

CITY OF BEAUFORT, SC



FISCAL YEAR 2023

**CITY MANAGER'S
RECOMMENDED BUDGET**

PRESENTED MAY 10, 2022



CITY MANAGER'S MESSAGE

WHERE HISTORY, CHARM, AND BUSINESS THRIVE

May 10, 2022

Dear Mayor Murray, Members of City Council and Citizens of the City of Beaufort:

The challenges that the City, county, state, nation, and the world have faced with in the last few years have been unprecedented, from the impact of the Covid-19 pandemic to the war in Ukraine. We are so fortunate that the City continues to grow and thrive despite the uncertainties and stress we have all faced during these trying times. The initial shelter-in-place mandate and the extended stay-at-home order affected many activities and required the wearing of masks and the shutting down of schools, businesses, and leisure travel. While the change was swift and significant, our staff responded immediately and pivoted quickly to continue our high-quality services to our community. I am so grateful for and humbled by the generous and unstinting response to the demanding and increased workload by both our staff and our Council. We transitioned our operations in ways that could not have been previously imagined, including moving our public meetings online, providing planning and permitting services remotely, and connecting with our community through social media channels. Our dedication to our community never wavered. I thank everyone for responding to our challenges with such grace and strength.

I am pleased to present the City's 2023 Proposed Annual Budget, the annual financial roadmap for the City of Beaufort, with projected total expenditures of \$27.5M and a milage recommendation of 78.2.

The Annual Budget allocates resources to a variety of City priorities and programs to ensure the community's physical security, enhance our quality of life, and maintain and develop the City's facilities and infrastructure. The 2023 Budget attempts to reinvigorate these efforts, after the necessary constrictions of the pandemic. Our finances continue to be stable, Beaufort continues to be a center of innovation and growth, and there are many exciting projects planned with several of our community partners. However, the need for us to continue to tackle nuts and bolts issues such as maintaining and strengthening our infrastructure has necessitated changes and the reallocation of expenses and resetting of priorities.

While the City benefits from the fact that we are the regional retail provider serving a population that comes from far beyond our city limits, being that center means that we must also provide services to that wider community. As both the City and the surrounding areas continue to grow and flourish, we must use our resources strategically to guide and support that growth. While reducing expenditures is an efficient short-term measure during times of uncertainty, targeting investments in our Strategic Focus Areas to respond to our evolving community is the long-term solution to build resiliency. Balancing short-term response and long-term investment remains a priority for our staff and Council. I am confident that this focus will guide us through this challenging time and make Beaufort stronger than ever before.

Our FY 2023 proposed budget:

- Builds on our successes, addresses emerging issues, and maintains core services;
- Supports those who need help the most and promotes equity through maintaining programs to maximize our city's affordability and accessibility;

- Meets short-term goals that maintain and improve our current infrastructure; and
- Continues to invest in the workforce development needs of both the City and the community.

The proposed budget achieves these goals while:

- Balancing revenues and expenditures in accordance with state law;
- Matches spending with established strategic goals; and
- Applies input from diverse community stakeholders, including residents, businesses, nonprofit organizations, boards and commissions, partner agencies, and staff.

Thanks to significant one-time funds from the federal government pursuant to the Coronavirus Aid and the American Rescue Plan Act funds and with the help of significant community input on where to best spend these funds, the City has put several innovative programs and services in place. Our allocation from American Rescue Funds is \$6.6M, one half of which has been received, with the second half to be remitted in the fall. These funds are shown as a separate line item in the long-term financial plan. They will be used to offset revenue losses that have impacted us during the pandemic and to provide new programs that have been requested by our community.

In the following pages, you will see some continuing themes from 2022 and some changes which will allow us to respond to the new challenges we are facing. Continuing themes include management of our established Strategic Goals work plan, organizational retention and development, improving efficiencies, community engagement, and cross-training as part of our succession planning and workforce development process. As a service organization, we are only as strong as our people. A key to our long-term success is our focus on retraining and growing talent from within the City's staff and attracting new talent from a pool of younger workers less willing to consider public service. The 2023 Budget reflects our mission to achieve the highest level of employee and customer satisfaction by demonstrating effective leadership at all levels, encouraging creative problem-solving, and adapting to changing community needs and environment.

At the forefront of our Strategic Plan is Sustainability, which is also a regional goal. The City has a portfolio of projects that are underway to address rising sea levels, stormwater, and the environmental impact of continuing development. We currently have three engineering companies and the Army Corp of Engineers collaborating with us to develop plans to address these issues. The scope and cost of these plans have not yet been determined, but they are likely to present serious challenges to our taxpayers. While some financial grants are likely, they will not significantly offset the costs to protect our coastline from the impacts of climate change and sea level rise. When these studies are completed, subsequent actions will include determining the optimal phasing, funding, and implementation of the recommended plans of action.

Each year, we must present a balanced budget which represents a plan of service for our community. The bare bones budgets of the pandemic years are not sustainable, and we are facing significant cost increases in fuel, employee benefits, insurance, service contracts, equipment, materials, and supplies. We continue to be impacted by the effects of the current growth in the city and the region. We are also seeing a rebound of the tourist industry and being recently named the “Best Small Town in the South” by Southern Living magazine will create even more interest in visiting Beaufort. We must manage our growth, maintain our preservation standards, and provide a positive lifestyle for all our residents. Unfortunately, not all requests and needs can be met to the degree desired by individual groups and departments. The proposed FY 2023 General Fund Budget can be funded with the revenue available to us, while also supporting new initiatives and positions and providing continuity of services. It is not without challenges, but we have the team in place to accomplish our goals.

The preparation of this budget would not have been possible with the efficient and dedicated services of our entire staff, especially the members of the Finance Department.

We look forward to answering all your questions as we finalize the FY23 Budget.

A handwritten signature in black ink, appearing to read 'W. Prokop', written in a cursive style.

William Prokop
City Manager

Budget in Brief

As you look at the following FY23 recommended budget, please keep in mind that FY22 amended budget started with a conservative adopted budget due to the unknowns of the effect of COVID-19 pandemic and FY22 actual activity has not yet been addressed through budget amendments by Council. Therefore, looking at the FY23 recommended budget against FY22 amended budget would not be a true reflection without also including comparisons against FY21 actual.

Revenue Highlights

- Millage rate remains the same at 78.2 mills.
- Stormwater fee stays at \$135 along with other revenue rates remaining consistent with last fiscal year.
- Recommended Revenue Budget is \$30.7M overall increase of 14% compared to FY22 Amended Budget, but only 5.7% increase compared to adjusted FY21 actual.
- Tourism taxes (hospitality and accommodations) are at historic highs, outpacing our conservative budget estimates and pre-COVID norms.
- 2nd half of American Rescue Plan Act Funds of \$4M.

Expenditure Highlights

- Recommended Expenditure Budget is \$27.5M overall increase of 15.5% compared to FY22 Amended Budget, but 13% increase compared to adjusted FY21 actual.
- No new positions are included in recommended budget, but insurance benefits increased by 6%. Salaries and benefits account for 53.7% of overall recommended budget as City strives to remain competitive in local job market.
- Operating expenses make up 31.3% of total recommended budget as activity returns to pre-pandemic level and inflation rises.
- No new debt in recommended budget.

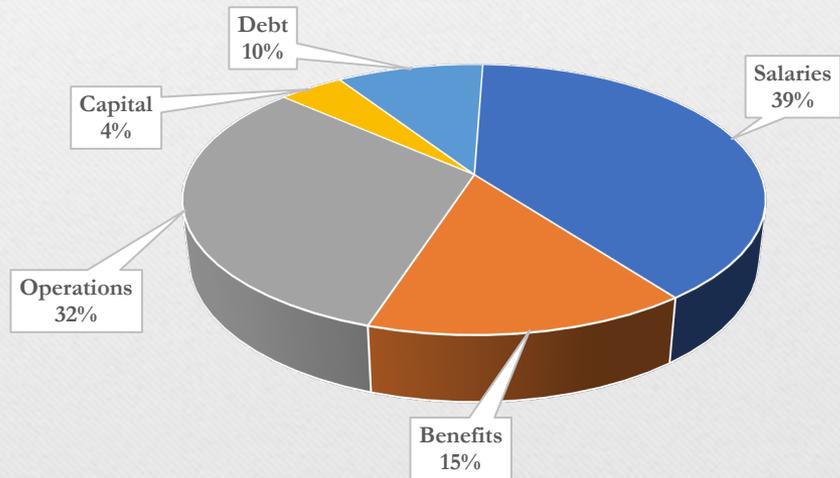
Next Steps

- May 17, 2022- Department Heads budget presentation in City Council Worksession meeting.
- May 24, 2022- City Council Worksession to address questions on recommended budget.
- June 14, 2022- Public Hearing and First Reading on FY23 Budget Ordinance in City Council meeting.
- June 21, 2022- Second and Final Reading on FY23 Budget Ordinance in City Council meeting.

Consolidated FY 2023 Recommended Budget

	<u>General Fund</u>	<u>ARPA Fund</u>	<u>Parks & Tourism Fund</u>	<u>Stormwater Fund</u>	<u>State Accommodations Fund</u>	<u>Fire Impact Fund</u>	<u>Total</u>
Revenues	\$ 20,574,603	\$ 4,096,515	\$ 4,097,200	\$ 1,212,761	\$ 633,333	\$ 130,000	\$ 30,744,412
Salaries	\$ 8,811,120	\$ -	\$ 1,551,487	\$ 335,663	\$ 15,474	\$ -	\$ 10,713,744
Benefits	3,363,976	-	614,883	135,917	8,687	-	4,123,349
Operating	6,555,542	-	1,322,832	235,681	503,756	-	8,635,305
Capital	352,550	467,598	298,900	-	50,000	-	1,169,048
Debt	1,826,585	-	309,098	505,500	-	-	2,641,183
Transfers Out	-	250,000	-	-	55,416	-	305,416
Total Expenditures	\$ 20,927,153	\$ 717,598	\$ 4,097,200	\$ 1,212,761	\$ 633,333	\$ -	\$ 27,588,044
Net (Deficit) Surplus	\$ (352,550)	\$ 3,378,917	\$ -	\$ -	\$ -	\$ 130,000	\$ 3,156,368

To bring into balance the General Fund recommended budget, \$352,550 of capital costs will be funded using Committed Fund Balance for Vehicles and Equipment.

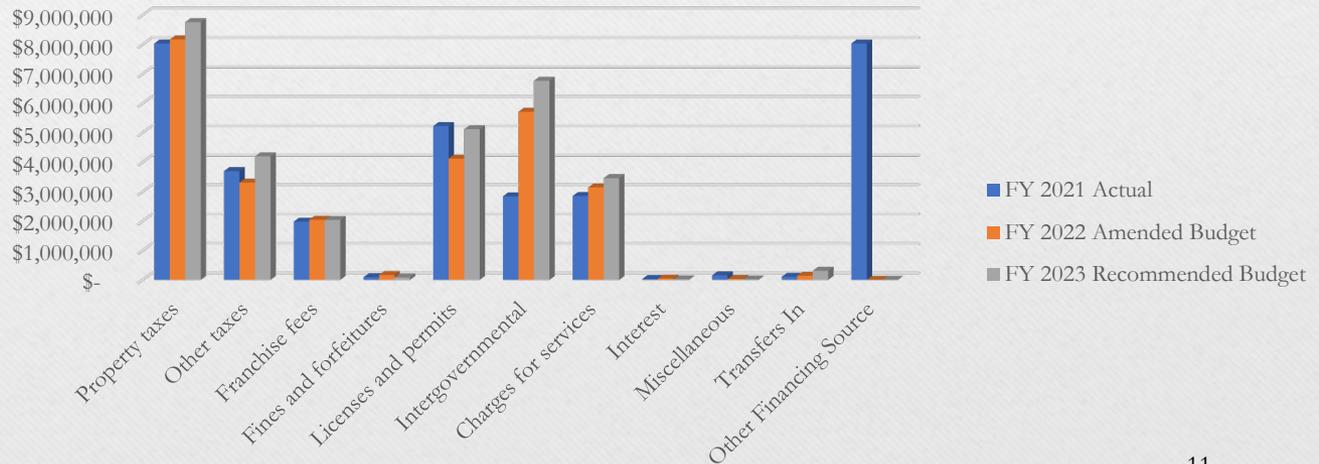


Percentage of Expenditures covered by Revenues.

Consolidated Revenue Budget Summary

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Change	% Change
General Fund	\$ 19,749,003	\$ 18,392,559	\$ 20,574,603	\$ 2,182,044	11.86%
Special Revenue Funds					
Parks and Tourism Fund	3,498,308	3,348,631	4,097,200	748,569	22.35%
State Accommodations Fund	597,080	491,686	633,333	141,647	28.81%
Fire Impact Fund	8,992	119,363	130,000	10,637	0.00%
Stormwater Fund	9,153,208	1,129,000	1,212,761	83,761	7.42%
TIF II Fund	3,545	35,000	-	(35,000)	-100.00%
American Rescue Plan Act Fund	-	3,344,516	4,096,515	751,999	22.48%
Redevelopment Fund	12,998	-	-	-	0.00%
	\$ 33,023,134	\$ 26,860,755	\$ 30,744,412	\$ 3,883,657	14.46%

Where the money comes from



FY 2023 Consolidated Revenue Budget Highlights

- Property Tax estimates:
 - Taxable Assessed Value (TY 22 estimated) = \$108,764,156
 - This represents an overall projected growth of \$4,097,039 or 4% as a result of new construction and annexations.
 - Real property taxable assessed value is projected to grow 4.2% over TY 2021, and personal property taxable assessed value is expected to see growth of 2.7%. Vehicle property tax is projected to increase 1% over TY 2021.
 - Value of a Mil for TY 2021 is \$104,667 and \$108,764 for TY 2022.
- Property Tax in the General Fund includes an estimated growth and CPI increase in the operating mil along with the carryforward from the prior year of 2.08%, or 1.2 mils, a decrease in the debt mil of 0.7 mils to cover debt payments of the general fund, continuation of the reserve mils at 2 mils to fund future infrastructure repairs, and the removal of the emergency mil at 0.5 mils.
 - Growth adds an estimated \$92,172 and the mil adjustment for CPI adds \$38,344, for a total \$130,516 increase to the City's property tax revenues.
 - The recommended budget includes the total millage of 78.2 mils and remains the same from fiscal year 2022.

FY 2023 Consolidated Revenue Budget Highlights (cont'd)

- Overall revenue growth of the General Fund is estimated at 11.8% over FY 2022 or \$2,182,044.
- The City has experienced recent growth in residential and commercial developments for an anticipated \$1M increase in business licenses and building permits in the General Fund.
- City Council's approved the creation of the American Rescue Plan Act (ARPA) Fund in FY 2022.
 - The City will be receiving a second tranche payment in September 2022 for \$3.3M from the Federal Treasury along with an approved \$750k from Beaufort County.
- Though the impacts of COVID 19 affected the City's local hospitality and accommodations taxes reported in the Park & Tourism during last couple of fiscal years, the City has begun to experience recovery as businesses and tourism return during FY 2022. During FY 2023, the budget includes estimated increases of 22.3%, or \$748,569 over FY 2022.
- Stormwater revenues are estimated to increase 7.42% over FY 2022.

Consolidated Expenditure Budget Summary

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Change</u>	<u>% Change</u>
General Fund					
Salaries	\$ 7,725,280	\$ 8,012,052	\$ 8,811,120	\$ 799,068	9.97%
Benefits	2,695,542	3,002,487	3,363,976	361,489	12.04%
Operations	5,693,724	5,932,521	6,572,922	640,400	10.79%
Capital	280,564	24,930	352,550	327,620	1314.16%
Debt	1,755,057	1,761,537	1,826,585	65,047	3.69%
Transfers Out	159,244	41,500	-	(41,500)	0.00%
Total General Fund	<u>\$ 18,309,411</u>	<u>\$ 18,775,028</u>	<u>\$ 20,927,153</u>	<u>\$ 2,152,124</u>	<u>11.46%</u>
Parks and Tourism Fund					
Salaries	\$ 1,306,325	\$ 1,402,610	\$ 1,551,487	\$ 148,878	10.61%
Benefits	456,389	544,068	614,883	70,815	13.02%
Operations	935,676	1,028,952	1,322,832	293,880	28.56%
Capital	14,890	111,222	298,900	187,678	168.74%
Debt	309,098	309,098	309,098	(0)	0.00%
Total Parks and Tourism Fund	<u>\$ 3,022,378</u>	<u>\$ 3,395,949</u>	<u>\$ 4,097,200</u>	<u>\$ 701,251</u>	<u>20.65%</u>
Stormwater Fund					
Salaries	\$ 296,672	\$ 314,771	\$ 335,663	\$ 20,891	6.64%
Benefits	107,072	125,172	135,917	10,746	8.58%
Operations	149,312	191,253	235,681	44,428	23.23%
Capital	191,370	-	-	-	0.00%
Debt	6,054,772	507,500	505,500	(2,000)	-0.39%
Transfers Out	5,124,790	-	-	-	0.00%
Total Stormwater Fund	<u>\$ 11,923,988</u>	<u>\$ 1,138,696</u>	<u>\$ 1,212,761</u>	<u>\$ 74,065</u>	<u>6.50%</u>

Consolidated Expenditure Budget Summary (Cont'd)

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Change</u>	<u>% Change</u>
State Accommodations Fund					
Salaries	\$ 17,723	\$ 17,914	\$ 15,474	\$ (2,440)	-13.62%
Benefits	6,203	8,502	8,573	71	0.84%
Operations	381,155	366,936	503,870	136,934	37.32%
Capital	-	50,000	50,000	-	0.00%
Transfers Out	103,565	48,334	55,416	7,082	14.65%
Total State Accommodations Fund	<u>\$ 508,646</u>	<u>\$ 491,686</u>	<u>\$ 633,333</u>	<u>\$ 141,647</u>	<u>28.81%</u>
Fire Impact Fund					
Capital	\$ -	\$ 70,400	\$ -	\$ (70,400)	100.00%
Total Fire Impact Fund	<u>\$ -</u>	<u>\$ 70,400</u>	<u>\$ -</u>	<u>\$ (70,400)</u>	<u>100.00%</u>
TIF II Fund					
Operations	\$ 48,568	\$ 9,799	\$ -	\$ (9,799)	0.00%
Capital	-	-	-	-	0.00%
Transfers Out	235,630	-	-	-	0.00%
Total TIF II Fund	<u>\$ 284,198</u>	<u>\$ 9,799</u>	<u>\$ -</u>	<u>\$ (9,799)</u>	<u>0.00%</u>
ARPA Fund					
Capital	-	-	467,598	467,598	
Transfers Out	-	-	250,000	250,000	0.00%
Total ARPA Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 717,598</u>	<u>\$ 717,598</u>	<u>0.00%</u>
Total All Funds	<u>\$ 34,048,621</u>	<u>\$ 23,881,558</u>	<u>\$ 27,588,044</u>	<u>\$ 3,706,486</u>	<u>15.52%</u>

FY 2023 Consolidated Expenditure Budget Highlights

Salaries and Benefits

- No new positions are included in the FY 2023 Budget.
- The personnel budget includes an entire fiscal year of compensation study recommendations that were approved by Council in December 2021.
- The budget includes a merit pool of 3% for each department compared to 2% in prior year. The estimate is based on actual payroll costs for FY 2022 totaling \$329,857.
- Increase in Retirement Contribution by PEBA of 1%.
- Increase of 5% in Health insurance premiums.
- Includes employee retention programs.
- General Fund salaries and benefits increased 10.5%, Parks & Tourism salaries and benefits increased 11.2% and Stormwater salaries and benefits increased 7.2%.
 - Increases in Parks and Tourism and Stormwater are due to allocations of personnel costs of the Police Department and Public Works to multiple funds.
- Overall increase in salaries & benefits of \$1,409,518 or 10.5%.

Operations

- Overall increase of 14.7% in operations across the funds of the City
 - General Fund increased 10.7%; Parks & Tourism increased 28.5%; Stormwater increased 23.2%; and State Accommodations Tax increased 37.3%.
 - More detail of these increases are explained in the Fund section.

Capital

- The Capital replacement program is resumed, with resources coming from Committed Fund Balances held in reserve for General Fund purchases.

Debt

- Includes only normal debt payments required for FY 2023. There is no new debt included in the recommended budget.

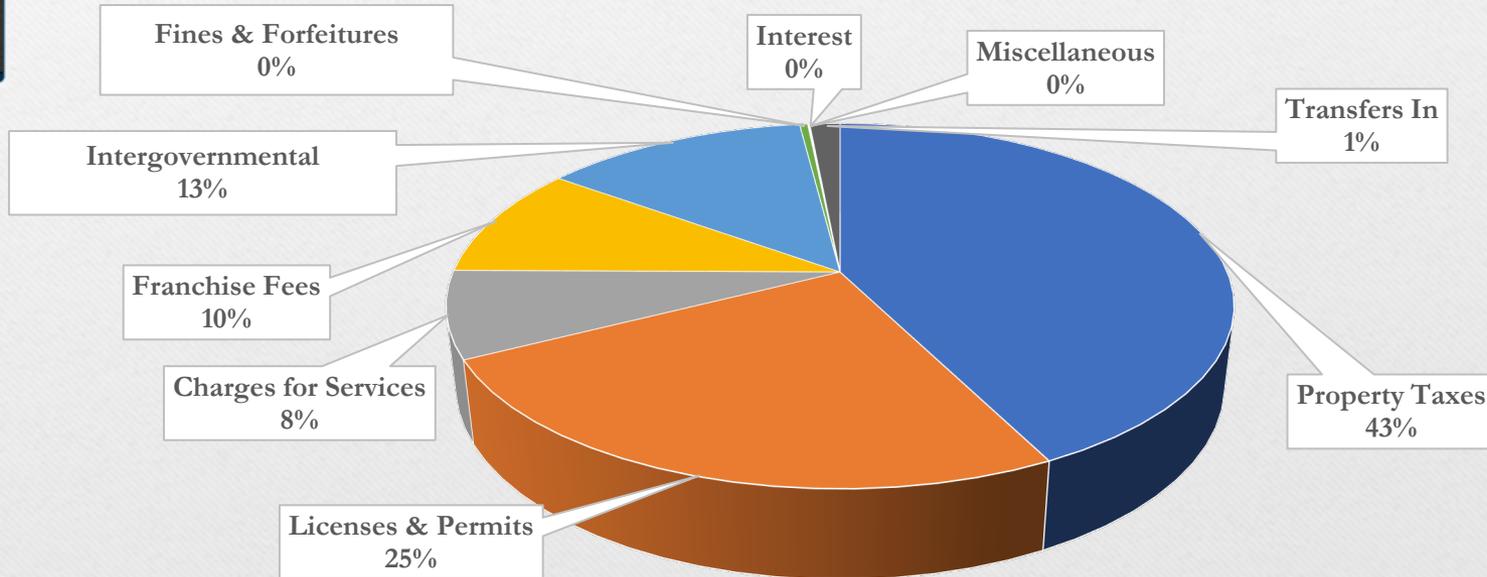
General Fund

The General Fund is the main operating fund of the City. The primary sources of revenue are property taxes, licenses & permit revenues, franchise fees, intergovernmental revenues and general charges for services.

The General Fund accounts for the activity of the City Council, City Manager, Finance & Information Technology, Human Resources, Municipal Court, Community & Economic Development & Building Inspections, Police, Fire, and Public Works.

BUDGET SUMMARY - REVENUES

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year
Property Taxes	\$ 8,031,522	\$ 8,169,741	\$ 8,757,485	\$ 587,744
Licenses & Permits	5,226,563	4,120,000	5,120,000	1,000,000
Charges for Services	1,318,028	1,403,571	1,576,532	172,961
Franchise Fees	1,977,222	2,041,468	2,034,920	(6,548)
Intergovernmental	2,835,209	2,365,446	2,678,250	312,804
Fines & Forfeitures	89,699	164,000	82,000	(82,000)
Interest	18,730	10,000	10,000	-
Miscellaneous	148,464	20,000	10,000	(10,000)
Transfers In	103,565	98,334	305,416	207,082
Total General Fund Revenues	\$ 19,749,003	\$ 18,392,559	\$ 20,574,603	\$ 2,182,044

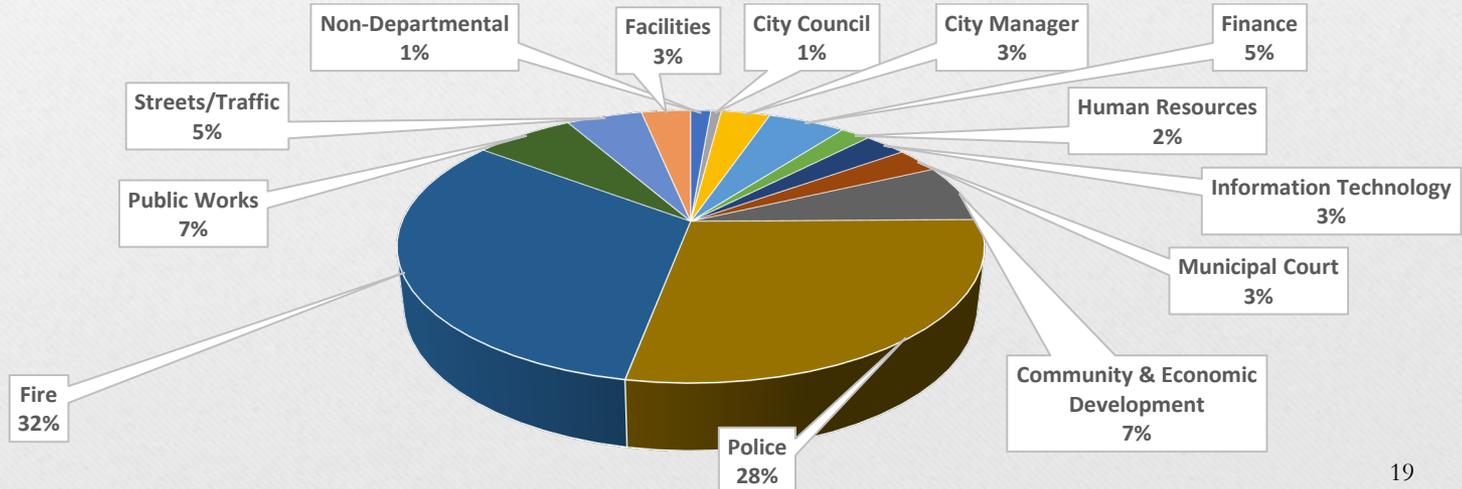


Property Taxes

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget
Current Property Taxes	\$ 5,152,413	\$ 5,631,920	\$ 6,065,805
Property Taxes - Debt Mil	1,849,034	1,789,808	1,825,170
Delinquent Property Tax	462,203	136,088	235,590
Penalties & Interest	184,903	33,196	33,170
Vehicle Property Taxes	329,973	344,855	359,215
Homestead Exemption	198,095	191,447	198,165
Motor Carrier	14,458	10,373	10,370
Payment in Lieu	-	32,054	30,000
Total Property Taxes	\$ 8,191,080	\$ 8,169,741	\$ 8,757,485
Taxable Assessed Value ¹	\$ 96,098,425	\$ 104,667,117	\$ 108,764,156
Value of Mil	\$ 96,098	\$ 104,667	\$ 108,764

¹ TY 2022 estimated taxable assessed value presented in FY 2023 Recommended budget is estimated based on historical and known growth

Percentage of Property Tax Revenue to Net Department expenditures



Property Taxes

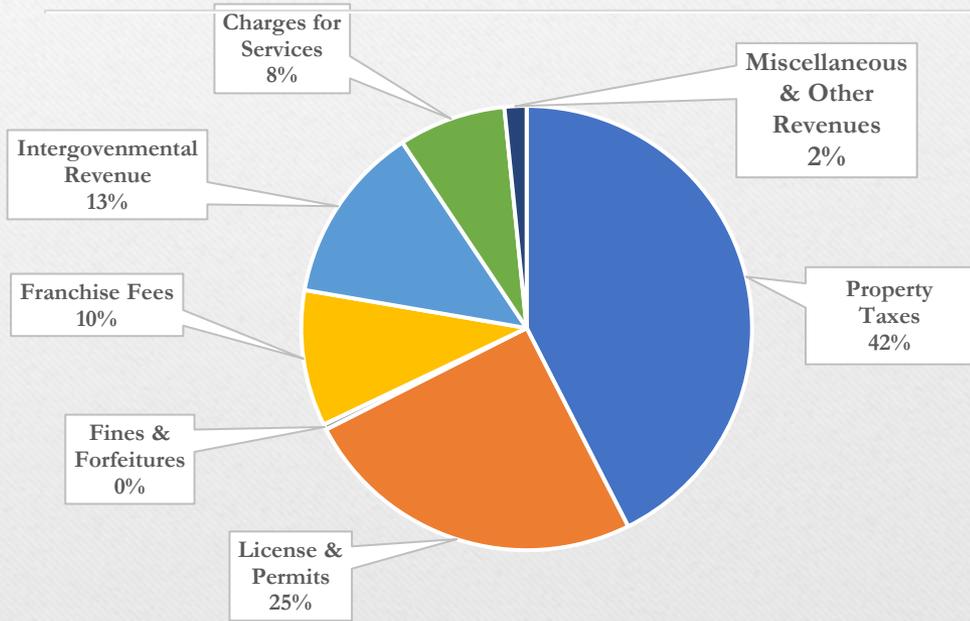
- Represents the largest revenue source of the City, or approximately 42.5% of the total revenues.
- Taxable assessed value of real property for tax year 2022 is estimated to be \$92,046,161, a 4.2% growth over the actual ending values for tax year 2021.
- Taxable assessed value of personal property is estimated for tax year 2022 to be \$10,430,602, a 2.7% growth over the actual ending values for tax year 2021.
- Vehicle taxable assessed value is estimated for tax year 2022 of \$6,287,393, a 1% increase over tax year 2021.
- Total Taxable Assessed Value is estimated at \$108,764,156, an overall increased of \$4,097,039 from FY 2022.
- The growth in taxable assessed value is 3.9% higher than the prior tax year. The estimated millage cap is 2.25% based on CPI and growth in population. The recommended budget includes 2.08% increase in the operating millage and a decrease in the debt millage as follows:
 - Operating Mil of 58.9. FY 2022 Operating Mil is 57.7. An increase in property tax operating millage of 1.2 mils or an increase of property tax for operations of \$130,516.
 - Debt mil is decreased from 18 mils in FY 2022 to 17.3 mils, for a total of 0.7 mils and sufficient to cover the debt service payments.
 - Recommend maintaining the 2 reserve mil to continue to fund for aging infrastructure.
 - Recommend eliminating the 0.5 emergency mill.
 - Total recommended millage rate of 78.2 mils and no increase to the overall millage.

Other Significant Revenues

- Licenses and permits is budgeted for an estimated increase of \$1M more than FY 2022 amended budget, which is due to continuing development within the City and the associated permits issued. However, the FY23 recommended budget amount of \$5.12M is slightly less than \$5.22M FY21 actual.
- Charges for services increased by \$172,961 mostly attributable to \$20 per month residential refuse collection fee that went into effect in FY22 following procurement process for new vendor.
- Intergovernmental revenues increased \$312,804 due mostly from \$162k Fire FEMA Grant and \$68k increase from State Aid.
 - Includes \$2,133,250 for fire services and \$65,000 for building inspection services provided to the Town of Port Royal.

BUDGET SUMMARY - EXPENDITURES

	General Fund			
	FY 2022 Amended		FY 2023	
	FY 2021 Actual	Budget	Recommended	Change
Salaries	\$ 7,725,280	\$ 8,012,052	\$ 8,811,120	\$ 799,068
Benefits	2,695,542	3,002,487	3,363,976	361,489
Operations	5,693,724	5,932,521	6,572,922	640,400
Capital	280,564	24,930	352,550	327,620
Debt	1,755,057	1,761,537	1,826,585	65,047
Transfers out	159,244	41,500	-	(41,500)
Total Expenditures	\$ 18,309,411	\$ 18,775,028	\$ 20,927,153	\$ 2,152,124



General Fund expenditures are supported by

General Fund Budget By Department

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Change</u>	<u>% Change</u>
<u>Non Departmental</u>					
Operations	\$ 315,321	\$ 183,610	\$ 251,596	\$ 67,986	37.03%
Capital	260,077	-	-	-	0.00%
Transfers Out	159,244	41,500	-	(41,500)	-100.00%
Total NonDepartmental	\$ 734,643	\$ 225,110	\$ 251,596	\$ 26,486	11.77%
<u>City Council</u>					
Salaries	\$ 30,010	\$ 29,751	\$ 53,200	\$ 23,450	78.82%
Benefits	7,193	7,607	12,335	4,727	62.14%
Operations	142,739	78,951	115,193	36,242	45.90%
Total City Council	\$ 179,942	\$ 116,309	\$ 180,728	\$ 64,419	55.39%
<u>City Manager</u>					
Salaries	\$ 299,594	\$ 330,991	\$ 510,094	\$ 179,102	54.11%
Benefits	118,324	124,465	239,724	115,259	92.60%
Operations	98,386	88,546	145,353	56,807	64.16%
Total City Manager	\$ 516,303	\$ 544,002	\$ 895,170	\$ 351,168	64.55%
<u>Finance</u>					
Salaries	\$ 487,502	\$ 484,851	\$ 476,174	\$ (8,677)	-1.79%
Benefits	151,545	174,032	172,074	(1,958)	-1.13%
Operations	189,732	204,002	272,945	68,944	33.80%
Total Finance	\$ 828,779	\$ 862,884	\$ 921,194	\$ 58,309	6.76%
<u>Information Technology</u>					
Operations	\$ 420,179	\$ 479,623	\$ 482,110	\$ 2,487	0.52%
Total Information Technology	\$ 420,179	\$ 479,623	\$ 482,110	\$ 2,487	0.52%

General Fund Budget By Department (cont'd)

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Change	% Change
<u>Human Resources</u>					
Salaries	\$ 141,454	\$ 180,312	\$ 188,995	\$ 8,683	4.82%
Benefits	43,492	64,073	33,261	(30,812)	-48.09%
Operations	83,499	86,837	54,928	(31,909)	-36.75%
Total Human Resources	\$ 268,445	\$ 331,222	\$ 277,184	\$ (54,038)	-16.31%
<u>Municipal Court</u>					
Salaries	\$ 238,408	\$ 251,667	\$ 302,967	\$ 51,300	20.38%
Benefits	84,292	98,680	101,137	2,457	2.49%
Operations	117,683	145,642	180,131	34,489	23.68%
Total Municipal Court	\$ 440,384	\$ 495,989	\$ 584,236	\$ 88,246	17.79%
<u>Community & Economic Development</u>					
Salaries	\$ 502,596	\$ 560,879	\$ 595,400	\$ 34,521	6.15%
Benefits	160,922	199,525	226,141	26,616	13.34%
Operations	410,405	426,614	465,982	39,368	9.23%
Total Community & Economic Development	\$ 1,073,923	\$ 1,187,018	\$ 1,287,524	\$ 100,506	8.47%
<u>Police</u>					
Salaries	\$ 2,415,668	\$ 2,612,079	\$ 2,902,044	\$ 289,965	11.10%
Benefits	849,362	972,381	1,097,051	124,669	12.82%
Operations	893,724	1,174,423	1,204,109	29,687	2.53%
Capital Outlay	20,237	24,930	117,550	92,620	371.52%
Total Police	\$ 4,178,991	\$ 4,783,813	\$ 5,320,754	\$ 536,941	11.22%

General Fund Budget By Department (cont'd)

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Change</u>	<u>% Change</u>
<u>Fire</u>					
Salaries	\$ 3,169,060	\$ 3,111,950	\$ 3,357,956	\$ 246,006	7.91%
Benefits	1,129,517	1,201,596	1,307,643	106,048	8.83%
Operations	1,175,962	1,167,462	1,085,052	(82,410)	-7.06%
Capital Outlay	-	-	-	-	0.00%
Debt	-	-	208,450	208,450	0.00%
Total Fire	\$ 5,474,539	\$ 5,481,008	\$ 5,959,101	\$ 478,094	8.72%
<u>Public Works</u>					
Salaries	\$ 440,988	\$ 449,573	\$ 424,290	\$ (25,283)	-5.62%
Benefits	153,635	160,129	174,611	14,482	9.04%
Operations	1,843,604	1,896,812	2,315,521	418,709	22.07%
Capital Outlay	-	-	235,000	235,000	100.00%
Total Public Works	\$ 2,438,227	\$ 2,506,513	\$ 3,149,420	\$ 642,908	25.65%
<u>General Obligation Debt</u>					
Principal	\$ 1,369,499	\$ 1,413,128	\$ 1,220,077	\$ (193,051)	-13.66%
Interest	385,558	348,409	398,058	49,649	14.25%
Total General Obligation Debt	\$ 1,755,057	\$ 1,761,537	\$ 1,618,135	\$ (143,402)	-8.14%
Total General Fund Expenditures	\$ 18,309,411	\$ 18,775,028	\$ 20,927,153	\$ 2,152,124	11.46%

GENERAL FUND EXPENDITURE SUMMARY

- Salaries in the general fund increased \$799,068 which is primarily a result of the inclusion of a 3% merit allocation for each department to support performance evaluations of personnel along with recommendations from a compensation study that went into effect December 2021. The total increase in salaries for merit allocations totals \$329,857.
- Benefits in the general fund increased \$361,489 which is primarily a result of a 1% increase in State Retirement, 5% increase in health insurance and changes to benefit selections of personnel.
- Operations increased by \$640,400 or 10% and are highlighted as follows:
 - Non-departmental increased \$67k compared to FY22 budget mostly attributable to cover cost of utilities on Bridges Building, economic partners and redevelopment incentives from annexations but remains \$63k below FY21 actual.
 - City Manager department increased \$56k for services related to providing transparent meetings, executive recruiting costs and website improvements.
 - Finance department increased by \$68k mostly due to business license monitoring contract, new copier lease, tuition assistance for Finance employees, training conference for ERP system and consulting services for transition of new Finance Director.
 - Public Works increased \$418,709 to cover the increased cost of residential garbage collection and an expected increase on the 6th year of the energy performance contract related to various City facilities.
- Capital increased by \$327,620 to include police officer training simulator and security improvements to the Public Works complex.
- Planned use of committed fund balance for capital equipment totaling \$352,550.

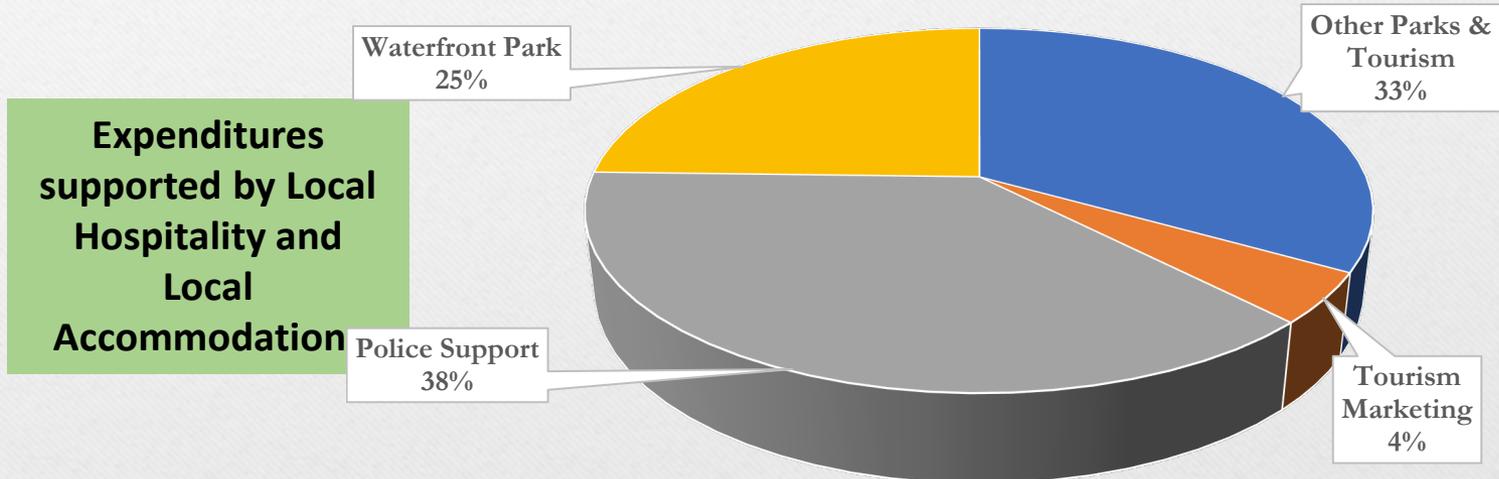
Parks & Tourism Fund

Established to account for the revenues and expenditure activities of the City that are dedicated toward support of tourism related activities, tourism development and the facilities that support those activities.

The Parks & Tourism Fund accounts for the activity of the Parks Department, Police activity in support of Parks and Tourism, Marina operations, Waterfront Park operations, Parking operations, and Downtown operations.

BUDGET SUMMARY - REVENUES

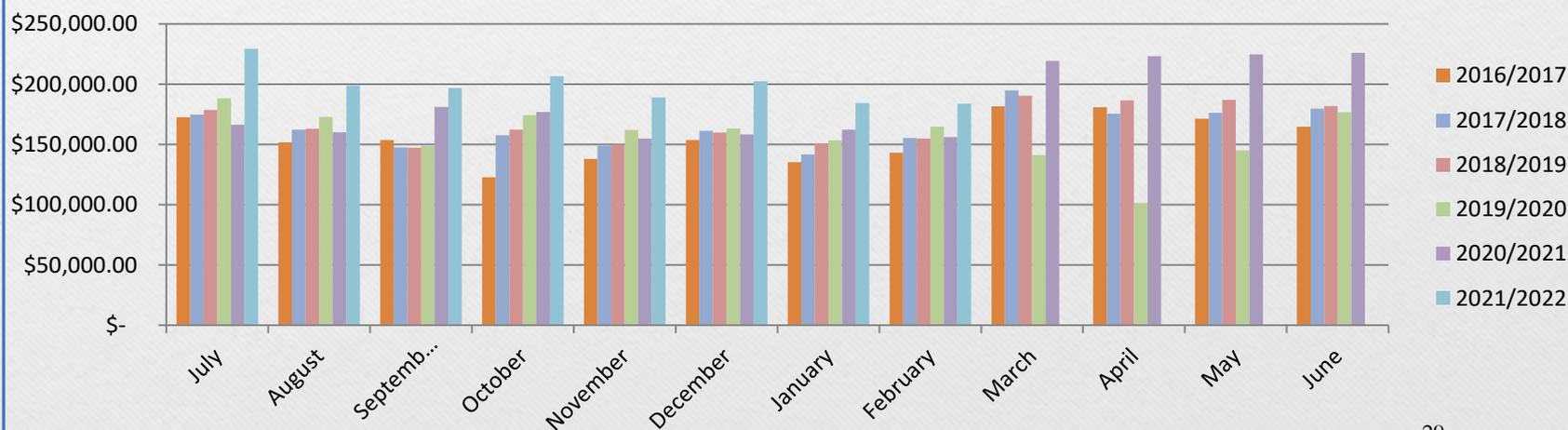
	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year
Other Taxes	\$ 3,097,695	\$ 2,812,031	\$ 3,565,000	\$ 752,969
Charges for Services	393,931	490,100	531,200	41,100
Miscellaneous	5,000	5,000	1,000	(4,000)
Intergovernmental	1,682	-	-	-
Transfers In	-	41,500	-	(41,500)
Total Parks & Tourism Revenues	\$ 3,498,308	\$ 3,348,631	\$ 4,097,200	\$ 748,569



Local Hospitality and Local Accommodations

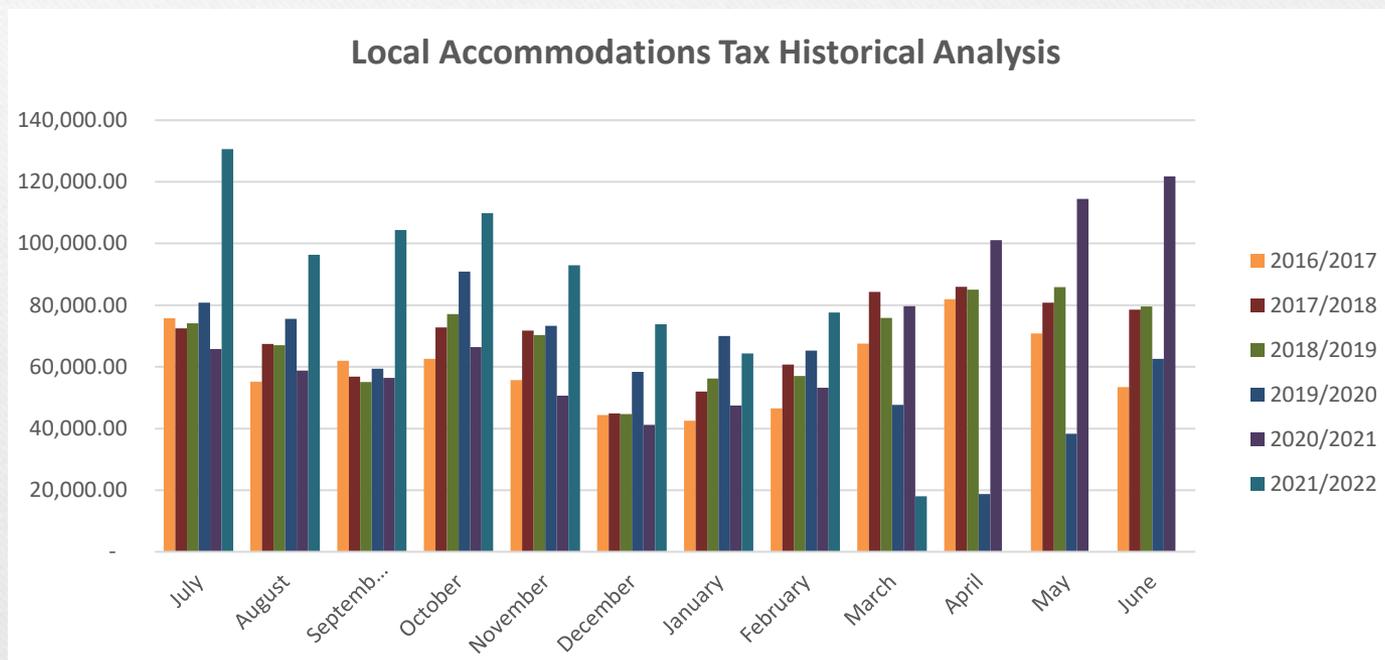
- The two largest revenue contributors to the Parks & Tourism Fund are the Local Hospitality and Local Accommodations taxes. Both had been significantly impacted by COVID 19. The local hospitality industry is expected to grow quicker than the accommodations revenue primarily a result of the fast-food industry which has continued to be productive. But both are indicating a return toward normal levels moving into fiscal year 2023.
- The Hospitality industry has been showing signs supporting the return to normalcy as shown in the following chart.

Local Hospitality Tax Historical Analysis



Local Hospitality and Local Accommodations (Cont'd)

- The Accommodations industry is demonstrating a greater economic indications in support of the return to normalcy as shown in the following chart.
- As a result, the budget anticipates a 21.1% growth in hospitality and accommodations revenues.



BUDGET SUMMARY - EXPENDITURES

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year
<u>Public Works Parks Department</u>				
Salaries	\$ 338,949	\$ 421,426	\$ 450,264	\$ 28,838
Benefits	119,153	159,209	169,007	9,797
Operations	210,067	263,196	392,117	128,921
Capital	13,114	-	116,000	116,000
Total Public Works Parks Department	\$ 681,283	\$ 843,832	\$ 1,127,388	\$ 283,556
<u>Police Support</u>				
Salaries	\$ 825,144	\$ 809,162	\$ 896,012	\$ 86,850
Benefits	294,943	317,418	389,460	72,042
Operations	37,369	37,369	-	(37,369)
Total Police Support	\$ 1,157,456	\$ 1,163,949	\$ 1,285,472	\$ 121,523
<u>Tourism Marketing</u>				
Operations	\$ 131,989	\$ 102,315	\$ 152,500	\$ 50,185
Total Tourism Marketing	\$ 131,989	\$ 102,315	\$ 152,500	\$ 50,185
<u>Marina</u>				
Operations	\$ 28,304	\$ 81,220	\$ 26,976	\$ (54,244)
Total Marina	\$ 28,304	\$ 81,220	\$ 26,976	\$ (54,244)
<u>Waterfront Park</u>				
Operations	\$ 451,417	\$ 449,148	\$ 508,806	\$ 59,658
Capital	1,776	7,500	14,900	7,400
Debt	309,098	309,098	309,098	0
Total Waterfront Park	\$ 762,291	\$ 765,746	\$ 832,804	\$ 67,058

Tourism Marketing includes allocations of Local Hospitality Fees of \$125,000 (5%) for the CVB and \$27,500 (1.1%) for other non-profit organizations.

BUDGET SUMMARY – EXPENDITURES (CONT'D)

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year
<u>Other Downtown Operations</u>				
Salaries	\$ 142,231	\$ 172,021	\$ 205,211	\$ 33,189
Benefits	42,293	67,440	56,416	(11,024)
Operations	74,540	86,404	222,483	136,079
Capital	-	37,222	128,000	90,778
Total Other Downtown Operations	<u>\$ 259,065</u>	<u>\$ 363,087</u>	<u>\$ 612,110</u>	<u>\$ 249,023</u>
<u>Parking</u>				
Operations	\$ 1,990	\$ 9,300	\$ 19,950	\$ 10,650
Capital	-	66,500	40,000	(26,500)
Total Parking	<u>\$ 1,990</u>	<u>\$ 75,800</u>	<u>\$ 59,950</u>	<u>\$ (15,850)</u>
Total Parking & Tourism Fund Expenditures	<u>\$ 3,022,378</u>	<u>\$ 3,395,949</u>	<u>\$ 4,097,200</u>	<u>\$ 701,251</u>

STORMWATER FUND



- Stormwater division of Public Works focuses on the stormwater issues facing our City.
- This fund accounts for the collections of Stormwater Utility fees and the associated costs of maintaining the City's Stormwater Management activities.
- Much of the long-term stormwater projects are reported in the Capital Projects Fund. Day to day operations and short-term projects, expected to be completed within the fiscal year, are reported in the Stormwater fund.

BUDGET SUMMARY

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Increase (Decrease) from Prior Year</u>
Stormwater Utility Fees	\$ 1,114,110	\$ 1,129,000	\$ 1,210,761	\$ 81,761
Interest	7,979	-	2,000	2,000
Other financing source- Debt Proceeds	8,031,119	-	-	-
	<u>\$ 9,153,208</u>	<u>\$ 1,129,000</u>	<u>\$ 1,212,761</u>	<u>\$ 83,761</u>
Salaries	\$ 296,672	\$ 314,771	\$ 335,663	\$ 20,891
Benefits	107,072	125,172	135,917	10,746
Operations	149,312	191,253	235,681	44,428
Capital	191,370	-	-	-
Debt	6,054,772	507,500	505,500	(2,000)
Transfers out	5,124,790	-	-	-
Total Stormwater Expenditures	<u>\$ 11,923,988</u>	<u>\$ 1,138,696</u>	<u>\$ 1,212,761</u>	<u>\$ 74,065</u>

Budget Highlights:

- Stormwater utility fees rate remain the same but anticipated additional revenues of \$81k relate to future growth in the City.
- Salaries and Benefits increased \$31,637 in comparison with the prior year due to full staffing of the division dedicated to stormwater maintenance.
- Operations increased by \$44,428 as more drainage projects are planned moving into fiscal year 2023.



FIRE IMPACT FUND

This fund accounts for the fire impact fees collected on new development beginning January 1, 2021. Use of these funds is restricted by City Ordinance for Capital Improvements related Fire services.

BUDGET SUMMARY

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year
Fire Impact Fees	\$ 8,992	\$ 119,363	\$ 130,000	\$ 10,637
Total Revenues	<u>\$ 8,992</u>	<u>\$ 119,363</u>	<u>\$ 130,000</u>	<u>\$ 10,637</u>
Capital	-	70,400	0	(70,400)
Total Expenditures	<u>\$ -</u>	<u>\$ 70,400</u>	<u>\$ -</u>	<u>\$ (70,400)</u>

Budget Highlights:

- Fire impact fees are expected a modest growth of 8.9% from developments as the City plans on building a fund balance to support future capital improvements related to fire services.



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STATE ACCOMMODATIONS TAX FUND

This fund accounts for the 2% State Accommodations sales tax from transient room rentals and the associated expenditures that are restricted to tourist related expenditures as stipulated by State Law.

BUDGET SUMMARY

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Increase (Decrease) from Prior Year</u>
State Accommodations Tax	\$ 596,295	\$ 491,686	\$ 633,333	\$ 141,647
Interest	784	-	\$ -	-
	<u>\$ 597,080</u>	<u>\$ 491,686</u>	<u>\$ 633,333</u>	<u>\$ 141,647</u>
Salaries	\$ 17,723	\$ 17,914	\$ 15,474	\$ (2,440)
Benefits	6,203	8,502	8,573	71
Operations				
Designated Marketing Organization	221,389	183,800	182,500	(1,300)
Tourism Grants to Qualified NPO's	159,767	183,136	321,370	138,234
Capital	-	50,000	50,000	-
Transfers out to General Fund	103,565	48,334	55,416	7,082
Total Expenditures	<u>\$ 508,646</u>	<u>\$ 491,686</u>	<u>\$ 633,333</u>	<u>\$ 141,647</u>

- The FY 2020 State Accommodations budget included \$150,000 for capital designated for the repairs to the Arsenal building windows and renovation of the bathroom under a grant funded project. The project was completed, but because of revenue shortfalls in the State Accommodations tax collections resulting from COVID 19, the \$150,000 grant match was instead funded by the General Fund's committed fund balance for capital projects. Council's intent was to replenish the general fund's committed fund balance over the course of the next three (3) fiscal years. The FY 2021 and FY2022 adopted budgets included \$50,000 toward replenish the committed fund balance for capital projects as originally intended in the FY 2020 adopted budget. The remaining balance of \$50,000 is recommended in the fiscal year 2023 budget.

AMERICAN RESCUE PLAN ACT (ARPA) FUND

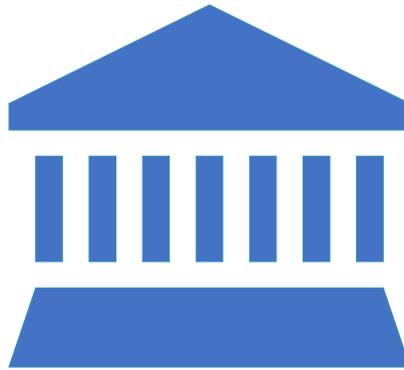


The American Rescue Plan Act (ARPA) Fund, a new fund adopted in FY 2022, accounts for the collection of ARPA funds and the related expenditures in accordance with the Federal Treasury Department's guidance.

BUDGET SUMMARY

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year
Intergovernmental	\$ -	\$ 3,344,516	\$ 4,094,515	\$ 749,999
Interest	-	-	2,000	2,000
Total Revenues	\$ -	\$ 3,344,516	\$ 4,096,515	\$ 751,999
Capital	-	1,471,434	467,598	(1,003,836)
Transfers Out	-	-	250,000	250,000
Total Expenditures	\$ -	\$ 1,471,434	\$ 717,598	\$ (753,836)

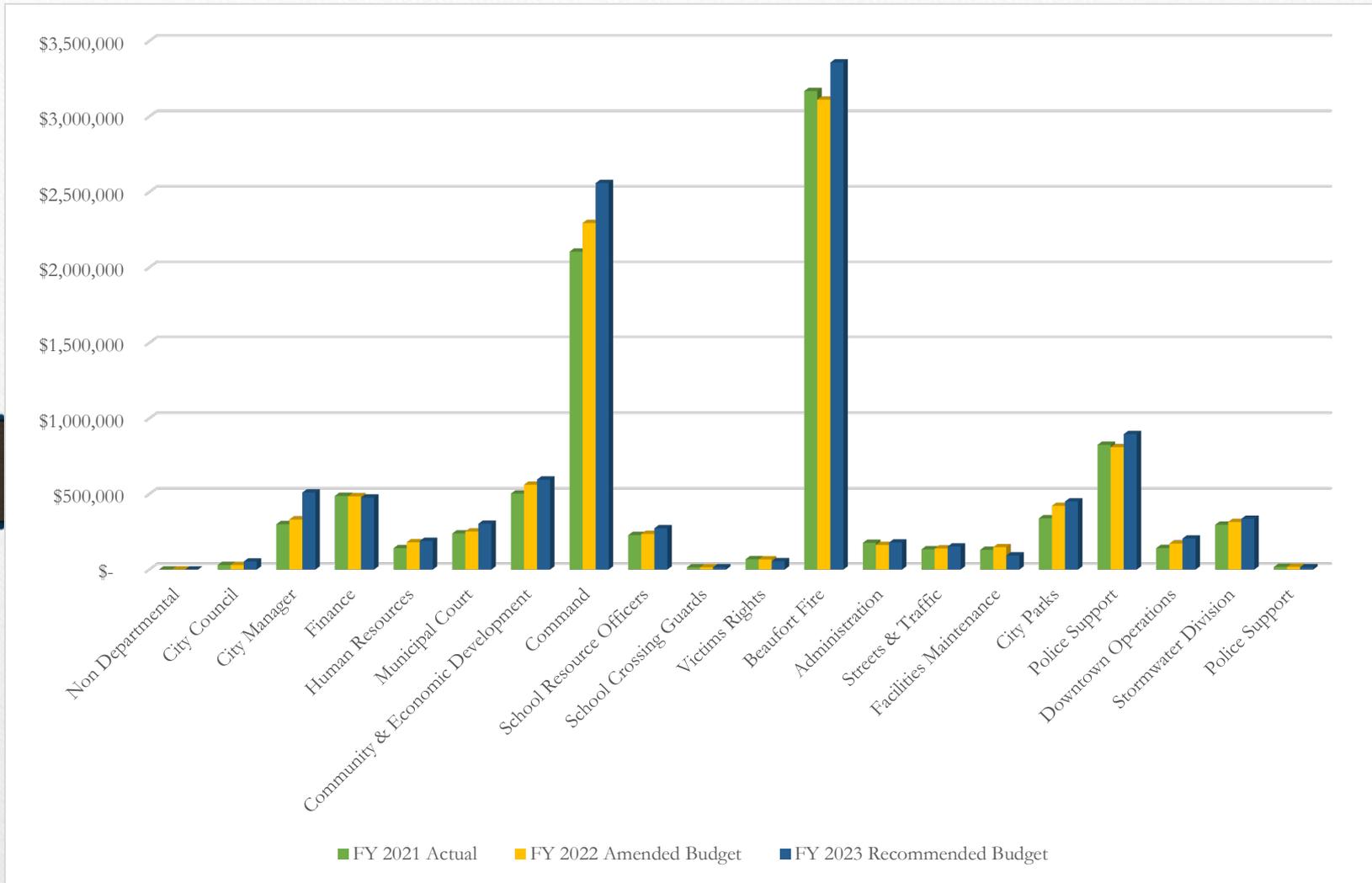
- The second tranche of ARPA funds of \$3.3M will arrive in September 2022 and the City expects to receive \$750,000 from Beaufort County comprised of Cybersecurity and the Good Neighbor Fund.
- The budgeted expenditures are highlighted by the follow items:
 - \$250k for Bridges Building for Workforce Development
 - \$149k for Security Camera Upgrades
 - \$200k GIS Database Setup and Training
 - \$105k IT Router Refresh Equipment



Salaries and Benefits – All Funds

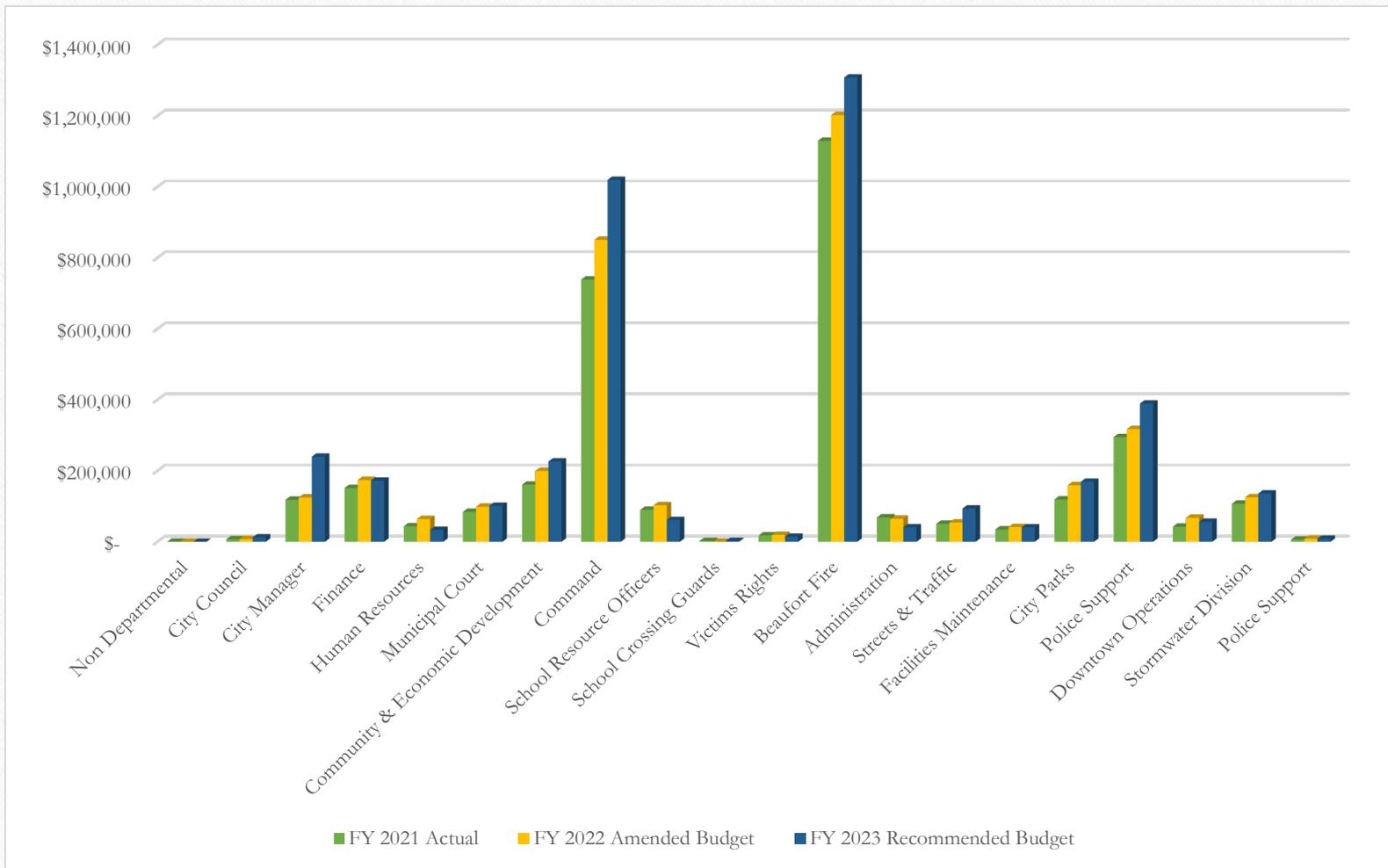
Salaries By Department

	<u>FY 2021 Actual</u>	<u>FY 2022 Amended Budget</u>	<u>FY 2023 Recommended Budget</u>	<u>Increase (Decrease) from Prior Year</u>	<u>% Change</u>
<u>General Fund</u>					
Non Departmental	\$ -	\$ -	\$ -	\$ -	0.00%
City Council	30,010	29,751	53,200	23,450	78.82%
City Manager	299,594	330,991	510,094	179,102	54.11%
Finance	487,502	484,851	476,174	(8,677)	-1.79%
Human Resources	141,454	180,312	188,995	8,683	4.82%
Municipal Court	238,408	251,667	302,967	51,300	20.38%
Community & Economic Development	502,596	560,879	595,400	34,521	6.15%
Police					
Command	2,104,514	2,294,343	2,559,381	265,038	11.55%
School Resource Officers	227,880	235,602	273,054	37,452	15.90%
School Crossing Guards	15,050	15,000	15,000	-	0.00%
Victims Rights	68,224	67,134	54,609	(12,525)	-18.66%
Beaufort Fire	3,169,060	3,111,950	3,357,956	246,006	7.91%
Public Works					
Administration	176,881	162,751	178,610	15,859	9.74%
Streets & Traffic	133,869	139,046	152,506	13,460	9.68%
Facilities Maintenance	130,238	147,776	93,173	(54,602)	-36.95%
Total General Fund Salaries	<u>\$ 7,725,280</u>	<u>\$ 8,012,052</u>	<u>\$ 8,811,120</u>	<u>\$ 799,068</u>	<u>9.97%</u>
<u>Parks & Tourism Fund</u>					
City Parks	\$ 338,949	\$ 421,426	\$ 450,264	\$ 28,838	6.8%
Police Support	825,144	809,162	896,012	86,850	10.7%
Downtown Operations	142,231	172,021	205,211	33,189	19.3%
Total Parks & Tourims	<u>\$ 1,306,325</u>	<u>\$ 1,402,610</u>	<u>\$ 1,551,487</u>	<u>\$ 148,878</u>	<u>10.6%</u>
<u>Stormwater Fund</u>					
Stormwater Division	<u>\$ 296,672</u>	<u>\$ 314,771</u>	<u>\$ 335,663</u>	<u>\$ 20,891</u>	<u>6.6%</u>
<u>State Accommodations Fund</u>					
Police Support	<u>\$ 17,723</u>	<u>\$ 17,914</u>	<u>\$ 15,474</u>	<u>\$ (2,440)</u>	<u>-13.6%</u>
Total Salaries	<u>\$ 9,345,999</u>	<u>\$ 9,747,347</u>	<u>\$ 10,713,744</u>	<u>\$ 966,397</u>	<u>9.9%</u>



Benefits By Department

	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Recommended Budget	Increase (Decrease) from Prior Year	% Change
<u>General Fund</u>					
Non Departmental	\$ -	\$ -	\$ -	\$ -	0.00%
City Council	7,193	7,607	12,335	4,727	62.14%
City Manager	118,324	124,465	239,724	115,259	92.60%
Finance	151,545	174,032	172,074	(1,958)	-1.13%
Human Resources	43,492	64,073	33,261	(30,812)	-48.09%
Municipal Court	84,292	98,680	101,137	2,457	2.49%
Community & Economic Development	160,922	199,525	226,141	26,616	13.34%
Police					
Command	738,947	850,798	1,019,475	168,677	19.83%
School Resource Officers	90,176	102,467	61,168	(41,299)	-40.30%
School Crossing Guards	2,340	-	2,465	2,465	100.00%
Victims Rights	17,900	19,116	13,943	(5,173)	-27.06%
Beaufort Fire	1,129,517	1,201,596	1,307,643	106,048	8.83%
Public Works					
Administration	68,651	64,673	40,667	(24,006)	-37.12%
Streets & Traffic	50,356	54,100	93,598	39,498	73.01%
Facilities Maintenance	34,629	41,356	40,346	(1,010)	-2.44%
Total General Fund Salaries	\$ 2,698,281	\$ 3,002,487	3,363,976	\$ 361,489	12.04%
<u>Parks & Tourism Fund</u>					
City Parks	\$ 119,153	\$ 159,209	\$ 169,007	\$ 9,797	6.2%
Police Support	294,943	317,418	389,460	72,042	22.7%
Downtown Operations	42,293	67,440	56,416	(11,024)	-16.3%
Total Parks & Tourisms	\$ 456,389	\$ 544,068	\$ 614,883	\$ 70,815	13.0%
<u>Stormwater Fund</u>					
Stormwater Division	\$ 107,072	\$ 125,172	\$ 135,917	\$ 10,746	8.6%
<u>State Accommodations Fund</u>					
Police Support	\$ 6,203	\$ 8,502	\$ 8,573	\$ 71	0.8%
Total Benefits	\$ 3,267,946	\$ 3,680,229	\$ 4,123,350	\$ 443,121	12.0%



Full-Time Equivalents per Fund with Comparisons

	<u>FY 2021 Actual FTE's</u>	<u>FY 2022 Adopted FTE's</u>	<u>FY 2023 Recommended FTE's</u>	<u>Increase (Decrease) in FTE's from Prior Year</u>
<u>General Fund</u>				
City Council	5.0	5.0	5.0	-
City Manager	2.5	5.0	5.0	-
Finance	8.0	7.0	7.0	-
Human Resources	2.5	3.0	3.0	-
Municipal Court	6.0	5.0	5.0	-
Community & Economic Development	9.0	9.0	9.0	-
Police				
Command	39.0	43.5	43.5	-
School Resource Officers	4.0	4.0	4.0	-
School Crossing Guards	3.0	2.0	2.0	-
Victims Rights	1.0	1.0	1.0	-
Beaufort Fire	56.5	59.5	59.5	-
Public Works				
Administration	4.0	4.0	4.0	-
Streets & Traffic	3.0	3.0	3.0	-
Facilities Maintenance	4.0	4.0	4.0	-
Total General Fund Salaries	<u>147.5</u>	<u>155.0</u>	<u>155.0</u>	<u>-</u>
<u>Parks & Tourism Fund</u>				
City Parks	9.0	8.0	8.0	-
Police Support	13.0	14.2	14.2	-
Downtown Operations	3.0	3.0	3.0	-
Total Parks & Tourism	<u>25.0</u>	<u>25.2</u>	<u>25.2</u>	<u>-</u>
<u>Stormwater Fund</u>				
Stormwater Division	<u>6.0</u>	<u>7.0</u>	<u>7.0</u>	<u>-</u>
<u>State Accommodations Fund</u>				
Police Support	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>-</u>
Total Full-Time Equivalent Positions	<u>178.8</u>	<u>187.5</u>	<u>187.5</u>	<u>-</u>

CAPITAL PROJECTS AND CAPITAL IMPROVEMENT PLAN



CAPITAL PROJECTS FUND AND RECOMMENDED CAPITAL IMPROVEMENT PLAN

Stormwater Projects are included in the Capital Projects Fund if the project spans longer than one year to complete.

RECOMMENDED FY 2023 CAPITAL PROJECTS

- The City has three active grant awards that impact City Infrastructure. These projects are included in the active Capital Projects list.
 - The Allison Road project is partially funded by two federal transportation alternative funding grants (TAP) through the South Carolina Department of Transportation totaling \$1M.
 - In addition, other stormwater projects are underway that are being funded by the bond funding secured in FY 2019.
 - ✓ The Point (Engineering only)
 - ✓ Calhoun Street
 - ✓ Hay Street (Engineering only)
 - ✓ West Royal Oaks

Active Capital Projects for FY 2023

Description	BUDGET		Active Capital Project and Fully Funded	FUNDING						
	Estimated Original Budget	Modified Budget		Grant Funding	Current FY Budget	Bond Funds	Partners	Committed Fund Balance	TIF II	Unfunded
City Facilities										
Carnegie Building Assessment	\$ 25,000	\$ 25,000	Yes	\$ 12,500				12,500		
Carnegie Building Roof	40,000	80,000	Yes		40,000			40,000		
500 Carteret Street - Upfit	250,000	375,000	Yes				296,035	78,965		
500 Carteret Street- Landing Pad Furniture & Equipment	75,000	75,000	Yes					75,000		
Stormwater										
Calhoun Street Drainage	192,751	2,733,075	No	750,000		217,009				1,766,066
The Point (Engineering Only)	224,533	258,200	Yes			258,200				-
Hay Street Outfall - Engineering Only	39,415	39,415	Yes			39,415				-
West Royal Oaks	37,581	37,581	Yes			37,581				-
Marina										
Marina Fuel Tank Replacement	500,000	800,000	Yes					800,000		-
Streets										
SC 170 Sidewalk Extension	25,169	225,169	Yes						225,169	-
Parallel Road - Engineering Only	978,044	978,044	Yes				489,022		489,022	-
Allison Road	1,930,536	3,014,220	Yes	1,000,000		1,003,494	542,863	467,863		-
	\$ 4,318,029	\$ 8,640,704		\$ 1,762,500	\$ 40,000	\$ 1,555,699	\$ 1,327,920	\$ 1,474,328	\$ 714,191	\$ 1,766,066

Capital Improvement Plan

The Capital Improvement Plan contains projects that the City would like to complete within the next three (3) to five (5) years depending on funding. The City policy is to keep projects on the Capital Improvement Plan until the project is fully funded.

Capital Improvement Plan: FY 2023 through FY 2026

Item	Description	Modified Budget	Priority Tier Level			
			Tier 1: 1 -2 years	Tier 2: 2 - 3 years	Tier 3: 3 - 4 years	Tier 4: 4+ years
City Facility Projects						
1	Upfit to 2nd Floor Police Department - pending tenant	\$ 785,000	\$ 785,000			
2	Security Enhancements at City Hall	\$ 100,000	\$ 100,000			
3	Upfit to 1st Floor of City Hall	\$ 100,000	\$ 100,000			
4	Arsenal Walls Major Repair - can be phased ⁶	\$ 670,000		\$ 670,000		
5	Housing Authority Public/Public Partnership	\$ 389,022	\$ 389,022			
6	Land Purchase for Parking at Municipal Complex	\$ 500,000	\$ 500,000			
Other Projects						
7	Demolition of Wendy's on Boundary Street	\$ 50,000	\$ 50,000			
8	Landscaping Improvements - Boundary Street	\$ 119,000	\$ 119,000			
9	Duke Street - Phase III ³	\$ 450,000		\$ 450,000		

Capital Improvement Plan: FY 2023 through FY 2026 (cont'd)

Item	Description	Modified Budget	Priority Tier Level			
			Tier 1: 1 - 2 years	Tier 2: 2 - 3 years	Tier 3: 3 - 4 years	Tier 4: 4+ years
City Facility Projects						
10	Green Street Streetscape - Phase I ³	\$ 650,000			\$ 650,000	
11	Green Street Streetscape - Phase II ³	\$ 650,000				\$ 650,000
12	Green Street Streetscape - Phase III ³	\$ 650,000				\$ 650,000
13	Marina Bathrooms and Store	\$ 500,000		\$ 500,000		
14	Engineering for 170 Growth Area ⁵	\$ 50,000	\$ 50,000			
15	Lady's Island Development/Access Management Plan ⁵	\$ 50,000	\$ 50,000			
16	Paint Marina Laundry & Bathroom	\$ 8,100	\$ 8,100			
17	Paint Marina Store	\$ 5,000	\$ 5,000			
18	Waterfront Park Seawall & Bulkhead Analysis	\$ 1,500,000	\$ 75,000	\$ 1,425,000		
Total Capital Improvement Plan Projects		\$ 7,226,122	\$ 2,231,122	\$ 3,045,000	\$ 650,000	\$ 1,300,000