

**TOWN COUNCIL  
STAFF REPORT**

---



<b>MEETING DATE:</b>	June 09, 2026
<b>PROJECT:</b>	Formal Item: Consideration of an Ordinance Approving the Town of Bluffton Fiscal Year 2027 Proposed Consolidated Budget – Public Hearing & Final Reading
<b>PROJECT MANAGER:</b>	Stephen Steese, Town Manager

**REQUEST:**

Town Council approves the second and final reading of the Ordinance for the Town of Bluffton FY 2027 Consolidated Budget of \$113,913,988, guided by the Town Mission statement and the Town of Bluffton Strategic Plan Action Agenda for FY 2027.

**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 FY2027 consists of six major funds, which includes the General Fund, the Stormwater Fund, the Capital Improvements Program (CIP) Fund, and the Debt Service Fund, as well as two Special Revenue Funds, Hospitality Tax Fund and Local Accommodations Tax Fund.

The proposed consolidated budget is an increase of 4.4% or \$4,839,292 from the revised FY2026 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.

**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 37.8% or \$43,072,067 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 \$8,662,591 or 7.6% 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 \$4,095,729 or 3.6% 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 4.8% or \$5,418,688 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 34.4% or \$39,210,880 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 \$13,454,033 or 11.8% of the consolidated budget and supports the debt service for the 2022 Tax Increment Revenue Bond, 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 2027 budget begins July 1, 2026.

**ATTACHMENTS:**

1. FY2027 Proposed Consolidated Budget Executive Summary
2. Ordinance for Fiscal Year 2027 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