

City of Columbia

FY 2019/2020 Budget



We Are Columbia



Envision Columbia

Our Vision

By 2036, Columbia has captured the new American dream. While embracing our 250-year rich history, we enthusiastically welcome the future. We are proud of our soul, our unique character, our diversity, and our human potential. We stand as a city for all people. As a center of commerce, technology, and education, we have defined our city as one full of vitality and inclusion with a charming and cosmopolitan feel.

Focus Areas

- Attracting & Retaining Talent
- Planning Together
- Connecting our Community
- Empowering our Residents
- Economic Prosperity- Endless Possibilities
- Enhancing Columbia's Neighborhoods
- Leading the Way in Innovative & High Quality Municipal Services

2

Overview

- What is the budget?
- What type of services does the budget support?
- Where does the money come from?
- Where does the money go?
- Who determines the budget?
- FY 19/20 Budget Overview



What is the budget?

- A plan for the acquisition and allocation of resources to accomplish specified purposes.
- The budget is a blueprint for the type and mix of services provided to the community.
- Grants authority to City staff for spending within the allocations set in the approved budget.
- SC law requires the adoption of an annual balanced budget Article X, Section 7(b), SC Constitution
- Budget Calendar ensures that a budget is adopted before the beginning of the next fiscal year
- A Public Hearing in a specific format is required Section 6-1-80
- The budget must be approved by Ordinance Section 5-7-260

What services does
a budget support?

City Services

Direct Services

- Community Development
- Economic Development
- Fire
- Municipal Court
- Parks & Recreation
- Planning & Development Services
- Parking Services
- Police
- Public Works
- Storm Water
- Water & Sewer

Supportive Services

- Budget Office
- Central Administration/ General Government
- Council Support Services (Clerk & Liaison to Council)
- Finance
- General Services
- Human Resources
- Information Technology
- Legislative/Council
- Public Relations

City Services - continued

Non-Departmental

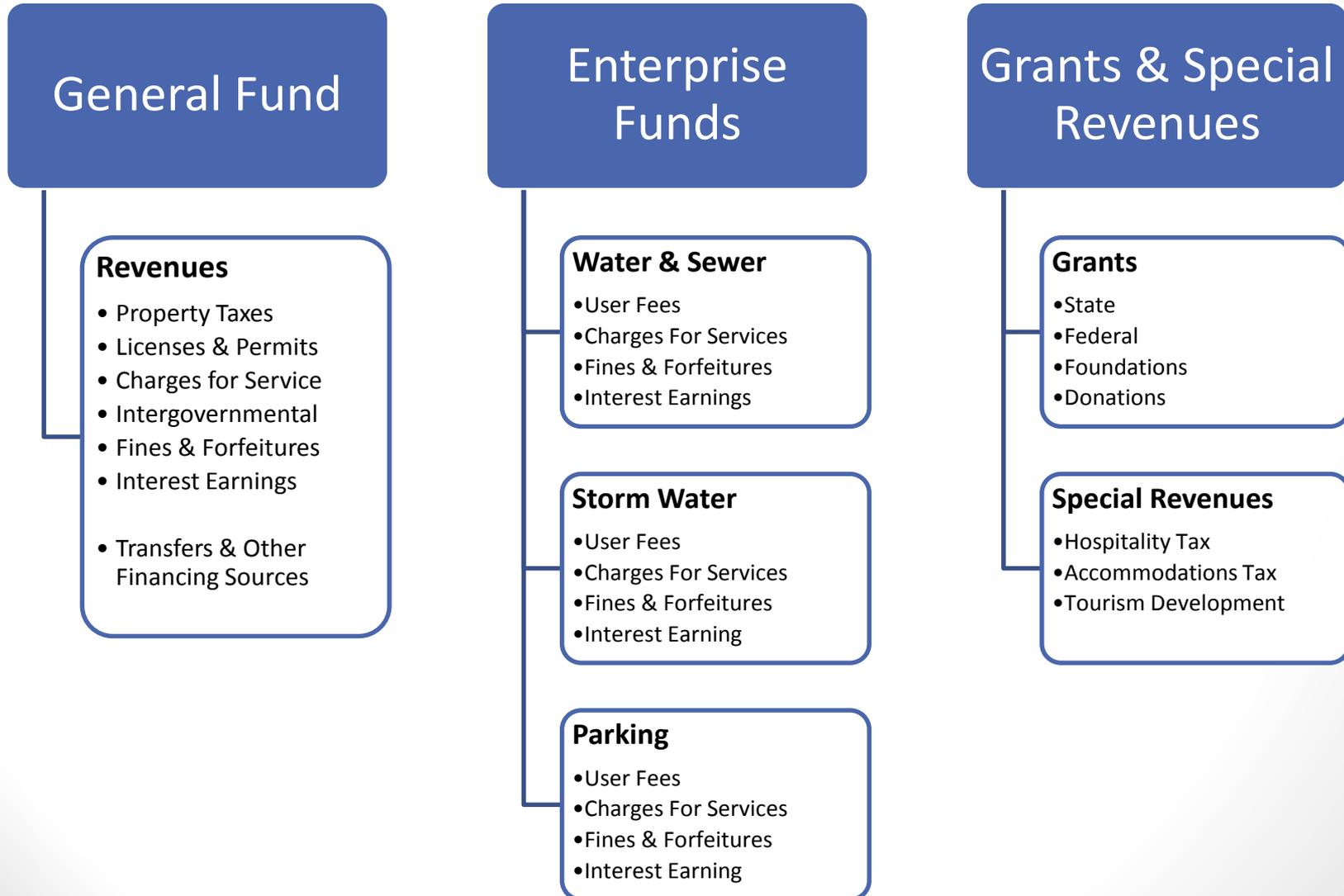
- Employee Tuition Reimbursement
- Homeless Services
- Office Space Lease
- City Funded County Services
 - Solicitor's Office
 - ASG Detention Center
 - Public Defender

Debt & Transfers Out

- Capital Replacement Lease & GO Bond
- Transfer to General Capital Projects
- Transfers to Internal Services

Where does the
money come from?

Sources of Revenue & Other Financing Sources



Where does the
money go?

Spending Requirements

- Operating Cost
- Capital Projects
- Funds are limited
- Must have a balanced budget
- Certain revenues must be used for designated expenditures
- Must maintain reserves
- Restricted uses
 - Debt payments – bonds, capital leases
 - Employment taxes
- Unrestricted Uses
 - Money that is used to fund general services and for public use

Who determines the
budget?

Budget Process

- Develop the Budget Calendar
 - Fiscal year July 1-June 30
- Revenue projections – determines funding levels
- Strategic Plan sets basis for budget goals and drives the approval process
- Departments prepare budget request
 - Maintain service levels
 - New or expanded services
- City Manager's Proposed budget presented to City Council either during regular meetings or as special budget workshops.
- Public Hearing – generally in May, no later than 1st meeting in June
- First Reading – 1st meeting in June
- Second Reading & Final Adoption – 2nd meeting in June
- July – start process all over again!!



Property Taxes

- Produces 41% of General Fund Revenues
- Levied against real and personal property
- City millage rate is 98.1 mils; has not increased in 10 years
- City property taxes are combined on the total property tax bill share with the County, School District and other school districts. ~81% of the property tax bill
- The City's portion of the total property tax bill is ~19% of the total tax bill.

Calculation of Property Tax

- Fair Market Value of Property - \$100,000
- Owner Occupied Assessment Applied - 4%
- Assessed Value= $\$100,000 \times 4.0\% = \$4,000$
- Millage Rate Applied to Assessed Value
- Assessed Value X Millage
- City Taxes = $\$4,000 \times .0981 = \$ 392.40^*$
- **Calculation before Local Option Sales Tax Credit is applied.*
- *Local Option Sales Tax credit is calculated on the property tax bill*

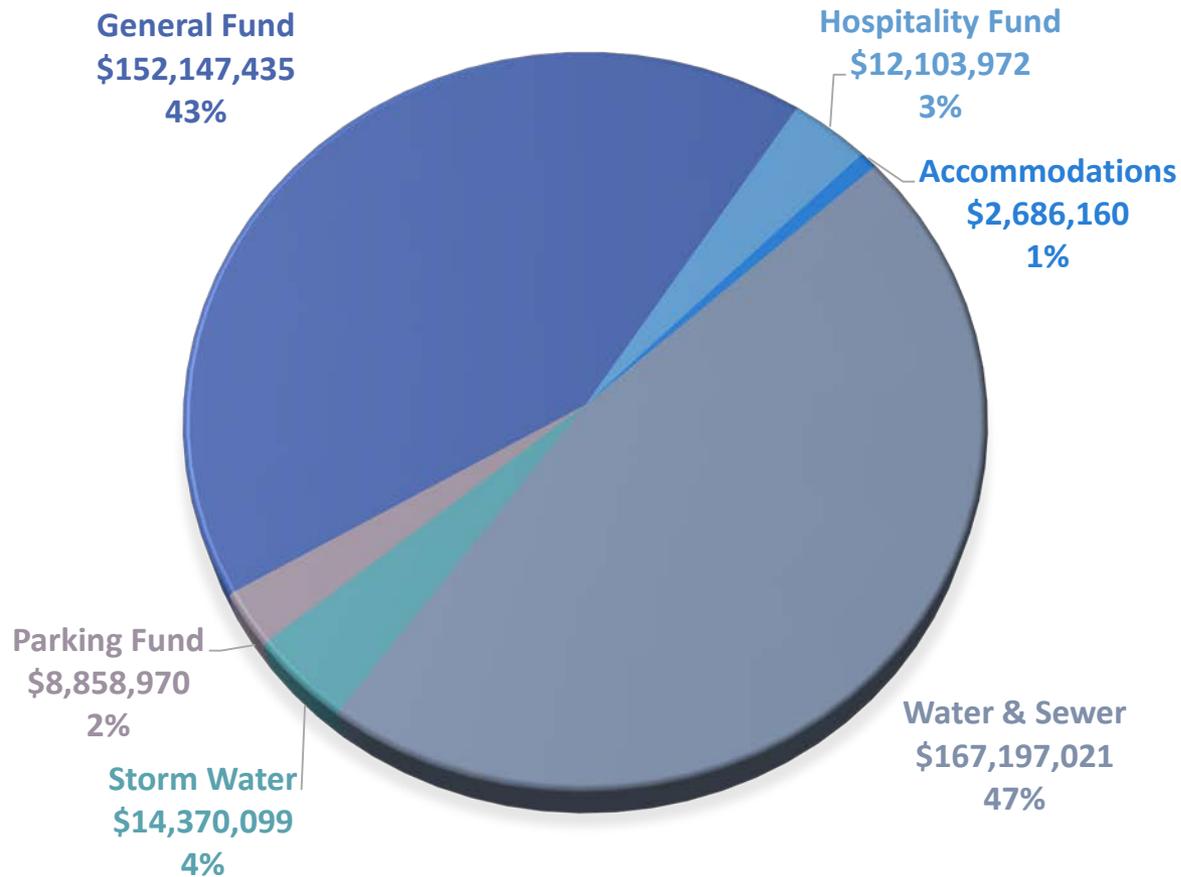
FY 19/20 Budget Goals

- Resiliency
 - Providing services today while preparing for the long term.
 - Address infrastructure needs.
- Sustainability
 - Moving beyond a budget that is balanced.
 - Investments in public safety and neighborhood improvement initiatives.
- Providing quality services
 - Providing high quality municipal services, efficiently effectively and responsively is the basis for why we are here.
 - Maintain the competitiveness of the city's compensation plan to attract and retain employees.



FY 2019/2020 Operating Budget

\$357,363,657





133,000+
Citizens



2,400+
Employees



5,100+
Businesses



13
Police Stations



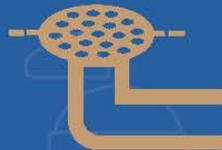
12
Fire Stations



100+
Different Services
& Programs



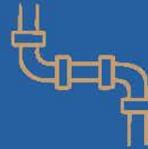
4,500+
Fire Hydrants



356 MILES
of Storm Drains



60,000+
Sewer Customers



2,400+
Water Lines



140,000+
Water Customers



60 Park Facilities
600+ ACRES



1,125+ MILES
OF Sewer Lines



2 Water Treatment Plants Treating
21+ Billion Gallons Per Year

1 Wastewater Treatment Plant Treating
13+ Billion Gallons Per Year

City of **Columbia**
\$357,363,657

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FY 2019/2020

BUDGET



- GENERAL FUND

FY 2019/2020 General Fund

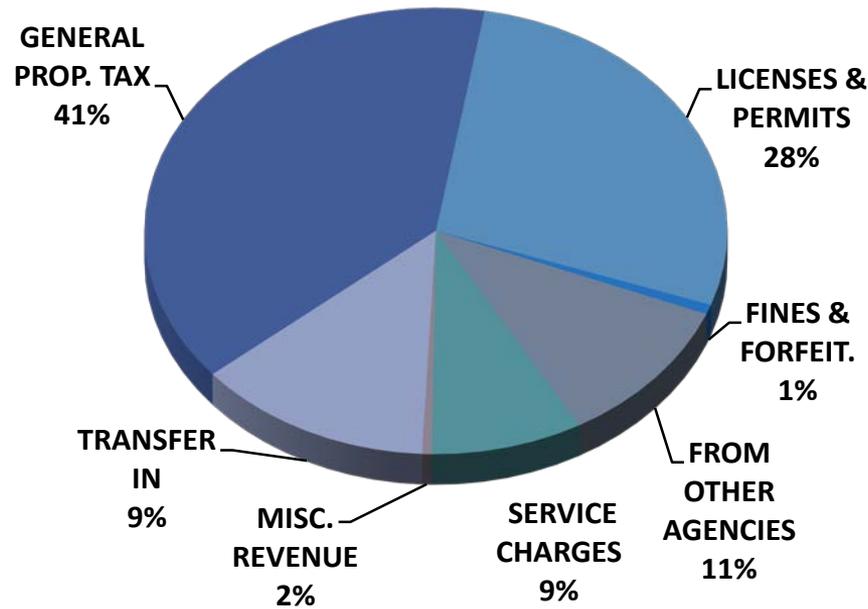
- Total Operating Budget is \$152,147,435; net increase of \$4,046,283; 2.7%
- No increase in property tax rate
 - 2019 Reassessment year – Richland County
 - Lexington County Reassessment in 2020
 - Same rate for past 10 years
 - City of Columbia property tax accounts for less than 20% of the total property tax bill
- Maintains current service levels

FY 19/20 GENERAL FUND REVENUE

- **Total Revenues & Transfers In \$152,147,435; an increase of \$4,046,283 or 2.7%**
 - Revenues total \$132,172,755; an increase of \$2,836,817 or 2.2%.
 - Transfers in total \$19,974,680; an increase of \$4,046,283 or 2.7%.
- **Property Taxes revenues are projected at \$59,015,129 and reflect an increase of \$1,601,831 or 2.8%**
 - No tax increase
- **Business License & Permit revenues are projected at \$42,163,401; a net increase of \$722,041, 1.7%.**
 - Reflects a reduction in Franchise Fees of \$1.6 million
- **Service Charges and other revenues total \$14,688,090**
- **Transfers & Other Financing Sources total \$19,974,680; increase of \$1,209,466; 6.4%**
 - Increase in use of Fund Balance, budgeted at \$3,000,000

FY 19/20 Budget

General Fund-Revenues By Source



REVENUE TYPE	FY 18/19 BUDGET	FY 19/20 BUDGET	% Change
GENERAL PROPERTY TAX	\$57,413,298	\$59,015,129	2.7%
LICENSES AND PERMITS	\$41,441,360	\$42,163,401	1.7%
FINES & FORFEITURES	\$868,000	\$1,062,800	18.3%
FROM OTHER AGENCIES	\$16,113,090	\$16,326,135	1.3%
CURRENT SERVICE CHARGES	\$12,702,890	\$12,785,490	0.6%
MISC. REVENUE, INTEREST & USE OF PROP.	\$797,300	\$819,800	2.7%
TRANSFERS IN	\$18,765,214	\$19,974,680	6.1%
TOTAL	\$148,101,152	\$152,147,435	2.7%

General Fund Revenues

Property Tax 41%

Intergovernmental 11%

Fines & Misc. 1%



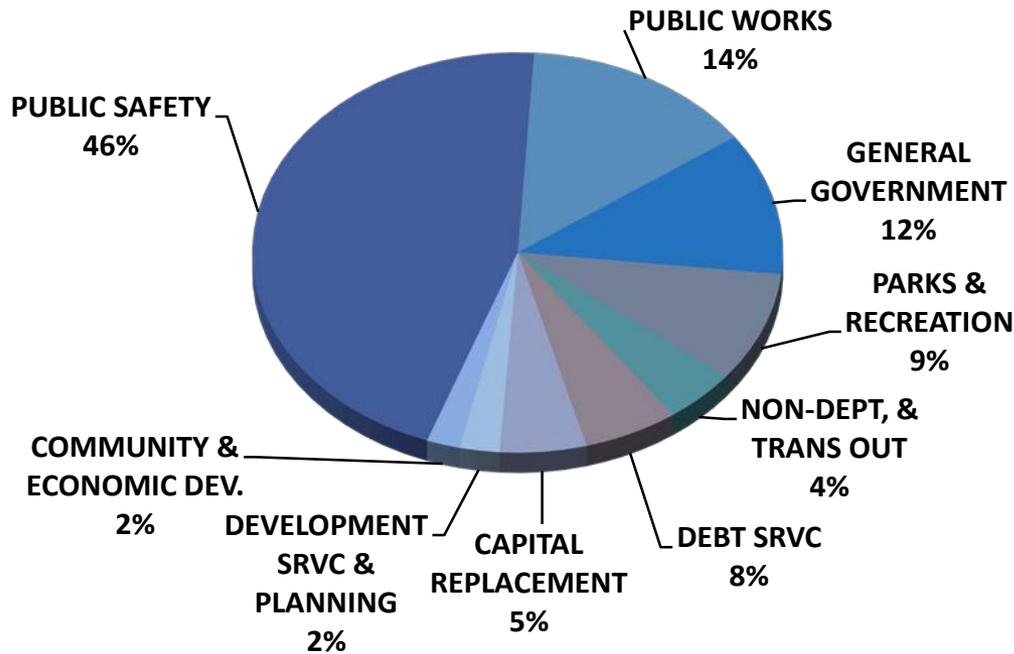
Licenses & Permits 28%

Service Charges 9%

Transfers In & Financing 9%

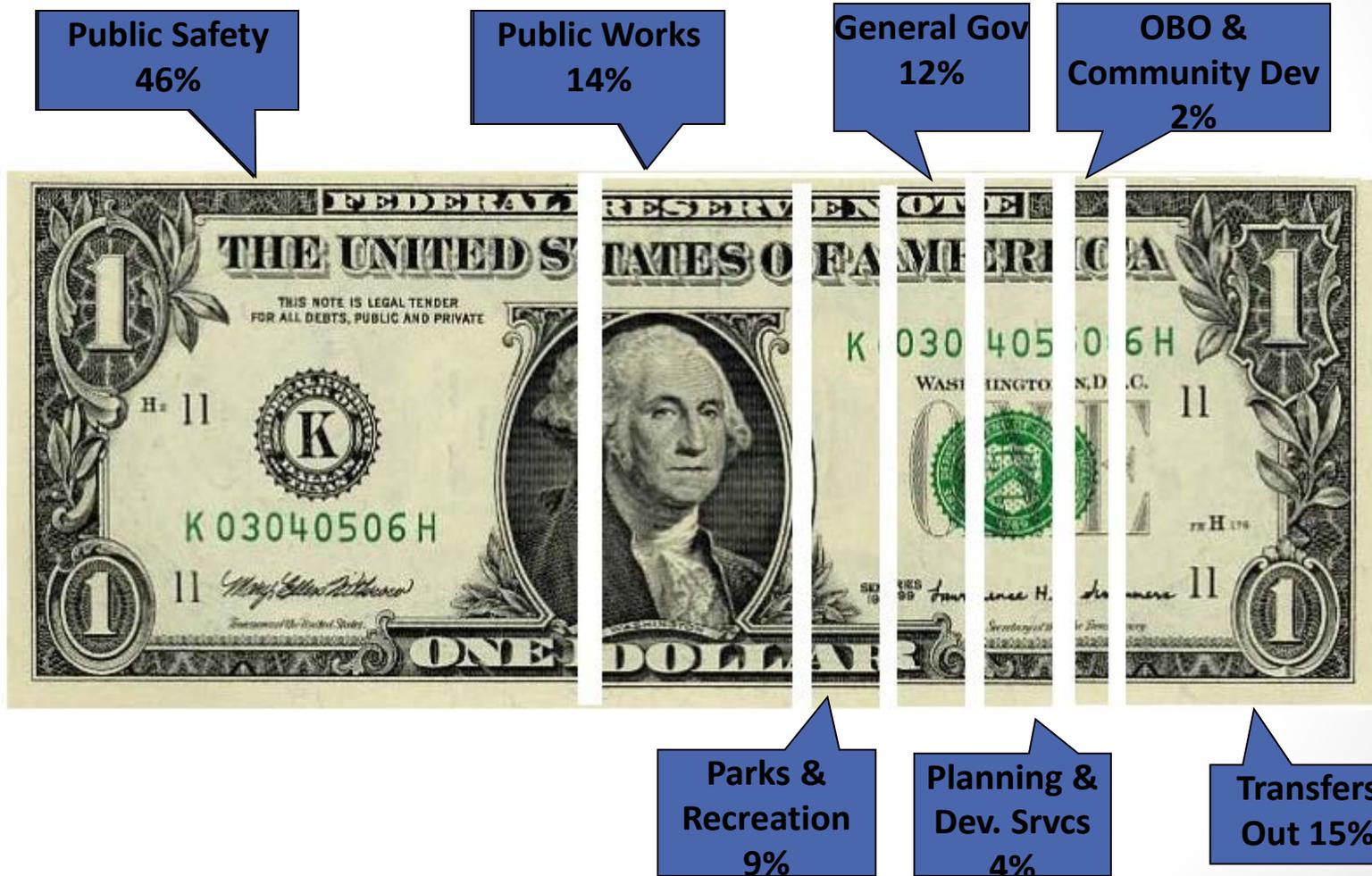
FY 19/20 Budget

General Fund – Expenditures



EXPENDITURES	FY 18/19 BUDGET	FY 19/20 BUDGET	% Change
PUBLIC SAFETY	\$66,824,393	\$69,103,358	3.4%
PUBLIC WORKS	\$21,653,257	\$21,656,109	0.0%
GENERAL GOVERNMENT	\$17,356,576	\$17,565,825	1.2%
PARKS & RECREATION	\$13,324,713	\$13,587,893	2.0%
NON-DEPT, & TRANS OUT	\$5,975,740	\$6,676,009	11.7%
DEBT SERVICE	\$8,377,552	\$8,774,857	4.7%
CAPITAL REPLACEMENT	\$8,000,000	\$8,000,000	0.0%
DEVELOPMENT SRVC & PLANNING	\$3,671,226	\$3,671,319	0.0%
COMMUNITY & ECONOMIC DEV.	\$2,917,695	\$3,112,065	6.7%
TOTAL	\$148,101,152	\$152,147,435	2.7%

General Fund by Function





FY 19/20 General Fund Budget Highlights

- Police Services
 - Expanded use of technology
 - Overtime to provide coverage during training, professional development and court attendance
- Residential & Commercial Code Enforcement
 - Focus on proactive code enforcement
 - Continuation of neighborhood improvement initiatives with Public Works
- Municipal Court
 - 2 Court Clerks
 - Facility improvements
 - Review of processes and operations for improved efficiency
- Parks Opening in FY 19/20
 - Saluda River Greenway – 3 miles
 - Bull Street Park – 20 acres
- Business License
 - 1 new Revenue Technician for enforcement of business license ordinance
- Office of Business Opportunities
 - Commercial Redevelopment & Retention Projects; \$100,000 increase
 - 80/20 match for a forgivable loan program that provides funding for improvements along commercial corridor for exterior renovations that are visible from the public right of way.
- Complete Count program to promote the 2020 Census
- Walk Bike Plan – Outreach and Education

FY19/20 General Fund Capital Replacement Program

- Capital Replacement Program \$8,000,000
 - Annual program includes replacement vehicles, heavy equipment and associated cost to outfit vehicles
 - Annualized debt service estimated at \$1,200,000

Total by Department	# of Vehicles/Equip.	FY 19/20 Allocation
Fire	12	\$ 1,646,500
Public Works	17	\$ 1,704,900
Parks & Recreation	13	\$ 675,400
General Services, P&DS, Court	3	\$ 86,000
Police	62	\$ 3,137,200
Technology Replacements		\$ 750,000

FY 2019/2020

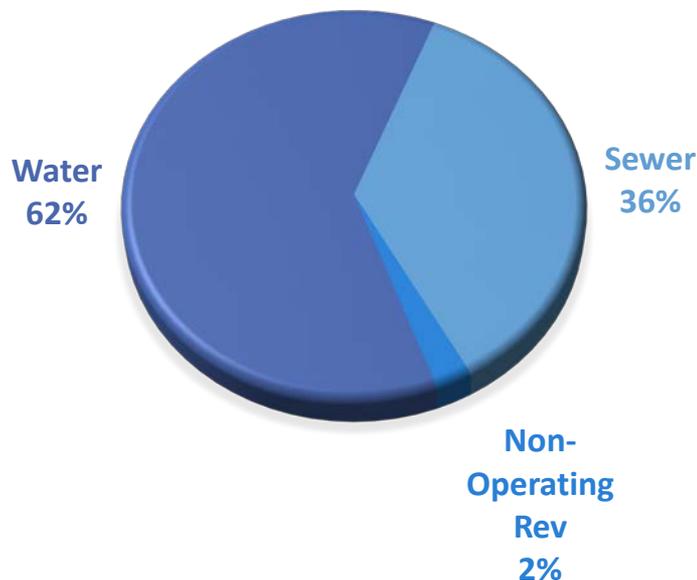
BUDGET



- ENTERPRISE FUNDS
 - WATER & SEWER FUND
 - STORM WATER FUND
 - PARKING FUND

FY 2019/2020 Budget Water & Sewer Operating

REVENUES



- Revenues total \$167,197,021
 - an increase of \$5,201,021; 3.2%
- 7.06% rate increase
 - Increase is applied across the Water and Sewer Systems
 - Revenues generated from the 7.06% increase provides funding for Capital Improvement Program and associated debt service
- Maintain the Target Debt Service Coverage Rate – 2.00

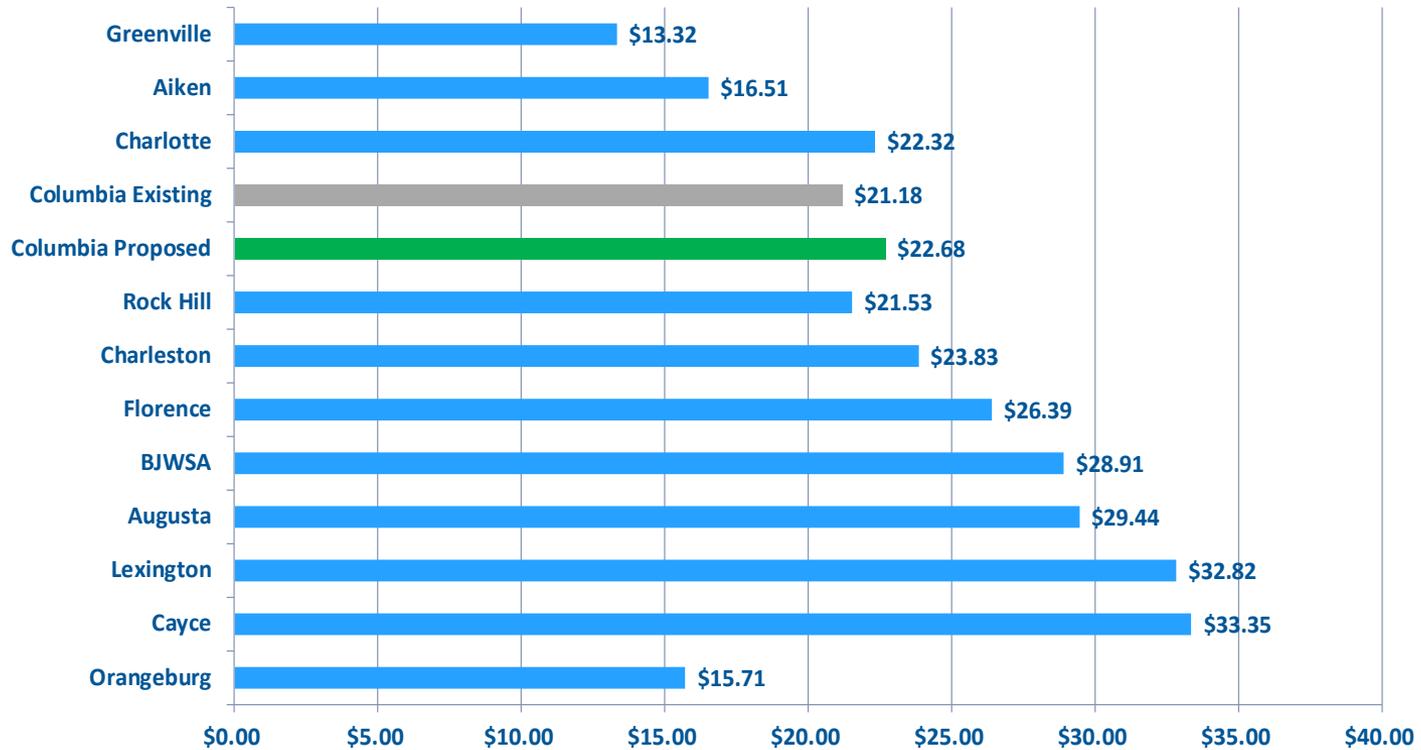
Utility Bill Impacts – Residential

		Water			Sewer			Total			
Usage	Usage	Existing	Proposed	Bill Diff	Existing	Proposed	Bill Diff	Existing	Proposed	Bill Diff	Bill Diff
CF	Gallons	\$	\$	%	\$	\$	%	\$	\$	%	\$
0	0	\$ 7.58	\$ 8.12	7.06%	\$ 7.58	\$ 8.12	7.06%	\$ 15.16	\$ 16.23	7.06%	\$ 1.07
100	748	\$ 7.58	\$ 8.12	7.06%	\$ 11.52	\$ 12.33	7.06%	\$ 19.10	\$ 20.45	7.06%	\$ 1.35
200	1,496	\$ 7.58	\$ 8.12	7.06%	\$ 15.46	\$ 16.55	7.06%	\$ 23.04	\$ 24.67	7.06%	\$ 1.63
300	2,244	\$ 7.58	\$ 8.12	7.06%	\$ 19.40	\$ 20.77	7.06%	\$ 26.98	\$ 28.88	7.06%	\$ 1.90
400	2,992	\$ 10.30	\$ 11.03	7.06%	\$ 23.34	\$ 24.99	7.06%	\$ 33.64	\$ 36.01	7.06%	\$ 2.37
500	3,740	\$ 13.02	\$ 13.94	7.06%	\$ 27.28	\$ 29.21	7.06%	\$ 40.30	\$ 43.15	7.06%	\$ 2.85
600	4,488	\$ 15.74	\$ 16.85	7.06%	\$ 31.22	\$ 33.42	7.06%	\$ 46.96	\$ 50.28	7.06%	\$ 3.32
700	5,236	\$ 18.46	\$ 19.76	7.06%	\$ 35.16	\$ 37.64	7.06%	\$ 53.62	\$ 57.41	7.06%	\$ 3.79
Avg. Use	800	\$ 21.18	\$ 22.68	7.06%	\$ 39.10	\$ 41.86	7.06%	\$ 60.28	\$ 64.54	7.06%	\$ 4.26
900	6,732	\$ 23.90	\$ 25.59	7.06%	\$ 43.04	\$ 46.08	7.06%	\$ 66.94	\$ 71.67	7.06%	\$ 4.73
1,000	7,480	\$ 26.62	\$ 28.50	7.06%	\$ 46.98	\$ 50.30	7.06%	\$ 73.60	\$ 78.80	7.06%	\$ 5.20
1,100	8,228	\$ 29.34	\$ 31.41	7.06%	\$ 50.92	\$ 54.51	7.06%	\$ 80.26	\$ 85.93	7.06%	\$ 5.67
1,200	8,976	\$ 32.06	\$ 34.32	7.06%	\$ 54.86	\$ 58.73	7.06%	\$ 86.92	\$ 93.06	7.06%	\$ 6.14
1,300	9,724	\$ 34.78	\$ 37.24	7.06%	\$ 58.80	\$ 62.95	7.06%	\$ 93.58	\$ 100.19	7.06%	\$ 6.61
1,400	10,472	\$ 37.50	\$ 40.15	7.06%	\$ 62.74	\$ 67.17	7.06%	\$ 100.24	\$ 107.32	7.06%	\$ 7.08
1,500	11,220	\$ 40.22	\$ 43.06	7.06%	\$ 66.68	\$ 71.39	7.06%	\$ 106.90	\$ 114.45	7.06%	\$ 7.55
1,600	11,968	\$ 42.94	\$ 45.97	7.06%	\$ 70.62	\$ 75.61	7.06%	\$ 113.56	\$ 121.58	7.06%	\$ 8.02
1,700	12,716	\$ 45.66	\$ 48.88	7.06%	\$ 74.56	\$ 79.82	7.06%	\$ 120.22	\$ 128.71	7.06%	\$ 8.49
1,800	13,464	\$ 48.38	\$ 51.80	7.06%	\$ 78.50	\$ 84.04	7.06%	\$ 126.88	\$ 135.84	7.06%	\$ 8.96
1,900	14,212	\$ 51.10	\$ 54.71	7.06%	\$ 82.44	\$ 88.26	7.06%	\$ 133.54	\$ 142.97	7.06%	\$ 9.43
2,000	14,960	\$ 53.82	\$ 57.62	7.06%	\$ 86.38	\$ 92.48	7.06%	\$ 140.20	\$ 150.10	7.06%	\$ 9.90



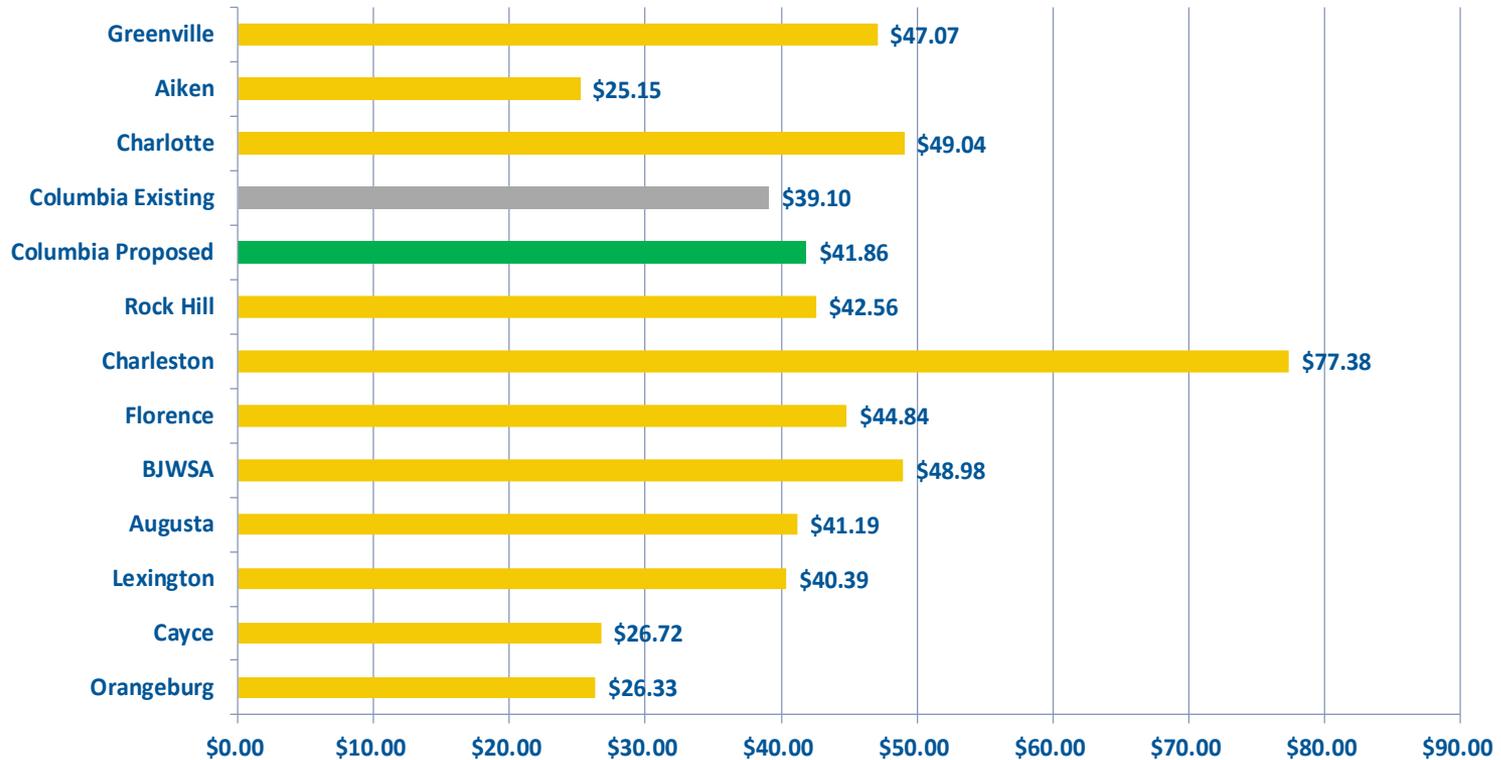
Utility Bill Comparisons – Water Residential

Water Monthly Residential Inside Bill (5,984 Gallons)



Utility Bill Comparisons – Wastewater Residential

Sewer Monthly Residential Inside Bill (5,984 Gallons)





FY 19/20 Budget

Water & Sewer Operating

- Operating Budgets total \$93,388,903; an increase of \$775,129 or less than 1%
 - Focus on continuing to enhance customer service, maintaining an efficient and effective water and sewer system through technology and process improvements
 - Automated Meter Infrastructure project is underway
 - Mobile service order system implementation underway
 - Improved mapping of water distribution system
 - Staff reorganization, technology initiatives and process improvements are aimed at providing high quality and affordable services to our customers
 - Operating Budgets include costs for annual maintenance projects that are not capital improvement
- Economic Development totals \$1,286,093; an increase of \$13,070, 1%
 - Includes department staffing, operating costs and contracts for partner agencies

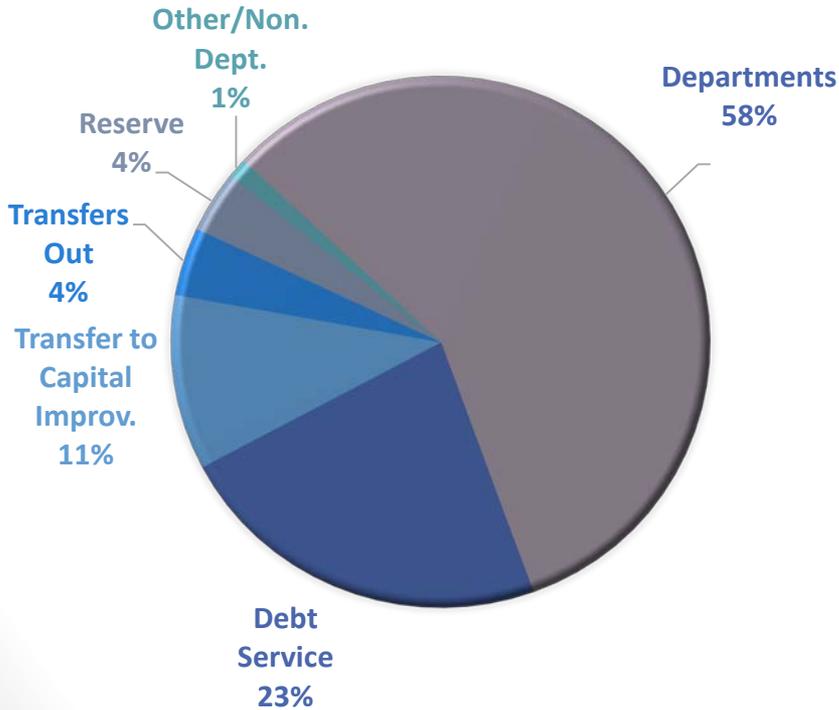
FY 19/20 Budget

Water & Sewer Operating

- Non-Departmental Totals \$48,202,345
 - Net increase of \$7,912,822, 19.6%
 - Debt Service is reflected at \$37,525,517; an increase of \$2,300,769
 - Cash reserves are budgeted at \$8,718,000; an increase of \$3,955,947
- Transfers Out Total \$24,319,980
 - Net reduction of \$3,500,000, 12.6%
 - Includes \$17,500,000 transferred to Capital Improvement Program
 - Indirect Cost Allocation to General Fund maintained at \$4,189,680, based upon services provided by General Fund to the utility system.

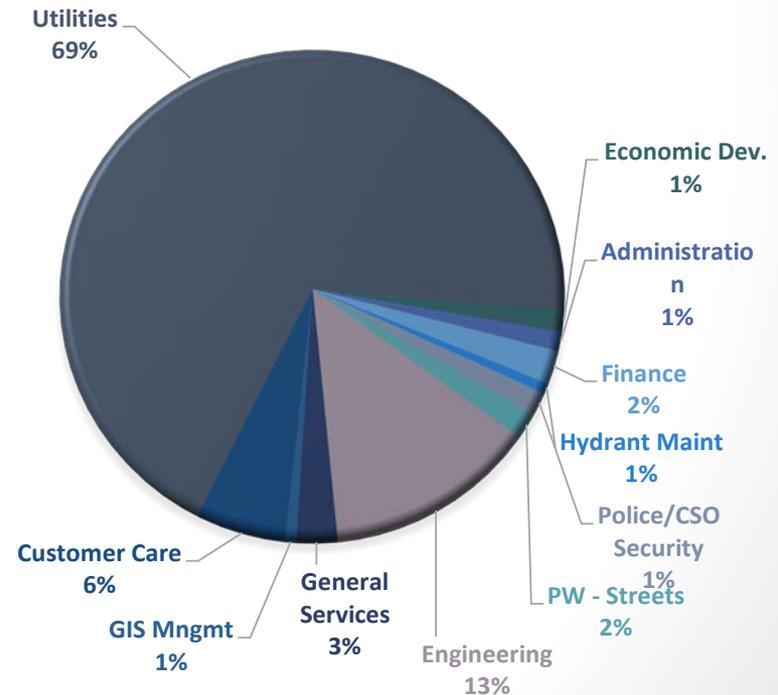
FY 2019/2020 Budget Water & Sewer Operating

TOTAL BUDGET



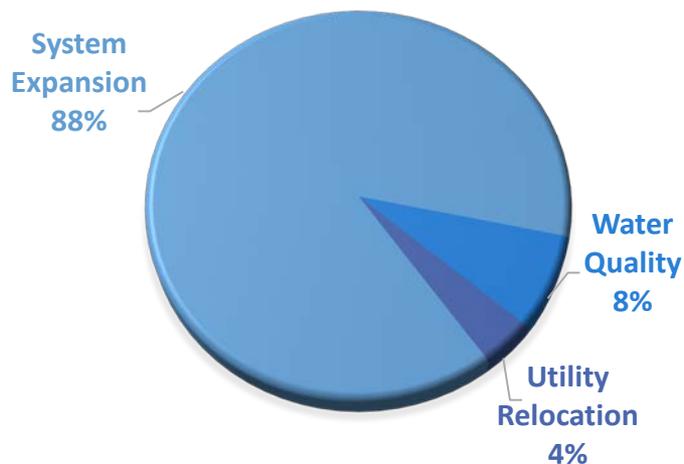
DEPARTMENT BUDGETS

(58% OF TOTAL BUDGET)

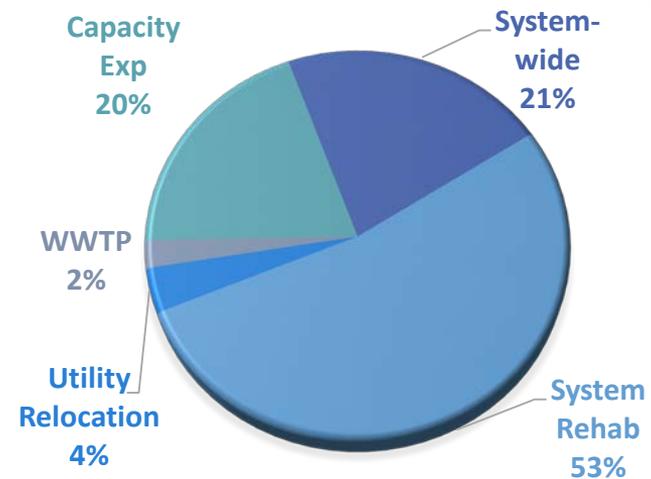


FY 19/20 Water & Sewer Capital Improvement Program

WATER CAPITAL IMPROVEMENT PROJECTS

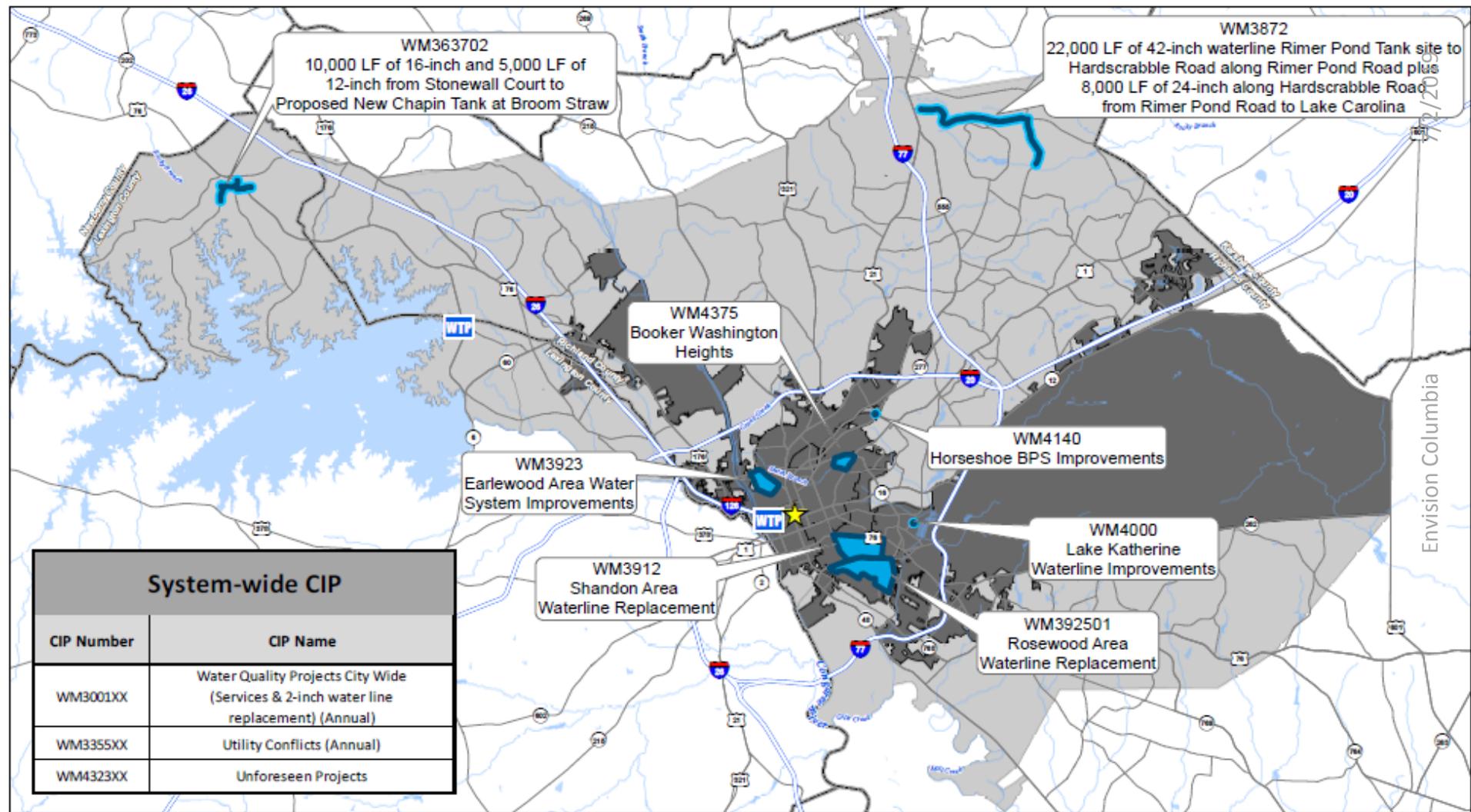


WASTEWATER CAPITAL IMPROVEMENT PROJECTS



- FY 19/20 Capital Improvement Program is \$80,000,000
 - Water CIP \$25.5M
 - Wastewater \$54.5M
 - Capital program reflects a priority on Clean Water 2020 programs to meet the EPA Consent Decree requirements, system expansion and water quality

FY 19/20 Water – Capital Projects



System-wide CIP	
CIP Number	CIP Name
WM3001XX	Water Quality Projects City Wide (Services & 2-inch water line replacement) (Annual)
WM3355XX	Utility Conflicts (Annual)
WM4323XX	Unforeseen Projects

City Hall

Water Treatment Plant

● CIP Point Location (e.g. Intersection Improvement)

~ CIP Line Location (e.g. Waterline Replacement)

WM CIP Polygon Location (e.g. Neighborhood Replacement)

Columbia City Limits

City of Columbia Water Service District

1 Inch = 3 miles

0 0.5 1 2 3 Miles

City of Columbia
Water CIP Projects
FY 2019-2020

Prepared For: Clean Water 2020

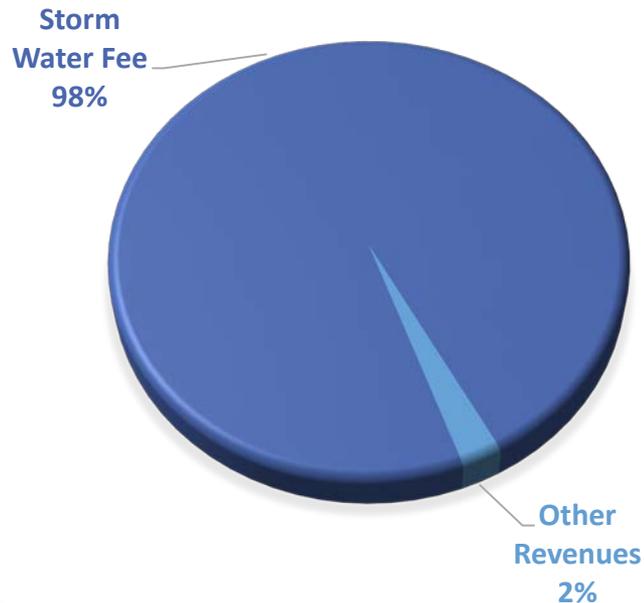
FY 19/20 Budget

Storm Water Operating

Storm Water operating budget budget \$14,370,099

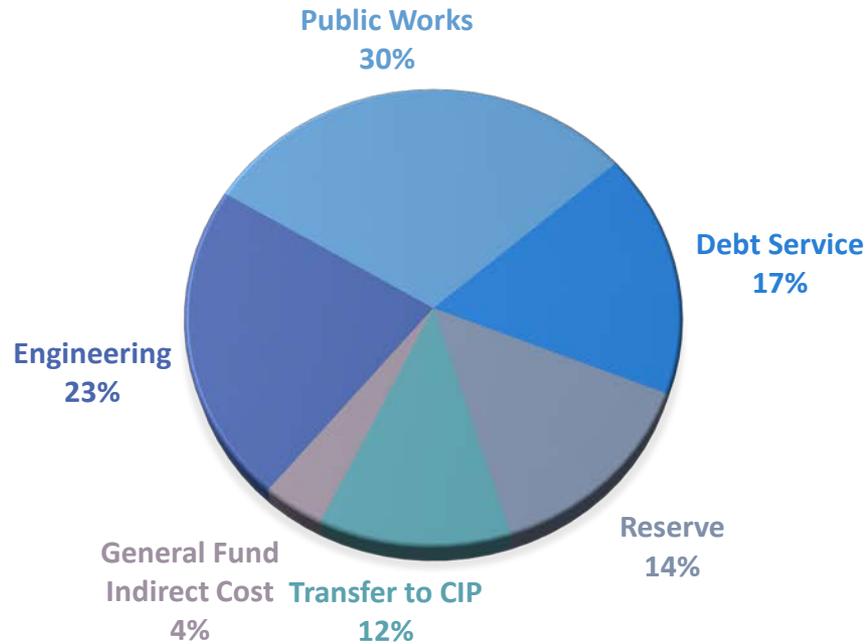
- Increase of \$903,600; 6.7% over the current year budget

REVENUES



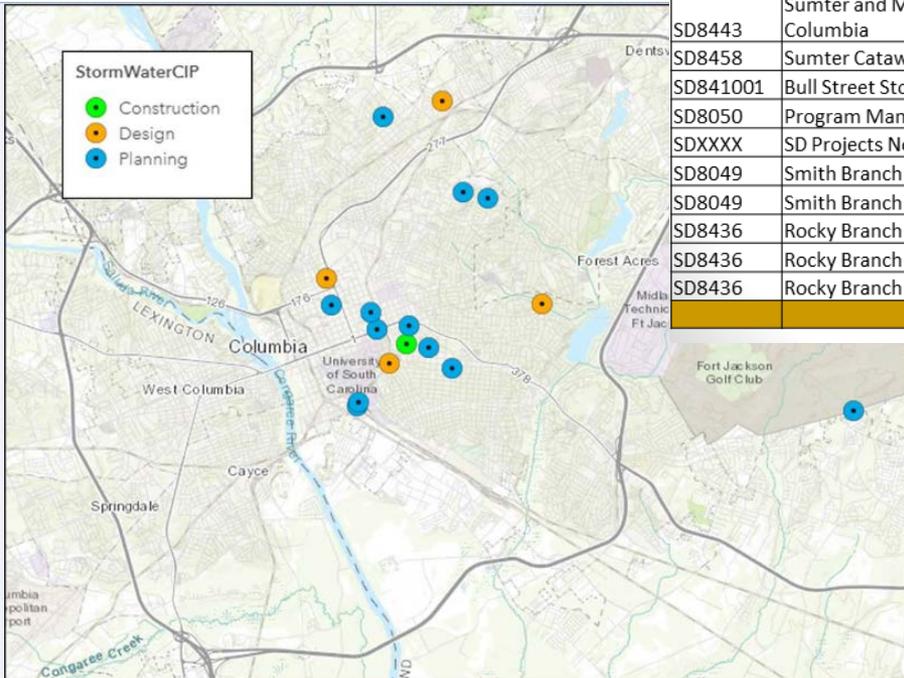
- Budget reflects continuation of rate adjustment for comprehensive storm water improvement program
 - Storm Water fee increases \$.78 per ERU (equivalent residential unit) per month, from \$12.54 to \$13.32 per month
- FY 19/20 Capital Improvement Program is \$30,535,000
 - Funded using \$1,735,000 transfer from Storm Water Operating; remainder from fund balance and bonds
 - Total projected CIP \$96M over the next 5 years
- Operating and capital improvement program focuses on projects that meet the initiatives of alleviating nuisance flooding and promoting water quality

FY 19/20 Budget Storm Water Expenditures



EXPENDITURES	BUDGET FY 18/19	BUDGET FY19/20
ENGINEERING	3,024,399	3,185,656
PUBLIC WORKS	4,218,479	4,287,438
DEBT SERVICE	2,732,000	2,492,986
RESERVE	2,931,621	2,029,019
TO GENERAL FUND/INDIRECT COST ALLOCATION	560,000	560,000
TO STORM WATER CAPITAL PROJECTS	0	1,735,000
TOTAL	13,466,499	14,370,099

FY 19/20 Stormwater Capital Improvement Program



FY 19-20 Storm Water Proposed CIP			
Project Number	Project Name	Branch	FY 19/20 Plan
SD8013	Eightmile Branch from Danfield to Chinaberry - Northeast of the City off Hwy 1	Eightmile Branch	\$350,000
SD8059B	Randall Avenue -North of the City off N. Main	Smith Branch	\$1,800,000
SD8159	Gregg Street & Gervais Street, Phase 2 - above Five Points	Rocky Branch	\$1,350,000
SD832502	Shandon phase II - East of Five Points	Gills Creek	\$11,500,000
SD8371	Penn Branch - East of the City near Forest Acres	Penn Branch	\$1,000,000
SD8395	Taylor/Washington 60" Improvement - Above Five Points	Rocky Branch	\$1,350,000
SD8439	Whaley and Main upgrade - along Rocky Branch south of USC Campus	Rocky Branch	\$1,350,000
SD8433	MLK/Greg Property Detention - Above Five Points	Rocky Branch	\$700,000
SD8435	Whaley at Railroad Crossing - along Rocky Branch south of USC Campus	Rocky Branch	\$900,000
SD8443	Sumter and Marion Streets Bio-retention Bumpouts - Downtown Columbia	Smith Branch	\$1,260,000
SD8458	Sumter Catawba Detention - along Rocky Branch south of USC campus	Rocky Branch	\$975,000
SD841001	Bull Street Storm Drainage Improvements	Smith Branch	\$1,000,000
SD8050	Program Management for Bond	ALL	\$1,000,000
SDXXXX	SD Projects Not Defined	All	\$1,000,000
SD8049	Smith Branch Drainage Area - Tier 1	Smith Branch	\$1,000,000
SD8049	Smith Branch Drainage Area - Tier 3	Smith Branch	\$1,000,000
SD8436	Rocky Branch Watershed Plan Tier 1	Rocky Branch	\$1,000,000
SD8436	Rocky Branch Watershed Plan Tier 2	Rocky Branch	\$1,000,000
SD8436	Rocky Branch Watershed Plan Tier 3	Rocky Branch	\$1,000,000
Storm Water Totals			\$ 30,535,000

FY 19/20 Budget Parking Operating Fund

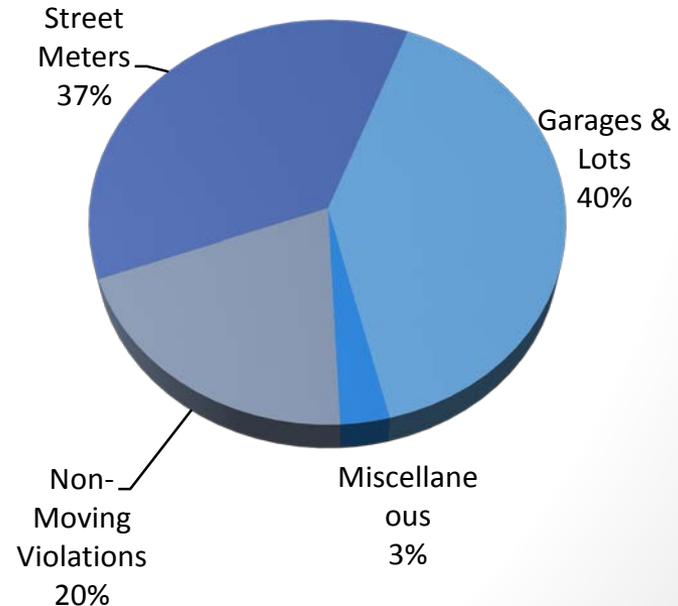
Parking Fund budget \$8,858,970

- Net increase of \$165,982; 2% over the current year budget

Revenues

- Operating revenues total \$8,538,573; an increase of \$515,197; 6%
- Parking Garages & Parking Meters revenues make up the majority of the increase
- Increases in parking meter revenues is attributed primarily to the use of the Passport Mobile Parking App
- Non-Moving Violations (parking tickets) collections are down from prior years, also attributed to use of the Passport app and other customer enhanced ways to pay for parking.
- Use of fund balance \$96,797; a reduction of \$344,215 from current year

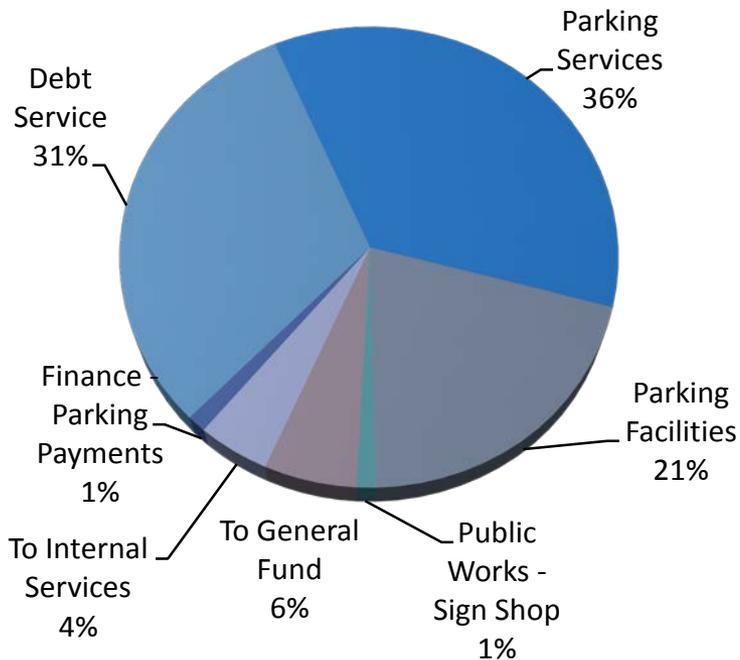
Revenues By Source



FY 19/20 Budget

Parking Operating Fund

Expenditures By Function



Expenditures

- Operating departments total \$5,155,011; an increase of \$195,467 or 4%
- Parking Services totals \$3,089,600; no change from current year budget
- Parking Facilities totals \$1,781,081; increase of \$121,544 or 7%
 - Addition of annual support of cloud hosted solution of new parking control equipment
 - Addition of Devine Street Garage
- Debt Services \$2,706,95; a reduction of \$100,000 from previous year

FY 2019/2020

BUDGET



SPECIAL REVENUE FUNDS

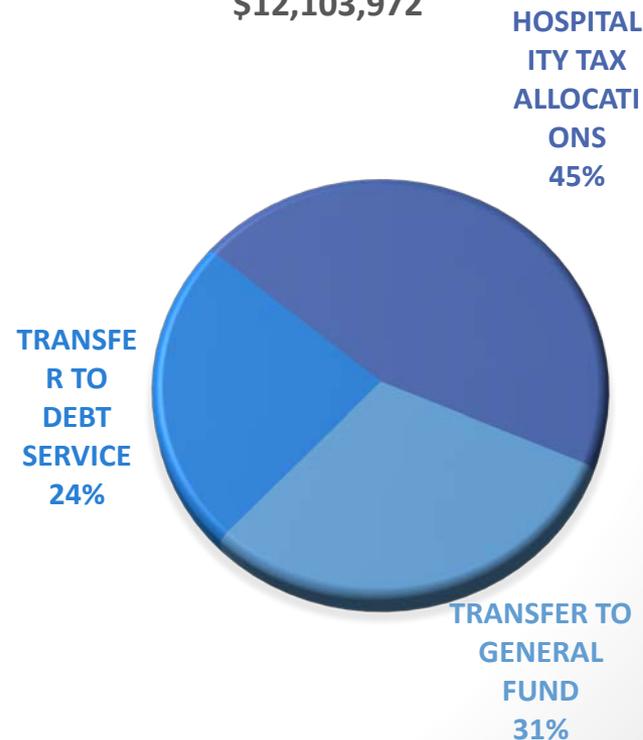
- Hospitality Tax
- Accommodations Tax

FY 19/20 Budget Hospitality Tax

Hospitality Tax Budget \$12,103,972

- No change from current year
- 4 designated funding categories:
 - Committee Allocation funding at \$2,109,500; same as current year
 - Line Item Agencies reflected at current year levels
 - Requests for increases from line item agencies not addressed at this time
 - City Council Allocations reflect commitments made in prior years and one new request
 - Transfer Out reflect a slight increase based upon the debt service schedule; no change in the transfer to the General Fund
- Limited revenue growth and maintaining of prior multi-year commitments, limits opportunity to fund other major initiatives

FY 19/20 HOSPITALITY TAX BUDGET \$12,103,972



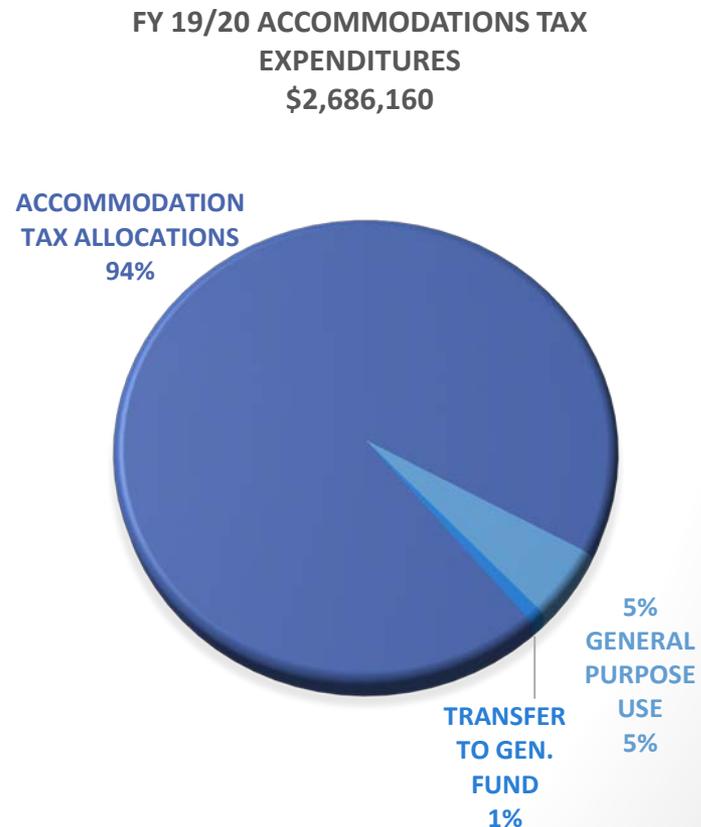
FY 19/20 Budget

Accommodations Tax

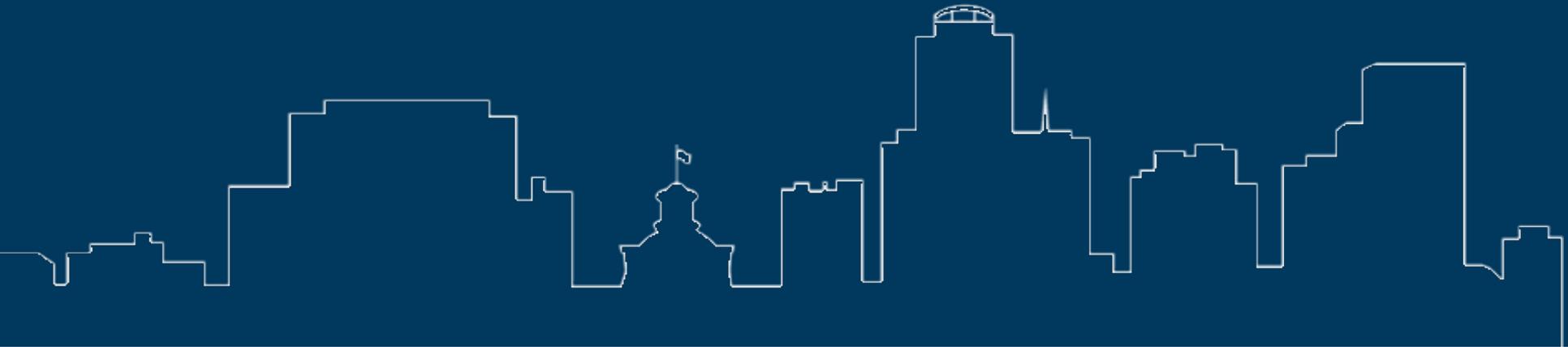
Accommodations Tax budget \$2,686,160

- Approximate \$90,000 or 3.5% increase over current year budget

- Accommodations Tax allocations are based upon requirements of SC State law
 - \$25,000 transfer to the General Fund
 - 30% allocated for advertising and promotion of tourism
 - 65% allocated for tourism related expenditures
 - 5% for general purposes.
- Committee Allocations is based upon prior Council direction of 85% to Experience Columbia and 15% to Lake Murray
 - Final allocations are subject to City Council approval
- 5% Allocations do not reflect any specific allocations, however historically these funds are allocated to Together We Can read initiative and ONEColumbia's General Fund portion of their funding



Thank you!



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