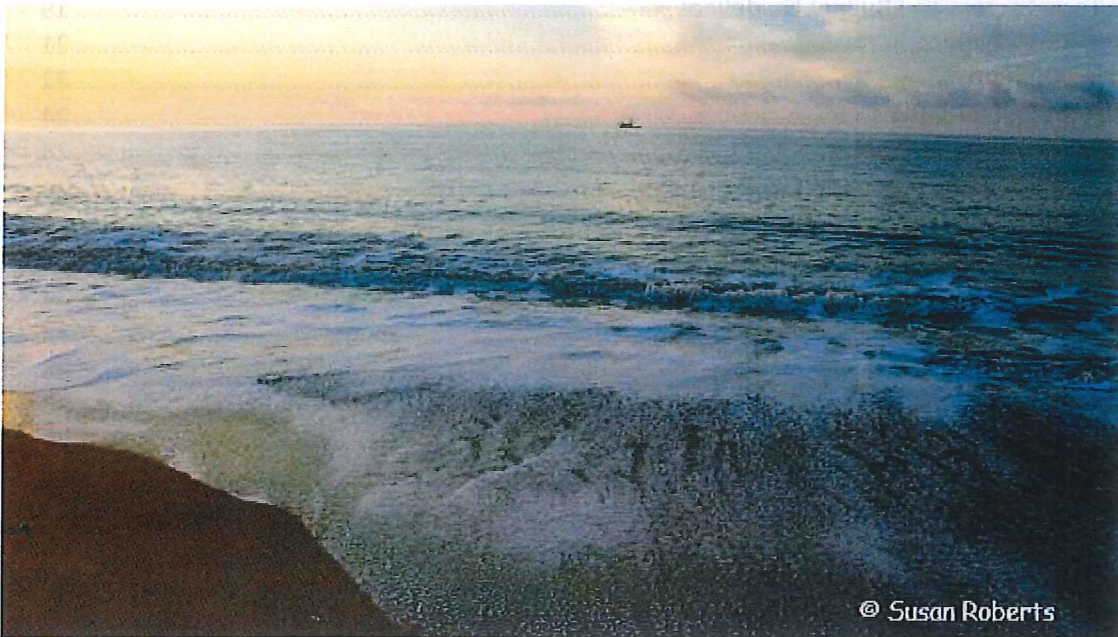


TOWN OF EDISTO BEACH

Annual Budget 2016-17



© Susan Roberts

Table of Contents

Mayor..... 4

Town Council 4

Organizational Chart..... 5

Vision Statement..... 6

Mission Statement..... 6

Council Goals and Action Plan 8

Council Accomplishments FY 2015-16..... 15

Short Term Factors and Budget Guidelines..... 19

Basis of Budgeting..... 21

 List of Funds..... 22

Current Budget Initiatives..... 24

Develop a Balanced Budget 24

Recognize and Reward Employees 24

Maintain Level of Services Expected 26

Grants/Regionalization/Privatization 26

Millage rate..... 27

Financial Information and Policies..... 28

 Fund Balance 28

 Banking 28

 Investments 29

 Interest 29

 Capitalization..... 29

General Fund Revenues..... 29

 Where does the money come from? 29

 % Change General Fund Revenue 34

 Property Taxes 36

 Franchise Fees..... 36

 Lease Agreements..... 37

 Local Government Fund..... 37

 Municipal Court Fines 38

General Fund Expenditures 39

 Purpose 39

 General Fund Service Changes 51

 Prior Year Funds 51

 General Fund Departmental Budget Comparison Graph..... 52

 % Change General Fund Departmental Budgets..... 52

General Fund Capital Improvement Plan 56

General Fund Debt..... 66

 Debt (General Fund)..... 66

Special Fund 66

 State Accommodations Fund 66

 Alcohol Permit Fund 67

 Local Accommodations Fund 67

 Hospitality Fund..... 68

General Vehicle/Equipment Fund	69
Utility Vehicle/Equipment Fund	69
Water System Renewal and Replacement Fund	70
Sewer System Renewal and Replacement Fund	70
Bay Creek Fund	70
Firefighter’s Insurance and Inspection Fund	70
Volunteer Firefighter Fund	71
Construction Fund	71
Civic Center Fund	72
Proprietary Funds	72
Enterprise Funds	72
Water Fund	72
Water Fund Revenues	73
Water Fund User Fees	73
Water Fund Budget Comparison Chart	78
Water Fund Budget Chart	79
Water Fund Budget Highlights	79
Sewer Fund	79
Sewer Fund Revenues	80
Sewer Fund User Fees	80
Sewer Fund Budget Comparison Chart	85
Sewer Fund Budget Chart	86
Sewer Fund Budget Highlights	86
Sewer and Water Capital Improvement Plan	87
Debt (Enterprise Fund)	90
Debt (Enterprise Fund)	90
Budget Highlights	91
Funds	91
General Fund Revenues:	91
General Fund Expenditures:	91
General Fund Service Changes	91
Prior Year Funds	92
Contingencies	92
Contingency Fund	92
General Fund & Special Appropriations:	92
Water Fund	92
Sewer Fund	93
Water and Sewer Fund Capital Improvements, New Services, Other	93

Town of Edisto Beach, South Carolina

Mayor



Jane S. Darby

Town Council



**Mayor Pro Tempore
Susan Hornsby**



**Council
Jerome Kizer**

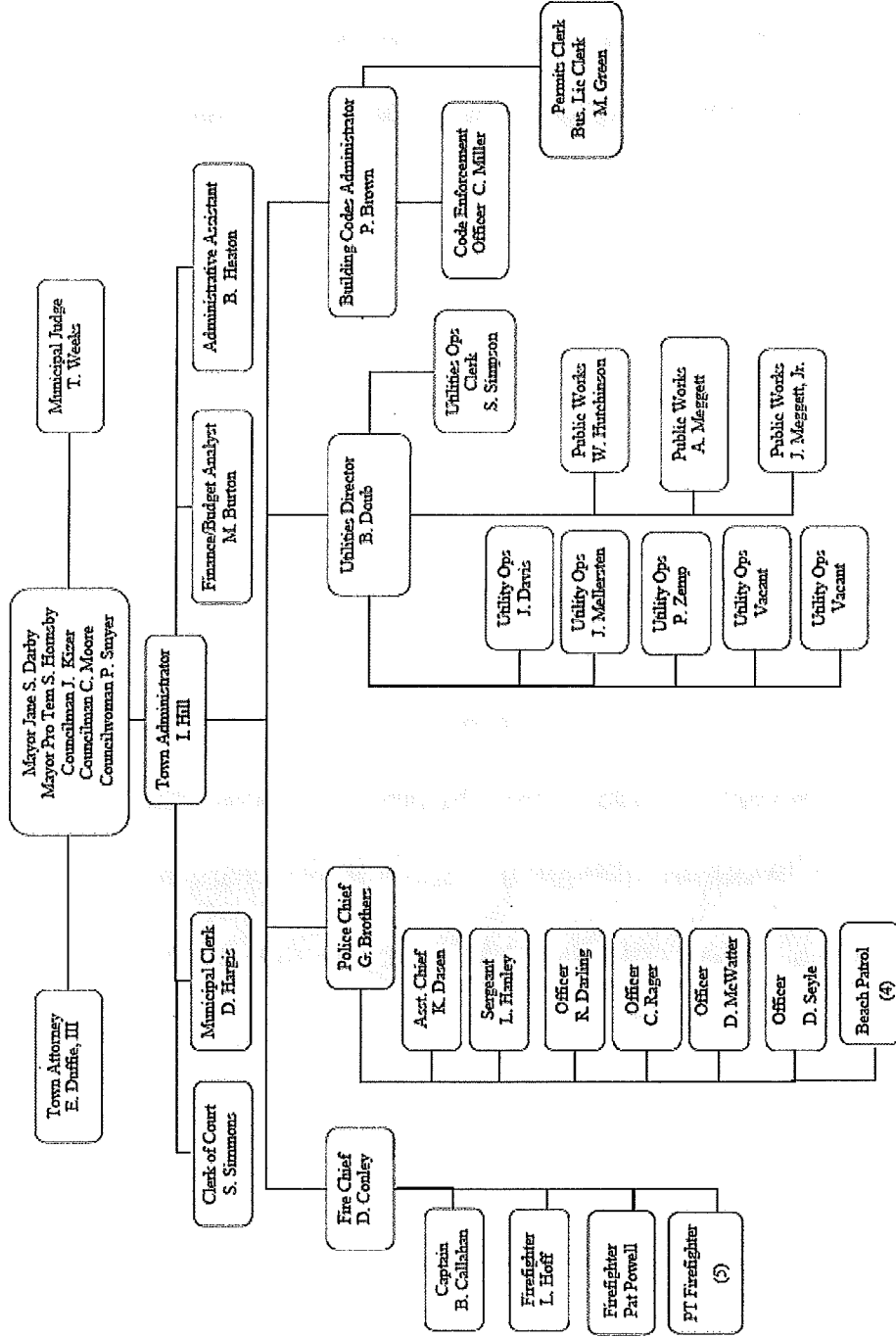


**Council
Crawford Moore**



**Council
Patti Smyer**

Organizational Chart

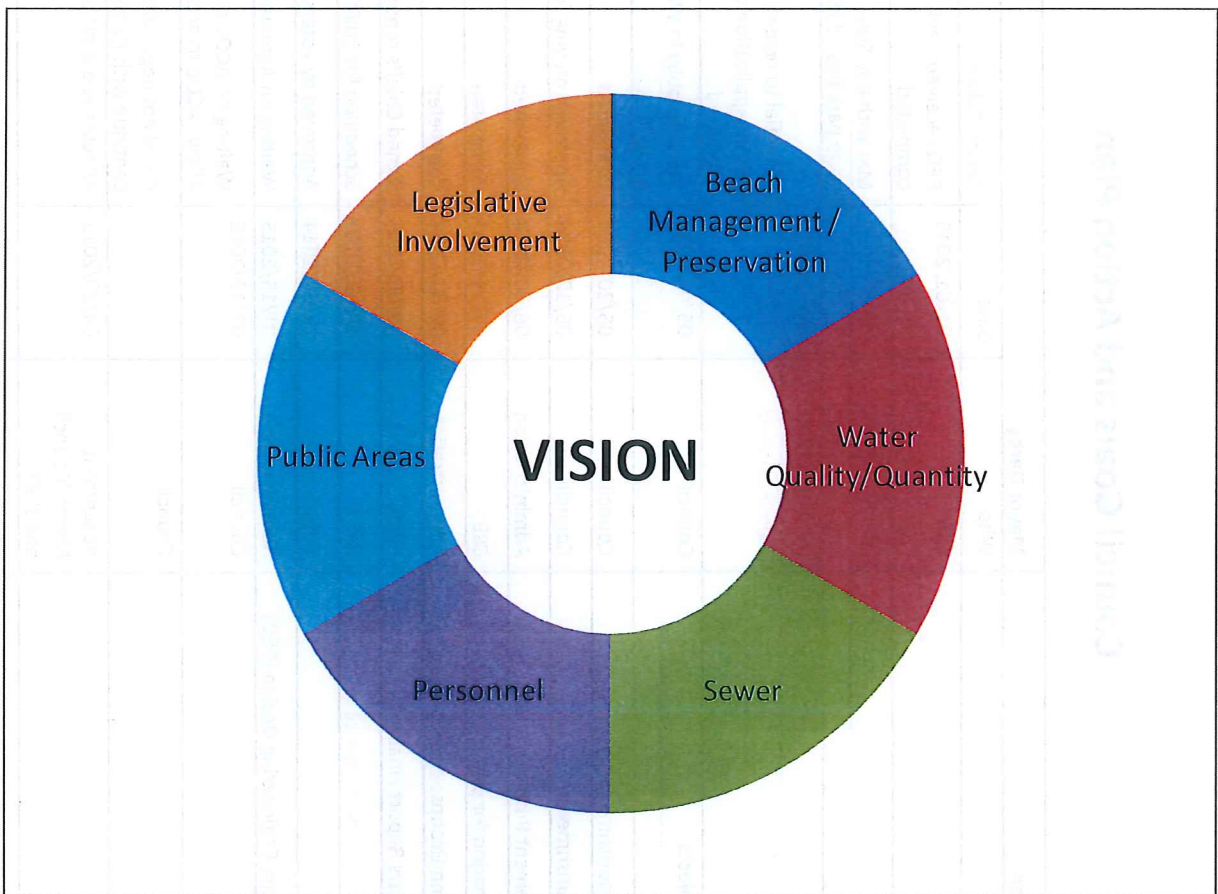


Vision Statement

The VISION of the Town of Edisto Beach is to maintain Edisto Beach as a family sanctuary.

Mission Statement

The MISSION of the Town of Edisto Beach is to enhance and maintain Edisto's reputation as a family-oriented, vacation destination while accomplishing the following goals:



Council Goals and Action Plan

Beach Management and Preservation		Mayor Darby	Date	Action Taken
Action Plan (Continuation)		Who	Date	Action Taken
2016 Beach Nourishment Permit		CSE	01/01/2015	RFQ received, reviewed and awarded to CSE 2/13/2014-Permit completed.
State Park		Administration	02/19/2014	Met with Ray Stevens-Interested-Requesting funds 2015. The state park has ~3,000,000
DHEC Grant		Administration	02/01/2015	Potential to receive grant funds from DHEC. Not qualified until permit application complete-will readdress once permit app is submitted.
Seek Federal Funding for 50 year projects		Council	05/01/2014	Need to lobby in Washington/Senators -? Easements may be cost prohibitive.
Meeting with ACOE/CSE to discuss nourishment		Council	05/20/2014	Completed
Council Direction on 2016 Beach Nourishment		Council	06/12/2014	Approved moving forward with Agreement for CSE
Notice to Proceed to CSE for Nourishment Project		Administration	06/30/2014	Completed
CSE at Edisto Beach gathering information for permit process		CSE	07/14/2014	Completed
CPST Education to Edisto Beach Citizen Groups		Administration	08/31/2014	Completed
Department of Army Chief of Engineers Report Finalized		ACOE	09/05/2014	Signed Chief's report received. Ready for congressional funding.
Interagency meeting for permit		CSE	10/02/2014	Scheduled for 10:00 am
CPST Referendum		Voters	11/04/2014	Approved by voters
Meeting with ACOE/CSE on Preliminary Engineering Design (PED)		Administration	01/15/2015	Waiting on Agreement to allow CSE work to be used as in-kind
PED Agreement		Council	02/13/2015	Waiting on ACOE draft agreement. Council approved negotiation. Allows ACOE to accept work in kind from CSE
PED Agreement		Council		Could not negotiate an agreement gave go ahead to CSE to continue with Permitting
CSE Draft Permit		Beachfront Mgmt./Council and staff	04/20/2015	All reviewed draft permit and CSE was given ok
Permit Submittal			04/20/2015	Completed

Visit Senators about beach nourishment	Council/Town Adm	05/05/2015	Completed and handed out bullet points for request
Council visit from Secretary Oakley	Council	05/08/2015	Completed
Permit Public Review P/N # SAC 2015-00528-IC	ACOE	06/01/2015	Completed
Applied for Pre Disaster Mitigation Grant FEMA	Administration	07/28/2015	Submitted under review by SCEMD and FEMA
Beachfront Management Committee Meeting	Beachfront Mgmt. Committee	08/09/2015	Update on permit status
Council working on obtaining a sponsor for beach nourishment funding legislation	Council	08/10/2015	Mayor Darby and Councilwoman Smyer met with legislators on August 10, 2015
State Park Involvement	Adm	08/14/2105	Spoke with Mr. Gaines of SCPRT to receive update on their involvement and status of funding
Meeting with Mark Sanford about funding 1st Congressional District	Mayor	TBD	
Request to Colleton County Delegation to support funding	Mayor	11/02/2015	Completed
Meeting with Representative Bower to discuss funding	Mayor/Adm	11/11/2015	Completed
Contacted M/ASC to assist in setting up meetings with key members of the general assembly about funding	Administration	11/12/2015	Completed
Contacted Lindsey Graham's office about beach nourishment funding. Spoke with Mr. Mason Sullivan.	Administration	11/12/2015	Completed
Met with State Park Director	Adm Mayor	01/05/2016	Met with Mr. Parrish to discuss beach nourishment project
Hired lobbyist to seek funding	Council	01/14/2016	Completed
Submitted all work previously done to lobbyist	Adm	02/04/2016	Completed
Met with USACE to discuss easements	Council	03/21/2016	Completed

Water Quality/Quantity	Councilwoman Smyer and Councilman Moore		
Action Plan (Continuation)	Who	Date	Action Taken
RFQ Progressive Design Build Procurement Issued	Administration	02/09/2015	Completed
Requested approval from DHEC for selection process	Administration	02/24/2015	Completed
On site visit for 2015-01	Utilities Dir./Adm	02/25/2015	Completed

RFQ submittals due	Administration	03/17/2015	Completed
Interview of applicants	W/S Selection	04/02/2015	Completed
Execute contract with Wharton Smith/Thomas and Hutton	Council	05/19/2015	Completed
Meeting with Finance team	Administration	05/06/2015	Completed
Joint meeting with selected firm, Council and internal consultant	Firm/Council	06/01/2015	Completed
Joint Meeting with Council, firm W&S to discuss progress	Council/W&S/Firm	08/11/2015	Completed
Firm Develops project execution plan	Firm		
Develop Preliminary engineering information	Firm	10/15/2015	Completed
Provide a matrix of water system improvement options	Firm	11/20/2015	Completed by W&S
Matrix options selected	Council	12/10/2015	To Council
Council received answers to questions	Council	01/14/2016	Addressed questions regarding alternatives
Address at Council retreat	Council	02/16/2016	Council requested funding options
Obtain Funding options to include anticipated rates, millage etc.	Council	06/09/2016	Howell and Linkous
Provide matrix to phase project	Firm	TBD	
Perform engineering studies	Firm	TBD	
Produce Preliminary Engineering report (PER)	Firm	TBD	
Develop the engineering design documents for preparation of project GMP	Firm	TBD	
Submit and negotiate a GMP proposal to complete Phase 2 services	Firm	TBD	
Public Input	Council	TBD	
Phase 2 services	Firm	TBD	

Sewer			
Action Plan (Continuation)	Who	Date	Action Taken
Preliminary Engineering Report	American Eng	ongoing	
Notice of Violation Resolution	staff/AE/EO	ongoing	BODs are in the normal range
Holding pond Tract M	TBD	ongoing	In negotiations
Plant modification to save energy	TBD	ongoing	

Legislative Involvement	Mayor Pro Tem Hornsby		
Action Plan	Who	Date	Action Taken
Host Legislative Delegation at Edisto	Council	05/01/2013	Completed
Develop Contact Email List	Council	02/25/2013	Completed
Edisto presence at Colleton County Council Meetings	Council	02/25/2013	Completed
Attend CTC and Economic Alliance Meetings	Council	02/25/2013	Completed
Edisto presence in Columbia during Legislative Session	Council	02/25/2013	Completed
Acknowledge Successes in Writing and Socially	Council/Adm	Ongoing	
Notify Elected Officials of Edisto Events	Municipal Clerk	Ongoing	Reminded Muni Clerk October 29, 2013
Regional Advocacy Meeting	Council	09/18/2013	Completed
Schedule a Legislative Reception on Edisto Beach for State/County	Council	TBD	Completed
Lobby in Columbia for issues important to Edisto Beach	Council	TBD	January through June
Target subcommittees and send emails, letters on issues	Council	TBD	Ongoing
Town asked to host Legislative Delegation at Edisto 2014	Council	TBD	
Legislative Initiatives	Administration	08/29/2014	Completed
Develop List of Residents and where they reside for lobbying purposes	Administration	01/24/2015	Completed
Meet with Sanford and Graham about fed funding	Administration	TBD	
Mayor appointed Councilpersons Darby and Smyer and Town Administrator to work on beach nourishment funding	Adm/Council	11/13/2014	Developing strategy
Lobby against EO 11988 Flood Protection	Council	TBD	information has been provided waiting on draft resolution
Executive Order 11988	Adm	01/30/2015	Completed
Lobby against H3490 Business Licenses	Council	02/12/2015	Completed-Successful in removing 3 co-sponsors
Sent update regarding Biggert Waters to Council	Adm	02/24/2015	Completed
Passed Resolution against EO 11988 Flood Protection	Council	03/12/2015	Submitted to FEMA
Passed Resolution against H3378 Beach Preservation Act	Council	03/12/2015	Submitted to House Agriculture committee

Passed Proclamation Zero Tolerance for Litter	Council	04/09/2015	Completed
Passed Resolution against H3490 Business Licenses	Council	04/09/2015	Submitted to House Ways and Means
Visit Senators about beach nourishment	Council/Town Adm	05/05/2015	Completed and handed out bullet points for request
Council visit from Secretary Oakley	Council	05/08/2015	Completed
Council working on obtaining a sponsor for beach nourishment funding legislation	Council	08/10/2015	Mayor Darby and Councilwoman Smyer met with legislators on August 10, 2015
Meeting with Mark Sanford about funding 1st Congressional District	Mayor	TBD	
Request to Colleton County Delegation to support funding	Mayor	11/02/2015	Completed
Meeting with Representative Bower to discuss funding	Mayor/Adm	11/11/2015	Completed
Contacted IMASC to assist in setting up meetings with key members of the general assembly about funding	Administration	11/12/2015	Completed
Contacted Lindsey Gramms office about beach nourishment funding. Spoke with Mason.	Administration	11/12/2015	Completed
Hired a Lobbyist to work on beach issues	Council	01/14/2016	Completed

Personnel	Mayor Darby		
Action Plan	Who	Date	Action Taken
Staff salary adjustments	Mayor Darby	04/12/2016	Completed
Additional Staff	Mayor Darby	04/12/2016	Completed

Public Areas	Councilman Kizer		
Action Plan	Who	Date	Action Taken

Quality of Life			
1) Sidewalks		04/29/2014	Completion expected May 2016
2) Myrtle Street Paving and Drainage		TBD	Fall of 2017
3) Causeway Beautification	TIDE/Council	03/04/2015	Phase I completed
Met with Bob Ables Landscaper	TIDE/Adm	04/14/2015	Decided to use Lowes under grant for landscape architect
Keep America Beautiful/Lowes Grant	Adm/Edisto Pride	06/22/2015	Awarded \$20,000 grant with a beautification component

Phase I of Causeway Beautification	Adm/Lowes	07/24/2015	Met with Lowes and they are putting together a design and costs
Reviewed draft plan	Adm/Lowes	08/10/2015	Met with Jason Hall and reviewed draft presentation
Raised landscape bed and sweet grass on causeway	Adm/Lowes	11/05/2015	Completed
Weeded causeway plantings	Administration	03/02/2016	Completed/ Replaced Loropetalum that have died.
Phase II of Causeway Beautification	TIDE	TBD	will look for grant opportunities
Environmental Issues			
Scott Creek	Adm		Need to revise application and resubmit to NOAA once issued
Drainage/stormwater	Council		Myrtle Street Drainage is pending Myrtle Street Project and Dawhoo is being addressed during sidewalk project/Met with Commissioner
Parks and Civic Center			
Jungle Road Park	Council/Adm	02/29/2016	Meeting to discuss issues
Pressure washed Jungle Road Park structures	Contract	04/26/2016	Completed
Fixed missing electrical cover, raised swings, took down Christmas lights	Fire Department	03/02/2016	Completed
Address entrance signage and in park	Public Works	TBD	
Gravel at entrance	Public Works	TBD	
Address landscaping	Public Works	TBD	
Burley L Lyons Parks			
Pressure washed structures	Contract	04/26/2016	Completed
Beach Accesses	Public Works		Need to trim to property lines, make bike racks accessible, raise or lower benches, fix garbage containments, look at parking. TIDE committee will be submitting work plan
Civic Center			
Add railing at stage	Building	03/01/2016	Completed
Address delineating steps	Building	03/01/2016	Completed
Fix lights	Building	03/01/2016	Completed
Polish auditorium floor	Administration	03/04/2016	Completed
Bay Creek Park			
Air conditioner in bathrooms	Building	05/26/2016	Ordered
Stage	Building	05/31/2016	Under construction
Management of parks/civic center		TBD	Discuss during budget

Christmas			TBD	Expand event/business participation
Movies/music in the park	Adm/Building		TBD	Cost approx. \$3,000 for equipment/\$350-\$450 per movie
Future Impacts Action Plan	Councilwoman Smyer			
Spring Grove	Who	Date	Action Taken	
	Council	TBD	Keep abreast of issues relating to this development	
Charleston Water	Council	TBD	Keep abreast of any expansion of water onto Edisto Island/Hwy 174	

Council Accomplishments FY 2015-16

OUR VISION:

Maintain Edisto Beach as a family sanctuary.

OUR MISSION:

Enhance and maintain Edisto's reputation as a family-oriented vacation destination

Policy Actions

2015-16

- Memorialized the Emanuel AME Church Victims
- Awarded Jungle Shores Drive Waterline Extension
- Approved Fire Protection Agreement between Colleton County and the Town of Edisto Beach
- Completed Personnel Policy Five-Year Review
- Amended Section 66-78(b) of the Town's Code Related to Solid Waste Management
- Approved Federal Emergency Management Agency FY 2015 Pre-Disaster Mitigation Grant DHS-15-MT-047-000-99 application submittal
- Adjusted the annual salaries of the Mayor and Council
- Revised the Freedom of Information Act Policy and Request Form
- Amended the Edisto Beach Volunteer Fire Department By-Laws
- Established the Fee for Residential Garbage Container Roll-out/Roll-back Service as Authorized by Ordinance 2015-07
- Proclaimed August 2015 as Ovarian Cancer Awareness Month
- Recognized Rebecca "Becky" Rose-Holley as Ms. Senior South Carolina
- Amended Chapter 71 Section 71-31 and Amended Chapter 86 Section 86-3 and 86-271 of the Town's Code of Ordinances to Re-Define the

Town of Edisto Beach



Terms "Building", "Open Space", "Private Road" or "Private Street", and "Site Specific Development Plan"

- Re-Zoned Three Lots, designated as Lot 7, Block UU, Lot 7 Block YY, and Lot 8 Block YY, from R-1 Zoning District to PB Zoning District; to Authorize Amendment to Official Zoning
- Amended Section 86-144 of Chapter 86 of the Town's Code of Ordinances as Recommended by the Planning Commission Pursuant to an Extensive Study and Re-write
- Approved Town of Edisto Beach Emergency Operations Plan
- Amended Scoping/Options Matrix Agreement Phase 1 Services between the Town of Edisto Beach and Wharton-Smith, Inc
- Memorandum of Agreement between South Carolina Department of Transportation and the Town of Edisto for emergency debris removal
- Maintenance and Landscaping Agreement between the South Carolina Department of Transportation and the Town of Edisto Beach for causeway beautification
- Work Authorization No. 5 American Engineering Wastewater Treatment Plant Evaluation and Preliminary Engineering Report
- Provided for the implementation of the Provisions of the Fairness in Lodging Act
- Jungle Shores Water Line Extension Project Change Order Nos 1, 2, and 3
- Requested assistance with amenities to serve increased day visitors resulting from the Spring Grove Development from Charleston County
- Intergovernmental Agreement with Charleston County providing Charleston County will pay up to \$18,000 annually to remove litter from Highway 174 between the McKinley Washington Bridge and Edisto Beach
- Increased Water rates by 5% to cover water renewal and replacement costs and increased tap fees
- Established 2016 Legislative Initiatives
- Hired a Lobbyist to seek state funding and keep Council apprised of coastal issues
- Amended Section 82-1 of the Town's Code of Ordinances to Enact Subsections (d), (e), (f) and (g)
- Resolution calling for the Colleton County Legislative Delegation's Support of Governor Nikki Haley's \$40,000,000 Funding for Beach Nourishment
- Resolution calling for the Colleton County Legislative Delegation's Support of Governor Nikki Haley's Full Funding of the Local Government Fund
- Resolution to Request the Tourism Expenditure Review Committee (TERC) Grant Permission to the Town of Edisto Beach to Use State

Accommodations Tax Funds
Acquired in Excess of Two Years Prior
for Beach Renourishment

- Adopted Council retreat goals
- Adjusted solid waste fees according to the new contract
- Proclaimed May 15, 2016 Peace Officer's Memorial Day
- Proclaimed April 2016 as Distracted Driver Awareness Month

Management Actions

- Coordinated Town's efforts with the Federal Emergency Management Agency regarding Joaquin storm event impacts
- Coordinated Lowes Grant efforts for the causeway beautification



- Permitted causeway beautification with DOT
- Issued RFP for drive on floating dock and submitted paperwork to DNR for reimbursement
- Issued RFP for bank services and negotiated a bank services agreement
- Issued RFP for garbage services and negotiated a garbage services agreement
- Issued RFP for Water and Sewer Professional Engineering Services
- Issued RFP for cleaning services and negotiated a cleaning services agreement
- Retained public defender for indigent cases
- Coordinated Town's efforts with the SC Beach Advocates to lobby for beach nourishment funding
- Maintained Standard and Poor's revenue bond rating of A+

We are committed to enhancing our citizens' quality of life by providing the highest quality of services that reflect our community's desires

Accomplishments 2015-16

Town Services Focus

- Implemented garbage container roll-out/roll-in services
- Submitted festivals and events for publication in North Carolina and South Carolina Festivals magazine
- Maintained website and Facebook pages
- Sent out "save the date" for Edisto Beach events to legislators and stakeholders
- Digitally archived documents

Infrastructure and facilities Focus

- Installed new door on Fire Station
- Remodeled town apartment lower level
- Worked on solution to notice of violation in the wastewater treatment pond
- Retained American Engineering to perform a preliminary engineering report for the wastewater treatment pond
- Replaced two air conditioners at civic center
- Painted and installed new flooring in civic center
- Installed new signage on Highway 174 for civic center
- Constructed Jungle Shores Water Extension project
- Painted all fire hydrants
- Installed two concrete pads at convenience station
- Worked with Keep America Beautiful to obtain funding to improve the appearance and functionality of the convenience station
- Cleaned, sandblasted and painted

- the ground storage tanks
- Pumped sand from all manholes
- Replaced a section of sewer line between Lee and Edings Streets
- Pressure washed Town Hall Building
- Cleared Town owned lot adjacent to Town Hall
- Edged all sidewalks
- Repaired bike path damaged by Joaquin storm event
- Town's grant funded sidewalk project was completed from Baynard Street to Atlantic Street and received an achievement award from the Municipal Association of South Carolina

Strategic Plan and Development Focus

- Updated Capital Improvement Plans
- Met with Representative Bowers about beach nourishment funding
- Met with the Director of Parks, Recreation and Tourism about nourishment funding
- Met with Charleston County Commissioner to discuss litter removal

Health/Safety/Welfare Focus

- Coordinated efforts with Colleton County Fire and Rescue to have an additional ambulance on the beach during high tourist season
- Reviewed the State Hurricane, Emergency Operations Plan and other emergency related plans to ensure compatibility with Town's plan and participated in a FEMA Hurricane tabletop exercise



- Renewed Intergovernmental agreements for fire and police

- Sent four volunteer firefighters to the Fire Academy to become certified



- Participated in agility recovery, a web based system that enables the Town to obtain needed equipment and maintain data during an emergency
- Obtained new signage for emergency road work
- Made available preventative vaccinations to all employees and volunteers
- Provided eye exams for all employees and volunteers
- Developed a policy for body cameras that was approved by the state
- Obtained reimbursements from FEMA for costs associated with the Joaquin storm event
- Developed a policy to pay exempt employees during state of emergencies

Governance Focus

- Department Heads represented the Town by participating on numerous Boards and committees of professional associations
- Participated in lobbying efforts for beach nourishment funding
- Reviewed and kept Council apprised of all proposed legislation impacting Edisto Beach
- Produced employee benefits brochures
- Building Department participated in CRS
- Participated in public hearing for flood map revisions

Parks & Recreation Focus

- Installed pavers at Bay Creek Park



- Worked with Colleton County to resolve roof leaks at Civic Center
- Issued RFP for stage construction
- Obtained funding from FEMA to repair damage to bike path on Docksite Road
- Repaired damage to beach accesses from Joaquin flood event



- Acquired a coastal access improvement grant to restore 2 dune walkovers at beach access 17 and 19
- Completed Phase I of the causeway beautification



- Pressure washed all wooden amenities at the parks
- Trimmed and added mulch to Jungle Road park
- Added gravel to entrance at Jungle Road Park
- Began stage construction over the retention area at Bay Creek Park
- Installed air conditioning in the

bathrooms at Bay Creek Park

- Ordered new park signage for Jungle Road Park
- Removed cistern and wooden enclosure at Civic Center and pressure washed the building



Working
together for a
Better
Tomorrow



June 15, 2016

The Honorable Jane S. Darby
 Members of the Town Council
 Town of Edisto Beach
 2414 Murray Street
 Edisto Beach, South Carolina 29438

RE: Budget Transmittal Letter

Dear Mayor and Town Council Members:

It is a pleasure to present to the citizens of Edisto Beach, members of Town Council and other interested readers the fiscal year 2016-17 operating budget for the Town of Edisto Beach. Carefully planned expenditures over several years have enabled the Town to accommodate economic ups and downs. As a result, the Town is in excellent financial condition. However, there are outside influences that impact our budget, such as unfunded mandates (body cameras) or legislative initiatives that imply we continue to proceed with caution in the future.

The budget for all funds is \$6,190,661 including a General Fund budget of \$4,537,897. This represents an overall budgetary increase of \$649,181 (11.7%) and a General Fund increase of \$636,167 (16%) from the amended FY2015-16 operating budget. The budget includes a millage adjustment using banked millage. The new millage rate is 20.71. One mill equals \$51,945.

	General Fund	Water Fund	Sewer Fund	Civic Center	Total
FY 2009-10 Actual	\$3,366,860	\$749,078	\$514,324	\$0	\$4,630,262
FY 2010-11 Actual	\$3,484,015	\$1,012,391	\$786,952	\$0	\$5,283,358
FY 2011-12 Actual	\$3,517,062	\$807,295	\$564,866	\$0	\$4,889,223
FY 2012-13 Actual	\$3,612,417	\$821,513	\$568,777	\$0	\$5,017,189
FY 2013-14 Actual	\$3,619,371	\$821,513	\$575,326	\$0	\$5,016,210
FY 2014-15 Actual	\$3,914,397	\$859,979	\$581,216	\$0	\$5,355,592
FY 2015-16 Amended	\$3,901,730	\$1,020,450	\$619,300	\$70,864	\$5,541,480
FY 2016-17 Proposed	\$4,537,897	\$921,100	\$660,800	\$70,864	\$6,190,661

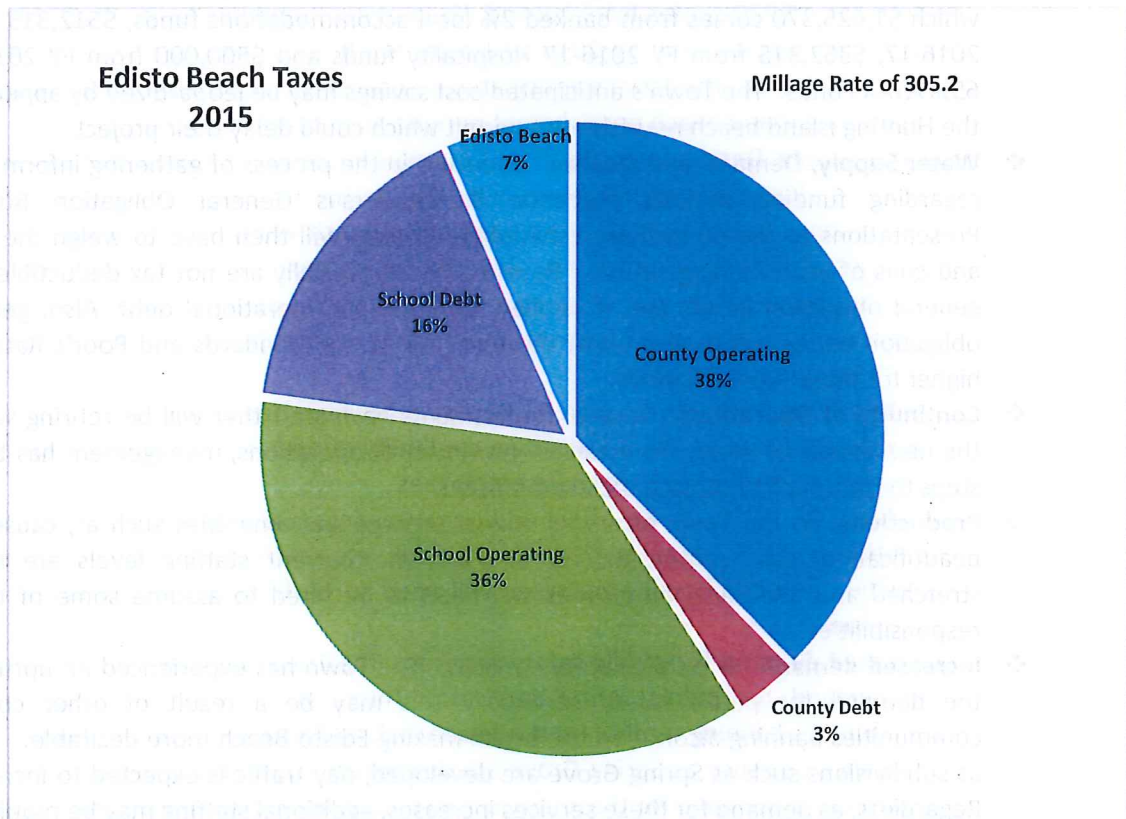
According to "The Economic Situation, A Quarterly Commentary" by Bruce Yandle of Clemson University, expect more of the same with a GDP growth of 2.5%.

In February 2016, the Council held a planning retreat to set goals to guide Town Services. These goals and action plans are listed on pages 8-14. Other goals, not listed as the top priorities for the Town are incorporated into Departmental Strategic Plans which are updated annually and are located on the Town’s website.

Short Term Factors and Budget Guidelines

The objectives of this budget are to preserve the current level of services with basically flat revenues while making progress towards and implementing the Town’s long range plans. Other significant assumptions are:

- ❖ **Conservative, but realistic projection of revenues and expenditures.** Conservative projections help ensure that adequate resources will be available to meet budgeted obligations. This is achieved through trend analysis adjusted by outside indicators.
- ❖ **Decreasing Inflation.** General pricing levels are expected to decline by approximately 0.12% from last year’s rate of 1.62 %. The five-year financial forecast projected expenditures to exceed revenues in both fiscal years 2015-16 and 2016-17, departments were asked to maintain expenditures at prior funding levels or attempt to reduce their operating costs where possible.
- ❖ **Flat property tax revenues.** Property taxes remain relatively flat. New growth continues, but the millage rate of 20.71 does not provide much relief. A majority of the 305.2 millage rate based taxes are for County and School operating.



- ❖ **Maintain target fund balances to preserve financial integrity.** This budget exceeds the targeted fund balance position established by the Town Council.
- ❖ **Annual Review of all significant fees.** Major fees are reviewed annually and adjusted as needed. The garbage fees and water rates were adjusted to account for increases in providing these services.

- ❖ **Wage adjustments.** Wage adjustments for pay for performance are included in the budget. Cost of living increases will be evaluated after the tax roll has been certified, typically during the six-month budget adjustment. The Town is finding it more difficult to recruit and retain qualified employees under the current salary conditions. The Town continues to lose staff to higher paying jobs.
- ❖ **Employee benefits.** The South Carolina Retirement employer and employee contribution rates continue to increase to offset unfunded liabilities. This year the anticipated increase is 1%, but the Town has been informed to expect a substantial increase next year. Health insurance is expected to increase.
- ❖ **Local Government Fund.** This funding remained the same and since the Town receives minimal funding from the LGF, any change is not detrimental to the revenue stream.
- ❖ **Unfunded Pension Liability.** In FY 2015-16, the Town included an unfunded retirement liability of \$2,309,058 in its annual audit.
- ❖ **Impacts from Unfunded Pension Liabilities.** As the State begins to mitigate unfunded pension liabilities by increasing retirement contributions, from the Town and employee, employee wages will need to be adjusted or employees will experience a decrease in pay.
- ❖ **Beach Nourishment.** Beach nourishment for 2016 remains on schedule and the Town has reserved its tourism funds for this project. Colleton County will provide \$4,000,000 towards this project from the Capital Project Sales Tax. Council met with legislators and anticipates \$5,000,000 in funding from the State. The Town's portion is \$3,000,000 of which \$1,625,370 comes from banked 2% local accommodations funds, \$512,315 in FY 2016-17, \$362,315 from FY 2016-17 Hospitality funds and \$500,000 from FY 2016-17 65% ATAX Funds. The Town's anticipated cost savings may be jeopardized by appeals to the Hunting Island beach nourishment permit which could delay their project.
- ❖ **Water Supply, Demand and Quality.** Council is in the process of gathering information regarding funding options (Revenue Bonds versus General Obligation Bonds). Presentations to the Council are scheduled. Council will then have to weigh the pros and cons of each funding source. Revenue bonds typically are not tax deductible and general obligation bonds are, if applied to municipal operational debt. Also, general obligation bonds will have a lower interest rate as the Standards and Poor's Rating is higher for these types of bonds.
- ❖ **Continuity of Operations.** Several Departments have staff that will be retiring within the next couple of years. To maintain continuity of operations, management has taken steps to train staff to replace these employees.
- ❖ **Productivity.** As the Town offers additional services and amenities such as, causeway beautification, civic center, Bay Creek Park, etc. current staffing levels are being stretched and additional employees will need to be hired to assume some of these responsibilities.
- ❖ **Increased demand for public safety services.** The Town has experienced an upturn in the demand for public safety services. This may be a result of other coastal communities banning alcohol on the beach making Edisto Beach more desirable. Also, as subdivisions such as Spring Grove are developed, day traffic is expected to increase. Regardless, as demand for these services increases, additional staffing may be required.
- ❖ **Legislative Mandates.** This legislative season has been quite busy. There are numerous pieces of legislation that may impact the Town's budget. Unfunded mandates for body cameras and business license restrictions are two issues that continue to be of focus.

Basis of Budgeting

All of the funds are budgeted using the modified accrual basis of accounting. Modified accrual accounting recognizes revenues when they become measurable and available. Measurable means that the dollar value of the revenue is known. Available means that it is collectible within the current period or soon enough after the end of the current period to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary fund types are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded at the time liabilities are incurred.

Funds are organized as major funds or non-major funds. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria. 1) Total assets, liabilities, revenues or expenditures are at least 10% of the corresponding total for all funds of that category. 2) The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all funds. 3) Any fund that the Town believes is particularly important may be reported as a major fund.

Town of Edisto Beach

List of Funds

Fund	Fund Type	Description	Appropriated	Included in Budget
General	General	Accounts for activities related to the general operations of the Town.	Yes	Yes
Water	Enterprise	Accounts for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees. This accounts for activities related to the water system.	Yes	Yes
Sewer	Enterprise	Accounts for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user fees. This accounts for activities related to the sewer system.	Yes	Yes
Local Accommodations	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to tourism activities.	No	No
Hospitality Fee	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to tourism activities.	No	No
Bay Creek Park	Special Revenue	Accounts for activities related to the construction of Bay Creek Park. Operations of the park are accounted for in the general operating public works parks and recreation.	No	No
Water R&R	Special Revenue	Accounts for activities related to the renewal and replacement of the water system and is used for repairs to or the replacement or renewal of capital assets of the water system.	No	No
Sewer R&R	Special Revenue	Accounts for activities related to the renewal and replacement of the sewer system and is used for repairs to or the replacement or renewal of capital assets of the sewer system.	No	No
ATAX 65% Fund	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to tourism activities.	No	No
Alcohol Fund	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to tourism activities.	No	No

General Equip/Vehicle	Internal Service Fund	A proprietary fund type used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments on a cost-reimbursement basis.	No	No
Utilities Equip/Vehicle	Internal Service Fund	A proprietary fund type used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments on a cost-reimbursement basis.	No	No
Fire I & I	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to specified fire department activities such as retention.	No	No
Edisto Pride	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to litter awareness activities.	No	No
Volunteer Dept.	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to fire related activities.	Yes	Yes
Civic Center	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to civic center activities.	Yes	Yes
Capital Project Sales Tax	Special Revenue	A governmental fund type used to account for and report the proceeds of specific revenue sources that are restricted or committed for specified purposes other than debt service or capital projects. This fund is restricted to beach nourishment activities.	Yes	Yes
Pooled Cash	Operating Reserve Fund	A governmental fund type used to account for and report the transfer of reserve funds from the Local Government Investment Pool to various other funds.	No	No

Current Budget Initiatives

- ❖ Develop a balanced budget
- ❖ Improve efficiency and effectiveness by optimizing utilization of employees and by recognizing and rewarding employees for their accomplishments
- ❖ Maintain level of services expected by residents, businesses and visitors
- ❖ Research and evaluate alternate funding opportunities to include grants, regionalization and public/private partnerships

Develop a Balanced Budget

By definition, a balanced budget means that total budgeted expenditures do not exceed budgeted revenues plus available fund balance. An important step in this process is comparing annual revenues with annual expenditures to ensure the annual expenditures do not exceed annual revenues. General Auditing practices require the general fund to have a reserve of two months operating budgeted expenses each year or \$756,316.

We have a balanced budget with an anticipated fund balance of \$3,362,839.

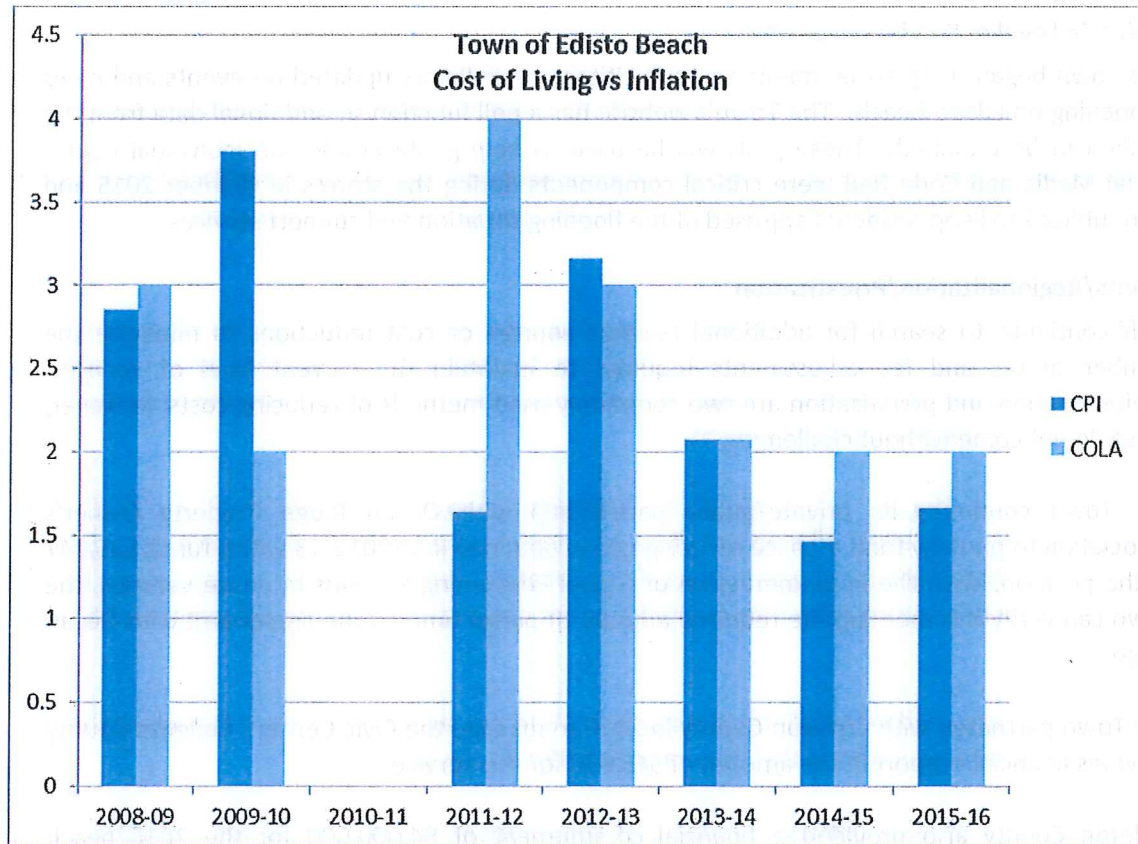
Recognize and Reward Employees

Edisto Beach, like other communities, experiences problems with recruitment and retention of qualified employees. Training new employees who leave after a year or two is costly and decreases the efficiency of the departments. Previously, the Town has provided unilateral merit and cost of living increases. This industry standard does not promote exceptional performance because average or poor performance is often rewarded the same as above average or exceptional performance.

The Town utilizes a pay for performance system which was implemented in FY 2010-11. Employees who excel in performance are reviewed annually for salary adjustments. Adjustments are not unilateral, but based on numerous factors including job performance, certifications, achievements, etc. Salary adjustments for performance are included in this budget. Although this program has been implemented, the Town continues to experience high turn-over.

Employees who provide exceptional service are also recognized with Starfish Awards. Three Starfish Awards equals one day off.

A cost of living (COLA) increase will be considered after the tax roll is certified (February 2017) and only if property taxes can support this increase and only for employees who are not in their introductory period and are performing satisfactorily. This increase is **NOT** included in this budget. The graph below shows a snapshot of cost of living increases compared to inflation. Last year, Council approved a 2% COLA in February. Base salaries were adjusted by this increase including the pay of part-time firefighters.



The Town of Edisto Beach offers a competitive benefits package. All full-time employees receive 100% employer paid health, dental, life and long-term disability insurance. Beginning in July 2016, employees will also be provided with coverage from Air Med Care. In January 2017, health insurance anticipated costs will increase from \$476.00/monthly to \$523.60/monthly, a 10% increase. In addition, full-time employees can purchase dependent healthcare. The Town offers other elective insurance options for employees such as short term disability, cancer policies, etc.

The Town provides pension benefits for all of its full-time employees through a traditional, joint-contributory, defined benefit plan in the state-wide South Carolina Retirement System. The SCRS provides members a guaranteed monthly pension based on a formula that includes the member's average final compensation, years of service and benefit multiplier of 1.82 percent. Employees' deposit 8.16% (SCRS) or 8.74% (PORS) tax deferred of gross pay and a member is vested after 8 years. Employees hired before July 1, 2012 are vested in 5 years. Typically, members can retire at age 65 with 5 years of service. Police and fire can retire at age 55. The employer contribution increased from 11.06% to 12.06% for employees in the South Carolina Retirement System and from 13.54% to 14.54% for employees in the Police Officer's Retirement System. Employees can also defer pay into a 401K or 457 cafeteria plan. The Town matches 25% of the employee's participation in the 401K plan up to a maximum amount of \$130.00 bi-weekly.

Other benefits include fifteen paid holidays, 12 days of paid sick leave and accrued, paid annual leave based on years of service, paid jury duty, and bereavement leave for all full-time employees.

The Town began using social media to keep citizens and visitors updated on events and news happening on Edisto Beach. The Town's website has a poll function so additional data from the public can be obtained. These polls will be used to help guide Council on individual issues. Social Media and Code Red were critical components during the storms in October 2015 and were utilized to keep residents apprised of the flooding situation and support services.

Grants/Regionalization/Privatization

Staff continues to search for additional revenue sources or cost reductions to minimize the number of tax and fee adjustments required to maintain the current level of services. Regionalization and privatization are two commonly used methods of reducing costs; however, these do not come without challenges.

The Town continues its private/public partnership with Ocean Ridge Property Owner's Association to partially fund a police officer position obtained in FY2012-13 which funds \$36,247 of the position. With the implementation of Global Positioning Systems in police vehicles, the Town can verify it is meeting the required amount of patrol time by the agreement with Ocean Ridge.

The Town partnered with Colleton County in 2016 to manage the Civic Center. Colleton County provides financial support in the amount of \$45,930 for this service.

Colleton County also provided a financial commitment of \$4,000,000 for the 2016 beach nourishment project through its capital project sales tax initiative. This combined with an anticipated \$5,000,000 State financial commitment will provide much needed funding for this project.

The Town was successful in obtaining a commitment from Charleston County to financially support litter removal on Highway 174 between the McKinley Washington bridge and the causeway. The Town has been providing funding for this service for years and this commitment will save the Town approximately \$18,000 annually.

Although the budget relies heavily on property taxes, the Town has varied revenue sources. Historically, grant funding has been utilized to maximize funds and reduce the reliance on property taxes for special needs or projects such as beach access and park improvements and continues to be aggressively pursued by all Departments.

In 2013, the Town was awarded a \$400,000 enhancement grant by the Department of Transportation and was awarded \$321,167 in matching funds by the Colleton Transportation Committee for the enhancement grant. This project is being administered by the Department of Transportation (Project ID 0042279). According to the latest DOT schedule the anticipated cost is \$650,874. Construction began on this project in 2016 and is completed.

In June 2014, the Colleton Transportation Committee (CTC) reallocated \$250,000 for drainage improvements. This resulted in a reduction of \$150,000 from the original allocation. Because these projects are being administered by the Department of Transportation, funds were not budgeted in the Town's budget. The drainage project consists of addressing the drainage issues on Myrtle Street close to Lybrand Street and completion of the paving of Myrtle Street near Sunset Street. The Town is still in negotiations with the Department of Transportation regarding this project and the cost of this project has exceeded funding. The Town is meeting with the CTC to try and obtain a commitment for additional funding.

The Building Department acquired a Coastal Access Improvement Fund Grant with a 50/50 match. The two beach accesses to be addressed are Lybrand Street (17) and Mitchell Street (19).

Dept.	Funding Agency	Item	Amount	Match
*Adm	CTC	Sidewalk Enhancement	321,167	0
*Adm	Department of Transportation	Sidewalk Enhancement	400,000	CTC
Adm	CTC	Drainage	250,000	0
Building	DHEC	Beach Access	24,750	24,750
Total			995,917	

*Awarded

Millage rate

The budget provides an increase in millage from 20.23 mills to 20.71 mills using 2.39% of banked millage. Section 6-1-320 of the South Carolina Code of Laws establishes millage caps for local governing bodies equal to the increase in the average of the twelve monthly consumer price indexes for the most recent twelve-month period consisting of January through December of the preceding calendar year, plus, beginning in 2015, the percentage increase of the population of the entity for the previous year as determined by the Division of Research and Statistics of the SC Budget and Control Board. The consumer price index increased and was 0.12% from Calendar Year 2015 to Calendar Year 2016. The population of Edisto Beach increased by 0.24%. Adding these two components together yields a millage cap of 0.36% for the Town of Edisto Beach. South Carolina Code sets a “hard cap” on millage increases. This rate is being banked for future use.

Below is a table showing the millage bank.

Fiscal Year	Prior Year Millage	% Average CPI	% Population Growth	Allowable Annual % increase of millage rate	Millage Bank Used	Millage Bank Balance
FY 11-12	18.65	1.64	0	1.64	0	1.64
FY 12-13	19.53	3.16	0	3.16	-4.71	.09
FY 13-14	19.53	2.07	0	2.07	0	2.16
FY 14-15	20.23	1.46	0	1.46	-3.58	.04
FY 15-16	20.23	1.62	0.73	2.35	0	2.39
FY 16-17	20.23	0.2	0.24	0.36	2.39	0.36

When thinking about property taxes, you need to understand the millage rate. The millage rate is a simple ratio of a dollar to each thousand dollars of the property's value. A millage rate means that it is one-thousandth of the value. Millage rates differ among towns, cities and counties and are officially set by that governing body.

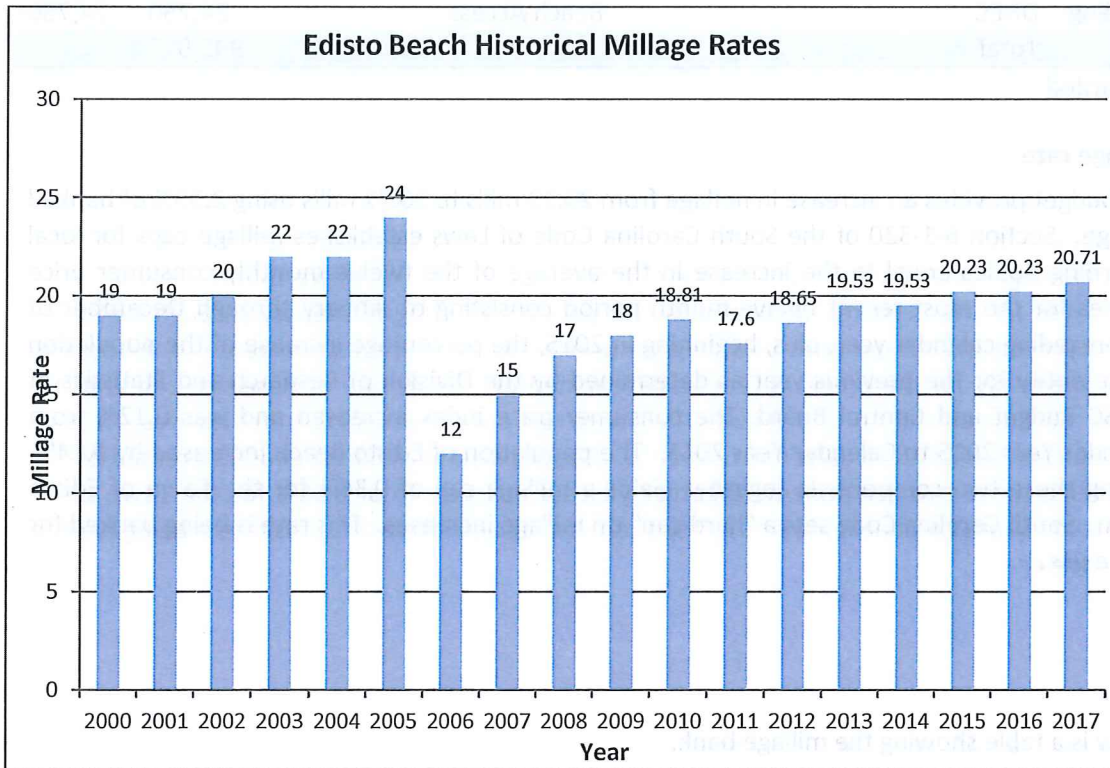
An example of the property tax calculation for a \$550,000 owner-occupied home in the Town is:

Market Value	\$550,000
X Assessment Ratio	X 4%

Assessed Value	\$22,000
X millage rate	X 0.02071
Town Taxes	\$455.62

This would be the amount paid to the Town for all the services provided to residents and visitors such as fire, police, building inspections, parks and recreation and public works.

Edisto Beach historical millage rates are shown in the graph below.



Financial Information and Policies

Fund Balance

In August 2012, Council passed a General Fund Balance Policy. This policy requires the Town maintain two-months operating in general fund balance. The Town is in compliance with this policy and must maintain or exceed a balance of \$756,316. The fund balance as of April 30, 2016 is \$3,362,839.

Banking

The Town's financial institution is Enterprise Bank and their contract was renewed in 2015. For deposits in the Town's financial institution, there is a risk that, in the event of a bank failure, the Town's deposits might not be recovered. The Town does not have a policy for custodial credit risk, but follows the investment policy statutes of the State of South Carolina. Uninsured and collateral held by pledging bank's bond department, not in the Town's name is \$3,350,000. The same applies if certificates of deposit are held by the same bank.

Investments

The Town adopted an investment policy in June 2010. Edisto Beach conservatively invests and currently only utilizes the Local Government Investment Pool and Certificates of Deposits. Investments in the amount of \$7,413,529 are invested in the South Carolina Local Government Investment Pool (LGIP). These funds are not evidenced by securities that exist in physical or book-entry form. They are not exposed to custodial credit risk. There are no Certificates of Deposit. The Town has an option of investing funds for a higher rate of return, but this has an associated risk.

Interest

The current interest rate on the Town's checking account is 0.05% the same as last year's rate. The local government investment pool (LGIP) interest rate is 0.6767% above last year's rate of 0.2376%. The rate in 2008 was 2.8%. Last year, the Town implemented staggered investments using certificates of deposit. We do not have any certificates of deposit since the rates were less than the LGIP.

Capitalization

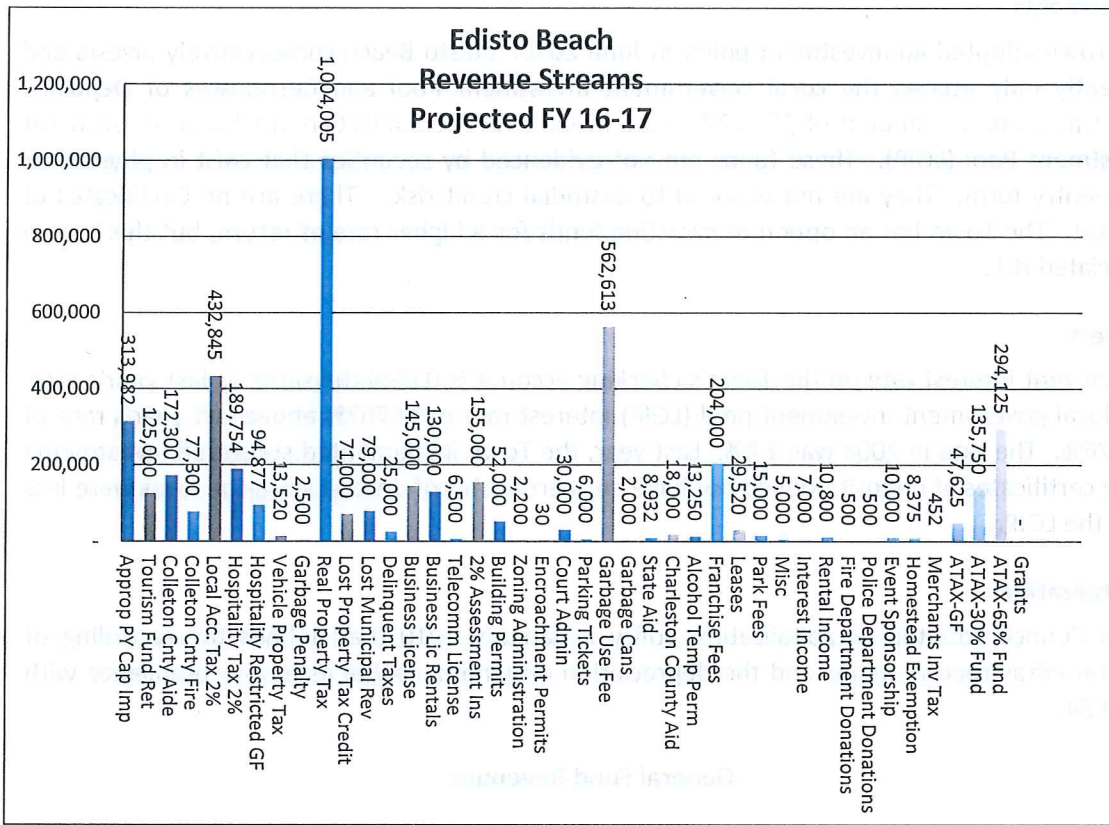
Town Council adopted a capitalization policy in January 2010 that defines the recording of general infrastructure assets and the depreciation of general capital assets in compliance with GASB 34.

General Fund Revenues**Where does the money come from?**

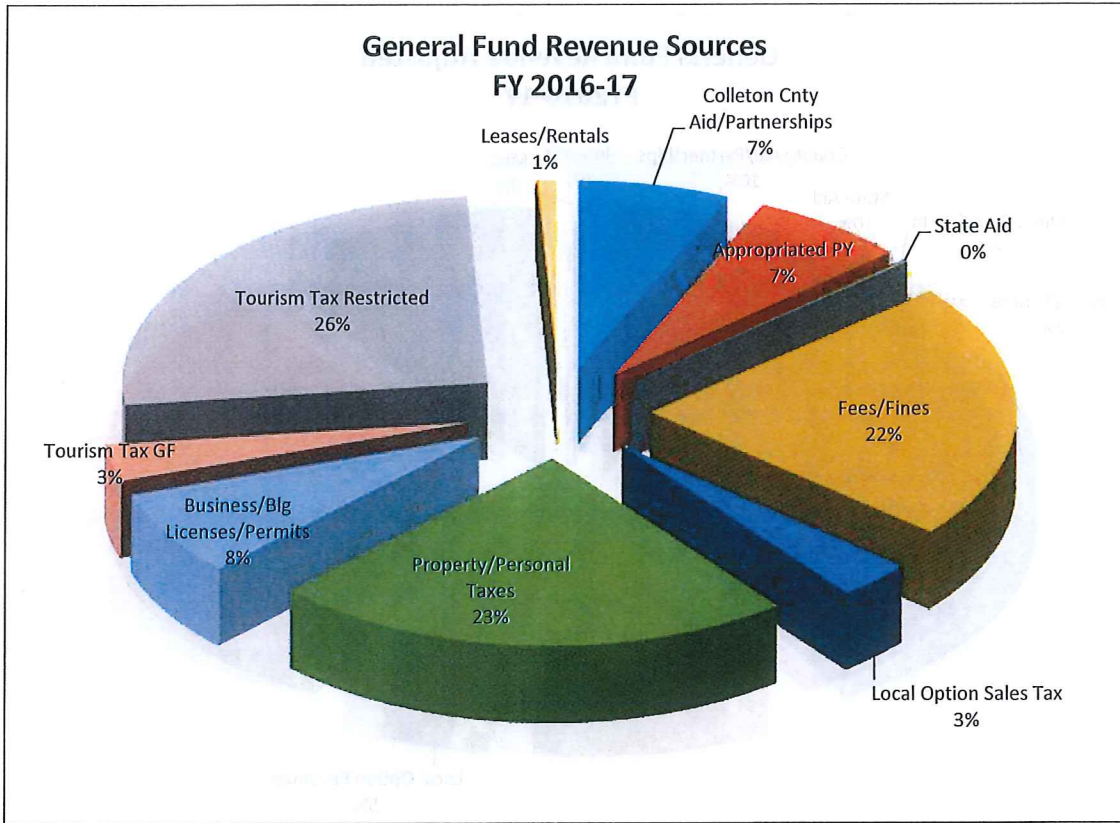
The operating and capital budgets are financed by revenue sources identified in the following figures. Total projected revenues for FY 2016-17 are \$4,537,897, a 16% increase from the FY 2015-16 amended budget. This revenue increase comes primarily from Charleston County Aid (\$18,000), taxes from the increased millage rate (\$33,371), the garbage utility fee (\$129,613), prior year funds (\$313,982) and tourism taxes (\$212,349).

Several methods are used to forecast the individual revenue sources used to finance local government. The sources producing the most revenue are modeled using time series statistical programs. The results are modified based on current and projected economic trends, and views of experts as conveyed in local, state, and national publications. When forecasting the secondary sources, extrapolation of trends is used, and in the case of stable sources, the current fiscal year estimate is carried over in the next fiscal year. A final method is the "Delphi" approach. Town staffs responsible for managing a program that generates revenue are asked their opinion of revenue growth rates. Often the initial amounts are modified after discussions with staff and evaluation of external influences.

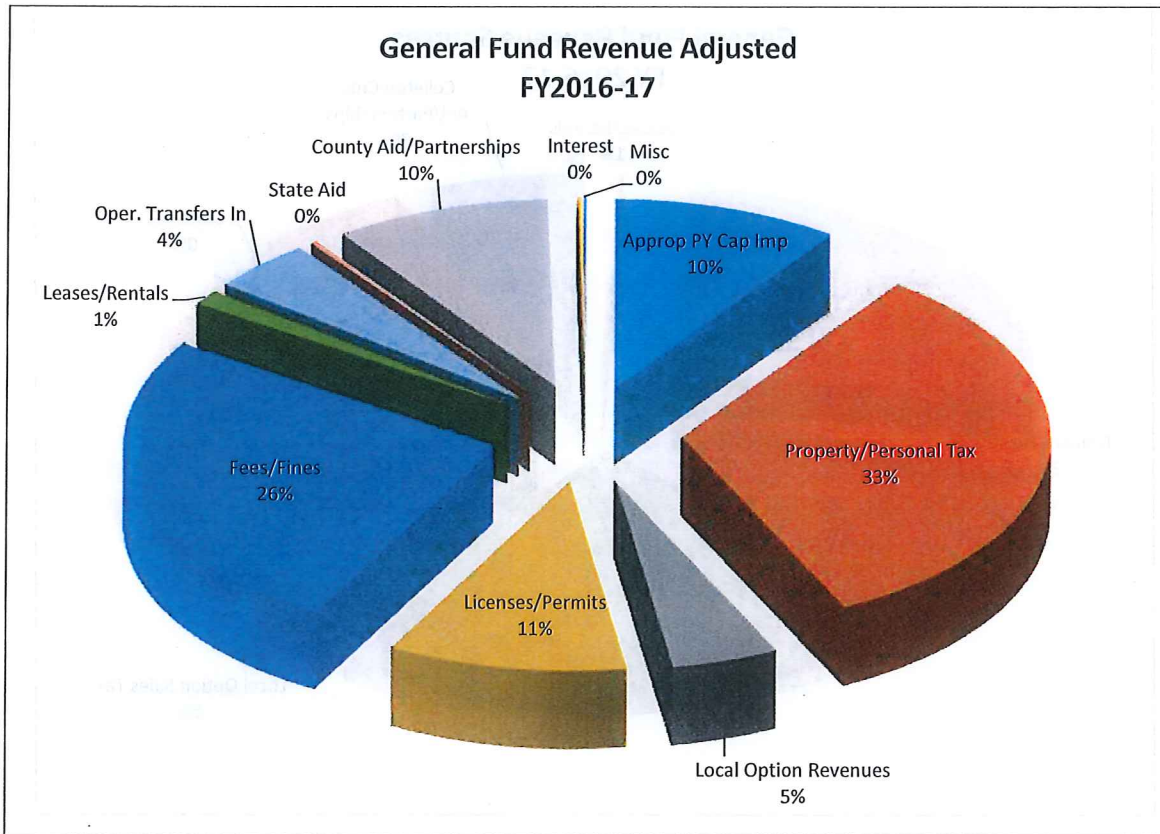
The Town revenue sources are provided from taxes on real, personal and vehicle property; business licenses; permits; fees; charges for services; and other miscellaneous collections.



Some of the identified revenue streams are not entirely available to the Town for general operations, such as portions of the Local Accommodations Tax, Hospitality Tax, ATAX funds and grants. Some revenues are restricted and can only be used for designated purposes as defined by State Code. The graph below depicts all revenues including restricted funds with the exception of grants, which are not included in the revenues.

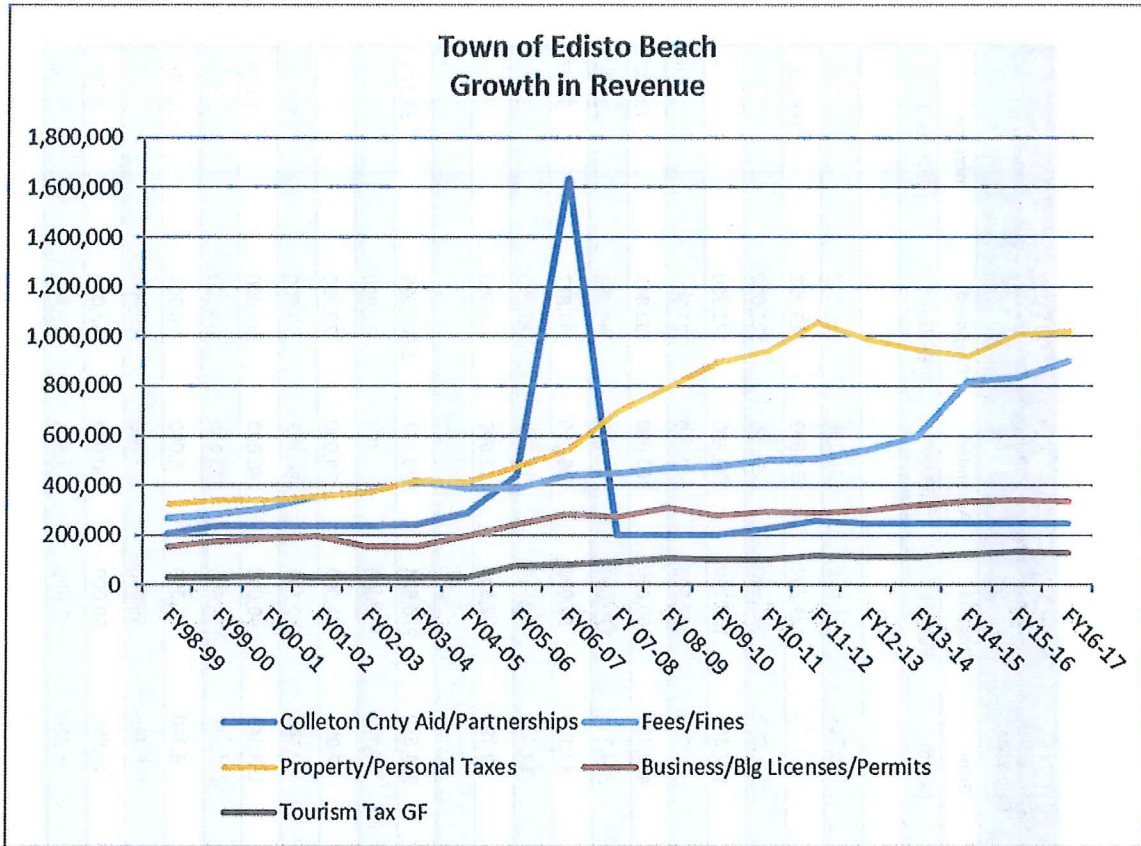


The following graph is adjusted to remove all revenue sources that are not available to the Town for operations. "Operating transfers in" are portions of restricted funds that are allowed to be used for operational purposes.



Taxes known as ad valorem property taxes collected on real estate, personal property and vehicles account for 33% or the majority of the general fund revenues. Business licenses and building permits account for 11% of the general fund revenues which are equal to last year.

Of the five largest revenue sources, some show slight or incremental increases over time. Fees and fines show a substantial increase between FY2012-13 to FY2013-14 mostly due to franchise and garbage fees. Property taxes dipped in FY 2012-13 and showed a slight recovery in FY2013-14. For budgetary purposes, these revenues are considered flat.



The Revenue line items are described in greater detail below.

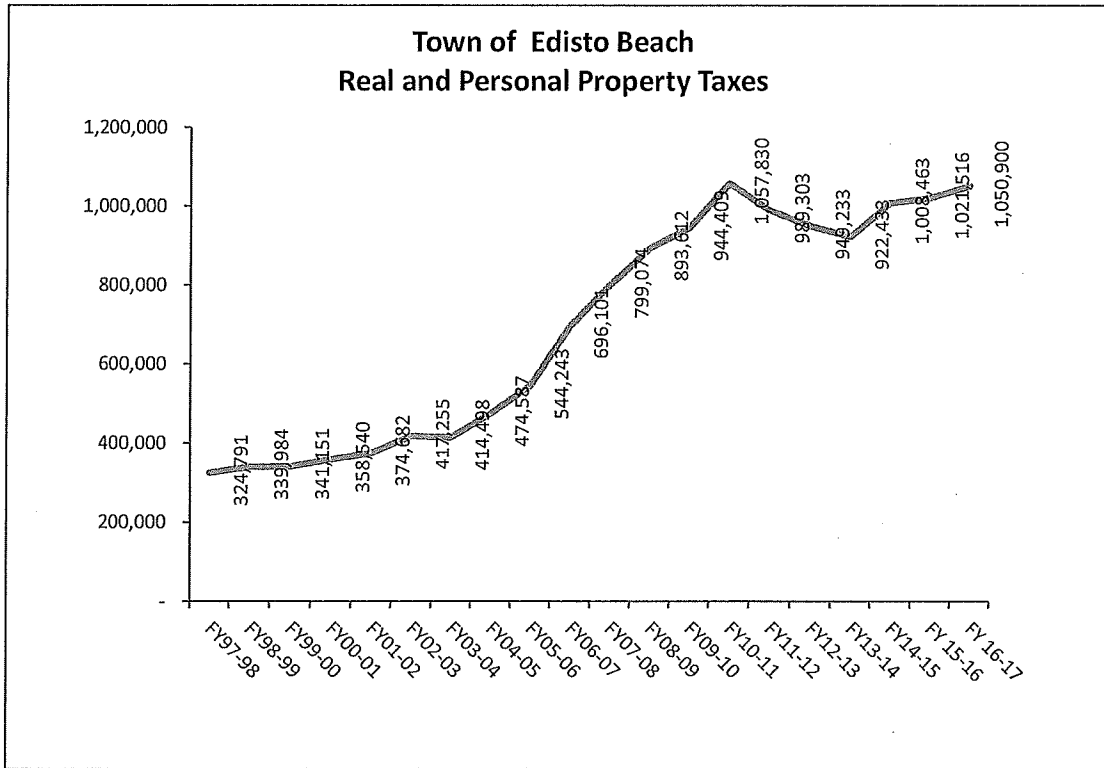
% Change General Fund Revenue

Revenue	09-10		10-11		11-12		12-13		13-14		14-15		15-16		16-17		
	Six Years		Five Years		Four Years		Three Years		Two Years		One Year		15-16		16-17		
	Prior	Actual	Prior	Actual	Prior	Actual	Prior	Actual	Prior	Actual	Prior	Actual	Original	Amended	Proposed	Increase	
Fire Grant	139,870	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ocean Ridge Security Services	-	-	-	-	-	-	-	-	-	-	36,503	36,568	36,568	36,642	36,642	74	
Approp PY Capital Improve	-	-	-	-	-	-	-	-	-	-	-	124,362	124,362	313,982	189,620	-	
Tourism Fund Bond Retire	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	-	-	
Colleton County Aide	153,000	183,002	172,300	172,300	172,600	172,300	172,300	172,300	172,300	172,300	172,300	172,300	172,300	172,300	-	-	
Colleton County Fire Aide	77,000	77,000	77,300	77,300	77,000	77,300	77,000	77,300	77,300	77,300	77,300	77,300	77,300	77,300	-	-	
Local Acc. Tax 2%	274,746	283,162	311,261	311,261	325,905	367,960	413,761	360,000	360,000	360,000	360,000	360,000	360,000	432,845	72,845	-	
Hospitality Tax 2%	132,024	156,975	153,221	153,221	162,478	166,607	174,346	170,000	170,000	170,000	170,000	170,000	170,000	189,754	19,754	-	
Hospitality Restricted GF	66,012	78,487	76,611	76,611	81,239	83,304	87,173	85,000	85,000	85,000	85,000	85,000	85,000	94,877	9,877	-	
Vehicle Property Tax	9,450	6,123	9,708	9,708	9,414	11,145	12,913	11,714	11,714	11,714	11,714	11,714	11,714	13,520	1,806	-	
Garbage Penalty	2,193	2,405	2,171	2,171	2,428	2,488	2,296	2,500	2,500	2,500	2,500	2,500	2,500	2,500	-	-	
SCLGAG Reimbursement	-	-	45,089	45,089	40,580	-	-	-	-	-	-	-	-	-	-	-	-
Real Property Tax	876,985	998,521	946,049	946,049	903,596	881,439	954,630	970,634	970,634	970,634	970,634	970,634	970,634	1,004,005	33,371	-	
Lost Property Tax Credit	81,726	95,365	89,598	89,598	92,799	70,971	63,079	71,000	71,000	71,000	71,000	71,000	71,000	71,000	-	-	
Lost Mun Revenue	59,312	67,557	61,804	61,804	57,336	79,163	87,055	79,000	79,000	79,000	79,000	79,000	79,000	79,000	-	-	
Delinquent Property Tax	52,387	46,377	26,683	26,683	28,763	21,998	32,545	30,793	30,793	30,793	30,793	30,793	30,793	25,000	(5,793)	-	
Business License	122,406	133,146	135,957	135,957	145,456	142,438	158,549	140,000	140,000	140,000	140,000	140,000	140,000	145,000	5,000	-	
Business Lic Rentals	123,908	121,675	127,057	127,057	127,208	129,838	130,978	130,000	130,000	130,000	130,000	130,000	130,000	130,000	-	-	
Telecommunications Lic	14,529	9,090	8,559	8,559	7,934	7,702	6,260	8,000	8,000	8,000	8,000	8,000	8,000	6,500	(1,500)	-	
2% Assessment Ins. Cos	156,145	160,488	177,302	177,302	150,180	158,586	156,849	155,000	155,000	155,000	155,000	155,000	155,000	155,000	-	-	
Building Permits	46,298	46,600	36,494	36,494	49,856	52,577	41,851	50,000	50,000	50,000	50,000	50,000	50,000	52,000	2,000	-	
Zoning Administration	600	1,845	1,555	1,555	2,650	2,445	1,825	2,000	2,000	2,000	2,000	2,000	2,000	2,200	200	-	

	30	15	15	30	15	30	30	30	30	30	-	30	30	30	-	
Encroachment Permits																
Court Administration	47,625	22,856	21,307	32,397	19,960	23,008	20,000	20,000	20,000	30,000	23,008	20,000	20,000	30,000	23,008	10,000
Parking Tickets	4,179	1,400	300	225	1,875	3,125	2,000	2,000	2,000	6,000	3,125	2,000	2,000	6,000	3,125	4,000
Garbage User Fee	282,479	309,150	349,142	377,187	377,215	379,702	433,000	433,000	433,000	562,613	379,702	433,000	433,000	562,613	379,702	129,613
Garbage Cans	1,040	2,005	2,245	2,080	2,175	1,680	2,000	2,000	2,000	2,000	1,680	2,000	2,000	2,000	1,680	-
State Aid	17,639	13,317	7,701	8,944	8,928	8,928	8,932	8,932	8,932	8,932	8,928	8,932	8,932	8,932	8,928	-
Charleston County Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,000
Alcohol Temp Permit Fee	8,250	21,050	14,850	11,050	12,150	9,300	12,000	12,000	12,000	13,250	9,300	12,000	12,000	13,250	9,300	1,250
Utilities Franchise Fees	109,177	116,793	116,516	121,614	130,959	139,901	131,000	131,000	131,000	135,000	139,901	131,000	131,000	135,000	139,901	4,000
CATV Franchise Fee	50,450	51,349	48,845	57,828	60,100	60,093	57,500	57,500	57,500	60,000	60,093	57,500	57,500	60,000	60,093	2,500
ATT Franchise Fee	-	-	-	1,096	2,138	6,061	4,750	4,750	4,750	9,000	6,061	4,750	4,750	9,000	6,061	4,250
Alltel Lease	21,600	21,600	21,600	24,600	24,600	29,520	29,520	29,520	29,520	29,520	29,520	29,520	29,520	29,520	29,520	-
Verizon Lease	20,700	20,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Park Fees	-	30	3,490	8,801	10,645	15,375	12,000	12,000	12,000	15,000	15,375	12,000	12,000	15,000	15,375	3,000
Misc. Income	7,342	5,357	2,593	2,220	31,005	29,101	2,500	2,500	2,500	5,000	29,101	2,500	2,500	5,000	29,101	2,500
Interest Income	6,856	8,535	6,706	6,613	4,709	6,203	6,000	6,000	6,000	7,000	6,203	6,000	6,000	7,000	6,203	1,000
Rental Income	9,400	8,550	10,500	10,050	10,500	10,500	10,500	10,500	10,500	10,800	10,500	10,500	10,500	10,800	10,500	300
Fire Department Donations	70	285	707	1,420	920	2,134	500	500	500	500	2,134	500	500	500	2,134	-
Police Department Donations	1,810	-	300	-	900	1,515	500	500	500	500	1,515	500	500	500	1,515	-
Event Sponsorship	-	-	-	4,500	(4,500)	-	-	-	-	-	-	-	-	-	-	10,000
Video Poster Advertising	50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Homestead Exemption	5,587	6,809	6,863	7,460	7,851	8,375	8,375	8,375	8,375	8,375	8,375	8,375	8,375	8,375	8,375	-
Merchants Inv. Tax	452	452	452	452	452	452	452	452	452	452	452	452	452	452	452	-
ATA General Fund	37,714	38,832	39,711	37,882	41,925	45,961	41,700	41,700	41,700	47,625	45,961	41,700	41,700	47,625	45,961	5,925
ATA 50% Fund	76,284	82,994	88,267	77,295	101,550	125,763	100,200	100,200	100,200	135,750	125,763	100,200	100,200	135,750	125,763	35,550
ATA 65% Fund	165,283	179,820	191,246	167,472	220,025	272,487	217,100	217,100	217,100	294,125	272,487	217,100	217,100	294,125	272,487	77,025
Subtotal	3,387,608	3,504,717	3,517,060	3,523,623	3,619,373	3,914,397	3,901,730	3,901,730	3,901,730	4,537,897	3,914,397	3,901,730	3,901,730	4,537,897	3,914,397	636,167

Property Taxes

The majority of the revenues received by the Town are from property taxes. Property values remain flat and have impacted revenues. Because the Town’s millage is well below Colleton County, new construction and remodels help, but are not a major influence.



Franchise Fees

Franchise fees are the rental costs paid by utilities that use the Town’s rights-of-way or other town property to transmit their services. Rights-of-way are valuable to a Town and cannot be given away to private companies free of charge. Franchise Fees are authorized by S.C. Code §5-7-30. A franchise is the extension of privilege for use of public property for a purpose for which the franchisee does not have a legal right in the absence of the governing body’s consent. The franchise fee is similar to a rental for use of public property and is not a tax. It may be negotiated and may be at a higher rate than a business license tax. A franchise fee may be granted by ordinance (S.C. Code §5-7-260)

Franchise Fees on Electricity-The Town has an existing electricity franchise agreement with South Carolina Electric and Gas. The current electric franchise agreement expires in **2029**. The electric company pays 3% of its gross receipts.

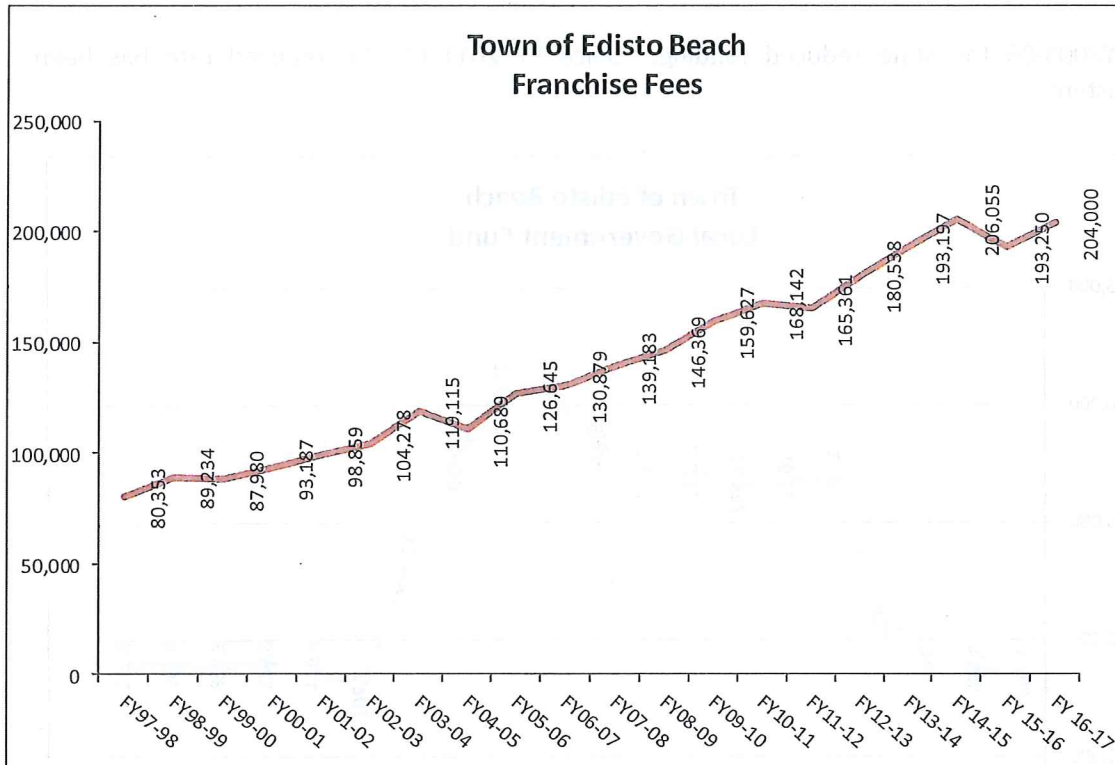
Franchise Fees on Cable- As of May 23, 2006, (the effective date of the Act), no municipality or county may issue a cable franchise pursuant to §58-12-30. All cable franchises must be issued by the Secretary of State. Prior to 2006, the Town utilized the Municipal Association of South Carolina cable television franchise management service to manage negotiating, transferring and determining franchisee’s compliance. The Town collects a franchise fee from Comcast who pays 5% of the gross receipts to the Town on a quarterly basis. In 2012-13, AT&T began offering U-Verse and pays a franchise fee of 5%. In 2015, the Town entered into an agreement with Local Government Services LLC to verify the accuracy of Comcast franchise fee submittals. This audit resulted in an

increase in franchise fees from Comcast to correct for late fees that were not being considered in the calculations.

Franchise Fees on Water and Sewer-The Town owns and operates its own water and sewer utility. In an effort to boost general fund revenues with limited sources, enterprise funds (water and sewer) often charge franchise fees or administrative fees.

Franchise Fees on Solid Waste-The Town currently has no solid waste franchise fee. This fee would be passed on to the users (customers).

Franchise Fees on Telecommunications-The Town does not collect a franchise fee on telecommunications. The Town is allowed by law to collect \$100.00 per S.C. Code §58-9-2230.



Lease Agreements

This category accounts for revenues received from lease agreements. The Town has one lease agreement with Alltel. According to the lease agreement with Alltel, there is an escalator that occurs periodically. The adjusted cost is \$29,520.

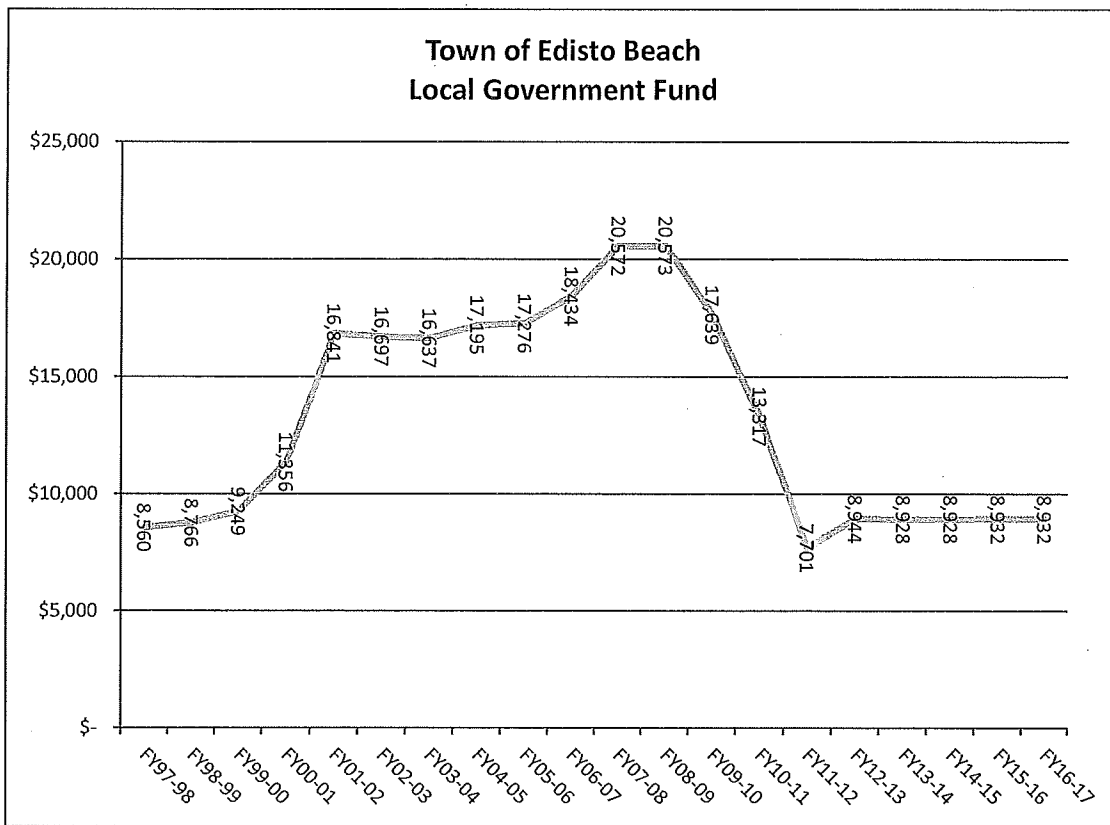
Local Government Fund

Looking at the history of the Local Government Fund (LGF) means looking at how the state has handled the collection and distribution of a number of local taxes starting as early as the 1920s. For the next 60 years, the state collected, on behalf of local governments, a patchwork of 11 separate taxes, each with its own complex distribution formula defined in separate pieces of legislation. Some were collected locally and remitted to the state treasurer to be sent back to the local governments. Often the General Assembly would divert a portion of the revenue to fund the state. In 1991, the General Assembly set out to simplify the Aid To Subdivisions and established the local government fund.

The revenue from seven tax sources: banks, beer, wine, gasoline, motor transport, alcohol (mini bottle) and income taxes, go directly to the state general fund. Instead of local governments

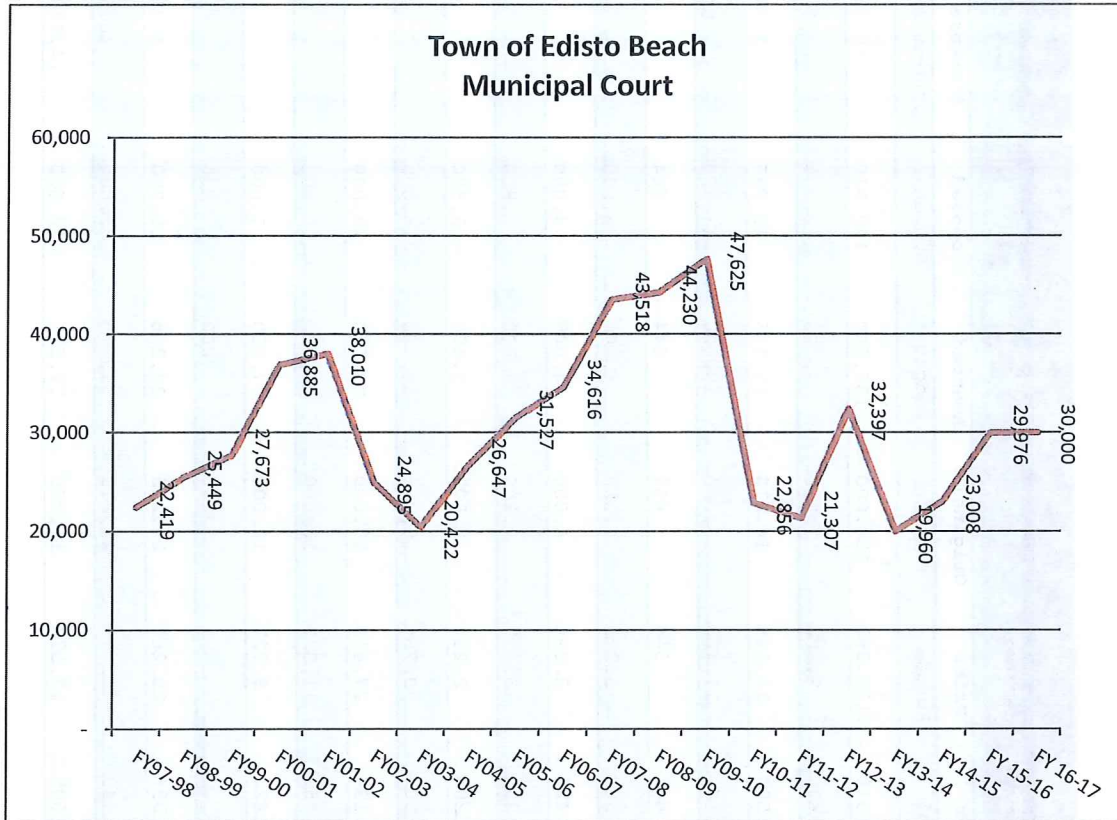
receiving revenues directly from these seven tax sources, the state calculates the amount of revenue local governments receive based on 4.5 percent of the previous year's state general fund base revenue. This percentage represents the amount of revenue local governments received from these seven taxes in 1990. According to state law, legislators must set aside the revenue for the LGF before making other state budget commitments, guaranteeing a consistent revenue stream to municipalities and counties annually. The state treasurer distributes revenue from the LGF quarterly to cities and counties. The amount distributed to cities and counties from their respective portions of the LGF is calculated on a per capita basis determined by the last official census figures. This means a city/town's distribution is based on its percentage of municipal population. As some cities/towns' populations grow, their share of the LGF increases causing a corresponding decrease in non-growing cities/towns.

In FY2008-09 the state reduced funding. Since FY 2011-12, the reduced rate has been consistent.



Municipal Court Fines

Fines are the monetary punishment meted out by municipal courts. Fine revenue, for offenses other than traffic violations is general revenue of the Town. The majority of revenues from fines (74%) is submitted to the state and must be used to construct and maintain roads, bridges and culverts in Town and to enforce laws regulating the use of highways by motor vehicles. The Town has typically had fairly good success in collecting court fines and has \$1,364 in outstanding fines over the past 15 years.



General Fund Expenditures

Purpose- The purpose of the General Fund is to account for financial resources of the Town used in general operations such as public safety (police, fire, emergency management), public works (including parks and recreation), municipal court, and building administration. In addition, administrative functions including city management, legal services, and fiscal services are funded from revenue generated for the General Fund. Offsetting expenditures are captured in the General Fund Other to account for anticipated revenues in Special Funds such as the State Accommodations taxes and Local Accommodations taxes.

The General Fund operating budget for FY 2016-17 totals \$4,537,897 and represents an increase of \$636,167 or 16% from the previous year's budget of \$3,901,730. Contingency funds are \$92,055.

General Fund	Amended Budget FY 2015-16	Proposed Budget FY 2016-17
	\$3,901,730	\$4,537,897
% Change		16%

Historical line items per department are listed in the chart below:

General Government Operating Expenditures	2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2016-17	
	Six Years		Five Years		Four Years		Three Years		Two Years		One Year					
	Prior	Actual	Prior	Actual	Prior	Actual	Prior	Actual	Prior	Actual	Prior	Actual	Original	Amended	Proposed	Increase (Decrease)
Salaries																
Mayor - Council	108,819	112,586	118,566	120,290	124,519	129,883	134,000	137,000	152,010	15,010						
Retirement System	8,640	8,640	8,640	8,640	8,640	7,680	11,520	9,720	12,240	2,520						
Payroll Taxes	10,218	10,161	11,250	13,235	13,504	14,149	14,815	15,115	18,335	3,220						
Deferred Comp Expense	9,523	10,529	10,711	10,778	11,169	11,463	13,000	13,000	13,820	820						
Printing Office	858	585	569	594	642	644	644	644	644	-						
Supplies	8,708	6,529	4,936	5,165	6,363	5,225	6,000	6,000	6,000	-						
Janitorial Service	3,314	2,900	2,880	3,180	3,420	3,296	4,000	4,000	4,000	-						
Postage	3,268	3,861	4,500	3,275	5,055	5,628	4,800	4,800	4,800	-						
Membership & Dues	1,979	1,626	1,792	2,795	2,200	2,254	2,500	2,500	2,500	-						
Meetings & Training	16,063	12,890	5,789	5,368	5,905	9,766	10,000	10,000	15,000	5,000						
Elec Street Lights	23,038	25,669	26,164	26,803	25,136	27,418	27,000	27,000	27,000	-						
Electricity Complex	11,578	11,655	10,543	10,541	14,559	11,322	10,000	10,000	10,000	-						
Telephone	10,438	9,395	9,806	12,552	9,621	9,727	12,000	7,000	7,000	-						
Equip Repairs Office	468	12	-	65	-	-	200	200	200	-						
Maintenance Contracts	15,477	13,945	14,473	13,660	17,396	20,266	24,225	24,225	28,510	4,285						
VC3	26,758	29,943	26,968	26,436	37,443	41,219	41,815	41,815	41,000	(815)						
Prof Fees/Audit Misc	21,923	11,624	47,010	14,985	14,605	17,575	16,000	21,585	16,600	(4,985)						

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Codification Project	3,599	4,369	3,892	3,321	2,113	2,209	3,000	6,000	2,000	(4,000)
Advertising/Pub Notices	3,816	2,391	3,666	3,061	3,004	1,576	2,000	2,000	2,000	-
Insurance General	15,230	15,301	15,066	20,975	14,283	20,375	25,000	25,000	23,121	(1,879)
Insurance Staff Health	15,166	17,761	12,267	11,996	12,820	13,114	14,000	14,000	14,500	500
Insurance Auto	769	986	905	755	635	500	500	410	410	-
Christmas Bonus	5,750	5,960	4,850	4,600	6,000	5,950	6,000	5,500	6,000	500
Bank Charges	633	640	370	1,037	726	670	700	700	700	-
Miscellaneous Expense	1,528	6,091	1,853	3,437	7,940	3,753	4,000	4,000	9,000	5,000
Drug Testing	280	360	795	836	1,170	-	500	500	500	-
Gas & Oil	951	798	1,932	765	1,214	889	1,200	500	500	-
Vehicle Repair/Maintenance	68	59	-	31	225	6,625	6,000	5,500	5,500	-
Equip /Vehicle Depreciation	4,848	4,848	16,517	16,250	16,250	11,403	11,403	11,403	4,528	(6,875)
Garbage Contract	312,114	329,320	353,477	351,772	384,282	378,917	433,000	433,000	562,613	129,613
Highway 174 Litter Expense	-	-	-	-	-	-	-	-	18,000	18,000
Donations	1,000	300	100	-	-	-	-	-	-	-
Furniture & Fixtures	359	500	2,110	170	-	-	-	-	-	-
Office Machines/Software	4,602	4,688	5,484	4,497	5,165	5,169	7,000	7,000	7,000	-
Building Maintenance	23,397	57,429	7,407	11,243	3,423	6,779	4,000	20,500	5,000	(15,500)
Property Purchase	-	-	-	102,173	-	-	-	-	-	-
Legal Fees	30,138	30,623	29,769	44,937	37,082	38,184	41,000	43,500	43,500	-
Bay Creek Waterfront Bond	175,115	172,965	175,815	173,450	176,085	173,505	175,925	175,925	173,000	(2,925)
Emergency Funds	666	609	1,477	216	1,043	3,185	5,000	5,000	5,000	-

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2016-17
	Six Years	Five Years	Four Years	Three Years	Two Years	One Year				
General Gov't Other Expenditures	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)
Subtotal	881,099	928,548	942,349	1,033,884	973,637	990,318	1,072,747	1,095,042	1,242,531	147,489
Local Acc. Tax 2%	274,746	283,162	311,261	325,905	367,960	413,761	360,000	360,000	432,845	72,845
Hospitality Tax 2%	132,024	156,975	153,221	162,478	166,607	174,346	170,000	170,000	189,754	19,754
Fire Grant Expense	146,641	-	-	-	-	-	-	-	-	-
AWAX 30% Fund	76,284	82,994	88,267	77,295	101,550	125,763	100,200	100,200	135,750	35,550
AWAX 65% Fund	165,283	179,820	191,246	167,472	220,025	272,487	217,100	217,100	294,125	77,025
Alcohol Fee	8,250	21,050	14,850	11,050	12,150	9,300	12,000	12,000	13,250	1,250
Computer Hardware/Software	28,170	21,779	15,715	18,944	8,556	13,945	14,000	14,000	14,000	-
CIP Miscellaneous	4,757	-	-	-	74,282	63,923	124,362	124,362	313,982	189,620
Subtotal	836,155	745,780	774,560	763,144	951,130	1,073,525	997,662	997,662	1,393,706	396,044
Police Department	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
Expenditures	Six Years	Five Years	Four Years	Three Years	Two Years	One Year				
Police Department	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)
	836,155	745,780	774,560	763,144	951,130	1,073,525	997,662	997,662	1,393,706	396,044

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Salaries	260,300	192,954	250,471	264,123	291,362	293,164	294,569	294,569	298,100	3,531
Salaries Beach Patrol	-	-	-	-	-	-	4,304	4,304	4,304	-
Retirement	27,732	21,838	28,937	30,765	30,990	38,482	39,648	39,648	43,520	3,872
Payroll Taxes	20,603	16,050	20,494	20,437	23,828	23,573	24,131	24,131	24,000	(131)
Deferred Compensation	-	33	878	845	825	735	-	65	68	3
Printing & office Supply	573	1,284	1,375	1,387	1,837	1,941	2,000	2,000	3,000	1,000
Janitorial Service	-	1,300	35	62	-	-	50	50	300	250
Membership and Dues	485	100	565	300	330	465	565	565	565	-
Meeting, training, Travel	3,590	1,827	2,148	2,611	1,546	839	5,000	2,000	5,000	3,000
Insurance General	19,649	18,980	20,412	20,725	20,161	20,525	22,900	18,900	17,844	(1,056)
Insurance Staff Health	34,646	29,057	25,212	24,016	30,687	30,164	37,907	37,907	35,700	(2,207)
Insurance Auto	8,409	10,820	9,362	7,983	7,603	6,491	6,870	6,870	6,600	(270)
Miscellaneous Expense	1,328	1,253	371	399	741	1,091	1,200	3,719	2,400	(1,319)
Psychological Exam	-	-	-	670	-	250	500	500	900	400
Gas, oil, minor Repair	28,459	24,271	29,807	30,777	35,563	25,797	34,500	34,500	34,500	-
Vehicle Repair and Maintenance	8,348	6,438	7,783	7,473	8,470	11,874	8,500	9,500	13,500	4,000
Uniforms	3,107	5,873	1,898	3,496	5,456	7,678	7,400	7,400	7,400	-
Equip/Veh Depreciation	27,797	32,616	84,851	42,458	57,716	65,462	54,520	54,520	76,623	22,103
Furniture & Fixtures	290	1,150	1,615	-	-	-	700	700	700	-
Equipment Purchases	5,920	4,658	4,199	45,821	5,065	1,782	4,000	7,000	5,000	(2,000)
Pagers & Communications	2,500	1,841	2,770	868	5,589	6,321	5,750	5,750	5,750	-
Digital Camera System	-	-	-	-	-	-	3,000	3,000	3,000	-

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
	Six Years	Five Years	Four Years	Three Years	Two Years	One Year				
	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Original Budget	Amended Budget	Proposed Budget	
									Increase (Decrease)	
Radio Purchase & Repair	2,051	122	777	64,375	1,631	(416)	4,156	4,156	4,156	-
Building Maintenance	178	3,721	3,000	6,314	1,947	363	3,000	2,000	2,000	-
Expenditures from Donation	1,090	151	184	-	385	2,225	2,400	1,690	1,690	-
Ocean Ridge Security Services	-	-	-	-	-	36,247	36,568	36,568	36,642	74
Subtotal	457,055	376,337	497,144	575,905	531,732	575,053	604,138	602,012	633,262	31,250
Municipal Court										
Expenditures	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)
Salaries	-	39,984	42,994	42,784	43,808	43,493	44,500	44,500	45,300	800
Municipal Judge Exp	6,000	6,600	6,200	6,800	6,600	6,800	7,000	7,000	7,000	-
Jury Expense	-	70	-	140	110	110	520	520	400	(120)
Public Defender	-	-	-	-	-	-	1,000	1,000	900	(100)
Retirement	-	3,754	4,100	4,535	4,611	4,741	5,000	5,000	5,460	460
Payroll Taxes	-	3,178	3,414	3,908	4,082	4,075	3,700	3,700	4,400	700
Membership and Dues	155	115	120	120	120	195	175	175	175	-
Meetings & Training	1,115	1,665	1,122	1,118	531	810	1,000	1,000	2,000	1,000
Court Adm Fees	29,712	14,483	12,320	20,412	9,193	13,920	20,000	20,000	20,000	-
Insurance General	-	1,875	1,200	500	564	471	525	375	390	15

	2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2015-16		2016-17		
	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	
Insurance Staff Health	-	7,618	5,454	5,107	5,342	5,465	5,810	6,225	5,950	(275)									
Miscellaneous	623	262	432	721	194	363	500	500	500	-									
Law Library	-	433	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	37,605	80,037	77,356	86,145	75,155	80,443	89,730	89,995	92,475	2,480									
Fire Department																			
Expenditures																			
	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual
Salaries	264,137	275,706	288,175	287,977	267,016	287,692	300,000	300,000	305,000	5,000									
Volunteer Expenses	4,000	1,870	420	1,860	1,310	2,700	3,700	4,010	3,700	(310)									
Retirement	28,659	31,211	32,844	31,892	33,388	37,037	40,620	40,620	44,270	3,650									
Payroll Taxes	21,152	23,613	24,396	24,391	22,142	23,147	24,550	24,550	24,700	150									
Deferred Comp	-	-	368	-	-	-	-	-	-	-									
Membership and Dues	459	264	-	-	220	165	500	500	922	422									
Meeting, training, Travel	4,858	5,319	3,316	2,499	2,160	1,734	4,000	4,000	2,732	(1,268)									
Fire Engine Maintenance	8,459	8,923	23,478	17,003	16,824	10,854	-	-	-	-									
Equipment Repairs	413	175	43	1,740	2,393	7,959	4,605	4,605	3,155	(1,450)									
Professional Fees	1,141	305	295	-	275	-	250	250	1,000	750									
Equipment Testing	2,431	2,928	5,660	5,011	3,073	7,813	8,421	10,021	12,000	1,979									
Physicals	4,972	4,877	3,041	3,111	7,496	3,711	4,000	4,076	4,635	559									
Ins. General	20,315	20,231	20,040	18,925	20,561	20,271	22,300	22,300	20,000	(2,300)									

Insurance Staff Health	44,292	37,343	21,953	9,476	9,793	19,962	23,240	17,540	35,000	17,460
Insurance Auto	8,961	10,442	9,490	8,168	7,602	7,279	8,000	6,800	6,614	(186)
Propane	-	-	-	-	43	-	50	50	100	50
Miscellaneous	423	385	504	585	975	1,655	1,500	1,500	1,342	(158)
Gas, oil, minor Repair	9,850	11,632	12,199	10,854	8,432	7,883	11,000	11,000	11,000	-
Vehicle Maintenance	2,148	2,223	2,452	2,374	1,003	655	1,500	1,190	940	(250)
Sm. Tools & Supplies	4,481	2,824	2,200	435	898	2,458	4,000	3,924	5,573	1,649
Compressor Maintenance	811	-	-	-	384	-	500	500	700	200
Uniforms	4,425	4,187	1,435	1,910	7,335	5,180	5,000	5,000	2,000	(3,000)
Turnout Gear	4,097	2,455	1,555	3,230	3,829	-	4,832	4,232	3,676	(556)
Equip/Veh Depreciation	83,306	94,205	62,465	61,136	61,627	80,410	77,006	77,006	82,180	5,174
Station Maintenance	6,336	10,983	14,007	4,776	5,081	4,846	9,000	11,500	10,025	(1,475)
Office Equip/Software	968	1,005	86	289	2,079	796	1,000	1,000	470	(530)
Equipment Purchases	297	1,424	797	781	-	764	4,380	1,380	3,885	2,505
Pagers & Communications	2,526	1,511	2,800	4,133	3,215	2,920	3,000	3,500	4,000	500
Radio Purchase & Repair	520	1,653	(182)	897	576	2,052	3,500	2,500	8,200	5,700
Subtotal	534,437	557,694	533,837	503,453	489,730	539,943	570,454	563,554	597,819	34,265
Safety & Wellness Expenditures	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
	Six Years	Five Years	Four Years	Three Years	Two Years	One Year				
	Prior	Prior	Prior	Prior	Prior	Prior	Original	Amended	Proposed	Increase
	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	(Decrease)

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2016-17
	Six Years	Five Years	Four Years	Three Years	Two Years	One Year		Original	Amended	Proposed
	Prior	Prior	Prior	Prior	Prior	Prior		Budget	Budget	Budget
	Actual	Actual	Actual	Actual	Actual	Actual		Budget	Budget	Budget
	Actual	Actual	Actual	Actual	Actual	Actual		Budget	Budget	(Decrease)
Employee Physicals	1,630	1,541	1,995	861	1,362	775	1,500	1,746	2,500	754
HBV Vaccinations	405	-	108	-	135	-	600	342	350	8
Flu Vaccinations	375	125	300	225	200	200	200	625	650	25
Pneumonia Vaccinations	-	-	-	-	-	-	-	-	600	600
Subtotal	2,410	1,666	2,403	1,086	1,697	975	2,300	2,713	4,100	1,387
Public Works										
Expenditures										
	Prior	Prior	Prior	Prior	Prior	Prior				
	Actual	Actual	Actual	Actual	Actual	Actual				
Salaries	84,438	75,646	82,487	86,944	88,714	84,939	93,865	93,865	95,700	1,835
Salary Mosquito Control	1,068	4,854	4,974	2,370	878	675	3,000	3,000	5,000	2,000
Retirement	7,929	7,076	7,865	9,216	9,404	9,200	10,382	10,382	11,535	1,153
Payroll Taxes	6,781	6,165	6,941	6,990	7,042	6,831	7,800	7,800	8,000	200
Meetings & training	73	-	-	-	-	-	-	-	-	-
Insurance General	5,971	7,367	8,113	7,375	6,439	6,055	6,660	5,760	6,000	240
Insurance Staff Health	18,561	22,408	14,823	15,460	16,024	16,391	17,500	17,500	17,850	350
Insurance Auto	988	1,992	2,127	2,070	1,794	1,389	1,530	938	984	46
Christmas Decorations	-	-	2,258	2,498	6,374	1,068	5,000	5,000	5,000	-
Miscellaneous	891	317	632	519	334	158	500	500	500	-
Gas, oil, minor Repair	5,572	6,435	7,762	9,637	9,077	6,383	10,000	10,000	10,000	-

Vehicle Repair & Maint	740	828	361	2,200	233	826	1,000	1,000	2,000	1,000	1,000	1,000
Equipment Repairs	5,800	715	3,350	2,497	4,357	3,155	3,500	3,500	3,500	3,500	3,500	3,500
Sm. Tools & Supplies	839	969	1,169	970	807	1,216	1,500	1,500	1,500	1,500	1,500	1,500
Uniforms	2,112	2,138	2,395	2,106	2,123	2,262	2,500	2,500	2,500	2,500	2,500	2,500
Equip/Veh Depreciation	11,283	13,432	22,115	22,920	25,392	28,310	28,310	28,310	21,000	21,000	21,000	(7,310)
Street Imp/Repairs	6,787	4,976	14,568	2,633	7,912	2,286	6,000	6,000	6,000	6,000	6,000	6,000
Street Grading Contract	6,160	6,047	6,010	8,176	6,320	6,900	11,000	11,000	11,000	11,000	11,000	11,000
Beach Access Maintenance	1,954	101	1,607	1,475	1,598	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Mosquito Chemicals	5,285	5,669	11,803	5,024	5,437	235	6,000	6,000	12,000	12,000	12,000	6,000
Equipment Purchases	3,642	2,499	1,603	1,041	3,803	1,625	2,000	2,000	2,500	2,500	2,500	500
Public Signs	1,942	2,874	6,647	9,920	6,040	1,857	5,000	5,000	5,000	5,000	5,000	5,000
Parks and Recreation	-	3,491	2,367	2,218	9,350	20,447	25,172	25,172	25,000	25,000	25,000	(172)
Pagers & Communications	665	651	608	843	904	525	1,000	1,000	1,000	1,000	1,000	1,000
Subtotal	179,481	176,650	212,585	205,102	220,356	204,233	250,719	249,227	255,069	255,069	255,069	5,842
Building Department												
2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2016-17	2016-17	2016-17	2016-17
Six Years	Five Years	Four Years	Three Years	Two Years	One Year							
Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)			
128,682	124,797	131,074	131,550	131,991	126,766	143,500	143,500	149,250	5,750			
12,083	11,522	12,508	14,031	13,839	13,485	15,870	15,870	18,000	2,130			

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Payroll Taxes	9,628	10,084	10,663	10,960	10,472	9,918	11,600	11,760	12,020	260
Def Comp Expenses	325	415	18	-	-	46	-	343	372	29
Office Supplies	-	-	698	698	1,638	1,606	1,450	1,650	1,650	-
Memberships & Dues	502	370	445	655	538	642	800	800	800	-
Meetings & training	4,893	6,284	5,686	4,909	8,022	6,425	9,800	9,800	7,800	(2,000)
GIS	-	-	428	527	428	428	430	530	530	-
Insurance General	5,307	3,531	3,531	3,020	2,990	2,528	2,780	2,000	1,670	(330)
Insurance Staff Health	18,273	22,160	15,217	14,212	15,099	13,603	17,430	17,430	17,900	470
Insurance Auto	1,075	1,971	1,809	1,523	1,297	1,184	1,300	1,054	1,000	(54)
Miscellaneous	2,033	3,129	759	820	999	2,910	2,000	2,000	2,000	-
Gas, oil, minor Repair	2,934	3,362	4,281	3,369	4,190	2,508	4,000	4,000	2,500	(1,500)
Vehicle Repair & Maint	1,145	319	86	742	2,119	726	1,000	700	700	-
Uniforms	452	585	141	-	482	-	500	500	500	-
Equip/Veh Depreciation	3,995	6,709	6,709	6,709	6,709	2,715	7,940	7,940	7,938	(2)
Small Tools	-	-	-	31	-	185	150	150	150	-
Pagers & Communications	2,702	1,986	2,962	2,438	2,407	1,965	2,600	2,600	2,100	(500)
Subtotal	194,029	197,224	197,015	196,194	203,220	187,640	223,150	222,627	226,880	4,253
Contingency	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
Expenditures	Six Years	Five Years	Four Years	Three Years	Two Years	One Year				
	Prior	Prior	Prior	Prior	Prior	Prior	Original	Amended	Proposed	Increase
	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	(Decrease)

Service or significant changes within the General Fund are listed below:

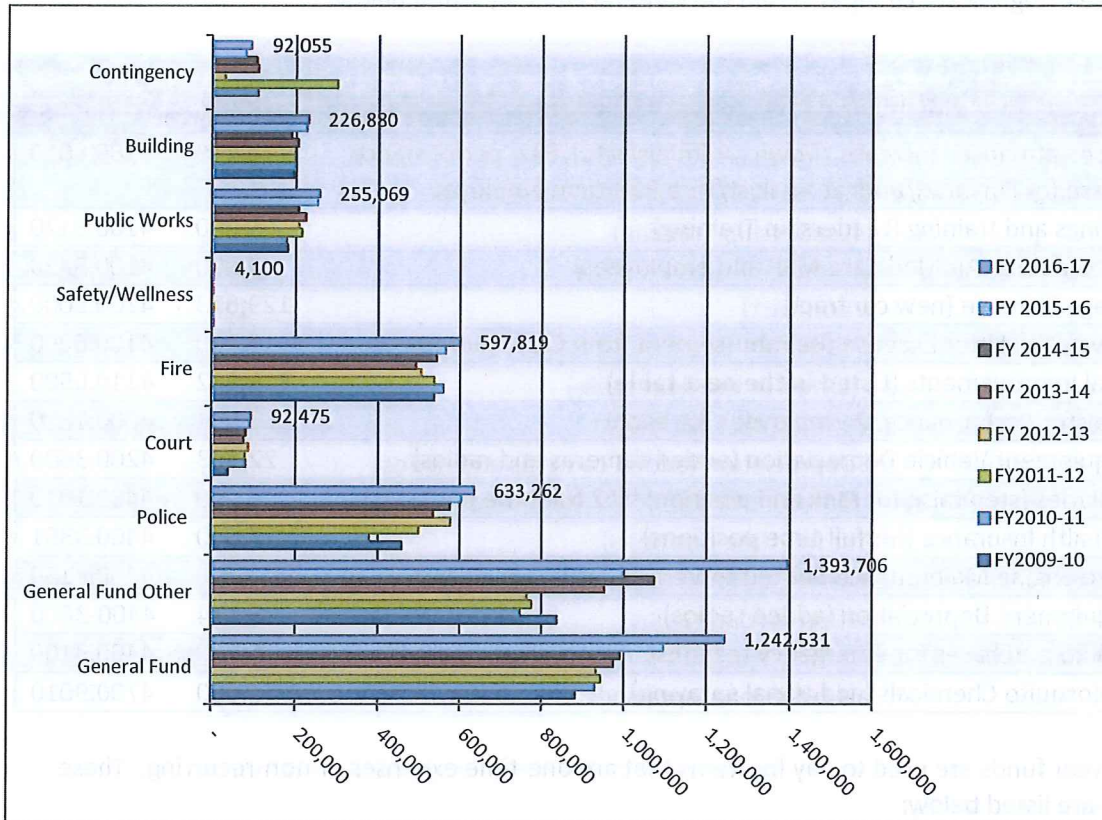
General Fund Service Changes	Amount	Account
2% performance increase Town Administrator/5% performance increase for Financial/Budget Analyst/Hire Part time employee	15,799	4100.1010
Meetings and training (Leadership Training)	5,000	4100.3120
Miscellaneous (Air Med Care MSP and employees)	5,000	4100.3420
Garbage Increase (new contract)	129,613	4100.5000
Highway 174 Litter Expense (Reimbursement from Chas County)	18,000	4100.6000
Capital Improvements (Listed in the next table)	313,982	4110.6500
PD-Pay for Performance (2 employees 3% each)	3,531	4200.1010
PD-Equipment Vehicle Depreciation (added cameras and radios)	22,103	4200.3600
FD-Salaries (step raise for rank and position; fill 2 full-time positions)	5,000	4400.1010
FD- Health Insurance (for full-time positions)	17,640	4400.3361
FD-Fire Engine Maintenance-Shifted to Vehicle/Equip replacement	(15,000)	4400.3150
FD-Equipment Depreciation (added radios)	5,174	4400-3600
FD-Radio purchases for emergency response	5,700	4400.9100
PW-Mosquito Chemicals (additional spraying)	7,000	4700.9010

Prior year funds are used to pay for items that are one-time expenses or non-recurring. These items are listed below:

Prior Year Funds	Amount
Building-Bay Creek Park Stage (Carry forward from FY2015-16)	113,332
FD-Concrete Replacement	52,000
FD-Remodel Bunkroom Fire	25,000
Adm-Coat, seal and restripe parking lot (Carry forward from FY2015-16)	4,550
FD-5" hose replacement	6,000
FD-1 ½ inch hose replacement	2,400
FD-3" hose replacement	3,200
Adm-Preliminary Engineering Design USACE storm protection	105,000
Adm-Event Sponsorship (Carry Forward from FY2015-16)	2,500
Total	313,982

The following graphs compare historical expenditures and/or budgets by department by year.

General Fund Departmental Budget Comparison Graph



% Change General Fund Departmental Budgets

Department Budget	FY13-14 Actual	FY14-15 Actual	FY15-16 Budget	FY16-17 Proposed	Difference	% Change
Administration	973,635	990,316	1,095,042	1,242,531	147,489	13.5
General Gov't Other	951,129	1,073,525	997,662	1,393,706	396,044	39.7
Police	531,731	575,051	602,012	633,262	31,250	5.2
Municipal Court	75,156	80,444	89,995	92,475	2,480	2.8
Fire	489,729	539,941	563,554	597,819	34,265	6.1
Safety and Wellness	1,697	975	2,713	4,100	1,387	51.1
Public Works	220,335	204,232	249,227	255,069	5,842	2.3
Building	203,220	187,638	222,627	226,880	4,253	1.9
Contingency	0	0	78,898	92,055	13,157	16.7
Total	3,446,632	3,652,122	3,901,730	4,537,897	636,167	16.3

Comparatively, the operating costs from fiscal year 2015-16 to 2016-17 increased due to several factors. Administrative costs increased because the garbage contract, when renewed, increased by 15%. There is also an addition of \$18,000 for litter removal on Highway 174 that will be reimbursed by Charleston County through an intergovernmental agreement. A part-time administrative position was also added.

Under General Government Other, tourism taxes are projected to increase by 24% based on historical data and revenue projections.

Prior year funds were used to fund non-recurring capital costs excluding computers and software.

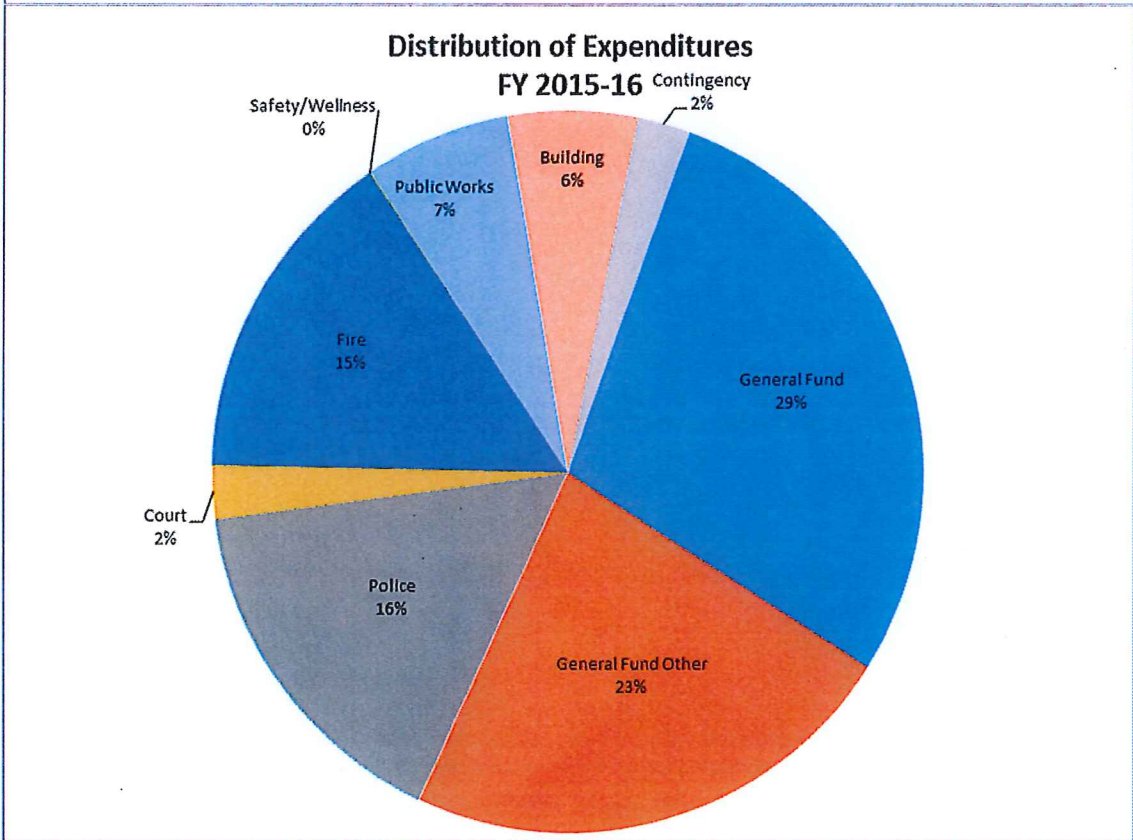
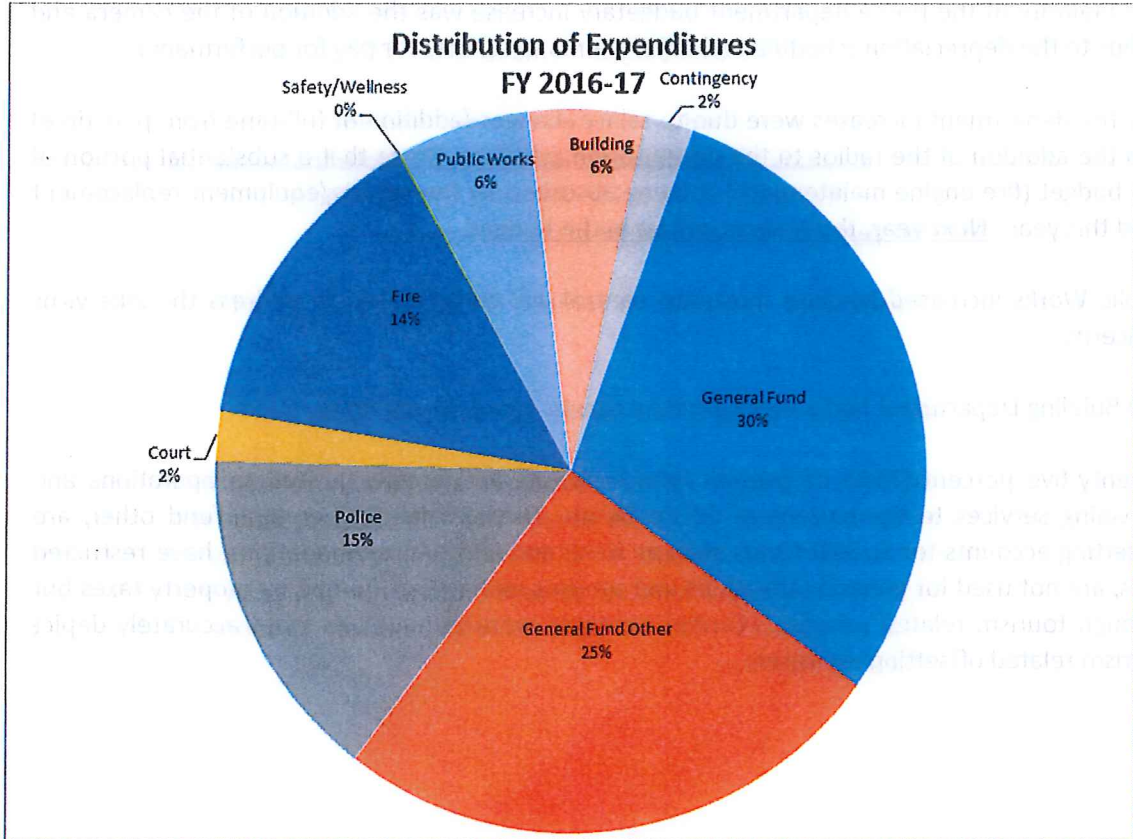
The majority of the police department budgetary increase was the addition of the camera and radios to the depreciation schedule and adjustments to salaries for pay for performance.

The fire department increases were due to salary changes (addition of full-time from part-time) and the addition of the radios to the depreciation schedule. Note that a substantial portion of the budget (fire engine maintenance) is being absorbed by the vehicle/equipment replacement fund this year. **Next year, those costs will be in the budget.**

Public Works increased because mosquito control will be increased to address the Zika virus concerns.

The Building Department had a slight increase due to salary adjustments.

Seventy-five percent (75%) of general fund expenses are directly related to operations and providing services to the citizens of Edisto Beach. The 25% labeled, general fund other, are offsetting accounts for Special Funds such as ATAX and Local Accommodations, have restricted uses, are not used for general operations and services and are not funded by property taxes but through tourism related services. Capital expenses were removed to more accurately depict tourism related offsetting expenses.



This year, no cost of living (COLA) increase was budgeted, but will be reviewed in February 2017. Salary adjustments based on various departmental pay for performance increases are included in the table below.

Department Salaries	FY 2015-16	FY 2016-17	Difference
Administration	137,000	152,010	15,010
Police Department	294,569	298,100	3,531
Municipal Court	44,500	45,300	800
Fire Department	300,000	305,000	5,000
Public Works	93,865	95,700	1,835
Building Department	143,500	149,250	5,750
Total			31,926

Administration includes the addition of a part-time employee to help with special events, the parks and civic center.

A General Fund Capital Improvement plan is maintained to track future capital costs and for budgetary planning purposes for replacement of equipment in the General Fund. General Fund vehicles and equipment are included. These items are listed in the following table:

General Fund Capital Improvement Plan

Item	Purchase Date	Purchase Cost	Years Replacement	Estimated Cost	Replacement Year	Annual Depreciation	Fund	Department	Status
2008 Trailblazer	01/10/2008	\$19,390.00	5	\$24,238	2012	\$0	GFVERF	Administration	Depreciated
2008 Onan Generator	2008	\$27,500	5	\$34,375	2015	\$0	GFVERF	Administration	
2011 Kohler Generator	12/15/2011	\$36,220.57	10	\$45,276.00	2020	\$4,528.00	GFVERF	Administration	
2014 Chevy Silverado	07/15/2014	\$31,343.00	7	\$39,178.00	2020	\$5,224	GFVERF	Building	
2010 Chevy HHR	02/16/2010	\$15,199.00	7	\$18,998.75	2016	\$2,714.11	GFVERF	Building	
2010 Polaris Ranger	01/08/2010	\$14,766.00	5	\$18,457.50	2014	\$0.00	GFVERF	Fire	
Turn Out Gear Lion S/N 07362602	06/01/2015	\$3,316.00	10	\$3,600.00	2025	\$3,600.00	VFD	Fire	
EUI1000 watt Honda Gen	02/09/2012	\$1,960.24	5	\$2,450.30	2016	\$490.06	GFVERF	Fire	
Turn Out Gear Cairns S/N 3419926P	02/01/2007	\$3,316.00	10	\$3,600.00	2017	\$3,600.00	FD	Fire	
2008 Ford Emergency One	09/09/2008	\$87,151.00	10	\$108,938.75	2018	\$10,893.88	GFVERF	Fire	
E1 Quint Ladder Truck	06/21/1905	\$367,000.00	20	\$458,750.00	2019	\$8,616.00	GFVERF	Fire	
Turn Out Gear Cairns S/N 122491002	03/01/2013	\$3,316.00	10	\$3,600.00	2023	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	08/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	07/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	10/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	10/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	11/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	11/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	10/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	11/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	10/01/2004		15	\$3,000.00	2018	\$0.00	FD	Fire	
2014 Chevy Tahoe	03/01/2004	\$30,686.00	6	\$38,357.50	2020	\$5,327.43	GFVERF	Fire	
Self-Contained Breathing Apparatus	09/01/2005		15	\$3,000.00	2019	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	07/01/2005		15	\$3,000.00	2019	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	07/01/2005		15	\$3,000.00	2019	\$0.00	FD	Fire	
Self-Contained Breathing Apparatus	07/01/2005		15	\$3,000.00	2019	\$0.00	FD	Fire	
2011 Honda Power Unit	11/14/2011	\$19,355.49	10	\$24,194.36	2021	\$2,419.44	GFVERF	Fire	

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Self-Contained Breathing Apparatus	05/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	03/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	03/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	05/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	05/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	05/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	05/01/2006	15	\$3,000.00	2020	\$0.00	FD	Fire
Self-Contained Breathing Apparatus	07/01/2007	15	\$3,000.00	2021	\$0.00	FD	Fire
Turn Out Gear Janesville S/N 3856406	06/01/2009	10	\$3,316.00	2019	\$0.00	FD	Fire
Turn Out Gear Fire Dex S/N 127124001	08/01/2013	10	\$3,316.00	2023	\$0.00	FD	Fire
Turn Out Gear Fire Dex S/N 122491003	03/01/2013	10	\$3,316.00	2023	\$0.00	FD	Fire
Turn Out Gear Janesville S/N 359488	02/01/2014	10	\$3,316.00	2024	\$0.00	FD	Fire
Turn Out Gear Fire Dex S/N 127124002	05/01/2013	10	\$3,316.00	2023	\$0.00	FD	Fire
Turn Out Gear Janesville S/N 360341	02/01/2014	10	\$3,316.00	2024	\$0.00	FD	Fire
Turn Out Gear Janesville S/N 6559462	01/31/2013	10	\$3,647.60	2023	\$0.00	FD	Fire
Turn Out Gear Cairns S/N 6559452	08/29/2013	10	\$2,459.60	2023	\$0.00	FD	Fire
2006 Sutphen Pumper 1403	06/01/2006	20	\$367,500.00	2025	\$18,375.00	GFVERF	Fire
Pumper Truck	03/25/2014	20	\$302,080.65	2028	\$15,104.03	GFVERF	Fire
2011 Unicus III BA Comp	11/10/2011	20	\$48,615.60	2030	\$2,430.78	GFVERF	Fire
Handheld Radio S/N 655CLD0247	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0248	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0249	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0250	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0251	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0252	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0253	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0254	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0255	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0256	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Handheld Radio S/N 655CLD0257	11/30/2012	7	\$4,600.00	2023	\$658.00	GEVERF	Fire

Handheld Radio S/N 655CLD0258	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Base Radio S/N 656CLD0200	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Base Radio S/N 656CLD0202	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Base Radio S/N 656CLD0204	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Base Radio S/N 656CLD0205	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Base Radio S/N 5378H2613C19115	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Base VHF ICO Radio S/N 01004469	11/30/2012	\$3,675.00	7	\$4,600.00	2023	\$658.00	GEVERF	Fire
Turn Out Gear Lion S/N 7225042	03/01/2015	\$3,316.00	10	\$3,600.00	2025	\$3,600.00	VFD	Fire
2016 Ford Explorer VIN 1FM5K8AR6GGA86536	11/05/2015	\$38,491.00	5	\$48,114.00	2021	\$9,622.89	GEVERF	Police
2016 Ford Explorer VIN 1FM5K8AR6GGA86535	11/05/2015	\$38,491.00	5	\$48,114.00	2021	\$9,622.89	GEVERF	Police
2014 Dodge Charger VIN 2C3CDXAT3EH121275	09/03/2013	\$34,899.00	5	\$43,624.00	2019	\$10,906.00	GFVERF	Police
2014 Dodge Charger VIN 2C3CDXAT5EH121276	09/03/2013	\$34,899.00	5	\$43,624.00	2019	\$10,906.00	GFVERF	Police
2014 Chevy Tahoe VIN 1GNSK2EO2ER183791	03/19/2014	\$29,705.00	5	\$38,042.00	2020	\$12,680.97	GFVERF	Police
2012 Dodge Charger VIN 2C3CDXAT4CH237176	08/07/2012	\$23,960.00	5	\$37,000.00	2017	\$6,224.33	GFVERF	Police
2012 Dodge Charger VIN 2C3CDSAT4CH237175	08/07/2012	\$19,969.00	5	\$37,000.00	2017	\$6,224.33	GFVERF	Police
Soft Body Armor	03/10/2010	\$750.00	5	\$800.00	2015	\$800.00	PD	Police
Soft Body Armor	03/10/2010	\$750.00	5	\$800.00	2015	\$800.00	PD	Police
Soft Body Armor	03/10/2010	\$750.00	5	\$800.00	2015	\$800.00	PD	Police
Soft Body Armor	09/01/2009	\$750.00	5	\$800.00	2015	\$800.00	PD	Police
2016 RTV500-H Kubota	02/16/2016	\$11,215.00	4	\$14,018.00	2021	\$2,803.00	GFVERF	Police
Soft Body Armor	07/23/2012	\$750.00	5	\$800.00	2016	\$0.00	PD	Police
Soft Body Armor	07/23/2012	\$750.00	5	\$1,400.00	2016	\$0.00	PD	Police
Soft Body Armor	07/23/2012	\$750.00	5	\$1,400.00	2016	\$0.00	PD	Police
Glock 40 Caliber S&W Serial # YDL293	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police
Glock 40 Caliber S&W Serial # YDL294	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police
Glock 40 Caliber S&W Serial # YDL295	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police
Glock 40 Caliber S&W Serial # YDL296	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Glock 40 Caliber S&W Serial # YDL297	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police	Depreciated
Glock 40 Caliber S&W Serial # YDL298	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police	Depreciated
Glock 40 Caliber S&W Serial # YDL299	02/25/2015	\$357.00	10	\$392.70	2025	\$0.00	PD	Police	Depreciated
Digital Camera System	01/30/2014	\$51,218.66	10	\$22,500.00	2024	\$3,215.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2031	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2032	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2033	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2034	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2035	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2036	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Mobile Radio S/N 527CNR2037	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 655CNR3114	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 655CNR3115	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 655CNR3116	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 655CNR3117	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 655CNR3118	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 655CNR3119	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
Portable Radio S/N 481CPX3189	11/30/2012	\$4,245.00	7	\$4,600.00	2023	\$658.00	PD	Police	Depreciated
16' Hudson Trailer	06/15/1995	\$1,385.00	10	\$1,731.25	2002	\$0	GFVERF	Public Works	Depreciated
1994 John Deer 1070 Tractor	06/16/1995	\$17,500.00	10	\$21,875.00	2003	\$0	GFVERF	Public Works	Depreciated
2006 Fast Lane Dump Trailer 4YZDT122771011231	08/01/2006	\$6,360.00	5	\$7,950.00	2011	\$0	GFVERF	Public Works	Depreciated
2006 Gill Box Scraper #13647	08/01/2006	\$1,958.85	5	\$2,448.56	2011	\$0	GFVERF	Public Works	Depreciated
Miller Built Trailer #K8218	06/30/1905	\$2,721.00	5	\$3,401.25	2012	\$0	GFVERF	Public Works	Depreciated
JD Sweeper Attachment	11/02/2007	\$7,088.00	6	\$8,860.00	2013	\$0	GFVERF	Public Works	Depreciated
Harper/Goossen Blower 2010 Ford F-150 VIN 1FTMF1CW7AKE01251	09/21/2007	\$4,558.00	6	\$5,697.50	2013	\$0	GFVERF	Public Works	Depreciated
Kubota Mower #F3080	12/15/2010	\$17,379.00	5	\$21,723.75	2014	\$0.00	GFVERF	Public Works	Depreciated
2010 John Deere Gator S/N	07/07/2009	\$17,968.00	6	\$22,460.00	2015	\$0.00	GFVERF	Public Works	Depreciated
	05/01/2011	\$11,538.00	5	\$14,422.50	2015	\$2,884.50	GFVERF	Public Works	Depreciated

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

2012 Ford F-250 Utility Truck VIN1TFBF2B69CEA58359	08/28/2012	\$32,798.00	5	\$40,997.50	2016	\$8,199.50	UVERF	Water/Sewer	Mueller
KatoLite 100 KW Gen S/N 1639000508	08/12/2008	\$51,450.00	10	\$64,312.50	2018	\$6,431.25	UVERF	Water/Sewer	Mueller
KatoLite 150KW Gen S/N 302859-1-1-1208	02/17/2009	\$67,500.00	10	\$84,375.00	2018	\$8,437.50	UVERF	Water/Sewer	Mueller
2012 Hudson HTDG Trailer S/N 10HHTDGDOD1000001	08/10/2012	\$10,690.00	10	\$13,362.50	2021	\$1,336.25	UVERF	Water/Sewer	Mueller
2012 Thompson Pump 4JSCM-DVST-3TNV-MC	10/29/2012	\$42,878.79	10	\$53,598.48	2022	\$0.00	UVERF	Water/Sewer	Mueller
2016 Thompson Bypass Pump		\$51,128.00	10	\$63,910.00	2026	\$6,391.00	UVERF	Water/Sewer	Mueller
Fire Hydrant 1 Palmetto Dr/174	1991		30-50				Water	Water	Mueller
Fire Hydrant 2 406 Hwy 174	1991		30-50				Water	Water	Mueller
Fire Hydrant 3 State Cabin Rd 174	1982		30-50				Water	Water	Mueller
Fire Hydrant 4 state park entrance	1976		30-50				Water	Water	Mueller
Fire Hydrant 5 110 Palmetto	1993		30-50				Water	Water	Mueller
Fire Hydrant 6 128 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 7 146 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 8 207 Jungle Rd	1976		30-50				Water	Water	Mueller
Fire Hydrant 9 220 Palmetto Blvd	1976		30-50				Water	Water	Mueller
Fire Hydrant 10 302 Jungle Rd	1976		30-50				Water	Water	Mueller
Fire Hydrant 11 402 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 12 318 Jungle	1976		30-50				Water	Water	Mueller
Fire Hydrant 13 410 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 14 504 Jungle Rd	1976		30-50				Water	Water	Mueller
Fire Hydrant 15 602 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 16 610 Pompano	1976		30-50				Water	Water	Mueller
Fire Hydrant 17 515 Jungle	1976		30-50				Water	Water	Mueller
Fire Hydrant 18 619 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 19 615 Jungle Rd	1976		30-50				Water	Water	Mueller
Fire Hydrant 21 713 Palmetto	1976		30-50				Water	Water	Mueller
Fire Hydrant 22 718 Jungle	1976		30-50				Water	Water	Mueller
Fire Hydrant 23 808 Palmetto	1976		30-50				Water	Water	Mueller

Fire Hydrant 24 908 Jungle Rd	1976	30-50	Water	Water	Mueller
Fire Hydrant 25 1101 Palmetto	1976	30-50	Water	Water	Mueller
Fire Hydrant 26 1202 Jungle Road	1976	30-50	Water	Water	Mueller
Fire Hydrant 27 1301 Palmetto Blvd	1966	30-50	Water	Water	Mueller
Fire Hydrant 28 1315 Jungle	1976	30-50	Water	Water	Mueller
Fire Hydrant 29 1501 Palmetto	1976	30-50	Water	Water	Mueller
Fire Hydrant 31 Lybrand St	1991	30-50	Water	Water	Mueller
Fire Hydrant 32 Lybrand St	1976	30-50	Water	Water	Mueller
Fire Hydrant 34 Lybrand St	1976	30-50	Water	Water	Mueller
Fire Hydrant 35 1701 Palmetto	1976	30-50	Water	Water	Mueller
Fire Hydrant 36 1802 Myrtle	1976	30-50	Water	Water	Mueller
Fire Hydrant 37 1806 Lee Street	1990	30-50	Water	Water	Mueller
Fire Hydrant 39 Lee St/Baynard	1990	30-50	Water	Water	Mueller
Fire Hydrant 40 2001 Myrtle	1976	30-50	Water	Water	Mueller
Fire Hydrant 41 2001 Myrtle	1991	30-50	Water	Water	Mueller
Fire Hydrant 42 Myrtle @ Jenkins	1976	30-50	Water	Water	Mueller
Fire Hydrant 43 2301 Palmetto	1991	30-50	Water	Water	Mueller
Fire Hydrant 44 2306 Murray	1976	30-50	Water	Water	Mueller
Fire Hydrant 45 2418 Murray	2002	30-50	Water	Water	Mueller
Fire Hydrant 46 2405 Palmetto @ Holmes	1966	30-50	Water	Water	Mueller
Fire Hydrant 47 Myrtle @ Loring	1976	30-50	Water	Water	Mueller
Fire Hydrant 48 Palmetto @ Laroche	1966	30-50	Water	Water	Mueller
Fire Hydrant 49 2807 Palmetto	1966	30-50	Water	Water	Mueller
Fire Hydrant 50 2802 Myrtle@Neptune	1976	30-50	Water	Water	Mueller
Fire Hydrant 51 3001 Palmetto	1993	30-50	Water	Water	Mueller
Fire Hydrant 52 Myrtle @ White Cap	1976	30-50	Water	Water	Mueller
Fire Hydrant 53 3101 Myrtle	1990	30-50	Water	Water	Mueller
Fire Hydrant 55 3109 Palmetto	1966	30-50	Water	Water	Mueller
Fire Hydrant 56 3109 Myrtle	1990	30-50	Water	Water	Mueller
Fire Hydrant 57 3121 Myrtle	1990	30-50	Water	Water	Mueller

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Fire Hydrant 58 3131 Palmetto	1966	30-50	Water	Water	Mueller
Fire Hydrant 59 3215 Myrtle	1990	30-50	Water	Water	Mueller
Fire Hydrant 60 3307 Palmetto	1966	30-50	Water	Water	Mueller
Fire Hydrant 61 3315 Myrtle	1990	30-50	Water	Water	Mueller
Fire Hydrant 62 3327 Palmetto	1966	30-50	Water	Water	Mueller
Fire Hydrant 63 Myrtle	1990	30-50	Water	Water	Mueller
Fire Hydrant 66 Palmetto & Yacht	1995	30-50	Water	Water	Mueller
Fire Hydrant 67 Bay Point	1976	30-50	Water	Water	Mueller
Fire Hydrant 68 3621 Yacht Club	1966	30-50	Water	Water	Mueller
Fire Hydrant 70 Marsh Point	1988	30-50	Water	Water	Mueller
Fire Hydrant 71 Marsh Point	2003	30-50	Water	Water	Mueller
Fire Hydrant 72 Edisto Marina	2003	30-50	Water	Water	Mueller
Fire Hydrant 73 3714 Dock Site	1976	30-50	Water	Water	Mueller
Fire Hydrant 75 909 Fairway	1985	30-50	Water	Water	Mueller
Fire Hydrant 76 773 Summerwind	1985	30-50	Water	Water	Mueller
Fire Hydrant 78 907 Fairway	1985	30-50	Water	Water	Mueller
Fire Hydrant 79 Across from 745 Fairway	1985	30-50	Water	Water	Mueller
Fire Hydrant 80 895 Club Cottage	1985	30-50	Water	Water	Mueller
Fire Hydrant 81 740 and 744 Fairway	1985	30-50	Water	Water	Mueller
Fire Hydrant 82 733 Fairway	1985	30-50	Water	Water	Mueller
Fire Hydrant 84 803 Club Cottage	2016	30-50	Water	Water	Mueller
Fire Hydrant 85 851A Club Cottage	1978	30-50	Water	Water	Mueller
Fire Hydrant 87 408 Shelter Cove	1973	30-50	Water	Water	Mueller
Fire Hydrant 88 King Cotton	1983	30-50	Water	Water	Mueller
Fire Hydrant 89 King Cotton	1983	30-50	Water	Water	Mueller
Fire Hydrant 90 Gun Bluff	1978	30-50	Water	Water	Mueller
Fire Hydrant 91 41 Pender Lane	2002	30-50	Water	Water	Mueller
Fire Hydrant 93 56 Rice Lane	1978	30-50	Water	Water	Mueller
Fire Hydrant 94 15 Gun Bluff	1978	30-50	Water	Water	Mueller
Fire Hydrant 96 45 Battery Park	1985	30-50	Water	Water	Mueller
				\$4,650.00	

Fire Hydrant 97 33 Battery park	1986	30-50	Water	Water	Mueller
Fire Hydrant 100 208 Sea Cloud	1973	30-50	Water	Water	Mueller
Fire Hydrant 101 3728 Docksite	1976	30-50	Water	Water	Mueller
Fire Hydrant 102 3742 Docksite	2002	30-50	Water	Water	Mueller
Fire Hydrant 107 108 Jungle Rd	1993	30-50	Water	Water	Mueller
Fire Hydrant 108 140 Jungle Rd	1993	30-50	Water	Water	Mueller
Fire Hydrant 110 Holmes@FD	1993	30-50	Water	Water	Mueller
Fire Hydrant 111 1805 Palmetto	1966	30-50	Water	Water	Mueller
Fire Hydrant 112 Hwy 174	1996	30-50	Water	Water	Mueller
Fire Hydrant 113 114 Jungle Rd	1997	30-50	Water	Water	Mueller
Fire Hydrant 116 514 B Oristo	1995	30-50	Water	Water	Mueller
Fire Hydrant 117 522 B Oristo	1995	30-50	Water	Water	Mueller
Fire Hydrant 118 529 Oristo	1995	30-50	Water	Water	Mueller
Fire Hydrant 119 533 Oristo	1995	30-50	Water	Water	Mueller
Fire Hydrant 123 State Cabin Rd	2003	30-50	Water	Water	Mueller
Fire Hydrant 124 State Cabin Rd	2003	30-50	Water	Water	Mueller
Fire Hydrant 126 Palmetto Rd/Methodist	2003	30-50	Water	Water	Mueller
Fire Hydrant 127 8272 Palmetto Rd	2003	30-50	Water	Water	Mueller
Fire Hydrant 128 Palmetto Rd/Fork	1993	30-50	Water	Water	Mueller
Fire Hydrant 131 The retreat	2000	30-50	Water	Water	Mueller
Fire Hydrant 133 8345 Palmetto R	2006	30-50	Water	Water	Mueller
Fire Hydrant 136 Edisto@Point	2013	30-50	Water	Water	Mueller
Fire Hydrant 137 Point Street@Jenkins	2013	30-50	Water	Water	Mueller
Fire Hydrant 138 Point St@Murray	2013	30-50	Water	Water	Mueller
Fire Hydrant 139 Point@Loring	2013	30-50	Water	Water	Mueller
Fire Hydrant 140 Point@Neptune	2013	30-50	Water	Water	Mueller
Fire Hydrant 141 Point@Billow	2013	30-50	Water	Water	Mueller
Fire Hydrant 142 Jungle Shores@Jungle	2016	\$3,400.00	Water	Water	Mueller
Fire Hydrant 143 Jungle Shores@Whaley	2016	\$3,400.00	Water	Water	Mueller
Fire Hydrant 144 Jungle Shores@Matilda	2016	\$3,400.00	Water	Water	Mueller

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

Fire Hydrant 145 Jungle Shores@Cupid	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 146 Jungle Shores@Atlantic	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 147 603 Jungle Shores	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 148 Jungle Shores@Portia	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 149 705 Jungle Shores	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 150 Jungle Shores@Dawhoo	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 151 901 Jungle Shores	2016	\$3,400.00	30-50	Water	Water	Mueller
Fire Hydrant 152 Cheehaw@Jungle Road	2016	\$3,400.00	30-50	Water	Water	Mueller

General Fund Debt

Debt (General Fund)

General Statutes limit the amount of general obligation debt that a unit of government can issue up to the eight percent (8%) of the total assessed value of taxable property located within that government's boundaries without a referendum. General obligation debt is defined as any indebtedness that is secured in whole or part by a pledge of property taxes. The Town may incur General Obligation debt over the eight percent (8%) limit when approved by a majority vote in a referendum as authorized by law. Based on the estimated total assessed value of \$51,942,180, the legal debt margin for the Town of Edisto Beach is \$4,155,374. The Town's current General Obligation debt is \$0.

In FY 2007-08, a General Obligation Bond was issued for the Town of Edisto Beach for \$2,700,000 to purchase the Bell Buoy property. Maturity of the bond is April 1, 2037. Interest rates range from 4.3% due April 1, 2015; 4.5% due April 1, 2020; 5% due April 1, 2026; 4.8% due April 1, 2032 and 5% due April 1, 2037. The resulting interest at term is \$2,450,929. Because the General Obligation Bond was approved by referendum, it does not apply to the Town's 8% debt limit.

The Standard and Poor's General Obligation Bond Rating for the Town was re-evaluated in 2015. The Town maintained an A++ rating for General Obligation Bond while most other governmental agencies received a lower rating. The Town was re-evaluated in September 2015, for its revenue bond and maintained an A+ rating. An A Rating on Standard and Poor's means the Town has a strong capacity to meet financial commitments, but is somewhat susceptible to adverse economic conditions and changes in circumstances.

Special Fund

State Accommodations Fund

A two percent (2%) local accommodations tax on transient rental property (less than 90-days continuous rental) is imposed by the state and credited to the municipality in which it is collected as authorized by S.C. Code §12-36-2630 (3). Allocation of the funds is specified under Title 6, Section 4 of the South Carolina Code of Laws. The first \$25,000 goes to the General Fund. After this initial allocation, 65% goes to the ATAX 65% Fund, 30% goes to the ATAX 30% Fund and 5% goes to the general fund of the municipality. The ATAX 65% and ATAX 30% must be used for tourism-related activities.

A seven-member advisory board appointed by the Council is required to make recommendations if more than \$50,000 is received for the ATAX 65% Fund. The seven-member board must consist of at least two members from the hospitality lodging industry, two members at-large, two members from the hospitality industry and one member to represent cultural organizations.

The Town of Edisto Beach designated the Chamber of Commerce to manage and direct expenditures of the ATAX 30% monies according to an Ordinance adopted on July 11, 1985, as amended September 10, 1988, to the provisions of the Code of Laws of South Carolina §12-35-710, et seq. The Chamber submits its budget to the Council for approval.

The ATAX 65% allocations are decided by the board and approved by Town Council. The fund balance is \$497,984. The projected income for FY 2016-17 ATAX 65% is \$294,125.

Budget Comparison	FY 12-13*	FY13-14	FY14-15**	FY15-16	FY16-17	% Change
ATAX General Fund	37,882	41,925	46,000	41,700	47,625	14.2
ATAX 30% Fund	77,295	101,550	126,000	100,200	135,750	35.4
ATAX 65% Fund	167,472	220,025	273,000	217,100	294,125	35.4

*These figures are falsely low as some ATAX funds were incorrectly sent to someone other than Edisto Beach.

** These figures are falsely elevated from receipt of ATAX funds received from FY12-13.

Fiscal Year 2016-17 encumbered and special projects are listed below:

ATAX 65%	Project	Amount
Current Balance		497,984
Revenues FY 2016-17		294,125
PY Encumbered	Chamber Marketing (Off-Season)	(35,000)
PY Encumbered	Edisto United	(2,950)
PY Encumbered	Bell Bond Debt	(50,000)
FY 2016-17	Beach Nourishment	(500,000)
Ending Balance		204,159

Alcohol Permit Fund

This is a special fund that can only be used for designated purposes. These funds are collected from temporary permits issued for the possession, consumption and sale of alcoholic liquors in 2 ounces or less. The fund balance is \$43,273. The projected income is \$13,250. Council decided in FY 2009-2010 through FY 2011-12 to place \$12,500 in a storm water fund to pay for future storm water projects.

Budget Comparison	FY 12-13	FY13-14	FY14-15	FY15-16	FY16-17	% Change
Alcohol Permitting	11,050	12,150	13,500	12,000	13,250	10.4

Fiscal Year 2016-17 encumbered and special projects are listed below:

Alcohol Permitting	Project	Amount
Current Balance		43,273
Revenues FY 2016-17		13,250
PY Encumbered	Bill Fish Tournament	(10,000)
PY Encumbered	Edisto Watersports Shark Tournament	(2,000)
Ending Balance		44,523

Local Accommodations Fund

The Local Accommodations Tax Act, effective July 1, 1997, authorizes, by positive majority vote imposing a cumulative maximum 3% accommodations tax in a municipality. The tax is levied on gross proceeds from rental or charges for accommodations furnished to transients (period of 30 days or less) as provided by S.C. Code §12-36-920(A). Revenue from the tax must be kept in a separate fund and used for specified tourism related purposes. The Town enacted the Local Accommodations Tax Ordinance on May 14, 1998. The fund balance is \$2,239,915 of which \$1,625,370 has been designated for future beach nourishment. The projected income for FY

2016-17 is \$432,845. Administration anticipates beach nourishment activities will utilize the majority of this funding source for the next two years.

Budget Comparison	FY 12-13	FY13-14	FY14-15	FY15-16	FY 16-17	% Change
Local Accommodations	325,905	367,960	390,000	360,000	432,845	20.2

Fiscal Year 2016-17 encumbered and special appropriations are listed below:

Local Accommodations	Project	Amount
Current Balance		2,239,915
Revenues FY 2016-17		432,845
PY Encumbered	Beach Preservation (Bank)	(1,625,370)
PY Encumbered	Beach Monitoring	(20,425)
PY Encumbered	Beach Nourishment Permitting (CSE)	(105,277)
FY 2016-17	Bell Bond Debt	(50,000)
FY 2016-17	Beach Preservation	(200,000)
FY 2016-17	Beach Nourishment	(512,315)
Ending Balance		159,373

Council decided in FY 2009-2010 to earmark \$200,000 of these funds each year to go towards beach preservation. Council approved placing an additional \$400,000 in beach preservation for FY 2011-12. Although Council has the authority to utilize up to 50% of the Local Accommodations' revenues, Administration has not had to utilize this funding mechanism to offset general fund expenditures.

Hospitality Fund

The Local Hospitality Tax Act, June 1, 1998, authorized by positive majority vote, imposed a cumulative maximum 2% hospitality tax in Edisto Beach. The tax is levied on gross proceeds from sales of prepared meals and beverages sold in establishments or sold in establishments licensed for on-premises consumption of alcoholic beverages, beer or wine. The revenue is kept in a separate fund and used for tourism related purposes. The Town collects these funds no later than the 20th of each month. (Ordinance 4-9-1998) The fund balance is \$502,239. The projected revenues for FY 2016-17 are \$189,754. Fifty percent of the revenues from hospitality taxes are transferred into the general fund for tourism related Town services.

Budget Comparison	FY 12-13	FY13-14	FY14-15	FY15-16	FY 16-17	% Change
Hospitality	162,478	166,607	170,000	170,000	189,754	11.6

Fiscal Year 2015-16 encumbered and special appropriations are listed below:

Hospitality Fee	Project	Amount
Current Balance		502,239
Revenues FY 2016-17		189,754
PY Encumbered	Code Red	(5,000)
PY Encumbered	Beach Walkover Repair	(1,453)
PY Encumbered	Post Storm Survey	(10,000)
PY Encumbered	Bay Creek Park Stage	(72,909)
PY Encumbered	Beam and Associates	(14,000)
FY 2016-17	Bell Bond Debt	(25,000)
FY 2016-17	Beach Nourishment	(362,315)
Ending Balance		201,316

General Vehicle/Equipment Fund

A vehicle/equipment replacement schedule was established in 1998. Funds are annually dedicated to this fund to replace fixed assets. The fund balance is \$695,323. The projected revenue for FY 2016-17 is \$192,269.

Depreciation Schedule

General Fund Vehicle/Equip Replacement Schedule	
General	4,528
Police	76,623
Fire	82,180
Bldg.	7,938
Public Works	21,000
Annual Total	192,269

For Fiscal Year 2016-17, the Police Department depreciation increased because the camera system and radios were added to the depreciation schedule. A portion of a vehicle is paid under the partnership with Ocean Ridge. The Fire Department increased because of the addition of the radios to the depreciation schedule.

Fiscal Year 2015-16 encumbered and special appropriations are listed below:

Vehicle Equipment Fund	Description	Amount
Current Balance		695,323
General Fund	Depreciation	4,528
Police Department	Depreciation	76,623
Fire Department	Depreciation	82,180
Building Department	Depreciation	7,938
Public Works	Depreciation	21,000
	Ending Balance	887,592

Utility Vehicle/Equipment Fund

A utility vehicle/equipment replacement schedule was established in 1998. Funds are annually dedicated to this fund to replace fixed assets. The fund balance is \$563,880. The revenue for FY 2016-17 is \$41,589.

Depreciation Schedule

Utilities Vehicle/Equip Replacement	
Water Vehicle/Equip. Replacement Fund	21,541
Sewer Vehicle/Equip. Replacement Fund	20,048
Annual Total	41,589

The following are replacements or new equipment, scheduled to be purchased:

Vehicle Equipment Fund	Description	Amount
Current Balance		563,880
Water Fund	Depreciation	21,541
Sewer Fund	Depreciation	20,048
Water/Sewer	Thompson Pump Replacement	(21,710)
	Ending Balance	583,759

Water System Renewal and Replacement Fund

This fund was established to replace and renovate items in the water system. The current fund balance is \$255,623. The projected revenue for FY 2015-16 is \$140,000. According to the latest Capital Improvement Plan the water needs exceed the sewer needs. The Town continues to aggressively renew and replace failing infrastructure.

Water System R&R	Description	Amount
Current Balance		255,623
Revenues FY 2016-17		140,000
PY Encumbered	Jungle Shores Water Extension	(38,178)
PY Encumbered	Water System Improvement (Phase I)	(23,195)
PY Encumbered	Jungle Shores American Engineering	(10,320)
FY 2016-17	Upgrade or replace SCADA	(120,000)
FY 2016-17	Wellfield Booster Pump Upgrades	(100,000)
Ending Balance		103,930

Sewer System Renewal and Replacement Fund

This fund was established to replace and renovate items in the sewer system. The current fund balance is \$243,859. The projected revenue for FY 2016-17 is \$60,000. The sewer rates were not adjusted in 2015-16

Sewer System R&R	Description	Amount
Current Balance		243,859
Revenues FY 2016-17		60,000
PY Encumbered	Lift Station Bay Point	(11,500)
PY Encumbered	PER Wastewater Plant	(37,525)
PY Encumbered	Hydraulic Evaluation	(4,104)
PY Encumbered	Scott Creek Lift Station	(30,350)
FY 2016-17	Lift Station Pompano	(70,000)
Ending Balance		150,380

Bay Creek Fund

This fund was established to account for General Obligation Bond funds designated for Bay Creek Park improvements. The funds in the Bay Creek Park Fund. (\$6,530) are ATAX funds designated for capital improvements for the park. No funds from the original bond remain. All maintenance costs have been transferred to public works.

Bay Creek Fund	Description	Amount
Current Balance		6,530
Revenues FY 2016-17		0
PY Encumbered	Electrical	(5,944)
Ending Balance		586

Firefighter's Insurance and Inspection Fund

In 1907, the S.C. General Assembly passed legislation creating the Firemen's Insurance and Inspection Fund for "the betterment and maintenance of skilled and efficient fire departments within the county." Commonly referred to as "1 percent money," revenue for the Fund comes from a 1 percent tax assessed and collected on fire insurance premiums written in the state for buildings or structures for which taxes are collected.

Annually, the State Department of Insurance assesses, collects and accounts for this tax money. The state treasurer sends each county its portion of the funds. In turn, the county treasurers distribute the money to all fire departments based on total assessed value of the county that constitutes a fire department's response or coverage area.

Fire departments must spend their 1 percent money in one of three approved categories: retirement and insurance, training and education, and recruitment and retention.

Fire department members, not management, determine how to spend the money within the three categories. Each fire department member, regardless of rank, has an equal vote. To approve a proposed expenditure, 51 percent of the entire fire department membership must vote to approve it. Expenditure requests must be accompanied by detailed information and support documents that provide evidence of eligibility.

Once the fire department members approve an expenditure exceeding \$100, they must submit evidence of the department's approval along with support documentation to both a local board of trustees as well as the supervising trustees of the South Carolina State Firemen's Association. All fire departments must maintain a local board of trustees for the Firemen's Insurance and Inspection Fund. State law dictates who serves on the board. (SC Code of Laws, Section 23-9-310)

This multi-step review ensures the proposed expenditure is eligible under one or more of the three approved expenditure categories. If the proposed expenditure meets the defined eligibility requirements, the local and state boards must approve the expenditure.

A municipal council cannot require the use of the 1 percent money to cover expenditures such as retirement, health insurance or training paid for other departments out of general operating funds. As trustees for the funds, the municipality must include the 1 percent money in its municipal audit as a special fund.

Once the local and state boards approve the expenditure, the county treasurer can release the funds to the department for the proposed purpose.

The fund balance is \$12,037.

Volunteer Firefighter Fund

For auditing purposes, the Volunteer Firefighters formed a committee and developed a budget for the volunteer firefighter fund. Revenues primarily come from special events, T-Shirt sales, vending sales, and donations. Expenditures are regulated by the Volunteer Department Bylaws and voted on by members of the Volunteer Fire Department.

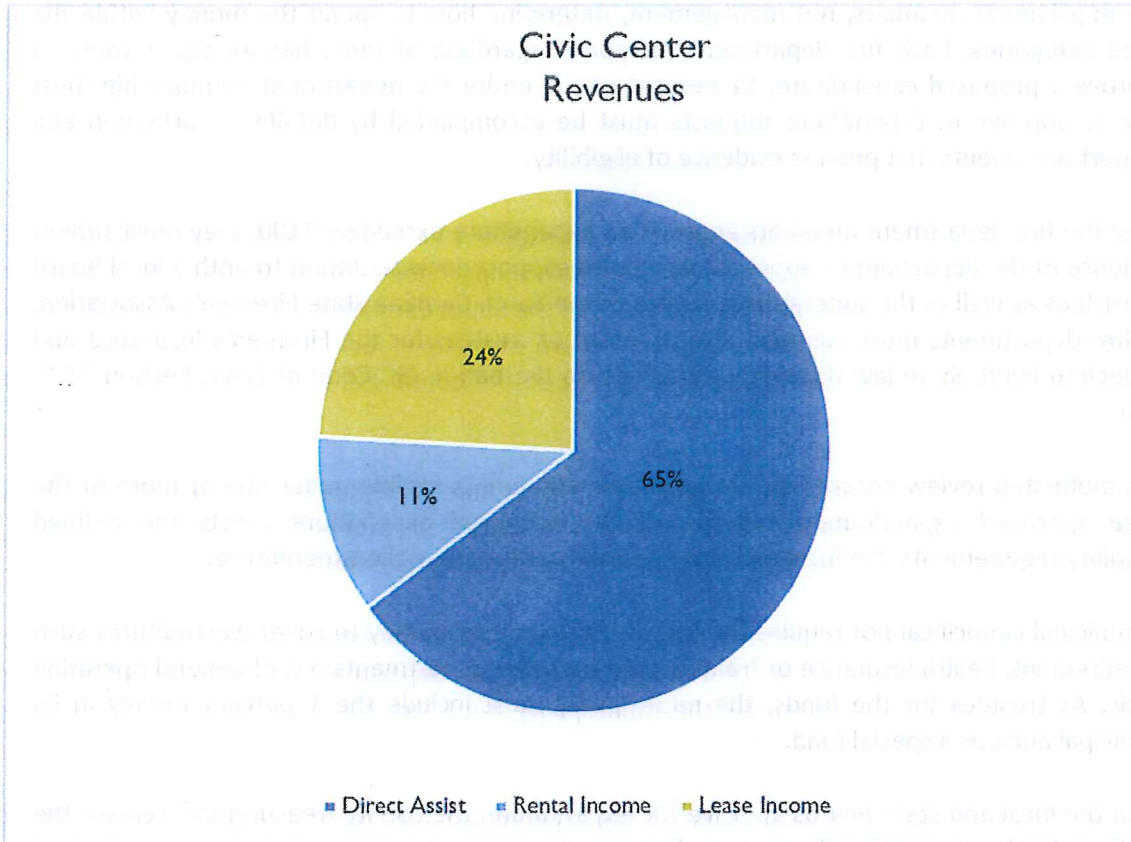
The fund balance is \$43,266. As a quasi-department of the Town, Council must review and approve the annual budget submission.

Construction Fund

In 2012, the Town of Edisto Beach refinanced the Water and Sewer Revenue Bond and through this process, received \$429,084 in funding. After review of existing renewal and replacement funds, the construction fund was revised to maximize the utilization of these funds. This fund was closed in fiscal year 2015-16.

Civic Center Fund

Town Council entered into an agreement with Colleton County to manage the operation of the Civic Center. A new fund was established to account for revenues and expenditures of this new venture. The Town anticipates direct assistance from Colleton County in the amount of \$45,930. The Town anticipates receiving \$24,934 in revenues. Expenditures are budgeted for \$70,864. The Town leases three rooms in the building and has a steady clientele of weekly rentals.



Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the cost of providing goods or services to the general public and other local governments on a continuing basis will be financed and recovered primarily through user charges. Annual budgets are established for the water and sewer funds.

Water Fund

A water user fee finances the water operations. Fees are collected semiannually. The fee is based on increasing volumetric rates for increased consumption. This places the cost for the operation of the system on the high end user. The rate was increased in June 2016 by 5% to begin accruing funds sufficient to fund capital improvement projects on the water system as recommended by the rate study. The current rate is \$142.47 for the first 24,000 gallons of water. The second 24,000 gallons is charged at \$1.59 per 1,000 gallons. The third 24,000 gallons increases to \$1.77 per 1,000 gallons and after that each additional 1,000 gallons is \$1.98. Rates

outside the Town limits begin at \$284.96 for the first 24,000 gallons. The state park rate is \$585.84 for the first 24,000 gallons.

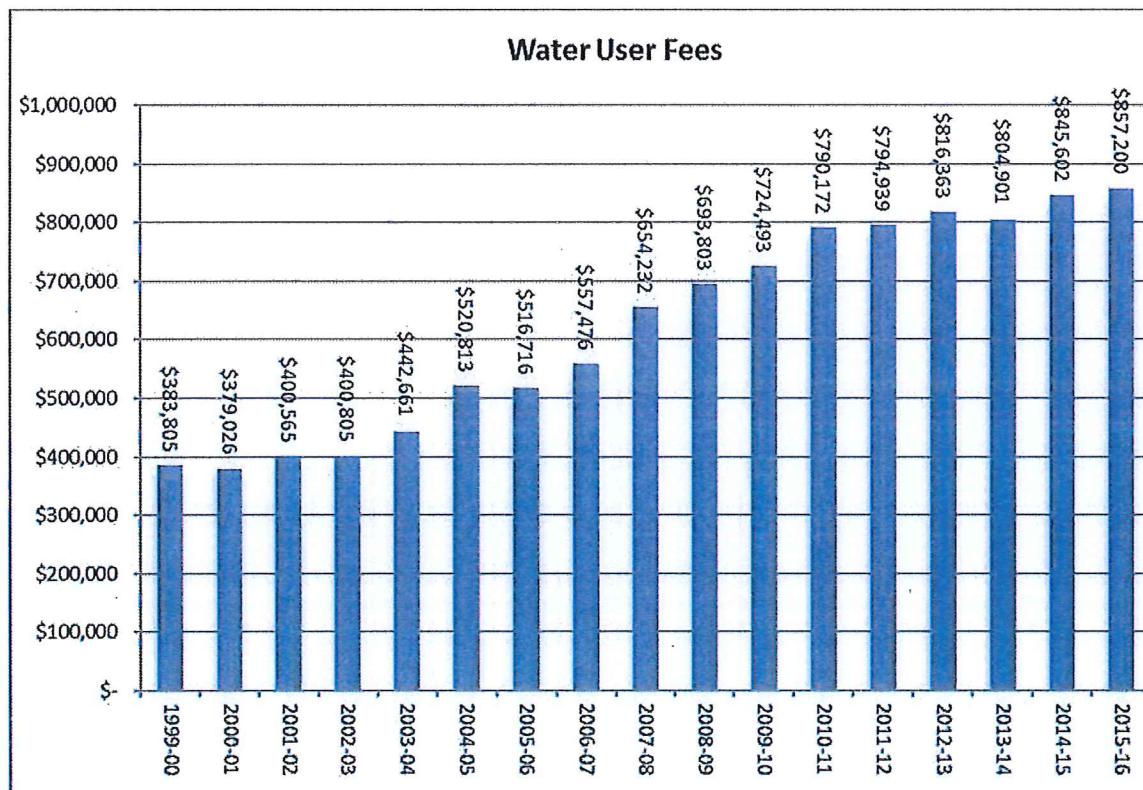
Water Fund revenues are listed in the following table:

Water Fund Revenues

Revenue	2013-14	2014-15	2015-16	2015-16	2016-17	
Water Department	Two Years	One Year				
	Prior	Prior	Original	Amended	Proposed	Increase
Appropriated Prior Year	Actual	Actual	Budget	Budget	Budget	(Decrease)
	-	-	150,000	150,000	6,500	(143,500)
Water System User Fee	804,903	845,602	857,200	857,200	900,000	42,800
Tap in Fee	7,250	6,000	3,500	3,500	5,000	1,500
Reconnect Fee	1,350	800	2,000	2,000	2,000	-
Penalty	4,594	4,577	5,000	5,000	5,000	-
Interest Income	1,808	2,819	2,000	2,000	1,850	(150)
Miscellaneous Income	1,600	174	750	750	750	-
Subtotal Water Department	821,515	859,980	1,020,450	1,020,450	921,100	(99,350)

The chart below depicts the historical progression of water user fees.

Water Fund User Fees



Based on historical trends and a relatively fixed number of commercial and residential accounts, the total revenue from user fees is projected at \$900,000 for FY2016-17. There is \$140,000 budgeted for transfer into R & R.

On June 25, 2013, voters decided not to pursue financing a Reverse Osmosis/ASR system to improve water quality and water supply. Regardless, the Water and Sewer Committee recommended that the Council pursue a progressive design build bid to look at addressing the water supply and demand issues which was approved by Town Council. This phase of the project has come to fruition and Council selected a group of firms to work on providing a sequential phased approach to address water quality and quantity. Council selected an alternative as proposed by the Firm and is looking at funding options (General Obligation Bonds versus Revenue Bonds).

The following table provides historical and current water fund operating budget information and % increases and decreases.

Town of Edisto Beach, South Carolina

FY 2016-17 Budget

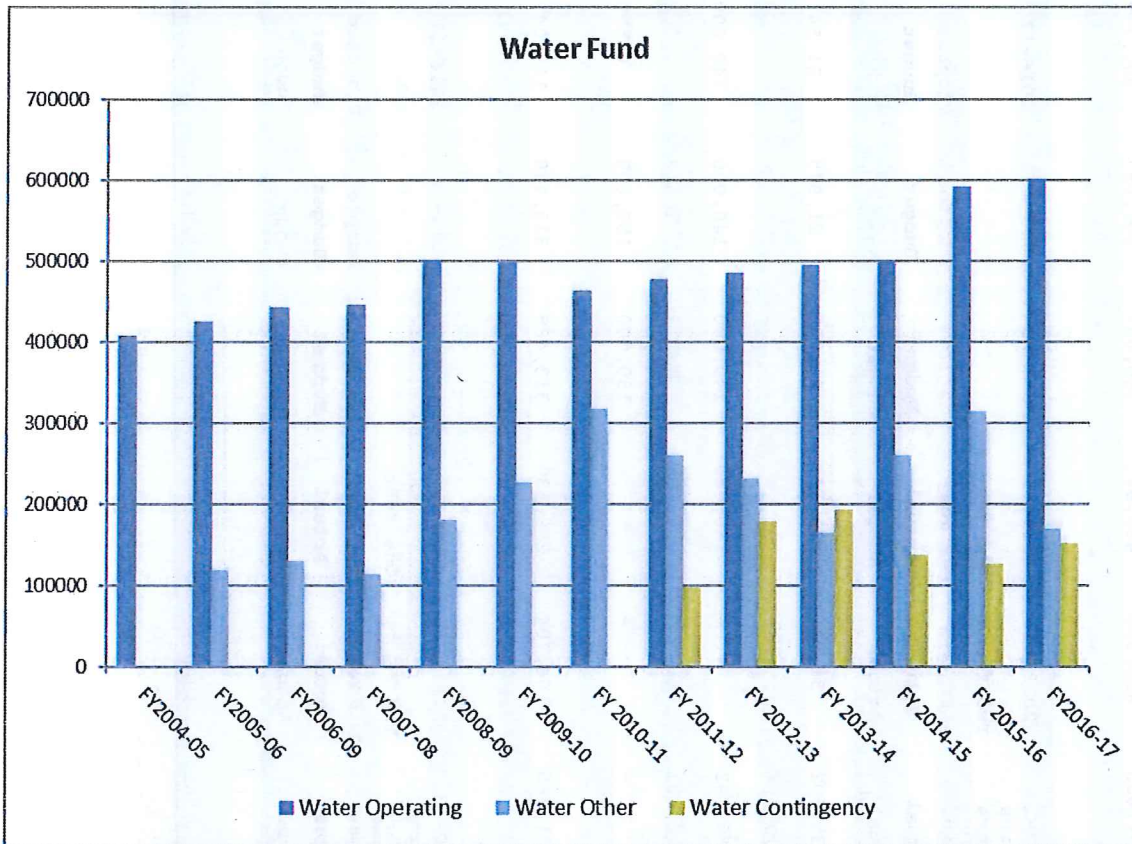
Water Department Expenditures	2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2016-17	
	Six Years Prior Actual	Five Years Prior Actual	Four Years Prior Actual	Three Years Prior Actual	Two Years Prior Actual	One Year Prior Actual	Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)						
Overhead Costs																
Salaries and Wages	165,553	156,090	164,098	160,326	175,112	177,947	187,100	187,100	207,335	20,235						
Mayor/Council	2,880	2,880	2,880	2,880	2,880	2,560	3,840	3,840	4,080	240						
Retirement System	15,546	14,635	15,579	17,188	18,624	23,595	20,700	20,700	25,010	4,310						
Payroll Taxes	13,177	12,671	13,354	12,984	14,234	14,296	15,600	15,600	16,975	1,375						
Def Comp Expense	286	195	190	198	239	247	247	247	250	3						
Printing/Office Supplies	1,018	870	1,127	736	1,220	806	1,000	1,000	1,000	-						
Janitorial Service	791	360	360	390	428	412	420	420	420	-						
Postage	1,330	1,435	2,633	1,188	1,071	2,141	1,000	1,000	1,000	-						
Membership dues	627	593	877	799	1,020	487	700	700	700	-						
Meetings & training	1,785	3,052	2,382	3,859	2,653	3,917	4,000	4,000	4,000	-						
Electricity	39,242	42,018	41,245	45,388	46,219	44,382	55,150	55,150	48,000	(7,150)						
Telephone	17,344	11,116	3,303	4,292	3,829	3,144	5,000	5,000	3,600	(1,400)						
Maintenance Contracts	1,480	1,534	1,311	774	1,793	2,111	2,000	2,000	2,000	-						
VC3	4,352	3,743	3,371	2,945	4,680	5,153	5,227	5,227	5,200	(27)						
Prof Fees/Audit, Misc	1,734	1,453	1,500	18,121	3,887	2,023	2,100	10,100	2,000	(8,100)						
Custodian fees	1,616	-	1,616	1,000	1,185	1,185	1,625	1,625	1,625	-						
Insurance General Health Insurance Expense	16,267	14,430	14,168	13,245	14,235	17,108	17,159	17,159	16,100	(1,059)						
	26,572	28,351	18,076	18,948	22,302	21,367	25,000	23,700	26,000	2,300						

Insurance Auto	2,020	2,545	2,114	1,641	1,356	1,226	1,350	1,200	1,260	1,260	60
Bank Charges	150	56	2,287	109	27	118	100	100	100	100	-
Miscellaneous Expense	182	413	517	86	627	549	500	500	500	500	-
Vehicle Gas & Oil	5,725	6,379	7,884	7,522	7,790	6,687	10,000	10,000	8,000	8,000	(2,000)
Vehicle Repair & Maintenance	995	396	1,194	2,857	1,345	2,187	1,500	1,500	1,500	1,500	-
DHEC User Fee	15,475	15,477	15,477	17,683	17,918	17,685	18,000	18,000	18,000	18,000	-
Uniforms	634	676	234	396	842	306	1,000	1,000	750	750	(250)
GWS Maintenance Agreement	16,005	16,005	16,540	17,765	17,765	17,765	17,800	19,720	19,720	19,720	-
Sys Repair Maintenance	16,201	15,672	26,600	16,319	21,664	25,069	25,000	25,000	25,000	25,000	-
Sys Supplies & Sm	6,202	6,716	1,485	4,201	4,819	5,987	5,000	6,000	6,000	6,000	-
Tools & meter supplies	15,436	15,261	11,423	11,718	9,836	14,587	12,000	12,000	12,000	12,000	-
Chemicals	28,277	16,060	30,560	23,341	23,138	10,048	30,000	30,000	25,000	25,000	(5,000)
Lab Tests	2,739	2,478	3,232	3,323	3,235	3,122	3,500	3,500	3,500	3,500	-
Equipment Purchases	3,572	348	1,108	1,647	1,084	1,132	1,500	1,500	1,500	1,500	-
Equipment Repair	683	2,089	1,684	3,017	1,863	2,442	3,000	3,000	3,000	3,000	-
Pipe, Hydrants Connections	424	2,328	2,790	4,913	2,450	5,454	5,250	5,250	7,400	7,400	2,150
99 W.S. Rev Bond Office	60,333	56,103	55,531	54,325	53,794	53,356	87,919	87,919	92,450	92,450	4,531
Machines/Software	1,064	628	709	540	646	646	800	800	800	800	-
Complex Building Maintenance	181	1,230	219	110	109	476	500	500	500	500	-
Pagers & Communication	1,723	1,926	2,422	2,353	2,951	2,830	2,500	2,500	2,500	2,500	-
Radio Purchase & Repair	169	-	-	-	-	-	500	500	-	-	(500)
Building Maintenance	5,525	2,146	1,215	1,404	3,335	568	1,000	2,000	2,000	2,000	-
Legal Fees	2,939	3,116	3,176	4,104	2,777	4,720	4,000	4,000	4,000	4,000	-

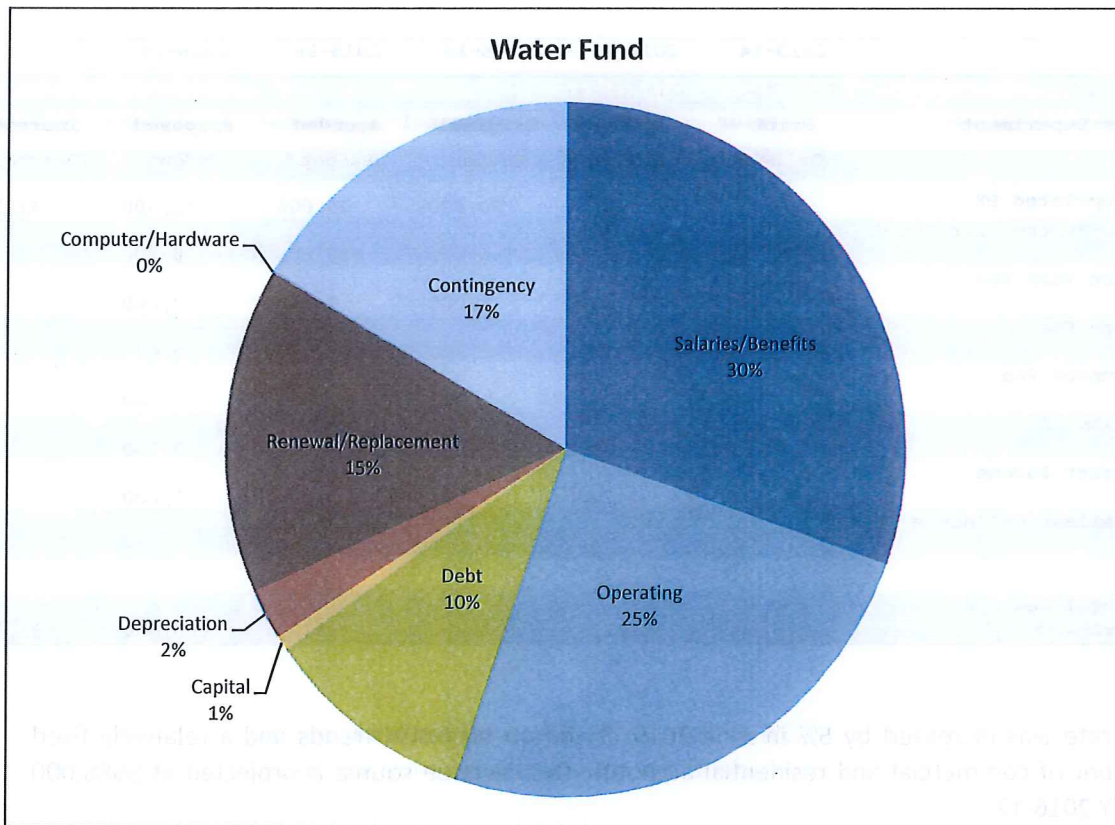
Subtotal	498,254	463,474	476,471	484,635	494,982	499,841	580,587	591,057	600,775	9,718	
2009-10											
Expenditures	Six Years	Five Years	Four Years	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
Water Department Other	Prior Actual	Prior Actual	Prior Actual	Three Years	Prior Actual	Prior Actual	One Year	Original Budget	Adopted Budget	Proposed Budget	Increase (Decrease)
Amortization Expense	6,342	6,342	7,733	10,504	6,347	6,347	-	-	-	-	-
Equip/Veh Depreciation	28,983	39,884	41,653	35,602	31,966	21,145	21,975	21,975	21,541	(434)	
Depreciation Expense	117,793	108,836	117,654	117,086	125,317	90,747	-	-	-	-	
Renewal/Replacement	63,970	113,794	65,792	65,792	-	140,000	140,000	140,000	140,000	-	
Computer Hardware/Software	2,292	4,247	1,406	2,281	1,074	1,291	1,513	1,513	1,000	(513)	
CIP Miscellaneous	7,613	43,049	25,934	-	-	-	150,000	150,000	6,500	(143,500)	
Subtotal	226,993	316,152	260,172	231,265	164,704	259,530	313,488	313,488	169,041	(144,447)	
2009-10											
Expenditures	Six Years	Five Years	Four Years	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
Water Contingency	Prior Actual	Prior Actual	Prior Actual	Three Years	Prior Actual	Prior Actual	One Year	Original Budget	Adopted Budget	Proposed Budget	Increase (Decrease)
Water Contingency	-	-	97,282	238,585	192,895	133,683	126,375	123,905	151,284	27,379	
Subtotal	-	-	97,282	238,585	192,895	133,683	126,375	123,905	151,284	27,379	

The following chart provides a historical snapshot of the water fund operating budget.

Water Fund Budget Comparison Chart



The chart below breaks the water fund budget information down into categories. Fifty-eight percent of the total budget is directly spent on operations. Ten percent of the total budget goes towards revenue bond debt.



Water Fund Budget Highlights

The water fund total budget is \$921,100. This includes \$151,284 in contingency funds and debt service of \$92,450 in principal and interest payments. Budget highlights are indicated in the table below.

Funding Source	Description	Amount
Water User Fees	5% merit increases for pay for performance/20% of part time position	20,235
Water User Fees	Replace Computers	1,000
PY Encumbered	Thompson Water Pump	6,500
Water User Fees	Renewal and Replacement	140,000
Total		167,735

Accrued prior year funds are \$1,374,385.

Sewer Fund

A sewer user fee finances the sewer operations. Fees are collected semiannually. The fee is based on water consumption. The minimum fee is billed semi-annually in advance for the period beginning June 1 and for the period beginning December 1. Sewage use in excess of the minimum is billed in arrearage for the period ending May 31 and the period ending November 30 respectively. The current rates are \$208.37 for 0 gallons to 6,000 gallons and \$3.47 for each 1,000 gallons over 6,000 gallons.

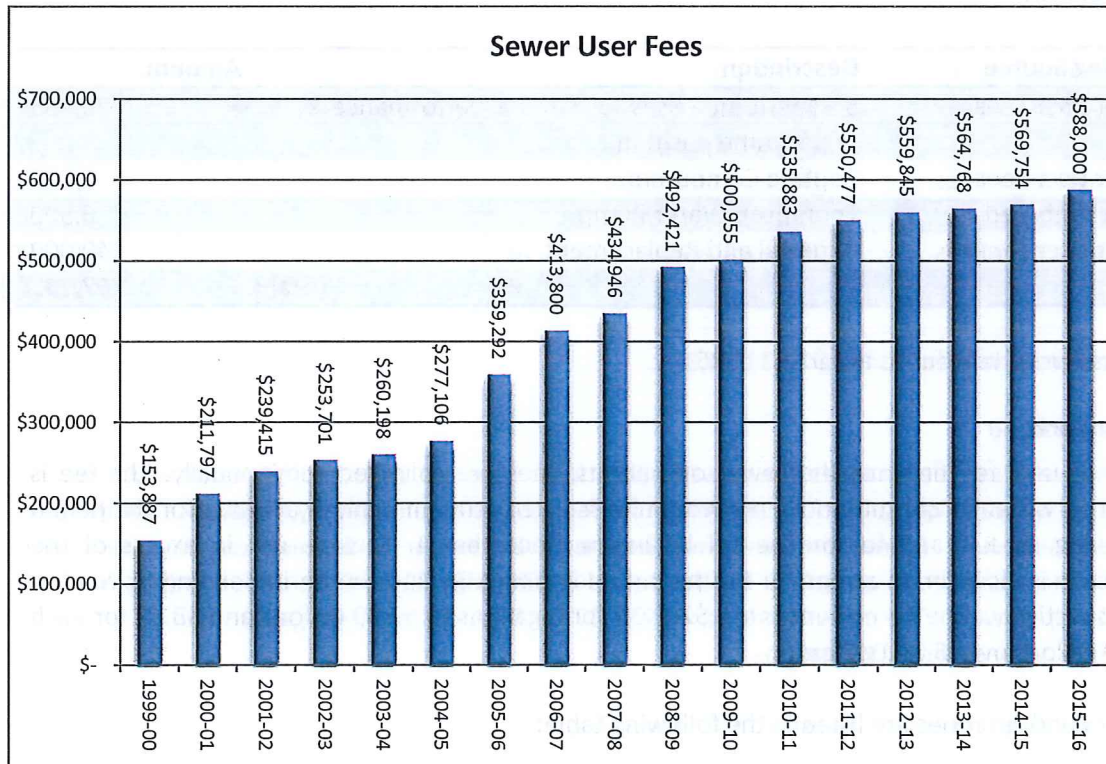
Sewer Fund revenues are listed in the following table:

	2013-14	2014-15	2015-16	2015-16	2016-17	
Revenue	Two Years	One Year				
Sewer Department	Prior	Prior	Original	Amended	Proposed	Increase
	Actual	Actual	Budget	Budget	Budget	(Decrease)
Appropriated PY			20,000	20,000	61,500	41,500
Sewer System User Fee	564,768	569,754	588,000	588,000	588,000	-
Grease Trap Fee	2,000	1,980	2,000	2,000	2,000	-
Tap in Fee	5,000	5,000	5,000	5,000	5,000	-
Reconnect Fee	400	250	300	300	300	-
Penalty	2,379	2,857	3,000	3,000	3,000	-
Interest Income	779	1,220	1,000	1,000	1,000	-
Miscellaneous Income	-	156	-	-	-	-
Subtotal Sewer Department	575,326	581,217	619,300	619,300	660,800	41,500

The rate was increased by 5% in June 2015. Based on historical trends and a relatively fixed number of commercial and residential accounts, this revenue source is projected at \$588,000 for FY 2016-17.

The graph below depicts the historical progression of sewer user fees.

Sewer Fund User Fees



The Sewer Fund total budget is \$660,800. This includes a contingency of \$59,084.

Accrued prior year funds are \$758,325.

The table below provides historical and current sewer fund operating budget information and % increase and decrease.

Sewer Department	2009-10		2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2015-16		2016-17	
Expenditures	Six Years		Five Years		Four Years		Three Years		Two Years		One Year		Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)	Increase (Decrease)	
	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual								
Overhead Costs																		
Salaries and Wages	165,553	156,091	164,098	160,327	175,112	177,948	187,100	187,100	187,100	187,100	187,100	187,100	187,100	187,100	207,335	20,235		
Mayor/Council	2,880	2,880	2,880	2,880	2,880	2,880	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	4,080	240		
Retirement system	15,545	14,634	15,578	17,187	18,623	23,594	20,700	20,700	20,700	20,700	20,700	20,700	20,700	20,700	25,010	4,310		
Payroll Taxes	13,175	12,670	13,353	12,982	14,232	14,294	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	16,975	1,375		
Def Comp Expense	286	195	190	198	239	247	247	247	247	247	247	247	247	247	250	3		
Printing/Office Supplies	827	870	1,095	736	1,220	806	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-		
Janitorial Services	791	360	360	390	428	412	420	420	420	420	420	420	420	420	420	-		
Postage	1,330	1,435	2,633	1,188	1,071	1,183	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,000	(1,000)		
Membership dues	512	528	767	757	1,040	582	700	700	700	700	700	700	700	700	700	-		
Meetings & training	3,418	2,365	764	3,542	6,446	2,264	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	4,000	(1,000)		
Electricity	42,328	40,719	45,771	41,312	42,902	49,625	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	52,000	2,000		
Telephone Expense	1,316	1,340	1,722	996	1,005	1,074	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	-		
Maintenance Contracts	1,480	1,534	1,311	774	1,793	2,111	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-		
VC3	4,352	3,743	3,371	2,945	4,680	5,152	5,227	5,227	5,227	5,227	5,227	5,227	5,227	5,227	5,200	(27)		
Prof Fees/Audit, Misc	1,734	1,453	1,500	5,558	1,660	1,688	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,000	(100)		
Insurance General	19,078	17,777	14,795	14,795	16,068	19,030	17,159	17,159	17,159	17,159	17,159	17,159	17,159	17,159	17,648	489		
Health Insurance Expense	26,571	28,350	18,075	18,947	22,302	21,367	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	26,000	2,300		

Town of Edisto Beach, South Carolina

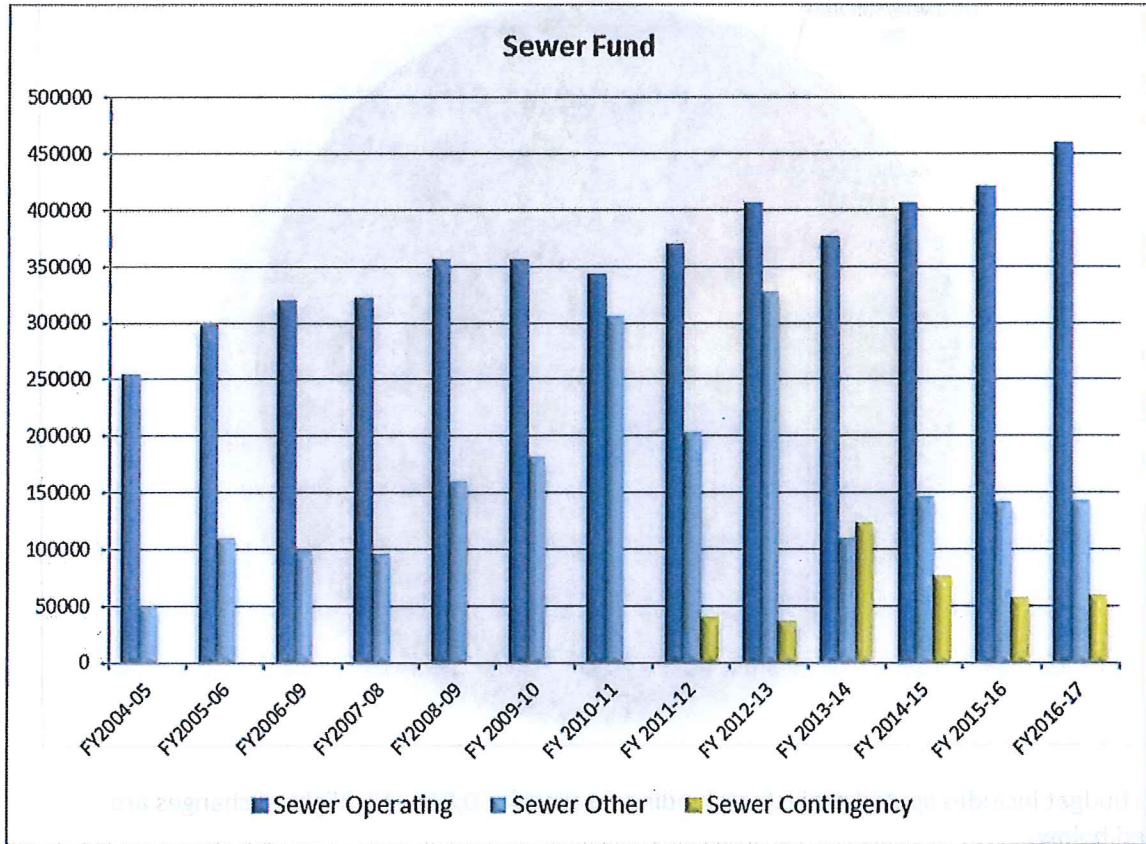
FY 2016-17 Budget

Insurance Auto	2,020	2,545	2,114	1,641	1,356	1,226	1,350	1,200	1,200	1,200	-
Bank Charges	27	62	-	15	25	91	100	100	100	100	-
Miscellaneous Expense	93	676	385	12	475	256	500	500	500	500	-
Vehicle Gas & Oil	5,725	6,379	8,571	8,311	8,552	6,693	10,000	10,000	8,000	8,000	(2,000)
Vehicle Repair & Maintenance	975	385	1,191	2,696	1,264	2,158	1,500	1,500	1,500	1,500	-
DHEC User Fee	1,190	1,065	1,190	1,128	1,065	1,190	1,200	1,200	1,200	1,200	-
Uniforms	634	676	234	396	842	306	1,000	1,000	750	750	(250)
Sys Repair Maintenance	17,424	17,314	29,188	12,988	14,439	27,654	22,000	22,000	25,000	25,000	3,000
Sys Supplies & Sm	3,981	4,731	4,880	5,437	4,996	4,816	4,500	5,500	5,000	5,000	(500)
Chemicals	7,735	11,085	12,477	8,023	7,298	13,552	12,500	12,500	15,000	15,000	2,500
Lab Tests	3,118	3,645	6,540	6,639	7,737	10,270	9,700	9,700	12,000	12,000	2,300
Equipment Purchases	3,201	1,286	2,479	2,223	2,856	1,734	3,000	3,000	3,000	3,000	-
Equipment Repair	2,362	249	2,836	4,023	4,735	3,856	4,000	5,000	5,000	5,000	-
Office	573	628	709	540	646	646	800	800	800	800	-
Machines/Software	181	1,190	219	110	109	476	500	500	500	500	-
Complex Building Maintenance	1,663	1,642	2,121	1,601	1,683	1,452	2,500	2,500	2,500	2,500	-
Pagers & Communication	85	38	1,134	1,391	3,381	619	1,000	2,000	6,000	6,000	4,000
Building Maintenance	3,305	3,116	3,176	63,877	2,777	4,720	4,000	4,000	4,000	4,000	-
Legal Fees											
Subtotal	355,468	343,656	367,707	406,565	375,937	405,652	419,743	421,293	459,168	459,168	37,875
Expenditures	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2015-16	2016-17	
Sewer Department	Six Years	Five Years	Four Years	Three Years	Two Years	One Year	Original	Amended	Proposed	Increase	
	Prior	Prior	Prior	Prior	Prior	Prior	Budget	Budget	Budget	(Decrease)	
	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget	Budget	(Decrease)	

Equip/Veh Depreciation	32,194	32,461	37,292	33,614	33,280	22,460	20,485	20,485	20,048	(437)
Depreciation Expense	75,555	72,225	70,663	69,023	71,544	72,817	-	-	-	-
Renewal/Replacement Computer Hardware/Software	71,040	109,517	60,793	60,793	-	50,000	100,000	100,000	60,000	(40,000)
CIP Miscellaneous	2,292	2,558	1,406	2,281	1,074	1,291	1,513	1,513	1,000	(513)
	-	88,809	32,561	161,751	3,375	-	20,000	20,000	61,500	41,500
Subtotal	181,081	305,570	202,715	327,462	109,273	146,568	141,998	141,998	142,548	550
Expenditures	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2015-16	2016-17	
	Six Years	Five Years	Four Years	Three Years	Two Years	One Year				
Sewer Contingency	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Prior Actual	Original Budget	Amended Budget	Proposed Budget	Increase (Decrease)
	-	-	30,000	97,698	122,919	76,677	56,009	56,009	59,084	3,075
Sewer Contingency										
Subtotal	-	-	30,000	97,698	122,919	76,677	56,009	56,009	59,084	3,075

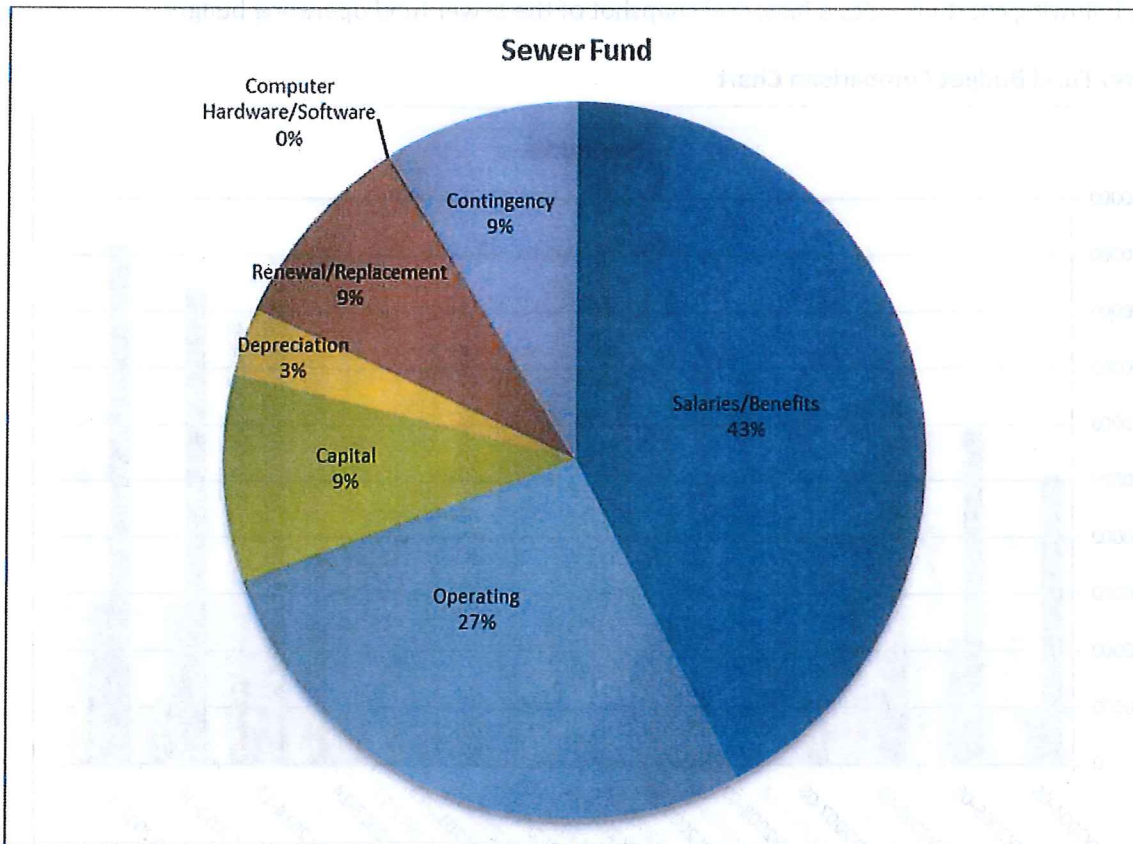
The following chart provides a historical snapshot of the sewer fund operating budget:

Sewer Fund Budget Comparison Chart



The chart below breaks the sewer fund budget information down into categories. Sixty-eight percent of the total budget is spent on operations.

Category	Amount	Percentage
Sewer Operating	260,000	68%
Sewer Other	140,000	36%
Sewer Contingency	60,000	16%
Total	460,000	100%



The budget includes special projects or funding totaling \$660,800. Highlighted changes are listed below.

Sewer Fund Budget Highlights

Funding Source	Description	Amount
Sewer User Fees	5% merit increases for pay for performance/20% of part time position	20,235
PY Encumbered	Thompson Pump, Rehab manholes, Rehab Tract M pump house	61,500
Sewer User Fees	Replace computers	1,000
Sewer User Fees	Renewal and Replacement	60,000
	Total	142,735

Sewer and Water Capital Improvement Plan

Projects identified during the year are input into a Capital Improvement Plan and this plan is reviewed and updated semi-annually.

Sewer Capital Improvement Plan						
Priority #	Item Description	Category	Estimate	Year	Comments	
1	Summerwinds	Sewer	\$10,000.00	FY2010-11	Replace valves, electrical add transfer switch. Completed	
2	WWTP Sludge Removal	Sewer	\$157,000.00	FY2012-13	Completed	
3	GIS Sewer Lines and Assets	Sewer	\$20,000.00	FY 2015-16	Completed	
4	Grit Chamber	Sewer	\$52,000.00	FY 2013-14	Completed March 2015	
5	Aerators	Sewer	\$20,096.00	FY 2014-15	Completed August 2014	
6	Lift Station Pump Bay Creek	Sewer	\$3,450.00	FY2014-15	Installed 4.7 HP sewage pump to replace used pump in ground 5 years	
7	Hydraulic Evaluation of Wastewater Collection	Sewer	\$11,615.25	FY2014-15	Completed (spent 11,615.25)	
8	Replace impellers A & B	Sewer	\$5,678.00	FY2014-15	Completed February 2015	
9	Preliminary Engineering Report	Sewer	\$39,500.00	FY2015-16	In progress (1,975 spent)	
10	Lift Station C	Sewer	\$30,000.00	FY2016-17	Sewer Prior Year Funds	
11	Lift Station Bay Point	Sewer	\$31,250.00	FY2015-16	April 5 and 6, 2016 furnished and installed new electrical system. Meter base Main disconnect, double throw, generator receptacle, pump control panel, float switches and equipment rack at a cost of \$18,350.	
12	Lift Station Scott Creek	Sewer	\$30,943.00	FY2015-16	Replaced one pump @ \$3,664. Need to inspect manholes. Wet well ok. March 30 and 31 furnished and installed new pump control panel, meter base, main disconnect, double throw switch, generator receptacle, float switches and equipment rack at a cost of \$18,350.	
13	Lift Station Pompano	Sewer	\$70,000.00	FY 2016-17	Complete rehab. Budgeted R&R-Control Panel	

14	Lift Station A	Sewer	\$70,000.00	FY2017-18	Complete rehab/new controls and generator and suction lines done
15	B Generator	Sewer	\$10,000.00	FY2018-19	Hook generator up to the B wet well. Generator is already available need to perform electrical, concrete pad, cover and transfer switch. Placed on hold. Replaced 2 VFD's at \$5,700. Budgeted R&R
16	Lift Station Summerwinds	Sewer	\$59,000.00	FY2016-17	Summerwinds control panel is done.
17	Lift Station Ridge	Sewer	\$70,000.00	FY2017-18	Complete rehab
18	Lift Station Bay Creek	Sewer	\$70,000.00	FY2017-18	Complete rehab
19	Lift Station Docksite	Sewer	\$70,000.00	FY2017-18	Replaced control panel in 2012. Need to inspect manholes and wet well.
20	Lift Station Lee Street	Sewer	\$70,000.00	FY2019-20	Complete rehab
21	Lift Station Cheehaw	Sewer	\$70,000.00	FY2020-21	Complete rehab
22	Lift Station Fat Jacks	Sewer	\$70,000.00	FY2021-22	Replaced control panel and both pumps in 2013 (\$21,991). Need manhole inspections. Wet well ok.
23	Replace aerators with energy efficient lagoon masters and small aerating diffuser	Sewer	\$51,000.00	FY2025-26	Refer to Edisto Beach WWTP Energy Audit Report September 2014 savings of 20,000 a year
24	Front Beach Sewer	Sewer	TBD	TBD	
	Subtotal		\$1,091,532.25		
Water Capital Improvement Plan					
Priority #	CIP Item Description	Category	Estimate	Year	Comments
1	Edisto and Edings	Water	\$15,000.00	FY 2010-11	Completed
2	Well 6	Water	\$3,500.00	FY2010-11	Completed
2	Wellfield	Water	\$3,500.00	FY2010-11	Completed
3	Point Street Water Lines	Water	\$226,727.00	FY2010-11	Completed
4	Shop Generator	W/S	\$7,500/\$7,500	FY2011-12	Completed

5	GIS Water Lines and Assets	Water	\$20,000.00	FY2012-13	Completed
6	Air conditioner Wellfield for VFD Control panel	Water	\$7,610.00	FY2014-15	Emergency Purchase Enclosure Water R & R. Completed in August 2014
7	Replace shut off valves	Water	\$110,642.00	FY2014-15	Check and replace non-functioning shut off valves 130 Valves @ 800. Budgeted in construction fund-Completed
8	Jungle Shores Water Lines	Water	\$254,600.00	FY2015-16	Replace 2" lines with 6" lines and add hydrants for fire protection. Engineering being performed \$19,850 (two changes, 17,600 (10/08/15) and \$16,000). Want to install pipe under road before the road is paved by DOT. Budgeted from R&R (225,000 and 150,000 PY) Southern Fiber construction bid \$177,000 + Change Order \$30,000)-Completed except for GIS.
9	Booster Pump Wellfield Repair	Water	\$10,000.00	FY 2015-16	Emergency Purchase -Completed
10	Upgrade Existing or replace SCADA	Water	\$120,000.00	FY2016-17	Cannot get replacement parts for current system. Installed in 2006. Included in Water System improvements/Reverse Osmosis
11	Wellfield Booster Pump Upgrades	Water	\$100,000.00	FY2016-17	
12	Fort Street Water Lines	Water	\$120,000.00	F2017-18	Replace 2" lines with 6" lines and add hydrants for fire protection
13	Bay Point Water Lines	Water	\$75,000.00	FY2017-18	Replace 2" lines with 6" lines and add hydrants for fire protection
14	Dorothy Street Water Lines	Water	\$75,000.00	FY 2018-19	Replace 2" lines with 6" lines and add hydrants for fire protection
15	Cheehaw Street Water Lines	Water	\$75,000.00	FY 2018-19	Replace 2" lines with 6" lines and add hydrants for fire protection
16	Reverse Osmosis	Water	\$7,200,000.00	TBD	To decrease Na, Cl, FL
Subtotal			\$8,029,600.00		

Debt (Enterprise Fund)

Debt (Enterprise Fund)

The Town renegotiated the Town’s Revenue Refunding and Improvement Bonds, Series 1999, when interest rates were at an extremely low level. The Series 2012 bonds were negotiated for a 30-year term that closes in 2042. The amount of the Series 2012 bonds is \$1,675,000 with annual payments of \$88,794 and a principle payment of \$35,000 due every year until 2016. The net interest rate is 3.2%. Debt service funding in the amount of \$94,935.83 from the Series 1999 bonds was transferred into the Series 2012 to fund the new Debt Service Reserve Fund. The \$125,355 currently on deposit with US Bank, the trustee, will be used to pay future debt service. The cumulative savings of refunding the Series 1999 Bond was \$181,726.06. Edisto Beach received a net present value benefit of \$97,384.85 in the transaction. This transaction essentially reduced the Town of Edisto Beach’s debt by 8.813% on the Series 1999 Bonds. The cost of issuance was \$68,536.39 distributed as follows:

Series 2012 Bond Distributions	Description	Amount
US Bank	Trustee/Paying Agent Services	1,000
US Bank	Escrow Agent	350
US Bank	Custody Fee	350
Howell Linkous & Nettles, LLC	Bond Counsel Services	25,000
Howell Linkous & Nettles, LLC	Disclosure Counsel Services	12,500
Howell Linkous & Nettles, LLC	Expenses	500
Duffie Law Firm, PA	Town Attorney Services	7,500
Philip B. Seaton	Underwriter’s Counsel	5,000
S & P Financial Services, LLC	Rating Agency	10,000
Financial Press LLC	Electronic posting and printing	2,436.39
Alluvion Securities	CUSIP’s	400
Alluvion Securities	DTC	500
Alluvion Securities	Clearing Services	3,000
	Total	68,536.39

Revenue debt must be payable solely from a revenue-producing project or from a special source, which source does not involve revenues from any tax or license. It is not subject to the 8% debt limit. Revenue bonds may include water, sewer, waste disposal, natural gas, electrical generation and distribution, hospitals, piers, docks, terminals, airports, toll roads, markets, auditoriums and other publicly owned enterprises. At closing, \$429,099 was transferred to Enterprise Bank as custodian for the Series 2012 Construction Fund. The construction fund is closed.

Budget Highlights

Funds	
General Fund	4,537,997
Water Fund	921,100
Sewer Fund	660,800
Civic Center Fund	70,864
Total	6,190,761

Some factors impacting the budget are:

General Fund Revenues:

- The Town's total millage rate increased by 2.37% from 20.23 mills to 20.71 mills.

General Fund Expenditures:

- Requested merit increases have been included. A 2% cost of living increase and other merit increases were not included and will be addressed in February 2017.
- The Fire Department is filling two additional full-time positions.

General Fund Service Changes	Amount	Account
2% performance increase Town Administrator/5% performance increase for Financial/Budget Analyst/Hire Part time employee	15,799	4100.1010
Meetings and Training (Leadership Training)	5,000	4100.3120
Miscellaneous (Air Med Care MSP and employees)	5,000	4100.3420
Garbage Increase (new contract)	129,613	4100.5000
Highway 174 Litter Expense (Reimbursement from Chas County)	18,000	4100.6000
Capital Improvements (Listed in the next table)	313,982	4110.6500
PD-Pay for Performance (2 employees 3% each)	3,531	4200.1010
PD-Equipment Vehicle Depreciation (added cameras and radios)	22,103	4200.3600
FD-Salaries (step raise for rank and position; fill 2 full-time positions)	5,000	4400.1010
FD- Health Insurance (for full-time positions)	17,640	4400.3361
FD-Fire Engine Maintenance-Shifted to Vehicle/Equip replacement	(15,000)	4400.3150
FD-Equipment Depreciation (added radios)	5,174	4400-3600
FD-Radio purchases for emergency response	5,700	4400.9100
PW-Mosquito Chemicals (additional spraying)	7,000	4700.9010

Prior Year Funds

Accrued Prior Year Funds	
General Fund	3,362,839
Water Fund	1,374,385
Sewer Fund	758,325

Contingencies

Contingency Fund	
General Fund	92,055
Water Fund	151,284
Sewer Fund	59,084

General Fund & Special Appropriations:

Item	Amount	Fund
Chamber Marketing (Off-season)	35,000	ATAX 65% PY
Edisto United	2,950	ATAX 65% PY
Beach Nourishment	500,000	ATAX 65% PY
Bill Fish Tournament	10,000	Alcohol Permitting PY
Edisto Watersports Shark Tournament	2,000	Alcohol Permitting PY
Beach Nourishment	1,625,370	Local Accommodations PY
Beach Monitoring	20,425	Local Accommodations PY
Beach Preservation	200,000	Local Accommodations
Bell Bond Debt	175,000	Local Acc. Fund \$50,000 ATAX PY Encumbered \$50,000 Hospitality Funds \$25,000 General Fund \$50,000
Beach Nourishment	512,315	Local Accommodations
Code Red	5,000	Hospitality PY
Beach Walkover Repair	1,453	Hospitality PY
Post Storm Survey	10,000	Hospitality PY
Bay Creek Park Stage	72,909	Hospitality PY
Beam and Associates	14,000	Hospitality PY
General Fund (Tourism Related)	94,877	Hospitality
Beach Nourishment	362,315	Hospitality
John Deere Tractor	21,875	Vehicle/Equipment Replacement
Sweeper/Broom Attachment for tractor	8,860	Vehicle/Equipment Replacement

*Note that beach nourishment funds total \$3,000,000.

Water Fund

1. The water rates were increased by 5% in May 2016.

Sewer Fund

1. The sewer rates were not increased in FY 2015-16.

Water and Sewer Fund Capital Improvements, New Services, Other

Service	Amount	Funding Source
5% merit increase for pay for performance/20% of part-time position	20,235	Water User Fees
	20,235	Sewer User Fees
Computers	1,000	Water User Fees
	1,000	Sewer User Fees
CIP Miscellaneous (Thompson Water pump)	6,500	Water Prior Year
Jungle Shores Water Line Extension	38,178	PY Water R & R
Water System Improvement (Phase I)	23,195	PY Water R & R
Jungle Shores American Engineering	10,320	PY Water R & R
Upgrade or replace SCADA	120,000	Water R & R
Wellfield Booster Pump Upgrades	100,000	Water R & R
Lift Station Bay Point	11,500	PY Sewer R & R
PER Wastewater Plant	37,525	PY Sewer R & R
Hydraulic Evaluation	4,104	PY Sewer R & R
Scott Creek Lift Station	30,350	PY Sewer R & R
Lift Station Pompano	70,000	Sewer R & R

I am excited by all that has been accomplished by Town staff, Council and citizens working together to make Edisto Beach as great as it is. I am looking forward to the Town's much needed beach nourishment project scheduled to begin in the fall.

I am grateful to be involved in preserving Edisto Beach and maintaining its lowcountry charm and noncommercial atmosphere. I would like to thank the Council, staff and citizens for their support and contributions as we plan for our Town's future.

Sincerely,



Iris Hill
Town Administrator

