

Memo



To: Mayor and Town Council
From: Shirley Freeman, Director of Finance/Administration
Date: October 11, 2016
Subject: FY2017 Budget Amendment – First Reading

Town of Bluffton
20 Bridge Street
PO Box 386
Bluffton, SC 29910
843.706.4500
843.757.6720 (fax)

Recommendation: Approve the attached proposed ordinance amending the FY 2017 budget to reappropriate prior year encumbrances and contract commitments, to recognize the Federal Grant award for the May River Preserve Stormwater Pond Development Project. In addition, to change the funding source for the Land Acquisition Project by Proceeds from the Sale of Assets and Hospitality Tax funding and the reflect the return of funds due to the Neighborhood Stabilization Program close out. An increase for the May River Road Streetscape project for Council approved construction contract and an increase for the Goethe Shults Sidewalk – Phase 1 project for added lighting and landscape.

Background: Annually each year, we make adjustments required by project and contractual commitments. This is a housekeeping matter which rolls forward committed amounts of active contracts, purchase orders, etc. to the following fiscal year.

Grant award in the amount of \$231,350 was received for the Fecal Load Reduction Best Management Practices in Support of the May River Watershed Action Plan, Phase III – May River Preserve Project.

The Town of Bluffton purchased property at 68 Boundary Street, Bluffton for \$1,095,548.77 requiring a budget amendment of \$95,549. Funding is provided from the Bluffton Village property sale of \$588,653.32 and Hospitality Tax fund balance.

Close out of the Neighborhood Stabilization Program resulted in the return of the \$77,615 remaining balance which was designated funding for the General Fund Affordable Housing program. As a result, the amount for the program has been reduced.

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Town Council authorized the Town Manager to negotiate and execute the construction contract for The May River Road Streetscape project with a 10% contingency. An additional amount of \$2,078,148 is requested for resulting in a revised FY2017 budget of \$4,486,548. Funding for the additional budget is \$743,657 Hospitality Tax, \$70,000 Local Accommodations Tax, \$40,000 Stormwater Utility Fees, \$600,000 TIF, \$25,000 General Fund Beautification Committee, \$250,000 SCE&G Non-Standard Fund and \$349,491 General Fund Fund Balance.

The Goethe Shultz Sidewalks – Phase 1 project request of \$188,164 additional funds for improved lighting and landscaping for a \$566,619 total project budget for FY2017. Funding for the additional budget is \$113,170 from Hospitality Tax and \$74,464 from Debt Service.

**AN ORDINANCE OF THE TOWN OF BLUFFTON
ORDINANCE NO. 2016-
FISCAL YEAR 2017 BUDGET**

**TO AMEND THE BUDGET FOR THE TOWN OF BLUFFTON, SOUTH CAROLINA, FOR THE FISCAL
YEAR ENDING JUNE 30, 2017;
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 on June 14, 2016; and

WHEREAS, pursuant to Sections 4 and 5 of said budget, the Town Council is desirous of amending the budget so as to provide for budget appropriations for legal encumbrances and certain other commitments from the Fund Balance and other revenues of Fiscal Year 2016; and

WHEREAS, the Town Council wants to change the funding source of the Land Acquisition project to recognize the Proceeds from the Sale of Bluffton Village and additional available Hospitality Tax; and

WHEREAS, the Town Council wants increase the May River Preserve Stormwater Pond Development project to reflect a State Grant award and the Land Acquisition project to reflect the purchase price of the property at 68 Boundary Road and decrease revenue due to funds returned for the Neighborhood Stabilization Program close out, the change to May River Streetscape and Goethe Shults Neighborhood Improvements – Phase 1 project; 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 2017 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

Other Sources

Transfer In: CIP Fund Balance	\$ (77,615)
General Fund Fund Balance	7,757
General Fund Fund Balance	349,491
Total Other Sources	279,633
Total Revenues and Other Sources	\$ 279,633

Expenditures and Other Uses:

Expenditures

Organization Study Contract	\$ 7,757
Affordable Housing	(77,615)
Total Expenditures	(69,858)

Other Uses

Transfers to CIP	349,491
Total Other Uses	349,491
Total Expenditures and Other Uses	\$ 279,633

CAPITAL IMPROVEMENTS PROGRAM FUND

Revenues and Other Sources

Revenue	
Grants	\$ 234,365
Total Revenue	\$ 234,365
Other Sources	
SWU	\$ 571,502
Hospitality Tax	1,517,477
Local Accommodations Tax	105,864
Debt Service	674,464
CIP Fund Balance (MIDF)	549,063
CIP Fund Balance	91,414
General Fund Fund Balance	349,491
General Fund - Beautification Committee	25,000
SCE&G Non-Standard Fund	250,000
Proceeds from Sale of Assets	588,653
TBD	(1,000,000)
Total Revenue	\$ 3,722,928
Total Revenues and Other Sources	\$ 3,957,293

Expenditures and Other Uses:

Expenditures	
May River Streetscape	\$ 2,308,248
Oyster Factory Park (Garvin House)	102,669
Wetlands Restoration	11,034
May River Preserve - change name	231,350
Buck Island Simmonsville Road - Phase 3	300,000
Buck Island Simmonsville Road - Phase 4	148,843
Buck Island Simmonsville Road - Phase 5	80,201
Jason Able Sewer	33,468
Calhoun Street Streetscape	35,864
Community Safety Cameras	12,000
Goethe-Shults Neighborhood Improvemenst - Phase 1	196,619
Land Acquisitions	95,549
Town Hall Renovations	476,640
Town Facility Improvements	2,423
Total Expenditures	\$ 4,034,908
Other Uses	
Transfer to: General Fund	(77,615)
Total Other Uses	\$ (77,615)
Total Expenditures and Other Uses	\$ 3,957,293

STORMWATER UTILITY FUND

Revenues and Other Sources

Revenue	
Grant	\$ 28,464
Total Revenue	<u>\$ 28,464</u>
Revenue	
SWU Fund Balance	\$ 642,999
Total Other Sources	<u>\$ 642,999</u>
Total Revenues and Other Sources	<u><u>\$ 671,463</u></u>

Expenditures and Other Uses:

Expenditures	
319 Grant	99,961
Total Expenditures	<u>\$ 99,961</u>
Other Uses	
Transfer to: CIP Fund	571,502
Total Other Uses	<u>\$ 571,502</u>
Total Expenditures and Other Uses	<u><u>\$ 671,463</u></u>

DEBT SERVICE

Revenues and Other Sources

Other Sources	
Debt Service Fund Balance	\$ 674,464
Total Other Sources	<u>674,464</u>
Total Revenues and Other Sources	<u><u>\$ 674,464</u></u>

Expenditures and Other Uses:

Other Uses	
Transfers to CIP	\$ 674,464
Total Other Uses	<u>674,464</u>
Total Expenditures and Other Uses	<u><u>\$ 674,464</u></u>

The effect of this amendment will be to increase the General Fund Capital Improvements Program Fund to \$18,978,518 (Attachment A and B), to increase the Capital Improvements Program Fund to \$16,449,408 (Attachment C), and to increase the Stormwater Utility Fund to \$3,572,958 (Attachment D) and to increase the Debt Service Fund to \$3,111,261 (Attachment E) for a total Consolidated Budget of \$42,112,145.

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 _____, 2016.**

Lisa Sulka, Mayor
Town of Bluffton, South Carolina

ATTEST:

Sandra Lunceford, Town Clerk
Town of Bluffton, South Carolina

First Reading: October 11, 2016



**TOWN OF BLUFFTON
GENERAL FUND REVENUES
FOR THE YEAR ENDING JUNE 30, 2017**

	Current Budget	Proposed Budget	Budget \$ Change
Revenues			
Real Property Taxes	\$ 4,777,000	\$ 4,777,000	\$ -
Licenses & Permits			
Business Licenses	1,875,000	1,875,000	-
MASC Telecommunications	109,140	109,140	-
MASC Insurance Tax Collection	1,590,000	1,590,000	-
Franchise Fees (electric, gas, water, telephone, cable)	2,022,000	2,022,000	-
Building Safety Permits	1,769,270	1,769,270	-
Application Fees	65,000	65,000	-
Administrative Fees	44,000	44,000	-
Total Licenses & Permits	<u>7,474,410</u>	<u>7,474,410</u>	<u>-</u>
State/County Revenue			
State Shared Revenues			
Local Government Fund	278,145	278,145	-
Federal Grants	132,310	132,310	-
Total State Shared Revenue	<u>410,455</u>	<u>410,455</u>	<u>-</u>
Other Local Governments			
School Crossing Guards	66,045	66,045	-
School Resource Officers	344,350	344,350	-
Total Other Local Governments	<u>410,395</u>	<u>410,395</u>	<u>-</u>
Total State/County Revenue	<u>820,850</u>	<u>820,850</u>	<u>-</u>
Service Revenues			
Contract Police Services	50,000	50,000	-
Impact Fee Collection Fee	51,500	51,500	-
Development Fees	826,000	826,000	-
Total Service Revenues	<u>927,500</u>	<u>927,500</u>	<u>-</u>
Fines & Fees			
Municipal Court	245,000	245,000	-
Victims Assistance	36,260	36,260	-
Forfeitures	20,000	20,000	-
Total Fees and Fines	<u>301,260</u>	<u>301,260</u>	<u>-</u>
Other Revenue			
Rental Income	38,000	38,000	-
Interest Income	6,500	6,500	-
Other Revenue	30,000	30,000	-
Total Other Revenues	<u>74,500</u>	<u>74,500</u>	<u>-</u>
Total Revenues	<u>14,375,520</u>	<u>14,375,520</u>	<u>-</u>
Transfers In & Other Financing Sources			
Proceeds from Capital Leases	324,600	324,600	-
Transfers in From:			
State Accommodations Tax	45,000	45,000	-
Capital Improvements Program (NSP)	77,615	-	(77,615)
Hospitality Tax	500,000	500,000	-
Stormwater Utility Fees	60,000	60,000	-
Prior Year Fund Balance	676,150	1,033,398	357,248
Total Transfers	<u>1,358,765</u>	<u>1,638,398</u>	<u>279,633</u>
Total Transfers In & Other Financing Sources	<u>1,683,365</u>	<u>1,962,998</u>	<u>279,633</u>
Total Revenues and Other Financing Sources	<u>\$ 16,058,885</u>	<u>\$ 16,338,518</u>	<u>\$ 279,633</u>
Transfers In for CIP:			
Municipal Improvement District Funds (MIDF)	660,955	660,955	-
Savings from Prior Year Fund Balance	1,979,045	1,979,045	-
Total Transfers	<u>2,640,000</u>	<u>2,640,000</u>	<u>-</u>
Total Revenues and Other Financing Sources and Transfer In	<u>\$ 18,698,885</u>	<u>\$ 18,978,518</u>	<u>\$ 279,633</u>



**TOWN OF BLUFFTON
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDING JUNE 30, 2017**

	Original Budget	Proposed Budget	Budget \$ Change
Expenditures			
Town Council	\$ 162,055	\$ 162,055	\$ -
Executive	953,790	953,790	-
Economic Development	233,725	233,725	-
Human Resources	305,045	312,802	7,757
Police	6,434,210	6,434,210	-
Municipal Judges	56,085	56,085	-
Municipal Court	256,970	256,970	-
Finance	866,700	866,700	-
Information Technology	1,049,955	1,049,955	-
Customer Service	409,700	409,700	-
Planning & Community Development	1,037,565	959,950	(77,615)
Building Safety	707,825	707,825	-
Project Management	907,190	907,190	-
Public Works	1,255,075	1,230,075	(25,000)
Non-Departmental (Townwide)	1,422,995	1,422,995	-
Total Expenditures	<u>\$ 16,058,885</u>	<u>\$ 15,964,027</u>	<u>\$ (94,858)</u>
Transfers Out to CIP:			
Municipal Improvement District Funds (MIDF)	660,955	660,955	-
Savings from Prior Year Fund Balance	1,979,045	2,328,536	349,491
Transfer to CIP	-	25,000	25,000
Total Transfers	<u>2,640,000</u>	<u>3,014,491</u>	<u>374,491</u>
Total Expenditures and Transfers Out	<u>\$ 18,698,885</u>	<u>\$ 18,978,518</u>	<u>\$ 279,633</u>



**TOWN OF BLUFFTON
CAPITAL IMPROVEMENTS PROGRAM FUND
FOR YEAR ENDING JUNE 30, 2017**

				FUNDING SOURCES						
Projects	SI by Focus Area	Current FY 2017 Budget	Proposed FY 2017 Budget	Hospitality Tax	Local Accommodations Tax	SWU	MIDF	Grants	Other	Description of Other Funding
Buckwalter School Campus Pond Retrofit	RW	100,000	100,000			100,000				
May River Preserve Stormwater Pond Development	RW	10,000	241,350			10,000				
Stoney Creek Wetlands Restoration	RW	100,000	111,034			100,000				
Buck Island - Simmonsville Sewer Phase 4	IF	685,800	834,643			280,800		299,600	105,400	Alcohol Tax
Buck Island - Simmonsville Sewer Phase 5	IF	970,000	1,050,201			400,000			570,000	Alcohol/TIF funds
Jason - Able Neighborhood Sewer	IF	874,000	907,468			800,000			74,000	BJWSA
Sewer Connection Program	IF	200,000	200,000			200,000				
Buck Island - Simmonsville Neighborhood Sidewalks	IF	75,000	75,000						75,000	TIF funds dst
Community Safety Cameras Phase 2	IF	74,000	86,000		47,000				27,000	TIF funds dst
Goethe - Shults Neighborhood Improvements Phase 1	IF	370,000	566,619	200,000					170,000	TIF funds dst
Goethe - Shults Neighborhood Improvements Phase 2	IF / CW	75,000	75,000						75,000	TIF funds dst
Old Town Lighting, Signage, and Parking	CW / IF	200,000	200,000	200,000						
Calhoun Street Streetscape	CQ	30,000	65,864		30,000					
Dr. Mellichamp Drive Streetscape	IF	582,400	582,400	382,400					200,000	TIF funds dst
Hampton Parkway Striping	IF	62,000	62,000						62,000	TIF funds dst
May River Road Streetscape Final Phase	IF	2,178,300	4,486,548	1,712,300	266,000	200,000				
Buckwalter Place Multi-County Commerce Park Improvements	IF	1,900,000	1,900,000						1,900,000	MCIP, economic development funds, grants, and related sources
Dog Park	CQ	54,000	54,000						54,000	Private Funding for Construction - County to Maintain
Oyster Factory Park - Garvin House Rehabilitation	IF	202,000	304,669	20,000				172,000	10,000	Private Donation
Oyster Factory Park Improvements	IF	10,000	10,000	10,000						
Town Facility Improvements	IF	22,000	24,423				22,000			
Town Hall Renovation	IF	2,500,000	2,976,640				660,955		1,839,045	General Fund Prior Year Fund Balance
Don Ryan Center for Innovation Upfit	IF	140,000	140,000						140,000	General Fund Prior Year Fund Balance
Land Acquisition	EG /IF	1,000,000	1,095,549						1,000,000	TBD
Neighborhood Stabilization Program Income Proceeds	CQ	77,615	-						77,615	Fund Balance Transfer
Buck Island - Simmonsville Sewer Phase 3		-	300,000							
Grand Total - Adopted Budget		\$12,492,115	\$16,449,408	\$2,524,700	\$ 343,000	\$2,090,800	\$ 682,955	\$ 471,600	\$6,379,060	
Budget \$ Change - Carry Forward			\$ 1,364,082	\$ 153,224	\$ 35,864	\$ 531,502	\$ 549,063	\$ 3,015	\$ 91,414	CIP Fund Balance
Budget \$ Change - Sale of Asset/Asset Purchase			\$ 95,549	\$ 506,896	\$ -	\$ -			\$ (411,347)	CIP Fund Balance Sale of Asset
Budget \$ Change - Project 00013			\$ 2,078,148	\$ 743,657	\$ 70,000	\$ 40,000			\$1,224,491	TIF Fund Balance; GF Beautification Committee; SCE&G Non-Standard; Gen Fund Fund Balance
Budget % Change - Project 00034			\$ 231,350					\$ 231,350		
Budget \$ Change - Project 00048			\$ 188,164	\$ 113,700					\$ 74,464	TIF Fund Balance
Grand Total - Amendment #1			\$ 3,957,293	\$ 1,517,477	\$ 105,864	\$ 571,502	\$ 549,063	\$ 234,365	\$ 979,022	



**TOWN OF BLUFFTON
STORMWATER FUND
FOR THE YEAR ENDING JUNE 30, 2017**

	Original Budget	Proposed Budget	Budget \$ Change
Revenues			
Stormwater Utility Fees	\$ 1,290,450	\$ 1,290,450	\$ -
Federal Grants	-	28,464	28,464
Interest Income	150	150	-
Total Revenues	<u>1,290,600</u>	<u>1,319,064</u>	<u>28,464</u>
Other Financing Sources			
Transfers in From:			
Prior Year Fund Balance	1,610,895	2,253,894	642,999
Total Other Financing Sources	<u>1,610,895</u>	<u>2,253,894</u>	<u>642,999</u>
Total Revenues and Other Financing Sources	<u>\$ 2,901,495</u>	<u>\$ 3,572,958</u>	<u>\$ 671,463</u>
Expenditures			
Personnel (Salaries & Benefits)			
Watershed Management	464,515	464,515	-
Total Personnel	<u>464,515</u>	<u>464,515</u>	<u>-</u>
Operating Costs			
Watershed Management Operating Costs	251,180	251,180	-
Stormwater Master Plan Update	35,000	35,000	-
Total Operating Costs	<u>286,180</u>	<u>286,180</u>	<u>-</u>
Total Expenditures	<u>750,695</u>	<u>750,695</u>	<u>-</u>
Capital Projects			
Hampton Lake Stormwater Retrofit	-	-	-
Wetlands Restoration	-	-	-
Stormwater Master Plan Update	-	-	-
319 Grant	-	99,961	99,961
Total Capital Projects	<u>-</u>	<u>99,961</u>	<u>99,961</u>
Other Financing Uses:			
Transfers Out to General Fund (Public Works Labor)	50,000	50,000	-
Transfers Out to General Fund (NAP for Septic)	10,000	10,000	-
Transfers Out CIP	2,090,800	2,662,302	571,502
Total Transfers Out	<u>2,150,800</u>	<u>2,722,302</u>	<u>571,502</u>
Total Expenditures and Other Financing Uses	<u>\$ 2,901,495</u>	<u>\$ 3,572,958</u>	<u>\$ 671,463</u>



**TOWN OF BLUFFTON
DEBT SERVICE FUND
FOR THE YEAR ENDING JUNE 30, 2017**

	Original Budget	Proposed Budget	Budget \$ Change
Revenues			
TIF District Property Tax	\$ 1,576,000	\$ 1,576,000	\$ -
Real and Personal Property Taxes (LEC GO BABs)	409,000	409,000	-
Federal Interest Rebate (LEC GO BABs)	102,400	102,400	-
Municipal Improvement District (MID) Fees	170,025	170,025	-
Interest Income	200	200	-
Total Revenues	<u>\$ 2,257,625</u>	<u>\$ 2,257,625</u>	<u>\$ -</u>
Expenditures			
Series 2014 TIF Bonds Debt Service			
Principal	\$ 729,210	\$ 729,210	\$ -
Interest	202,472	202,472	-
Series 2010 GO Build America Bonds Debt Service			
Principal	225,000	225,000	-
Interest	315,615	315,615	-
Other	50	50	-
Transfers to CIP	964,450	1,638,914	674,464
Total Expenditures	<u>\$ 2,436,797</u>	<u>\$ 3,111,261</u>	<u>\$ 674,464</u>
Net Change in Fund Balance	\$ (179,172)	\$ (853,636)	
Beginning Fund Balance	1,507,934	1,507,934	
Ending Fund Balance	<u>\$ 1,328,762</u>	<u>\$ 654,298</u>	