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CITY OF BEAUFORT
1911 BOUNDARY STREET
BEAUFORT MUNICIPAL COMPLEX
BEAUFORT, SOUTH CAROLINA 29902
(843) 525-7070
CITY COUNCIL SPECIAL MEETING AGENDA
December 17, 2024

STATEMENT OF MEDIA NOTIFICATION

"In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media was duly notified of the time, date, place and agenda of this meeting."

SPECIAL MEETING - Council Chambers, 2nd Floor - 5:00 PM

Please note, this meeting will be broadcasted via zoom and live streamed on Facebook. You can view the meeting at the City's page; City Beaufort SC

I. CALL TO ORDER

A. Mayor Pro Tem, Michael McFee

II. INVOCATION AND PLEDGE OF ALLEGIANCE

A. Reverend Bryson Williams with Carteret Street United Methodist Church

III. MEETING AGENDA APPROVAL

IV. PUBLIC COMMENT - AGENDA ITEMS

A. PLEASE LIMIT YOUR REMARKS TO FIVE MINUTES - The Mayor may interrupt public comments that continue past five minutes, are not related to an agenda item, or are disruptive - Persons violating these rules may be required to leave the meeting - [PUBLIC COMMENT FORM](#)

V. OLD BUSINESS

A. Ordinance to Amend Fiscal Year 2025 Budget for Revenues and Expenditures of ARPA Fund and Capital Projects Fund- Second Reading

VI. PUBLIC COMMENT - NON-AGENDA ITEMS

A. PLEASE LIMIT YOUR REMARKS TO FIVE MINUTES - The Mayor may interrupt public comments that continue past five minutes, or are disruptive - Persons violating these rules may be required to leave the meeting - [PUBLIC COMMENT FORM](#)

VII. ADJOURN



CITY OF BEAUFORT
DEPARTMENT REQUEST FOR CITY COUNCIL AGENDA ITEM

TO: CITY COUNCIL **DATE:** 12/11/2024
FROM: Alan Eisenman, Finance Director
AGENDA ITEM TITLE: Ordinance to Amend Fiscal Year 2025 Budget for Revenues and Expenditures of ARPA Fund and Capital Projects Fund- Second Reading
MEETING DATE: 12/17/2024
DEPARTMENT: Finance

BACKGROUND INFORMATION:

The City recently received bids for two ARPA funded projects, Battery Shores Drainage and Duke Street Construction, that were over fiscal year 2025 budget estimates and are no longer reflective of the changes made in Ordinance 2024/26. To meet the Treasury's obligation deadline of December 31, 2024 an updated budget amendment is needed.

The remaining calculated ARPA unobligated balance of \$243,756 needs to be appropriated and obligated to remain in compliance with the Treasury's obligation deadline. This unobligated amount does not reflect interest earned on ARPA funds, as staff was recently advised by Treasury that interest earned is not subject to the December 31, 2024 obligation deadline.

This budget amendment supersedes budget ordinance 2024/26 approved on November 12, 2024 for City Council to grant authorization to City Manager to execute a purchase order or other appropriate spending mechanism based on availability of ARPA funds and prioritization of existing projects and/or unfunded department requirements.

PLACED ON AGENDA FOR: Action

REMARKS:

First Reading was held on December 10, 2024.
Staff recommends approval.

ATTACHMENTS:

| Description | Type | Upload Date |
|-------------------------|-----------------|-------------|
| Budget Amendment | Backup Material | 12/11/2024 |
| ARPA Financial 11.30.24 | Backup Material | 12/11/2024 |

ORDINANCE 2024/27

AN ORDINANCE TO AMEND CITY OF BEAUFORT ORDINANCE 2024/11 REGARDING THE FISCAL YEAR 2024-2025 CITY OF BEAUFORT BUDGET TO PROVIDE FOR THE REVENUES AND EXPENDITURES OF ARPA FUND AND CAPITAL PROJECTS FUND.

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

WHEREAS, on June 11, 2024, the City of Beaufort (hereinafter “City”) adopted Ordinance No. 2024/11 which set the City’s FY 2024- 2025 budget and associated expenditures; and

WHEREAS, the City received bids for two American Rescue Plan Act (ARPA) funded projects consisting of Battery Shores Drainage Project and Duke Street Construction Project that were over fiscal year 2025 budget and the City may not be able to meet the Treasury’s obligation deadline of December 31, 2024 and therefore needs to reallocate the funds; and

WHEREAS, it is necessary for the City to adopt a superseding budget amendment ordinance to appropriate the remaining calculated ARPA unobligated balance of \$243,756 along with any additional unobligated amount to remain in compliance with the Treasury’s obligation deadline; and

WHEREAS, it is necessary for the City to budget any remaining amount of ARPA funds prior to December 31, 2024 between the projects currently funded in part and prioritized and identified in the existing fiscal year 2025 budget ordinance and/or unfunded department requirements from the ARPA funds as prioritized in Exhibit C, in which City Council grants authorizations to the City Manager to execute a purchase order or other appropriate spending mechanism based on availability of ARPA funds and prioritization of existing projects and/or unfunded department requirements; and

WHEREAS, final allocations for each project and/or unfunded need pursuant to this ordinance will be memorialized and adopted through a future ordinance amendment; and

WHEREAS, it is necessary and proper to appropriate, obligate, and budget funds for the above-referenced items; and

WHEREAS, in compliance with South Carolina law and in the interest of maintaining good accounting practices and transparency in the budget process, it is beneficial and necessary to amend the budget to reflect this additional appropriation of funds;

NOW, THEREFORE, BE IT ORDAINED by the City of Beaufort Council that the FY 2024-2025 City of Beaufort Ordinance 2024/26 is hereby superseded by the addition of the following, such that the General Fund FY25 Budget and the Consolidated FY25 Revised Budget are as shown on Exhibits A and B, hereto:

SECTION 1. EFFECTIVE DATE

This Ordinance shall be effective upon its enactment by the City Council for the City of Beaufort.

Michael A. McFee, Mayor Pro Tem

Attest:

Traci Guldner, City Clerk

1ST Reading December 10, 2024

2nd Reading & Adoption _____

Attachments:

- A. General Fund FY25 Budget
- B. Consolidated FY25 Revised Budget
- C. Unfunded Department Requirements- Prioritization List

EXHIBIT A

General Fund FY25 Budget

| | Adopted FY25 Budget | Budget Amendment #2 | Revised FY25 Budget |
|--|--------------------------------|--------------------------------|--------------------------------|
| <u>Revenues</u> | | | |
| Property Taxes | \$ 9,598,632 | \$ - | \$ 9,598,632 |
| Licenses & Permits | 6,870,000 | - | 6,870,000 |
| Intergovernmental Revenue | 3,854,181 | 46,208 | 3,900,389 |
| Franchise Fees | 2,258,000 | - | 2,258,000 |
| Charges for Services | 2,056,665 | - | 2,056,665 |
| Fines & Forfeitures | 64,000 | - | 64,000 |
| Miscellaneous | 110,000 | - | 110,000 |
| Interest | 550,000 | - | 550,000 |
| Total General Fund Revenues | \$ 25,361,478 | \$ 46,208 | \$ 25,407,686 |
| | | | |
| <u>Appropriations</u> | | | |
| Non-Departmental | \$ 822,823 | \$ - | \$ 822,823 |
| City Council | 345,321 | - | 345,321 |
| City Manager | 952,161 | - | 952,161 |
| Finance | 1,000,850 | - | 1,000,850 |
| Human Resources | 554,368 | - | 554,368 |
| Information Technology | 1,025,621 | 46,208 | 1,071,829 |
| Municipal Court | 637,050 | - | 637,050 |
| Community & Economic Development | 1,455,846 | - | 1,455,846 |
| Police Operations | 5,703,134 | - | 5,703,134 |
| School Resource Officer | 624,561 | - | 624,561 |
| School Crossing Guard | 23,470 | - | 23,470 |
| Victims Rights | 113,246 | - | 113,246 |
| Beaufort Fire | 6,773,028 | - | 6,773,028 |
| Public Works | 503,580 | - | 503,580 |
| Streets & Traffic | 1,035,281 | 150,000 | 1,185,281 |
| Facilities Maintenance | 828,479 | - | 828,479 |
| Solid Waste | 1,401,015 | - | 1,401,015 |
| Debt Service | 1,845,353 | - | 1,845,353 |
| Transfers Out | - | 255,645 | 255,645 |
| Total General Fund Appropriations | \$ 25,645,187 | \$ 451,853 | \$ 26,097,040 |

EXHIBIT B

| | General Fund | ARPA Fund | Parks & Tourism Fund | Stormwater Fund | State Accommodations Fund | Fire Impact Fund | TIF II Fund | Capital Project Fund | Total |
|-------------------------------|---------------------|------------------|-------------------------------------|----------------------------|--|-------------------------|--------------------|---------------------------------|---------------|
| Revenues | \$ 25,407,686 | \$ 302,306 | \$ 5,480,500 | \$ 1,368,717 | \$ 969,333 | \$ 105,000 | \$ 180,000 | \$ 10,906,687 | \$ 44,720,229 |
| Transfers In | 70,416 | - | - | - | - | - | - | 11,682,161 | 11,752,577 |
| Total Other Financing Sources | 70,416 | - | - | - | - | - | - | 11,682,161 | 11,752,577 |
| Release of Committed Fund | 618,938 | - | - | - | - | - | - | - | 618,938 |
| Release of Fund Balance | - | 4,312,280 | 6,027,349 | 1,364,480 | 30,000 | - | 129,000 | 813,201 | 12,676,310 |
| Salaries | \$ 10,478,363 | \$ 100,000 | \$ 1,908,435 | \$ 413,681 | \$ 16,728 | \$ - | \$ - | \$ - | \$ 12,917,207 |
| Benefits | 4,384,300 | 43,972 | 846,815 | 208,751 | 6,752 | - | - | - | 5,490,590 |
| Operating | 8,346,141 | 197,000 | 1,711,049 | 232,685 | 875,437 | - | - | - | 11,362,312 |
| Capital | 642,443 | 174,594 | 238,933 | - | - | - | 209,000 | 23,402,049 | 24,667,019 |
| Debt | 1,990,148 | - | 969,601 | 513,600 | - | 63,654 | - | - | 3,537,003 |
| Total Expenditures | \$ 25,841,395 | \$ 515,566 | \$ 5,674,833 | \$ 1,368,717 | \$ 898,917 | \$ 63,654 | \$ 209,000 | \$ 23,402,049 | \$ 57,974,131 |
| Transfers Out | 255,645 | 4,099,020 | 5,833,016 | 1,364,480 | 100,416 | - | 100,000 | - | 11,752,577 |
| Total Other Financing Uses | 255,645 | 4,099,020 | 5,833,016 | 1,364,480 | 100,416 | - | 100,000 | - | 11,752,577 |
| Contribution to Fund Balance | - | - | - | - | - | 41,346 | - | - | 41,346 |
| Net (Deficit) Surplus | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

EXHIBIT C

Staff

Prioritization

| | | |
|----|---|------------------|
| 1 | Public Works Department IT HVAC System | 25,000 |
| 2 | Public Works Department HVAC System | 30,000 |
| 3 | Police Department Flock Cameras/Dashboard | 22,000 |
| 4 | Police Department Cellebrite | 10,000 |
| 5 | Fire Department Extrication Tool | 16,000 |
| 6 | Downtown Operations Storage Shed for Event Items | 15,000 |
| 7 | Fire Department Mobile Data Computer | 12,000 |
| 8 | Police Department Crime Analysis Equipment | 12,830 |
| 9 | Public Works Department Electrical Hookup for Generator | 30,000 |
| 10 | Fire Department Life Pak Monitor | 60,000 |
| 11 | Fire Department Self-Contained Breathing Apparatus | 48,000 |
| 12 | Downtown Operations Arsenal Window Repairs Project | 100,000 |
| 13 | Police Department Side by Side UTV | 20,000 |
| 14 | Public Works Department Knuckleboom | 275,000 |
| 15 | Public Works Department Bucket Truck | 200,000 |
| 16 | Police Department Boat | 45,000 |
| 17 | Downtown Operations Concession Trailer | 20,000 |
| 18 | Downtown Operations Mobile Stage with Guardrails | 55,000 |
| 19 | Downtown Operations Portable Sound System for Bands | 25,000 |
| 20 | Downtown Operations Café Lights with Poles | 100,000 |
| 21 | Downtown Operations 500 Carteret Balcony Repairs | 100,000 |
| | | <u>1,220,830</u> |

ARPA Fund Financials as of 11.30.24

| Revenues | Notes |
|---|--|
| ARPA Federal Grant | \$ 6,689,031 |
| ARPA Beaufort County Grant | 1,000,000 |
| Interest | 566,621 |
| | Interest earned is not subject to program restrictions for Treasury obligation amount. |
| Total Revenues | <u><u>8,255,653</u></u> |
| | |
| Expenditures | |
| Projects Using ARPA Federal Grant | |
| <hr/> | |
| Paramedic/AEMT Training | 53,395 |
| Essential Worker Pay & Health Insurance Credit | 320,913 |
| Bucket Truck | 169,669 |
| Body Camera's (53 Different) | 91,024 |
| Camera's for Cars-Video System | 323,995 |
| USCB Contribution to Arts Center | 185,000 |
| AC Unit Replacements - 500 Carteret | 90,038 |
| 500 Carteret Street Upfit | 97,961 |
| Cardiac Monitors (4) | 118,375 |
| Economic Partnerships | 95,000 |
| Fire Station 3 Improvements | 14,575 |
| Southside Park at Battery Creek Drainage Project | 97,560 |
| Storm Drain Trailer Mounted Pipe Jetter and Root Cutter | 120,000 |
| Cyber security enhancements to City's IT Infrastructure | 147,827 |
| King Street Drainage Project | 815,888 |
| Duke Street Streetscape and Drainage Project- Engineering | 96,708 |
| Battery Shores Drainage Project- Study | 26,962 |
| Security Camera Upgrades | 50,235 |
| Capital Projects Director- 2.5 Year Term | 17,316 |
| Bank Fees | 205 |
| | <u>2,932,646</u> |
| | |
| Projects Using ARPA Beaufort County Grant | |
| <hr/> | |
| Bridges Building for Workforce Development | 500,000 |
| Contribution to County Housing Trust Fund | 200,671 |
| Nurse Retention Scholarship Fund | 24,000 |
| Grant to TCL for Nursing School Equipment | 80,000 |
| Beaufort Digital Corridor Cyber Scholarship Fund | 100,000 |
| | <u>904,671</u> |
| | <u>3,837,317</u> |
| Total Expenditures | |
| | <u><u>4,418,335</u></u> |
| Net Change in Fund Balance | |
| | <u><u>4,418,335</u></u> |
| | |
| Projects with Current City Obligations | |
| <hr/> | |
| King Street Drainage Project | 853,577 |
| Duke Street Streetscape and Drainage Project- Engineering | 303,293 |
| Capital Projects Director- 2.5 Year Term | 342,614 |
| Contribution to County Housing Trust Fund | 95,329 |
| Security Camera Upgrades | 388 |
| Police Radios | 43,333 |
| Capital Project Director Vehicle | 30,618 |
| Fire Station 3 Improvements | 29,600 |
| Battery Shores Drainage Project- Study | 13,038 |
| Economic Partnerships | 55,000 |
| Pigeon Point Playground Equipment | 300,000 |
| 500 Carteret Street Stucco and Window Repair | 100,000 |
| Carnegie Building Roof- Exterior | 224,559 |
| Carnegie Building Roof- Interior | 157,761 |

| | |
|--|---------|
| Waterfront Park Reliving Platform- Consulting Services | 450,000 |
| Battery Shores Repaving Project | 497,589 |
| Pigeon Point Boat Landing- Master Plan Study- Phase 1 | 58,000 |
| Pigeon Point Boat Landing- Permitting and Engineering- Phase 2 | 22,000 |

| | |
|---------------------------------------|-----------|
| Total Current City Obligations | 3,576,698 |
|---------------------------------------|-----------|

| | |
|--|-----------|
| Interest (Not Subject to Treasury 12/31/24 Obligation Deadline) | (566,621) |
| Unfunded Department Requirements budgeted, but not yet obligated | 31,260 |

| | |
|--|------------|
| ARPA Funds Remaining Obligation Balance | \$ 243,756 |
|--|------------|

Scenario #1

| | |
|---|---------|
| Battery Shores Drainage Project or other identified capital project | 243,756 |
|---|---------|

| | |
|------------------|---------|
| Capital Projects | 243,756 |
|------------------|---------|

Council

| Prioritization | Scenario #2 | |
|----------------|---|-----------|
| 1 | Public Works Department IT HVAC System | 25,000 |
| 2 | Public Works Department HVAC System | 30,000 |
| 3 | Police Department Flock Cameras/Dashboard | 22,000 |
| 4 | Police Department Cellebrite | 10,000 |
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| | | 1,220,830 |