
Non-Departmental (Townwide)	1,514,548	1,634,548	120,000
Total Expenditures	<u>16,287,889</u>	<u>16,432,889</u>	<u>145,000</u>
Other Financing Uses			
Transfers Out to Capital Improvements Program Fund	4,575,082	4,590,082	15,000
Transfers Out to Special Revenue Fund	-	-	-
Total Transfers	<u>4,575,082</u>	<u>4,590,082</u>	<u>15,000</u>
Total Expenditures and Other Financing Uses	<u>\$ 20,862,971</u>	<u>\$ 21,022,971</u>	<u>\$ 160,000</u>

TOWN OF BLUFFTON
FY2018 CAPITAL IMPROVEMENTS PROGRAM FUND BUDGET
FOR YEAR ENDING JUNE 30, 2018

FUNDING SOURCES FOR FY2018 BUDGET														
Projects	Proposed FY 2018 Budget	Hospitality Tax	Local Accom Tax	SWU	CIP MIDF	Grants	TIF Transfers	Private Donation	Alcohol Tax	CIP Fund Balance	General Fund Fund Balance	MCIP FILOT	Utility Tax Credits	Other
May River Road Streetscape Final Phase	3,070,419	1,789,346	-	690,000	25,000	-	216,583	-	-	-	349,490	-	-	-
Oyster Factory Park - Garvin House	26,892	26,892	-	-	-	-	-	-	-	-	-	-	-	-
Land Acquisition (184 Bluffton Road anticipated closing 11/2017)	528,509	-	-	-	-	-	-	-	-	500,000	43,509	-	-	-
Buck Island - Simmonsville Sewer Phase 3	29,569	-	-	-	29,569	-	-	-	-	-	-	-	-	-
May River Watershed Action Plan Implementation	95,857	-	-	25,157	-	70,700	-	-	-	-	-	-	-	-
Buckwater Place Multi-County Commerce Park Improvements	1,274,008	-	-	-	-	-	-	-	-	132,049	-	995,108	146,851	-
Buck Island - Simmonsville Sewer Phase 4	163,560	-	-	82,628	-	20,400	-	-	-	60,532	-	-	-	-
Calhoun Street Streetscape	44,586	44,586	-	-	-	-	-	-	-	-	-	-	-	-
Buck Island - Simmonsville Sewer Phase 5	1,483,665	-	-	400,000	384,215	200,000	166,700	-	214,915	-	117,835	-	-	-
Jason - Able Neighborhood Sewer	981,441	-	-	718,691	74,000	188,750	-	-	-	-	-	-	-	-
Community Safety Cameras Phase 3	27,528	-	3,838	-	23,690	-	-	-	-	-	-	-	-	-
Goethe - Shuitts Neighborhood Improvements Phase 1	566,862	344,729	-	-	-	-	222,133	-	-	-	-	-	-	-
Historic District Lighting, Signage, Parking & Streetscape Enhancements	434,763	100,000	234,763	-	-	-	-	-	-	-	-	-	-	100,000
Town Hall Renovation	4,474,860	50,600	-	55,000	303,280	-	-	-	-	-	4,065,980	-	-	-
Town Facility Improvements (*)	280,500	-	-	47,500	-	210,000	-	-	-	-	23,000	-	-	-
Buck Island - Simmonsville Neighborhood Sidewalks & Lighting	119,086	-	-	-	-	-	119,086	-	-	-	-	-	-	-
Goethe - Shuitts Neighborhood Improvements Phase 2	1,250	-	-	-	-	-	1,250	-	-	-	-	-	-	-
Dr. Mellichamp Drive Streetscape	1,521,967	571,907	300,000	155,000	-	89,900	405,160	-	-	-	-	-	-	-
Dog Park	54,000	-	-	-	-	-	-	54,000	-	-	-	-	-	-
Oyster Factory Park Improvements	239,047	176,547	12,500	-	-	50,000	-	-	-	-	-	-	-	-
Don Ryan Center for Innovation Upfit	199,508	-	-	-	-	70,000	-	-	-	-	(9,732)	-	-	139,240
Sewer Connection Program	311,428	-	-	11,428	-	300,000	-	-	-	-	-	-	-	-
Regional Dock and Public Riverfront Access Improvements	750,000	250,000	-	-	-	500,000	-	-	-	-	-	-	-	-
68 Boundary Street Renovations	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-
184 Bluffton Rd Renovations	80,000	80,000	-	-	-	-	-	-	-	-	-	-	-	-
Wright Family Park	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-	-
Oscar Frazier Park Improvement	156,055	21,055	-	-	-	50,000	-	85,000	-	-	-	-	-	-
Original CIP Fund Budget Total	\$ 12,991,240	\$2,620,953	\$ 400,000	\$ 554,450	\$ 736,185	\$1,593,650	\$ 801,666	\$ 54,000	\$ 160,000	\$ 468,452	\$ 3,970,685	\$ 995,108	\$ 146,851	\$ 489,240
Budget Amendment #1	2,744,971	1,013,054	138,601	1,325,954	103,569	56,100	329,246	-	54,915	(275,871)	(597)	-	-	-
Budget Amendment #2	1,337,709	65,215	12,500	305,000	-	100,000	-	-	-	500,000	604,994	-	-	(250,000)
Budget Amendment #3	106,440	6,440	-	-	-	-	-	85,000	-	-	15,000	-	-	-
Proposed CIP Fund Budget Total	\$ 17,180,360	\$3,705,662	\$ 551,101	\$ 2,185,404	\$ 839,754	\$1,749,750	\$1,130,912	\$ 139,000	\$ 214,915	\$ 692,581	\$ 4,590,082	\$ 995,108	\$ 146,851	\$ 239,240

**TOWN OF BLUFFTON
CONSOLIDATED BUDGET
FOR THE YEAR ENDING JUNE 30, 2018**

	Current Budget	Proposed Budget	Budget \$ Change
Revenues			
General Fund	\$ 20,862,971	\$ 21,022,971	\$ 160,000
Stormwater	3,185,885	3,185,885	-
Capital Improvements Program Fund	17,073,920	17,180,360	106,440
Debt Service	2,605,268	2,605,268	-
Total Revenue	<u>\$ 43,728,044</u>	<u>\$ 43,994,484</u>	<u>\$ 266,440</u>
Expenditures			
General Fund	\$ 20,862,971	\$ 21,022,971	\$ 160,000
Stormwater	3,185,885	3,185,885	-
Capital Improvements Program Fund	17,073,920	17,180,360	106,440
Debt Service	2,605,268	2,605,268	-
Total Expenditures	<u>\$ 43,728,044</u>	<u>\$ 43,994,484</u>	<u>\$ 266,440</u>

Attachment 2

Council Motion Recommendation

I. 3. Consideration of an Ordinance Amending the Town of Bluffton Fiscal Year 2018 Budget to Recognize Additional Expenditures and to Allocate the Sources of Revenue for All Funds – Final Reading – Trisha Greathouse, Director of Finance and Administration

“I make a motion to approve an Ordinance Amending the Town of Bluffton Fiscal Year 2018 Budget to Recognize Additional Expenditures and to allocate the Sources of Revenue for All Funds.”