

**TOWN COUNCIL
STAFF REPORT
Department of Finance & Administration**



MEETING DATE:	January 11, 2022
PROJECT:	Consideration of an Ordinance Amending the Town of Bluffton Fiscal Year 2022 Budget to Provide for the Expenditures of Certain Funds and to Allocate Sources of Revenue for the Said Funds – First Reading
PROJECT MANAGER:	Chris Forster, MPA, CPFO, CGFM, Assistant Town Manager

RECOMMENDATION: Town Council approves the proposed ordinance amending the FY 2022 budget by \$1,590,494. The General Fund budget increase of \$1,250,494, the Capital Improvements Program Fund increase of \$250,000 and the Debt Service Fund increase of \$90,000 provide for new programs, use of American Rescue Plan Act grant, use of previously earmarked spending of prior year fund balance, increase in projected Business License and Permit revenue, donations of Utility Tax Credits, as well as Ordinance 2021-09 changes to the Maser Fee Schedule.

BACKGROUND:

General Fund - This Budget Amendment includes an increase to the General Fund budget by \$1,250,494 to reflect \$990,494 of the American Rescue Plan (ARP) Act, \$52,500 increase to the projected Business License revenue, \$52,500 increase to the projected Permit revenue, \$10,000 transfer in from Local Accommodations tax, \$55,000 transfer in from Capital Improvement Program (CIP) fund, and \$90,000 of prior year fund balance. These funds will be used for:

- American Rescue Plan (ARP) Act:
 - Replacement of Reduction in Revenue, \$579,494 to be used as follows:
 - Employee retention incentive \$498,020 to recognize the on-going risk and challenges faced by Town employees during the response to the COVID pandemic and maintaining government services.
 - Housing Trust Fund Grant \$59,474 to fund the first year of the establishment of the Regional Housing Trust Fund to create and promote affordable housing options.
 - Economic Development \$22,000 for expanding the business training and incubation programs to qualified businesses at no or reduced costs.
 - Business Assistance Grants \$175,000
 - Non-Profit Assistance Grants, contract with Community Foundation of the Lowcountry \$236,000
- General Fund revenue increases to cover:
 - Transfer to CIP network improvement project \$70,000
 - Community events to be held January thru June \$35,000
- Local accommodations tax revenue increase:
 - USCB Bluffton Ambassador Program additional classes \$10,000
- Transfer in from CIP of Utility Tax Credits:
 - Willow Run wetlands study, survey, topographic survey, and tree study \$55,000

- Town Council agreed during the October 12, 2021 meeting to use prior year fund balance for:
 - Historic preservation program \$90,000

Capital Improvements Program Fund (CIP) – This budget includes an increase to the CIP budget by \$250,000 to reflect Utility Tax Credit donations of \$35,000 from Hargray and \$55,000 from Palmetto Electric, as well as the \$90,000 transfer in from TIF funds and the \$70,000 transfer in from General Fund. These funds will be used for:

- Utility Tax Credits:
 - reflective garden to be located at the Law Enforcement Center (LEC) \$35,000
 - transfer to General Fund for Willow Run property \$55,000
- Transfer in from Debt Service Fund of TIF fund balance:
 - reflective garden to be located at the LEC remaining \$40,000
 - obstacle course to be located at the LEC \$50,000
- Transfer in from General Fund:
 - IT CIP project to implement ExecuTime software program one-time cost to automate and improve police scheduling and staff time reporting \$70,000

Debt Service Fund – This budget includes an increase to Debt Service fund budget to reflect \$90,000 of prior year TIF fund balance. These funds will be used for:

- Transfer to CIP:
 - reflective garden \$40,000
 - obstacle course \$50,000

Master Fee Schedule – this budget amendment reflects Ordinance 2021-09 changes to the Master Fee Schedule as approved by Town Council during the October 12, 2021.

ATTACHMENTS:

1. Ordinance
 - Attachment A: General Fund
 - Attachment B: Capital Improvements Program Fund Budget
 - Attachment C: Debt Service Fund Budget
 - Attachment D: Stormwater Fund Budget
 - Attachment E: Master Fee Schedule
2. Council Motion Recommendation