

## TOWN COUNCIL

### STAFF REPORT

#### Finance & Administration Department



<b>MEETING DATE:</b>	March 14, 2023
<b>PROJECT:</b>	Consideration of an Ordinance Amending the Town of Bluffton FY 2023 Budget to Provide for the Expenditures of Certain Funds and to Allocate Sources of Revenue for the Said Funds – Second and Final Reading (Fiscal Impact – <b>\$1,771,382</b> )
<b>PROJECT MANAGER:</b>	Chris Forster, MPA, CPFO, CGFM, Assistant Town Manager

**REQUEST:** Town Staff requests Town Council to approve the proposed ordinance amending the FY 2023 budget by \$2,130,406 by increasing the General Fund budget by \$100,000 to reappropriate unspent American Rescue Plan Assistance (ARPA) fund balance, increasing the CIP budget by \$1,771,382 with transfers in of Hospitality Tax, Local Accommodations Tax and Stormwater, and increasing the Stormwater Fund budget by \$259,024 using prior year fund balance to transfer out to the Capital Improvements Program Fund.

Additionally, approve the change to the Victim's Advocate position from parttime to fulltime with no impact to the FY 2023 budget.

**BACKGROUND:** Between first and second reading, there was a change in funding sources for three projects, Sewer Connections Policy, Buck Island Road Drainage Improvements, and Pritchard Street Drainage Improvements to better coincide with S.C. Code Ann. Regs. 73-310G.

There has been an increase in participation in the Neighborhood Assistance Program as well as an increase to the cost of repairs than in prior years. The increase in cost is also being experienced in Capital Improvement Projects with the bid responses received by the Town being higher than what has been originally budgeted. Further detail is described in each fund below.

**General Fund** - This Budget Amendment includes an increase to the General Fund budget by \$100,000 to reflect \$100,000 increase to the Neighborhood Assistance Program with ARPA fund balance. These funds will be used for:

- General Fund revenue increases to cover:
  - Neighborhood Assistance Program \$100,000
    - ARPA fund balance \$100,000
    - Approximately \$238,615 remaining in ARPA fund balance
- Change in Police Department personnel – no impact to budget
  - Victim's Advocate parttime position moved to fulltime
  - Total fulltime headcount will now be 150 and parttime positions will now be 11

**Capital Improvements Program Fund (CIP)** – This budget includes an increase to the CIP budget by \$1,771,382 to reflect FY 2023 budget amendments due to increase in costs from bid responses for the following projects:

- Buck Island-Simmons ville Sewer Phase 5 \$1,066,905
- Sewer Connections Policy \$259,024
- Historic District Sewer Extension Phase 2 \$435,489
- Historic District Sewer Extension Phase 3 \$9,964

In order to address the budget impact, changes to funding sources are required to the following project:

- Transfers In from Hospitality Tax:
  - Historic District Sewer Extension Phase 2 \$242,345
  - Historic District Sewer Extension Phase 3 \$61,109
  - Historic District Sewer Extension Phase 4 \$41,216
  - Historic District Sewer Extension Phase 5 \$50,865
  - Historic District Sewer Extension Phase 6 \$162,369
- Transfers In from Hospitality Tax (Cont.):
  - May River Action Plan Impervious Restoration/Water Quality Projects \$32,190
  - Pritchard Street Drainage Improvements \$35,430
- Transfers In from Local Accommodations Tax:
  - Historic District Sewer Extension Phase 2 \$121,173
  - Historic District Sewer Extension Phase 3 \$30,555
  - Historic District Sewer Extension Phase 4 \$20,607
  - Historic District Sewer Extension Phase 5 \$25,210
  - Historic District Sewer Extension Phase 6 \$32,218
  - Bridge Street Streetscape \$589,454
  - May River Action Plan Impervious Restoration/Water Quality Projects \$32,190
  - Pritchard Street Drainage Improvements \$35,430
- Transfers In from Stormwater Fund:
  - Buck Island Road Drainage Improvements \$93,684
  - Pritchard Street Drainage Improvements \$165,340

**NEXT STEPS:** Upon second and final reading, the Town of Bluffton's FY2023 consolidated budget will increase to \$73,309,650.

**SUMMARY:** The effect of this amendment will increase the General Fund to \$26,892,012 (Attachment A), increase the Capital Improvements Program Fund budget to \$36,176,311 (Attachment B), and increase the Stormwater Fund budget to \$2,863,979 (Attachment D). The Debt Service Fund budget remains the same at \$7,777,348 (Attachment C), for a total Consolidated Budget of \$73,309,650.

**ATTACHMENTS:**

1. Presentation
2. Ordinance
  - Attachment A: General Fund Budget
  - Attachment B: Capital Improvements Program Fund Budget
  - Attachment C: Stormwater Fund Budget
  - Attachment D: Debt Service Fund Budget
3. FY 2023 Proposed Position Change
  - Town Personnel Summary
  - Police Department
4. Council Motion Recommendation