CITY OF BEAUFORT, SC

FISCAL YEAR 2016 RECOMMENDED BUDGET

FOR THE PERIOD ENDING JUNE 30, 2016

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William A. Prokop
City Manager

CITY OF BEAUFORT

1911 BOUNDARY STREET
BEAUFORT, SC 29902

City Council Members
Billy Keyserling, Mayor
Mike McFee, Mayor Pro Tem
Phillip Cromer
Stephen Murray
George O'Kelley

May 19, 2015

The Honorable Billy Keyserling, Mayor, and Members of the Beaufort City Council

Proposed FY 2016 Budget Message

Dear Mayor and Members of Council:

This year's Proposed Operating Budget is similar to prior years' documents. It is presented in a manner to enable the reader to appreciate the internal workings of the city thus ensuring transparency, to demonstrate accountability on the part of city employees and elected officials, and to present a realistic financial picture for the community's future. We are committed to the implementation of our Civic Master Plan and the concept of sustainability.

The manner in which all this is achieved is also similar. This year's budget process has necessitated staff holding spending levels flat and making decisions early enough in the process to affect outcomes by detecting changes in revenues and expenditures that will affect the city overall, not just individual departments.

What is different about this document is the recognition that we cannot keep "kicking the can" down the road - we have reached the end of a dead-end road. We must find a new direction that is fair and equitable to all residents, businesses, and non-taxable organizations alike. We cannot keep cutting back on needed repairs, maintenance, equipment purchases, expenditures, and staffing levels and continue to maintain our reputation as one of the "best small towns" in America**.** Without increased revenue and much needed expenditures in the near future, we will begin to lose the ability to attract residents, tourists and businesses should the quality of life in Beaufort and its unique character, the things that make Beaufort so special, deteriorate.

As required by law, we have balanced the budget. We have also held the tax cost to our taxpayers neutral for the coming fiscal year. We have achieved that, however, by increasing our allowable millage and by cutting back on needed expenses and delaying capital expenditures that we will have to face in the very near future. We believe that, in the interests of both our fiscal responsibility and our moral responsibility to the citizens of Beaufort, it is time for the City

to recognize that we cannot operate on these types of budgets indefinitely. To address our future challenges, we propose a series of initiatives that we ask all of you to carefully and actively consider. These initiatives, when taken together, will help the City focus on the needs of the entire community, thus ensuring revenue stabilization, job retention, and economic development, while maintaining social equity and protecting and preserving our infrastructure, waterfront, parks, and the environment.

As we have stated in a previous presentation of our goals, creating a budget that best serves the varied need of our community is similar to fitting the pieces of a puzzle together. The following initiatives will help us attain our objectives.

Initiative #1: Review of Committees

Council will conduct a comprehensive review of all our committees and their pertinent ordinances, streamlining them where necessary and setting clear goals with established measureable objectives for the upcoming year.

Initiative #2: Tax-Exempt Real Property

Council members and staff will meet with the major owners of property that is not on our tax rolls. Today, the value of these properties is over $320,000,000, representing almost twenty (20%) of our taxable value. These properties use all our City services and in many cases, the owners are landlords or operate commercial businesses and pay no city taxes or business license fees. In addition, several have purchased taxable property and/or businesses and made them non-taxable. If all were taxable properties, they would generate over one million dollars ($1,000,000) of revenue to the city; funds that would help alleviate the tax burden of our taxed property owners. This initiative is to be completed by the end of this calendar year. If there is no success with this, staff, with the assistance of a committee of citizens will draft an ordinance establishing a fee system for all property in this group for Council to consider as part of next year's budget. Again, this ordinance would propose a more equitable fee structure to fairly reflect the use of city services, which are now funded primarily by our residential taxpayers.

Initiative #3: Review of Fees

Staff will prepare recommendations regarding all fees and cost for licenses, permits, events, banners, staff special duty, tour buses, and use of city facilities by the end of September, 2015. Many of the current fees have not been adjusted in over ten (10) years. Council will then review staff's recommendations and approve the adjustments it deems necessary. All changes to the fees shall take effect by November 1, 2015.

Initiative #4: Engage Beaufort's Employers

The leadership of the city must effectively engage with the leadership of its employer base. The need for reaching out in order to retain and grow our employer base has never been greater. We must do all we can to retain the jobs we currently have in the community, and to take the actions necessary to attract new opportunities to the area. The Redevelopment Commission will take the lead in the initiative. Its work will begin immediately and will be ongoing.

Initiative #5: Review of Regulatory Processes

Staff shall conduct a comprehensive review and streamlining of all our regulatory processes in order to better address the needs of our customers. Many of the processes have been in place for a very long time and have not been updated to reflect the changing needs of our customers and advances in technology. The intent is to have a more concise and easier-to-understand process in which the regulatory requirements are tied to a desired outcome identified by the City as a way to improve customer service. This review shall be completed by the end of the fiscal year.

Initiative #6: Use of the Accommodations Tax ("A-Tax")

While we must, as always, continue to follow the requirements of the law regarding the use of A-Tax proceeds, staff is recommending that the total amount of money allocated to our various community organizations be frozen at the Fiscal Year 2015 (FY15) expenditure level for the next three (3) year period. All revenues earned beyond the FY 2015 level will be used to offset our operating cost for tourism-related expenditures as defined by state law. This will be accomplished by the A-Tax committee and overseen by the City Clerk and Director of Finance.

Initiative #7: "Beaufort Pride of Place"

Staff shall create a "wish list" of items that members of the community and civic organizations requested or are expecting to see in the budget, but that had to be eliminated due to lack or revenue. Staff will ask Council to approve the establishment of a special fund to accept monetary donations and/ or needed materials. This initiative, **"Beaufort Pride of Place",** will be a community improvement and beautification program that we hope will be supported by members of our community, businesses, tourists, and civic organizations. The initiative's purpose is to enhance and maintain the appearance and infrastructure of Beaufort while building on the pride and community spirit that has been part of our social fabric for many years. An ongoing donor recognition procedure will be created to thank those who contribute.

Over time, our parks and public facilities have grown, with the beauty and tranquility they offer enjoyed by people of all ages from around the world. When someone chooses to participate in our program, their philanthropic contribution makes them a partner in our ongoing work to sustain our parks, trails and facilities for everyone to enjoy.

Beaufort Pride of Place will seek to improve, expand, and connect the City of Beaufort to the past and to the future by helping us build a more vibrant community. Staff has identified a preliminary list of key projects as needed and ready, once sufficient funds have been identified and received:

Playground equipment
Flowers & shrubs for parks and roadsides
Spanish Moss Trail Improvements
Park benches & tables
Park maintenance
Trail extension at Pigeon Park
Street lighting upgrades
Bike racks

Solar operated electric auto charging stations
Public safety equipment (Fire & Police)
Youth employment programs
Light pole flower baskets
Outdoor art
Way finding signage
Downtown holiday decorations
Public Safety personnel cost

This program will enable us to continue the development and maintenance of quality parks, public facilities, and needed infrastructure projects throughout the City. It allows individuals, non-profit entities, for-profit businesses, and civic groups to donate money or needed supplies to specific areas of interest to them or for general use. The possibilities are endless. If we are successful with this program, it will help spread the cost to those who enjoy and use our resources, but are not necessarily Beaufort taxpayers.

All contributions will be tax deductible, to the extent allowed by law.

Summary

The most difficult part of our budget proposal is for Council and staff to demonstrate the courage and commitment to implement and follow through on all these initiatives and to convince our residents to join us in accomplishing them. For us to be truly successful and get off the dead-end road, this must be a community-supported effort.

I present for your consideration the Operational and Capital Budgets for the Fiscal Year 2016 (FY16). This budget is proposed with the full knowledge that we are facing continued revenue shortages, aging and deteriorating facilities which if not properly maintained will cost more to repair in the future, lack of population and job growth, a need for additional public safety personnel, increasing costs passed down to municipalities by the state such as retirement and insurance costs, and lack of state funding for the proper maintenance and improvements of roads, highways, and sidewalks. The City of Beaufort is spending in excess of $750,000 to maintain state assets located within the city limits of Beaufort. We are a city with a population of 12,300, but we are paying for services that serve a population in excess of 65,000 every day. This is not sustainable and changes must be made.

Our budgets for the last three (3) years have been flat and all our departments have been stretched to their limits. The fact that this is our third year that our employees have not had a COLA increase, even though other area municipalities are making adjustments, reduces our ability to stay competitive and keep our key employees. This is not sustainable. We must find ways to increase our revenue and ask all of our community to help us accomplish this goal in the most fair and equitable way for all involved.

The Budget for FY16 is recommended at $17,409,661. This is $318,889 less than requested by our department heads. It is $444,784 less than the current (FY15) amended budget. The explanations of all the budget details are found in the following FY 2016 Budget Presentation section.

As the budget process now moves from the staff level, the formation and recommendation phase, to the Council level, for public input, Council review and adoption phase, I express my sincere appreciation for the time, energy and creativity our department heads and their staffs have dedicated to meeting priorities in this challenging fiscal environment. The continued hard work of the Mayor, City Council, and staff and our commitment to the City's strategy and initiatives will advance a fiscal plan for the upcoming year that does our best to satisfy the City's needs and priorities.

I also wish to express my appreciation to Kathy Todd, our Finance Director, for all that she has done to make this budget understandable and a reality. Truly, it would not have come together as it did without her efforts.

Respectfully submitted,

William A. Prokop
City Manager

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Budget Process

- Strategic planning sessions precede the official budget process. During these sessions, Council and staff discuss goals and set priorities.

- The budget process begins in February and the budget calendar is reviewed and established. The City Manager meets with all departments to discuss the current and future trends, needs and goals of the City.

- Departments are then responsible for preparing requests for programs, projects and initiatives they would like to have considered for the upcoming budget year.

- Each department meets individually with the City Manager to review department budget requests. Requests are evaluated to determine their alignment with the strategic goals and the fiscal resources necessary to fund the requests.

- Following these meeting, the City Manager's Office and the Finance Office meet to prepare the draft budget for submission to City Council. This recommended budget is submitted to the Mayor and City Council at formal budget workshops held in May.

- The public has an opportunity to comment on the budget during the Public Hearing and again during first and second reading on the ordinance to adopt the budget.

- State law requires the City Council to adopt a balanced budget prior to June 30. Budget amendments are allowed under South Carolina law and are made throughout the year as necessary.

BUDGET CALENDAR

FY 2016 BUDGET CALENDAR

March 9, 2015:	Budget Entry at Level 1 available for departmental budget requests.
April 10, 2015:	All departmental Budget Requests completed by close of business
April 21, 2015:	City Manager presentation in Worksession on FY 2016 goals and Revenue Projections for Major Revenue Sources – Property Tax, Local Accommodations & Local Hospitality Tax, Business License Tax and Public Safety Fee
April 28, 2015:	Fire, Courts, Planning Budget Presentations in Worksession
May 5, 2015:	Public Works Budget Presentation in Worksession
May 12, 2015:	Police & Administrative Departments Budget Presentations in Worksession
May 19, 2015:	City Manager Budget presentation to City Council Worksession.
May 25, 2015:	Publication date of Public Notice of Public Hearing for FY 2016 Budget
June 9, 2015:	Public Hearing on FY 2016 Budget in City Council meeting
	First Reading on FY 2016 Budget Ordinance in City Council meeting
June 23, 2015:	Second Reading on FY 2016 Budget Ordinance in City Council meeting

Financial Policies

The City of Beaufort's financial policies are governed by South Carolina state law, the City Charter, and generally accepted accounting principles. These laws, principles and policies describe ways to amend the budget after adoption, provide for budget controls and budget reporting, and identify appropriate methods for budgeting, accounting and reporting.

The City Manager is authorized to transfer any sum from one budget line item to another, or from one department or org to another department or org; provided, however, that no such transfer shall:

1. Be made from one fund to another fund,
2. Conflict with any existing Bond Ordinance, or
3. Conflict with any previously adopted policy of the City Council.

Any change in the budget which would increase or decrease the total of all authorized expenditures must be approved by City Council.

The accounting policies of the City of Beaufort conform to generally accepted accounting principles (GAAP) as applicable for governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for establishing governmental accounting and financial reporting principles.

Financial Policies (Cont'd)

The accounts of the City are organized on the basis of funds. Each is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The operations of each fund are accounting for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

General Fund is the City's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. Principle sources of revenue are property taxes, licenses and permits, intergovernmental revenues, and various charges for services such as refuse collection fees. A few of the primary expenditures in the General Fund are public safety (including police and fire services), general government, public works, parks and recreation, and debt service.

Special Revenue Funds are to report the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose other than debt service or capital projects. The State Accommodations, Redevelopment Fund and the Tax Increment Financing 2 (TIF II) Fund are Special Revenue funds budgeted through the City's Budget process.

- **State Accommodations Tax Fund** accounts for the 2% State Accommodations sales tax from transient room rentals. The expenditures are restricted to tourist related activities as stipulated by State Law.

- **Redevelopment Fund** accounts for the activity of the Redevelopment Commission.

- **The TIF II Fund** accounts for the property tax proceeds generated in the TIF II Redevelopment District. Expenditures are restricted to capital and non-capital activity benefitting the TIF II District.

Budget Format

The Operational Budgets are presented in accordance with State Law and the City's fiscal policies for the General Fund, State Accommodations Fund, Redevelopment Fund, and the Tax Increment Financing II Fund.

The Operational Budget Summary of the General Fund is broken into segments:

- Revenues
- Expenditures
  - Salaries & Benefits
  - Operations which includes: Workers Compensation insurance, consulting services, professional services, utilities, property, vehicle and tort liability insurances, supplies, leased equipment, postage, printing, telephone, travel, and maintenance.
  - Capital Rolling Stock and Stormwater includes vehicles, equipment and stormwater projects funded by the Stormwater fees.
  - Transfers represents Transfers out of the General Fund for capital projects.
  - Debt Service represents the payments of principle and interest on the City's Revenue bond and general obligation bond funding.

The Capital Project Budget is presented in accordance with City Council's Capital Improvement Plan. The Capital Project Budget is an inception to date budget with projects added and removed based on City Council priorities, availability of funding and completion.

STRATEGIC GOALS

❑ Economic Vitality

To have a vibrant mix of business and industry that promotes a thriving and balanced economy with increased employment, a well educated workforce and personal income growth.

❑ Unique Character

Maintain our high quality of life by developing plans and infrastructure improvements that protect and enhance Beaufort's unique historic character, its physical beauty and its cultural heritage.

❑ Smart Growth

To maintain our distinct urban form by encouraging the growth and development of walkable, urban, mixed use neighborhoods, established by the historic code of the city.

❑ Public Safety

To provide an ever safer community by better enabling police, fire, code enforcement and judicial operation to protect and serve.

❑ Environmental Sustainability

To continue to develop plans and practices for stormwater, refuse collection and recycling, and emergency management that contribute to an even healthier and sustainable city, for our citizens now and for the future.

❑ City Governance

To manage our resources well and continually improve the city government's effectiveness and its partnership with all who live in, work in and visit Beaufort.

GENERAL FUND

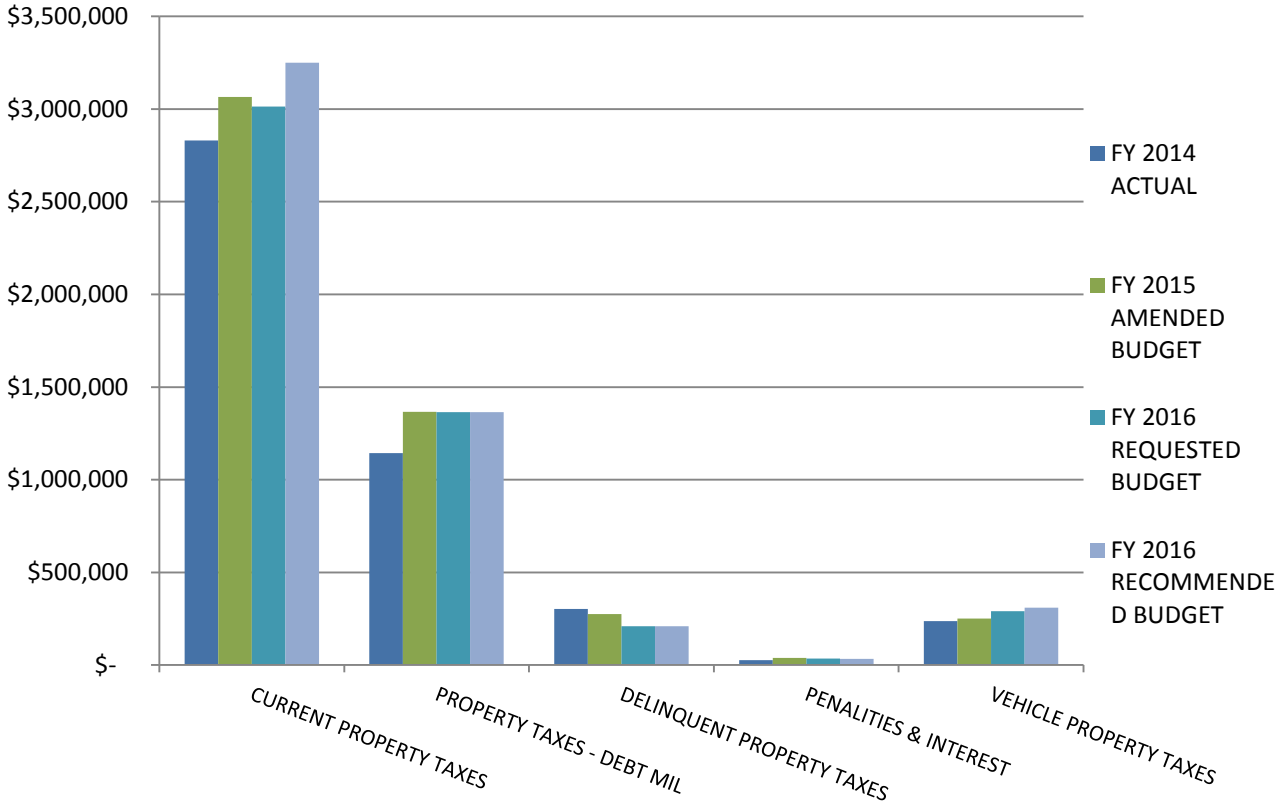
FISCAL YEAR 2016 BUDGET SUMMARY

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET
REVENUES				
CURRENT PROPERTY TAXES	$ 2,831,049	$ 3,066,032	$ 3,014,246	$ 3,249,972
PROPERTY TAXES - DEBT MIL	1,143,997	1,366,517	1,364,831	1,364,831
DELINQUENT PROPERTY TAXES	303,243	275,000	210,000	209,267
PENALITIES & INTEREST	25,956	38,000	35,000	33,314
VEHICLE PROPERTY TAXES	237,155	250,000	290,250	308,602
HOMESTEAD MERCHANT TAXES	161,734	140,000	143,000	142,631
MOTOR CARRIER TAX	3,161	3,000	2,800	2,800
PAYMENT IN LIEU	23,394	25,000	26,000	26,000
FRANCHISE CONTRACT	1,353,955	1,343,756	1,421,110	1,421,110
BEAUFORT JASPER WATER & SEWER AUTHORITY FRANCHISE	675,412	675,412	675,412	675,412
BUSINESS LICENSES	3,226,337	3,450,000	3,500,000	3,500,000
BANNER FEES	4,050	3,000	3,000	3,000
IMPACT FEES	1,464	1,500	1,500	1,500
PARADE PUBLIC ASSEMBLY PERMITS	275	200	200	200
CELL TOWER	38,985	35,000	35,000	35,000
POLICE FINES AND FORFEITURES	246,616	300,000	245,000	245,000
PARKING FINES	2,995	3,500	3,500	3,500
SCHOOL RESOURCE OFFICER	183,420	186,048	192,095	192,095
SCHOOL CROSSING GUARDS	30,090	23,000	34,430	34,430
INTERGOVERNMENTAL SERVICES - HILTON HEAD	61,500	61,500	61,500	61,500
INTERGOVERNMENTAL SERVICES - BLUFFTON	13,000	13,000	13,000	13,000
INTERGOVERNMENTAL SERVICES - PORT ROYAL	746,261	798,798	846,345	846,345
VICTIM'S RIGHT LAW	34,560	28,000	28,000	28,000
ADMINISTRATIVE SUMMONS	1,600	1,500	1,500	1,500
GRANTS	19,471	-	-	-
PROPERTY SALES	308,575	-	-	-
TRAFFIC SIGNAL MAINTENANCE	39,078	-	-	-
STATE SHARED REVENUE	268,224	266,000	266,000	266,000
MISCELLANEOUS	145,410	100,000	100,000	100,000
INSURANCE RECOVERY	49,985	10,000	10,000	10,000
OFF DUTY POLICE OFFICERS SERVICES	71,236	72,000	70,000	70,000
INTEREST INCOME	7,897	10,000	10,000	10,000
TRANSFER IN FROM STATE ACCOMODATIONS FUND	42,175	38,750	37,460	37,460
OTHER FEES ZONING & BUILDING FEES	17,603	13,200	17,000	17,000
BUILDING PERMITS	228,303	203,000	225,000	225,000
LOCAL HOSPITALITY FEE	1,585,541	1,470,000	1,600,000	1,600,000
LOCAL ACCOMMODATION FEE	600,987	530,000	600,000	600,000
STATE ALCOHOL BEVERAGE FEE	54,850	65,000	55,000	55,000
TOURISM GUIDE TEST FEE	600	200	200	200
CARRIAGE FEES	70,860	60,000	60,000	60,000
TOUR VEHICLE FEE	4,868	3,000	3,000	3,000
MARINA LEASE	157,225	120,000	120,000	120,000
WATERFRONT PARK RENTAL	21,493	15,000	15,000	15,000
STORM WATER UTILITY FEE	834,110	820,000	835,000	835,000
TOWN OF PORT ROYAL RECYCING FEE	61,992	61,992	61,992	61,992
GARBAGE RESIDENTIAL FEES	928,624	922,000	925,000	925,000
TOTAL REVENUES	$ 16,869,315	$ 16,867,905	$ 17,158,371	$ 17,409,661
EXPENDITURES				
SALARIES	6,865,234	6,942,425	6,934,694	6,980,894
BENEFITS	2,309,745	2,425,460	2,483,396	2,497,196
OPERATIONS	5,154,924	5,145,231	6,139,868	6,004,824
CAPITAL ROLLING STOCK & STORMWATER	560,970	1,595,985	496,664	252,818
DEBT SERVICE - PRINICIPLE	984,862	1,021,776	1,053,949	1,053,949
DEBT SERVICE - INTEREST	686,459	653,839	619,980	619,980
TRANSFERS OUT	1,317,903	69,730	-	-
TOTAL EXPENDITURES	$ 17,880,097	$ 17,854,446	$ 17,728,551	$ 17,409,661

General Fund Budget Summary

Property Taxes:

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) FROM PRIOR YEAR
CURRENT PROPERTY TAXES	$ 2,831,049	$ 3,066,032	$ 3,014,246	$ 3,249,972	$ 183,940
PROPERTY TAXES - DEBT MIL	1,143,997	1,366,517	1,364,831	1,364,831	(1,686)
DELINQUENT PROPERTY TAXES	303,243	275,000	210,000	209,267	(65,733)
PENALITIES & INTEREST	25,956	38,000	35,000	33,314	(4,686)
VEHICLE PROPERTY TAXES	237,155	250,000	290,250	308,602	58,602
HOMESTEAD MERCHANT TAXES	161,734	140,000	143,000	142,631	2,631
MOTOR CARRIER TAX	3,161	3,000	2,800	2,800	(200)
PAYMENT IN LIEU	23,394	25,000	26,000	26,000	1,000
	$ 4,729,688	$ 5,163,549	$ 5,086,127	$ 5,337,417	$ 173,868



Property Taxes

- Represents the largest revenue source of the City, or approximately 30% of the total revenues.
- Taxable assessed value of real property is estimated for TY 2015 of $58,771,393, a 5% growth over TY 2014.
- Personal property taxable assessed value is estimated for TY 2015 of $9,549,110 or a 35% increase over TY 2014.
- Vehicle taxable assessed value is estimated for TY 2015 of $5,276,400 or a 7% increase over TY 2014.
- Total Taxable Assessed Value is estimated at $73,596,903.
- The FY 2016 Recommended Budget includes an applied inflationary factor allowed by State Law of 7.83% which represents a 3.71 mil increase.
  - The FY 2015 Adopted Budget included a deficit mil of 3.72mils. This deficit mil is removed from the FY 2016 in accordance with State Law.
  - The effect of the property tax mil by the elimination of the deficit mil and applying the inflationary factor to the operating mil is a net decrease of .01 mils.

GENERAL FUND BUDGET SUMMARY (CONT'D)

Other Major Revenue Sources:

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) FROM PRIOR YEAR
FRANCHISE CONTRACT	$ 1,353,955	$ 1,343,756	$ 1,421,110	$ 1,421,110	$ 77,354
BEAUFORT JASPER WATER & SEWER AUTHORITY FR	675,412	675,412	675,412	675,412	-
BUSINESS LICENSES	3,226,337	3,450,000	3,500,000	3,500,000	50,000
LOCAL HOSPITALITY FEE	1,585,541	1,470,000	1,600,000	1,600,000	130,000
LOCAL ACCOMMODATION FEE	600,987	530,000	600,000	600,000	70,000
STORM WATER UTILITY FEE	834,110	820,000	835,000	835,000	15,000
GARBAGE RESIDENTIAL FEES	928,624	922,000	925,000	925,000	3,000
	$ 9,204,965	$ 9,211,168	$ 9,556,522	$ 9,556,522	$ 345,354

- Business License revenues is estimated to remain flat over the prior year, with a minor increase of 1% anticipated.
- Franchise contract revenues represents the franchise fee from South Carolina Electric & Gas (SCE&G) and Hargray Communications. The FY 2016 estimates a 5% increase in franchise fee revenue from SCE&G based on historical growth data.
- Local Hospitality Tax and Local Accommodations Tax are estimated with a 8% and 13% growth in revenues based on historical increases realized within the City over the past 5 years.

GENERAL FUND BUDGET SUMMARY (CONT'D)

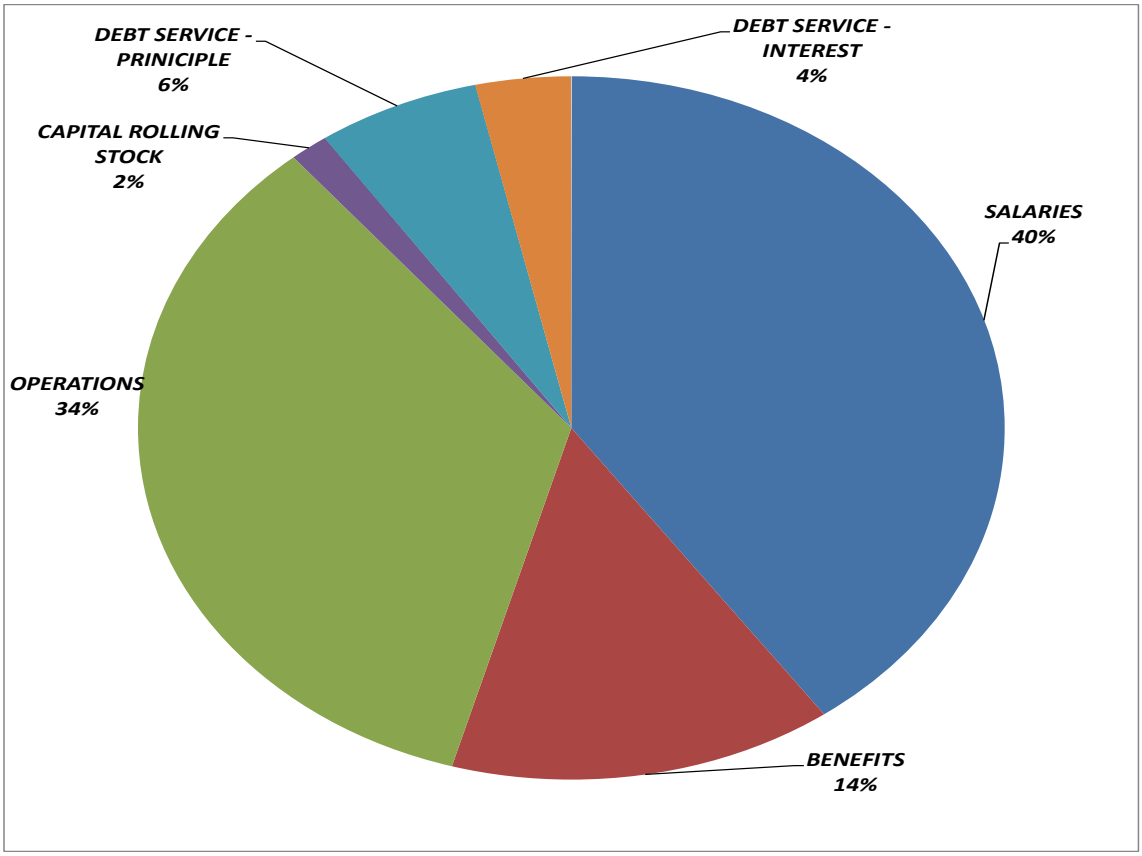
Other Revenues:

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) FROM PRIOR YEAR
BANNER FEES	$ 4,050	$ 3,000	$ 3,000	$ 3,000	$ -
IMPACT FEES	1,464	1,500	1,500	1,500	-
PARADE PUBLIC ASSEMBLY PERMITS	275	200	200	200	-
CELL TOWER	38,985	35,000	35,000	35,000	-
POLICE FINES AND FORFEITURES	246,616	300,000	245,000	245,000	(55,000)
PARKING FINES	2,995	3,500	3,500	2,500	(1,000)
SCHOOL RESOURCE OFFICER	183,420	186,048	192,095	192,095	6,047
SCHOOL CROSSING GUARDS	30,090	23,000	34,430	34,430	11,430
INTERGOVERNMENTAL SERVICES - HILTON HEAD	61,500	61,500	61,500	61,500	-
INTERGOVERNMENTAL SERVICES - BLUFFTON	13,000	13,000	13,000	13,000	-
INTERGOVERNMENTAL SERVICES - PORT ROYAL	746,261	798,798	846,345	812,639	13,841
VICTIM'S RIGHT LAW	34,560	28,000	28,000	28,000	-
ADMINISTRATIVE SUMMONS	1,600	1,500	1,500	1,500	-
GRANTS	19,471	-	-	-	-
PROPERTY SALES	308,575	-	-	-	-
TRAFFIC SIGNAL MAINTENANCE	39,078	-	-	-	-
STATE SHARED REVENUE	268,224	266,000	266,000	256,000	(10,000)
MISCELLANEOUS	145,410	100,000	100,000	98,311	(1,689)
INSURANCE RECOVERY	49,985	10,000	10,000	10,000	-
OFF DUTY POLICE OFFICERS SERVICES	71,236	72,000	70,000	70,000	(2,000)
INTEREST INCOME	7,897	10,000	10,000	10,000	-
TRANSFER IN FROM STATE ACCOMODATIONS	42,175	38,750	37,460	37,460	(1,290)
OTHER FEES ZONING & BUILDING FEES	17,603	13,200	17,000	17,000	3,800
BUILDING PERMITS	228,303	203,000	225,000	225,000	22,000
STATE ALCOHOL BEVERAGE FEE	54,850	65,000	55,000	55,000	(10,000)
TOURISM GUIDE TEST FEE	600	200	200	200	-
CARRIAGE FEES	70,860	60,000	60,000	60,000	-
TOUR VEHICLE FEE	4,868	3,000	3,000	3,000	-
MARINA LEASE	157,225	120,000	120,000	120,000	-
WATERFRONT PARK RENTAL	21,493	15,000	15,000	15,000	-
TOWN OF PORT ROYAL RECYCING FEE	61,992	61,992	61,992	61,992	-
	$ 2,934,662	$ 2,493,188	$ 2,515,722	$ 2,469,327	$ (23,861)
TOTAL REVENUES	$ 16,869,315	$ 16,867,905	$ 17,158,371	$ 17,409,661	$ 541,756

FY 2016 Recommended Expenditure Budget

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) FROM PRIOR YEAR
EXPENDITURES					
SALARIES	6,865,234	6,942,425	6,934,694	6,980,894	38,469
BENEFITS	2,309,745	2,425,460	2,483,396	2,497,196	71,736
OPERATIONS	5,154,924	5,145,231	6,139,868	6,004,824	859,593
CAPITAL ROLLING STOCK & STORMWATER	560,970	1,595,985	496,664	252,818	(1,343,167)
DEBT SERVICE – PRINICIPLE	984,862	1,021,776	1,053,949	1,053,949	32,173
DEBT SERVICE – INTEREST	686,459	653,839	619,980	619,980	(33,859)
TRANSFERS OUT	1,317,903	69,730	–	–	(69,730)
TOTAL EXPENDITURES	$ 17,880,097	$ 17,854,446	$ 17,728,551	$ 17,409,661	$ (444,785)

FY 2016 Recommended Expenditure Budget



GENERAL FUND BUDGET SUMMARY (CONT'D)

General Fund Salaries & Benefits:

	SALARY			BENEFITS		
Department	FY 2015 ADOPTED BUDGET	FY 2016 RECOMMENDED BUDGET	FY 2016 Over (Under) FY 2015	FY 2015 ADOPTED BUDGET	FY 2016 RECOMMENDED BUDGET	FY 2016 Over (Under) FY 2015
City Council	$ 29,750	$ 29,751	$ 0	$ 23,046	$ 13,769	$ (9,277)
City Manager	230,706	268,012	37,306	77,216	75,811	(1,405)
Finance	357,647	364,907	7,260	130,017	122,604	(7,413)
Human Resources	114,452	58,817	(55,635)	40,329	18,442	(21,887)
Municipal Court	316,386	321,228	4,842	98,306	99,706	1,400
Planning	281,550	278,560	(2,990)	105,150	105,671	521
Police	2,684,463	2,677,851	(6,612)	907,800	997,523	89,723
School Resource Officers	184,103	173,536	(10,567)	52,126	54,733	2,607
School Crossing Guard	18,400	28,750	10,350	2,521	3,780	1,259
Victims Rights	54,609	54,000	(608)	10,136	11,402	1,266
Fire	1,870,996	1,921,418	50,422	703,091	716,333	13,242
Public Works	260,773	236,720	(24,054)	76,807	81,401	4,594
Streets	46,960	23,480	(23,480)	13,717	6,954	(6,763)
Parks	153,067	154,710	1,643	72,126	58,549	(13,577)
Traffic	140,637	82,297	(58,341)	48,490	38,705	(9,785)
Vehicle	37,503	37,667	163	11,958	12,197	239
Facilities Maintenance	-	84,935	84,935	-	19,214	19,214
Stormwater	160,422	184,254	23,832	52,624	60,404	7,780
	$ 6,942,425	$ 6,980,894	$ 38,469	$ 2,425,460	$ 2,497,196	$ 71,736

Changes in salary & benefits from prior year:

- Senior Project Manager position hired in January 2015 is budgeted for the entire 2016 fiscal year.
- City Clerk position is split funded between the City Manager's department and the Human Resources Department due to changes in responsibilities.
- A portion of the Police department salaries and benefits was reallocated to the State Accommodations Fund to account for police support of travel related expenditures provided in the Core Commercial district of the City which is the heart of the Historic District.

GENERAL FUND BUDGET SUMMARY (Cont'd)

General Fund Salaries & Benefits (cont'd):

- The position of Human Resources Director will remain a vacancy for FY 2016.
- Facilities Maintenance is a new division of Public Works. The position of Facilities Maintenance supervisor, previously budgeted in the Public Works administrative division was transferred to this new division in the FY 2016 budget.
- The FY 2016 benefits budget includes the State Retirement Employer contribution rate increases of .16% for State Retirement System and .33% for the Police Officers Retirement System.
- The Police Department salaries & benefits budget contains $60,000 for providing off duty police officers that are charged to customers. The revenue estimate that offsets this cost is $70,000.
- No new positions are included in the General Fund departments.

GENERAL FUND BUDGET SUMMARY (CONT'D)

Departmental Operations:

Departmental Operations	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) OVER PRIOR YEAR
Non-Departmental	$ 983,455	$ 729,038	$ 102,434	$ 47,025	$ (682,013)
City Council	91,559	98,597	124,840	122,840	24,243
City Manager	54,152	52,313	86,281	84,181	31,868
Finance	84,209	102,962	166,853	157,928	54,966
Human Resources	27,928	30,225	68,523	65,223	34,998
Information Technology	292,474	362,711	272,177	354,991	(7,720)
Municipal Courts	50,705	52,594	49,896	49,896	(2,698)
Planning	311,298	299,763	229,331	226,851	(72,912)
Police	610,503	657,521	699,858	699,858	42,337
School Resource Officers	11,327	22,192	23,072	23,072	880
School Crossing Guards	778	768	1,436	1,436	668
Victims Rights	1,459	4,472	6,324	6,324	1,852
Fire	437,853	405,656	894,024	837,379	431,723
Public Works	71,306	53,819	58,901	58,901	5,082
Streets	525,516	559,527	826,457	754,457	194,930
Parks	532,152	578,834	746,511	736,511	157,677
Traffic	47,239	49,249	52,183	52,183	2,934
Vehicles	23,631	26,843	26,989	26,989	146
Facilities Maintenance	-	-	468,937	468,937	468,937
Stormwater	286,382	344,890	469,377	464,377	119,487
Solid Waste	710,998	713,257	765,464	765,464	52,207
Total Departmental Operations	$ 5,154,924	$ 5,145,231	$ 6,139,868	$ 6,004,824	$ 859,593

- Costs for Facilities Maintenance, Burton Fire District and Lady's Island Fire District were previously reported in Non-Departmental. For the fiscal year 2016 budget, Facilities Maintenance costs were reallocated to the newly formed division of Facilities Maintenance within the Public Work department. The costs for Burton Fire District and Lady's Island District of $288,038 were reallocated to the Fire Department to better represent the City's actual Fire costs.

Departmental Operations (Cont'd)

- Workers Compensation is estimated to increase total operational costs by $77,145 during FY 2016 due to increases in the City's overall experience modifier.
  - ✓ This increase is primarily realized in the Police & Fire departments which carry the highest risk factor.

General Fund Budget Summary (Cont'd)

Capital Rolling Stock & Stormwater	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) OVER PRIOR YEAR
Police	$ 189,737	$ 413,533	$ 170,480	$ 17,905	$ (395,628)
Fire	21,869	780,522	-	-	(780,522)
Streets	14,766	28,000	102,963	75,000	47,000
Parks	55,955	94,000	95,000	54,692	(39,308)
Traffic	47,817				-
Vehicles	1,371	10,000	10,000	-	(10,000)
Public Works	54,387	-	-	-	-
Planning	4,799	-	-	-	-
NonDepartmental	11,068	-	-	-	-
Total Capital Rolling Stock	$ 401,769	$ 1,326,055	$ 378,443	$ 147,597	$ (1,178,458)

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) OVER PRIOR YEAR
Stormwater - Capital Drainage Projects	$ 159,201	$ 269,930	$ 118,221	$ 105,221	$ (164,709)

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) OVER PRIOR YEAR
Debt Service					
Hospitality Revenue Bonds	$ 309,097	$ 309,098	$ 309,098	$ 309,098	$ 0
General Obligation Bonds	1,362,224	1,366,518	1,364,831	1,364,831	(1,687)
Total Debt Service	$ 1,671,321	$ 1,675,615	$ 1,673,929	$ 1,673,929	$ (1,686)

	FY 2014 ACTUAL	FY 2015 AMENDED BUDGET	FY 2016 REQUESTED BUDGET	FY 2016 RECOMMENDED BUDGET	INCREASE (DECREASE) OVER PRIOR YEAR
Transfers Out	$ 1,317,903	$ 69,730	$ -	$ -	$ (69,730)

- Capital Rolling Stock was reduced in the FY 2016 Recommended Budget to bring the budget in line with the estimated revenues. The following budgets were impacted by these reductions:
  - ✓ Police Budget capital rolling stock budget was reduced by $152,575 of vehicle replacements of aged vehicles that have reached their expected life.

General Fund Budget Summary (Cont'd)

- ✓ Streets budget for capital rolling stock was reduced by $27,963 for equipment for the Bobcat Grader & Bushhog and the Lowboy trailer.
- ✓ The Parks budget for capital rolling stock was reduced by $40,308 for furniture for West Street, Playground equipment replacement for Waterfront Park and Tic Toc Park, flower baskets for Bay Street, Pigeon Point trail extension, and replacement of light pedestals on the day dock.
- ✓ The Vehicle Maintenance budget for capital rolling stock was reduced by $10,000 for equipment related to tire balancing.

- No transfers out for capital projects is recommended for fiscal year 2016 as all active capital projects are fully funded and no new capital projects are being added for the upcoming fiscal year.

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Non-Departmental	**$ 1,026,514**	**$ 1,502,907**	**$ 510,730**	**$ 47,025**
Salaries & Benefits				
Employee Benefits	1,847	(702)	-	-
Operations				
Contracted Services	5,350	3,112	3,000	3,000
Economic Development	86,018	166,774	117,500	15,200
Insurance	16,400	22,615	19,000	17,734
Maintenance	506,233	498,201	300,000	-
Supplies	2,914	857	1,500	11,091
Utilities	-	-	-	-
Transfers Out	407,752	800,982	69,730	-
Capital Land & Equipment		11,068	-	-
City Council	**$ 148,823**	**$ 144,238**	**$ 151,393**	**$ 166,359**
Salaries & Benefits				
Salary & Wages	30,556	30,276	29,750	29,750
Employee Benefits	23,252	22,403	23,046	13,769
Operations				
Contracted Services	84,313	82,080	85,000	108,000
Workers Comp	199	698	747	490
Professional Development	7,706	8,533	7,500	9,000
Supplies	1,878	248	5,350	5,350
Debt Service	-	-	-	-
Capital Land & Equipment	919	-	-	-
City Manager	**$ 359,772**	**$ 336,121**	**$ 360,235**	**$ 428,005**
Salaries & Benefits				
Salary & Wages	223,422	217,761	230,706	268,013
Employee Benefits	74,497	64,208	77,216	75,811
Operations				
Contracted Services	32,302	23,482	25,000	36,000
Workers Comp	1,474	2,037	2,132	4,365
Insurance	2,071	2,931	2,800	8,235
Other Expenditures	3,339	3,555	3,000	3,000
Professional Development	14,067	11,660	7,500	16,700
Supplies	1,654	2,772	4,500	8,500
Utilities	6,946	7,715	7,381	7,381
Capital Land & Equipment	-	-	-	-

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS (Cont'd)

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Finance	**$ 528,140**	**$ 557,733**	**$ 590,626**	**$ 645,439**
Salaries & Benefits				
Salary & Wages	319,934	347,799	357,647	364,907
Employee Benefits	116,235	125,725	130,017	122,604
Operations				
Contracted Services	44,752	34,794	41,500	94,959
Workers Comp	1,683	2,982	3,128	2,956
Insurance	1,217	3,191	2,530	2,959
Maintenance	462	455	-	-
Other Expenditures	9,395	10,092	14,224	14,224
Professional Development	3,787	5,428	13,050	13,300
Supplies	11,232	7,024	8,650	9,650
Utilities	17,742	20,243	19,880	19,880
Capital Land & Equipment	1,701	-	-	-
Human Resources	**$ 215,227**	**$ 227,050**	**$ 185,006**	**$ 142,482**
Salaries & Benefits				
Salary & Wages	141,783	146,344	114,452	58,817
Employee Benefits	46,498	52,778	40,329	18,442
Operations				
Contracted Services	1,039	2,814	4,900	18,500
Workers Comp	222	627	660	278
Insurance	1,147	1,744	1,465	1,395
Other Expenditures	1,965	1,778	2,300	3,850
Professional Development	2,211	3,212	3,000	10,600
Supplies	15,949	12,656	13,800	26,500
Utilities	4,413	5,097	4,100	4,100
Information Technology	**$ 287,009**	**$ 292,474**	**$ 362,711**	**$ 354,991**
Operations				
Contracted Services	241,674	263,925	293,771	314,770
Supplies	45,114	28,328	68,939	40,000
Utilities	221	221	-	221
Municipal Court	**$ 405,534**	**$ 441,836**	**$ 467,286**	**$ 470,830**
Salaries & Benefits				
Salary & Wages	271,450	297,787	316,386	321,228
Employee Benefits	89,305	93,344	98,306	99,706
Operations				
Contracted Services	9,883	18,851	15,200	13,796
Workers Comp	1,431	2,199	2,316	1,946
Insurance	1,967	2,652	2,653	1,779
Maintenance	4,392	1,482	1,200	1,500
Miscellaneous	680	366	700	700
Other Expenditures	6,857	6,821	7,000	6,500
Professional Development	4,480	4,705	6,700	6,850
Supplies	9,010	6,915	10,700	10,700
Utilities	6,079	6,714	6,125	6,125

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS (Cont'd)

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Planning	**$ 924,088**	**$ 695,856**	**$ 686,463**	**$ 611,082**
Salaries & Benefits				
Salary & Wages	259,484	277,589	281,550	278,560
Employee Benefits	103,360	102,170	105,150	105,671
Operations				
Contracted Services	502,742	270,971	259,600	186,000
Workers Comp	2,083	4,054	4,268	3,947
Insurance	1,686	1,997	2,370	1,979
Maintenance	17	-	500	500
Other Expenditures	4,988	6,385	4,250	4,250
Professional Development	6,346	5,639	8,375	8,375
Supplies	11,066	14,569	13,300	15,000
Utilities	7,760	7,683	7,100	6,800
Capital Land & Equipment	24,556	4,799	-	-
Police	**$ 4,006,121**	**$ 4,191,004**	**$ 4,663,317**	**$ 4,393,136**
Salaries & Benefits				
Salary & Wages	2,451,492	2,537,079	2,684,463	2,677,850
Employee Benefits	814,385	853,685	907,800	997,523
Operations				
Contracted Services	33,419	29,155	46,000	47,000
Workers Comp	93,899	152,844	135,024	170,575
Insurance	76,558	91,124	88,697	91,583
Maintenance	109,955	75,591	83,000	83,000
Other Expenditures	9,865	9,941	9,000	9,000
Professional Development	15,193	17,100	23,500	25,700
Supplies	73,028	78,627	76,000	83,500
Utilities	167,081	156,121	196,300	189,500
Capital Land & Equipment	161,246	189,737	413,533	17,905
School Resource Officers	**$ 232,860**	**$ 258,333**	**$ 258,421**	**$ 251,341**
Salaries & Benefits				
Salary & Wages	175,447	194,525	184,103	173,536
Employee Benefits	50,758	52,481	52,126	54,733
Operations				
Workers C+A154omp	3,840	8,541	9,092	9,972
Maintenance	892	-	5,000	5,000
Professional Development	1,032	2,786	5,000	5,000
Supplies	891	-	1,700	1,700
Utilities		-	1,400	1,400
School Crossing Guards	**$ 28,922**	**$ 30,091**	**$ 21,689**	**$ 33,966**
Salaries & Benefits				
Salary & Wages	25,116	25,946	18,400	28,750
Employee Benefits	3,333	3,367	2,521	3,780
Operations				
Workers Comp	473	778	768	1,436

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS (Cont'd)

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Victims Rights	**$ 61,308**	**$ 69,260**	**$ 69,217**	**$ 71,726**
Salaries & Benefits				
Salary & Wages	50,858	57,405	54,609	54,000
Employee Benefits	9,633	10,396	10,136	11,402
Operations				
Workers Comp	817	1,459	1,472	3,324
Maintenance		-	1,500	1,500
Supplies		-	1,500	1,500
Fire	**$ 3,149,431**	**$ 3,404,770**	**$ 4,048,303**	**$ 3,475,130**
Salaries & Benefits				
Salary & Wages	1,859,107	1,985,429	1,870,996	1,921,418
Employee Benefits	650,485	677,723	703,091	716,333
Operations				
Contracted Services	-	8,410	-	-
Contracted Fire Services	310,510	281,896	288,038	288,038
Workers Comp	58,180	86,722	90,924	112,668
Insurance	22,094	31,429	30,407	29,461
Maintenance	62,505	115,104	81,722	106,800
Other Expenditures	6,083	5,884	6,000	26,200
Professional Development	10,608	18,286	27,715	21,895
Supplies	69,877	102,831	82,888	85,700
Utilities	73,256	69,187	86,000	83,000
Vehicle Lease	-	-	-	83,617
Capital Land & Equipment	26,726	21,869	780,522	-
Public Works	**$ 365,954**	**$ 456,937**	**$ 391,399**	**$ 377,022**
Salaries & Benefits				
Salary & Wages	248,190	256,648	260,773	236,720
Employee Benefits	76,130	74,596	76,807	81,401
Operations				
Workers Comp	1,980	18,673	3,604	3,688
Insurance	7,614	9,364	9,215	8,563
Maintenance	10,245	16,723	13,350	15,000
Other Expenditures	4,730	4,681	4,750	3,100
Professional Development	1,969	3,794	5,100	6,700
Supplies	3,264	2,867	3,400	4,200
Utilities	11,832	15,204	14,400	17,650
Capital Land & Equipment		54,387	-	-

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS (Cont'd)

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Streets	**$ 532,705**	**$ 570,163**	**$ 648,204**	**$ 859,891**
Salaries & Benefits				
Salary & Wages	21,924	23,249	46,960	23,480
Employee Benefits	6,837	6,632	13,717	6,954
Operations				
Contracted Services	226,439	282,538	307,805	499,439
Workers Comp	2,710	2,239	2,432	2,241
Insurance	2,509	3,001	2,940	1,477
Maintenance	10,939	15,095	17,500	24,000
Professional Development	149	390	1,000	1,000
Supplies	6,935	7,732	7,850	12,300
Utilities	235,942	214,521	220,000	214,000
Capital Land & Equipment	18,321	14,766	28,000	75,000
Parks	**$ 478,470**	**$ 1,111,285**	**$ 1,207,125**	**$ 1,313,560**
Salaries & Benefits				
Salary & Wages	146,369	144,454	153,067	154,710
Employee Benefits	69,914	69,627	72,126	58,549
Operations				
Contracted Services		6,675	-	-
Economic Development	72,220	73,418	58,800	112,200
Workers Comp	4,837	5,557	3,316	9,351
Insurance	23,425	21,164	22,720	19,818
Maintenance	69,577	361,956	426,648	472,592
Professional Development	1,219	864	2,000	3,500
Supplies	6,869	11,772	12,850	65,550
Utilities	51,105	50,746	52,500	53,500
Debt Service	-	309,097	309,098	309,098
Capital Land & Equipment	32,935	55,955	94,000	54,692
Traffic	**$ 159,524**	**$ 227,019**	**$ 238,376**	**$ 173,185**
Salaries & Benefits				
Salary & Wages	97,623	103,156	140,637	82,297
Employee Benefits	28,161	28,807	48,490	38,705
Operations				
Contracted Services	-	-	5,000	5,000
Workers Comp	1,787	7,184	4,864	4,316
Insurance	2,176	2,261	2,485	2,867
Maintenance	6,486	11,873	7,500	7,500
Professional Development	410	18	2,000	3,000
Supplies	2,731	4,660	6,300	8,000
Utilities	20,150	21,243	21,100	21,500
Capital Land & Equipment	-	47,817	-	-

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS (Cont'd)

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Vehicles	**$ 71,837**	**$ 71,742**	**$ 86,305**	**$ 76,853**
Salaries & Benefits				
Salary & Wages	34,415	35,441	37,504	37,667
Employee Benefits	11,559	11,299	11,958	12,197
Operations				
Workers Comp	1,233	1,098	1,248	1,645
Insurance	771	826	845	844
Maintenance	2,085	1,041	2,000	4,000
Supplies	4,786	4,196	5,750	3,500
Utilities	16,988	16,470	17,000	17,000
Capital Land & Equipment	-	1,371	10,000	-
Facilities Maintenance	**$ -**	**$ -**	**$ -**	**$ 573,087**
Salaries & Benefits				
Salary & Wages	-	-	-	84,935
Employee Benefits	-	-	-	19,215
Operations				
Contracted Services	-	-	-	85,467
Workers Comp	-	-	-	6,888
Insurance	-	-	-	300
Other Expenditures	-	-	-	81,672
Professional Development	-	-	-	2,500
Supplies	-	-	-	31,360
Utilities	-	-	-	260,750
Capital Land & Equipment				-
Stormwater	**$ 516,888**	**$ 1,105,944**	**$ 827,865**	**$ 814,256**
Salaries & Benefits				
Salary & Wages	175,446	183,637	160,422	184,254
Employee Benefits	65,148	61,010	52,624	60,404
Operations				
Contracted Services	126,795	124,725	170,328	244,940
Workers Comp	4,888	9,293	10,392	13,446
Insurance	5,657	7,081	5,320	7,800
Maintenance	34,181	73,046	71,900	61,000
Supplies	23,096	28,491	37,950	90,191
Utilities	37,280	43,746	49,000	47,000
Transfers Out		415,714	-	-
Capital Land & Equipment	44,397	159,201	269,930	105,221
Solid Waste	**$ 693,771**	**$ 711,903**	**$ 713,257**	**$ 765,464**
Salaries & Benefits				
Salary & Wages		709	-	-
Employee Benefits	-	196	-	-
Operations				
Contracted Services	690,733	708,446	709,957	733,037
Insurance	1,702	1,703	1,800	927
Maintenance	980	607	1,000	31,000
Supplies	(2)	-	-	-
Utilities	358	242	500	500

DETAIL DEPARTMENTAL BUDGETS AND HISTORICAL COMPARISONS (Concl'd)

	FY 2013 ACTUAL EXPENDITURES	FY 2014 ACTUAL EXPENDITURES	FY 2015 AMENDED BUDGET	FY 2016 RECOMMENDED BUDGET
Other	**$ 2,154,047**	**$ 1,463,431**	**$ 1,366,518**	**$ 1,364,831**
Debt Service - General Obligation debt	1,671,440	1,362,224	1,366,518	1,364,831
Transfers Out	482,607	101,207	-	-
Grand Total	**$ 16,346,945**	**$ 17,870,097**	**$ 17,854,444**	**$ 17,409,661**

TIF II FUND

Figure 1.4 - Boundary Street Master Plan

TIF II Fund accounts for the Incremental property tax collections of the TIF II district. The property tax proceeds are restricted by State Law to only be used to repay TIF II bonded debt and other costs that benefit the Redevelopment district.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2016 Requested	FY 2016 Recommended	Increase (Decrease) from Prior Year
TIF 2 FUND					
Revenues					
CURRENT PROPERTY TAXES	$ 2,364,772	$ 2,300,000	$ 2,400,000	$ 2,400,000	$ 100,000
INTEREST	$ 4,622	$ -	$ 10,000	$ 10,000	$ 10,000
Total Revenues	$ 2,369,394	$ 2,300,000	$ 2,410,000	$ 2,410,000	$ 110,000
Expenditures					
CONTRACTUAL SERVICES	$ 154	$ -	$ -	$ -	$ -
MAINTENANCE FACILITIES	$ -	$ -	$ -	$ -	$ -
NOTES - INTEREST	$ 90,124	$ 69,015	$ 47,012	$ 47,012	$ (22,003)
NOTES - PRINCIPAL	$ 476,162	$ 497,221	$ 519,223	$ 519,223	$ 22,003
TRANSFER	$ 91,588	$ 1,733,765	$ -	$ -	$ (1,733,765)
Total Expenditures	$ 658,027	$ 2,300,000	$ 566,235	$ 566,235	$ (1,733,765)
INCREASE (DECREASE) IN FUND BALANCE	$ 1,711,367	$ -	$ 1,843,765	$ 1,843,765	$ 1,843,765

- The fiscal year 2016 budget only includes the payment on the principal and interest associated with the TIF II bonded debt.
- $8,223,000 of the TIF II fund balance is currently committed toward the Boundary Street capital project that is partially funded by the Federal TIGER grant, County capital sales tax funds and the TIF II funds.
  - ✓ Until the Boundary Street budget is more defined following finalization of the right away acquisition costs, the Beaufort County's award for construction and engineering and inspection and the cost associated with the utilities undergrounding component of the project, no new TIF II funds are recommended for additional TIF II projects for the FY 2016.
- The fiscal year 2015 budget included a transfer of $1,733,765 of the committed TIF II funds noted above to begin funding costs associated with the Boundary Street Project.

STATE ACCOMMODATIONS FUND

The State Accommodations Fund accounts for the sales tax proceeds collected in accordance with Title 6, Chapter 4 of the SC Code of Laws.

These funds are restricted by State Law and the recommended budget complies with that Law.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2016 Requested Budget	FY 2016 Recommended Budget	Increase (Decrease) from Prior Year
STATE ACCOMMODATION FUND					
Revenues					
STATE ACCOMMODATIONS TAX	$ 368,493	$ 300,000	$ 381,000	$ 381,000	$ 81,000
USE OF PRIOR YEAR FUND BALANCE	-	-	241,862	241,862	241,862
TOTAL REVENUES	$ 368,493	$ 300,000	$ 622,862	$ 622,862	$ 322,862
Expenditures					
SALARIES	$ -	$ -	$ 98,346	$ 98,346	$ 98,346
BENEFITS	-	-	47,979	47,979	47,979
CHAMBER OF COMMERCE	103,048	82,500	106,800	106,800	24,300
TOURISM RELATED EXPENDITURES	156,686	178,750	332,277	332,277	153,527
TRANSFER	42,175	38,750	37,460	37,460	(1,290)
TOTAL EXPENDITURES	$ 301,908	$ 300,000	$ 622,862	$ 622,862	$ 322,862
INCREASE (DECREASE) IN FUND BALANCE	$ 66,585	$ -	$ -	$ -	$ -

- Thirty percent of the funds **must** be allocated to the designated marketing organization for advertising and promotion of tourism to develop and increase attendance through the generation of publicity.
  - ✓ The fiscal year recommended budget includes an appropriation to the Beaufort County Chamber of Commerce of $106,800 as the City's designated marketing organization (DMO).
- $25,000 plus 5% of the balance **must** be allocated to the General Fund and used for any purpose.
  - ✓ The fiscal year recommended budget includes a transfer to the General Fund of $37,460.
- The remaining balance of the funds plus interest **must** be allocated for 'Tourism-related' expenditures.

Tourism-related expenditures include:

- Advertising and promotion of tourism to develop and increase tourist attendance through publicity.
- Promotion of the arts and cultural events.
- Construction, maintenance and operations of facilities for civic and cultural activities.
- Criminal justice system, law enforcement, fire protection, solid waste collection and health facilities when required to serve tourist and tourist facilities.
- Public facilities such as restrooms, dressing rooms, parks and parking lots.
- Tourist shuttle transportation.
- Control and repair of waterfront erosion.
- Operating visitors information centers.

The fiscal year 2016 budget includes:

- Salaries and benefits of law enforcement personnel in the downtown area directly attributed to the support of tourism.
- $100,000 of costs towards maintenance of the City Parks and Spanish Moss Trail that are directly attributable to tourists and tourism activity.
- Approximately $268,990 of the tourism related expenditures are budgeted for grants to non-profit agency's though the Tourism Advisory Committee grant award process.

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REDEVELOPMENT FUND

Accounts for the costs associated with the support of the redevelopment commission and other associated costs related to redevelopment initiatives within the City.

	FY 2014 Actual	FY 2015 Amended Budget	FY 2016 Requested Budget	FY 2016 Recommended Budget	Increase (Decrease) from Prior Year
REDEVELOPEMENT FUND					
Revenues					
LEASE - CARNEGIE BLDG	$ 12,000	$ 12,000	$ 12,000	$ 12,000	$ -
PARKING METERS	148,493	150,000	150,000	150,000	-
PROPERTY SALES	44,225	-	-	-	-
Total Revenues	$ 204,718	$ 162,000	$ 162,000	$ 162,000	$ -
Expenditures					
SALARIES	$ -	$ -	$ 75,000	$ 75,000	$ 75,000
BENEFITS	-	-	28,117	28,117	28,117
WORKERS COMPENSATION	-	-	278	278	278
CONTRACTUAL SERVICES	140,560	13,595	4,000	4,000	(9,595)
PROFESSIONAL SERVICES	419	5,000	12,000	12,000	7,000
MAIN STREET	52,524	52,524	-	-	(52,524)
Total Expenditures	$ 193,503	$ 71,119	$ 119,395	$ 119,395	$ 48,276
INCREASE (DECREASE) IN FUND BALANCE	$ 11,215	$ 90,881	$ 42,605	$ 42,605	$ (48,276)

- The fiscal year 2016 budget includes a position for a Business/Economic Development Director to provide support to the Redevelopment Commission in achieving the goals established by City Council in addressing redevelopment initiatives within the City.
  - ✓ Salary of $75,000, benefits of $28,117 and workers compensation of $278 are included for this position.
- Other costs include:
  - ✓ Contractual Services of $4,000 associated with the Annual retreat of the City Council and the Redevelopment Commission.
  - ✓ Professional services of $12,000 associate with the proportional share of public relations costs.
- The above budgeted expenditures are based on City Council holding revenues in the fund to the same levels as fiscal year 2015. If significant changes are made to the Parking program of the City that negatively affect the estimated revenues, than modifications will need to be made to bring expenditures in line with the revised projections.

FY 2016 RECOMMENDED CAPITAL PROJECTS BUDGET

- The Capital Projects Budget is an inception to date budget that spans several years.
  - ✓ Projects become active when full funding is identified.
  - ✓ Unexpended funds at the end of each fiscal year do not lapse but remain with the project until the project is completed.
- No new projects are added to the Capital Project Budget for fiscal year 2016 and no additional funding has been allocated or committed for current active projects.

CURRENT ACTIVE CAPITAL PROJECTS:

- Battery Creek Headwaters
  - ✓ Projected Budget - $746,484
  - ✓ Federal Grant funds - $350,000
  - ✓ Beaufort County partnership funding - $198,242
  - ✓ City Stormwater funding over the prior fiscal years - $198,242
- Fire Station, Mossy Oaks
  - ✓ Projected Budget - $3,299,837
  - ✓ Bond Proceeds - $2,273,967
  - ✓ Committed fund balance from prior years - $913,263
  - ✓ Stormwater funding from prior years - $108,857
  - ✓ Restricted fund balance for non standard services of SCE&G - $3,750
- Allison Road Streetscape
  - ✓ Projected Budget - $821,044
  - ✓ Federal Grant - $400,000
  - ✓ Stormwater funding from prior years - $80,500
  - ✓ Committed fund balance for capital projects from prior years - $340,544
- Wayfinding Signage
  - ✓ Projected Budget - $15,000
  - ✓ TIF II Funding from prior years- $15,000

CURRENT ACTIVE CAPITAL PROJECTS (Cont'd):

- Greenlawn preliminary planning
  - ✓ Projected Budget - $100,000
  - ✓ TIF II funding from prior years - $100,000
- Boundary Street & Parallel Road
  - ✓ Projected Budget - $8,223,000
  - ✓ TIF II Funding from prior years - $8,223,000
- Duke Street Streetscape – Phase II
  - ✓ Projected Budget - $725,259
  - ✓ Federal Grant funding - $500,000
  - ✓ Stormwater funding from prior years - $75,630
  - ✓ Committed fund balance from prior years - $149,629
- Day Dock
  - ✓ Projected Budget - $500,000
  - ✓ State Recreation Grant funding - $111,279
  - ✓ Federal Boaters Infrastructure Grant - $200,000
  - ✓ Committed fund balance from prior years - $188,721
- Transient Dock Replacement
  - ✓ Projected Budget - $304,165
  - ✓ Federal Boaters Infrastructure grant funding - $186,185
  - ✓ Private partnership funding - $35,000
  - ✓ Committed fund balance from prior years - $82,980

CURRENT ACTIVE CAPITAL PROJECTS (Cont'd):

- North Street/West Street Drainage
  - ✓ Projected Budget - $79,884
  - ✓ Prior year Stormwater funding - $72,621
  - ✓ Additional Stormwater funding included in the FY 2016 Stormwater budget - $7,263
- Azalea Drive Drainage
  - ✓ Projected Budget - $91,300
  - ✓ Prior year Stormwater funding - $83,000
  - ✓ Additional Stormwater funding included in the FY 2016 Stormwater budget - $8,300
- South Hermitage Drainage
  - ✓ Projected Budget - $48,400
  - ✓ Prior year Stormwater funding - $44,000
  - ✓ Additional Stormwater funding included in the FY 2016 Stormwater budget - $4,400
- Cottage Farm Drainage Project
  - ✓ Projected Budget - $30,000
  - ✓ Stormwater funding included in the FY 2016 Stormwater budget - $30,000.

QUESTIONS?