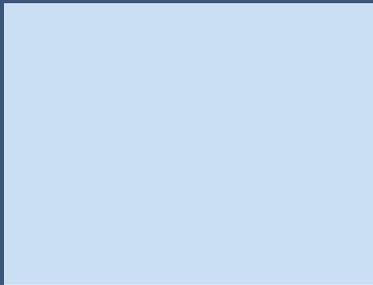




We Are Columbia



FY 2015-2016

Budget In Brief

cityofcolumbia
southcarolina



Dear Mayor, City Council, Citizens, Customers, Visitors and Employees,

It is our privilege to present the Budget in Brief for fiscal year 2015-2016. This document is a summary of our overall plan for allocating available resources to provide services and sustain the City of Columbia’s vision that together we will build a world class city. This budget reflects the City Manager proposed budget and incorporates the City Council approved budget revisions as proposed by Mayor Benjamin. Under the theme of “Planning for Our Future,” our goal has been to present a financial plan that can be used by City officials to meet our commitments to enhance the quality of life in our city and better prepare us to sufficiently manage the growth that we are fortunate to

be experiencing and expecting to continue in coming years. In order to do this, it is imperative that we focus on investing our resources towards core services and programs that are critical to the City’s growth and development.

The 2015-2016 budget focuses on priorities expressed by City Council that include public safety as top priority, addresses water and sewer infrastructure needs and restores the competitiveness of the city’s compensation plan. The budget also preserves core services as we work to “Build Columbia” through efficient delivery of services and maintain a fiscally stable organization in order to “Run, Grow and Transform” our City.

We are fortunate that Columbia is a growing, thriving city. Over the next several years, we anticipate steady growth in the downtown core and major corridors as new development projects begin to come on line. We can expect to see revenues grow, but we have to also consider that growth often increases costs to provide added services. Each year we start off a with no tax or rate increase goal; this goal becomes a significant challenge as we take on new or expanded initiatives in addition to the growth of the City.

This budget reflects an increase in the franchise fee from 3% to 5%. The franchise fee is paid by various entities that use the City’s right of way to provide other services (gas, electricity, telephone, cable, etc) and is not limited to only taxable entities. This fee is usually passed on to the customers of those services. An estimated 50% of the City’s property is not taxed due to the number of government and non-profit entities that Columbia is fortunate to have in its city limits. Revenues such as franchise fee helps to further distribute the cost of services to more than just tax payers. As directed by the Mayor’s motion, the budget also reflects the reduction of property taxes by 2 mills.

Over the past seven years, at the start of the economic downturn, the City has made a lot of strides to improve the fiscal condition of the city. In 2008, we ended the fiscal year with 11 audit findings and the General fund ended the year in a deficit which resulted in the General fund balance dropping to \$12.5 million. By contrast, in 2014, we ended the fiscal year with no audit findings, improved our bond ratings, received the GFOA Certificate for Financial Reporting for FY 2013, and ended the year with a \$24.8 million General Fund balance.

We have come a long way since 2008 and still have a long way to go. In 2014 we received the final ruling of the U.S. Environmental Protection Agency (EPA) Consent Decree on the City’s wastewater system with the goal of significantly reducing sanitary sewer overflows. Before the

final ruling was issued this past year, staff had already made considerable strides in meeting the requirements of the consent decree and to date, all early action projects are complete and all required submittals have been submitted on time. Clean Water 2020 is the City’s initiative to address all of the requirements of the Consent Decree. To assist with this initiative, we have hired C.D.M. Smith, Inc. to serve as our Clean Water 2020 program manager. Much

Performance Indicators	2008	2014
General Fund Balance	\$ 12.5 Million	\$ 24.8 Million
General Fund Bond Rating (Moody’s/S&P)	Aa2/AA	Aa1/AA+
Audit Findings	11	0

of the City's consent decree focuses on operational improvements and keeping up with routine maintenance of the wastewater system. Over the next 10 years, we will be required to invest an estimated \$750 million in the City's wastewater system both in capital improvements as well as non-capital. It is important to note that the plan includes both capital and non-capital improvements, as the source of funding will have a significant impact on the financing used to meet the requirements of the decree. This budget addresses both capital and non-capital related projects aimed at meeting the requirement of the consent decree through the Clean Water 2020 initiative.

We are already seeing improvements as a result of our efforts. In FY 08/09, there were 455 sanitary sewer overflows (SSOs) reported. By the end of FY 13/14, there were 148 SSOs. This is a reduction of 68% in 5 years and we are on track to continue with the reductions by end of this fiscal year. Looking ahead, with major projects such as Crane Creek (a \$16 million investment), we will further reduce the SSOs and meet the requirements of the Consent Decree. To meet the requirements will require resources – both financial and personnel.

We continue to work diligently to find efficiencies and ways to reduce costs; however we must also continue to consistently invest in our system. Even without the consent decree, the Water & Sewer Capital Improvement Program would be in excess of \$750 million for the next 5-10 years. Our system is one of the oldest and largest in the state with over 140,000 customers. Operating a system of this size requires considerable investments in not only capital improvements, but in routine maintenance and scheduled replacements. The FY 15-16 budget includes a proposed 9.5% increase in water and sewer rates. This equates to less than \$5.00 per month (based on average use) for in-city customers and \$8.00 per month (based on average use) for out-of city customers and will generate approximately \$11 million in new revenues that will be invested 100% into the water and sewer system. We have also shifted out \$1.7 million in non-water and sewer related expenses on top of reducing the transfer to the General Fund by over \$1.3 million. Since FY 08/09, we have invested almost \$300 million in the Water & Sewer system infrastructure and the FY 15/16 budget includes \$120 million in capital improvements.

Finally, The City's ability to attract and retain competent and capable employees is a critical part of providing quality city services. We have included funding in this budget to begin a 2 year phased in implementation of the recently conducted Compensation & Classification study. Each fund with personnel will cover the cost of the employees charged to that fund. Through this process, we have adopted the following Compensation Philosophy that we believe serves at the foundation for hiring and retaining a competent and capable workforce with a desire for public service:

The City of Columbia is committed to an equitable, consistent, and competitive compensation system that supports our mission and vision. We seek to attract and retain a highly engaged, world class, qualified and diverse workforce through a competitive pay system. We will reward and recognize our employees' experience, education, and performance to a level competitive with our peers while maintaining fiscal responsibility to the citizens we serve. These are the cornerstones of the City's compensation philosophy and practice.

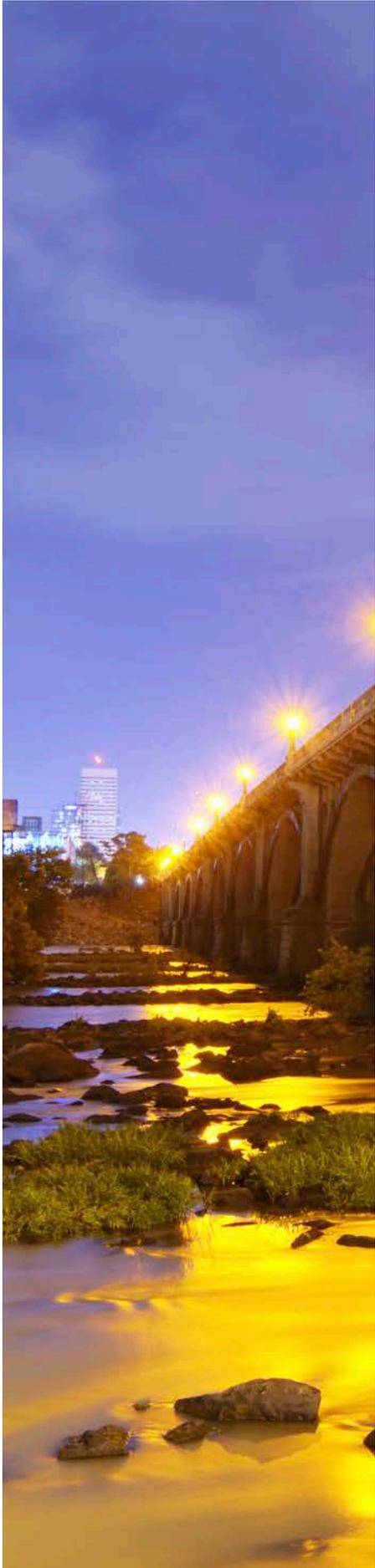
We are excited to continue making strides in FY 2015/2016 and committed to strengthening core services and sustaining the quality of life our residents and businesses have come to enjoy. I am dedicated to overseeing and engaging in efficient, effective service delivery and conservative budgeting practices.



Respectfully,

Teresa Wilson

City Manager



Vision

We Are Columbia.....together we will build a world class city

Mission

The City of Columbia's mission is to provide bold leadership and exemplary services to advance the quality of life for everyone.

Values

Leadership

We lead by example and inspire others to be the best they can be.

Courtesy

We demonstrate respect for and respond to internal and external customers in a timely and polite manner.

Innovation & Growth

We support an environment that fosters creativity and resourcefulness. We recognize the value of creating new opportunities and encourage ongoing growth.

Diversity

We embrace the differences in our community and are strengthened by them.

Accountability & Integrity

We are ethical, cost effective and fully transparent in all that we do so we can be responsible to the citizens of our city.

Standards of Excellence

We strive to always achieve the highest principles by being honorable, effective, efficient and professional in all that we do.

Sustainability

We encourage the cultivation of our neighborhoods and care for our environment.

Quality of Life

We strive to encourage the history, arts & culture of our community that significantly add to the overall livability of our community.

adopted by City Council, December 20, 2011

Understanding the Budget Pg. 6

**All Fund Summary &
Budget Priorities Pg. 8**

General Fund Pg. 10

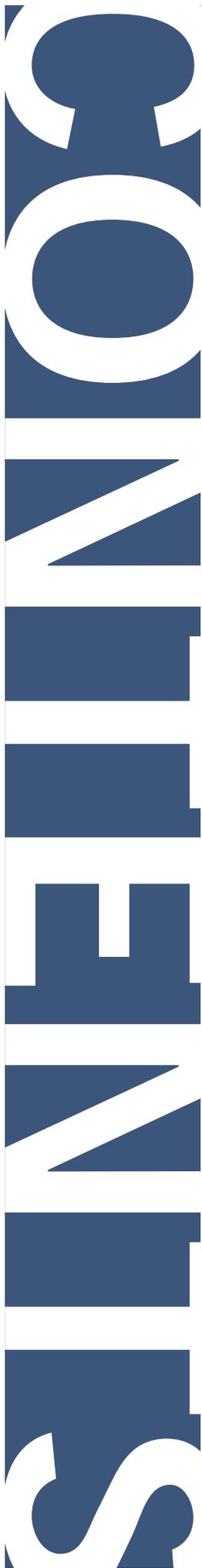
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Parking Pg. 32

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Accomodations Tax Pg. 38



Understanding The Budget

South Carolina state law requires that municipalities must adopt by ordinance, a balanced budget. Budgeting is the allocation of scarce resources and is one of the most important actions taken by any government. It says what will be done and what level of service will be provided, and thus becomes the government’s plan for action during the next fiscal year. It represents a policy making process which determines the quality and quantity of services to be furnished to the community. Under the Council-Manager form of government, City Council sets policy and establishes priorities. The preparation of the budget is the responsibility of the City Manager who has a duty to present a budget that reflects the priorities set by City Council.

Through the Budget process, the City demonstrates its accountability to its residents, customers, and the community-at-large. Additionally, the Annual Budget provides the legal authority for expenditures and a means for control of municipal operations throughout the fiscal year. Accordingly, the City Charter mandates a budget be adopted prior to the beginning of the fiscal year.

Fund Definitions

Governmental budgeting differs from private sector budgeting because of the nature of the services provided and the need to be equitable in the distribution of services. Whereas private businesses track their financial transactions as a single, unified entity; virtually all governments (local, state, federal) use fund accounting which breaks transactions into separate funds. A fund is an accounting entity with self-balancing accounts, with its own revenues, expenditures and financial reports. Private companies have generally one single bottom line; governments must have multiple bottom lines, one for each fund. To simplify, a fund is a way to separate activities by the way revenues are generated and expenditures are to be used. The type of fund also determines the type of financial reporting requirements and the fiscal control that governs the relationship among the funds

Fund Type - Governmental Funds

General Fund: The General Fund is the City’s general operating fund and is used to accounts for all financial resources of the general government, except those required by law or other designation to be accounted for in another fund. Primary sources of revenue include property taxes, business license, permit fee and charges for services.

Capital Project Funds: used to account for financial resources appropriated for the acquisition of or major improvements to land, facilities or infrastructure. The source of funding may be based on the particular project.

Special Revenue Funds: established to account for the proceeds of revenue sources that are earmarked or restricted by law for particular purposes. Examples include grants, Hospitality Tax and Accommodations Tax.

Fund Type - Proprietary Funds (Business Type)

Enterprise Funds: a proprietary fund used to account for a business-like service provided to the public on a fee for service basis. The City’s enterprise funds include Water & Sewer, Storm Water and Parking.

Budget Calendar	
November	Departments prepare operational plans.
December	Budget preparation materials distributed to departments.
February	Budgets are submitted and reviewed by staff.
March	Budget review continued.
April	Begin budget presentations to city council.
May	Advertise and hold public hearings.
June	First & second reading of budget.
July	Start of fiscal year.

Internal Service Funds: are similar to enterprise funds except that they account for the activities of government departments that do work for internal departments rather than the public. Examples include fleet services, purchasing, records management and risk management

Budget Categories

The following is a brief explanation of some of the terms and the type of expenditure that would fall under each category.

- A.** Personnel Services are employees' salaries, benefits and taxes paid by the City. Fringes are approximately 30% of the personnel cost
- Base salary & Overtime (where applicable)
 - FICA & Medicare taxes 7.65% of base salary & overtime
 - South Carolina Retirement Systems, 11.06% of salary & overtime
Sworn personnel participate in the Police & Fire Retirement System, 13.94% of Salary & overtime. The City participates in the State of S.C. Retirement system for retirement benefits.
 - Workers Compensation per employee – rate varies by job functions
 - State Unemployment Insurance (SUI)
 - Accidental Death & Dismemberment per full time employee
 - Hospital Insurance Premium per full time employee
 - Dental insurance premium per full time employee
- B.** Operating expenses are supplies, materials and other consumable items that are often, purchases related to duties or function of the division. Examples include gasoline, asphalt, small tools, office materials, and chemicals used to treat water.
- C.** Services expenses are items that are provided from services. Examples include: electricity, vehicle repairs, postage, contracts for outside services and outsourcing.
- D.** Capital Outlays are items that are over \$5,000 and are likely to become a fixed asset or part of our inventory. Examples include vehicles and heavy equipment.
- E.** Risk Management the liability related for our annual required contribution towards Other Post Employment Benefits (OPEB) in each department's budget with personnel, also known as GASB 45 liability. The calculation for this contribution is 3.5% of salaries and overtime.

OTHER BUDGET TERMS

Non-departmental are line items that are not assigned to a specific function or division. This would include items such as Community Promotions, Detention Center Per Diem, Homeless Services and budgeted reserves.

Debt Service is the required annual principal and interest payment on debt for the fund in which the debt was issued.

Transfers is the transfer of revenues or financial resources from one fund to another.

Unreserved (un-appropriated) surplus This is also referred to as un-appropriated surplus. When revenues come in higher than projected and/or the budget expenditures are less than projected, we will end the year in a surplus. The surplus from each fund remains in the fund and becomes part of the fund balance. Surplus funds are subject to the same spending limitations as the original source of the funds.

2015/2016 Budget Priorities

The following objectives were established as guidelines for the preparation of the proposed budget:

1. Public Safety is top priority.

The budget includes funding for the support of the recruitment and retention efforts in the Columbia Police Department and Columbia-Richland Fire Department. It is quite apparent, now more than ever, that public safety resources to include tools for training and transparency are of paramount importance. Also included is funding for the operations of a new Police Evidence and Storage Facility and the purchase of body cameras for police officers as we are getting near completion of the rollout of the citywide security camera project.

2. Water and Sewer Infrastructure & Clean Water 2020 initiatives must be addressed.

The budget for Water and Sewer increase is allocated entirely toward the capital improvement program for FY 15/16 and to meet the requirements of the Clean Water 2020 program. In addition, the transfer to the General Fund of \$4,000,000 has been eliminated and replaced with a Public Safety transfer that is 2% of the operating revenues. In FY 15/16, this equates to \$2,675,605 which is a \$1,324,395 or 33% reduction. The City will invest \$120,000,000 in capital improvements for the water and sewer system if the proposed rate increase is approved.

3. Restore the Competitiveness of the City's Compensation Plan.

The City's ability to attract and retain competent and capable employees is a critical part of providing quality city services. The budget includes \$3,000,000 across multiple funds towards a phase in implantation of the 2015 Comprehensive Compensation & Classification Study.

Top Budget Priorities

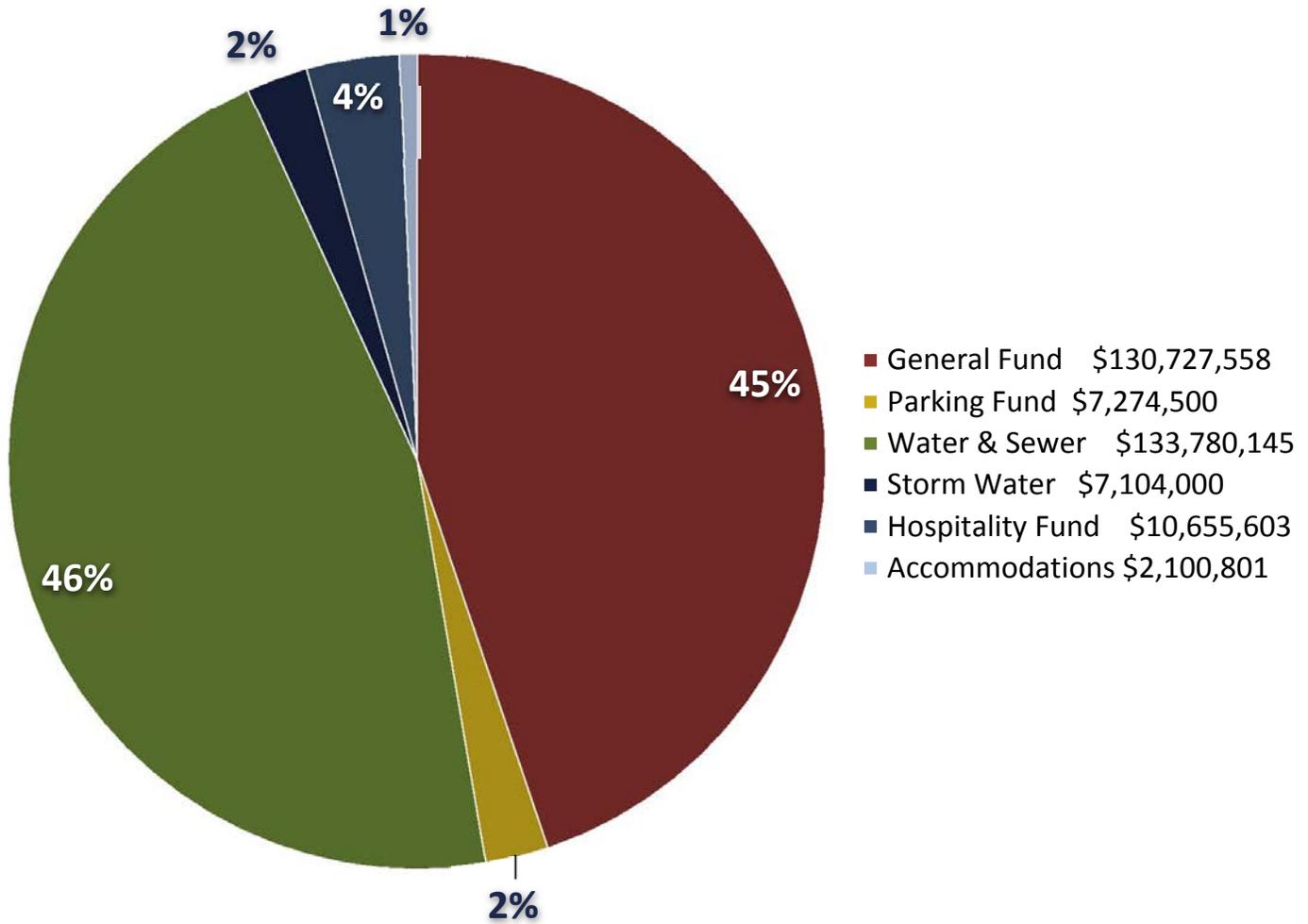
1. Public Safety

2. Water & sewer infrastructure needs

3. Restore competitiveness of City's compensation plan

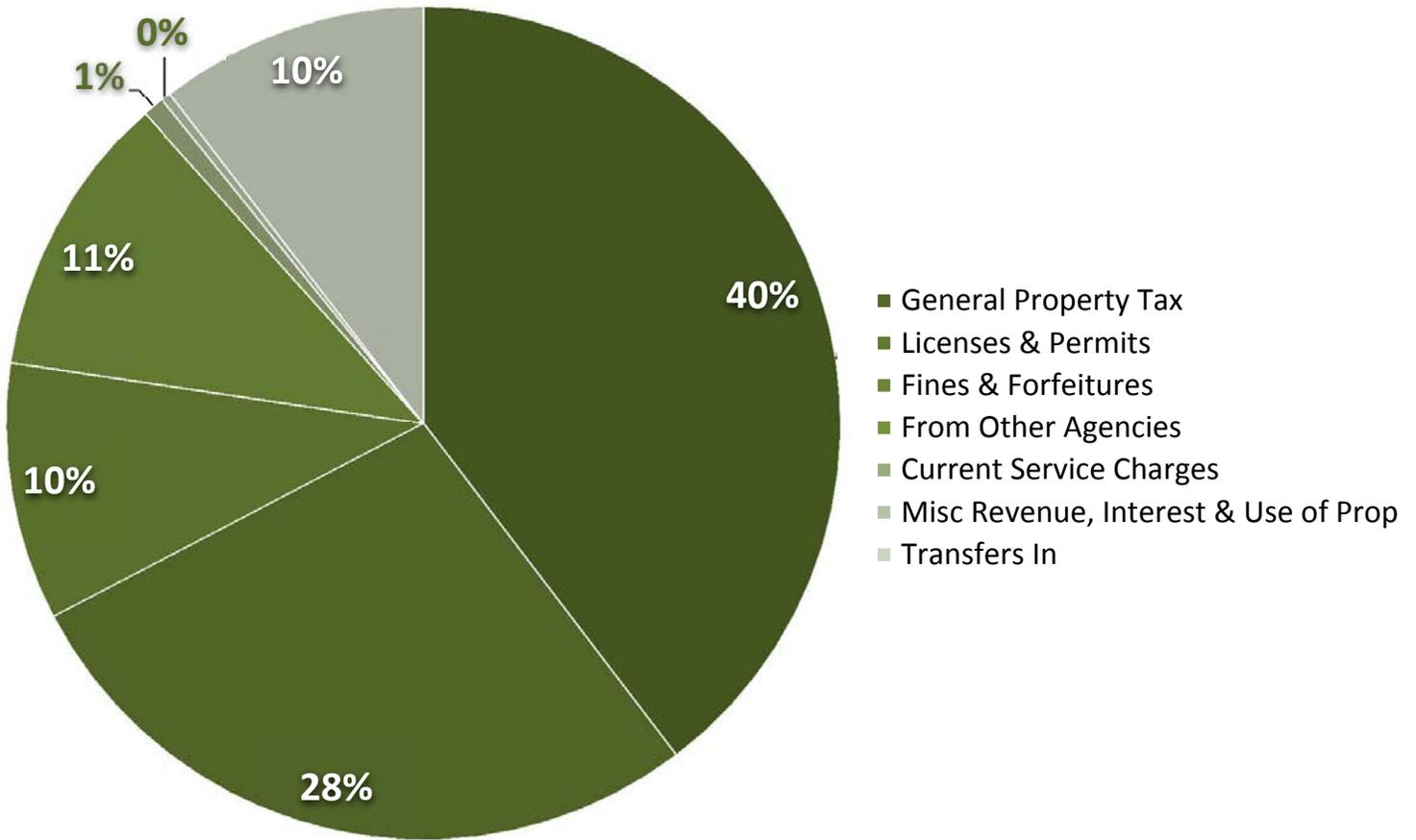


FY 15/16 Operating Funds Summary



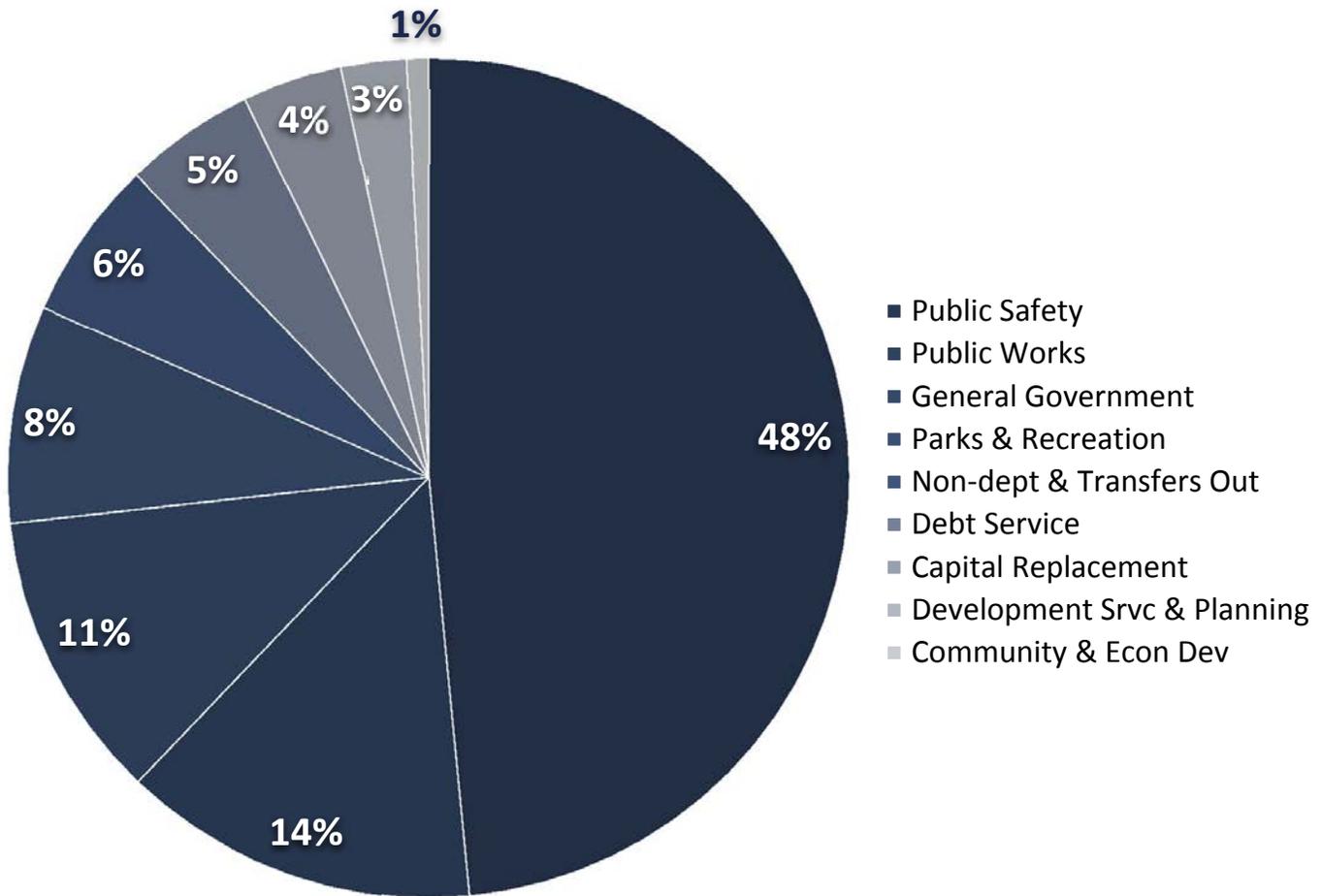
15/16 General Fund Budget

General Fund Revenue				
Revenue Type	FY 14/15 Budget	FY 15/16 Proposed	% Change	
General Property Tax	\$ 51,406,365	\$ 51,826,115	0.8%	
Licenses & Permits	\$ 30,732,426	\$ 36,197,981	15.1%	
Fines & Forfeitures	\$ 12,690,828	\$ 13,086,467	3.0%	
From Other Agencies	\$ 14,361,624	\$ 14,389,990	0.2%	
Current Service Charges	\$ 1,310,000	\$ 1,102,000	-18.9%	
Misc Rev, Interest & Use of Prop	\$ 528,704	\$ 484,400	-9.1%	
Transfers In	\$ 16,434,143	\$ 13,640,605	-20.5%	
Total	\$ 127,464,090	\$ 130,727,558	2.6%	

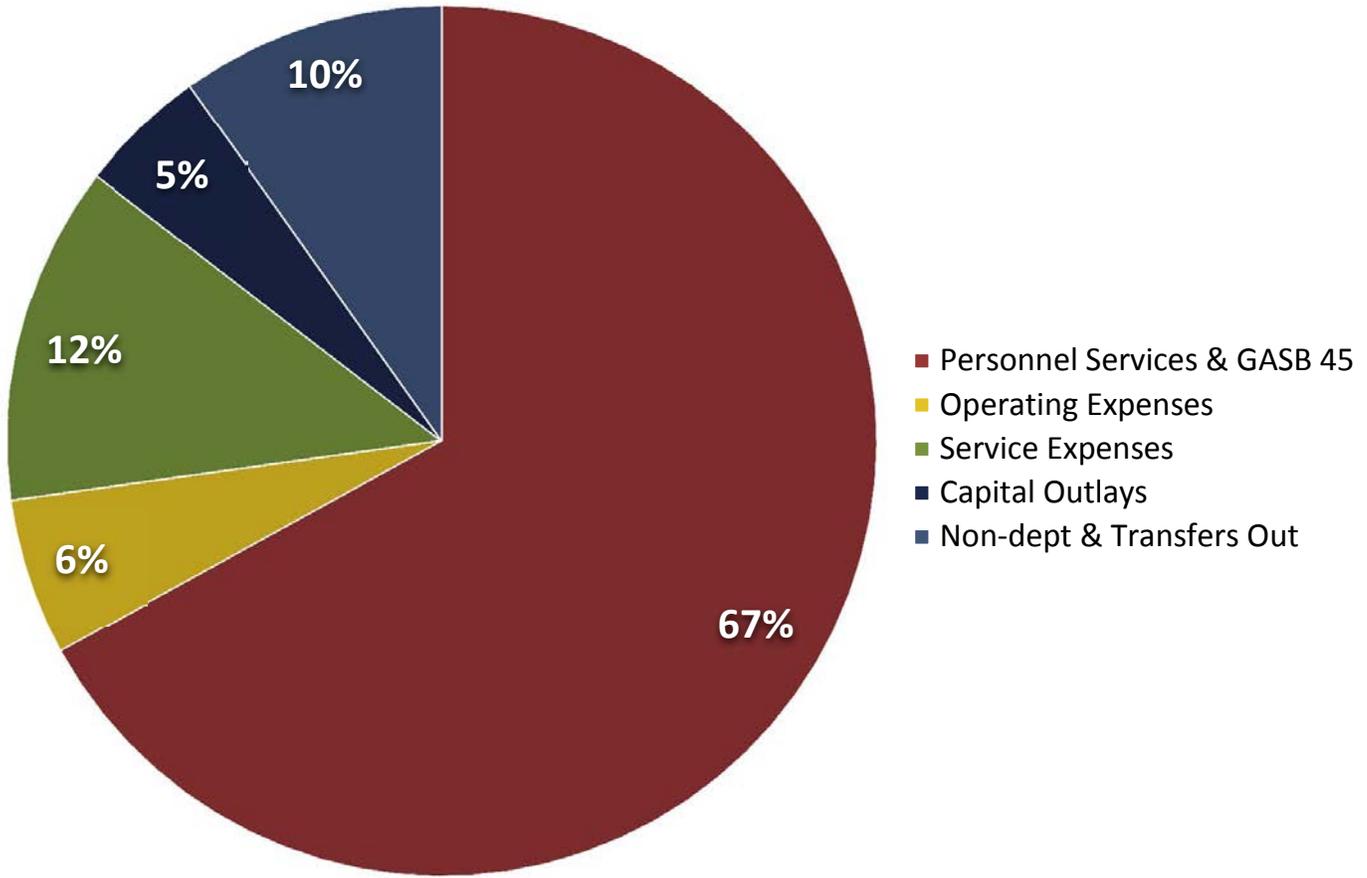


General Fund Expenditures

Expenditure Type	FY 14/15 Budget	FY 15/16 Proposed	% Change
Public Safety	\$ 60,507,253	\$ 63,352,555	4.7%
Public Works	\$ 18,131,837	\$ 17,857,442	-1.5%
General Government	\$ 15,076,574	\$ 14,536,519	-3.6%
Parks & Recreation	\$ 10,978,402	\$ 10,978,402	0.0%
Non-dept & Transfers Out	\$ 5,508,245	\$ 8,044,127	46.0%
Debt Service	\$ 5,927,973	\$ 6,577,973	11.0%
Capital Replacement	\$ 7,000,000	\$ 5,000,000	-28.6%
Development Srvc & Planning	\$ 3,428,316	\$ 3,282,167	-4.3%
Community & Econ Dev	\$ 905,490	\$ 1,098,373	21.3%
Total	\$ 127,464,090	\$ 130,727,558	2.6%



General Fund Budget		
Expense Type	FY 15/16 Proposed	
Personnel Services & GASB 45	\$	87,591,951
Operating Expenses	\$	7,585,289
Service Expenses	\$	16,488,918
Capital Outlays	\$	6,189,300
Non-dept & Transfers Out	\$	12,872,100
Total	\$	130,727,558



General Fund Highlights

- The FY 15/16 General Fund budget \$130,727,558; an increase of \$3,263,468 or 2.6%.
- Reflects a 2 mill reduction in property taxes;
- Increases in the franchise fee from 3% to 5%;
- Funding for Public Safety received top priority with more than \$2,600,000 increase in departmental funding.
- Replaces the transfer of \$4,000,000 from Water & Sewer Fund with a Public Safety transfer of \$2,675,605 (33% reduction);
- Reflects shifting of almost \$1,600,000 in expenses from Water and Sewer that allows the proposed water and sewer rate increase to be reduced from the originally proposed 12.1% to a final recommendation of 9.5%.

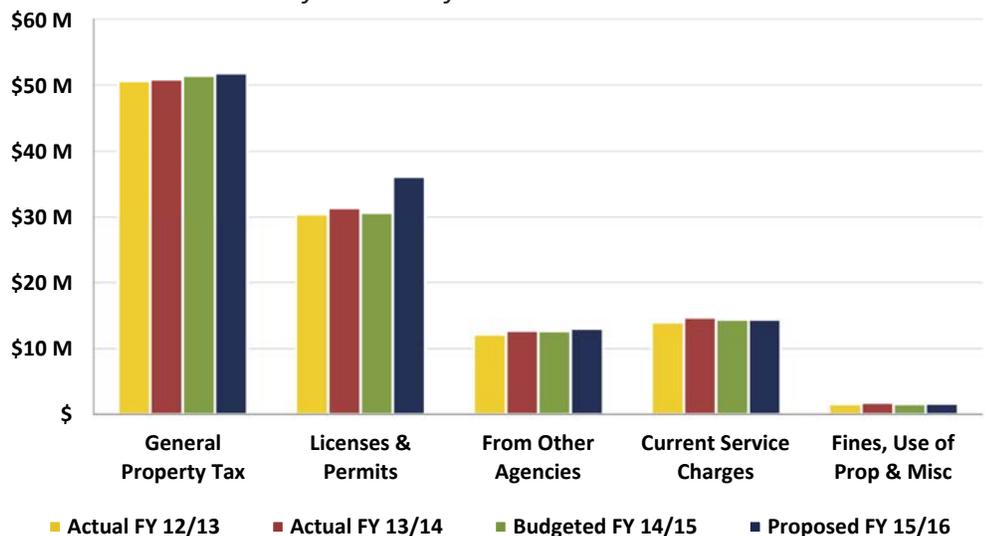
Revenues and Transfers In

The City is fortunate to have many opportunities to grow and expand. The quality of City services is a major selling point for new development and annexations. We know that attracting development requires that the services we offer are affordable and reasonable. It is never staff's intention or desire to increase fees or rates unnecessarily; however part of the City's ability to avoid tax and other rate increases over the past several years is in part due to the diversity in our revenue sources and not relying on only one or two revenue streams. Furthermore, restrictions on the sources and use of funds by the Legislature require that the City seek to utilize a variety revenues to fund basic services.

An estimate of over 50% of the City's property is not taxed due to the number of government and non-profit entities that Columbia is fortunate to have in its city limits. The franchise fee is paid by various entities that use the City's right of way to provide other services (gas, electricity, telephone, cable, etc) and is not limited to only taxable entities. This fee is usually passed on to the customers of those services. Revenues such as franchise fees helps to further distribute the cost of services to more than just tax payers. The current franchise fee is 3% and we are proposing to go to the 5% allowed by state law.

General Fund Revenues By Category Over Time*

* Does not include transfers in and fund balance.

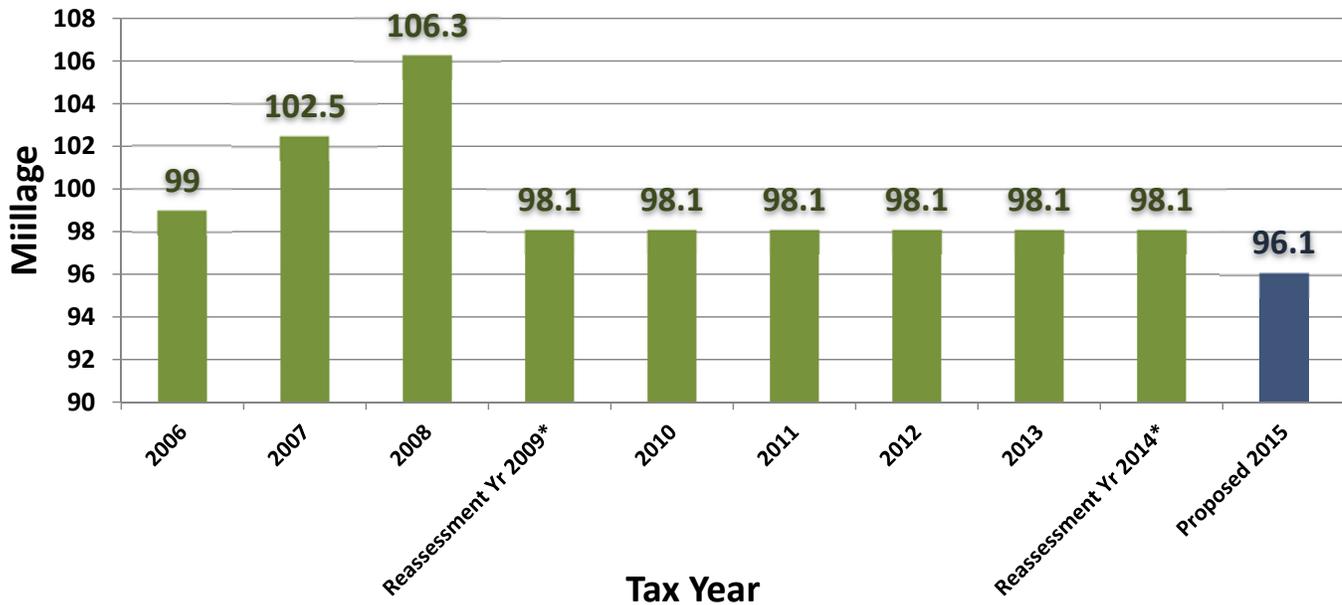


Revenues

Revenues account for \$117,086,953 of the total \$130 million budget. We are projecting an increase of \$6,057,006, or 6.4% over current year budgeted revenues. The majority of the increase is attributed to the increase in the franchise rate to 5% and is estimated to generate approximately \$4,700,000 increase in revenues. Without the franchise rate increase, we anticipated an increase of only \$2,000,000 or 2% over the current year budgeted revenues. This would have not allowed us to fund many of the budget priorities in the coming year.

- **Property taxes** are budgeted at \$51,862,115; a net increase of \$419,750 or .8% and reflects a 2 mill property tax rollback or reduction.
- Revenue from **Licenses and Permits** continue to improve as the economy improves. We have budgeted \$36,197,981; which is an increase of approximately \$5.4 million over current year or 17.8%. The majority of this increase is attributed to the proposed increase in franchise fee. Without the increase in the franchise fee, we project an increase of \$765,555 or 2% over the current year budget.
- Inter-governmental revenues from **Other Agencies** are projected at \$13,086,467; an increase of \$395,639 or 3.1%.
- **Service Charges and Fees** are projected at \$14,389,990; are relatively flat, but have projected very modest increase of \$28,366.
- **Fines and Forfeitures** are projected at \$1,102,000; a reduction of \$208,000 or 16%. The reduction is from current year budget, but is in line with prior year actual collections. Collections fluctuate and can be based on a number of factors.

City of Columbia’s Property Tax Millage Rates By Tax Year



This graph shows the City of Columbia’s property tax millage rates from 2006, including the proposed rate for 2015.

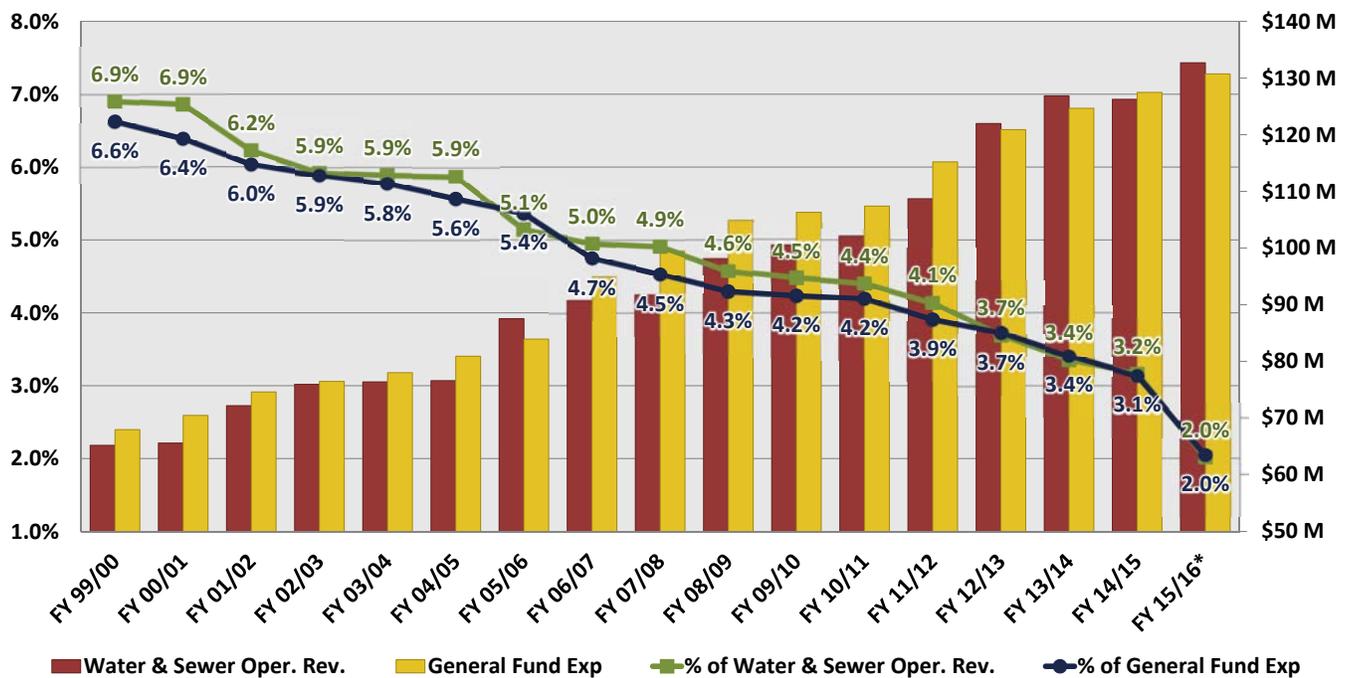
Transfers In and other Financing Sources

Transfers In and other Financing Sources total \$13,640,605; a decrease of \$2,793,538 or 17% below the current year budget. Transfers account for 10% of the total General Fund budget in FY 15/16. It is important that we continue to seek ways to reduce our use of transfers to the General Fund; however, it is important to point out that transfer in

are a benefit to our tax payers in that they help to keep property taxes and other rates low that support the General Fund activities. Many governments utilize transfers as rate of return to the tax payers through other revenues that are generated of the General Fund and allowed by State law or generally accepted accounting practices. Therefore, we seek to keep transfers in to 10-15% of the overall General Fund budget as a good fiscal practice so that rates and taxes are not artificially low or not adjusted according to the cost to provide services.

- **Transfer from Accommodations Tax** remains at the same level of \$25,000. The transfer from Hospitality Tax has been restored to \$3,000,000 which is the same as previous levels, but higher than the current year reduction that was made during the Budget Public Hearing last year.
- **Capital Lease** proceeds are budgeted at \$5,000,000 and makes up the majority (39%) of the transfers and other financing uses. This is the second subsequent year that the City has utilized a capital lease purchase for our capital replacement program for rolling stock and technology. We have reduced the amount for next year based upon the capital replacement schedule.
- **Transfer from Water and Sewer** fund of \$4,000,000 and is replaced with a **Public Safety Transfer** in the amount of 2% of Water and Sewer Revenues for a total of \$2,675,605; a reduction of \$1,324,395 or 33%. This makes the 3rd straight year that we have proposed a reduction, with this reduction being the most significant.

Water & Sewer Transfers to General Fund as a Percentage of Budget



This graph shows the decrease in Water & Sewer Funds transferred to the General Fund as a percentage of the Water & Sewer Budget (green line) and the General Fund Budget (blue line) from FY 99/00 through FY 15/16.

- In previous years, the **Parking Fund** has transferred as much as \$1,750,000 to the General Fund. Over the years, we have decreased that transfer, but are proposing to reinstate the transfer at a level of \$500,000.
- The transfer from the **Hydro** fund has reached the end as originally projected. The transfer came from one-time revenue when the contract was reached for operations, however the one time revenue has been exhausted and we project no transfer in the coming budget.

- Use of fund balance is budgeted at \$2,440,000, an increase of \$100,000 over the current year budget. We will continue to monitor and watch current year budget to actual for revenues and expenditures to confirm that these funds will remain available out of the fund balance.

Expenditures

General Fund Department budgets are proposed at \$112,855,458; an increase of \$3,827,586 or 3.5%. The budget places a priority on public safety including areas that support Police and Fire operations. Most of the General Fund departments' budgets reflect little to no increase over the current year budget which means any increases in operational costs associated with normal costs fluctuations, added or expanded services have to be absorbed within current allocations. We have also reflected \$1,750,000 for a phased in implementation of the Comprehensive Compensation and Classification study. The funds will be applied to each department as appropriate.

City Council has made it very clear that Public Safety is a top priority. With exception of a few areas, Police and Fire departments account for \$2.8 million of the total increase. This is attributed to funding for full staff, implementation of the recruitment and retention initiatives and full year of the relocation of the Police Department's evidence and records storage facility. For the past 2 years, we have budgeted funds for a citywide camera system. We are near completion of the installation of the camera locations and will shift resources to body cameras for police officers. The funding reflects a reduction as we will also use existing funds toward the purchase of the cameras as the Police Department evaluates the different options for body camera implementation. We are very aware of the critical nature of this endeavor and will act most swiftly to implement as staff selects the appropriate equipment for our department personnel.

Other significant increases include the Council Support Services budget which reflects an increase of \$126,194 for the upcoming November municipal elections. The Office of Business Opportunities budget is \$771,659; an increase of \$213,107 which is actually the shifting of the portion of their budget that was previously funded by the Water and Sewer Fund. Overall, their budget is no change from the current year.

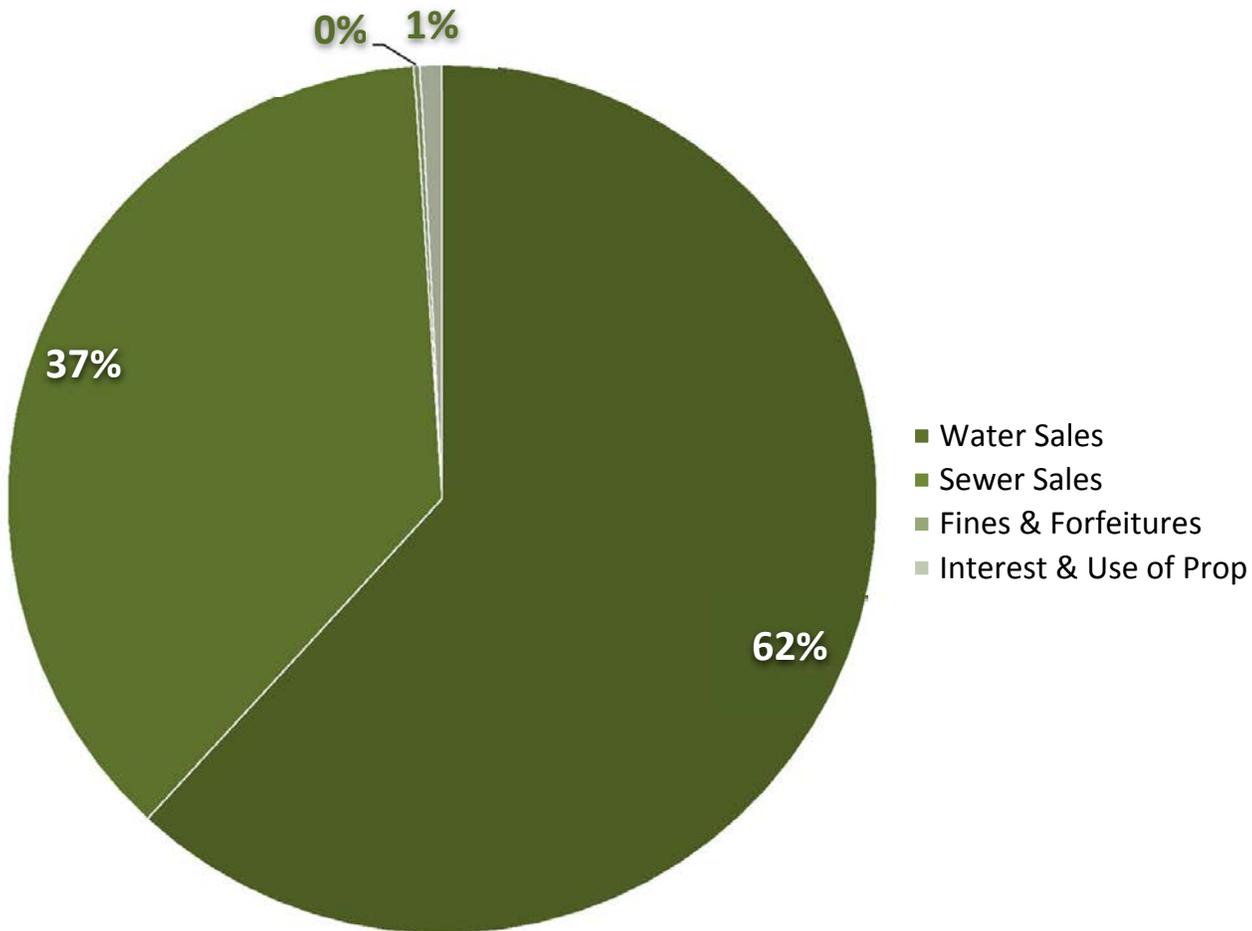
We have included \$250,000 in the proposed budget for Community Promotions, which reflects a decrease of \$20,670 from the current year. We have not made any assumptions of the allocations to be made, but want to remind Council of your agreement to accept funding requests that are submitted via an application process that will be released once the budget is approved.



General Fund Expenditures	FY 14/15 Budg	FY 15/16 Prop	% Change
Legislative - Mayor & City Council	\$ 718,427	\$ 735,124	2%
Administration - City Manager	\$ 502,083	\$ 486,628	-3%
Governmental Affairs	\$ 452,766	\$ 452,766	0%
Administration - ACM Operations	\$ 368,446	\$ 368,446	0%
Administration - Chief Financial Officer	\$ 182,143	\$ 188,143	3%
Administration - Sr Assistant CM	\$ 317,118	\$ 316,118	0%
Human Resources	\$ 980,446	\$ 980,446	0%
Budget & Program Management Office	\$ 351,937	\$ 351,937	0%
Public Relations	\$ 573,136	\$ 569,349	-1%
Council Support Services	\$ 421,245	\$ 547,439	30%
Legal	\$ 2,059,960	\$ 1,931,149	-6%
Municipal Court	\$ 2,648,014	\$ 2,680,768	1%
Finance	\$ 1,912,136	\$ 1,846,586	-3%
Office of Business Opportunities	\$ 558,552	\$ 771,659	38%
Community Development	\$ 346,938	\$ 326,714	-6%
Development Services	\$ 3,428,316	\$ 3,282,167	-4%
Police	\$ 34,830,961	\$ 36,427,564	5%
911 Emergency Communications	\$ 2,945,036	\$ 2,950,376	0%
Fire	\$ 20,083,242	\$ 21,293,847	6%
Parks & Recreation	\$ 10,978,402	\$ 10,978,402	0%
Public Works	\$ 18,131,837	\$ 17,857,442	-2%
General Services	\$ 2,581,758	\$ 2,212,398	-14%
Information Technology	\$ 3,654,973	\$ 3,549,990	-3%
Comp & Class (Will be applied to department with final budget)		\$ 1,750,000	
Community Promotions	\$ 270,670	\$ 250,000	-8%
Solicitor's Office	\$ 215,817	\$ 215,817	0%
Homeless Services	\$ 1,000,000	\$ 1,000,000	0%
Security Cameras / Body Cameras	\$ 475,000	\$ 275,000	-42%
Economic Development Special Projects	\$ 75,000		-100%
Detention Center Per Diem	\$ 450,000	\$ 450,000	0%
Special Emergency Reserve	\$ 108,473	\$ 75,000	-31%
Non-Departmental & Misc	\$ 40,000	\$ 40,000	0%
Office Space Lease - 1225 Lady Street	\$ 505,000	\$ 505,000	0%
To Internal Service Funds	\$ 1,868,285	\$ 2,093,285	12%
To Debt Service	\$ 5,927,973	\$ 6,577,973	11%
To Component Units / Development Corporations		\$ 1,390,025	
To Storm Water	\$ 500,000		-100%
To Capital Replacements	\$ 7,000,000	\$ 5,000,000	-29%
Total	\$ 127,464,090	\$ 130,727,558	3%

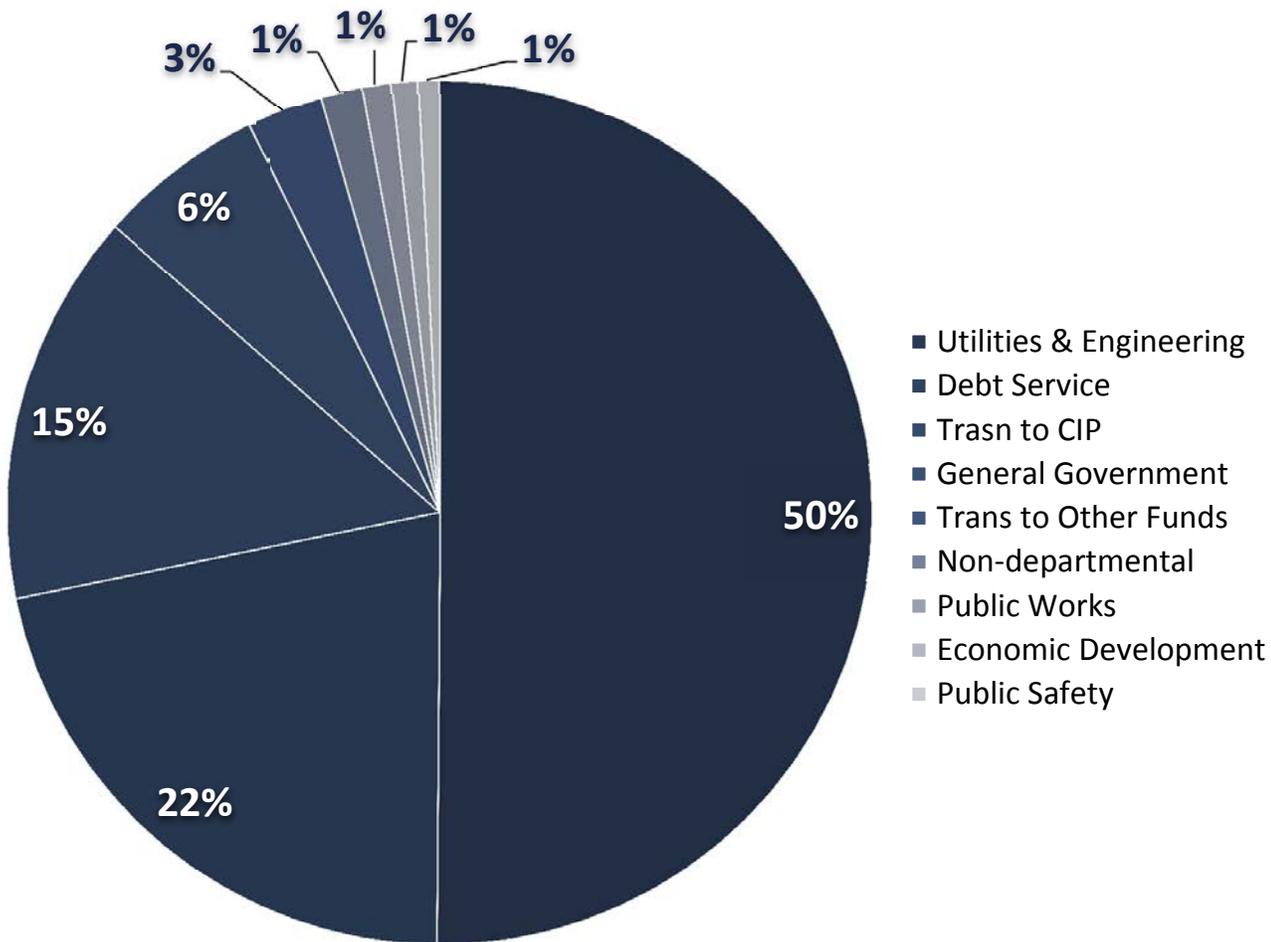
15/16 Water & Sewer Fund Budget

Water & Sewer Fund Revenue				
Revenue Type		FY 14/15 Budget	FY 15/16 Proposed	% Change
Water Sales	\$	82,553,390	\$ 82,745,395	0.2%
Sewer Sales	\$	43,385,205	\$ 49,644,750	14.4%
Fines & Forfeitures	\$	300,000	\$ 300,000	0.0%
Interest & Use of Prop	\$	1,346,500	\$ 1,090,000	-19.0%
Total	\$	127,585,095	\$ 133,780,145	4.9%

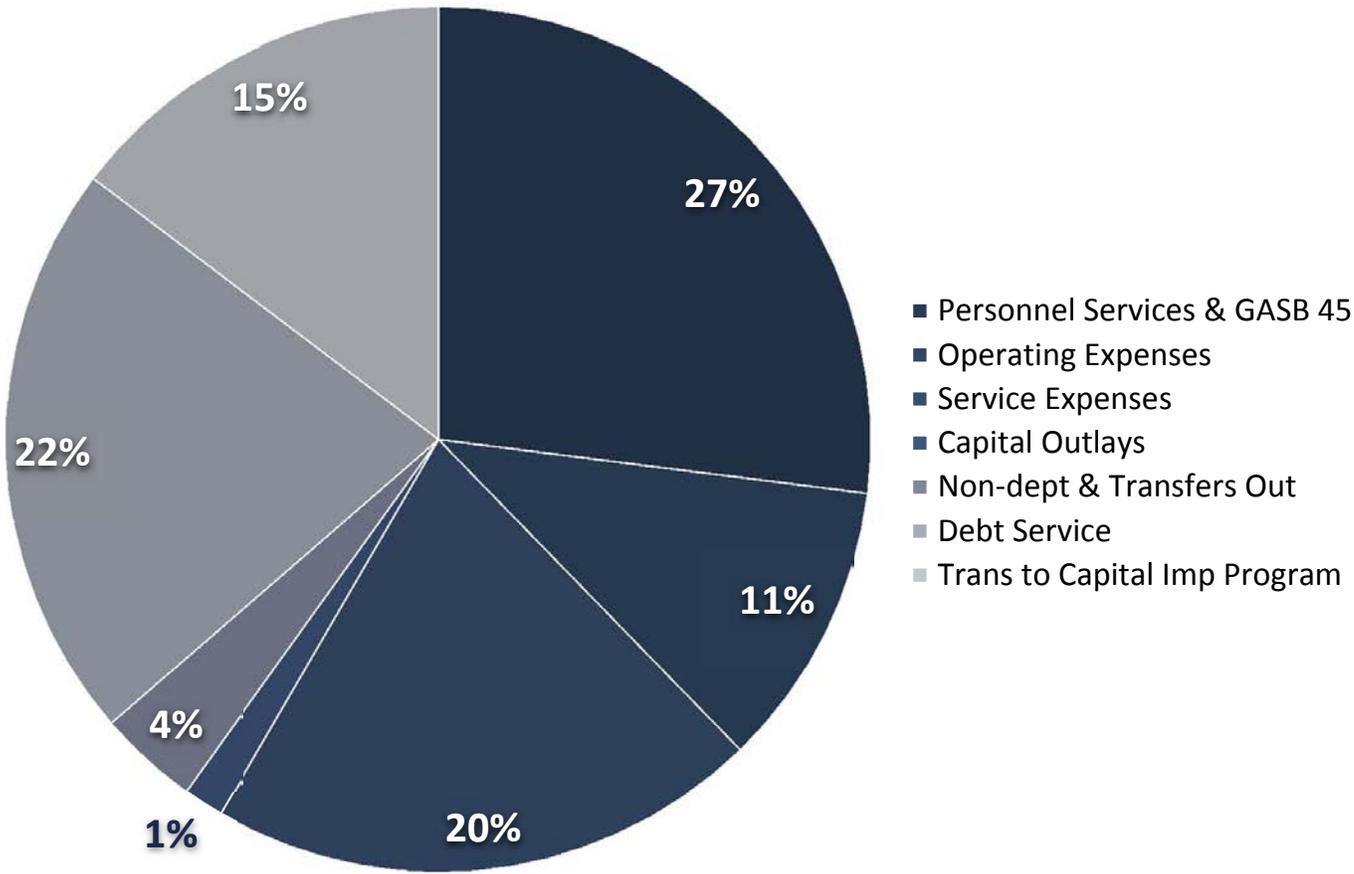


Water & Sewer Fund Expenditures

Expenditure Type	FY 14/15 Budget	FY 15/16 Proposed	% Change
Utilities & Engineering	\$ 65,456,252	\$ 67,050,194	2.4%
Debt Service	\$ 29,008,192	\$ 29,006,859	0.0%
Trasn to CIP	\$ 11,673,149	\$ 19,659,367	68.4%
General Government	\$ 8,855,448	\$ 8,323,926	-6.0%
Trans to Other Funds	\$ 4,954,733	\$ 3,780,338	-23.7%
Non-departmental	\$ 2,085,000	\$ 2,085,000	0.0%
Public Works	\$ 1,526,849	\$ 1,477,030	-3.3%
Economic Development	\$ 2,893,771	\$ 1,315,713	-54.5%
Public Safety	\$ 1,131,701	\$ 1,081,718	-4.4%
Total	\$ 127,585,095	\$ 133,780,145	4.9%



Water & Sewer Budget		
Expense Type	FY 15/16 Proposed	
Personnel Services & GASB 45	\$	36,098,490
Operating Expenses	\$	14,374,164
Service Expenses	\$	27,625,389
Capital Outlays	\$	2,047,038
Non-dept & Transfers Out	\$	4,968,808
Debt Service	\$	29,006,859
Trans to Capital Imp Program	\$	19,659,367
Total	\$	133,780,115



Water & Sewer Fund Highlights

- **The FY 15/16 Water & Sewer budget \$133,780,145; an increase of \$6,195,050 or 4.9%.**
- **Reflects a rate increase of 9.5%**
- **Includes \$19,659,367 transfer to Water & Sewer Capital Improvement Program; increase of \$7,986,218 or 68.4% over the current year budget.**
- **Priority of funding focuses on Clean Water 2020 programs to meet EPA Consent Decree requirements.**
- **Replaces the transfer of \$4,000,000 to the General Fund with a Public Safety transfer of \$2,675,605 (33% reduction);**
- **Reflects shifting of almost \$1,600,000 in expenses to the General Fund which allows the proposed water and sewer rate increase to be reduced from the originally proposed 12.1% to a final recommendation of 9.5%.**

The increase in the Water and Sewer budget of \$6.2 million is generated by the proposed rate increases, adjustments from customer audit, satellite agreements and normal growth in water and sewer sales. The updated rate study included a thorough analysis of revenues, expenses, operating parameters and future demands on the system. Staff continues to focus effort on efficiencies, improvements and customer service as a whole. Through the Clean Water 2020 program, the City has been preparing for the commitments related to the EPA Consent Decree for the past several years. Through this initiative, we have identified the programs and projects related to the operation of the sewer system that will meet the requirements of the EPA Consent Decree.

Revenues

Revenues from Water Sales are projected at \$82,735,395; an increase of \$192,005 or .2% over the current year budget. While the revenues reflect the proposed 9.5% rate increase, there is little increase over the current year's budget; however, it is \$15,854,330 or 13% over prior year actuals. This is due to projected revenues more accurately reflecting revenue collections. Sewer Sales are projected at \$49,644,750; a decrease of \$6,259,545 or -14.4%. Please note that 100% of the revenue generated by the proposed rate increase is dedicated entirely to water and sewer capital improvement projects.

Expenditures

Expenditures total \$110,340,440; a reduction of \$616,773; or less than 1% from the current year budget. The reduction is due primarily from the shifting of the funding for the Office of Business Opportunities and the City's 5 Development Corporations to the General Fund.

Department Budgets reflects a total of \$78,932,868; an increase of \$1,962,618 or 2.5%. Utilities and Engineering's budget in the amount of \$67,050,194 (85%) is the largest of the departments funded in the Water and Sewer Fund. This budget includes operations of 2 water treatment plants, 1 wastewater treatment plant, engineering services, water maintenance and distribution, meter reading services, wastewater maintenance and distribution, real estate, construction management and administration. Over \$10,000,000 of the Utilities & Engineering budget is funding for non-capital projects related to requirement maintenance of the water and sewer system.

Other departments include Finance for water and sewer system financial administration and Customer Care Center; a portion of the Police Department that provides security at various water and sewer facilities; Fire for hydrant maintenance of the water system; General Services for facilities maintenance at water and sewer facilities; GIS (geographic information systems) for mapping and asset management of the water and sewer system and Public Works Street Division for repairs to streets following water and sewer repairs. The budget also includes \$1,000,000 towards funding Water and Sewer funded employees for the phased-in implementation of the 2015 Comprehensive Compensation and Classification plan. Once the budget is approved, these funds will be applied to each department accordingly.

Non-operating Department budget total \$1,212,213; a decrease of \$1,578,058 or 56.6%. This now comprises only the Office of Economic Development and Economic Development Special Projects funding. Economic Development assists the water and sewer system by helping to recruit industrial and commercial customers in order to help grow and expand the system. The decrease in the budget is a result of shifting the City's funding of our 5 development corporations – CHDC; TNDC; Eau Claire Development Corp.; CEZ, Inc.; and Columbia Development Corp and funding for the Office Of Business Opportunities to the General Fund. The shifting of these expenses was made in order to eliminate the non-system related expenditures. Reducing expenditures of the system is what resulted in a reduction of the proposed rate increase from the proposed 12.1% to 9.5%.

Non-Departmental is budgeted at \$30,195,359; a reduction of \$1,001,333 or 3.2%. The reduction is based on the shifting of the \$1,000,000 reserve for capital projects from the operating budget and applied to funding for the capital improvement program. Generally, the capital improvement projects include a small amount of contingency as is generally the case with any type of construction project. The largest portion of Non-Departmental is the \$29,006,859 for the annual Debt Service requirements for bonds for Water and Sewer Capital Improvement Program.

Transfers Out

Transfers Out totals \$23,439,705 which is an increase of \$6,811,823 or 41% and is attributed to an increase in the budgeted cash portion of the Water and Sewer Capital Improvement Program (CIP). The total transfer for CIP in this budget is \$19,659,367; an increase of \$7,986,218 or 68.4%. As mentioned previous, the transfer to the General Fund in the amount of \$4,000,000 has been replaced with a transfer for Public Safety in the Amount of \$2,675,605. The Public Safety is limited to 2% of the budgeted revenues of the Water and Sewer system.



The City recently launched a new online water & sewer bill estimator. Customers can use it to see how the proposed rate change might affect their bill.

Water & Sewer Capital Improvement Program

The Water & Sewer CIP totals \$120,000,000 of which \$40,000,000 is for Water projects and \$80,000,000 is for sewer related projects. The Water & Sewer operating fund includes the transfer of approximately \$20,000,000 in budgeted cash for the CIP. The remaining \$100,000,000 will be funded from a proposed bond proceeds and from fund balance. The issuance of the bond and the ability to fund the CIP is dependent upon the approval of the proposed 9.5% water & sewer rate increase. Without the proposed rate increase, the CIP will be drastically reduced.

Water Projects			
Project	Description	Type of Improvement	Proposed
WMXXXX	AMR/AMI Business Case Evaluation (Engineering Only)	Other	\$ 150,000
WM4282	Structural Repairs at Remote Sites	Structure	\$ 750,000
WM3355	Utility Conflicts (Annual)	System Expansion	\$ 500,000
WM3965	Major Utility Cut Repairs (Annual on-going Resurfacing DOT Streets via CIP work) (Annual)	System Expansion	\$ 550,000
WM4315	Bull Street Water System Improvements	System Expansion	\$ 1,000,000
WM4323	Unforeseen Projects	System Expansion	\$ 1,000,000
WMXXXX	Watermain Extension Along Shop Road Extension	System Expansion	\$ 1,250,000
WM	Water Quality Consulting Services	Water Quality	\$ 50,000
WM3001	Water Quality Projects City Wide (Services & 2-inch water line replacement) (Annual)	Water Quality	\$ 1,000,000
WM4316	North Main Street Streetscape	Water Quality	\$ 2,000,000
WM3752	Raw Water Dredging	Water Treatment Plant	\$ 1,250,000
WM3774 & WM4231	Canal Clearwell and High Service Rooms 2 & 3 Improvements	Water Treatment Plant	\$ 28,000,000
WM4164	Water System SCADA improvements	Water Treatment Plant	\$ 2,500,000
Total Water			\$ 40,000,000



The City promotes its drinking water efforts through its **Only Columbia Tap Water Delivers** campaign; **Clean Water 2020** is the City's program to rebuild and modernize its sewer collection & treatment system.

Sewer Projects

Project	Description	Type of Improvement	Proposed
SS676402	30" Forcemain from Mill Creek PS to WWTP	Capacity	\$ 12,500,000
SS7251	Blossom/Huger SS Improvements	Capacity	\$ 2,386,600
SS7301	Bull Street	Capacity	\$ 1,000,000
SS733701	East Rocky Branch Improvements Phase I	Capacity	\$ 2,000,000
SS733702	East Rocky Branch Improvements Phase II	Capacity	\$ 2,500,000
SS7331	Upper Kinley Creek Sewer Improvements Phase I	Capacity	\$ 500,000
SS7330	Upper Mill Creek Sewer Improvements	Capacity	\$ 1,000,000
SS7338	Crane Creek Wet Weather Storage	Capacity	\$ 1,500,000
	Shop Road Sewer Extension for Industrial Development	Capacity	\$ 2,000,000
SS6000FY	Sewer Service for City Annexations	Extension	\$ 200,000
SS7236	CD Program Management	Other	\$ 5,400,000
SS7282	FM Field Condition Assessment - Project A	Other	\$ 600,000
SS7283	FM Field Condition Assessment - Project B	Other	\$ 600,000
SS7286	CE Projects not yet Defined	Other	\$ 1,525,000
SS7288	Unforeseen & Miscellaneous Projects	Other	\$ 2,300,000
SS6786	Annual for Gravity Sewer Manhole Lining & Replacement	Rehab	\$ 1,000,000
SS6966	Annual Rehab on lines less than 15"	Rehab	\$ 4,173,400
SS706012	Pump Station Improvements at 6 Sites	Rehab	\$ 4,000,000
SS7229FY	Phase I SSES Assessment	Rehab	\$ 750,000
SS7253	Improvements to Digester 1-5 @ Metro WWTP	Rehab	\$ 25,000,000
SS7259	Replacement of 24" Smith Branch Outfall underneath I-277	Rehab	\$ 1,340,000
SS7262	Flow Study/Rehabilitation/Replacement of Three Rivers and Colonial Life Pump Station	Rehab	\$ 1,200,000
SS7292	Zoom Camera Rapid Assessment	Rehab	\$ 750,000
SS7323	Food Lion Pump Station Improvements	Rehab	\$ 125,000
SS7324	Bendale Pump Station Improvements	Rehab	\$ 175,000
SS7325	Starlite Pump Station Improvements	Rehab	\$ 275,000
SS7332	Upper Broad River I&I Remediation	Rehab	\$ 1,500,000
SS7287	SSES Rehab #2	Rehab	\$ 1,000,000
SS6099FY	Sewer Utility Conflicts	Upgrade	\$ 600,000
SS691601	North Main Street Streetscape Sewer	Upgrade	\$ 500,000
SS7285	Thickening & Dewatering Improvements	Upgrade	\$ 1,000,000
SS7333	Upgrades Required at Pump Stations per TSOMP Recommendations	Upgrade	\$ 600,000
Total Wastewater			\$ 80,000,000

Why a rate increase on water and sewer fees?

When asked why we are increasing rates, we believe there are many reasons, which are explained below.

1. Basic Services and Public Safety

As a utility, we have a responsibility to provide our customers with clean drinking water while keeping the environment safe and clean, complying with all regulations related to the treatment of water and sewer, providing for fire protection as well as providing good customer service. The recommended rate schedule moves the City's rates toward a cost-based approach, reflecting the demand and service characteristics of the City's customers

2. Upgrades, Regulatory Requirements and Expansions.

Columbia's Water and Sewer system is aging. More than 2/3s of our system is over 50 years old. The rehabilitation and upgrading of the system, regulatory requirements and expansion requires significant resources to fund the capital improvement program.

Why the City's bond rating should matter to you

It is the City's responsibility to our customers and bondholders to ensure that we keep the utility system financially strong. This is achieved in part by striving for the best bond ratings possible. Much like individual consumers rely on their credit scores from Equifax, Experian and Trans Union to allow them to borrow money for the financing of essential needs (i.e., homes, durable goods such as cars and appliances, and even college tuition for themselves or their children), the ability of local governments (such as the City) to borrow on favorable terms for the funding of infrastructure (such as improvements to the utility system) is largely dependent upon how we are rated or "scored" by Moody's, Standard & Poor's, and/or Fitch Ratings. Where high credit ratings can be secured by the City prior to the issuance of bonds, there is significant associated interest cost savings. This savings ultimately flows through to the citizens of Columbia and consumers of our services (such as water and sewer) in the form of lower user fees and less significant future rate increases.

City of Columbia's Bond ratings for Water & Sewer issued debt:

- *Moody's- Aa1*
- *S&P's - AA*

An important factor used by rating agencies to evaluate our credit strength is our ratio of annual revenues to annual debt service (commonly referred to as our debt service coverage ratio). To maintain our current high ratings of Aa1 (Moody's) and AA (S&P) on the water and sewer system, the debt service coverage ratio

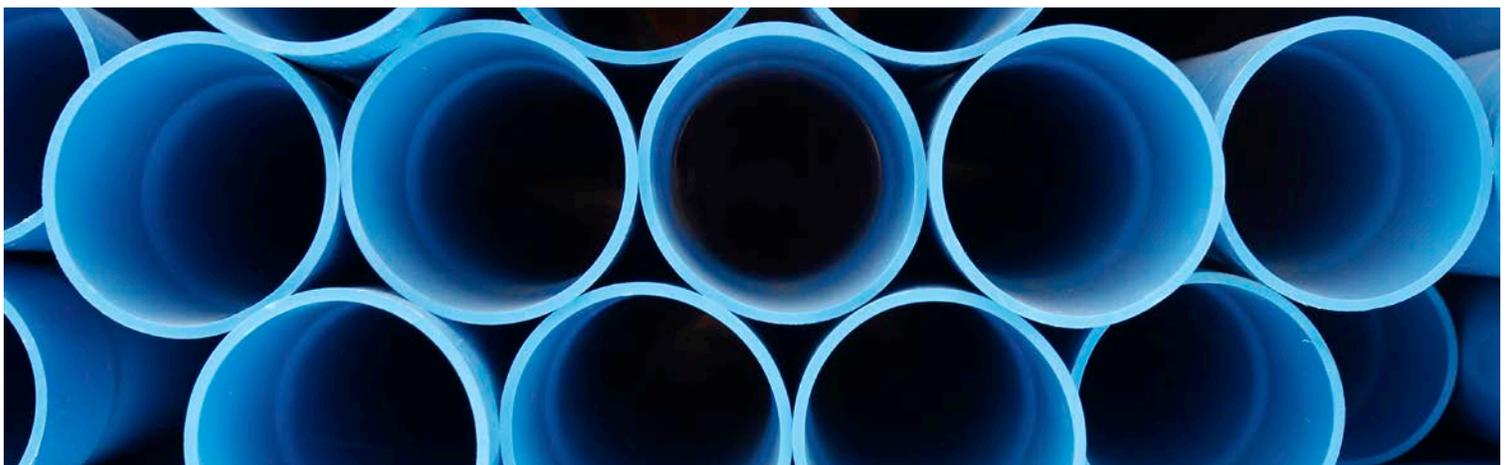
that we strive for is 2.0 times our annual debt payment obligation to bondholders. This is certainly not the only factor that the rating agencies evaluate, but it is among the most frequently cited and carefully watched. Another factor the rating agencies consider is our demonstrated willingness and ability to enact incremental rate increases in an effort to sustain debt service coverage levels and avoid significant one-time spikes in rates.

In addition to bonds, public utility systems (including the City's) typically utilize operating revenues, and cash reserves to provide the funding needed for upgrades, capital improvements, and system expansions. For Columbia's water and sewer system, the source of these operating revenues and cash reserves are the water and sewer rates paid by our customers.

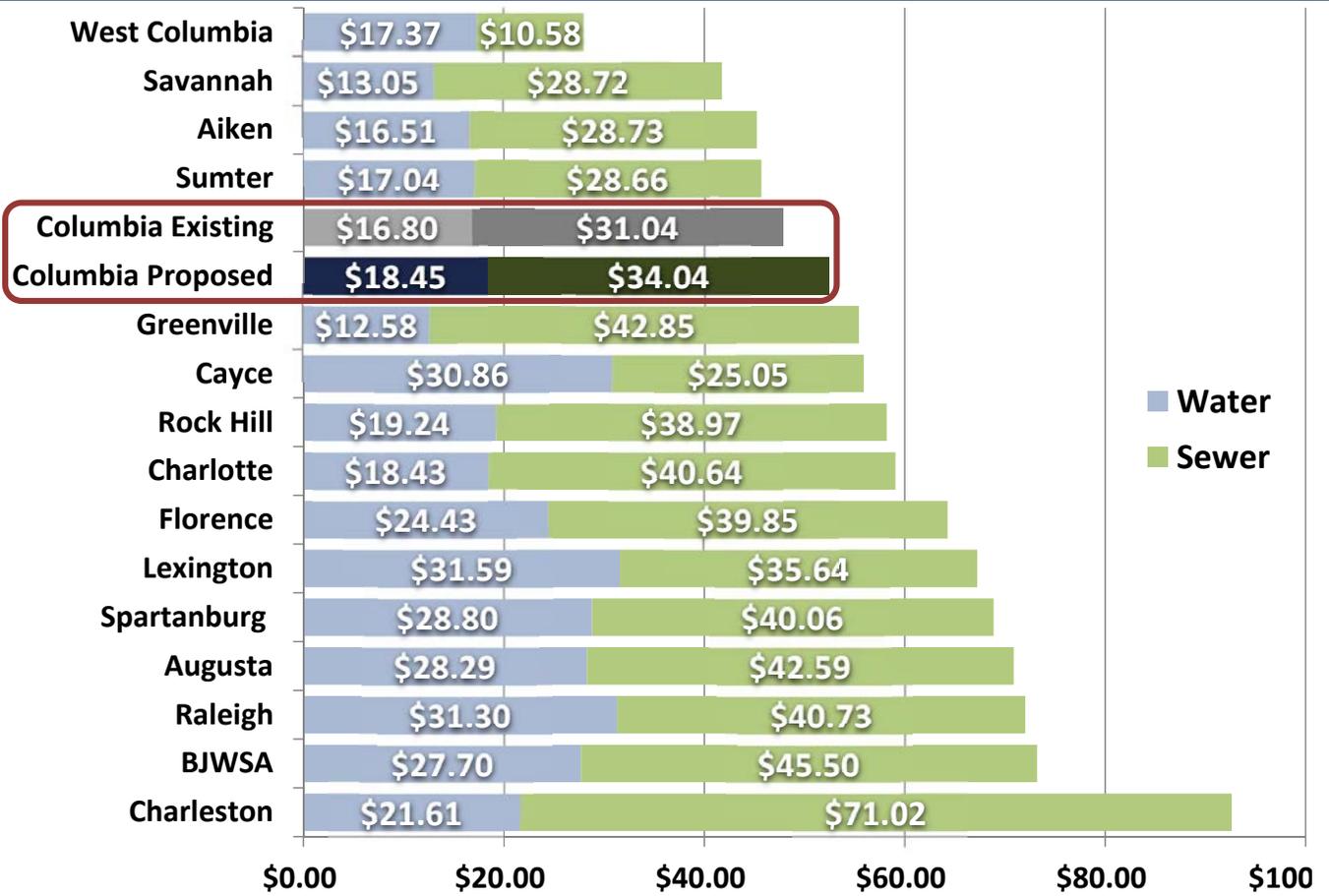
3. Financial Stability.

The new rates brings the City closer to providing a foundation for funding of required projects and the routine maintenance of the system necessary to keep our utility in a financially strong position. Efficient operations and maintaining costs help to realigning existing resources towards priority projects that are in support of the operation of the system; however it is only a part of the equation. New resources are needed to sufficient fund the major renovations, repairs and expansions of the system.

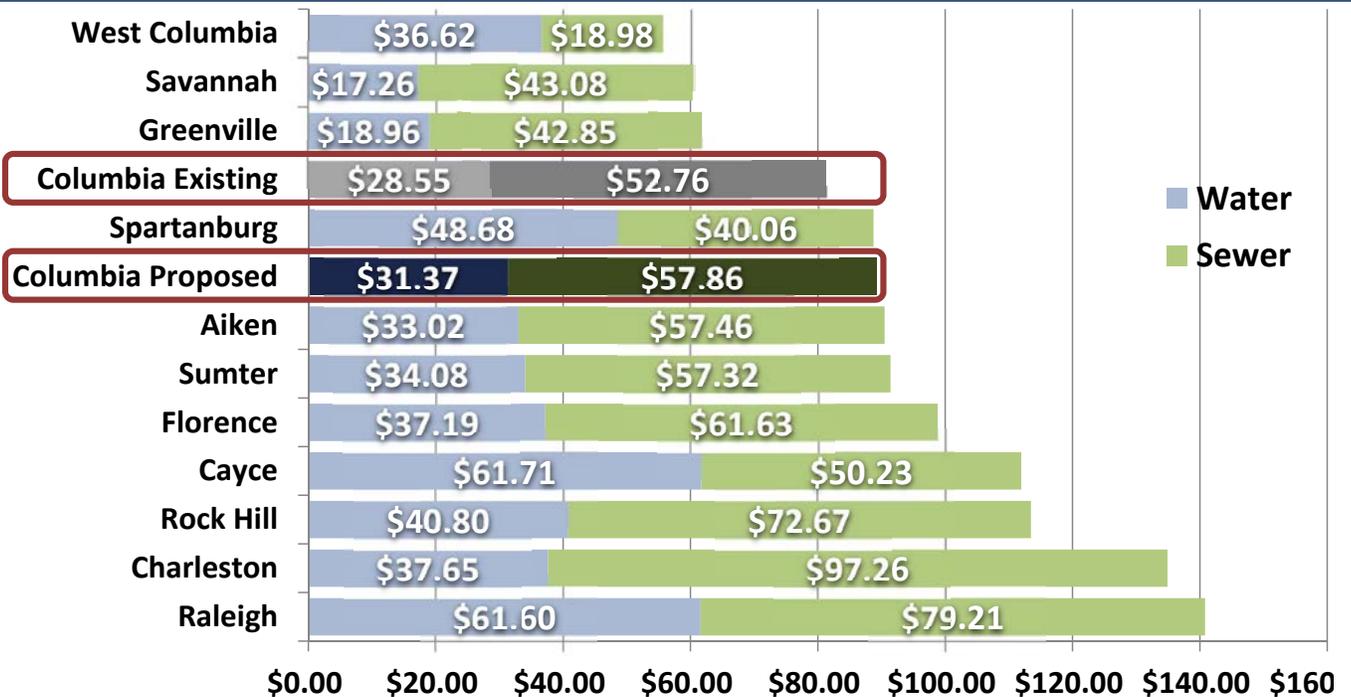
Water & Sewer Fund Expenditures	FY 14/15 Budg	FY 15/16 Prop	% Change
Finance	\$ 6,444,337	\$ 6,337,286	-1.7%
Fire Hydrant Maintenance	\$ 472,442	\$ 461,998	-2.2%
Police - CSO / Public Safety	\$ 659,259	\$ 619,720	-6.0%
Public Works - Street Repair	\$ 1,526,849	\$ 1,477,030	-3.3%
General Services Public Buildings	\$ 1,907,817	\$ 1,503,279	-21.2%
GIS Management	\$ 503,294	\$ 483,361	-4.0%
Utilities & Engineering	\$ 65,456,252	\$ 67,050,194	2.4%
Comp & Class (Will be applied to department with final budget)		\$ 1,000,000	
Office of Business Opportunities	\$ 212,463	\$ 0	-100.0%
Economic Development	\$ 1,191,470	\$ 1,212,213	1.7%
Development Corporations	\$ 1,386,338	\$ 0	-100.0%
Debt Service	\$ 29,008,192	\$ 29,006,859	0.0%
Economic Development Special Projects	\$ 103,500	\$ 103,500	0.0%
Technology Replacements	\$ 250,000	\$ 250,000	0.0%
Non-departmental	\$ 85,000	\$ 85,000	0.0%
Bad Debt	\$ 750,000	\$ 750,000	0.0%
Reserve	\$ 1,000,000	\$ 0	-100.0%
To General Fund	\$ 4,000,000	\$ 0	-100.0%
To Public Safety		\$ 2,675,605	
To Water / Sewer Capital Improvement Program	\$ 11,673,149	\$ 19,659,367	68.4%
To Internal Service Funds	\$ 954,733	\$ 1,104,733	15.7%
Total	\$ 127,585,095	\$ 133,780,145	4.9%



Monthly Inside-City Residential Water & Sewer Bill for 800 Cu Ft of Use

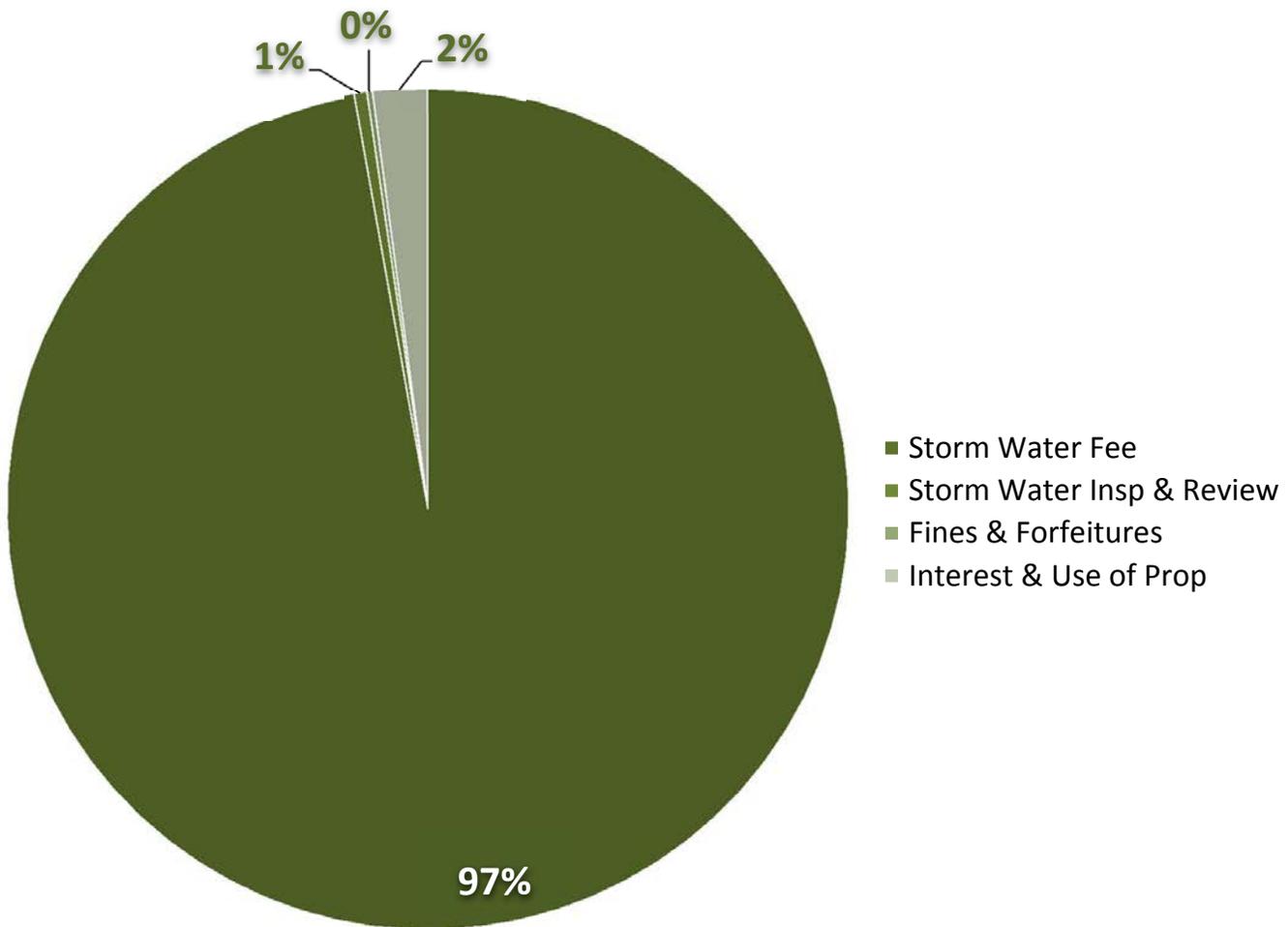


Monthly Outside-City Residential Water & Sewer Bill for 800 Cu Ft of Use



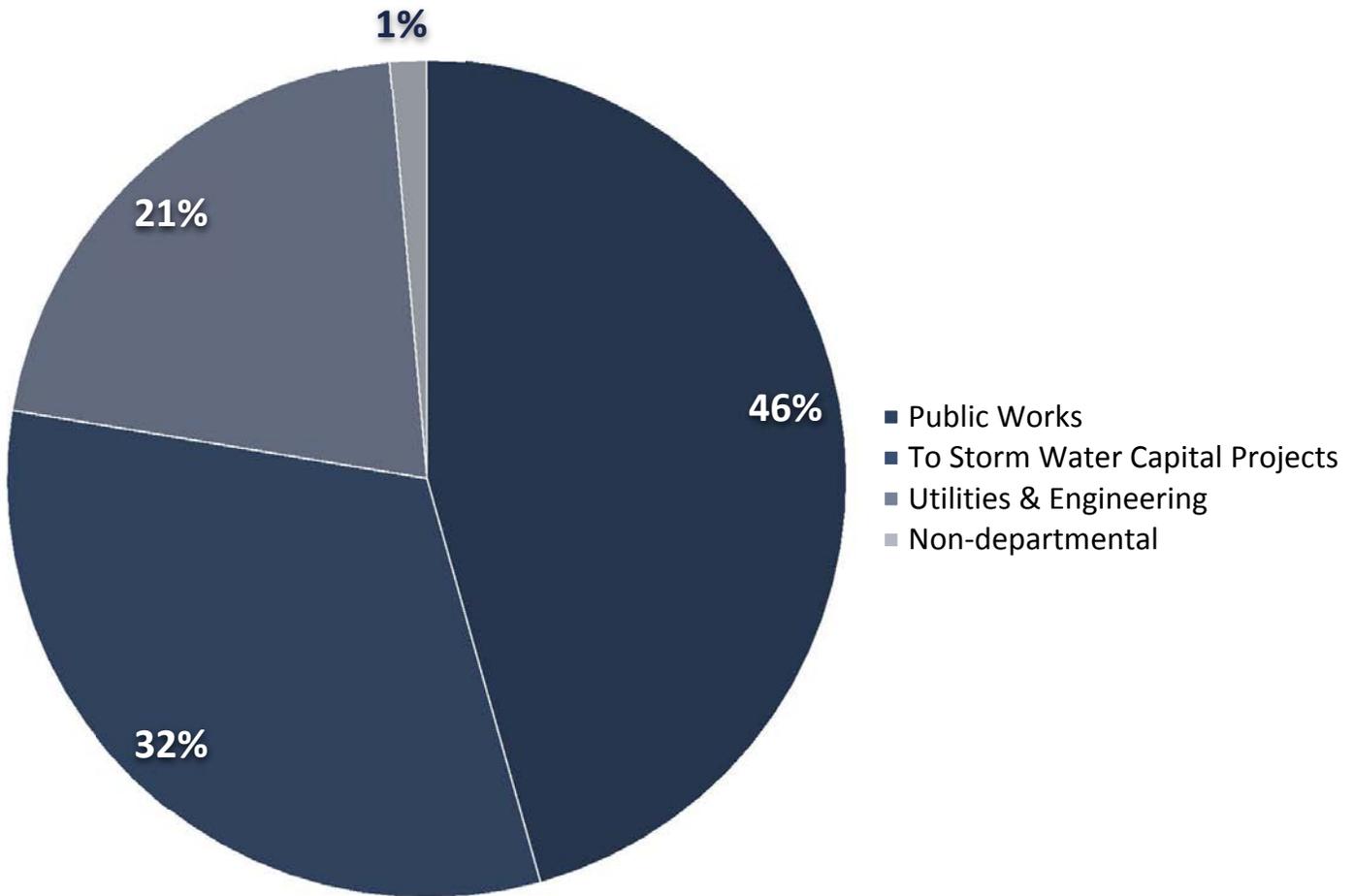
15/16 Stormwater Fund Budget

Stormwater Fund Revenue				
Revenue Type		FY 14/15 Budget	FY 15/16 Proposed	% Change
Storm Water Fee	\$	6,904,000	\$ 6,904,000	0.0%
Storm Water Insp & Review	\$	35,000	\$ 35,000	0.0%
Fines & Forfeitures			\$ 15,000	
Interest & Use of Prop	\$	150,000	\$ 150,000	0.0%
Trans from General Fund	\$	500,000		-100.0%
Total	\$	7,589,000	\$ 7,104,000	-6.4%

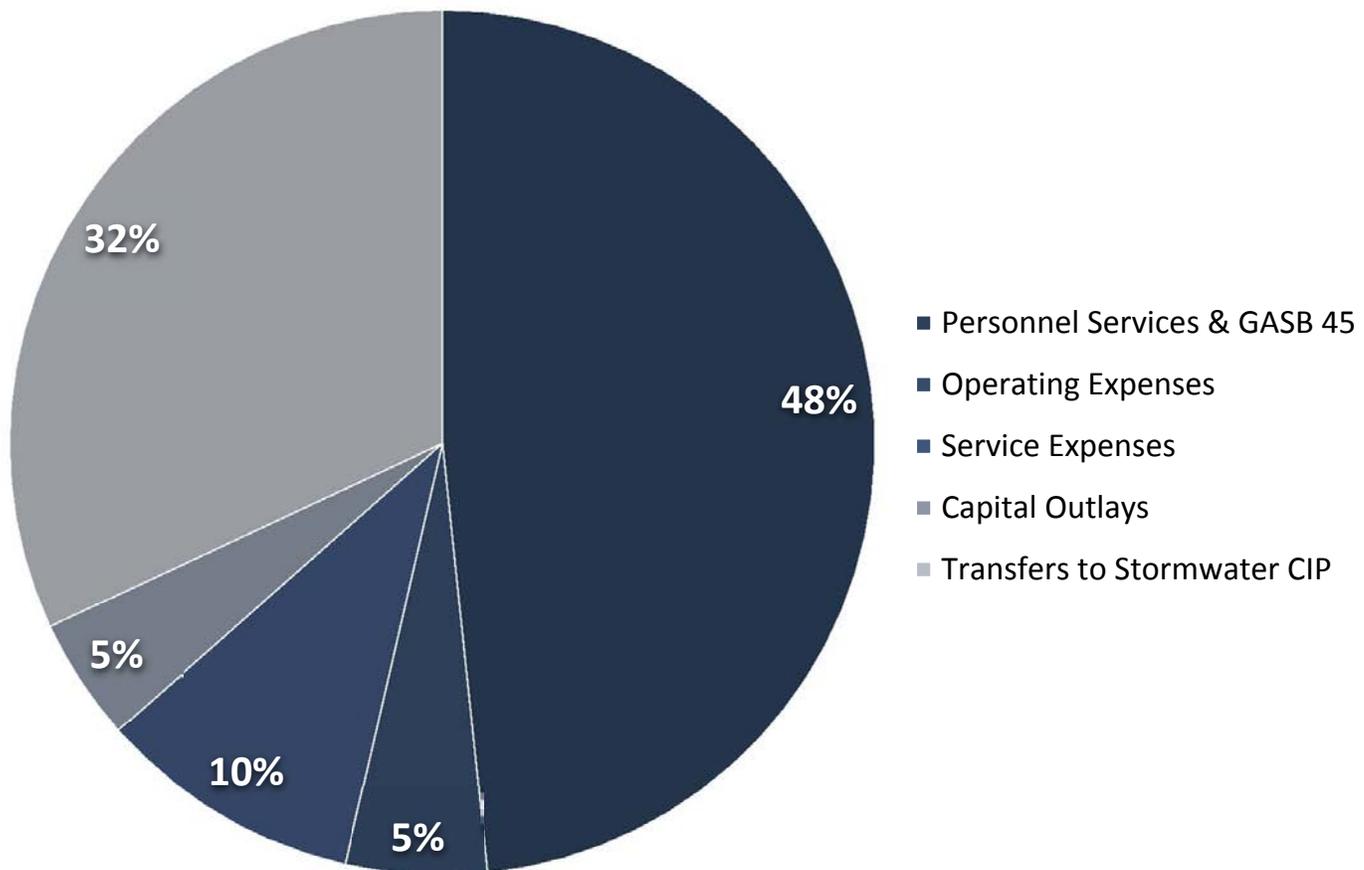


Stormwater Fund Expenditures

Expenditure Type	FY 14/15 Budget	FY 15/16 Proposed	% Change
Public Works	\$ 3,262,262	\$ 3,242,396	-0.6%
To Storm Water Capital Projects	\$ 2,845,808	\$ 2,270,195	-20.2%
Utilities & Engineering	\$ 1,436,930	\$ 1,491,409	3.8%
Non-departmental	\$ 44,000	\$ 100,000	127.3%
Total	\$ 7,589,000	\$ 7,104,000	-6.4%



Stormwater Budget		
Expense Type	FY 15/16 Proposed	
Personnel Services & GASB 45	\$	3,433,901
Operating Expenses	\$	374,070
Service Expenses	\$	700,834
Capital Outlays	\$	325,000
Transfers to Stormwater Capital Improvements	\$	2,270,195
Total	\$	7,104,000



Storm Water Fund Highlights

The FY 15/16 Storm Water Proposed budget is \$7,104,000, a decrease of \$485,000 or 6%. The reduction is due to the elimination of the transfer of \$500,000 from the General Fund. We have been gradually decreasing this transfer to Storm Water.

The departments funded from the Storm Water fund are Utilities and Engineering and Public Works for expenses related to operations, management and projects of the storm water utility. Specific initiatives underway and into the next year include auditing existing properties to ensure we have captured and are appropriately billing all customers accordingly. We can anticipate an increase in revenues as a result of the audit, but it is too soon to predict the full year impact. In this case, we have projected revenues at current year levels.

Budgeted funding for the FY 15/16 Storm Water Capital improvement Program (CIP) is \$2,270,195 which is a

reduction of \$575,613 or 20%. The CIP is being finalized and will be presented at a future budget meeting. As in previous years, the CIP is funded in part from the cash that is budgeted in the operating fund along with fund balance.

Storm Water Capital Improvement Program

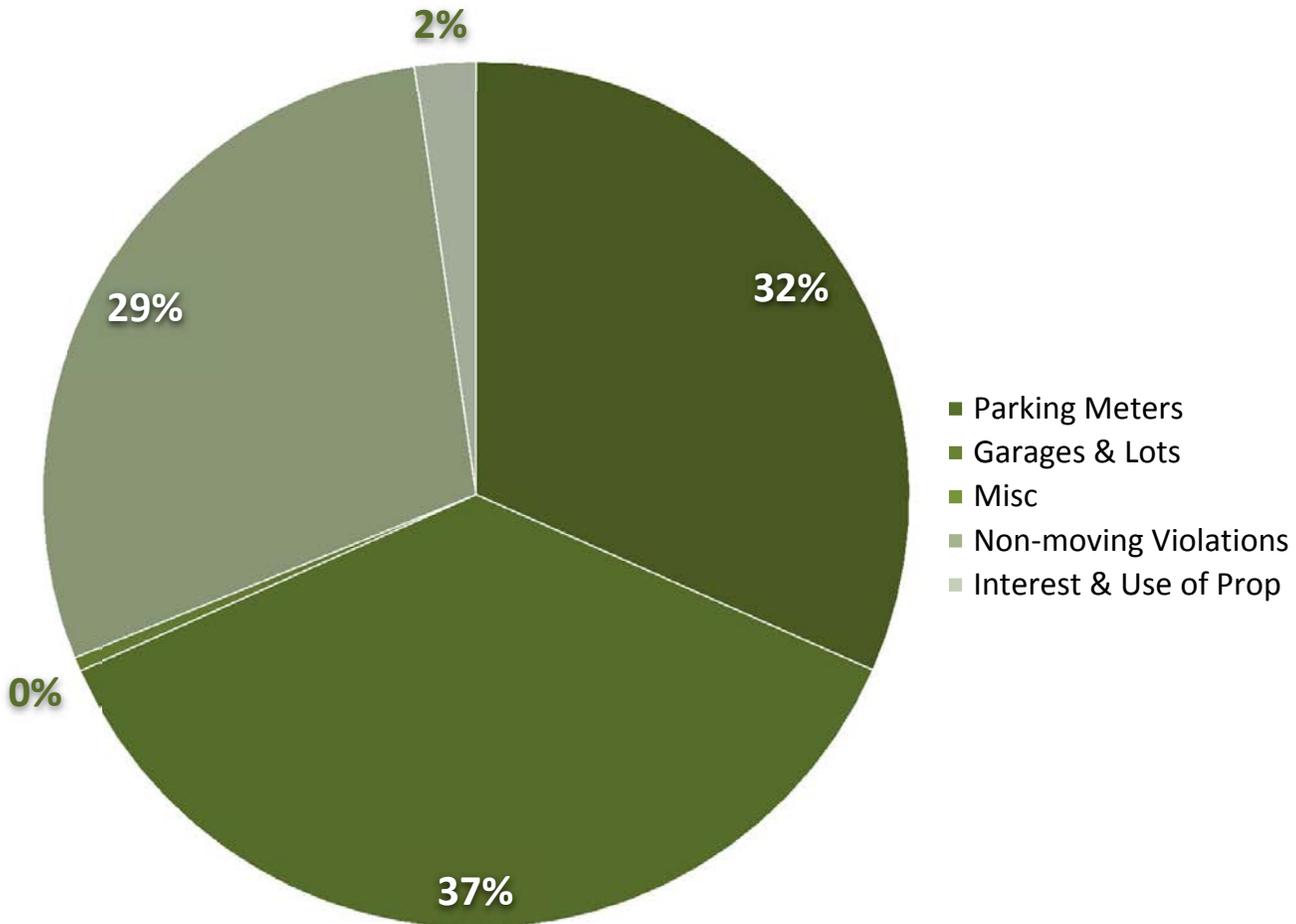
The Storm Water CIP totals \$6,225,000 and is focused on projects that meet the MS4 permit requirements and continuing to address storm infrastructure needs. The CIP is recommended for funding with the Storm Water fund balance and transfer from the FY 15-16 stormwater operating budget.

Stormwater Projects			
Project	Description	Type of Improvement	Proposed
SD8385	Stormwater Management Monitoring Program	Maintenance	\$ 500,000
SD821502	Highland Park	Improvement	\$ 800,000
SDXXXX	Granby Park	Improvement	\$ 400,000
SDXXXX	Bull Street Drainage Improvements	Improvement	\$ 1,000,000
SDXXXX	Storm Drainage Improvements at Wallace Street	Improvement	\$ 800,000
SD80592B	Randall Avenue from Colleton Street to Oakland	Maintenance	\$ 350,000
SD8266	Fuller Street to Hyatt Avenue	Improvement	\$ 60,000
SD8149	Waccamaw Avenue/Wateree/Seneca/Saluda/Heyward	Improvement	\$ 415,000
SD8371	Penn Branch	Improvement	\$ 405,000
SD8249	Windemere Avenue	Maintenance	\$ 145,000
SDXXXX	Beaver Control and Maintenance	Improvement	\$ 350,000
SD8398	Emergency Stormwater Maintenance/Improvements	Maintenance	\$ 1,000,000
Total Stormwater			\$ 6,225,000



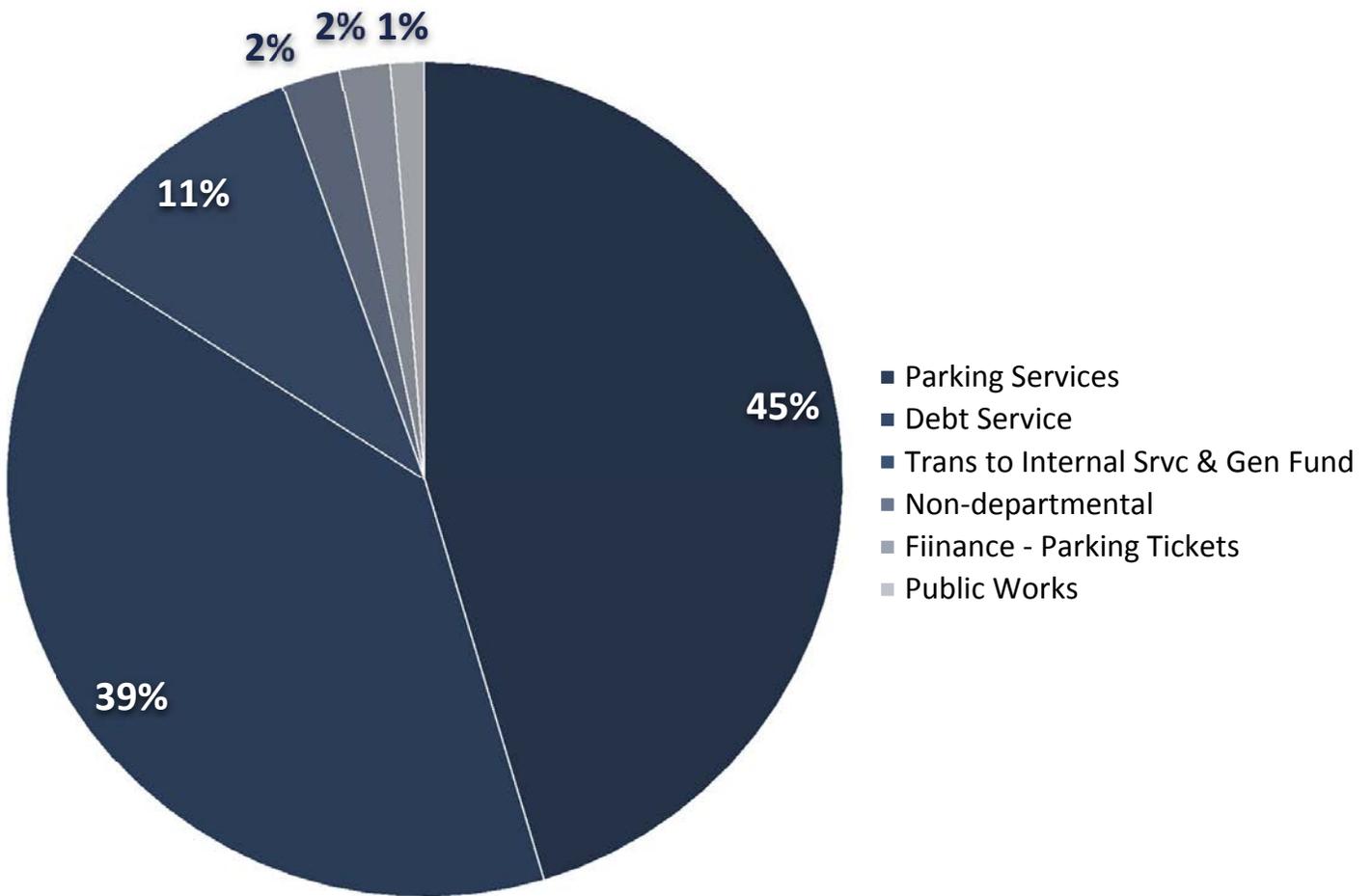
15/16 Parking Fund Budget

Parking Fund Revenue				
Revenue Type		FY 14/15 Budget	FY 15/16 Proposed	% Change
Parking Meters	\$	2,150,000	\$ 2,300,000	7.0%
Garages & Lots	\$	2,477,700	\$ 2,671,650	7.8%
Misc	\$	32,750	\$ 38,000	16.0%
Non-moving Violations	\$	2,100,000	\$ 2,100,000	0.0%
Interest & Use of Prop	\$	164,850	\$ 164,850	0.0%
Total	\$	6,925,300	\$ 7,274,500	5.0%

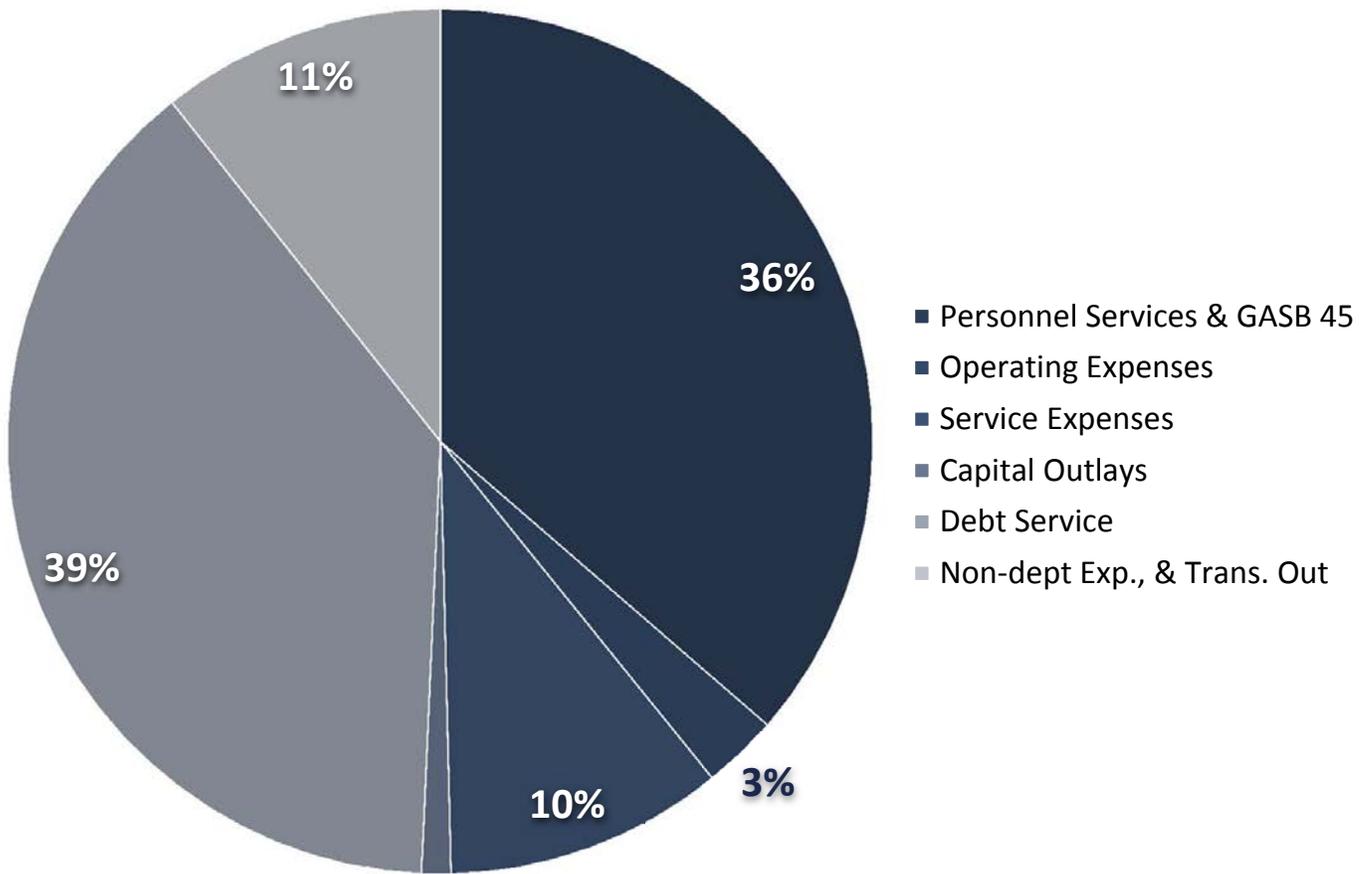


Parking Fund Expenditures

Expenditure Type	FY 14/15 Budget	FY 15/16 Proposed	% Change
Parking Services	\$ 3,021,315	\$ 3,301,705	9.3%
Debt Service	\$ 3,165,248	\$ 2,811,413	-11.2%
Trans to Internal Srvc & Gen Fund	\$ 258,555	\$ 760,116	194.0%
Non-departmental	\$ 201,979	\$ 165,000	-18.3%
Finance - Parking Tickets	\$ 181,815	\$ 141,550	-22.1%
Public Works	\$ 96,388	\$ 94,720	-1.7%
Total	\$ 6,925,300	\$ 7,274,504	5.0%



Parking Budget	
Expense Type	FY 15/16 Proposed
Personnel Services & GASB 45	\$ 2,645,696
Operating Expenses	\$ 205,272
Service Expenses	\$ 757,996
Capital Outlays	\$ 79,011
Debt Service	\$ 2,811,413
Non-dept Exp., & Trans. Out	\$ 775,112
Total	\$ 7,274,500



Parking Fund

The FY 2015/2016 Parking Proposed Budget is \$7,274,500; an increase of \$349,200 or 5% over the current year. The Parking Fund is focused on increasing customer service while maintaining existing and new programs.

Revenues from parking garages, lots, meters and non-moving violations make up the majority to the revenues for the parking system. Operating revenues total \$7,109,650; an increase of \$349,200 or 5% over the current year budget.

Expenditures by operating departments total \$3,687,457; an increase of \$388,975 or 12%. The budget includes funding for many of the initiatives proposed in the Parking Master Plan. Initiatives include nighttime and

weekend enforcement, staffing flexibility-pilot program, improved cleaning and maintenance of the garages, more efficient event management, management of private lots and a business liaison position to focus on the business community.

In the next few years as the downtown core and Vista continues to grow and expand, the need for parking will be even more in demand. Most of our garages are currently at or near capacity. As we prepare for this growth, we will need to prepare for the construction of new garages and ensure adequate financing will be in place. Parking is a vital economic development driver for our downtown and we need to position the Parking System for this increase in demand. As we bring back the final Parking System Master Plan, it will include recommendations for updating our rate structure to ensure the future resources are available to address the expected capital and maintenance needs of the Parking System.

Over the past year, we have initiated a number of projects aimed at improving customer service and efficiency in operations such as the ability for customers to pay parking citations online; the roll-out of pay by cell parking payments before the end of the current fiscal year; new internal signage in several garages; and new control equipment in the Sumter and Lady street garages.

We are excited about the continued growth in the parking districts and look forward to working with City Council to continue to improve the parking services we provide to citizens, businesses and visitors that utilize our garages.

Parking Capital Improvement Program

The Parking fund CIP projects are based on a review and engineering assessment of our garages. The capital repairs are needed to expand the life of the garages, improve energy efficiency and the overall appearances of our garages. The total FY 15/16 proposed CIP is \$2,002,771 and includes work at 5 city garages. We have not reflected capital work for Lincoln Street, Park Street nor Cannon Garages at this time as these garages are newer and capital repairs are not required in the coming fiscal year. We are recommending using Parking Fund balance for the FY 15/16 Proposed Parking CIP.



Parking Projects		
Project	Description	Proposed
Arsenal Hill	Structural repairs, replace waterproof coating, pipe protection, handrails, lighting	\$ 264,350
Sumter	Structural repairs, replace expansion joints, sidewalk repairs and handrails, install supplemental drainage	\$ 259,706
Lady	Structural repairs, add fall hazard protection, central emergency lighting, elevator room HVAC; control valves for fire standpipes	\$ 66,420
Taylor	Structural repairs, replace expansion joints, add fall hazard protection; replace handrails, install central emergency lighting; replace HVAC in elevator lobbies & machine room	\$ 571,409
Washington	Structural repairs, replace expansion joints; add fall hazard protection; replace handrails; install central emergency lighting; insulate water risers; provide manual dry standpipes	\$ 840,885
Total Parking		\$ 2,002,771

Hospitality Tax

Hospitality Tax FY 15/16 Proposed Budget is \$10,655,603 and while this reflects a reduction from the current year budget, the projected revenues are an increase of \$332,766 or 3.3% over the current year. Overall, the proposed budget is a reduction of \$1,256,615 from the current year due to the reduction of the use of fund balance.

The proposed budget reflects maintaining the amount the Hospitality Tax Committee has to allocate, City Council line item agencies at current year levels and reflects the existing commitments that were made during the current year. The transfer to the General Fund has been restored to the \$3,000,000 used in previous years and debt service reflects a reduction of \$47,021 or 2% due to just normal annual schedule requirements. In order to maintain current year funding levels, we have proposed use of \$215,843 fund balance.

Hospitality Tax Expenditures				
Expenditure Type	FY 14/15 Budget	FY 15/16 Proposed	% Change	
Hospitality Tax Allocations	\$ 6,694,008	\$ 5,060,057	-24.4%	
Trans to General Fund	\$ 2,569,143	\$ 3,000,000	16.8%	
Trans to Debt Service	\$ 2,642,567	\$ 2,595,546	-1.8%	
Total	\$ 11,905,718	\$ 10,655,603	-10.5%	



State Hospitality Tax Law

The revenue generated by the collection of hospitality taxes must be used solely for the following purposes:

- Tourism-related buildings, including, but not limited to: civic centers, coliseums, and aquariums.
- Tourism-related cultural, recreational, and historic facilities.
- Beach access and re-nourishment.
- Highways, roads, streets, and bridges providing access to tourist destinations.
- Advertising and promotions related to the development of tourism.
- Water and sewer infrastructure to serve tourism-related demand.

In a county where at least nine hundred thousand dollars in accommodations taxes is collected annually (pursuant to Section 12-36-920), revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (A) through (F), including: police, fire, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

For an updated list of organizations receiving allocations from Hospitality & Accommodations , please go to the City's website at columbiasc.net

Did you know?

By state law, hospitality taxes must be used to support tourism and the infrastructure that supports it.



Accommodations Tax

Accommodations Tax FY 15/16 Proposed Budget is \$2,100,801; an increase of \$29,647 or 2%. Revenues are collected quarterly and remitted by the State of South Carolina.

The budget reflects State law required allocation of \$25,000 transfer to the General Fund and 5% for general purpose use which totals \$103,790. The remaining amount of \$1,972,011 is to be allocated by recommendations of the Accommodations Tax Committee with 30% allocated for advertising and promotion of tourism; 65% allocated for tourism related expenditures.

Accommodations Tax Expenditures				
Expenditure Type	FY 14/15 Budget	FY 15/16 Proposed	% Change	
Accommodation Tax Allocations	\$ 1,943,846	\$ 1,972,011	1.4%	
5% General Purpose Use	\$ 114,808	\$ 103,790	-9.6%	
Trans to General Fund	\$ 25,000	\$ 25,000	0.0%	
Total	\$ 2,083,654	\$ 2,100,801	0.8%	



State Accommodations Tax Law

State Accommodations Tax Law must be allocated according to the following:

- First \$25,000 to be transferred to the General Fund
- Next 5% allowed for General Fund or general purpose use
- Next 30% of balance to Advertising & Promotion
- Remaining 65% for Tourism Related Expenditures

For an updated list of organizations receiving allocations from Hospitality & Accommodations , please go to the City's website at columbiasc.net

Did you know?

State law governs how accommodations tax can be used



City Leaders

Mayor

Stephen K. Benjamin

Council Members

Sam Davis District 1
Tameika Isaac Devine At Large
Leona K. Plough District 4
Brian DeQuincey Newman District 2
Cameron Runyan At Large
Moe Baddourah District 3

City Manager

Teresa Wilson

Assistant City Managers

Senior Assistant City Manager S. Allison Baker
Assistant City Manager for Operations Melissa S. Gentry
Assistant City Manager for Financial & Economic Services/ CFO Jeff Palen

Department Heads

911 Emergency Communications	Kimberly Gathers	Information Technology	Sylvia White, Interim
City Attorney	Teresa Knox	Office of Budget & Program Management	Melisa Caughman
Community Development	Deborah Livingston	Office of Business Opportunities	Tina Herbert
Chief Administrative Judge	Dana Turner	Parks and Recreation Director	Jeff Caton
Economic Development	Ryan Coleman	Police Chief	William "Skip" Holbrook
Finance	Jan Alonso	Planning & Development Services	Krista Hampton
Fire Chief	Aubrey Jenkins	Public Relations	Leshia Utsey
General Services	David Knoche	Public Works	Robert Anderson
Human Resources	Pamela Benjamin	Utilities & Engineering	Joey Jaco

Development Directors

CEZ, Inc. Felicia Maloney
Columbia Development Corp Fred Delk
Columbia Housing/TN Development Corp Gloria Saeed
Eau Claire Development Corp Michael Strange