

Ordinance 2014-03

**AN ORDINANCE
TO ADOPT BUDGET FOR JULY 1, 2014 THROUGH JUNE 30, 2015**

WHEREAS, Section 5-7-260 (3) of the South Carolina Code requires that a municipal council shall act by ordinance to adopt budgets pursuant to public notice.

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the Town of Sullivan's Island in Council duly assembled and by the authority of same:

SECTION 1: That the prepared budget and the estimated revenue for payment of same is hereby adopted and is hereby made a part thereof as fully as if incorporated herein and copy thereof is attached hereto.

SECTION 2: That budgeted revenues and expenses cover the period from the First Day of July 2014 to the Last Day of June 2015, both inclusive.

SECTION 3. That budgeted expenses must be matched by budgeted revenues to be generated so as to effect a balanced budget, in a manner deemed feasible by the Town Council, and consistent with the Constitution and Statutes of the State of South Carolina.

SECTION 4. The billing dates, the penalty dates, and the amount of the penalty which shall be levied for delinquent taxes shall be as established theretofore.

SECTION 5. The Town Council shall be responsible for the collection of delinquent taxes.

SECTION 6. The Town Council shall administer the budget and may authorize the transfer of appropriated fund within and between departments as are necessary to achieve the goals of the budget.

SECTION 7. If for any reason why any sentence, clause or provision of this ordinance shall be declared invalid, such shall not affect the remaining provisions thereof.

This Ordinance to take effect upon its enactment.

Adopted this 17th day of June, 2014.

Town of Sullivan's Island

Michael Perkis, Mayor

Attest:

Ellen Miller, Town Clerk

First Reading: May 12, 2014

Second Reading and Ratification: June 17, 2014

Action-15

FISCAL YEAR 2015

GENERAL FUND

HIGHLIGHTS OF THE BUDGET

REVENUE:

1. Total revenue is projected to be approximately \$133,000 less than FY 2014.
2. Property tax has been projected with an approximate increase of 3.35% for operating purposes. The 3.35% increase is the combination of the 1.46% increase in CPI for 2013 and calendar year 2011 population growth of 1.9%. 3.35% will increase the millage rate from 29.3 to 30.2, which includes an additional mil for the replenishment of the General Fund balance. The Council has the ability to increase the millage rate by an additional 2.78%. This is the combined percentage of the growth in population on Sullivan's Island for 2012 (1.10%) and 2013 (1.68%). Council elected not to use this portion for the increase in the millage for FY 2015.
3. The amount used for the business license revenue is a conservative amount based on the projected revenue for FY 2014. It also includes a 3.0% increase to the rates.
4. The miscellaneous income includes \$35,000 for the re-imbursement of attorney fees related to the accreted land lawsuit, \$40,000 from Charleston County A-Tax and \$40,000 from the Park Foundation to cover a portion of the cost of replacing the tennis courts at Poe Park.
5. The budget has transfers of \$280,000 from the Hospitality and Accommodations Tax Funds for FY 2015. This is approximately 10% of the total budget for the Fire, Police, and Maintenance Departments.

EXPENSES:

1. The increase in expenses is expected to be approximately \$282,450.
2. The rate for the State health insurance will increase by 5% as of January 2015. FY 2015 budget amount for health insurance will be approximately \$12,000 more than the FY 2014 budget amount.
3. A 3% increase of Salaries and wages has been included in the budgeted expenses.
4. The Towns contribution rate for the Police Officers Retirement System will increase from 12.84% to 13.41%. This affects the Police and Fire Departments. The Towns contribution rate for the SC Retirement System, which covers all other Town employees, will increase from 10.6% to 10.9%. The difference in the contribution amount is approximately \$11,000. All Town employees will have to contribute an extra .5% starting July 1st.

5. The Town will pay approximately \$80,000 during FY 2015 for its portion of the Charleston County consolidated dispatch. This amount is split between the Police and Fire Departments.
6. There still remains an amount of \$48,400 in the Police and Fire Department budgets for dispatch service with Isle of Palms for a complete year.

Fire Department:

1. \$15,000 is included in the budget for a payment on a lease/purchase agreement for 14 new air packs at \$4,700 each.
2. \$16,000 is included in the budget for the purchase of a utility vehicle for use on beach paths and water rescues.
3. \$77,000 is included in the budget for the Town's matching portion of 25% for the purchase of a new rescue boat. One of the current rescue boats will be sold.

Police Department:

1. 2 new patrol vehicles will be purchased during FY 2015. The Town is expecting to purchase the vehicles with a lease/purchase agreement. The first payment will not be due until FY 2016.

Administration:

1. \$15,000 has been included in the budget for re-codification of the Town ordinances.
2. \$25,000 has been included in the budget for a new web-site design.
3. \$60,000 has been included in the budget for digitizing Town documents. This will greatly reduce the space needed for storage of documents.

Recreation:

1. \$130,000 is included in the Recreation budget for the replacement of the tennis courts at Poe Park during FY 2015. The Sullivan's Island Park Foundation has agreed to cover \$40,000 of the project.

Other:

1. The budgeted expenses for FY 2015 are greater than the projected revenue with a difference of \$145,291. The addition to the fund balance in FY 2014 will make up this difference.

CAPITAL & DEBT SERVICE:

1. The capital expenses for the Town Hall construction and the purchase of a new ladder truck should be kept in a separate fund outside of the General Fund.
2. There should also be a debt service fund established for the revenue received from the property taxes for servicing of the 2014 G.O. Bond.
3. The debt service for FY 2015 is \$77,695. From the latest assessed values from Charleston County, this would require an additional 1.24 mils. This is not included in the operating budget.

**Town of Sullivan's Island
FY 2015 Revenue Projections**

	2015 Projections
INTEREST EARNED	\$ 6,000
POLICE ACCIDENT REPORTS	200
TRANSFER FR WATER FUND	200,000
LICENSES	725,000
DOG PERMITS	75,000
BOAT PERMITS	20
BRD. OF ZONING APPEALS APPLIC FEE	2,000
DESIGN AND REVIEW BOARD FEES	11,000
PLANNING COMMISSION FEES	1,000
BUILDING PERMITS	250,000
TRIMMING & PRUNING INCOME	12,000
AD VALOREM PERS PROP TAX	1,776,000 *
HOMESTEAD EXEMPT REFUND	9,000
FINES COLL - RECORDER	55,000
FEE SIMPLE TITLES	100
AID TO SUBDIVISIONS	33,000
VICTIMS RIGHTS FUND	10,000
BEVERAGE TEMP. PERMITS	21,000
FRANCHISE FEES - CELL TOWER	43,000
FRANCHISE FEES - OTHER	430,000
STATE ACCOMMODATIONS TAX	25,000
L.O.S.T., PROP.ROLLBACK	120,000
L.O.S.T., REVENUE FUND	55,000
MISCELLANEOUS INCOME	130,000
PROCEEDS FROM SALE OF ASSETS	4,000
TRANSFERS FROM HOSPITALITY & ACCOMMODATIONS	
TAX FUNDS FOR OPERATING EXPENDITURES	280,000
USE OF ACCUMULATED FUND BALANCE	145,291
	\$ 4,418,611

* An additional \$50,000 has been added to property tax revenue to replenish the fund balance.

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Town of Sullivan's Island
FY 2015 - Expense Budget

	<u>Admin</u>	<u>Building</u>	<u>Fire</u>	<u>Police</u>	<u>Maintenance</u>	<u>Recreation</u>	<u>Total</u>
BUDGETED EXPENDITURES:							
Salaries	\$ 385,000	\$ 194,000	\$ 568,000	\$ 480,000	\$ 170,000	\$ -	\$ 1,797,000
Social Security	30,000	14,400	42,000	36,000	12,500	-	134,900
Hospital Insurance	46,200	23,000	85,000	59,000	25,000	-	238,200
Retirement	45,000	21,000	76,000	83,000	14,000	-	219,000
County Sheriff Deputies	-	-	-	40,000	-	-	40,000
Gas & oil	-	2,600	12,000	40,000	12,000	-	66,600
Diesel Fuel	-	-	6,500	1,200	4,000	-	11,700
Vehicle Repairs & Maintenance	-	-	20,000	15,000	7,500	-	42,500
Office Supplies	24,000	3,000	-	-	-	-	27,000
Supplies & Materials	-	-	20,000	12,000	25,000	-	57,000
Travel - Recorder	700	-	-	-	-	-	700
Supplies - Recorder	1,000	-	-	-	-	-	1,000
Supplies - Bldg Inspect.	-	2,000	-	-	-	-	2,000
Telephone	17,000	3,600	10,000	10,000	660	-	41,260
County 911 Service	-	-	50,000	47,000	-	-	97,000
Power & Lights	8,000	1,300	11,000	5,000	42,000	7,500	74,800
Insurance	62,000	5,000	55,000	44,000	17,000	2,500	185,500
Uniforms	-	-	10,000	8,000	3,000	-	21,000
System Repair & Maintenance	40,000	3,000	11,000	8,000	16,000	-	78,000
Recreation Area Maintenance	-	-	-	-	-	10,000	10,000
Dues & Certifications	3,200	2,000	1,000	500	-	-	6,700
Training & Seminars	6,000	4,000	9,500	6,500	-	-	26,000
Professional Services	120,000	-	-	-	-	-	120,000
Fee Simple Deed Costs	100	-	-	-	-	-	100
BZA Expenses	-	2,000	-	-	-	-	2,000
DRB Expenses	-	9,000	-	-	-	-	9,000
Planning Expenses	2,000	-	-	-	-	-	2,000
Tree Commission Expenses	-	1,500	-	-	-	-	1,500
Council Expenses	11,000	-	-	-	-	-	11,000
General Advertising Expenses	8,000	-	-	-	-	-	8,000
Legal & Accounting	100,000	-	-	-	-	-	100,000
Accreted Land Lawsuit	35,000	-	-	-	-	-	35,000
Trimming & Pruning Exp.	-	11,400	-	-	-	-	11,400
Special Events	-	-	-	-	-	25,000	25,000
Miscellaneous	18,000	-	8,500	1,500	1,000	-	29,000
Property & Equipment	10,000	-	93,000	20,000	-	130,000	253,000
Capital Lease Payments	-	-	34,800	33,134	7,917	-	75,851
Equipment Under \$5,000	10,000	5,000	7,500	7,000	-	10,000	39,500
Town Hall Relocation	50,000	-	-	-	-	-	50,000
Building Repairs & Improvements	-	-	10,000	-	-	-	10,000
Victims Rights Fund	10,000	-	-	-	-	-	10,000
Water Bond Payment	200,000	-	-	-	-	-	200,000
Dispatching Services	-	-	24,200	24,200	-	-	48,400
Container Servicing	-	-	-	-	13,000	-	13,000
Causeway Maintenance	-	-	-	-	2,000	-	2,000
Beach Path Maintenance	-	-	-	-	10,000	-	10,000
Garbage Disposal	-	-	-	-	175,000	-	175,000
Total Expenditures - FY 2015	\$ 1,242,200	\$ 307,800	\$ 1,165,000	\$ 961,034	\$ 557,577	\$ 185,000	\$ 4,418,611

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