

# TOWN COUNCIL STAFF REPORT



<b>MEETING DATE:</b>	June 10, 2025
<b>PROJECT:</b>	Formal Item: Consideration of an Ordinance Approving the Town of Bluffton Fiscal Year 2026 Proposed Consolidated Budget – Public Hearing & Final Reading
<b>PROJECT MANAGER:</b>	Stephen Steese, Town Manager

## **REQUEST:**

Town Council approves the first reading of the Ordinance for the Town of Bluffton FY 2026 Consolidated Budget of \$97,521,514, guided by the Town Mission statement and the Town of Bluffton Strategic Plan Action Agenda for FY 2026.

## **BACKGROUND AND DISCUSSION:**

This financial plan supports our Bluffton Town Vision that states, “Bluffton, the Heart of the Lowcountry, a Town that appreciates the past, focuses on today and is planning together for a greater future.” This financial plan provides the resources and staff for all our commitments to making Bluffton a better place.

The consolidated budget concentrates on the Town of Bluffton Strategic Plan Priority Focus Areas that include May River & Surrounding Rivers and Watersheds, Town Organization, Economic Growth, Fiscal Sustainability, Community Quality of Life, Housing, and Infrastructure.

The consolidated budget for FY2026 consists of six major funds, which includes two Special Revenue Funds, Hospitality Tax Fund and Local Accommodations Tax Fund, as well as the General Fund, the Stormwater Fund, the Capital Improvements Program (CIP) Fund, and the Debt Service Fund.

The proposed consolidated budget is a decrease of 6.2% or \$6,478,474 from the revised FY2025 budget. The budget keeps the tax millage rate the same at 36.0, which reflects General Fund mills of 34.3 and Debt Service Fund mills of 1.7 mills.

There are changes proposed to the Master Fee Schedule in the following Sections:

- Section III – Business License Fees
  - Reducing the Mobile Vending Permit Fee from \$400 to \$50 for the May 1, 2026 permit start date.
  - Adding Town Code reference for penalties
- Section IV – Facility Rental Fees

Rental Location	Proposed Daily Rates		
	Resident	Non-Resident	Meeting
<b>Facilities</b>			
Facility Reservation Security Deposit	\$400	\$400	n/a
Facility Cleaning Fee	\$200	\$200	\$100
Lost Key/Fob Fee	\$25	\$25	\$25
New Riverside Barn	\$2,000	\$4,000	n/a
Rotary Community Center	\$500	\$1,500	\$50/hr.

<b>Parks</b>			
Park Reservation Security Deposit	\$200	\$200	n/a
Buckwalter Amphitheater Park (Park B)	\$1,000	\$2,000	n/a
Buckwalter Veterans Park (Park A)	\$250	\$500	n/a
Field of Dreams	\$250	\$500	n/a
Martin Family Park	\$250	\$500	n/a
New Riverside Lawn	\$600	\$1,200	n/a
Oyster Factory Park (East)	\$800	\$1,600	n/a
Oyster Factory Park (West)	\$400	\$800	n/a
Wright Family Park	\$600	\$1,200	n/a
<b>Security by Bluffton Police Officer</b>	\$60/hour	\$60/hour	n/a
<b>Notes:</b> <ul style="list-style-type: none"> <li>• Person making the reservation must be present and accessible at the event for the duration of the event.</li> <li>• No one person shall be granted more than four (4) rentals in total per calendar year.</li> <li>• Reservations Monday – Thursday receive a 25% discount</li> <li>• Resident rate applies to persons living within Town limits, property owners within Town limits (residential or business) and non-Profits licensed with the Town of Bluffton will be charged at the resident rate.</li> <li>• For-Profits entities are charged at the non-resident rate.</li> <li>• Meeting fees may be waived at the discretion of the Town Manager or their designee.</li> <li>• Security Deposit may be refunded provided the rented space is returned to its original condition.</li> <li>• A full refund of the Rental Fee and Security Deposit for Parks will be granted with a cancellation notice of at least forty-eight (48) hours prior to the scheduled rental date or if an event is rained out and the park is not utilized.</li> <li>• A full refund of the Rental Fee and Security Deposit for Facilities will be granted with a cancellation notice of at least thirty (30) days prior to the scheduled rental date.</li> </ul>			

- Section VI – Growth Management Fees
  - Building Safety Fees
    - Adding (includes swimming pool or spa construction and installations) to:
      - Miscellaneous Construction Commercial
      - Miscellaneous Construction Residential
    - Removing the following under Application Fees
      - Swimming Pool or Spa Single Family \$100.00 Each
      - Swimming Pool or Spa Commercial \$150.00 Each under
- Section VII - Stormwater Management Fees
  - Adding Stormwater Surety Fee \$100.00 Each in NPDES Fees
  - Adding Stormwater Fee-In-Lieu (FIL) due

Item/Description	Fee
<b>Fee-In-Lieu (FIL)</b>  For projects with an approved Maximum Extent Practicable (MEP) submittal, the FIL amount is calculated based on an applicant's shortfall, in cubic feet (CF), of the required Stormwater Retention Volume (SWRv).	\$151.92/CF of SWRv

**CURRENT STATUS:**

**The General Fund** accounts for and reports the financial resources for the Town's primary operating fund. Principal sources of revenue are property taxes and licenses and permit fees. The General Fund budget is 38.9% or \$37,875,754 of the consolidated budget. Budget details are available in the attached Executive Consolidated Budget Summary.

**Hospitality Tax Fund** is used to account for the local hospitality tax fees of two percent (2%) by the Town for use in tourism related expenditures and related Capital Improvements Projects. The Hospitality Tax Fund proposed budget is \$8,011,141 or 8.2% of the consolidated budget and supports transfers to the General Fund and Capital Improvement Program Fund for allowable projects and expenditures. Budget details are available in the attached Executive Consolidated Budget Summary.

**Local Accommodations Tax Fund** is used to account for the local accommodations tax fees of three percent (3%) by the Town for use in tourism related expenditures and related Capital Improvements Projects. The Local Accommodations Tax Fund proposed budget is \$2,213,719 or 2.3% of the consolidated budget and supports transfers to the General Fund and Capital Improvement Program Fund for allowable projects and expenditures. Budget details are available in the attached Executive Consolidated Budget Summary.

**The Stormwater Fund** accounts for and reports the financial resources of all stormwater-related expenditures including Watershed Management staffing and operations, routine watershed maintenance and capital projects. The primary source of revenue is stormwater utility fees. The Stormwater Fund budget is 5.3% or \$5,190,332 of the consolidated budget and includes a transfer to the Debt Service Fund to pay the principal and interest on General Obligations bonds issued for stormwater and sewer projects. Budget details are available in the attached Executive Consolidated Budget Summary.

**Capital Improvement Program (CIP) Fund** accounts for and reports financial resources that are restricted, committed or assigned to expenditures for capital outlays including the land acquisition and/or construction of capital facilities and other capital assets. Capital projects are primarily non-recurring in nature. All capital categories require a unit cost threshold of greater than \$5,000, except roads, buildings, and computer software (recorded in the general fund) whose threshold is \$50,000. The CIP budget is 34.2% or \$33,387,523 of the consolidated budget and supports diversified projects throughout our Bluffton neighborhoods. Budget details are available in the attached Executive Consolidated Budget Summary.

**Debt Service Fund** accounts for the accumulation of resources for the payment of interest and principal on general long-term debt obligations. The primary source of revenue is property tax and bond proceeds. The Debt Service Fund budget is \$10,843,045 or 11.1% of the consolidated budget and supports the debt service for the 2014 and 2022 Tax Increment Revenue Bonds, 2020 General Obligation Bond for the Law Enforcement Center at Buckwalter Place, 2020A General Obligation Bond for Stormwater Capital Projects, a transfer to the Capital Improvement Program Fund for allowable projects, and future debt payments and allowable expenditures. Budget details are available in the attached Executive Consolidated Budget Summary.

**NEXT STEPS:**

The Fiscal Year 2026 budget begins July 1, 2025.

**ATTACHMENTS:**

1. FY2026 Proposed Consolidated Budget Executive Summary
2. Ordinance for Fiscal Year 2026 Budget
  - Attachment A: General Fund Proposed Budget
  - Attachment B: Hospitality Tax Fund Proposed Budget
  - Attachment C: Local Accommodations Tax Fund Proposed Budget
  - Attachment D: Stormwater Fund Proposed Budget
  - Attachment E: Capital Improvement Program Fund Proposed Budget
  - Attachment F: Debt Service Fund Proposed Budget
  - Attachment G: Consolidated Proposed Budget
  - Attachment H: Master Fee Schedule