

COUNTY COUNCIL OF BEAUFORT COUNTY

ADMINISTRATION BUILDING
100 RIBAUT ROAD
POST OFFICE DRAWER 1228
BEAUFORT, SOUTH CAROLINA 29901-1228
TELEPHONE: (843) 255-2180

FAX: (843) 255-9401

www.bcgov.net

WM. WESTON J. NEWTON
CHAIRMAN

D. PAUL SOMMERVILLE
VICE CHAIRMAN

COUNCIL MEMBERS

STEVEN M. BAER
RICK CAPORALE
GERALD DAWSON
BRIAN E. FLEWELLING
HERBERT N. GLAZE
WILLIAM L. MCBRIDE
STEWART H. RODMAN
GERALD W. STEWART
LAURA VON HARTEN

GARY KUBIC
COUNTY ADMINISTRATOR

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

JOSHUA A. GRUBER
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA FINANCE COMMITTEE

Monday, April 30, 2012

2:00 p.m.

Executive Conference Room
Administration Building

Committee Members:

Stu Rodman, Chairman
Rick Caporale, Vice Chairman
Steven Baer
Brian Flewelling
William McBride
Paul Sommerville
Jerry Stewart

Staff Support

Bryan Hill, Deputy County Administrator
David Starkey, Chief Financial Officer

1. CALL TO ORDER – 2:00 P.M.
2. CONTINUING DISCUSSION / FY 2013 COUNTY BUDGETS ([backup](#))
3. DISCUSSION / GENERAL FUND RESERVE POLICY ([backup](#))
4. ADJOURNMENT

Open and Priority Retreat Items

Transfer Station
Road Financing
Burton Wells Regional Park Financing
Sports Complex Economic Analysis

2013 Budget Cycle

Business License Fees
2014 Millage Policy
Employee COLA / Bonus
Joint Use of School Facilities
Airport Business Plan
Beaufort Memorial Hospital

A quorum of Council may be in attendance at all Committee meetings.
Please silence your cell phone during the meeting.



Beaufort County, South Carolina

Beaufort County Budget Overview Finance Committee FY-2013

April 30, 2012



FY-2013 Budget

General Information

- ❖ Revenue Projection For FY 2013
 - ❖ \$97 Million
- ❖ Millage Neutrality
- ❖ General Fund Debt Transfer \$1,689,626
 - ❖ Based on .97 Mills
- ❖ No Use of General Fund Reserves
- ❖ Cost of Living Adjustment (2%)



FY-2013 Budget

General Information

- ❖ Magistrate Relocation Lease
- ❖ St. Helena Library
- ❖ Disabilities and Special Needs
- ❖ Hospitalization and Group Health
- ❖ Burton Wells and Lady's Island Park



FY-2013 Budget General Information:

Revenue Generation Projected at \$97 million

❖ 40.21 Mils

❖ Valued at \$1,741,883



Impact of FY 2013 Cap Calculation

- ❖ 40.21 Mils Current Year
- ❖ 41.89 Mils (CAP Calculation)
- ❖ .71 mils/ \$1,245,096

**Beaufort County
Fire District Analysis
FY 2012 & FY 2013 Proposed and Capped Budgets**

Fire District (FD)	FY 12 Budget	FY 12 Millage	FY 2013 Requested	FY 2013 Capped Budget	FY 13 Millage (with Ops at Cap)	+(-) at Cap	Percent +/-	Shortage (Cap to Requested)
Bluffton FD (Operations)	9,067,070	19.67	9,228,691	9,338,338	20.49	271,268	2.99%	109,647
Bluffton FD (Debt)	181,689	0.38	-	-	0.38	(181,689)	-100.00%	0.00%
Bluffton Fire Station Debt*				2,062,500		2,062,500		
Burton FD (Operations)	4,380,820	55.87	4,472,222	4,114,399	58.21	(266,421)	-6.08%	(357,823)
Burton FD (Debt)	368,523	5.53	368,523	368,523	5.53	-	0.00%	-
Daufuskie FD (Operations)	942,309	31.74	991,617	976,127	33.07	33,818	3.59%	(15,490)
Daufuskie FD (Debt)	-	0.00	-	-	0.00	-	0.00%	-
LISH FD (Operations)	4,549,692	32.04	4,709,729	4,608,276	33.38	58,584	1.29%	(101,453)
LISH FD (Debt)	208,057	1.50	207,082	207,082	1.50	(975)	0.00%	-
Sheldon FD (Operations)	1,049,052	32.22	1,099,070	1,114,390	33.57	65,338	6.23%	15,320
Sheldon FD (Debt)	77,800	2.18	72,500	72,500	2.18	(5,300)	0.00%	-

* - Bluffton FD has included the use of fund balancereserve to build new fire station facility approved by County Council in FY 2012.

Fire District (FD)	TY 2011/FY2012	TY 2012/FY2013	+/-	Percent Increase
Bluffton FD Mil Value	464,072	455,751	(8,321)	-1.79%
Burton FD Mil Value	71,158	70,682	(476)	-0.67%
Daufuskie FD Mil Value	29,822	29,517	(305)	-1.02%
LISH FD Mil Value	138,705	138,055	(650)	-0.47%
Sheldon FD Mil Value	32,846	33,196	350	1.07%



COUNTY COUNCIL OF BEAUFORT COUNTY

FINANCE DEPARTMENT

Post Office Drawer 1228
Beaufort, SC 29901-1228

TO: Councilman Stewart Rodman, Chairman, Finance Committee

VIA: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator *BHill*

FROM: David Starkey, CPA, Chief Financial Officer *DStarkey*

SUBJECT: General Fund Balance Policy Proposal

DATE: April 30, 2012

BACKGROUND:

Beaufort County is required to adopt Governmental Accounting Standards Board (GASB) Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. These policies dictate that each governing body adopt a fund balance policy for all funds. Beaufort County Council during its last annual retreat established this item as a top fiscal priority.

RECOMMENDATION:

Beaufort County will strive to maintain an average of five (5) months of total General Fund expenditures in its unassigned fund balance at June 30 of every year*. It will take the County several years to build up this balance, which equates to approximately \$40.2 million**.

Beaufort County shall not allow its unassigned General Fund balance to fall below an average of 1.5 months worth of total General Fund expenditures at June 30 of every year. This figure is approximately \$12.1 million**.

These recommendations can be achieved/maintained by Beaufort County by not utilizing the General Fund balance (except in times of emergency) in any fiscal year. Beaufort County will monitor non-spendable, restricted, committed, and assigned balances within the General Fund to ensure these balances do not increase at the expense of the unassigned balance.

NOTES/RATIONALE:

Per GASB 45, unassigned fund balances are considered liquid assets (cash, investments that mature within 1 year, and receivables that are to be collected in less than 1 year) that are not restricted for any specific purpose (i.e. they can be utilized in any way the County sees fit in the course of its business).

* - This will allow the County to maintain enough cash on-hand to ensure that the General Fund balance would not decline to less than \$0 prior to tax bills being mailed out in November of every year. As a result, the County will not have cash flow issues in August through November (when County cash reserves are at their lowest levels) related to operating payments and reduce the County's risk of needing temporary financing to bridge the gaps to every tax billing (the use of tax anticipation notes (TANs)).

** - These figures change every year and will correspond to audited comprehensive annual financial reports (CAFRs). 1 month's expenditures are calculated by adding the total General Fund expenditures plus transfers out then dividing that number by 12.