

City of Hardeeville

2007-2008 Budget Executive Summary

Revenue

The City of Hardeeville is proposing an annual budget in the amount of \$6,691,682 for Fiscal Year 2007-2008. This results in an overall 19.6% increase from the previous fiscal year budget of \$5,594,170.00. The rate of property taxation will be set at 153 mills, an increase of 5 mills, in order to collect \$1,159,000.00 in real and personal property taxes. As in the previous fiscal year, property tax is the main source of revenue for the city. The City of Hardeeville expects to collect \$1,250,000.00 in police fines, however, approximately 35%, or \$437,500, is collected on behalf of the State of South Carolina and will not be used for city operations. Business license fees are expected to increase to \$920,000.00, a 56% increase from last fiscal year. This increase is mostly related to the dramatic increase in construction within the city limits of Hardeeville. Another large source of revenue for the city comes from agreements related to residential and commercial development in Hardeeville. The city expects to collect \$850,000.00 in development agreement fees which are used specifically to fund staff positions related to growth management.

Organizational Changes

One of the more obvious changes from last fiscal year's expenditure budget is the creation of a new Building Inspection department. This department is necessary because of the increase in development and construction in Hardeeville. Although the city is contracting out the actual building inspection functions, it is still necessary to have a staff coordinator to oversee the process. Another change to the organization of the city departments is the merging of the Public Works department with the Engineering function. Also, the name of the Community Development department is being changed to Economic Development because it better describes the city's intent to insure professional management of any initiatives taken by the city to attract businesses and employment opportunities to the City of Hardeeville.

Staffing

Additions to staff in Fiscal Year 2007-2008 include a Receptionist for City Hall so that the city can better respond to citizen inquiries, whether by telephone or personal visit. Also, the Public Works department will add an Engineering and Construction Manager, as well as two Maintenance Workers. Due to the creation of the Building Inspection department, it is necessary to create a new position dedicated solely to the coordination activities of this department. Although not a new position for purposes of budgeting, the Police Department will convert one of its current patrol officer vacancies to create an

investigative position that was recommended in an audit of the Police Department conducted in the previous fiscal year.

Expenditures

As previously mentioned, the City of Hardeeville's budget is increasing by 19.6% in the 2007-2008 Fiscal Year. Much of this is caused by increases in costs that are outside of the city's control, such as health care costs, fuel prices, etc. The City's overall budget for salaries went up 11.4% from \$2,275,660.00 in the previous fiscal year to \$2,534,249.00 in the proposed budget for 2007-2008. The new positions mentioned in the Staffing section represent \$157,114.00 of the increase. The remainder of the increase in the salaries budget is a result of a compensation study that was conducted by an outside consultant. The study showed that the pay for some positions, particularly police officers and firefighters, was not competitive with other nearby local governments. The new salaries recommended in this study will go into effect on January 1, 2008.

Other significant changes to the city's expenditure budget for Fiscal Year 2007-2008 include lease payments for vehicles and a payment for the new ladder truck in the fire department. However, the fire truck payment is offset by a revenue collection from Jasper County in the same amount. In addition, the City is investigating the possibility of constructing a new modular building to house the Growth Management staff that includes the Planning, Engineering/Public Works, and the Building Inspection departments. This budget includes an estimated payment of \$75,000.00 for the financing of the building and all of its contents.