CITY OF CHARLESTON BUDGET EXERCISE

Every year the Department of Budget, Finance, & Revenue Collections receives millions of dollars’ worth of requests for funding for departments, council members and others. BFRC must work with departments, the Mayor and City Council to create a balanced budget in a way that provides for the core city services while taking all of these requests into consideration.

Attached is a budget formulation exercise. The first attachment includes the revenues that we expect to receive. This is the amount you have to work with to come up with a balanced budget. The second attachment includes the expenditures. For simplification, we have included a base line amount for current operations from all of the departments. These expenditures are automatically included in your expenditure budget. We have also included mandates from the state and federal governments and two other items at the bottom of the worksheet that have to be included in your expenditure budget.

The remaining expenditures included on the worksheet are departmental requests. These are the expenditures that you will need to prioritize.

The City is required to have a balanced budget. Therefore, revenues and expenditures have to equal.
<table>
<thead>
<tr>
<th>Revenues</th>
<th>Influencing Factors/Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>72,000,000 No millage increase</td>
</tr>
<tr>
<td>Licenses</td>
<td>32,000,000 No license fee increases</td>
</tr>
<tr>
<td>Sales &amp; User Charges</td>
<td>450,000 Based on historical data</td>
</tr>
<tr>
<td>Fines &amp; Forfeitures</td>
<td>550,000 Fines for violations (traffic &amp; criminal)</td>
</tr>
<tr>
<td>Penalties and Costs</td>
<td>772,000 Penalties on delinquent taxes and business licenses - based on historical percentage of late payments</td>
</tr>
<tr>
<td>State of SC</td>
<td>22,400,000 Local Option Sales Tax and State Local Government Fund - LOST is based on consumer spending. City has no control over this revenue.</td>
</tr>
<tr>
<td>Franchise Taxes</td>
<td>15,500,000 Based on Franchise Agreements with Utilities</td>
</tr>
<tr>
<td>Transfers In</td>
<td>8,800,000 Majority is contributions from Tourism Revenues for Tourism Operating Expenditures incurred by General Fund</td>
</tr>
<tr>
<td>Other Enterprise Activities</td>
<td>6,600,000 Estimated revenues from Parking Facilities Fund and other Enterprise Fund contributions to Operating Budget</td>
</tr>
<tr>
<td>Permits &amp; Fees</td>
<td>5,300,000 No fee increases - based on estimated permit activity (new construction, etc.)</td>
</tr>
<tr>
<td>Other</td>
<td>1,000,000 Interest income, miscellaneous income</td>
</tr>
<tr>
<td>Rents &amp; Concessions</td>
<td>1,700,000 Per lease agreements for rented City-owned property, and sales on concessions at Recreation Facilities</td>
</tr>
<tr>
<td>Recreation Facilities</td>
<td>1,600,000 Based on historical data on number of participants in programs.</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>989,000 Funds set aside (restricted) for specific projects</td>
</tr>
<tr>
<td></td>
<td><strong>169,661,000</strong></td>
</tr>
</tbody>
</table>
## Budget Formulation Exercise

### Base Line Expenditures for Current Operations

<table>
<thead>
<tr>
<th>Item</th>
<th>Y/N</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>164,000,000</td>
</tr>
</tbody>
</table>

### Unfunded Government Mandates

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandated increase in State Retirement System Contributions</td>
<td>1,400,000</td>
</tr>
<tr>
<td>Federal Mandate - exempt vs. non-exempt</td>
<td>250,000</td>
</tr>
<tr>
<td>Total Mandates</td>
<td>1,650,000</td>
</tr>
</tbody>
</table>

### Department Requests

#### Personnel (including related fringe benefits)

- Customer Service Coordinator - Inspections: 46,000
- Increase in Youth Programs Funding (summer jobs for youth): 35,000
- Staffing of new Fire Stations (30 new positions): 1,800,000
- New Police Officers due to growth in population (8 entry level officers): 550,000
- Deputy Director of Communications (Public Information Office): 82,000
- Community Development Coordinator (Housing and Community Dev): 60,000
- Network Engineer - Information Technology: 70,000
- Help Desk Technician - Information Technology: 48,000
- Traffic Safety Inspector: 81,000
- Assistant Signal Systems Manager: 86,000
- Assistant Fire Marshal: 77,000
- Additional personnel hours to extend Rec Center operating hours: 260,000
- Transcriptionist - Clerk of Council: 48,000
- 2 Tourism Enforcement Officers: 107,000
- 1 Safety Inspector: 64,500

**Total Personnel Requests**: 3,417,500

#### Operating

- Executive Department:
  - Travel & Training: 7,000
  - Operating expenses for West Ashley Farmers' Market: 215,000

#### Information Technology

- Training costs for city employees & IT staff: 30,000
- New software for citizens to pay for services online, submit plans and work order requests: 1,300,000

#### Planning, Preservation & Sustainability

- Planning Studies (Ex: West Ashley Master Plan & Short Term Rental Study): 500,000

#### Traffic & Transportation

- Pedestrian Signals for unsignalized crossings and intersections: 100,000
- Decorative poles and fixtures: 165,000
- Traffic Signal Retiming Study: 505,000

#### Fire Department

- Replacement of SCBA compressor: 52,000
- Uniforms and PPE for 30 new firefighters: 285,000
- Retrofit SCBA to extend useful lives: 189,500

#### Parks

- Maintenance of Parks and Facilities - additional funding: 750,000
- Waterfront Park Sod Replacement: 94,500
- Waterfront Park Live Oak pruning: 14,500
- Hampton Park Asphalt Trail renovation: 100,000

#### Recreation

- James Island Rec Center - 4 new scoreboards: 36,000

#### Public Service

- Increase in number of Pick-up points (houses) for environmental services: 150,000

#### Police

- Uniforms, communications, weapons for 8 new officers: 64,000
- Replace current radios that will be obsolete in 2 years: 1,600,000
- Berkeley County calls - CDC 911 Dispatch charges: 21,000
- Annual Increase in Rental space per leases: 50,000

#### City-Wide

- Street Lights Electricity: 200,000
- Municipal Election in 2017: 110,000

**Total Operating Requests**: 6,538,500

**Total - All Requests**: 11,606,000

**Available Revenue**: (169,661,000)

**Surplus deficit**: 5,945,000