

Town of Lexington South Carolina



Fall Festival
2014

Annual Budget
Fiscal Year Ending June 30, 2016



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TOWN OF LEXINGTON

SOUTH CAROLINA LIST OF PRINCIPAL OFFICIALS

MAYOR

Steve MacDougall

MAYOR PRO-TEM

Hazel Livingston

COUNCIL MEMBERS

Todd Carnes

Kathy Maness

Todd Shevchik

Ted Stambolitis

Ron Williams

TOWN ADMINISTRATOR

D. Britt Poole

MUNICIPAL CLERK

Becky P. Hildebrand

TOWN ATTORNEY

Brad T. Cunningham

MANAGEMENT TEAM

Stuart W. Ford, Assistant Town Administrator

Kathy S. Roberts, Finance

Dan H. Walker, Parks and Sanitation

John D. Hanson, Planning, Building and Technology

Chief Terrence Green, Police

J. Randy Edwards, Transportation

J. Allen Lutz, Utilities



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Lexington
South Carolina**

For the Fiscal Year Beginning

July 1, 2014

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Lexington, South Carolina for its annual budget for the fiscal year beginning July 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

BUDGET IN BRIEF

- **NO PROPERTY TAX INCREASE**
- **PARKING ON CHURCH STREET**
- **TWO FRONT PORCH SIGNS**
- **ADAPTIVE COMPUTERIZED SIGNALIZATION SYSTEM**
- **DESTINATION PLAZA**
- **AMPHITHEATRE**
- **PERMANENT FARMER’S MARKET**
- **BOUTIQUE RETAIL**
- **CONTINUED INFRASTRUCTURE IMPROVEMENTS**
- **OLD MILL WALKING TRAIL AROUND 27 ACRE POND WITH A BOARDWALK**

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<http://www.facebook.com/pages/Town-of-Lexington-SC/140698349305096>

Twitter 

<https://twitter.com/TownLexingtonSC>

Or Online

<http://www.lexsc.com/>

	<u>FY 2016</u>	<u>FY 2015</u>
General Fund		
Revenue	11,068,180	10,248,080
Expenditures	11,068,180	10,248,080
Property Tax	3,530,000	3,490,000
Millage	35.14	35.14
Enterprise Fund		
Revenue	15,660,000	14,400,000
Expenses	15,660,000	14,400,000



General Description

In 1733, the colonists of South Carolina created the Congaree District as an inland buffer to protect Charleston from hostile Indians. This was a large tract of land along the Congaree River now thought of as the State's Midlands area. In 1735, the developers of the district changed the name to *Saxe Gotha* in an attempt to lure the Swiss and Germans to the area. The name was given in honor of the marriage of the Prince of Wales to the Princess Augusta of the German state of Saxe Gotha. After the Revolutionary War, patriotism was high, and in 1785, the name of the district was changed to Lexington in honor of the Colonial victory over the British in Lexington, Massachusetts. Thereafter, the State of South Carolina changed districts to counties and created Lexington County from the old Lexington District and a portion of the Orangeburg district. The State moved the courthouse to Granby (now the City of Cayce), but malaria was common in the swampy lowland area along the Congaree River. On January 20, 1829, the State bought land at the northwest corner of what is now US #1 and SC 6 in the county's central highlands and the county seat was moved from Granby. Although a small, rural community began to grow around the new courthouse, the Town of Lexington was not incorporated until January 28, 1861. In 1927 the municipal water system began operation by serving the current residents of the one square mile area.

The Town of Lexington is located in the central part of the State of South Carolina approximately twelve miles from Columbia, the State Capital. The Town is in close proximity to Lake Murray, a 50,000 acre lake utilized for recreational purposes, water supply and power generation. The 2010 Census indicated the Town's population at 17,870, an increase of 83% over the 2000 count. The Town is the 23rd largest municipality in South Carolina and ranks as the second largest municipality in the Midlands. The Census figures show that the Town had the highest growth rate among the top 25 municipalities in South Carolina. Since 1990, the Town has grown 443% making it the 4th fastest growing municipality in the state over the past two decades. The Town is the county seat of Lexington County (the "County") and is part of the greater Columbia Metropolitan Statistical Area ("CMSA").

Annexation

The Town's corporate limits initially included one square mile, and were later expanded by annexation to approximately ten square miles. Over time, the area of the Town of Lexington has continued to grow through annexation.

In recent years, the Town has chosen to pursue a strategy of growth through selective annexation. Just outside the current Town limits are large tracts of undeveloped or under-developed land that the Town has the necessary infrastructure to serve. As this property is developed it is annexed, providing business license and property tax income. These annexations are mainly commercial in nature, but neighborhoods under development are also annexed.

Because of the concentration of growth along US Highway 378 to the east of Town, the majority of recent annexations have occurred there. Some recent annexation activity to the west of Town along Industrial Boulevard, however, has also positioned the Town favorably for future annexations of industrial properties in that area.

Education

Lexington County School District #1 (the “School District”) serves residents of the Town as well as contiguous portions of Lexington County. For 2013-2014, the School District operated 30 public schools with an enrollment of over 24,000. This enrollment places the School District as the ninth largest school district by enrollment in the State, and has been growing rapidly in recent years. In the past ten years, the student enrollment has grown on average 511 students annually. Since 2003, the School District has built 12 new schools. This growth is due in large part to the School District’s excellent reputation.

According to the U.S. Census Bureau, education attainment for residents of the Town over the age of 25 in the year 2010 is set forth in the following table.

<u>No. of Years Completed</u>	<u>Number</u>	<u>Percentage</u>
High school graduates (includes equivalency)	2,223	21.0%
Some college, or associates degree	3,471	32.7
Bachelor’s degree	2,637	24.9
Master’s, professional or doctorate degree	1,584	14.9

The University of South Carolina, Midlands Technical College, and Columbia College, as well as several other colleges, are within easy commuter distance from Lexington.

Transportation

The Town is served by U.S. Highways 1 and 378 and numerous state highways. Interstates 20, 26 and 77 are easily accessible from the Town.

Railroad freight service is provided to the Town area by all general carload freight services with the exception of piggyback service. Piggyback service could be offered where traffic warranted the investment. Amtrak passenger rail service is available in nearby Columbia, South Carolina.

The Midlands area of South Carolina, including Lexington County, is served by the Columbia Metropolitan Airport which is located approximately eight miles from the Town of Lexington. Airlines operating at the Columbia Metropolitan Airport include American Eagle, Delta, United, and US Airways. Columbia Metropolitan Airport also serves as the southeastern hub for United Parcel Service. The airport serves 1.2 million passengers annually and processes more than 168,000 tons of air cargo.

Utilities

Water and sewer services in the Town are provided by the Town's utility department. Electric and natural gas service is provided by South Carolina Electric and Gas Company.

Medical Services

Hospital facilities within six miles of the Town include the Lexington Medical Center, a general acute-care hospital located just off Interstate 26 and Highway 378. The facility's 414 rooms are all private, carpeted, and equipped with private baths, cable television, and free wireless internet access. The hospital offers a wide array of services from general surgery, radiation oncology, and a cardiovascular center to maternity services and a special care nursery. The hospital's emergency room is open to the public, 24 hours per day. Lexington Medical Center also operates a \$24,000,000, 110,000 square feet, urgent care facility within the Town. The facility was completed in 2001. In nearby Columbia, additional hospital facilities are provided by Palmetto Richland Memorial Hospital, Palmetto Health Baptist Hospital, and Providence Hospital, among others.

News Media

The Lexington County Chronicle and The Dispatch News, with a circulation of 9,500, is the area's local newspaper. It focuses on social, cultural, and historical features and is published weekly. In addition, The State newspaper published in nearby Columbia is daily with large circulation in the Town of Lexington.

Television news and other programming are provided by several stations in Columbia, including ABC affiliate WOLO-TV, Fox affiliate WACH-TV, PBS affiliate South Carolina ETV, NBC affiliate WIS-TV, and CBS affiliate WLTX-TV, among others. Cable and satellite television is provided in the Town by several competing providers. There are many radio stations in the Lexington and Columbia area, providing a wide variety of listening choices.

Recreational and Cultural Facilities

In addition to serving as a reservoir for the Town's water system, nearby Lake Murray also serves as the area's major recreation attraction. The 50,000 acre, man-made lake provides many recreational opportunities including boating, fishing, and other water sports and also fuels the local economy. A number of State and local parks also offer

recreational opportunities for visitors. These include Dreher Island State Park, a 348-acre island on Lake Murray which offers camping, picnicking, fishing, swimming, and boating, and Peachtree Rock Preserve in southern Lexington County, which attracts visitors to see its large, unique sandstone formations and cascading waterfall.

Riverbanks Zoo and Garden, a 170-acre site located on the northern border of Lexington County, is home to more than 2,000 animals in natural habitat exhibits and a substantial botanical garden. The attraction draws visitors from across the State and beyond.

The Town has several municipal parks, including the Virginia Hylton Park adjacent to the Town's municipal complex, Corley Street Park, Gibson Pond Park, Willie B. Caractor Park, the Palmetto Collegiate Institute, Lexington Square, the 14 Mile Creek Trail, and the Lexington Paw Park. These parks offer residents the opportunity to stroll their walking trails, gather in their picnic shelters, or relax under a shady oak tree or in a gazebo. Features of these parks include playgrounds, horseshoe pits, barbecue grills, a spray pool, butterfly gardens, flower gardens, a koi pond, and public restrooms.

A number of other recreational, cultural, and sports opportunities are present in nearby Columbia, the State Capital. These include several museums, many sports events, and concerts, speakers, conferences, and other events associated with the University of South Carolina, Allen University, and Benedict College.



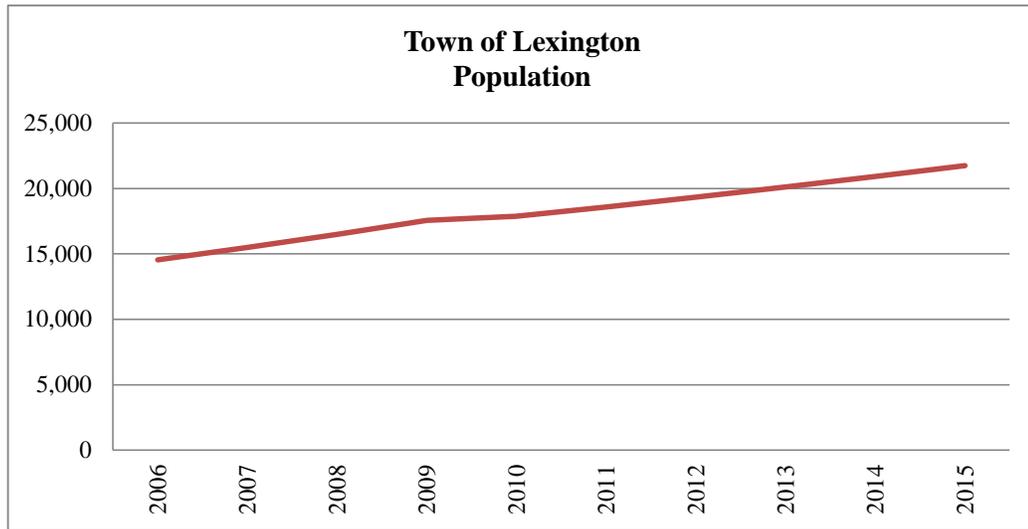
Economics

Fiscal Year Ended June 30	(1) Population	(2) Personal Income	(3) Per Capita Personal Income	(4) School Enrollment	(5) Unemployment Rate
2006	14,547	\$ 484,633,305	\$ 33,315	19,091	5.10%
2007	15,500	534,455,500	34,481	19,705	4.10%
2008	16,500	588,852,000	35,688	20,458	4.70%
2009	17,570	648,983,090	36,937	21,228	8.60%
2010	17,870	683,170,100	38,230	21,756	8.00%
2011	18,585	735,371,280	39,568	22,097	8.80%
2012	19,328	791,539,584	40,953	22,367	7.30%
2013	20,101	852,000,986	42,386	22,935	6.90%
2014	20,905	917,102,350	43,870	23,363	4.80%
2015	21,742	\$ 987,195,510	\$ 45,405	23,953	5.60%

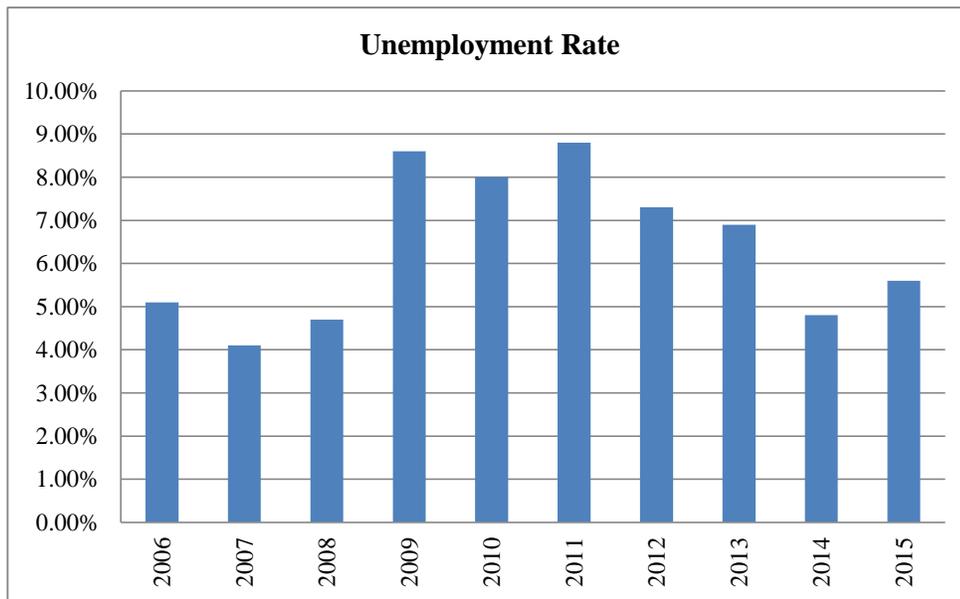
Data Sources and Notes:

- (1) Population based on 2000 Census, 2006 Special Census and 2010 Census, with other years estimated based on estimated growth rates.
- (2) Information provided by Central Midlands COG, Census Bureau, Office of Research and Statistics.
- (3) Information provided by Office of Research and Statistics through 2003. For Fiscal years 2004 - 2006, amount is estimated based on a 3.5% rate of annual growth.
- (4) Provided by Lexington County School District 1 and includes entire District.
- (5) Provided by SC Labor and Marketing for June 2015.

Population and Unemployment



Source: Population based on 2000 Census, 2006 Special Census and 2010 Census, with other years estimated based on estimated growth rates.



Source: Provided by SC Labor and Marketing for June 2015.

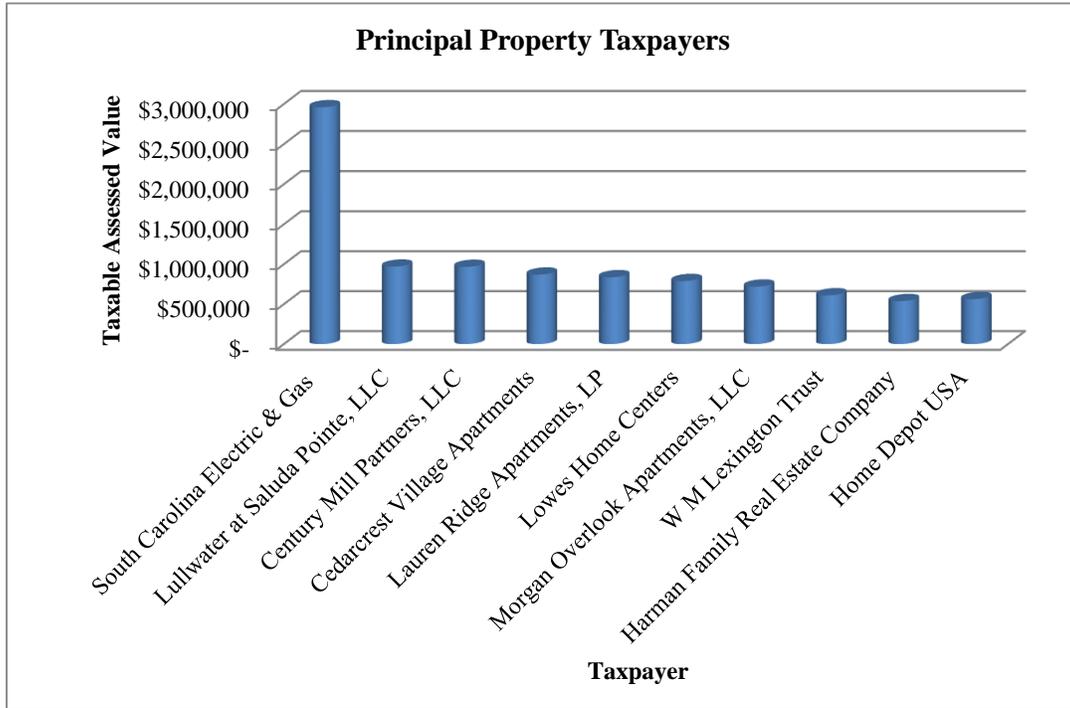


Principal Property Tax Payers

Taxpayer	2015			2014			2013		
	Taxable Assessed Value (12/31/2014)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (12/31/2013)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (12/31/2012)	Rank	Percentage of Total Taxable Assessed Value
South Carolina Electric & Gas	\$ 2,959,360	1	3.08%	\$ 2,840,070	1	3.04%	\$ 2,561,310	1	2.81%
Lullwater at Saluda Pointe, LLC	969,620	2	1.01%	969,620	2	1.04%	969,620	2	1.06%
Century Mill Partners, LLC	967,250	3	1.01%	966,530	3	1.04%	963,560	3	1.06%
Cedarcrest Village Apartments	870,000	4	0.91%	870,000	4	0.93%	856,030	5	0.94%
Lauren Ridge Apartments, LP	837,000	5	0.87%	837,000	5	0.90%	860,540	4	0.94%
Lowe's Home Centers	789,340	6	0.82%	807,880	6	0.87%	762,680	7	0.84%
Morgan Overlook Apartments, LLC	720,000	7	0.75%	720,000	7	0.77%	804,740	6	0.88%
W M Lexington Trust	610,860	8	0.64%	610,850	8	0.65%	610,850	8	0.67%
Harman Family Real Estate Company	538,140	10	0.56%	572,650	9	0.61%	572,650	9	0.63%
Home Depot USA	563,150	9	0.59%	562,150	10	0.60%	557,450	10	0.61%
Inland Southeast Lexington LLC	-	-	-	-	-	-	-	-	-
Target Corporation	-	-	-	-	-	-	-	-	-
Carlyle Centennial Century Mill	-	-	-	-	-	-	-	-	-
RSC Oakleaf Lexington, LLC	-	-	-	-	-	-	-	-	-
Totals	\$ 9,824,720		10.23%	\$ 9,756,750		10.46%	\$ 9,519,430		10.45%
Total Assessed Valuations	\$96,049,710			\$93,278,030			\$91,071,390		

Taxpayer	2012			2011		
	Taxable Assessed Value (12/31/2011)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (12/31/2010)	Rank	Percentage of Total Taxable Assessed Value
South Carolina Electric & Gas	\$ 2,299,770	1	2.56%	\$ 2,066,320	1	2.38%
Lullwater at Saluda Pointe, LLC	969,620	2	1.08%	969,620	2	1.12%
Century Mill Partners, LLC	963,150	3	1.07%	962,580	3	1.11%
Lauren Ridge Apartments, LP	837,000	4	0.93%	824,860	4	0.95%
Cedarcrest Village Apartments	586,600	8	0.65%	586,600	8	0.68%
Morgan Overlook Apartments, LLC	804,740	5	0.90%	809,000	5	0.93%
Lowe's Home Centers	790,210	6	0.88%	804,700	6	0.93%
W M Lexington Trust	610,850	7	0.68%	610,850	7	0.70%
Harman Family Real Estate Company	553,580	10	0.62%	529,260	10	0.61%
Home Depot USA	568,850	9	0.63%	553,580	9	0.64%
Inland Southeast Lexington LLC	-	-	-	-	-	-
Target Corporation	-	-	-	-	-	-
Carlyle Centennial Century Mill	-	-	-	-	-	-
RSC Oakleaf Lexington, LLC	-	-	-	-	-	-
Totals	\$ 8,984,370		10.02%	\$ 8,717,370		10.04%
Total Assessed Valuations	\$89,692,640			\$86,790,810		

Source: Lexington County Property Appraisers Office



Source: County of Lexington - Treasurer's Office

<u>Employer</u>	<u>Number of Employees</u>
Lexington County	865
Lexington School District One	491
Walmart	334
Town of Lexington	147
Target	138
Lowe's Home Centers	135
Avtec	129
Home Depot	121
Kohl's Department Stores, Inc.	119
Honda Cars of Columbia	83

Source: Town of Lexington Employers

Mayor
Steve MacDougall

Mayor Pro-Tem
Hazel Livingston



Council
Kathy Maness
Ted Stambolitis
Todd Shevchik
Todd Carnes
Ron Williams

July 1, 2015

The Honorable Steve MacDougall
And Members of Town Council
Town of Lexington, South Carolina

Dear Mayor MacDougall and Members of Town Council:

I am pleased to present to the citizens of Lexington, members of Town Council, Town employees, and other interested readers the annual budget for the year ending June 30, 2016. A great deal of study and review by our management team has been devoted to this budget.

The focus of the 2016 annual budget is to continue providing a high level of service for traditional town operations. The major functions include police, water and sewer, parks and sanitation, and zoning and building inspections. Our goal is to maintain the Town's quality and level of service, preserve the Town's strong financial position, and prevent an increased financial burden on our citizens.

The budget for all funds is \$ 26,768,301, an increase of 8.4% from last fiscal year.

Budget Highlights

- Balanced budget with no tax increase and a 2.5% rate increase in the enterprise fund.
- Revenue estimates are based on 9 months of actual data, and trend analysis.
- Projected net revenues of the Enterprise Fund meet minimum legal debt coverage requirements.
- General Fund Required Reserve equals 25% of budgeted expenditures excluding capital outlay in accordance with policy.
- Salaries for Town employees do not include a COLA for FY 2016 but do contain the annual merit increase and bonus per the compensation policy.
- Funds are designated for Front Porch signs as well as to begin implementation of parking on Church Street.
- The Main Street Façade Program is funded to promote continued investment along Main Street in downtown Lexington.
- Allocations of General and Administrative Expenditures from the General Fund to the Enterprise Fund total \$2,139,426.
- The Enterprise Fund Capital Improvement Plan (CIP) for 2016 is fully funded with use of Bond Anticipation Notes issued in FY 2013.

- The Enterprise Fund debt coverage ratio is estimated to be 1.74 in 2016. The minimum required ratio is 1.20. Our coverage ratio exclusive of Capital Contribution Fees (“operating coverage”) is estimated to be 1.26.
- The General Obligation Bonds of 2012 require a debt service payment in FY 2016 of \$185,000. Annual requirements average approximately \$178,400 through March 2021. Annual payments of \$210,000 on the remaining Certificates of Participation (“COPs”) run through December 2018.
- The cost of employee insurance decreased from \$1,052,823 in FY 2015 to \$1,050,927 in FY 2016. This includes the cost of the stipend for those able to obtain health insurance from another source. The decrease was due to the HMO option being dropped.

Accomplishments and Areas of Focus

The accomplishments for Fiscal Year 2015 and areas of focus for Fiscal Year 2016 revolve around the Town’s Vision Plan, originally adopted May 7, 2012. The Vision Plan is a 20 year guide for our future. The Vision Plan document may be found at http://www.lexsc.com/vp_index.htm.

The Town has had a number of successes in Fiscal Year 2015:

- Phase I of the Unified Traffic Improvement Plan has been completed. Over the last nine years construction included major intersections and road widening. This has successfully addressed some of our traffic congestion woes.
- The Police department received the “Agency of the Year” award from the SC Department of Public Safety for excelling in the areas of DUI arrests, DUI victim services, and underage drinking programs in SC.
- The Information Technology department received the “Elite Achievers” award from the SC Chapter of Government Management Information Sciences. This award showcased our Patrol Division Device Management Project which focused on creating an efficient and effective mobile office for patrol officers inside their patrol cars.
- We had 29 annexations encompassing 350 acres, worth \$10 million in taxable value for the town. We also processed more than 3,400 business licenses, an indication that Lexington is the place to be, not only for residents but for new businesses as well.
- The Town has substantially completed a significant Road Resurfacing project. This project has provided much needed repairs and/or paving to those roads that have been given a failing grade.
- The Town recently received the Governmental Finance Officers Association’s Comprehensive Annual Financial Report Award for the 16th consecutive year and the Distinguished Budget Presentation Award for the 5th consecutive year. The Town takes seriously its responsibility for decisions and accurately reporting plans, actions and results.
- The 14 Mile Creek Trail opened in FY15. It is located off North Lake Drive and Old Cherokee Road. The trail is a ¾ mile loop and features bridges, educational kiosks and an

- outdoor learning center. Additional amenities include park benches, dog waste receptacles, trash cans and emergency call boxes for citizen security.
- The Town's first "Front Porch" at the Sunset Boulevard/I-20 interchange was completed in FY15. This project transformed this intersection with landscaping and signage to welcome visitors and residents to our wonderful community. This project was completed with collaboration from Lexington County, the Lexington Beautification Foundation and a \$620,000 grant from SC Department of Transportation.

For the 2016 budget year more challenges and opportunities await.

- Project IceHouse will be developed further. After receiving input from citizens, more specific plans will be made to develop this property. It is expected to include a plaza, amphitheatre, boutique retail, eateries, a permanent Farmers' Market, and public green space. In addition it is planned to extend Lexington's downtown connectivity through a proposed 1.1 mile walking/jogging trail, providing citizens a path through our commercial Main Street corridor and through scenic Virginia Hylton Park. A Downtown Redevelopment Plan has been implemented for this project along with a TIF District to help with financing the project.
- Another exciting traffic congestion mitigation initiative the Town will be putting in place is an Adaptive Computerized Signalization System. This high tech traffic management system will help alleviate congestion by monitoring and synchronizing traffic signals to balance traffic flow. The Town was fortunate to receive funding through the Central Midlands Council of Government with Columbia Area Transportation Study (COATS) Share Funding. This system will help place Lexington at the forefront of traffic management through the latest, innovative computer technology. We will be the first municipality in the state to implement this new technology at all traffic signal intersections in town. Phase I of this project will include 19 intersections and is expected to be completed in FY16.
- Wayfinding signage is being developed for the Town. The new directional signs will address the needs of finding landmarks throughout the town, creating a consistent brand while providing familiarity and comfort within Lexington.
- Corridor improvements are planned to continue the Town's beautification efforts and to complement the "Front Porches". The goal is to be aesthetically appealing and preserve our small town charm while making enhancements that will continue to attract visitors and new economic development.
- Infrastructure improvements continue. A \$1.4 million Sewer Metering and Testing station will begin construction as well as beginning upgrades to pump stations and sewer line extensions on Barr Road totaling approximately \$3 million.
- A public/private partnership with Old Mill Partners is being pursued. The plan is for the design and development of a walking trail around the Old Mill's 27 acre pond which would include a boardwalk.

Fiscal Year Ending June 30, 2016

While the recent economic downturn did present challenges to the Town as revenues were flat while costs continued to climb, the Town weathered the storm better than many other municipalities and has maintained a strong financial position in both the General Fund and the Enterprise Fund. This reaffirms our continuing practice of being financially conservative. By maintaining a conservative emphasis over the more prosperous years we are able to absorb economic downturns with less volatility in the budgeting process.

I would like to thank council and staff for their efforts to put together this document. I look forward to working with all of you putting this plan into action.

Sincerely,



D. Britt Poole
Town Administrator

STRATEGIC DIRECTION

Mission Statement

The Town of Lexington exists to efficiently and effectively provide essential public services for its citizens, businesses and visitors. The Town further strives to preserve its identity and character, promote recreation and the arts, and support excellence in education; thereby ensuring a vibrant future for the Town.

Vision

The Town's vision is to be a great place to live, work, play and visit in a clean, green, safe, thriving, economically sound, easily accessible and inviting community.

Values

- | | |
|----------------------------|--|
| <u>Service:</u> (S) | Meeting needs in an efficient and positive manner to ensure a safe and pleasant town. |
| <u>Vision:</u> (V) | Anticipating, planning, and preparing for a successful future. |
| <u>Community:</u> (C) | Fostering a healthy environment that promotes harmony, trust, and unity. |
| <u>Integrity:</u> (I) | Being honest, ethical and dependable. |
| <u>Accountability:</u> (A) | Taking responsibility for decisions and accurately reporting plans, actions and results. |
| <u>Responsive:</u> (R) | Listening, caring, and acting promptly and appropriately. |

PRIORITIES AND ISSUES

Going beyond the Town's Mission Statement, Vision and Values; priorities were gleaned by staff from the Mayor's State of the Town address. Priorities set forth fall in line with the Vision Plan that was approved by Town Council in Fiscal Year 2012. The guiding principles of the Vision Plan are as follows:

- To sustain Main Street and downtown as the heart of Lexington from the Old Mill to Sunset Boulevard, historic Triangle area, the original boundaries of the Town and the government center.
- To sustain Lexington's sense of community, its most important and endearing quality, which is exemplified through family values, award-winning schools, neighbors helping neighbors, safe, welcoming, natural beauty, unique history and preservation of historic resources, natural resources, and economic prosperity.
- To enhance Lexington's small town feel in concert with continued development while respecting and maintaining the rural nature.
- To strive for intentional, sustainable and authentic development that enhances Lexington's natural beauty, sense of community, history and opportunities for prosperity.
- To increase connectivity by creating places and connections within Town that engage people with people and people to places (transportation, communication, civic activities), which is paramount to retaining an authentic small town appeal.
- To strive for innovation and sustainability in all developments and programs in order to increase Lexington's prosperity.
- To require the highest quality design and development in all projects and developments in order to reflect the spirit of Lexington and the intent and values of the Vision Plan.

The full Vision Plan document may be found at <http://www.lexsc.com/documents/VisionPlan/VisionPlan.pdf>. These priorities were confirmed by Council with the adoption of the budget.

A major project related to Vision (V), Community (C), and Responsiveness (R) is the Icehouse project. This property purchased in FY 2013 is planned to be transformed into a destination plaza with retail and public green space. Plans include boutique retail and eateries along with plans to construct a permanent Farmers Market and an amphitheatre.

In relation to the Values of Vision (V), Community (C) Service (S) and Responsiveness (R); the Town plans to continue work on corridor development. The major corridors into and through Lexington represent the majority of concerns and criticism from residents who participated in the public input sessions of the Vision Plan. Problems noted included aesthetics, traffic congestion, and connectivity.

To begin addressing these concerns the Town has lined out in the Vision Plan seven specific areas in the Town to be aesthetically enhanced. The first project, the Sunset Boulevard/I-20 interchange “Front Porch”, was completed in FY 2015. Continuation on this theme has two “Front Porches” to be constructed in FY 2016.

An additional piece of the corridor development work is related to traffic congestion. Phase one of the Unified Traffic Improvement Plan was completed in FY 2015. In conjunction with this, an Adaptive Computerized Signalization System is being planned. Mast arms have been installed in the newly completed intersections and the remainder of this project should proceed throughout the year. This project will place Lexington at the forefront of traffic management using the latest innovative computer technology.

In relation to the areas of Service (S), Vision (V), Community (C) and Responsiveness (R), the Town will take additional steps to help direct citizens and guests via new wayfinding signage. The new directional signs will address the needs of finding landmarks throughout the Town. This will create a consistent brand while providing familiarity and comfort within Lexington.

Also in the areas of Vision (V), Community (C), Service (S), and Responsiveness (R); diversified park development continues. An additional park amenity is in process in the Old Mill area. A public/private partnership with the Old Mill Partners is in process to design a walking trail around the Old Mill’s 27 acre pond and construct a boardwalk. This is an unprecedented opportunity to create something very, very special for our citizens, visitors and tourists in our downtown footprint.

In relation to Community (C) and Service (S), the Town continues to partner with other organizations to host the Lexington Wine Walk, the Snowball Festival, the Flashlight Easter Egg Hunt, Movies in the park, and the Downtown Cell Phone Walking Tour. These events have been very successful and we hope that our citizens will be able to attend many if not all of these events.

In relation to Service (S) and Vision (V) the Town continues with infrastructure expansions and improvements. A \$1.4 million sewer metering and testing station is slated to begin construction in FY 2016. Phase I of the Parallel Transportation Lines project has begun. These improvements will allow wastewater to flow to the new (opened in 2012) Joint Wastewater Treatment Plant. This facility can process 25 million gallons per day and has helped eliminate smaller treatment facilities and septic tank systems within the area, creating cleaner streams and lakes. With this capacity, the state-of-the-art plant was designed for future growth from residential and economic development, a trend that is forecasted to continue in the coming years.

The Façade Improvement Grant program for Main Street brought significant investment to Downtown for little investment on the Town’s part. This Service (S) and Vision (V) initiative will be repeated for FY 2016.

In relation to Accountability (A) and Integrity (I), all of the objectives listed above will be pursued while maintaining a strong financial position for the Town. We will maintain our practice of being financially conservative. Also, fostering partnerships with citizens and businesses allows us to leverage our limited resources and accomplish more than could be achieved separately.

FINANCIAL POLICIES

The Town of Lexington has developed the following policies to manage its financial and budgetary affairs.

BUDGET POLICY – Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Debt Service, Special Revenue and Waterworks and Sewer System Funds. When applicable, project-length financial plans are adopted for all capital projects funds. All annual appropriations lapse at fiscal year end. South Carolina law requires the Town to adopt a balanced budget each year. A balanced budget is one in which budgeted funding sources equal budgeted expenditures.

REVENUE POLICY – The Town will try to maintain a diversified and stable revenue system. The Town will maximize the utilization of user charges in lieu of ad valorem taxes for services that can be individually identified and where costs are directly related to the level of service. Enterprise funds will be self-supporting.

INVESTMENT POLICY – The Town seeks to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands and conforming to all state statutes governing the investment of public funds. The Town pools the cash of all funds into a central depository bank account except that portion of cash on deposit in the South Carolina Local Government Investment Pool and where legal restrictions prohibit the commingling of funds. Temporary investments are then made from the pooled account in collaborative form in order to maximize the return on invested funds.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICY – The Town issues its annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP) as outlined in the Governmental Accounting, Auditing and Financial Reporting (GAAFR) publication.

RESERVED AND UNRESERVED FUND BALANCE POLICY – The Town of Lexington budgets to maintain a Fund Balance Reserve of 25% of budgeted revenues less capital outlay in the General Fund. In addition the Town budgets to maintain one month's operating expenditures in Fund Balance plus a contingency reserve of 1.5% of budgeted revenue. In the Enterprise fund the Town budgets a contingency reserve of 1.5% of budgeted revenue.

DEBT POLICY – The Town of Lexington’s borrowing power is restricted by amended Article X, Section 14 of the State Constitution which became effective November 30, 1977. This Section provides that a local government unit cannot at any time have total general bonded debt outstanding (excluding certain lease and installment obligations) in any amount that exceeds 8% of its total assessed property value. Also excluded from the limitation are: bonded indebtedness approved by the voters and issued within five years of the date of such referendum; special bonded indebtedness levies assessed on properties located in an area receiving special benefits from the taxes collected; and other bonded indebtedness existing on or prior to 1995. Additionally when feasible, special assessment, revenue, or other self-supporting bonds will be used instead of general obligation bonds. Further, good communication with bond rating agencies will be maintained and full disclosure on every financial report as well as bond official statements will continue.

FINANCIAL MANAGEMENT SYSTEMS

Government of the Town

The Town, incorporated in 1861, is located in the central part of the State of South Carolina approximately 12 miles from Columbia, the state capital. The Town is governed by a Mayor and six-member Town Council who are elected for four-year terms. The Town Council employs an Administrator who serves as the administrative head of the Town government, and is directly responsible to the Mayor and Town Council for the operation of all Town departments, and the enforcement of all laws and ordinances. It is the responsibility of the Administrator to prepare a recommended budget for Council’s action, serve as Council’s chief advisor in making necessary recommendations on administrative matters, recruit and hire government’s staff and process citizens’ complaints and requests. The Town Administrator ensures that the Council’s programs are implemented. Regularly scheduled Council meetings are held on the first Monday of each month.

Budgetary and Accounting Systems

The accounting policies of the Town of Lexington conform to Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for establishing governmental accounting and financial reporting principles. In most cases this conforms to the way the Town prepares its financial reports, except as follows:

Compensated absence liabilities that are expected to be liquidated with expendable financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (budget basis).

Principal payments on long-term debt within the Enterprise Fund are applied to outstanding liability on GAAP basis, as opposed to being expended on a budget basis.

Capital outlays within the Enterprise Fund are recorded as assets on GAAP basis and expended on budget basis.

Budgeting

In accordance with the General Statutes of the State of South Carolina, the Town Council is required by state statute to adopt an annual balanced budget by ordinance prior to July 1. Town Council has the authority to amend the budget ordinance. All annual appropriations lapse at year end unless a specific exception is approved. The budget is organized by fund. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service and Waterworks and Sewer System (Enterprise) Funds on a cash basis.

The General Fund is used to account for all current financial resources not required by law or administrative action to be accounted for in another fund. This fund includes general public functions: Council; Administration; Finance; Parks, Streets and Sanitation; Planning, Building and Technology; and Police. A portion of the expenditures for the General Government departments (Council; Administration; Finance; Planning, Building and Technology; and Parks, Streets, and Sanitation) are allocated to the Enterprise Fund.

The Special Revenue Fund is used to account for proceeds provided by Fines levied for the specific purpose of funding the Victims' Advocate. Although supplemented by transfers from the General Fund this fund accounts for all the costs associated with providing a Victims' Advocate.

The Debt Service Fund is used to set aside resources to meet current and future debt service requirements on general long-term debt. Currently, the Town has two long term debt issues outstanding. The first, issued as Certificates of Participation, requires payments through 2019. The second is a General Obligation Bond that requires payments through 2021.

The Waterworks and Sewer System (Enterprise) Fund is used to account for the Town's water distribution and wastewater collection. These services, including capital improvements, are funded by charges to the users. The Utilities department is 100% Enterprise Fund. The Finance department has specific functions that are entirely related to the Enterprise Fund.

Town of Lexington	
Fund Structure	
General Fund	
	*Council
	*Administration
	*Finance
	*Planning, Building and Technology
	Police
	*Parks, Streets and Sanitation
Special Revenue Fund	
	Victims' Advocate
Debt Service Fund	
Waterworks and Sewer System Fund	
	*General Government Allocation
	Finance
	Utilities
*The General Government includes Council, Administration, Finance, Planning, Building and Technology, and Parks, Streets and Sanitation	

Additional funds are included in the Comprehensive Annual Financial Report for which annual appropriations are not made and therefore are not included in this budget document. Specifically there are additional Special Revenue Funds as well as Capital Projects Funds. The Special Revenue funds account for revenues raised for a specific purpose, most commonly grants and donations. The Capital Projects Funds report major capital acquisitions separately from their ongoing operating activities

Fund balance is the difference between governmental fund assets and liabilities, also referred to as fund equity. For the Town of Lexington, our only governmental fund is the General Fund. We prepare a balanced budget for this fund, i.e. revenues equal expenditures less any designated use of fund balance.

The Town adheres to the following procedures in establishing the budget:

1. The various departments meet with the Finance Director, Town Administrator, and Assistant Town Administrator during the third quarter of the fiscal year to discuss their operating budget requests.
2. The Council meets in a workshop in the last quarter of the fiscal year to discuss all the departments' budgets.
3. The proposed budget is then compiled and enacted prior to July 1 in the form of an ordinance with two readings and one public hearing.

4. Department budgets may be adjusted to transfer budgeted amounts among line items within operations with the approval of the Department Director and either the Town Administrator or the Finance Director. The authority to adjust department budgets does not extend to personnel or capital budgets.
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service and Waterworks and Sewer System Enterprise Funds.
6. If the budget needs to be amended during the year, this is accomplished by Council by ordinance requiring two readings and a public hearing.

BUDGET CALENDAR

March 10	Budget meeting with department heads. Distribute budget worksheets and targets.
March 24	Budget requests to Finance.
April 22	Proposed budget completed.
April 27	Budget presentation and work session with Town Council.
May 4	Budget Ordinance and Tax Levy Ordinance first reading.
June 8	Budget Ordinance final reading and public hearing, and Tax Levy Ordinance final reading and public hearing.

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)
TOWN OF LEXINGTON)

AN ORDINANCE

AN ORDINANCE ADOPTING A BUDGET PROPOSED BY THE TOWN COUNCIL, CONTAINING ESTIMATES OF PROPOSED REVENUES AND EXPENDITURES BY THE TOWN OF LEXINGTON FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016, AND DECLARING THAT SAME SHALL CONSTITUTE THE BUDGET OF THE TOWN OF LEXINGTON FOR SUCH FISCAL YEAR.

BE IT ORDERED AND ORDAINED BY TOWN COUNCIL OF THE TOWN OF LEXINGTON, SOUTH CAROLINA, IN COUNCIL ASSEMBLED AND BY THE AUTHORITY THEREOF:

- SECTION 1: That this council hereby adopts the hereto annexed and approved revenues and expenditures for the various purposes therein named and set forth, for the conduct of the government of the Town of Lexington for the fiscal year beginning July 1, 2015 and ending June 30, 2016, and that the same shall constitute the official annual budget of the Town of Lexington for said fiscal year.
- SECTION 2: That funds obtained from any sources may be used for any of the appropriations named in said budget, except funds specifically restricted by Town Ordinance or by State Law.
- SECTION 3: That all Ordinances or parts of Ordinances conflicting with provisions of the ordinance are hereby repealed, insofar as the same affect this ordinance.
- SECTION 4: The Department Director and either the Finance Director or Town Administrator will be authorized to transfer funds from one line item to another, with the exception of salaries, benefits and capital improvements throughout the fiscal year.
- SECTION 5: That all purchasing for all Town departments and activities will be made by the designated purchasing agent.
- SECTION 6: That requests for goods and services needed by Town departments will be made by requisition to the purchasing agent.
- SECTION 7: That this Ordinance shall take effect and be in force from and after July 1, 2015.

Enacted this 8th day of June, 2015.



 Steve MacDougall, Mayor of the Town of Lexington

INTRODUCED..... May 4, 2015
 PUBLIC HEARING..... June 8, 2015
 FINAL READING..... June 8, 2015
 APPROVED..... June 8, 2015

ATTEST



 Becky Hildebrand, Municipal Clerk,
 I, BECKY HILDEBRAND, MUNICIPAL CLERK, CERTIFY THAT THIS ORDINANCE WAS ADVERTISED FOR PUBLIC HEARING ON MAY 21, 2015.

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)
TOWN OF LEXINGTON)

AN ORDINANCE

AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY TOWN PURPOSES IN THE TOWN OF LEXINGTON FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND TO PROVIDE FOR THE EXPENDITURES THEREOF.

THE COUNCIL OF THE TOWN OF LEXINGTON HEREBY ORDAINS:

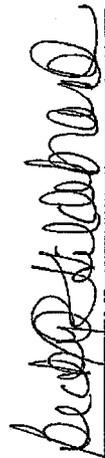
- SECTION 1: There shall be and is hereby levied upon all taxable property of the Town of Lexington for ordinary purposes, the fiscal year beginning July 1, 2015 and ending June 30, 2016, a tax of thirty five point one four (35.14) mills upon each one dollar (\$1.00) of taxable property for the Town of Lexington for said fiscal year.
- SECTION 2: That the said budget adopted as aforesaid, is hereby annexed and made a part and parcel of this Ordinance.
- SECTION 3: That, should any part of this Ordinance be held invalid by a court of competent jurisdiction, the remaining parts shall be severable and shall continue to be in full force and effect.
- SECTION 4: That all ordinances conflicting with the provisions of this Ordinance are hereby repealed, insofar as the same effect this Ordinance.
- SECTION 5: That this Ordinance shall take effect and be in force from and after July 1, 2015.
- SECTION 6: All taxes and sums herein assessed and provided for shall be due and payable between October 1, 2015 and January 15, 2016. If paid after January 15, 2016 but before February 2, 2016, a 3 % penalty will be assessed. If paid after February 1, 2016 and before March 16, 2015, a 10% penalty will be assessed. If paid after March 15, 2015 a penalty of 15% plus a \$5 collection fee will be assessed and shall be collected by distress or otherwise, as is provided by law, together with all legal costs and legal penalties.

ADOPTED AND APPROVED BY THE COUNCIL OF THE TOWN OF LEXINGTON ON THE 8th DAY OF JUNE, 2015.

ATTEST


Steve MacDougall, Mayor of the Town of Lexington

INTRODUCED.....	May 4, 2015
PUBLIC HEARING.....	June 8, 2015
FINAL READING.....	June 8, 2015
APPROVED.....	June 8, 2015


Becky Hildebrand, Municipal Clerk,

I, BECKY HILDEBRAND, MUNICIPAL CLERK, CERTIFY THAT THIS ORDINANCE WAS ADVERTISED FOR PUBLIC HEARING ON MAY 21, 2015.

FACTORS AFFECTING FINANCIAL CONDITION

As discussed in the Background section of this document, the Town is the 4th fastest growing municipality in the state over the past two decades. One of the main reasons people are attracted to Lexington is for our excellent school system. Lexington School District One is consistently rated as one of the top school districts in the state.

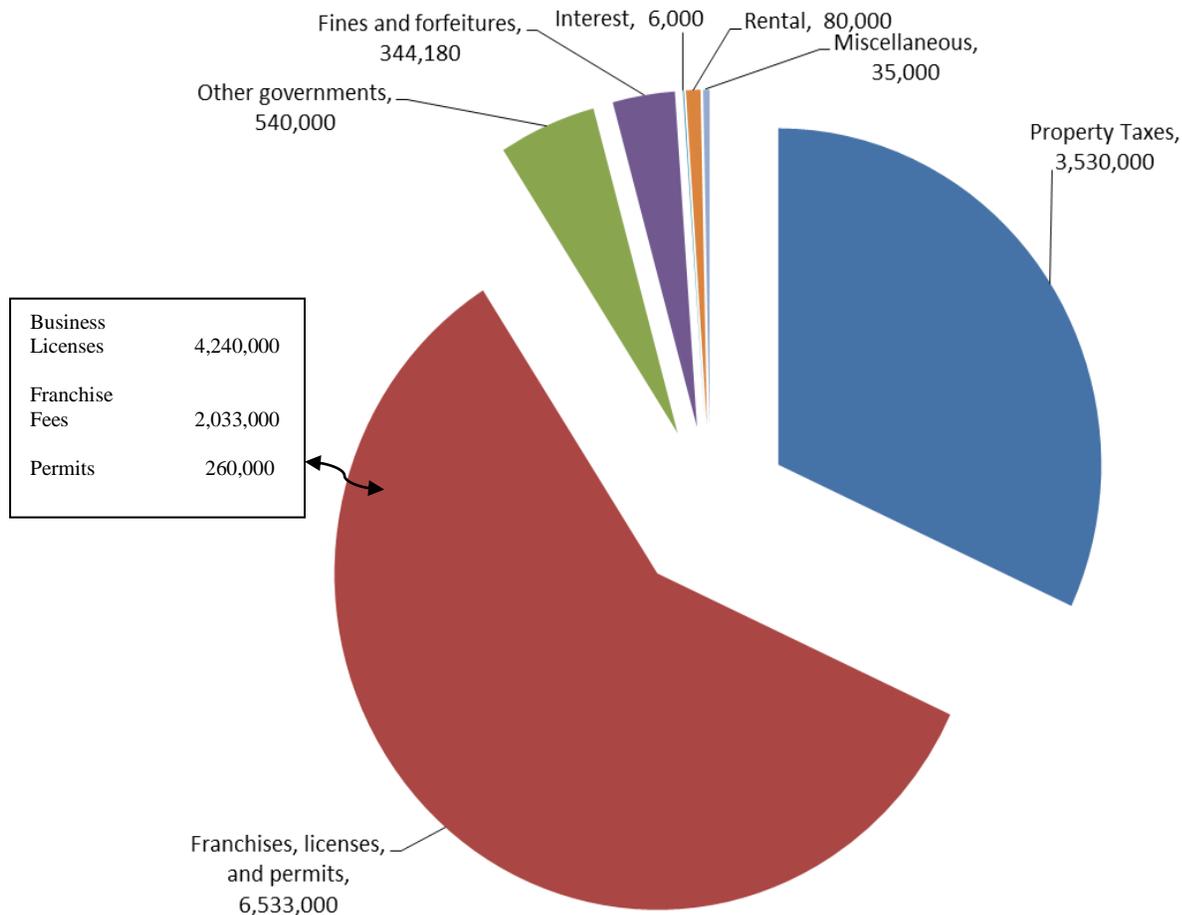
The Town continues to invest in water and wastewater infrastructure to enable the development of commercial, industrial and residential properties both in town and regionally. The Town's 100 square mile combined water and sewer service areas serve a substantial portion of Lexington County. Although the town and region have experienced tremendous growth, the service areas have significant potential for future growth as rural and agricultural land, in relatively close proximity to Lake Murray, can be transformed into suburban residential and commercial development.

During the year, approximately 198 net new businesses opened in the Town of Lexington, including assisted living, restaurants, retail, service, medical, and amusement/recreation services. Commercial development also continued just outside the town limits along the major highways that serve the town. Several subdivisions also were under development both in town and out of town but on the water and sewer system. In-town development included 112 residential units which began construction during the year.

GENERAL FUND REVENUE

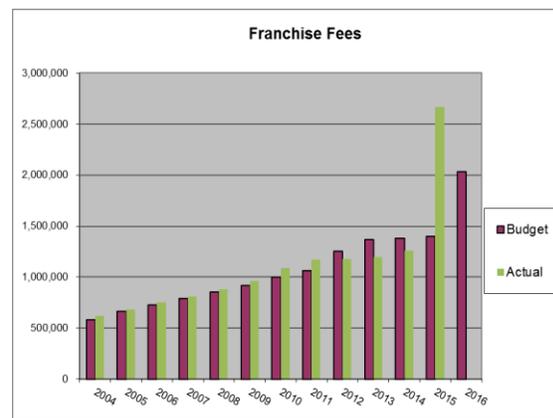
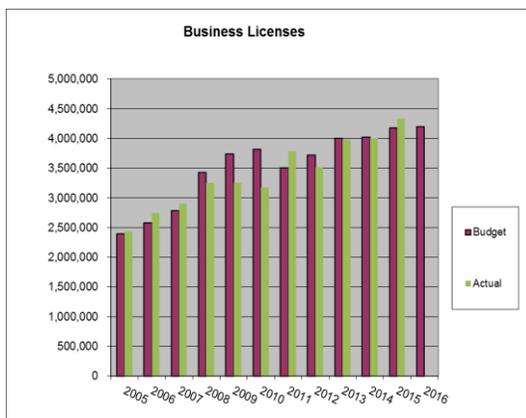
In general revenues are forecasted based on the current year's nine month actuals in conjunction with trends over the last ten years. For the General Fund, the largest two revenue categories are Property Taxes and Franchise, Licenses and Permits. Franchise, Licenses and Permits have steadily outpaced Property Tax revenues over the last ten years and currently make up 59% of General Fund revenues.

2016 GENERAL FUND REVENUE

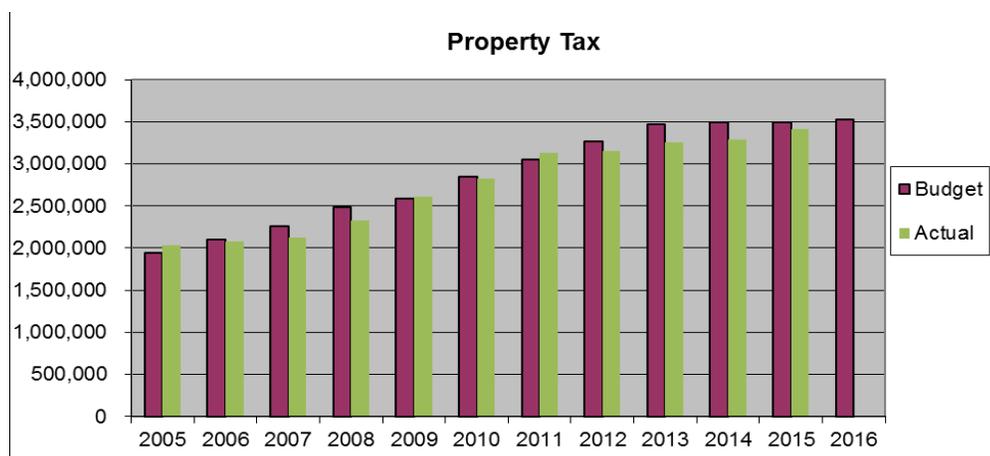


Franchise, Licenses and Permits – Business License Fees, the largest component of this category at 65%, is a privilege tax. It is required of every person engaged or intending to engage in any calling, business, occupation or profession within the limits of the Town of Lexington and is based on gross revenues. Business license fees are self-reported and remitted annually. The Town of Lexington is a thriving community and the business sector has grown tremendously. This trend is expected to persist as annexations and population growth continues. The largest portion (44%) of business license revenue is received in the latter part of June. Therefore it is difficult to predict collections for the current year and project collections for the next year. The overall economy in 2009 and 2010 stopped growth in business license revenue as seen in the chart below. However, in 2011 business license revenue collections picked up plus a large insurance company settlement boosted revenues. This skewed the 2012 revenues somewhat but stable growth resumed in 2013 and 2014. Stable growth is expected to continue for 2015 and into 2016.

The second largest part of this category is our Franchise Fees (at 31%). In September 2014 Town Council increased the electric to 5% from 3%. This has given a substantial boost to total Franchise Fee revenue. Because the increase was implemented in the fall of 2014, the utility company immediately increased the Fee and paid the additional percent for Calendar Year 2014 and we also received the total 5% for their calendar 2015. So FY 2015 received a double benefit from the fee increase. This surplus was designated to be used to pay down the outstanding Bond Anticipation Notes. Our local electric and gas company provides a substantial portion of our Franchise Fees and their revenue is fairly stable even in an unstable economy. Other industries that feed into the Franchise Fee bucket are cable television and landline telephone companies. Although the landline telephone franchise fees have diminished, the other companies more than make up the difference. Franchise fees are also based on gross receipts, self-reported and remitted either quarterly or annually.



Property Taxes – Property taxes account for 32% of the General Fund budget. South Carolina law allows local governments to levy taxes on real and personal property valuations as assessed and equalized according to statutory guidelines. The millage rate for the Town of Lexington has not increased in 25 years. However, increased property values and annexations have led to increased revenues in this category.

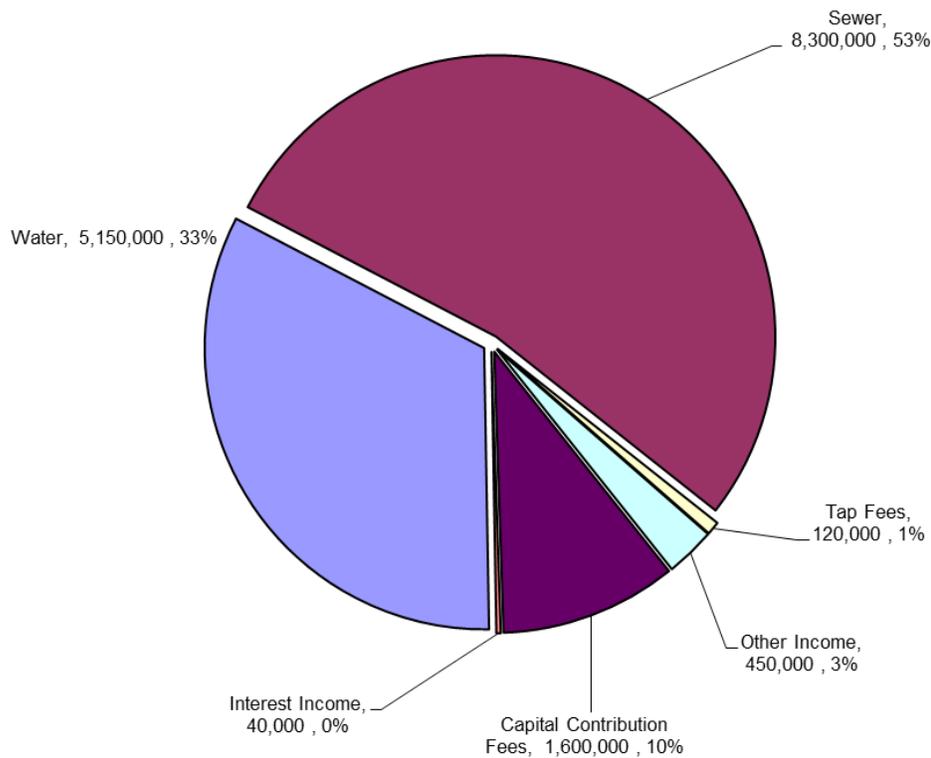


ENTERPRISE FUND REVENUE

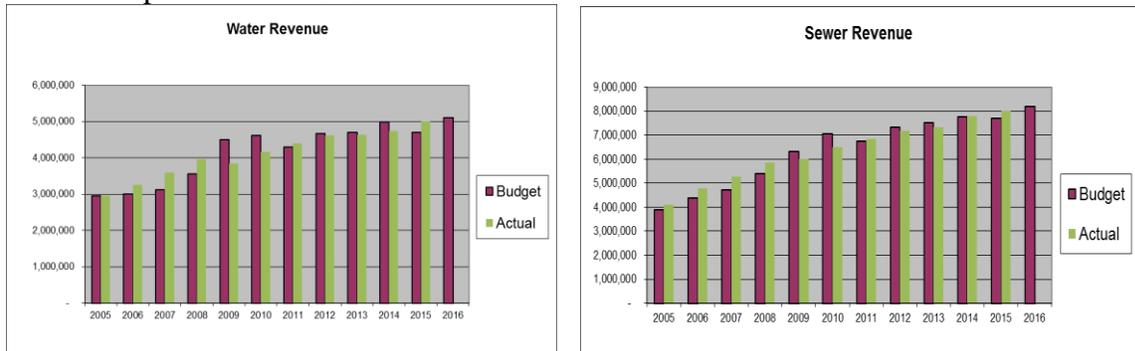
The Town's combined waterworks and sewer system provides water and sewer services to customers both inside the political boundaries of the Town and in adjacent unincorporated portions of Lexington County. With approximately 215 miles of water lines and approximately 284 miles of sewer lines, the system provides service to approximately 15,000 customers.

The Town sets rates for water and sewer services provided to its customers on a full-cost recovery basis. By far the largest revenue sources in the Enterprise Fund are the fees charged for water and sewer service. The third largest revenue source is the Capital Contribution Fees.

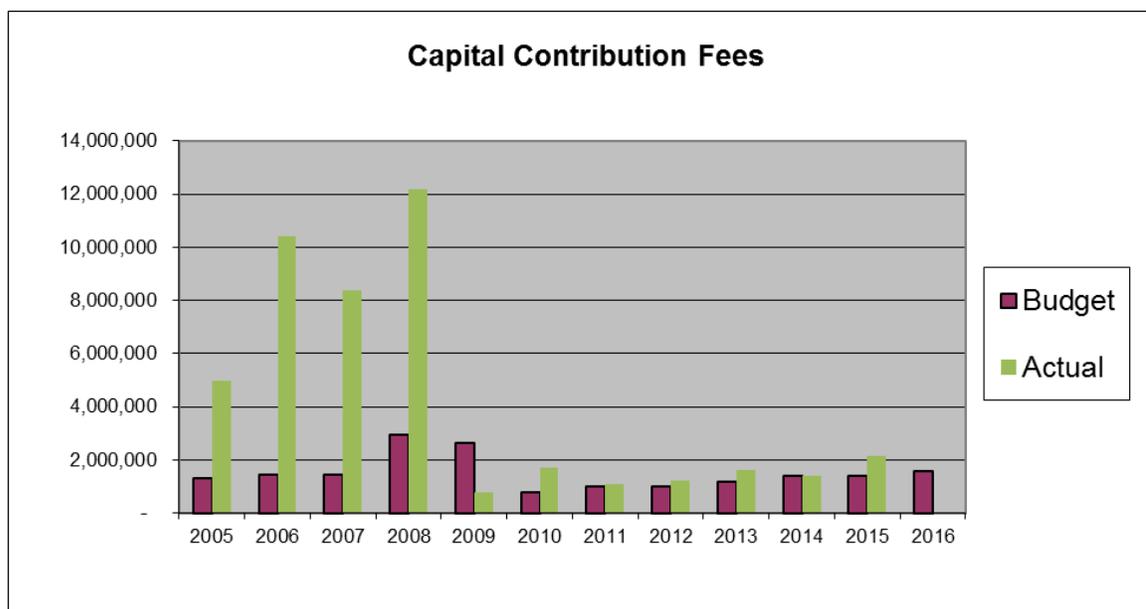
2016 Enterprise Fund Revenue



Water and Sewer Service Fees – The Town’s rates for water and sewer services stand at the upper end of fees for such services imposed by municipalities in the Midlands Region, but have not been demonstrated to have resulted in any diminishment of growth in population or economic activity in the Town or its service area. Water and Sewer revenues have increased due largely to growth in the service area. A 2.5% fee increase for operational revenues has been adopted for FY 2016.



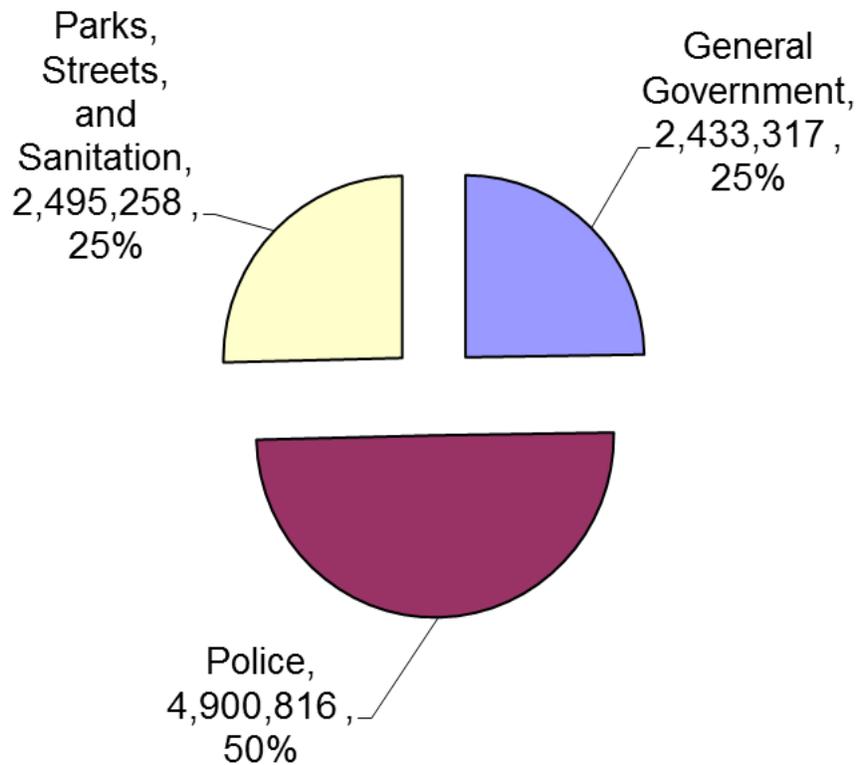
Capital Contribution Fees – The Town imposes capital contribution fees (CCFs) to recover the cost of capital improvements to the system and related expenditures that are incurred as the result of adding customers and accommodating development. The last CCF rate increase was January 1, 2008. When properties are developed or the defined use of a property changes, a calculation of the expected usage for the property is made and the appropriate fee is charged based on that usage estimate. The Town experienced an explosion of growth in new construction in 2006, 2007, and 2008. This growth slowed substantially in 2009 and in 2010. Many subdivisions that were started before 2009 are now being built out. In addition several new major projects are currently in the planning stages. Stable growth is expected for FY 2016.



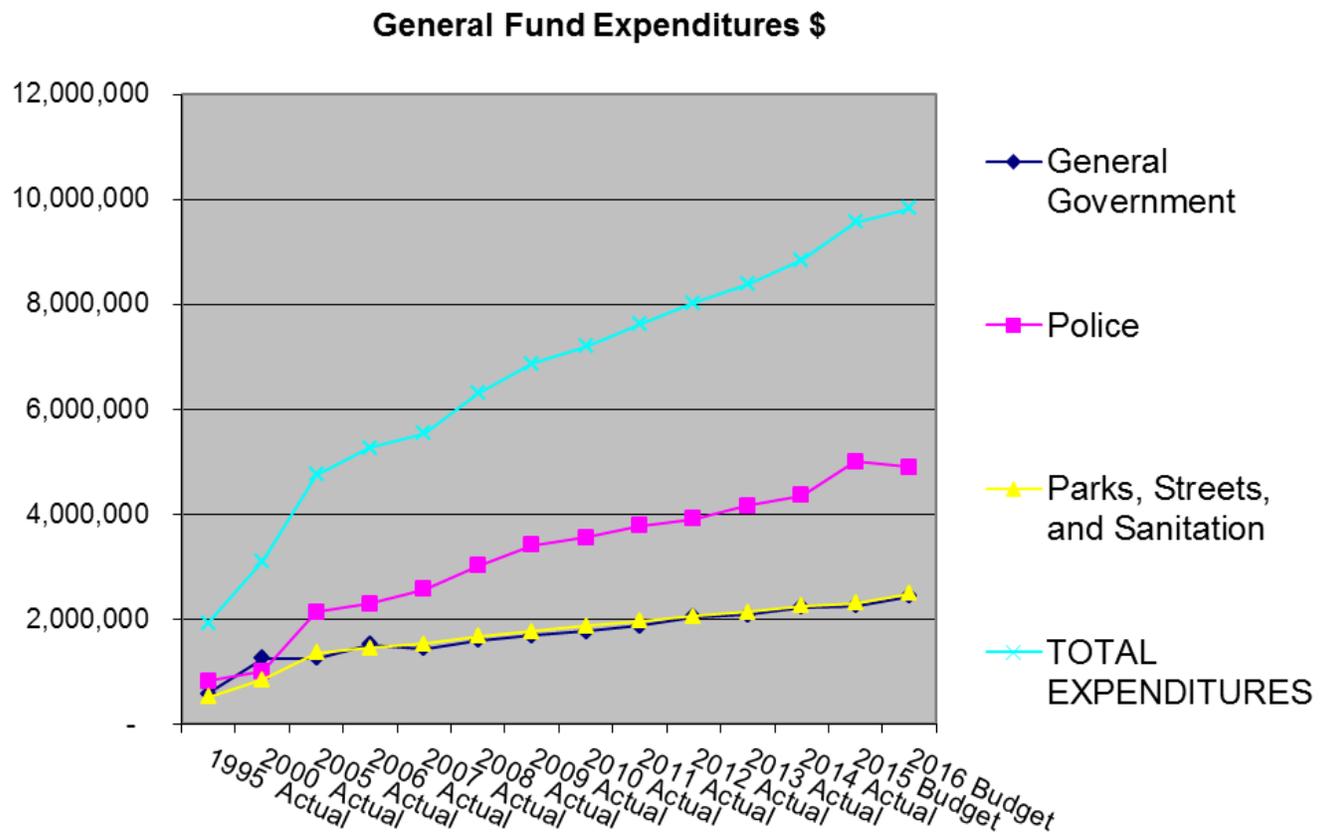
GENERAL FUND EXPENDITURES

Half of the expenditures for the General Fund are for Police. Of the \$4,900,816 budgeted for the Police department, \$4,385,923, or 89%, is for salaries and benefits. The remaining budget for the General Fund is split between Parks, Streets and Sanitation and General Government. General Government includes Council; Administration; Finance; and Planning, Building and Technology.

2016 General Fund Expenditures

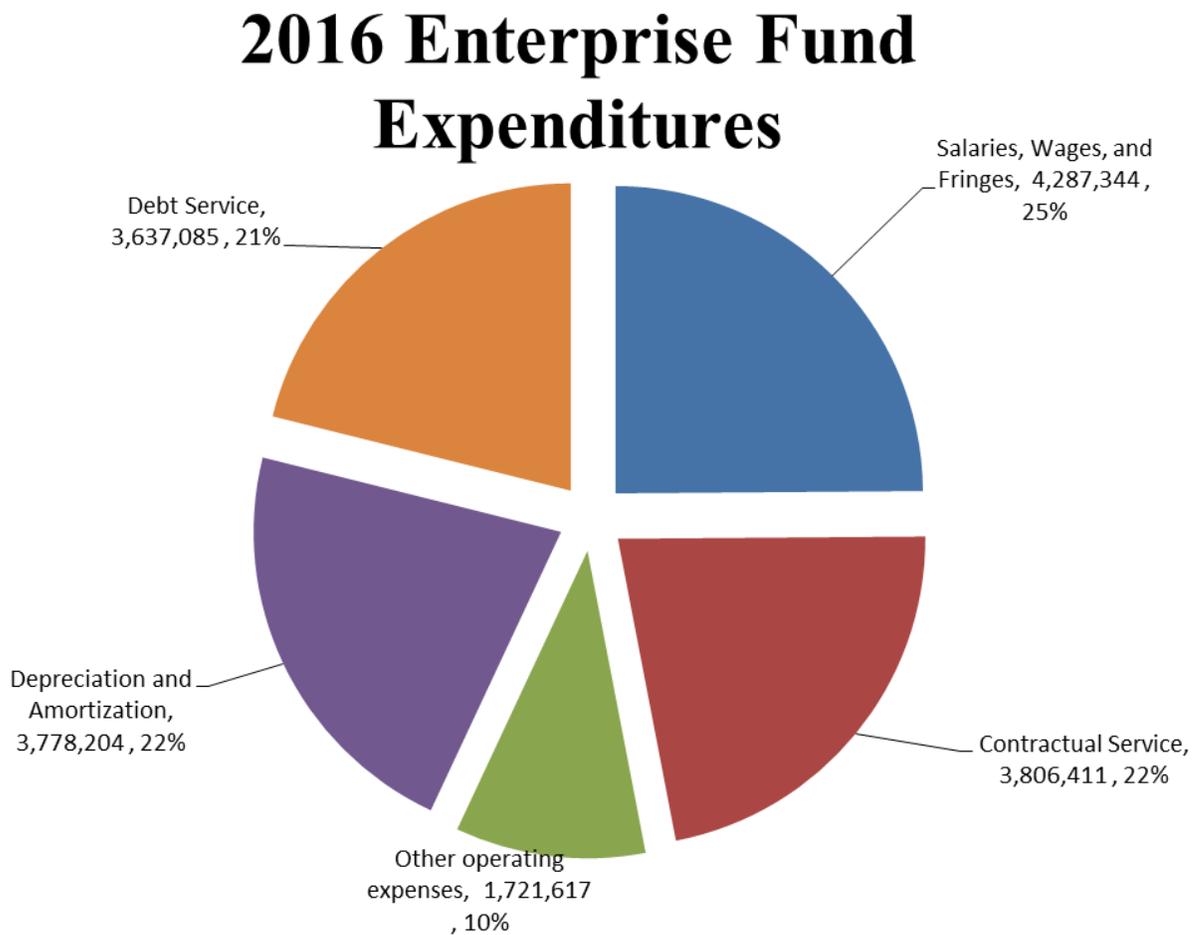


General Fund Expenditures have grown over the years partly through general inflation. In addition the Town has grown through annexation and general population increases, consequently additional staff has been added most notably in the Police Department. The chart below shows the growth of expenditures over the last 20 years.



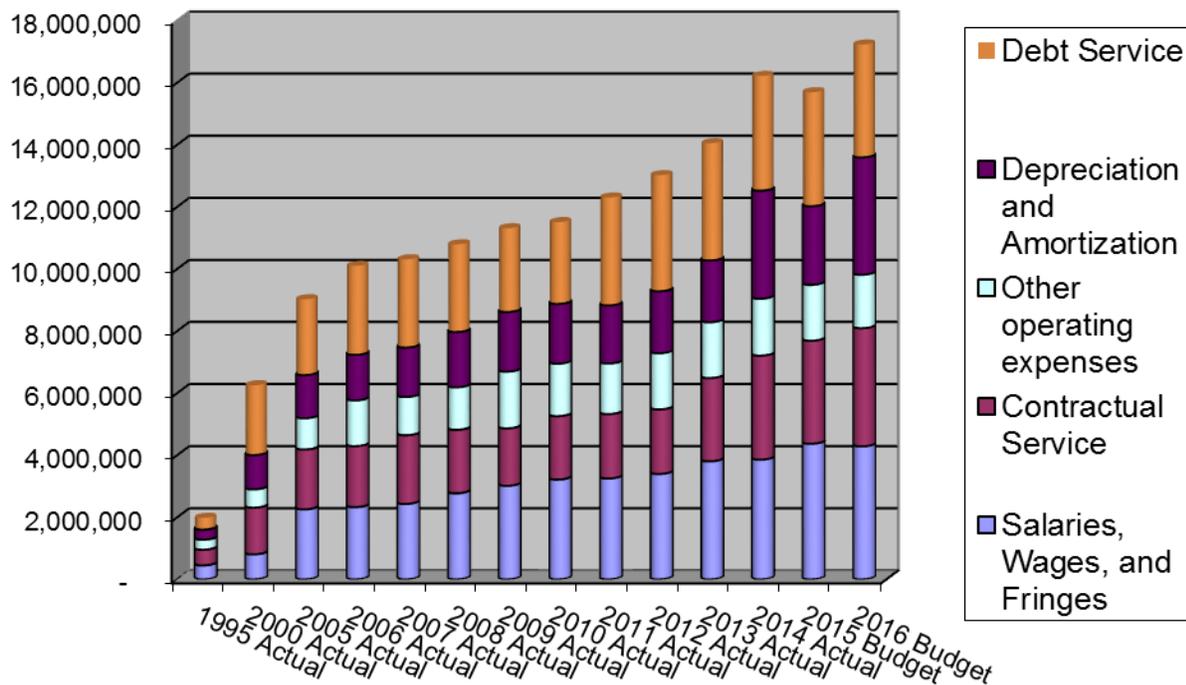
ENTERPRISE FUND EXPENDITURES

For the Enterprise Fund, one quarter of the expenditures directly cover wages and benefits. Another 21% covers debt service requirements. Contractual services account for 22% of Enterprise Fund expenditures. The cost of water from West Columbia and the cost of sewer treatment from Cayce make up approximately 86% of the contractual services category. The remaining expenditures for the Enterprise Fund are for depreciation and amortization and other operating expenditures.



Enterprise Fund expenditures have grown over the years. With the construction of the new sewer facility, the Town has issued a substantial amount of long term debt and therefore our debt service payments have increased. Over the years, as the customer base has increased, the staffing for the Enterprise Fund has also increased as well as operating costs.

Enterprise Fund Expenditures



DEBT SERVICE

The Town has incurred debt as capital needs have grown. The debt has been used to fund both revenue producing facilities and general purpose facilities

	Balances June 30, 2015	Additions	Reductions	Balances June 30, 2016	Due within one Year
General Government:					
Certificates of participation:					
Capital appreciation certificates	840,000	-	(210,000)	630,000	210,000
Less deferred amount:					
For issuance discount	(104,565)	-	42,425	(62,140)	-
Total certificates of participation	<u>735,435</u>	<u>-</u>	<u>(167,575)</u>	<u>567,860</u>	<u>210,000</u>
General obligation bonds	1,000,000	-	(165,000)	835,000	165,000
GO bond anticipation note	6,790,000	6,190,000	(6,790,000)	6,190,000	-
Note payable	68,500	-	(34,250)	34,250	34,250
Compensated absences	706,577	475,000	(425,000)	756,577	430,000
Governmental activities					
Long-term liabilities	<u>\$ 9,300,512</u>	<u>\$ 6,665,000</u>	<u>\$ (7,581,825)</u>	<u>\$ 8,383,687</u>	<u>\$ 839,250</u>
Enterprise Fund:					
Revenue bonds payable:					
Revenue bonds	54,550,000	-	(1,065,000)	53,485,000	1,305,000
Less deferred amounts:					
For issuance discount	(70,250)	-	2,836	(67,414)	-
For issuance premium	417,941	-	(27,476)	390,465	-
On refunding	(1,338,873)	-	95,817	(1,243,056)	-
Total revenue bonds payable	<u>53,558,818</u>	<u>-</u>	<u>(993,823)</u>	<u>52,564,995</u>	<u>1,305,000</u>
Contract payable/capital lease	1,086,274	-	(263,875)	822,399	261,394
Revenue bond anticipation notes	10,000,000	10,000,000	(10,000,000)	10,000,000	
Compensated absences	211,240	230,000	(225,000)	216,240	125,000
Business-type activities					
Long-term liabilities	<u>\$ 64,856,332</u>	<u>\$ 10,230,000</u>	<u>\$ (11,482,698)</u>	<u>\$ 63,603,634</u>	<u>\$ 1,691,394</u>

The following table shows the debt funding requirement for the Town of Lexington for 2016 – 2043. The amounts show principal and interest and is based on current outstanding debt issues.

ANNUAL BOND MATURITY AND INTEREST REQUIREMENTS

For General Obligation , Revenue Bonds and Contractual Obligations

Year	General Obligation Bonds		Revenue Bonds		Contractual Obligations		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2016	409,250	20,000	1,065,000	2,292,133	263,875	16,077	4,066,335
2017	409,250	16,700	1,110,000	2,251,963	274,383	12,172	4,074,468
2018	375,000	13,400	1,160,000	2,222,503	280,731	8,111	4,059,745
2019	375,000	10,100	1,200,000	2,187,388	267,285	3,956	4,043,729
2020	170,000	6,800	1,525,000	2,151,058	-	-	3,852,858
2021	170,000	3,400	1,580,000	2,101,480	-	-	3,854,880
2022	-	-	1,635,000	2,042,610	-	-	3,677,610
2023	-	-	1,705,000	1,971,160	-	-	3,676,160
2024	-	-	1,780,000	1,903,895	-	-	3,683,895
2025	-	-	1,855,000	1,825,430	-	-	3,680,430
2026	-	-	1,935,000	1,743,545	-	-	3,678,545
2027	-	-	2,015,000	1,667,043	-	-	3,682,043
2028	-	-	2,095,000	1,584,248	-	-	3,679,248
2029	-	-	2,190,000	1,490,368	-	-	3,680,368
2030	-	-	2,260,000	1,417,915	-	-	3,677,915
2031	-	-	2,330,000	1,346,618	-	-	3,676,618
2032	-	-	2,410,000	1,265,248	-	-	3,675,248
2033	-	-	2,260,000	1,180,488	-	-	3,440,488
2034	-	-	2,370,000	1,071,163	-	-	3,441,163
2035	-	-	2,485,000	956,513	-	-	3,441,513
2036	-	-	2,605,000	836,288	-	-	3,441,288
2037	-	-	2,730,000	714,863	-	-	3,444,863
2038	-	-	2,855,000	587,588	-	-	3,442,588
2039	-	-	2,985,000	454,463	-	-	3,439,463
2040	-	-	3,130,000	315,263	-	-	3,445,263
2041	-	-	3,280,000	161,325	-	-	3,441,325
2042	-	-	-	-	-	-	-

The following table lists the various debt obligations of the Town and shows the original issue amount, the interest rate, maturity date, and purpose of issue.

Debt Summary

General Fund Debt

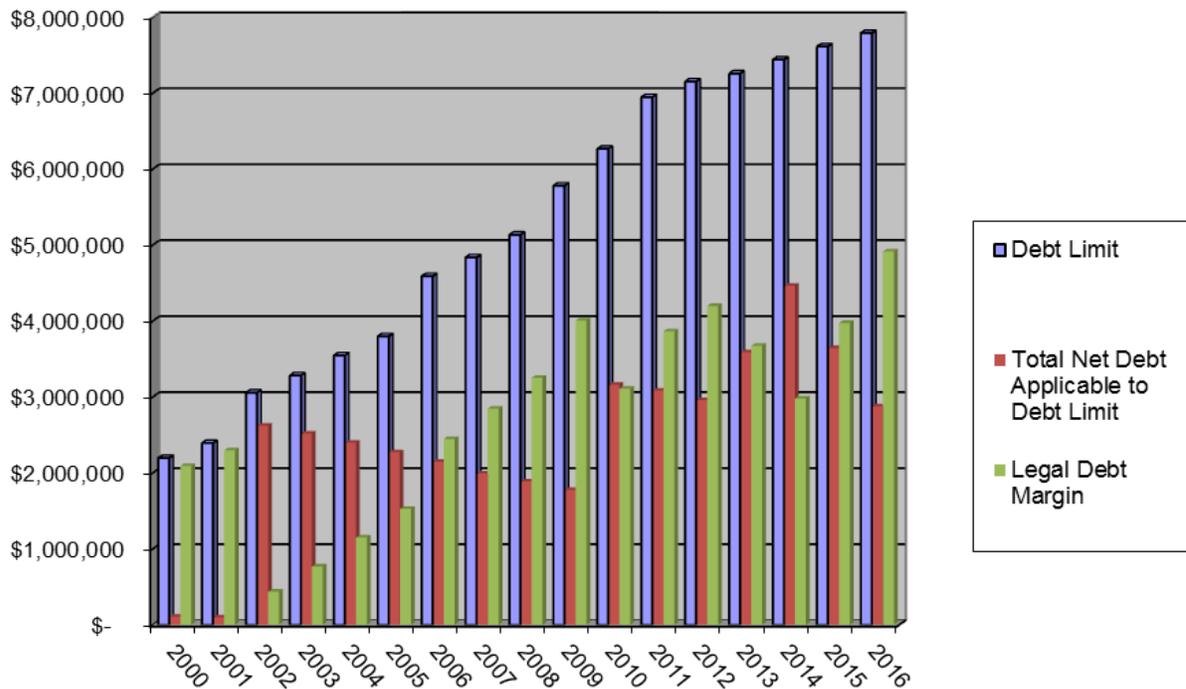
Description	Issue Date	Amount Borrowed	Rate	Final PYMNT	Purpose
Series 2012 GO Refunding Bonds	12/27/2012	\$ 1,465,000	1.428795%	6/15/21	Refund Series 2002 GO Bonds which was used for the Acquisition and Construction of Road and Infrastructure Maintenance and Main Street Streetscape Improvements.
Series 2014 GO Bond Anticipation Notes	1/15/2014	\$ 3,300,000	0.55%	1/15/2015	Off-Street Parking, Street and Road Improvements & Repairs, and other Municipal Improvements.
Series 1994 COPS	7/1/1994	\$ 2,755,278	5.963%	12/01/2018	Construction of Town Hall Building.
Note Payable	9/9/2010	\$ 229,964	0.000%	5/15/2017	Acquisition of Property adjacent to Virginia Hylton Park.

Enterprise Fund Debt

Description	Issue Date	Amount Borrowed	Rate	Final PYMNT	Purpose
Series 2001A Revenue Bonds	10/30/2001	\$ 27,475,000	5.08%	10/01/2032	Refund Series 1997 Revenue Bonds, Refund Portion of 1993 Revenue Bonds, Acquisition of Water Capacity and Retail Distribution Rights, Expansion of Town Hall Including Furnishings and Equipment, and Expansions and Improvement to the Combined Waterworks and Sewer System.
Series 2009 Revenue Bonds	12/15/2009	\$ 11,405,000	4.7453577%	1/15/2041	Expansions and Improvements to the Combined Waterworks and Sewer System including acquisition of capacity in the City of Cayce's new wastewater treatment facility.
Series 2010 Revenue Bonds	4/1/2010	\$ 16,665,000	4.727502%	1/15/2041	Expansions and Improvements to the Combined Waterworks and Sewer System including acquisition of capacity in the City of Cayce's new wastewater treatment facility.
Series 2011 Revenue Bonds	4/1/2011	\$ 14,145,000	3.804399%	4/1/2027	Refund a Portion of the Series 2001A Revenue Bonds.
Series 2012 Revenue Bonds	8/1/2012	\$ 7,650,000	3.3557738%	6/30/2032	Refund a Portion of the Series 2001A Revenue Bonds
Series 2014 Revenue Bonds	3/14/2014	\$ 5,980,000	3.100%	2/1/2032	Refund a Portion of the Series 2004 Revenue Bonds Which was issued for Expansion and Improvements to the Combined Waterworks and Sewer System
Contract Payable to West Columbia	6/30/1998	\$ 2,980,000	4.75%	4/1/2019	Retail Distribution Rights of Water.
Lease Payable to West Columbia	6/30/1998	\$ 4,269,496	3.59%	4/1/2019	Water Lines and Water Capacity.

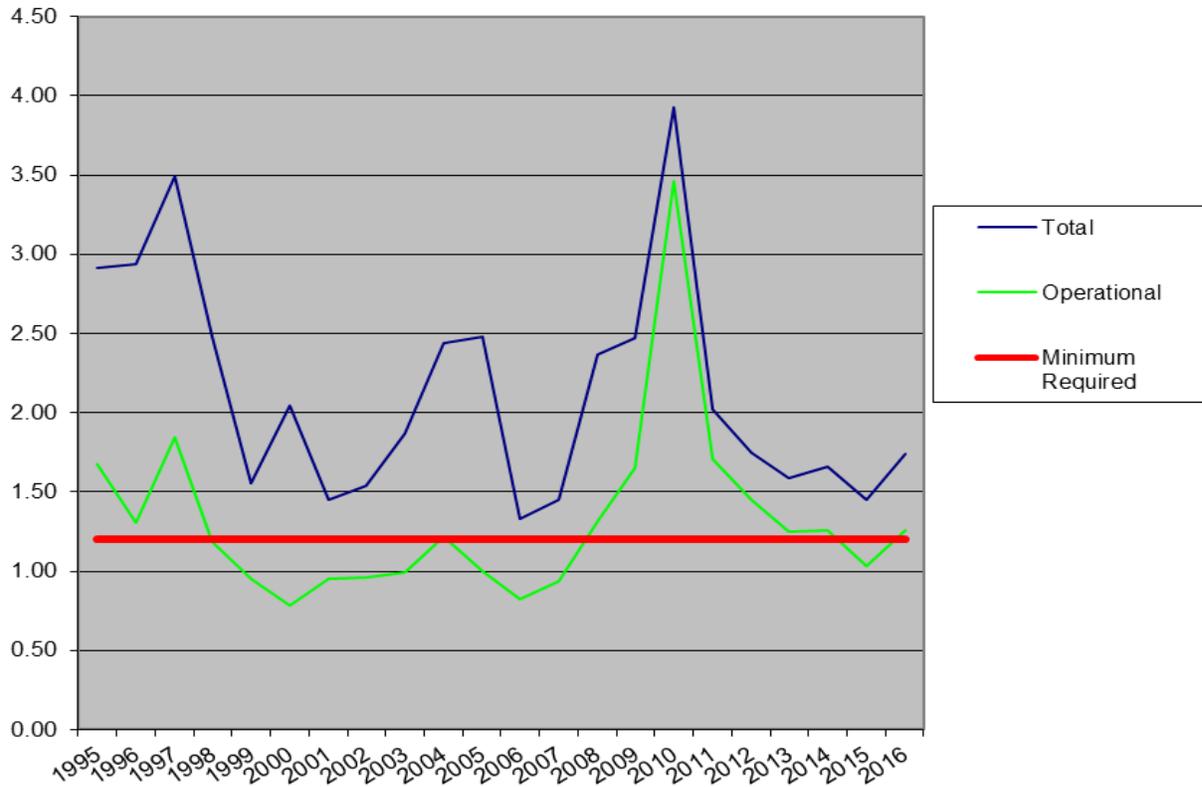
The Town’s borrowing power is restricted by amended Article X, Section 14 of the State Constitution which became effective November 30, 1977. This Section provides that a local government unit cannot at any time have total general bonded debt outstanding (excluding certain lease and installment obligations) in any amount that exceeds 8% of its total assessed property value. Also, excluded from the limitation are: bonded indebtedness approved by the voters and issued within five years of the date of such referendum; special bonded indebtedness levies assessed on properties located in an area receiving special benefits from the taxes collected; and other bonded indebtedness existing on or prior to 1995. Accordingly, the Town’s outstanding Certificates of Participation do not count towards the calculation of the legal debt margin nor do the outstanding Revenue Bond Anticipation Notes issued through the Saxe Gotha Public Facilities Corporation.

General Obligation Legal Debt Margin



Rate covenants under the Town's Bond Ordinance require that the Town maintain a minimum debt coverage ratio of 1.2 for Revenue Bonds. The estimated Debt Coverage ratio for 2016 is 1.74. The ratio excluding Capital Contribution Fees is estimated to be 1.26.

Coverage Ratios



Bonds were issued in 2010 totaling \$28,070,000 which has impacted our coverage ratios. The bond issue was used to pay costs of acquiring additional wastewater treatment capacity and to fund improvements to the Town's Combined Waterworks and Sewer System. Additional bonds were issued in 2011, however, this series was used to refinance a portion of the Series 2001A bond and therefore had a minor positive effect on our coverage ratios.

CAPITAL EXPENDITURES

For the General Fund, the Town has purchased property along Church Street, dubbed The Icehouse Project. This acquisition is intended to become a destination plaza with retail and public green space. The Town has issued a Bond Anticipation Note to fund this acquisition along with some road improvement projects which will eventually be refunded by a General Obligation Bond. As this property is developed it is anticipated to require additional staff for the Town to manage. Town Council voted to increase the franchise fee for our electric utility in Fiscal 2015. The additional revenue generated for the 2015 fiscal year was dedicated to paying down principal on the outstanding Bond Anticipation Notes. Going forward these additional funds will be used to fund the additional positions required in the Parks department and the Administrative staff needed for the Ice House property.

The Town's Vision Plan (http://www.lexsc.com/vp_index.htm) gives an overview of desired future projects. Funding continues to be an issue in completing these projects. However the Town continues to pursue partnerships with the community and a variety of grant opportunities. In this regard the Town has established a Vision Plan Action Committee to keep a focus on the vision and to search for funding opportunities. In addition other funding vehicles such as TIF districts and a Hospitality Tax are being investigated and developed.

On August 28, 2009, the Town of Lexington, along with the Lexington County Joint Water and Sewer Commission, entered into a new Wastewater Services Agreement with the City of Cayce, SC to provide for the financing, construction, and operation of a new Wastewater Treatment Plant with total capacity of 25 MGD (million gallons per day). Construction of the plant began in fiscal year 2010 and was completed in the first quarter of calendar year 2013. With the construction of this facility the Town of Lexington now has 12.462 MGD of sewer capacity, an increase of 6.06 MGD of capacity. In addition to the plant expansion, there are other improvements necessary to accommodate the flow of capacity to the Town's Combined Waterworks and Sewer System that commenced in 2010 and continues in 2016 and beyond. These projects total \$49,277,200. The new wastewater treatment plant will be operated by the City of Cayce. The old plant as well as the Town's Coventry Woods plant will be decommissioned. As capacity use increases, it is expected that the operating costs will increase. It is anticipated that the closing of the Coventry Woods plant will create some operational savings to offset some of the increased operating costs of the new plant.

The Town's Consulting Engineers, Burton & Associates, completed a rate study in FY 2015 to help the Town ensure the healthy financial condition of the Town's Utility System. A 2.5% rate increase was recommended and adopted by Town Council effective July 1, 2015.

FUND BALANCE

General Fund

As a general rule, budgets for the General Fund balance projected revenues with anticipated expenditures which would result in no change in fund balance from one year to the next. This only varies if fund balance is budgeted as a source of funds. When revenues do not meet expectations during the year, anticipated expenditures are often adjusted. For FY 2016, Fund Balance is not being used as a source of funds.

Enterprise Fund

As stated earlier, Capital Contribution Fees are imposed to recover the cost of capital improvements to the system and related expenditures that are incurred as the result of adding customers and accommodating development. Because of the nature of this revenue source, total receipts during growth years are not entirely budgeted as the money is set aside for anticipated capital expansion. The Town has entered a phase of large capital expenditures needed to allow for continued growth. BAN proceeds from FY 2013 are scheduled to cover the projects that are ongoing in FY 2016.

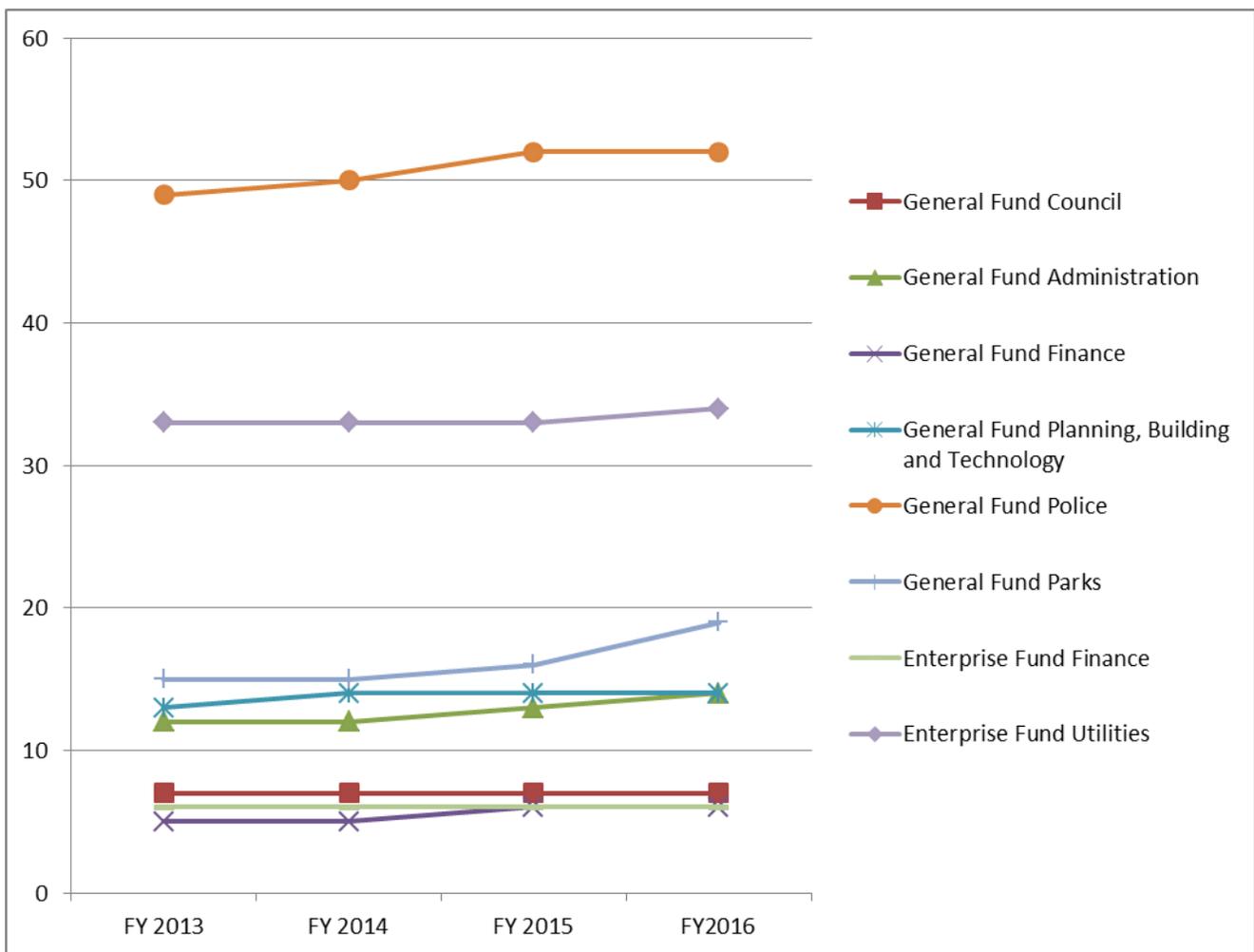
POSITIONS

For FY 2016, the Town has added four positions in the General Fund. The need was brought about by growth in the Town, completion of several parks facilities and the computerized signalization system rollout. One position has been added in Administration, one in Transportation and two in the Parks and Sanitation department. One position has been added in the Enterprise Fund.

The total number of positions in the General Fund is 112, up 4 from FY 2015 and the Enterprise fund has increased by one for a total of 40 employees. Total employment for the Town of Lexington is 152 full time positions, not including temporary, grant funded positions.

POSITIONS

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY2016</u>
General Fund				
Council	7	7	7	7
Administration	12	12	13	14
Finance	5	5	6	6
Planning, Building and Technology	13	14	14	14
Police	49	50	52	52
Parks	15	15	16	19
Enterprise Fund				
Finance	6	6	6	6
Utilities	33	33	33	34
TOTAL POSITIONS	140	142	147	152



Sources and Uses of Funds

Fiscal Year Ending June 30, 2016
Budget Summary



- 44 -

	<u>GENERAL FUND</u>	<u>ENTERPRISE FUND</u>	<u>DEBT SERVICE FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>TOTAL FY 2016 BUDGET</u>	<u>TOTAL FY 2015 BUDGET</u>	<u>TOTAL FY 2014 ACTUAL</u>
ESTIMATED REVENUES							
Taxes:							
Property Taxes	\$ 3,530,000	\$ -	\$ -	\$ -	\$ 3,530,000	\$ 3,490,000	\$ 3,291,130
Franchise Fees	2,033,000	-	-	-	2,033,000	1,400,000	1,259,782
Licenses and Permits	4,500,000	-	-	-	4,500,000	4,455,000	4,191,426
Intergovernmental Revenue	540,000	-	-	-	540,000	448,000	418,627
Charges for Services	80,000	13,930,000	-	-	14,010,000	12,990,000	12,649,650
Fines and Forfeitures	344,180	-	-	40,121	384,301	381,080	356,240
Miscellaneous Revenue	41,000	1,730,000	-	-	1,771,000	1,525,000	2,001,904
TOTAL SOURCES OF FUNDS	11,068,180	15,660,000	-	40,121	26,768,301	24,689,080	24,168,759
OPERATING EXPENDITURES AND CAPITAL OUTLAY							
General Government	4,404,169	-	-	-	4,404,169	4,231,852	4,098,970
Public Safety	5,152,711	-	-	70,121	5,222,832	5,287,061	4,736,194
Public Works	-	8,176,151	-	-	8,176,151	7,883,576	11,247,780
Parks, Streets and Sanitation	2,918,722	-	-	-	2,918,722	2,453,160	2,341,320
General and Administrative Allocation	(2,139,426)	2,139,426	-	-	-	-	-
Debt Service	-	3,637,085	430,416	-	4,067,501	4,123,181	3,783,848
TOTAL OPERATING EXPENDITURES AND CAPITAL OUTLAY	10,336,176	13,952,662	430,416	70,121	24,789,375	23,978,830	26,208,112
OTHER SOURCES AND USES							
Specific Encumbrance	13,000	-	-	-	13,000	18,000	-
Cash Reserves	-	7,277,162	-	-	7,277,162	5,109,107	-
Bond/Bond Anticipation Note (BAN)	(494,030)	-	-	-	(494,030)	7,505,114	-
Capital Improvement Plan	-	(8,773,600)	-	-	(8,773,600)	(13,033,000)	(5,675,119)
Lease Purchase Financing	308,215	-	-	-	308,215	-	-
Operating Transfers	(393,166)	-	430,416	30,000	67,250	39,250	(9,438)
Contingency Reserve	(166,023)	(210,900)	-	-	(376,923)	(348,721)	-
TOTAL OTHER SOURCES AND (USES)	(732,004)	(1,707,338)	430,416	30,000	(1,978,926)	(710,250)	(5,684,557)
Excess (Deficiency) of Revenue Over Expenditures and Other	-	-	-	-	-	-	(7,723,910)
Fund Balance/Fund Equity, Beginning of Year	3,670,746	71,330,649	212,712	3,143	75,217,250	80,326,357	88,050,267
Use of Cash Reserves	-	(7,277,162)	-	-	(7,290,162)	(5,109,107)	(7,723,910)
Fund Balance/Fund Equity, End of Year	\$ 3,670,746	\$ 64,053,487	\$ 212,712	\$ 3,143	\$ 67,927,088	\$ 75,217,250	\$ 80,326,357

Town of Lexington, South Carolina
Revenue, Expenditures and Other Sources and Uses (Summary)

Fiscal Year Ending June 30, 2016
 General Fund



<u>REVENUE</u>	<u>FY 2016</u>
Property Taxes	\$ 3,530,000
Franchise Fees	2,033,000
Business Licenses	4,240,000
Permits	260,000
Fines and Forfeitures	344,180
Rental Income	80,000
Other Governments	540,000
Miscellaneous Income	35,000
	<hr/>
Total Revenue	11,062,180
	<hr/>
 <u>OPERATING EXPENDITURES</u>	
Council and Town Hall Department	178,320
Administration Department	920,529
Finance Department	237,027
Planning, Building and Technology Department	1,097,441
Police Department	4,900,816
Parks, Streets and Sanitation Department	2,495,258
	<hr/>
Total Operating Expenditures	9,829,391
	<hr/>
 <u>OTHER SOURCES AND (USES)</u>	
Interest Income	6,000
Debt Service-Franchise Fee	(494,030)
Capital Outlay	(506,785)
Transfer to Debt Service Fund	(396,166)
Transfer to Victims' Advocate	(30,000)
Specific Encumbrance	13,000
Other Transfer In - Accommodation Tax	33,000
Lease Purchase Financing	308,215
Contingency Reserve (@1.5% of Revenue)	(166,023)
	<hr/>
Total Other Sources and (Uses)	(1,232,789)
	<hr/>
Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)	\$ -
	<hr/> <hr/>

Town of Lexington, South Carolina
Schedule of Fund Balance and Required Reserve

Fiscal Year Ending June 30, 2016
 General Fund



FY 2016

FUND BALANCE AND REQUIRED RESERVE

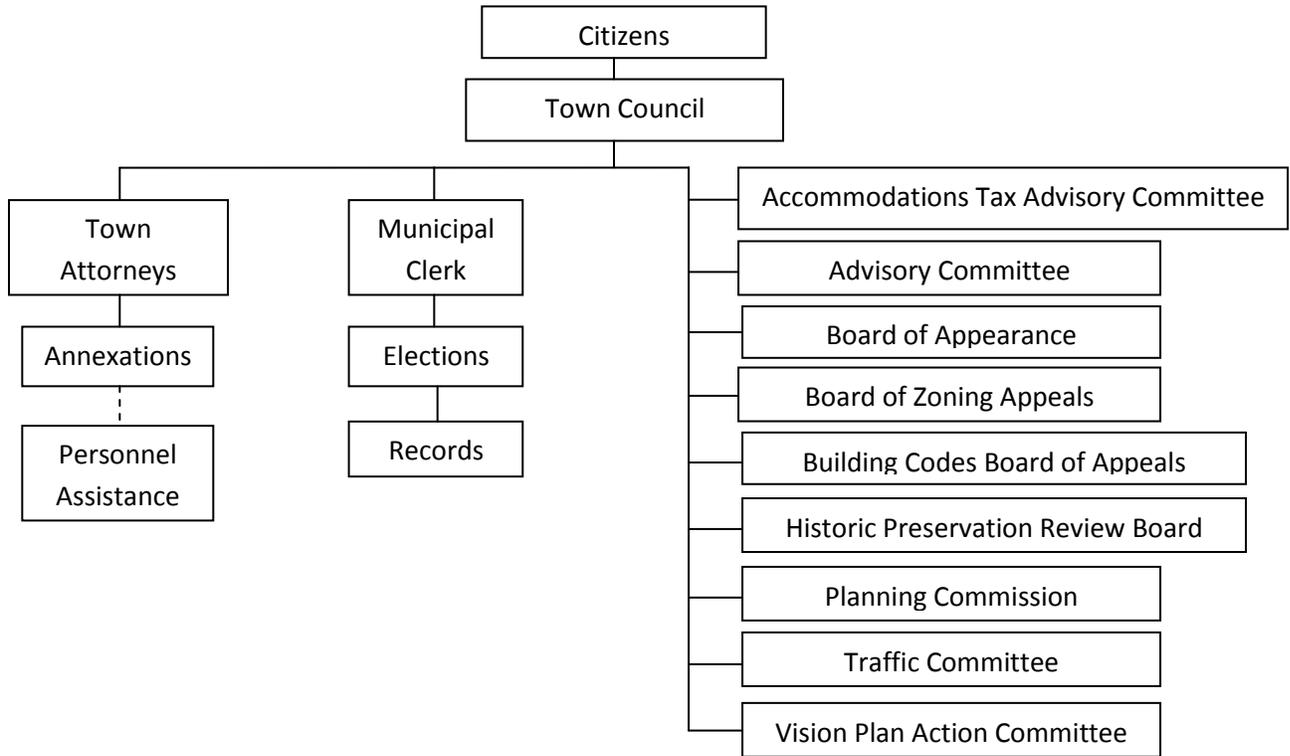
Estimated beginning fund balance at July 1, 2015	\$ 3,915,497
Total revenues	11,062,180
Total operating expenditures	(9,829,391)
Other Sources and (uses)	(1,232,789)
	<u>3,915,497</u>
Estimated approximate fund balance at June 30, 2016	<u>\$ 3,915,497</u>
25% Required Reserve	<u>(2,638,849)</u>
Allocations:	
Operating Contingency Reserve	(166,023)
Total allocations and designations:	<u>(166,023)</u>
Working capital requirements	<u>(819,116)</u>
Estimated net contingent funds through June 30, 2016	<u>\$ 291,509</u>
Required Reserve as a % of estimated fund balance	67%



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>REVENUE</u>						
Property Taxes	\$ 3,291,130	\$ 3,400,000	\$ 3,490,000	\$ 3,530,000	\$ 40,000	1
Franchise Fees	1,259,782	2,400,000	1,400,000	2,033,000	633,000	45.2
Business Licenses	4,002,197	4,075,000	4,175,000	4,240,000	65,000	1.6
Permits	166,429	225,000	280,000	260,000	(20,000)	(7)
Plan Review Fees	22,799	-	-	-	-	-
Fines and Forfeitures	317,844	289,000	340,080	344,180	4,100	1.2
Rental Income	119,820	75,000	80,000	80,000	-	-
Other Governments	418,627	416,416	448,000	540,000	92,000	20.5
Miscellaneous Income	(17,230)	44,000	30,000	35,000	5,000	16.7
Total Revenue	9,581,399	10,924,416	10,243,080	11,062,180	819,100	8.0
<u>OPERATING EXPENDITURES</u>						
Council and Town Hall Department	154,018	190,427	182,558	178,320	(4,238)	(2.3)
Administration Department	848,739	817,750	779,433	920,529	141,096	18.1
Finance Department	236,298	228,321	213,463	237,027	23,564	11.0
Planning, Building and Technology Department	991,514	1,015,009	1,077,290	1,097,441	20,151	1.9
Police Department	4,359,242	4,791,550	5,003,811	4,900,816	(102,995)	(2.1)
Parks, Streets and Sanitation Department	2,254,162	2,241,660	2,291,524	2,495,258	203,734	8.9
Total Operating Expenditures	8,843,973	9,284,717	9,548,079	9,829,391	281,312	2.9
<u>OTHER SOURCES AND (USES)</u>						
Interest Income	1,718	6,500	5,000	6,000	1,000	20
Debt Service-Franchise Fee	-	-	-	(494,030)	(494,030)	-
Capital Outlay	(683,386)	(318,000)	(333,513)	(506,785)	(173,272)	13.0
Sale of Capital Assets (Gain)	23,337	23,337	-	-	-	-
Transfer to Grant Match	(15,000)	-	-	-	-	-
Transfer to Vision Plan	(25,000)	(25,000)	(25,000)	-	25,000	86.5
Transfer to Debt Service Fund	(392,466)	(1,077,566)	(417,566)	(396,166)	21,400	-
Transfer to Victims' Advocate	(20,944)	(27,627)	(27,627)	(30,000)	(2,373)	17.0
Specific Encumbrance	-	-	18,000	13,000	(5,000)	(27.8)
Other Transfer In - Accommodation Tax	58,911	31,000	30,000	33,000	3,000	-
Transfer to Capital Projects-Streets & Infrastructure	-	-	-	-	-	-
Transfer to KEYS	(12,599)	-	-	-	-	-
Lease Purchase Financing	-	-	-	308,215	308,215	-
Main Street Improvement	(50,000)	-	-	-	-	-
Bond Issue	-	-	-	-	-	-
Self Financing of Capital Acquisition	-	-	209,426	-	(209,426)	(100.0)
Contingency Reserve (@1.5% of Revenue)	-	-	(153,721)	(166,023)	(12,302)	1.6
Total Other Sources and (Uses)	(1,115,429)	(1,387,356)	(695,001)	(1,232,789)	(537,788)	77.4
Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)	\$ (378,003)	\$ 252,343	\$ -	\$ -	\$ -	-



COUNCIL



The Town is governed by a Mayor and six-member Town Council who are elected for four-year terms. The Council has the responsibility for setting public policy for the Town. Regularly scheduled Council meetings are held the first Monday of each month.

Achievements for FY 2015:

- Completion of Phase I of the Town’s Unified Traffic Improvement Plan. (S, V, R)
- Completion of the I-20/Sunset Boulevard Interchange Beautification Project through a \$620,000 grant from the SC Department of Transportation. (S, C, R)
- Opening of the new 14 Mile Creek Trail. (S, C, R)
- Continuing upgrades to the Town’s Utility Infrastructure System. (S, V, C)

Goals and Objectives for FY 2015:

- Continuing to build on the Town’s Vision Plan to improve traffic. (S, V, R)
- Implementation of the Adaptive Computerized Signaling system. (S, V, R)
- Development of the Project Icehouse property which will include a 900 seat amphitheater. (S, V, C)

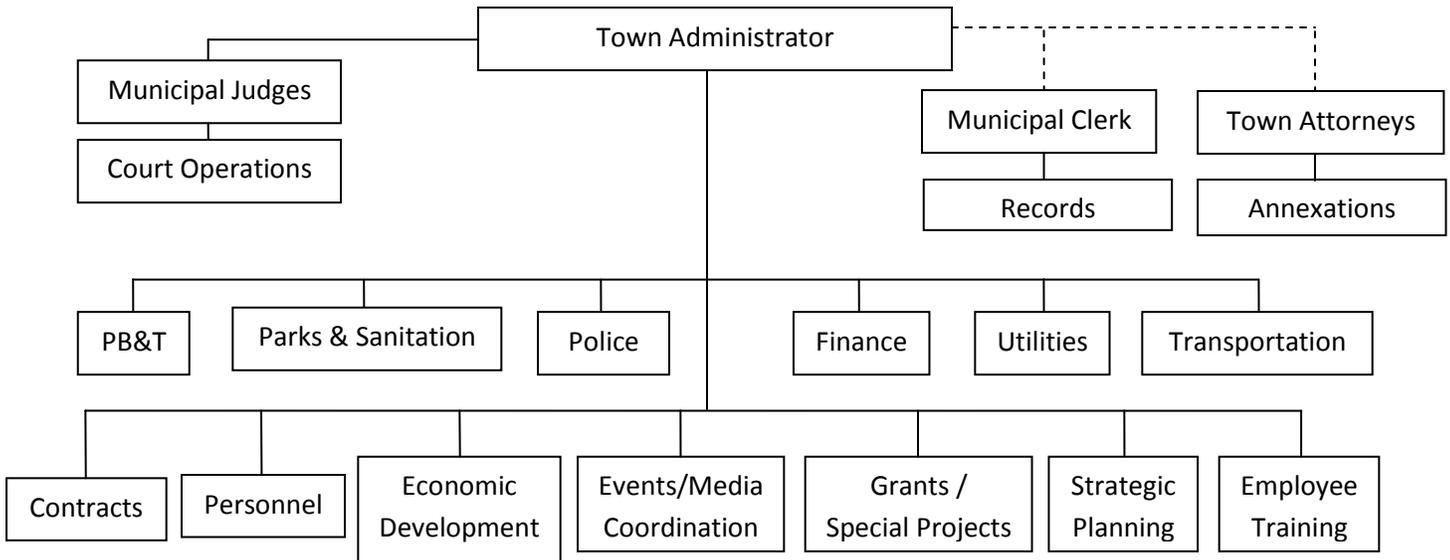
Town of Lexington, South Carolina
Council Department

Fiscal Year Ending June 30, 2016
 General Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 39,813	\$ 43,765	\$ 42,683	\$ 41,575	\$ (1,108)	(2.6)
Overtime	-	-	-	-	-	-
FICA Expense	2,768	3,348	3,266	3,180	(86)	(2.6)
SC Retirement Expense	3,718	4,770	4,169	4,230	61	1.5
Health Insurance - Employee	13,943	18,258	19,962	17,504	(2,458)	(12.3)
Workers Compensation Insurance	381	197	286	176	(110)	(38.5)
Unemployment	-	-	-	-	-	-
Wellness Program	260	253	340	298	(42)	(12.4)
Total Salaries & Fringes Before Allocation	60,882	70,591	70,706	66,963	(3,743)	(5.3)
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	60,882	70,591	70,706	66,963	(3,743)	(5.3)
<u>OPERATING EXPENDITURES</u>						
Advertising	462	2,021	2,500	2,500	-	-
Advisory Boards & Commissions	8,004	10,870	6,000	6,000	-	-
Awards & Memorials	3,160	3,821	2,600	2,600	-	-
Contractual Services	15,768	20,210	29,100	29,095	(5)	(0.0)
Contributions	24,192	22,500	24,500	24,500	-	-
Council Expenses	13,555	21,357	11,375	11,375	-	-
Deeds & Easements	471	295	1,500	1,500	-	-
Dues & Subscriptions	22,625	26,837	22,990	22,990	-	-
Election Expense	12,680	18,026	5,500	5,500	-	-
Film Development	-	-	100	100	-	-
Meetings & Meals	13,848	11,557	11,590	11,590	-	-
Non-Capital - Computer Supplies	9	-	-	-	-	-
Non-Capital - Equipment	224	-	-	-	-	-
Non-Capital - Furniture & Fixtures	2,559	9,091	8,500	8,500	-	-
Office Supplies	759	121	1,550	1,550	-	-
Office Supplies - Postage	1,730	1,479	2,000	1,800	(200)	(10.0)
Printing & Publishing	-	-	600	600	-	-
Professional Services - Legal	39,712	38,870	39,900	39,900	-	-
Screening & Shots	80	62	140	140	-	-
Strategic Plan	-	-	500	500	-	-
Supplies	853	1,289	1,525	740	(785)	(51.5)
Travel & Training	24,231	49,102	49,965	49,965	-	-
Uniforms	18	191	-	-	-	-
Utilities - Tele-Communications	1,332	1,974	1,270	1,270	-	-
Total Operating Expenditures	186,272	239,673	223,705	222,715	(990)	(0.4)
General & Administrative Allocation	(93,136)	(119,837)	(111,853)	(111,358)	495	(0.4)
Total Expenditures	154,018	190,427	182,558	178,320	(4,238)	(2.3)
Capital Outlay Before Allocation	-	-	-	-	-	-
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outlay	\$ 154,018	\$ 190,427	\$ 182,558	\$ 178,320	\$ (4,238)	(2.3)

ADMINISTRATION



The Administration Department:

- Oversees the day-to-day operations of Town services,
- Handles legal and human resource activities,
- Provides support for Town Council,
- Takes care of marketing, and public relations,
- Assists with the job application process, and
- Answers questions regarding Town services.

Achievements for FY 2015:

- Opened Fourteen Mile Creek Trail. (C,V,R)
- Managing of the Gateway Beautification project at I-20 and Sunset Boulevard, the Town’s first Front Porch. (C,V,R)
- Hired a Director of Transportation to implement the Adaptive Signalization project. (S,V)
- Created Downtown TIF District to fund Ice House project. (V,R)
- Completed refund of W&S Revenue Bonds, saving \$1million to our citizens. (S,A,R)

Goals and Objectives for FY 2016:

- Implement and Manage Adaptive Signalization project. (S,V)
- Plan and Develop the Ice House property (amphitheater, retail, etc.). (S,V,C,R)
- Hire a new administrative position focused on overseeing the new Amphitheater and Farmers Market. (S,V)

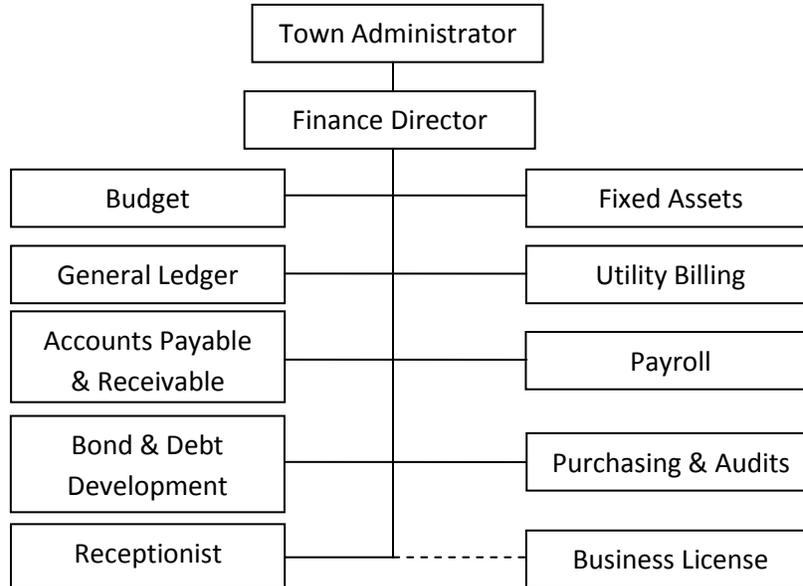
Town of Lexington, South Carolina
Administration Department

Fiscal Year Ending June 30, 2016
 General Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 542,997	\$ 506,681	\$ 485,749	\$ 629,050	\$ 143,301	29.5
Overtime	-	-	150	-	(150)	(100.0)
FICA Expense	39,449	38,761	37,500	48,122	10,622	28.3
SC Retirement Expense	51,632	50,043	49,745	65,577	15,832	31.8
Health Insurance - Employee	51,941	48,694	33,381	62,700	29,319	87.8
Workers Compensation Insurance	11,769	8,740	12,714	6,161	(6,553)	(51.5)
Unemployment	-	-	1,618	2,076	458	28.3
Wellness Program	520	505	681	721	40	5.9
Total Salaries & Fringes Before Allocation	698,308	653,424	621,538	814,407	192,869	31.0
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	698,308	653,424	621,538	814,407	192,869	31.0
<u>OPERATING EXPENDITURES</u>						
Advertising	759	-	5,000	5,000	-	-
Advisory Boards & Commissions	2,945	-	-	-	-	-
Awards & Memorials	-	4,531	5,500	5,500	-	-
Contractual Services	14,535	18,836	12,195	11,545	(650)	(5.3)
Contractual Services - Muni Court	109,577	113,149	100,105	61,800	(38,305)	(38.3)
Downtown Beautification	-	-	-	-	-	-
Dues & Subscriptions	3,184	4,652	5,965	5,965	-	-
Fuels	2,438	1,321	3,000	3,000	-	-
Meetings & Meals	2,246	3,098	4,330	4,330	-	-
Non-Capital - Equipment	-	-	-	-	-	-
Non-Capital - Furniture & Fixtures	-	1,162	300	300	-	-
Office Supplies	3,755	2,581	5,510	5,510	-	-
Court Expenses	2,526	1,750	2,450	2,450	-	-
Office Supplies - Postage	2,611	2,156	4,500	4,000	(500)	(11.1)
Permits & Licenses	782	61	-	-	-	-
Printing & Publishing	11,773	13,061	8,785	8,785	-	-
Professional Services - Legal	307	-	-	-	-	-
Repairs - Automotive	391	1,063	1,500	1,500	-	-
Repairs - Building & Facilities	-	-	25,000	-	(25,000)	(100.0)
Repairs - Equipment	-	-	400	400	-	-
Screening & Shots	230	152	400	400	-	-
Supplies	1,490	847	2,025	1,240	(785)	(38.8)
Travel & Training	25,113	40,000	22,970	22,970	-	-
Uniforms	164	622	800	800	-	-
Utilities - Tele-Communications	3,934	4,712	2,500	2,500	-	-
Total Operating Expenditures	188,760	213,754	213,235	147,995	(65,240)	(30.6)
General & Administrative Allocation	(38,329)	(49,428)	(55,340)	(41,873)	(13,467)	(2.4)
Total Expenditures	848,739	817,750	779,433	920,529	141,096	18.1
Capital Outlay Before Allocation	-	-	25,000	-	(25,000)	(100.0)
Capital Outlay Allocation	-	-	(12,500)	-	12,500	100.0
Total Expenditures and Capital Outlay	\$ 848,739	\$ 817,750	\$ 791,933	\$ 920,529	\$ 128,596	16.2

FINANCE



The Finance Department:

- Provides outstanding customer service to both internal and external customers in a professional, cost efficient and effective manner;
- Provides citizens, customers, decision makers and other interested parties with useful, timely and accurate information; and
- Accounts for and safeguards the financial resources of the Town.

Achievements for FY 2015:

- Received Distinguished Budget Presentation Award from the Government Finance Officers Association for the fifth time. (A, V)
- Received Certificate of Achievement for Excellence in Financial Reporting for the sixteenth time. (A, I)
- Completed implementation of scanning technology to reduce paper. (A, R)
- Completed implementation of automated timeclocks to improve efficiency and effectiveness of payroll reporting. (S, A)

Goals and Objectives for FY 2016:

- Improve reporting timeline. (A, R)
- Improve accounts payable processes by downloading large invoices and importing information into financial software. Thereby improving efficiency and reducing keystroke error. (A, R)

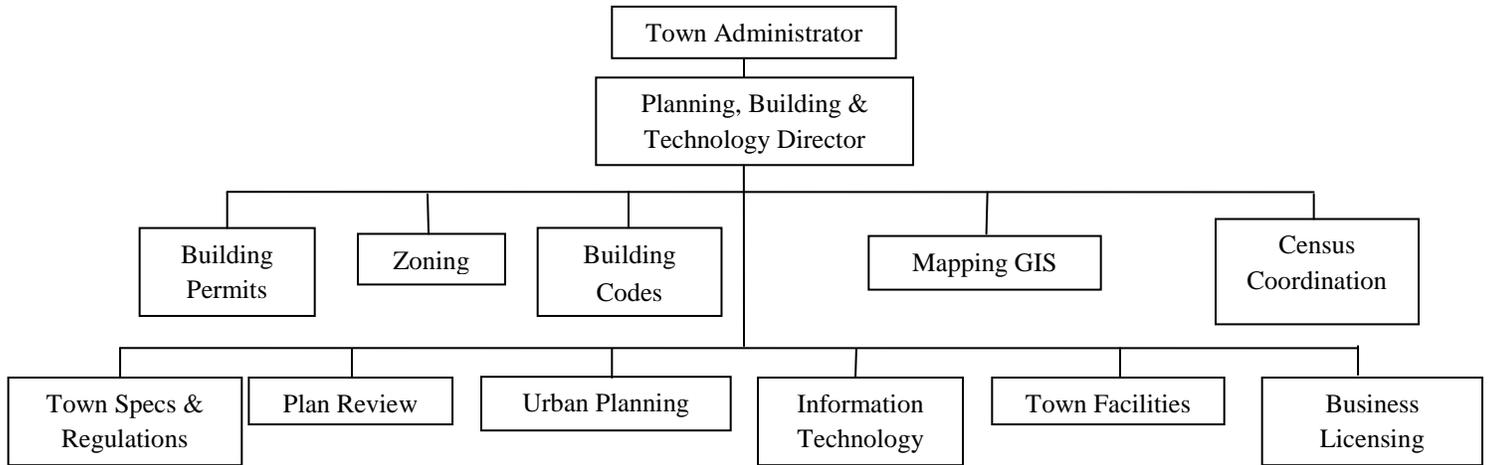
Town of Lexington, South Carolina
Finance Department

Fiscal Year Ending June 30, 2016
 General Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 358,735	\$ 402,257	\$ 373,676	\$ 399,386	\$ 25,710	6.9
Overtime	80	-	500	-	(500)	(100.0)
FICA Expense	11,896	30,773	30,129	30,553	424	1.4
SC Retirement Expense	15,619	43,173	41,496	42,856	1,360	3.3
Health Insurance - Employee	13,071	14,598	35,680	42,855	7,175	20.1
Workers Compensation Insurance	1,387	3,313	3,784	1,610	(2,174)	(57.5)
Unemployment	30	4,860	1,302	1,318	16	1.2
Wellness Program	186	186	486	515	29	6.0
Total Salaries & Fringes Before Allocation	401,004	499,160	487,053	519,093	32,040	6.6
General & Administrative Allocation	(197,348)	(299,496)	(304,032)	(311,456)	(7,424)	2.4
Total Salaries & Fringes	203,656	199,664	183,021	207,637	24,616	13.4
<u>OPERATING EXPENDITURES</u>						
Advertising	451	1,516	400	500	100	25.0
Contractual Services	9,263	9,278	5,709	7,709	2,000	35.0
Dues & Subscriptions	1,255	2,620	1,565	1,465	(100)	(6.4)
Meetings & Meals	235	77	515	400	(115)	(22.3)
Non-Capital - Equipment	-	-	-	-	-	-
Non-Capital - Furniture & Fixtures	-	578	-	-	-	-
Office Supplies	1,661	3,332	2,430	3,600	1,170	48.1
Office Supplies - Postage	1,121	755	1,900	1,550	(350)	(18.4)
Permits & Licenses	16	122	-	80	80	-
Printing & Publishing	2,106	1,480	1,250	1,100	(150)	(12.0)
Professional Services - Audit	23,575	18,350	20,735	18,735	(2,000)	(9.6)
Repairs - Equipment	-	-	250	150	(100)	(40.0)
Screening & Shots	80	212	280	280	-	-
Supplies	352	311	840	420	(420)	(50.0)
Tax Bill Preparation Cost	28,104	30,000	30,000	30,000	-	-
Travel & Training	4,003	2,563	9,731	6,986	(2,745)	(28.2)
Uniforms	316	448	500	500	-	-
Total Operating Expenditures	72,538	71,642	76,105	73,475	(2,630)	(3.5)
General & Administrative Allocation	(39,896)	(42,985)	(45,663)	(44,085)	1,578	3.5
Total Expenditures	236,298	228,321	213,463	237,027	23,564	11.0
Capital Outlay Before Allocation	-	2,341	4,000	-	(4,000)	100.0
Capital Outlay Allocation	-	(1,405)	(2,400)	-	2,400	(100.0)
Total Expenditures and Capital Outlay	\$ 236,298	\$ 229,257	\$ 215,063	\$ 237,027	\$ 21,964	10.2

PLANNING, BUILDING AND TECHNOLOGY



The Planning, Building and Technology Department:

- Enforces the Land Development Regulations, Zoning and Sign Ordinances, Business License Ordinance, and the International Building Codes;
- Produces agendas and coordinates meetings of the Planning Commission, the Board of Zoning Appeals and the Building Code Board of Appeals;
- Issues building, zoning and appeal permits; and
- Manages a wide range of technology issues for the Town.

Achievements for FY 2015:

- Obtained significant improvements to the Town’s software package across all departments by conducting scheduled meetings with the software provider (S,R)
- The IT Department received the SC GMIS Elite Achievers Award for a project to standardize police department software and add remote support capability with the in-car technology features in patrol cars. (S,V,R)
- The IT Department made significant strides toward assisting Council with going to paperless meeting agendas. (S,V,R)
- Completed the demolition of the Icehouse property. (V)
- Marketed and obtained a contract for sale of the Shirey Building. (S,V)
- Completed 29 annexations with approximately 350 acres of property and over 10 million dollars of taxable value. (V, C)

Goals and Objectives for FY 2016:

- Improve customer service and streamline processes by implementing online permit processing. (S, R)
- Improve network performance by adding a proactive monitoring system to the current infrastructure. (S,R)
- Augment and enhance the performance and availability of Town stored data. (S,A,R)
- Improve the content flow and aesthetics of the Government Access Television Channel. (S,C,A)
- Update technology in the Council Chambers. (V,C,A)
- Continue to annex commercial properties into the Town. (V, C)

Town of Lexington, South Carolina
Planning, Building and Technology Department

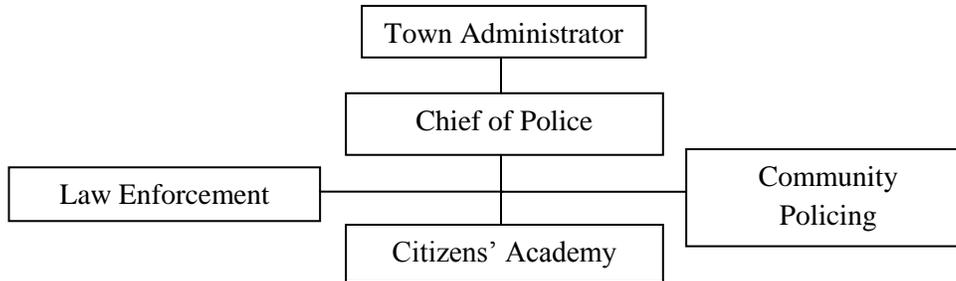
Fiscal Year Ending June 30, 2016
 General Fund



	<u>FY 2014</u> <u>ACTUAL</u>	<u>FY 2015</u> <u>ESTIMATE</u>	<u>FY 2015</u> <u>AMENDED</u> <u>BUDGET</u>	<u>FY 2016</u> <u>BUDGET</u>	<u>\$\$\$</u> <u>VARIANCE</u>	<u>%%%</u> <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 515,425	\$ 452,000	\$ 535,667	\$ 560,765	\$ 25,098	4.7
Overtime	51	-	250	-	(250)	(100.0)
FICA Expense	37,973	34,578	43,154	42,899	(255)	(0.6)
SC Retirement Expense	51,583	49,268	59,434	61,408	1,974	3.3
Health Insurance - Employee	53,458	71,934	73,782	60,583	(13,199)	(17.9)
Workers Compensation Insurance	13,992	12,056	18,945	4,533	(14,412)	(76.1)
Unemployment	422	-	1,862	1,851	(11)	(0.6)
Wellness Program	520	686	1,023	860	(163)	(15.9)
Total Salaries & Fringes Before Allocation	673,424	620,522	734,117	732,899	(1,218)	(0.2)
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	673,424	620,522	734,117	732,899	(1,218)	(0.2)
<u>OPERATING EXPENDITURES</u>						
Advertising	1,102	1,531	1,000	1,000	-	-
Building Maintenance Agreements	79,060	105,000	103,906	104,900	994	1.0
Contractual Services	52,251	52,031	55,960	69,017	13,057	23.3
Dues & Subscriptions	3,165	6,372	3,490	3,910	420	12.0
Fuels	11,133	10,618	14,000	11,000	(3,000)	(21.4)
Insurance - Building & Other	237,686	215,000	225,000	218,000	(7,000)	(3.1)
Meetings & Meals	347	70	750	750	-	-
Non-Capital - Computer Supplies	5,743	3,920	7,750	11,750	4,000	51.6
Non-Capital - Equipment	883	1,397	1,850	1,000	(850)	(45.9)
Non-Capital - Furniture & Fixtures	-	62	2,000	2,000	-	-
Non-Capital - Small Tools	445	538	-	-	-	-
Office Supplies	3,597	4,456	3,550	4,050	500	14.1
Office Supplies - Postage	1,948	3,061	3,000	2,820	(180)	(6.0)
Permits & Licenses	-	28	1,000	1,000	-	-
Rental - Equipment	-	230	-	-	-	-
Repairs - Automotive	2,914	4,189	8,000	6,000	(2,000)	(25.0)
Repairs - Building & Facilities	38,512	24,287	33,570	30,500	(3,070)	(9.1)
Repairs - Equipment	-	34	-	-	-	-
Screening & Shots	380	329	350	350	-	-
Supplies	1,915	4,259	3,025	2,240	(785)	(26.0)
Travel & Training	6,073	13,087	13,750	13,750	-	-
Uniforms	2,213	826	1,950	2,200	250	12.8
Utilities - Electricity	121,866	133,071	117,000	152,000	35,000	29.9
Utilities - Tele-Communications	34,416	36,827	33,750	38,600	4,850	14.4
Total Operating Expenditures	605,647	621,223	634,651	676,837	42,186	6.6
General & Administrative Allocation	(287,557)	(226,736)	(291,478)	(312,295)	(20,817)	7.1
Total Expenditures	991,514	1,015,009	1,077,290	1,097,441	20,151	1.9
Capital Outlay Before Allocation	281,791	51,588	105,150	136,750	31,600	30.1
Capital Outlay Allocation	-	(16,563)	(38,725)	(60,875)	(22,150)	57.2
Total Expenditures and Capital Outlay	\$1,273,305	\$1,050,034	\$ 1,143,715	\$ 1,173,316	\$ 29,601	2.6



POLICE



Mission Statement

To Provide Exceptional Police Service While Building a Partnership with the Community We Serve.

Vision Statement

It is our vision to provide a vibrant, safe and convenient environment to enhance the quality of life of our citizens

Values Statement

In order to maintain effective partnerships built on trust and transparency, the Lexington Police Department must provide fair and impartial policing through the delivery of exemplary

S.E.R.V.I.C.E.

- **S**trive to Persevere
- **E**xcellence thru Competence
- **R**espectful
- **V**alue Communications
- **I**nsure Honesty and Integrity
- **C**ommunity
- **E**ncourage Teamwork

Achievements for FY 2015:

- Held a retreat to focus on new goals and objectives and 3 year strategic planning. (V,C,R)
- 10th Annual Fall Festival held as fund raiser for Adopt-A-Cop raising \$ 4788. (S,C,R)
- Received the “Agency of the Year Award” from the South Carolina Department of Public Safety for excelling in the area of DUI arrests, DUI victim services and underage drinking programs in SC. (S,C)
- Increased our Neighborhood Safety Day attendance by 38%. (V,C)
- Acquired an armored vehicle from the 1033 program with an estimated value of over \$700,000 for less than \$7000. (V,C)
- 27% decrease in burglaries for the 2014 year. (S,C)
- There were no highway fatalities in the Town for 2 years running due to DUI education activities and traffic enforcement. (S,C)

Goals and Objectives for FY 2016:

- Reduce Property Crime by 5% by adjusting district and officer assignments and scheduling. (S,C,R)
- Reduce Response Time to <10 Minutes 80% of the time by implementing alternative reporting systems. (S,C,R)
- Increase Public Knowledge of the Department by increasing followers on all social media utilized by 15%. (C,A)
- Increase Partnerships by increasing Crime/Neighborhood Watch’s by 33% and Neighborhood Safety Days by 25%. (S,C)
- Reduce DUI Incidents by 5% through continuation of DUI enforcement and other educational activities. (S,C)
- Reduce Collisions by 5% through education and analyzing problem intersections with a view to improvements. (S,V,C)

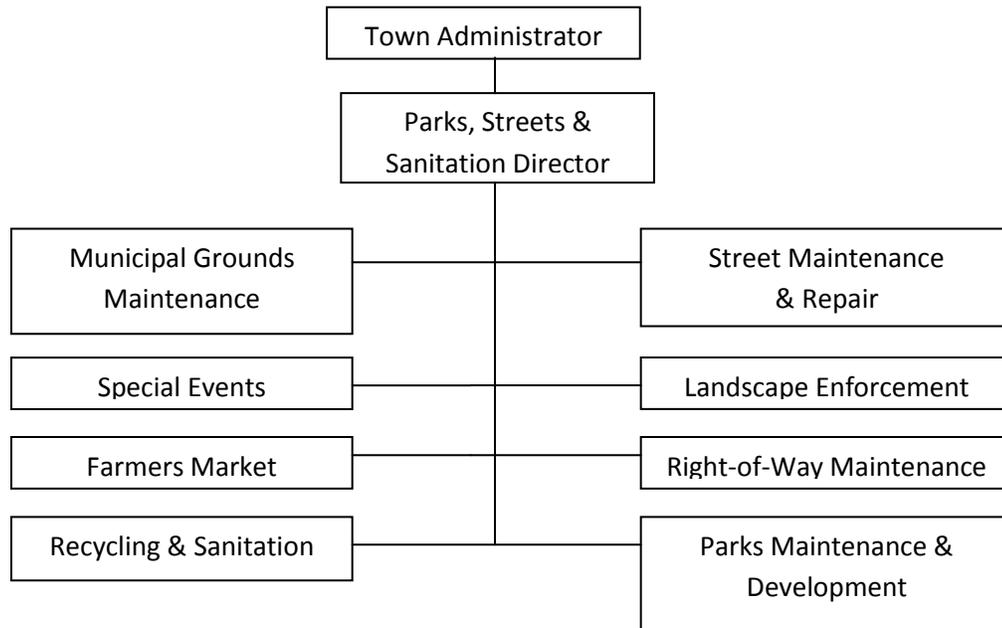
Town of Lexington, South Carolina
Police Department

Fiscal Year Ending June 30, 2016
 General Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 2,660,966	\$ 2,924,132	\$ 2,968,484	\$ 3,009,628	\$ 41,144	1.4
Overtime	166,608	192,778	202,000	210,000	8,000	4.0
FICA Expense	210,570	238,444	242,542	246,302	3,760	1.6
SC Retirement Expense	347,149	390,582	408,908	429,475	20,567	5.0
Health Insurance - Employee	320,128	357,516	381,678	377,741	(3,937)	(1.0)
Workers Compensation Insurance	186,407	161,999	236,984	97,680	(139,304)	(58.8)
Unemployment	1,048	2,662	10,463	10,625	162	1.5
Wellness Program	3,640	3,757	4,867	4,472	(395)	(8.1)
Total Salaries & Fringes Before Allocation	3,896,516	4,271,870	4,455,926	4,385,923	(70,003)	(1.6)
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	3,896,516	4,271,870	4,455,926	4,385,923	(70,003)	(1.6)
<u>OPERATING EXPENDITURES</u>						
Accreditation	4,345	7,563	5,750	9,750	4,000	69.6
Advertising	677	-	750	750	-	-
Awards & Memorials	845	2,354	1,050	1,450	400	38.1
Citizen's Academy	26	1,525	1,900	1,900	-	-
Contractual Services	37,341	64,277	38,325	41,483	3,158	8.2
Contractual Services -DJJ	850	152	4,000	4,000	-	-
Contractual Services - Motorola	23,052	29,540	31,200	34,300	3,100	9.9
Contractual Services - Muni Court	-	-	-	-	-	-
Contractual Services - Scholarship	4,390	-	5,000	5,000	-	-
Contributions	3,716	1,150	1,400	1,400	-	-
Damages	157	325	500	500	-	-
Dues & Subscriptions	5,424	7,630	5,360	7,190	1,830	34.1
Fuels	164,374	128,945	180,000	125,000	(55,000)	(30.6)
Lab Test	-	-	500	500	-	-
Meetings & Meals	2,371	5,534	3,250	4,550	1,300	40.0
Non-Capital - Computer Supplies	-	-	1,050	250	(800)	(76.2)
Non-Capital - Equipment	5,343	5,825	3,625	8,425	4,800	132.4
Non-Capital - Furniture & Fixtures	149	1,784	700	2,250	1,550	221.4
Office Supplies	6,927	6,068	7,715	8,215	500	6.5
Court Expenses	95	-	-	-	-	-
Office Supplies - Postage	11,396	11,723	10,900	17,500	6,600	60.6
Permits & Licenses	267	139	400	400	-	-
Recruitment	1,124	2,231	2,000	2,000	-	-
Repairs - Automotive	52,561	60,581	57,000	57,650	650	1.1
Repairs - Equipment	11,084	8,369	9,000	9,200	200	2.2
Screening & Shots	2,539	6,815	3,150	3,350	200	6.3
Supplies	13,243	17,048	22,285	20,900	(1,385)	(6.2)
Supplies - Ammunition	3,086	10,274	9,050	9,100	50	0.6
Supplies - K-9	374	15	2,000	2,000	-	-
Travel & Training	21,317	48,456	50,490	41,000	(9,490)	(18.8)
Uniforms	18,132	22,787	19,500	22,850	3,350	17.2
Uniforms - Clothing Allowance	11,500	12,000	12,000	12,000	-	-
Utilities - Electricity	33,999	34,000	35,000	34,000	(1,000)	(2.9)
Utilities - Tele-Communications	20,522	22,570	18,035	21,030	2,995	16.6
Drug Fund Expenses	1,500	-	5,000	5,000	-	-
Total Operating Expenditures	462,726	519,680	547,885	514,893	(32,992)	(6.0)
General & Administrative Allocation	-	-	-	-	-	-
Total Expenditures	4,359,242	4,791,550	5,003,811	4,900,816	(102,995)	(2.1)
Capital Outlay Before Allocation	314,437	211,909	214,623	251,895	37,272	17.4
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outlay	\$ 4,673,679	\$ 5,003,459	\$ 5,218,434	\$ 5,152,711	\$ (65,723)	(1.3)

PARKS, STREETS AND SANITATION



The Parks, Streets and Sanitation Department:

- Maintains existing parks,
- Develops new parks,
- Currently maintains Town owned streets,
- Currently administers street lights, and
- Administers garbage pickup for Town residents.

Achievements for FY 2015:

- Site preparation and support for new extended Lexington Famers Market. (S, C)
- Took over upkeep for Beautification project Sunset Boulevard at Interstate 20. (V, C)
- Building mini parks at West Main Street/Highway 378 and Sunset Boulevard/North Lake Drive. (S, C)

Goals and Objectives for FY 2016:

- Design, Build and Maintain Amphitheater Park on the Ice House Property (S, C, R)
- Improve appearance of street right-of-way's in town (S, C, R)
- Add mini-parks around town (S, C, R)
- Design, Build and maintain 2 new Front Porches into Town (S, C)

Town of Lexington, South Carolina
Parks, Streets and Sanitation Department

Fiscal Year Ending June 30, 2016
 General Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 707,018	\$ 772,591	\$ 781,613	\$ 838,175	\$ 56,562	7.2
Overtime	11,660	14,000	11,000	11,000	-	-
FICA Expense	53,205	60,174	61,821	64,962	3,141	5.1
SC Retirement Expense	72,873	85,021	86,163	91,566	5,403	6.3
Health Insurance - Employee	112,230	114,493	130,368	141,323	10,955	8.4
Workers Compensation Insurance	26,722	23,000	32,460	13,024	(19,436)	(59.9)
Unemployment	(26)	-	2,667	2,802	135	5.1
Wellness Program	1,114	1,083	1,465	1,520	55	3.8
Total Salaries & Fringes Before Allocation	984,796	1,070,362	1,107,557	1,164,372	56,815	5.1
General & Administrative Allocation	-	(49,515)	(123,271)	-	123,271	(100.0)
Total Salaries & Fringes	984,796	1,020,847	984,286	1,164,372	180,086	18.3
<u>OPERATING EXPENDITURES</u>						
Advertising	1,246	3,985	800	1,800	1,000	125.0
Contractual Services	802,683	753,112	826,074	938,874	112,800	13.7
Damages	130	-	-	-	-	-
Downtown Beautification	1,377	9,157	20,110	22,510	2,400	11.9
Dues & Subscriptions	(2)	-	225	625	400	177.8
Fuels	30,189	24,651	20,700	18,591	(2,109)	(10.2)
Lab Test	18	-	75	75	-	-
Meetings & Meals	14	300	500	900	400	80.0
Non-Capital - Computer Supplies	-	100	-	1,450	1,450	-
Non-Capital - Equipment	428	696	2,890	2,890	-	-
Non-Capital - Furniture & Fixtures	-	250	-	4,000	4,000	-
Non-Capital - Small Tools	635	3,782	2,495	2,684	189	7.6
Office Supplies	491	1,394	980	1,980	1,000	102.0
Office Supplies - Postage	1,730	1,478	2,000	1,700	(300)	(15.0)
Permits & Licenses	58	78	100	100	-	-
Printing & Publishing	-	-	-	-	-	-
Rental - Equipment	3,112	6,987	7,600	3,500	(4,100)	(53.9)
Repairs - Automotive	11,073	11,850	8,940	14,940	6,000	67.1
Repairs - Building & Facilities	190	360	1,000	1,000	-	-
Repairs - Equipment	15,786	14,994	8,935	5,011	(3,924)	(43.9)
Screening & Shots	978	2,004	930	1,470	540	58.1
Supplies	59,464	65,760	59,514	60,804	1,290	2.2
Travel & Training	331	7,299	450	5,450	5,000	1,111.1
Uniforms	4,782	6,303	6,300	7,300	1,000	15.9
Utilities - Electricity	328,542	299,087	332,000	326,000	(6,000)	(1.8)
Utilities - Tele-Communications	6,111	7,184	4,620	7,020	2,400	51.9
Total Operating Expenditures	1,269,366	1,220,813	1,307,238	1,430,674	123,436	9.4
General & Administrative Allocation	-	-	-	(99,788)	(99,788)	-
Total Expenditures	2,254,162	2,241,660	2,291,524	2,495,258	203,734	8.9
Capital Outlay Before Allocation	87,158	27,931	38,365	231,065	192,700	502.3
Capital Outlay Allocation	-	-	-	(52,050)	(52,050)	-
Total Expenditures and Capital Outlay	\$ 2,341,320	\$ 2,269,591	\$ 2,329,889	\$ 2,674,273	\$ 344,384	14.8

Town of Lexington, South Carolina
Positions by Department

Fiscal Year Ending June 30, 2016
 General Fund



	<u>Current Year</u> <u>FY 2014</u>	<u>Current Year</u> <u>FY 2015</u>	<u>Budgeted</u> <u>FY 2016</u>
<u>Council</u>			
Mayor	1	1	1
Mayor Pro-Tem	1	1	1
Council	5	5	5
Total	<u>7</u>	<u>7</u>	<u>7</u>
<u>Administration</u>			
Town Administrator	1	1	1
Assistant Town Administrator	1	1	1
Town Attorney	1	1	1
Town Prosecutor	1	1	1
Economic Development Catalyst	1	1	1
Downtown Liason	-	-	1
Municipal Clerk	1	1	1
Events & Media Coordinator	1	1	1
Grants Administrator	1	1	1
Municipal Judge	-	1	1
Clerk of Court	1	1	1
Clerical Assistant	3	3	3
Total	<u>12</u>	<u>13</u>	<u>14</u>
<u>Finance</u>			
Finance Director	1	1	1
Assistant Finance Director	1	1	1
Accountant II	1	1	1
Accountant I	1	1	1
Accounting Clerk	1	1	1
Receptionist/Accounts Payable	-	1	1
Total	<u>5</u>	<u>6</u>	<u>6</u>
<u>Planning, Building and Technology</u>			
Director of Planning, Building and Technology	1	1	1
Administrative Assistant	2	2	2
Accountant I- Business License	1	1	1
Building Inspector	2	2	2
Building Official	1	1	1
Code Enforcement	1	1	1
Engineer	1	1	1
Engineer Associate	1	1	1
Help Desk/Junior Network Administrator	1	1	1
Maintenance	2	2	2
Information Techonology Manager	1	1	1
Total	<u>14</u>	<u>14</u>	<u>14</u>

Town of Lexington, South Carolina
Positions by Department (Continued)

Fiscal Year Ending June 30, 2016
 General Fund



	Prior Year FY 2014	Current Year FY 2015	Budgeted FY 2016
<u>Police</u>			
Chief of Police	1	1	1
Major	1	1	1
Lieutenant/Criminal Invst	1	1	1
Lieutenant/Patrol	1	1	1
Lieutenant/Professional Standards	1	1	1
Lieutenant/Special Operations	1	1	1
Sergeant	4	4	4
Corporal	7	7	7
Detective	4	4	4
Crime Scene Investigator	1	1	1
Gang Investigator	1	1	1
Inspector	1	1	1
Patrolman	20	22	22
School Resource Officer	2	2	2
Administrative Specialist	1	1	1
Clerical Assistant	1	1	1
Records Management	1	1	1
Victims' Advocate	1	1	1
Total	<u>50</u>	<u>52</u>	<u>52</u>
<u>Parks and Sanitation</u>			
Director of Parks, Streets and Sanitation	1	1	1
Foreman	1	1	1
Landscape Technician	1	1	1
Assistant Landscape Technician	3	3	5
Street Supervisor	1	1	-
Street Technician	1	1	-
Assistant Street Technician	2	2	-
Grounds Maintenance Worker	4	4	5
Secretary	1	1	1
Total	<u>15</u>	<u>15</u>	<u>14</u>
<u>Transportation</u>			
Transportation Director	-	1	1
Streets Maintenance Foreman	-	-	1
Street Supervisor	-	-	1
Street Maintenance II	-	-	1
Street Maintenance I	-	-	1
Total	<u>-</u>	<u>1</u>	<u>5</u>
Total General Fund	<u>103</u>	<u>108</u>	<u>112</u>

Town of Lexington, South Carolina
New Personnel

Fiscal Year Ending June 30, 2016
 General Fund



	<u>ADMINISTRATION</u>	<u>PARKS</u>	<u>PARKS</u>	<u>TRANSPORTATION</u>	<u>TOTALS</u>
	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2016</u>
Salary	\$ 40,193	\$ 29,934	\$ 31,632	\$ 46,914	\$ 148,673
Overtime	-	-	-	-	-
FICA	3,074	2,290	2,420	3,589	11,373
SC Retirement	4,385	3,266	3,451	5,118	16,220
SC Group Life	61	45	47	70	223
Health Insurance	11,820	11,820	11,820	11,820	47,280
Worker's Compensation Insurance	2,108	1,820	1,923	600	6,451
Unemployment	133	99	104	155	491
Total Salaries & Fringes Before Allocation	<u>61,774</u>	<u>49,274</u>	<u>51,397</u>	<u>68,266</u>	<u>230,711</u>
General & Administrative Allocation	<u>(30,887)</u>	<u>-</u>	<u>-</u>	<u>(17,067)</u>	<u>(47,954)</u>
Total Salaries & Fringes	<u>30,887</u>	<u>49,274</u>	<u>51,397</u>	<u>51,199</u>	<u>182,757</u>
Totals	<u>\$ 30,887</u> (1)	<u>\$ 49,274</u> (2)	<u>\$ 51,397</u> (3)	<u>\$ 51,199</u> (4)	<u>\$ 182,757</u>

Notes:

- (1) Downtown Liason (August 2015)
- (2) Grounds Maintenance Worker
- (3) Assistant Landscape Technician
- (4) Streets Maintenance Foreman



	#	FY 2016
<u>Planning, Building and Technology</u>		
PC's, Laptops/tablets	1	\$ 45,000
UPS for PC/Servers/Switches	1	3,000
Switches	-	5,000
Wireless Access Points	1	800
Printers	2	1,200
Firewall(Carryover)	1	8,000
Police Camera Storage (Carryover)	1	5,000
Network Management Software	1	10,000
Additional Server Backup	1	3,250
Isys Access Card	-	1,000
LED Lights Atrium and Bollards	-	11,100
Magnetic Door Lock for Atrium	-	3,900
Conference Center Carpet	-	22,000
PCI Exterior and Interior Painting	-	10,000
Town Hall Light Pole Painting	-	7,500
Total Planning, Building and Technology		<u>136,750</u>
Allocation to Enterprise Fund		<u>(60,875)</u>
<u>Police Department</u>		
Vehicles - Replacements for Patrol	2	57,000
Equipment for Patrol Replacements	2	22,000
Ballistic Vests	5	4,000
EST Ballistic Vests	7	13,300
Tasers w/Holsters/XPPM	10	12,000
PPE Kits	10	10,000
Rifles	2	2,400
Firearms Range Target System	1	129,200
Surveillance Cell Phone App	1	1,995
Total Police		<u>251,895</u>
<u>Parks, Streets and Sanitation Department</u>		
Dingo 323 Power Plant	1	20,839
Grasshopper Dethatcher	1	2,026
Bucket Truck F-550/Equipment	1	140,000
Service Van	1	30,000
ACAD Computer-Signals	1	3,200
Signal Testing Equipment	1	5,000
Signal Shop Development/Building	1	30,000
Total Parks, Streets and Sanitation		<u>231,065</u>
Allocation to Enterprise Fund		<u>(52,050)</u>
Total Capital Outlay Requests		<u>\$ 506,785</u>

Town of Lexington, South Carolina
Revenue, Expenditures and Other Sources and Uses (Summary)

Fiscal Year Ending June 30, 2016
 Enterprise Fund



<u>REVENUE</u>	<u>FY 2016</u>
Water Service	\$ 5,150,000
Sewer Service	8,300,000
Tap Fees	120,000
Service Fees	90,000
Late Fees	270,000
Miscellaneous Income	90,000
	<hr/>
Total Revenue	14,020,000
	<hr/>
 <u>OPERATING EXPENDITURES</u>	
Council and Town Hall Department	179,661
Administration Department	653,607
Finance Department	1,017,325
Planning, Building and Technology	645,293
Parks, Streets and Sanitation Department	192,779
Utilities Department	7,127,087
	<hr/>
Total Operating Expenditures	9,815,752
	<hr/>
 <u>OTHER SOURCES AND (USES)</u>	
Interest Income	40,000
Capital Contribution Fees	1,600,000
Debt Service	(3,637,085)
Capital Equipment	(499,825)
Capital Projects (Net) and Reserves	(8,773,600)
Previous Bond/Ban Issue	7,277,162
Contingency Reserve(@1.5% of Revenue)	(210,900)
	<hr/>
Total Other Sources and (Uses)	(4,204,248)
	<hr/>
Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)	\$ -
	<hr/> <hr/>

Town of Lexington, South Carolina
Summary of Revenue and Expenses (Accrual Basis)

Fiscal Year Ending June 30, 2016
 Enterprise Fund



	FY 2014 <u>Actual</u>	FY 2015 <u>Estimate</u>	FY 2015 <u>Budget</u>	FY 2016 <u>(Budget)</u>
Operating Revenue				
Water Service	\$ 4,729,861	\$ 4,998,000	\$ 4,700,000	\$ 5,150,000
Sewer Service	7,792,979	8,017,000	7,700,000	8,300,000
Tap Fees	126,810	116,526	140,000	120,000
Service Fees	66,446	79,163	100,000	90,000
Late Fees	253,760	275,534	270,000	270,000
Miscellaneous Income	85,596	96,010	50,000	90,000
Total operating revenue	<u>13,055,451</u>	<u>13,582,233</u>	<u>12,960,000</u>	<u>14,020,000</u>
Operating Expenses				
Council and Town Hall Department	154,250	190,428	183,900	179,661
Administration Department	541,984	635,372	677,689	653,607
Finance Department	844,253	968,014	986,437	1,017,325
Planning Building and Technology Department	653,129	553,125	633,674	645,293
Parks, Streets and Sanitation Department	-	49,515	123,271	192,779
Utilities Department	6,852,423	6,171,762	6,886,534	7,127,087
Other operating expenses	3,214,652	3,671,128	2,400,000	3,647,271
Total operating expenses	<u>12,260,691</u>	<u>12,239,344</u>	<u>11,891,505</u>	<u>13,463,023</u>
Operating income	<u>794,760</u>	<u>1,342,889</u>	<u>1,068,495</u>	<u>556,977</u>
Non-Operating Revenue (Expenses)				
Interest income	42,670	37,099	40,000	40,000
Capital Contributions	2,925,129	2,145,685	1,400,000	1,600,000
Interest expense	(1,805,668)	(2,495,101)	(2,495,101)	(2,305,025)
Bond issuance costs	(260,119)	(118,444)	(130,933)	(130,933)
Total non-operating revenue (expenses)	<u>902,012</u>	<u>(430,761)</u>	<u>(1,186,034)</u>	<u>(795,958)</u>
Net Income (loss)	<u>\$ 1,696,772</u>	<u>\$ 912,128</u>	<u>\$ (117,539)</u>	<u>\$ (238,981)</u>

	FY 2014 <u>Actual</u>	FY 2015 <u>Estimate</u>	FY 2015 <u>Budget</u>	FY 2016 <u>(Budget)</u>
Net Income (loss)	\$ 1,696,772	\$ 912,128	\$ (117,539)	\$ (238,981)
Adjustments:				
Non Cash Capital Contributions	1,499,347	-	-	-
Depreciation and amortization	3,474,771	3,789,572	2,530,933	3,778,204
Interest expense	1,805,668	2,495,101	2,495,101	2,305,025
Debt coverage adjustments	<u>6,779,786</u>	<u>6,284,673</u>	<u>5,026,034</u>	6,083,229
Debt coverage income	\$ 8,476,558	\$ 7,196,801	\$ 4,908,495	\$ 5,844,248
Debt service	3,298,295	3,385,101	3,385,101	3,357,133
Debt coverage ratio	2.57	2.13	1.45	1.74

Operational Debt Coverage Calculation:

Debt Coverage Income	\$ 8,476,558	\$ 7,196,801	\$ 4,908,495	\$ 5,844,248
Adjustments:				
Cash Capital Contributions	<u>(1,425,782)</u>	<u>(1,150,000)</u>	<u>(1,400,000)</u>	(1,600,000)
Operational Debt coverage income	\$ 7,050,776	\$ 6,046,801	\$ 3,508,495	\$ 4,244,248
Debt service	3,298,295	3,385,101	3,385,101	3,357,133
Debt coverage ratio	2.14	1.79	1.04	1.26

Town of Lexington, South Carolina
Revenue, Expenditures and Other Sources and Uses

Fiscal Year Ending June 30, 2016
 Enterprise Fund



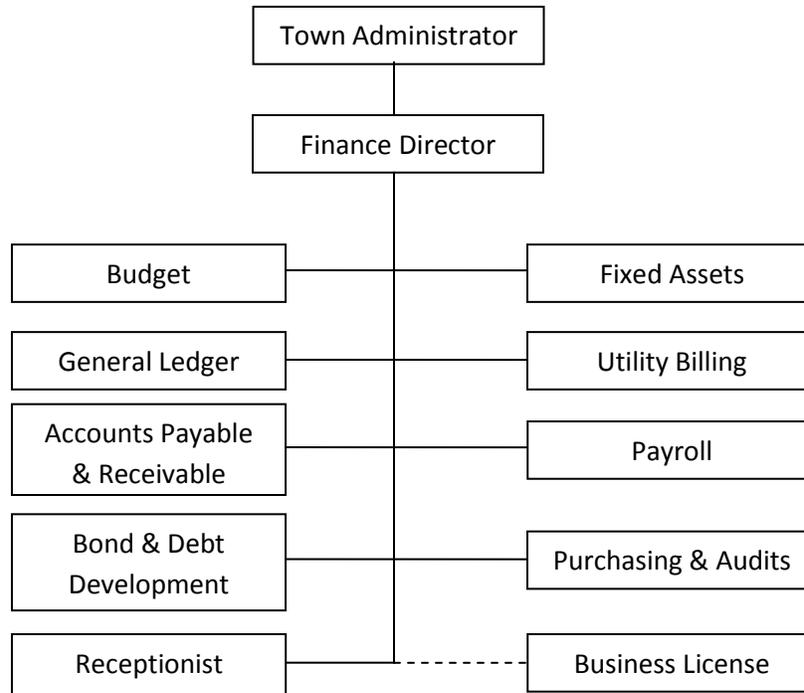
	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>REVENUE</u>						
Water Service	\$ 4,729,861	\$ 4,998,000	\$ 4,700,000	\$ 5,150,000	\$ 450,000	9.6
Sewer Service	7,792,979	8,017,000	7,700,000	8,300,000	600,000	7.8
Tap Fees	126,810	116,526	140,000	120,000	(20,000)	-
Service Fees	66,446	79,163	100,000	90,000	(10,000)	(10.0)
Late Fees	253,760	275,534	270,000	270,000	-	-
Miscellaneous Income	85,595	96,010	50,000	90,000	40,000	80.0
Total Revenue	13,055,451	13,582,233	12,960,000	14,020,000	1,060,000	8.2
<u>OPERATING EXPENDITURES</u>						
Council and Town Hall Department	154,250	190,428	183,900	179,661	(4,239)	(2.3)
Administration Department	541,984	635,372	677,689	653,607	(24,082)	(3.6)
Finance Department	844,253	968,014	986,437	1,017,325	30,888	3.1
Planning, Building and Technology	653,129	553,125	633,674	645,293	11,619	1.8
Parks, Streets and Sanitation Department	-	49,515	123,271	192,779	69,508	56.4
Utilities Department	6,852,423	6,171,762	6,886,534	7,127,087	240,553	3.5
Total Operating Expenditures	9,046,039	8,568,216	9,491,505	9,815,752	324,247	3.4
<u>OTHER SOURCES AND (USES)</u>						
Interest Income	42,670	37,099	40,000	40,000	-	-
Capital Contribution Fees	2,925,129	2,145,685	1,400,000	1,600,000	200,000	14
Debt Service	(3,298,295)	(3,385,101)	(3,671,365)	(3,637,085)	34,280	-
Capital Equipment	(162,205)	(400,000)	(401,425)	(499,825)	(98,400)	-
Capital Projects (Net) and Reserves	(5,512,914)	(5,500,000)	(13,033,000)	(8,773,600)	4,259,400	-
Cash Reserves	-	-	4,887,181	-	(4,887,181)	(100.0)
Gain on Sale of Asset	-	-	-	-	-	-
Previous Bond/Ban Issue	-	-	7,505,114	7,277,162	(227,952)	(3.0)
Contingency Reserve(@1.5% of Revenue)	-	-	(195,000)	(210,900)	(15,900)	-
Total Other Sources and (Uses)	(6,005,615)	(7,102,317)	(3,468,495)	(4,204,248)	(735,753)	21.2
Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)	\$ (1,996,203)	\$ (2,088,300)	\$ -	\$ -	\$ -	-



Fiscal Year Ending June 30, 2016

	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>COUNCIL SALARIES & FRINGES</u>						
Salaries	\$ 39,815	\$ 43,765	\$ 42,683	\$ 41,575	\$ (1,108)	(2.6)
Overtime	-	-	-	-	-	-
FICA Expense	2,770	3,348	3,265	3,180	(85)	(2.6)
SC Retirement Expense	3,719	4,770	4,170	4,230	60	1.4
Retiree Health Care-OPEB	227	-	1,340	1,340	-	-
Health Insurance - Employee	13,943	18,258	19,962	17,504	(2,458)	(12.3)
Workers Compensation Insurance	380	197	286	176	(110)	(38.5)
Unemployment	-	-	-	-	-	-
Wellness Program	260	253	341	298	(43)	(12.6)
Total Salaries & Fringes	61,114	70,591	72,047	68,303	(3,744)	(5.2)
<u>COUNCIL OPERATING EXPENDITURES</u>						
Total Council Operating Expenditures	93,136	119,837	111,853	111,358	(495)	(0.4)
Total Expenditures	\$ 154,250	\$ 190,428	\$ 183,900	\$ 179,661	\$ (4,239)	(2.3)
<u>ADMINISTRATION SALARIES & FRINGES</u>						
Salaries	\$ 396,453	\$ 453,923	\$ 477,269	\$ 475,652	\$ (1,617)	(0.3)
Overtime	-	-	150	-	(150)	(100.0)
FICA Expense	28,509	34,725	36,523	36,387	(135)	(0.4)
SC Retirement Expense	37,607	47,080	48,587	49,195	608	1.3
Retiree Health Care-OPEB	2,260	1,675	1,675	1,675	-	-
Health Insurance - Employee	29,295	39,180	43,849	42,123	(1,726)	(3.9)
Workers Compensation Insurance	9,310	9,000	12,234	4,662	(7,572)	(61.9)
Unemployment	-	-	1,575	1,570	(6)	(0.4)
Wellness Program	371	361	487	470	(17)	(3.5)
Total Salaries & Fringes	503,805	585,944	622,349	611,734	(10,615)	(1.7)
<u>ADMINISTRATION OPERATING EXPENDITURES</u>						
Total Administration Operating Expenditures	38,179	49,428	55,340	41,873	(13,467)	(24.3)
Total Expenditures	\$ 541,984	\$ 635,372	\$ 677,689	\$ 653,607	\$ (24,082)	(3.6)
<u>PLANNING, BUILDING AND TECHNOLOGY SALARIES & FRINGES</u>						
Salaries	\$ 276,170	\$ 248,461	\$ 254,244	\$ 252,337	\$ (1,907)	(0.8)
Overtime	51	-	250	-	(250)	(100.0)
FICA Expense	20,753	19,007	19,469	19,304	(165)	(0.8)
SC Retirement Expense	28,278	27,082	27,309	27,225	(84)	(0.3)
Retiree Health Care-OPEB	1,574	1,675	1,675	1,675	-	-
Health Insurance - Employee	27,763	24,061	29,498	24,379	(5,119)	(17.4)
Workers Compensation Insurance	9,861	5,850	8,511	6,901	(1,610)	(18.9)
Unemployment	-	-	840	833	(7)	(0.8)
Wellness Program	446	253	400	344	(56)	(14.0)
Total Salaries & Fringes	364,896	326,389	342,196	332,998	(9,198)	(2.7)
<u>PLANNING, BUILDING AND TECHNOLOGY OPERATING EXPENDITURES</u>						
Total Planning, Building and Technology Operating Expenditures	288,233	226,736	291,478	312,295	20,817	7.1
Total Expenditures	\$ 653,129	\$ 553,125	\$ 633,674	\$ 645,293	\$ 11,619	1.8
<u>PARKS, STREETS AND SANITATION SALARIES & FRINGES</u>						
Salaries	\$ -	\$ 41,065	\$ 88,197	\$ 68,970	\$ (19,227)	(21.8)
Overtime	-	-	-	-	-	-
FICA Expense	-	3,141	6,747	5,276	(1,471)	(21.8)
SC Retirement Expense	-	4,422	9,613	7,518	(2,095)	(21.8)
Retiree Health Care-OPEB	-	-	-	-	-	-
Health Insurance - Employee	-	-	14,840	10,301	(4,539)	(30.6)
Workers Compensation Insurance	-	887	3,583	592	(2,991)	(83.5)
Unemployment	-	-	291	228	(63)	(21.8)
Wellness Program	-	-	-	106	106	-
Total Salaries & Fringes	-	49,515	123,271	92,991	(30,280)	(24.6)
<u>PARKS, STREETS AND SANITATION OPERATING EXPENDITURES</u>						
Total Parks, Streets and Sanitation Operating Expenditures	-	-	-	99,788	99,788	-
Total Expenditures	\$ -	\$ 49,515	\$ 123,271	\$ 192,779	\$ 69,508	56.4

FINANCE



The Finance Department:

- Provides outstanding customer service to both internal and external customers in a professional, cost efficient and effective manner;
- Provides citizens, customers, decision makers and other interested parties with useful, timely and accurate information; and
- Accounts for and safeguards the financial resources of the Town.

Achievements for FY 2015:

- Implemented additional radio read applications for reading sewer meters for customers with split systems to improve efficiency and effectiveness of meter reading. (S, A)
- Implemented an improved bill printing process to provide a more understandable bill as well as to provide for making changes to the bill as needed on the fly. (S, A, R)

Goals and Objectives for FY 2016:

- Implement an automated phone payment system. (S, A)
- Improve information provided to customers regarding their account on the web site. (S, C, A)

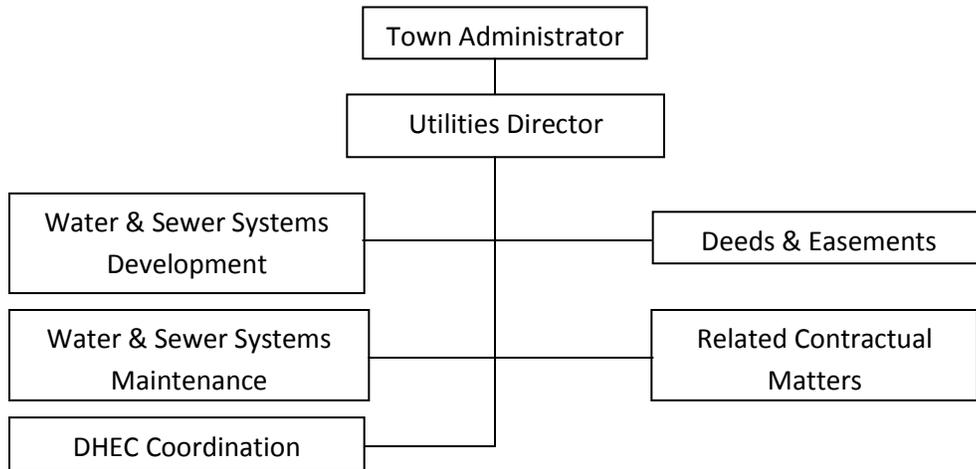
Town of Lexington, South Carolina
Finance Department

Fiscal Year Ending June 30, 2016
 Enterprise Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 290,270	\$ 247,987	\$ 294,725	\$ 299,733	\$ 5,008	1.7
Overtime	4,469	1,643	2,000	1,800	(200)	(10.0)
FICA Expense	36,256	19,097	22,699	23,067	368	1.6
SC Retirement Expense	48,797	47,193	31,333	32,522	1,189	3.8
Retiree Health Care -OPEB	1,665	-	-	-	-	-
Health Insurance - Employee	53,229	60,259	39,908	46,548	6,640	16.6
Other Post Employment Benefits (OPEB)	-	-	9,105	9,105	-	-
Workers Compensation Insurance	7,861	7,839	8,184	3,071	(5,113)	(62.5)
Unemployment	-	-	979	995	16	1.6
Wellness Program	-	693	584	515	(69)	(11.8)
Total Salaries & Fringes Before Allocation	442,547	384,711	409,517	417,356	7,839	1.9
General & Administrative Allocation	197,348	299,496	304,032	311,456	7,424	2.4
Total Salaries & Fringes	639,895	684,207	713,549	728,812	15,263	2.1
<u>OPERATING EXPENDITURES</u>						
Contractual Services	79,020	137,296	115,874	129,100	13,226	11.4
Deeds & Easements	-	-	-	-	-	-
Dues & Subscriptions	-	-	90	90	-	-
Fuels	10,963	9,293	13,200	11,200	(2,000)	(15.2)
Meetings & Meals	202	72	500	300	(200)	(40.0)
Meters, Pipes & Fittings	1,994	2,789	2,000	2,000	-	-
Non-Capital - Equipment	-	-	100	100	-	-
Non-Capital - Furniture & Fixtures	170	1,394	-	-	-	-
Non-Capital - Small Tools	89	1,184	1,000	1,000	-	-
Office Supplies	1,965	2,780	2,700	2,500	(200)	(7.4)
Office Supplies - Postage	63,820	69,399	73,000	80,600	7,600	10.4
Printing & Publishing	-	140	-	-	-	-
Professional Services - Audit	-	7,825	7,500	7,500	-	-
Professional Services - Legal	-	-	-	-	-	-
Repairs - Automotive	1,245	1,941	2,400	2,400	-	-
Repairs - Computers	889	1,467	-	-	-	-
Repairs - Equipment	-	-	255	252	(3)	(1.2)
Screening & Shots	265	120	306	206	(100)	(32.7)
Supplies	653	423	1,300	880	(420)	(32.3)
Travel & Training	982	2,475	3,700	3,700	-	-
Uniforms	859	1,133	1,300	1,100	(200)	(15.4)
Utilities - Tele-Communications	1,346	1,091	2,000	1,500	(500)	(25.0)
Total Operating Expenditures	164,462	240,822	227,225	244,428	17,203	7.6
General & Administrative Allocation	39,896	42,985	45,663	44,085	1,578	3.5
Total Expenditures	844,253	968,014	986,437	1,017,325	30,888	3.1
Capital Outlay Before Allocation	-	4,800	4,800	21,000	16,200	337.5
Capital Outlay Allocation	-	2,400	2,400	-	(2,400)	100.0
Total Expenditures and Capital Outlay	\$ 844,253	\$ 975,214	\$ 993,637	\$ 1,038,325	\$ 44,688	4.5

UTILITIES



The Utilities Department oversees the maintenance of the water and sewer lines for the Town of Lexington. The department currently handles the maintenance of 286 of sewer lines 216 miles of water lines, 4,195 manholes, 1,032 fire hydrants, 76 pump stations, 3 elevated water storage tanks, 2 ground water storage tanks, 4 high service pumps, 12.45 MGD capacity at City of Cayce, and a 1.95 MGD Wastewater Treatment Plant with 33 staff members.

Achievements for FY 2015:

- 12 Mile Creek Sewer Line to Coventry Woods. (S,V)
- Started a FOG outreach program in the 12 Mile Creek Basin to educated homeowners. (S,C)

Goals and Objectives for FY 2016:

- 12/14 Mile Creek system upgrade – Phase III A &B. (S,V)
- Easement acquisitions for 12/14 Mile Creek. (S,V)
- Barr Road and Prescott Glenn Lift Station and Force Main. (S,V)
- Main Street sewer line rehabilitation. (S,V)
- Water Plant to Sportswear sewer. (S,V)
- Highway 378 West relocation associated with the DOT bridge project. (S,V)
- Relocate water line at Corley Mill / Hwy. 378. (S,V)
- South Church Street water line replacement. (S,V)
- New Storage & Office Space for Utilities. (S,A)
- East Main Street water line replacement. (S,V)
- West Lexington water line improvements. (S,V)
- Close Out Coventry Woods WWTP. (S,A,R)
- Continue with the new CMOM plan to upgrade training and our collection system. (S,A,R)
- Generate new specifications for pump stations and control panels. (S,V)

Town of Lexington, South Carolina
Utilities Department

Fiscal Year Ending June 30, 2016
 Enterprise Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 1,552,302	\$ 1,475,520	\$ 1,665,786	\$ 1,669,010	\$ 3,224	0.2
Overtime	111,053	104,062	116,000	104,780	(11,220)	(9.7)
FICA Expense	123,586	120,838	136,306	135,695	(611)	(0.4)
SC Retirement Expense	171,242	153,205	189,853	192,497	2,644	1.4
Retiree Health Care -OPEB	8,917	-	-	-	-	-
Health Insurance - Employee	221,196	238,827	235,214	256,971	21,757	9.2
Other Post Employment Benefits (OPEB)	-	-	41,481	41,481	-	-
Workers Compensation Insurance	94,838	71,559	104,104	44,622	(59,482)	(57.1)
Unemployment	949	-	5,880	5,854	(26)	(0.4)
Wellness Program	3,083	2,383	3,300	3,113	(187)	(5.7)
Total Salaries & Fringes Before Allocation	2,287,167	2,166,394	2,497,924	2,454,023	(43,901)	(1.8)
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	2,287,167	2,166,394	2,497,924	2,454,023	(43,901)	(1.8)
<u>OPERATING EXPENDITURES</u>						
Advertising	790	-	3,000	600	(2,400)	(80.0)
Contractual Services	340,132	419,402	384,507	384,311	(196)	(0.1)
Contractual Services - Sludge Removal	155,646	143,505	136,000	23,000	(113,000)	(83.1)
Damages	-	-	1,500	1,500	-	-
Deeds & Easements	20	30	500	500	-	-
Dues & Subscriptions	3,666	3,452	3,200	3,300	100	3.1
Fuels	137,611	102,338	90,000	90,000	-	-
Lab Test	49,390	42,758	40,000	24,000	(16,000)	(40.0)
Meetings & Meals	1,211	1,889	2,500	2,500	-	-
Meters, Pipes & Fittings	169,979	246,156	150,000	150,000	-	-
Non-Capital - Computer Supplies	268	8,714	5,000	5,000	-	-
Non-Capital - Equipment	28,913	9,335	33,400	33,400	-	-
Non-Capital - Furniture & Fixtures	1,019	282	1,000	1,000	-	-
Non-Capital - Small Tools	11,774	13,439	9,000	9,500	500	5.6
Office Supplies	3,218	2,856	3,080	3,080	-	-
Office Supplies - Postage	2,592	1,906	4,500	2,900	(1,600)	(35.6)
Permits & Licenses	29,843	35,340	23,543	16,843	(6,700)	(28.5)
Printing & Publishing	520	-	-	-	-	-
Professional Services - Engineering	26,658	18,929	2,000	2,000	-	-
Professional Services - Legal	40,132	2,160	20,000	20,000	-	-
Rental - Equipment	9,189	1,908	10,000	10,000	-	-
Repairs - Automotive	23,086	31,220	15,000	15,000	-	-
Repairs - Building & Facilities	775	50	500	500	-	-
Repairs - Equipment	80,751	75,816	104,280	104,280	-	-
Screening & Shots	1,559	4,311	2,500	2,500	-	-
Supplies	217,189	184,122	253,700	182,500	(71,200)	(28.1)
Travel & Training	17,842	25,147	31,500	32,250	750	2.4
Uniforms	16,485	27,290	18,400	19,600	1,200	6.5
Utilities - Electricity	375,769	346,416	330,000	233,000	(97,000)	(29.4)
Utilities - Tele-Communications	40,813	36,450	30,000	30,000	-	-
W/S - Sewer Treatment	1,949,794	1,389,399	1,650,000	2,270,000	620,000	37.6
W/S - Water Purchases	828,622	830,748	1,030,000	1,000,000	(30,000)	(2.9)
Total Operating Expenditures	4,565,256	4,005,368	4,388,610	4,673,064	284,454	6.5
General & Administrative Allocation	-	-	-	-	-	-
Total Expenditures	6,852,423	6,171,762	6,886,534	7,127,087	240,553	3.5
Capital Outlay Before Allocation	158,428	355,500	355,500	365,900	10,400	2.9
Capital Outlay Allocation	-	-	38,725	-	(38,725)	(100.0)
Total Expenditures and Capital Outlay	\$ 7,010,851	\$ 6,527,262	\$ 7,280,759	\$ 7,492,987	\$ 212,228	2.9

Town of Lexington, South Carolina
Positions By Department

Fiscal Year Ending June 30, 2016
 Enterprise Fund



	<u>Prior Year FY 2014</u>	<u>Current Year FY 2015</u>	<u>Budgeted FY 2016</u>
<u>Finance</u>			
Accounts Receivable Supervisor	1	1	1
Accounting Clerk/Customer Service	2	2	2
Accounting Clerk	1	1	1
Meter Technician	2	2	2
Total	<u>6</u>	<u>6</u>	<u>6</u>
<u>Utilities</u>			
Director of Utilities	1	1	1
Superintendent, Utilities	1	1	1
Wastewater Main Supervisor	1	1	1
Water Main Supervisor	1	1	1
Water/Sewer Main Tech III	12	12	13
Water/Sewer Main Tech II	12	12	12
Environmental Sys Operator III	1	1	1
Environmental Sys Operator II	1	1	1
Inspector	1	1	1
Administrative Assistant	1	1	1
Secretary	1	1	1
Total	<u>33</u>	<u>33</u>	<u>34</u>
Total Enterprise Fund	<u>39</u>	<u>39</u>	<u>40</u>

Town of Lexington, South Carolina
New Personnel

Fiscal Year Ending June 30, 2016
 Enterprise Fund



	<u>UTILITIES</u>	<u>TOTALS</u>
	<u>FY 2016</u>	<u>FY 2016</u>
Salary	\$ 35,029	\$ 35,029
Overtime	-	-
FICA	2,680	2,680
SC Retirement	3,822	3,822
SC Group Life	53	53
Health Insurance	11,820	11,820
Worker's Compensation Insurance	8,449	8,449
Unemployment	116	116
Total Salaries & Fringes Before Allocation	<u>61,969</u>	<u>61,969</u>
General & Administrative Allocation	-	-
Total Salaries & Fringes	<u>61,969</u>	<u>61,969</u>
Dues & Subscriptions	100	100
Non-Capital-Small Tools	500	500
Travel & Training	750	750
Uniforms	1,200	1,200
Total Other Expenditures	<u>2,550</u>	<u>2,550</u>
Totals	<u>\$ 64,519</u>	<u>\$ 64,519</u>
	(1)	

Notes:

(1) Maintenance Technician III

Town of Lexington, South Carolina
Enterprise Fund Debt Service

Fiscal Year Ending June 30, 2016



FY 2016

Capacity Payments	\$ 279,952
Series 2001A Revenue Bonds	67,000
Series 2009 Revenue Bonds	522,075
Series 2010 Revenue Bonds	795,525
Series 2011 Revenue Bonds	1,278,250
Series 2012 Revenue Bonds	250,838
Series 2014 Revenue Bonds	443,445
	<hr/>
Total Debt Service	<u><u>\$ 3,637,085</u></u>

	#	<u>FY 2016</u>
<u>Finance</u>		
Pickup Truck Replacement	1	\$ 21,000
Total Finance		<u>21,000</u>
<u>Planning, Building and Technology Department</u>		
Allocation to Enterprise Fund		<u>60,875</u>
Total Planning, Building and Technology		<u>60,875</u>
<u>Parks, Streets and Sanitation Department</u>		
Allocation to Enterprise Fund		<u>52,050</u>
Total Parks, Streets and Sanitation Department		<u>52,050</u>
<u>Utilities Department</u>		
Vacuum Truck	1	108,000
Service Truck	2	60,000
Dump Trailer	1	8,500
Root Cutter Jet Heads	1	6,500
Sewer Line Rapid Assessment Tool	1	25,000
Alternate SCADA Operating System	1	35,000
Danpac 18' x 26' forward and reverser plate tamp	1	8,300
Trimble GPS	1	12,000
CMOM Program Pump and Controls Replacements	7	102,600
Total Utilities		<u>365,900</u>
Total Capital Equipment Requests		<u>\$ 499,825</u>

Town of Lexington, South Carolina
Capital Improvement Plan

Fiscal Year Ending June 30, 2016
Enterprise Fund



<u>SEWER CIP</u>	<u>FY 2016</u>
Methodist Park Road Metering Station	\$ 1,400,000
Hwy 378 Relocation (DOT bridge project)	1,500,000
Barr Road and Prescott Glenn Lift Station/Force Main	2,980,000
12 Mile Creek Sewer Line to Coventry Woods Close Out	500,000
Main Street Sewer Rehabilitation	550,000
Easement Acquisition	250,000
Water Plant to Sportswear Sewer	<u>230,000</u>
Total Estimated Cost:	<u>7,410,000</u>
<u>WATER CIP</u>	
New Storage & Office Space for Utilities	800,000
East Main Street Water Line Replacement (including Martel & South Crout)	350,000
West Lexington Waterline Improvements	133,600
Corley Mill/378 Relocation	30,000
South Church Street Water Line Replacement	50,000
Total Capital Improvement Projects - Water	<u>1,363,600</u>
Total Capital Improvement Projects (Net)	<u>\$ 8,773,600</u>



Rates Effective July 1, 2015

Water Rates

Monthly Customer Service Charges / Meter			
Meter size		Inside Town	Outside Town
3/4"	\$	7.03	\$ 12.65
1"	\$	13.01	\$ 23.40
1-1/2"	\$	17.58	\$ 31.63
2"	\$	35.15	\$ 63.25
3"	\$	91.39	\$ 164.45
4"	\$	168.72	\$ 303.60
6"	\$	221.45	\$ 398.48

Volume Charges / Thousand Gallons			
		Inside Town	Outside Town
Residential	\$	3.92	\$ 7.06
Commercial	\$	3.66	\$ 6.59
Industrial	\$	3.66	\$ 6.59

Sewer Rates

Monthly Customer Service Charges / Meter			
		Inside Town	Outside Town
	\$	7.28	\$ 12.38
Flat Rate (Non-Metered)	\$	37.58	\$ 63.92

Volume Charges / Thousand Gallons			
		Inside Town	Outside Town
	\$	5.05	\$ 8.59
(Maximum of 10,000 gallon / mo. for residential customers)			

Fire Protection Charges			
		Inside Town	Outside Town
Sprinkler minimum (\$ / mo.)	\$	4.75	\$ 9.48
Additional over 60 heads (\$ / head / mo.)	\$	0.07	\$ 0.16
Commercial Fire Hydrant	\$	9.88	\$ 19.73

Water and Sewer Connection Fees

Tap Fees		
Water Tap Fee		\$ 640.00
Sewer Tap Fee		\$ 510.00

Water Meter Fees (Fees vary by meter size)		
3/4"		\$ 270.00
1"		\$ 350.00
1-1/2"		\$ 480.00
2"		\$ 600.00
3"		\$ 1,440.00
4"		\$ 1,800.00
6"		\$ 2,640.00

Capital Contribution Fees (per ERU)		
	Inside Town	Outside Town
Water Capital Contribution Fee	\$ 1,150.00	\$ 2,050.00
Sewer Capital Contribution Fee	\$ 1,900.00	\$ 3,700.00

Ancillary Charges Related to Water, Sewer, and Stormwater

New Account Charge		\$ 20.00
Plan Review and Inspection Fee (1% of utility construction cost)		
	Minimum \$	74.00
	Maximum \$	1,150.00
Stormwater Plan & Inspection Fee (3% of stormwater construction cost)		
	Minimum \$	74.00
	Maximum \$	1,150.00
Sewer Inspection Fee	\$	75.00
Sewer Re-inspection Fee	\$	50.00

Water Service for Irrigation Purposes

	Inside Town	Outside Town
Existing 3/4"	\$ 455.00	\$ 655.00
New Tap 3/4"	\$ 520.00	\$ 770.00
New Tap 1"	\$ 650.00	\$ 1,000.00
New Tap 1 1/2"	\$ 1,105.00	\$ 1,755.00
New Tap 2"	\$ 1,560.00	\$ 2,610.00

Town of Lexington, South Carolina
Schedule of Sources and Uses

Fiscal Year Ending June 30, 2016
Debt Service Fund



SOURCES

FY 2016

Transfer From General Fund	\$ 396,166
Transfer From Alcohol Permits Fund	34,250
Interest	-
	<hr/>
Total Sources	430,416
	<hr/>

USES

Debt Service (COP & GO Bond)	<hr/> 430,416
Total Uses	<hr/> 430,416
	<hr/>
Excess (Deficiency) of Sources	\$ <hr/> <hr/> -

Town of Lexington, South Carolina
Schedule of Sources and Uses

Fiscal Year Ending June 30, 2016
 Debt Service Fund



<u>SOURCES</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ESTIMATE</u>	<u>FY 2015 AMENDED BUDGET</u>	<u>FY 2016 BUDGET</u>	<u>\$\$\$ VARIANCE</u>	<u>%% VARIANCE</u>
Transfer From General Fund	\$ 426,716	\$ 1,076,400	\$ 417,566	\$ 396,166	\$ (21,400)	(5.1)
Transfer From Alcohol Permits Fund	-	34,250	34,250	34,250	-	-
Interest	6	3	-	-	-	-
Total Sources	426,722	1,110,653	451,816	430,416	(21,400)	(4.7)
 <u>USES</u>						
Debt Service (COP & GO Bond)	426,715	1,196,530	451,816	430,416	(21,400)	(4.7)
Total Uses	426,715	1,196,530	451,816	430,416	(21,400)	(4.7)
 Excess (Deficiency) of Sources	 \$ 7	 \$ (85,877)	 \$ -	 \$ -	 \$ -	 -

Town of Lexington, South Carolina
Schedule of Sources and Uses

Fiscal Year Ending June 30, 2016
Special Revenue Fund



<u>SOURCES</u>	<u>FY 2016</u>
Fines	\$ 40,121
Transfer from General Fund	<u>30,000</u>
Total Sources	<u>70,121</u>
 <u>USES</u>	
Victims' Advocate	<u>70,121</u>
Total Uses	<u>70,121</u>
Excess (Deficiency) of Sources	<u>\$ -</u>

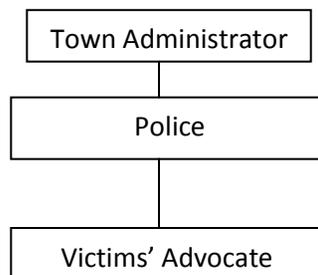
Town of Lexington, South Carolina
Schedule of Sources and Uses

Fiscal Year Ending June 30, 2016
 Special Revenue Fund



<u>SOURCES</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ESTIMATE</u>	<u>FY 2015 AMENDED BUDGET</u>	<u>FY 2016 BUDGET</u>	<u>\$\$\$ VARIANCE</u>	<u>%% VARIANCE</u>
Fines	\$ 38,396	\$ 41,000	\$ 41,000	\$ 40,121	\$ (879)	(0.02)
Interest Income	-	-	-	-	-	-
Transfer From General Fund	20,944	25,020	27,627	30,000	2,373	0.09
Total Sources	59,340	66,020	68,627	70,121	1,494	2.2
 <u>USES</u>						
Victim's Advocate	62,445	66,020	68,627	70,121	1,494	2.2
Total Uses	62,445	66,020	68,627	70,121	1,494	2.2
 Excess (Deficiency) of Sources	 \$ (3,105)	 \$ -	 \$ -	 \$ -	 \$ -	 -

VICTIMS' ADVOCATE



The Victims' Advocate strives to:

- Provide services to all victims of a crime within 24 hours.
- Provide referrals for crisis counseling
- Assist victims in securing restraining orders.
- Provide referrals for financial assistance.
- Notify victims of all court hearings.
- Attend with or represent victims at court hearings.
- Provide public information seminars.

The Victims' Advocate can also provide information on the SC Victims' Compensation Fund. This resource is intended to help individuals with medical expenses, loss of earnings, counseling expenses or funeral expenses that result from a crime.

Town of Lexington, South Carolina
Victims' Advocate

Fiscal Year Ending June 30, 2016
 Special Revenue Fund



	FY 2014 <u>ACTUAL</u>	FY 2015 <u>ESTIMATE</u>	FY 2015 <u>AMENDED BUDGET</u>	FY 2016 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<u>EXPENDITURES</u>						
<u>SALARIES & FRINGES</u>						
Salaries	\$ 48,074	\$ 50,271	\$ 51,335	\$ 52,317	\$ 982	1.9
Overtime	575	830	1,000	900	(100)	(10.0)
FICA Expense	3,749	3,909	4,004	4,071	67	1.7
SC Retirement Expense	5,727	6,853	6,721	7,008	287	4.3
Health Insurance - Employee	173	177	177	177	-	-
Workers Compensation Insurance	1,261	1,059	1,540	1,795	255	16.6
Unemployment	-	-	173	176	3	1.7
Wellness Program	-	-	-	-	-	-
Total Salaries & Fringes Before Allocation	59,560	63,099	64,950	66,444	1,494	2.3
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	59,560	63,099	64,950	66,444	1,494	2.3
<u>OPERATING EXPENDITURES</u>						
Contractual Services	2	-	-	-	-	-
Dues & Subscriptions	-	-	25	25	-	-
Fuels	2,080	1,819	2,500	2,500	-	-
Office Supplies	60	135	75	75	-	-
Office Supplies - Postage	243	231	277	277	-	-
Repairs - Automotive	-	-	300	300	-	-
Travel & Training	-	-	-	-	-	-
Utilities - Tele-Communications	500	736	500	500	-	-
Total Operating Expenditures	2,885	2,921	3,677	3,677	-	-
General & Administrative Allocation	-	-	-	-	-	-
Total Expenditures	62,445	66,020	68,627	70,121	1,494	2.2
Capital Outlay Before Allocation	-	-	-	-	-	-
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outlay	\$ 62,445	\$ 66,020	\$ 68,627	\$ 70,121	\$ 1,494	2.2

GLOSSARY OF TERMS

Accounting System: The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis of Accounting: A basis of accounting in which transactions (debts and credits) are recognized at the time they are incurred, as opposed to when cash is received or spent.

Adoption: Formal action by the Town Council that sets the spending limits for the fiscal year.

Allocation: The portion of an appropriation which is designated for expenditure by specific organization units and/or for specific purposes.

Annual Operating Budget: The Town's plan of current expenditures and the proposed means of financing them. The annual operating budget is the primary controlling document for most of the Town's spending, financing, and/or acquisition activities.

Appropriation: The legal authorization granted by a legislative body (the Town Council) to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in both amount and time.

Appropriation Ordinance: The Town's legal instrument by which budgets are set and adopted on a line-item basis.

Balanced Budget: A budget in which current revenues and other sources of funds equal current expenditures and other uses of funds.

Bond: A written promise to pay a specified sum of money, called the face value or principal amount, at a specific date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget: A comprehensive financial plan of operation which incorporates an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Calendar: The schedule of key dates or milestones which the Town follows in the preparation and adoption of the budget.

Budget Message: A general discussion of the proposed budget presented in writing as a part of the budget document. The budget message explains principal budget issues against the background of the present economy.

Capital Contribution Fee: A conditional transfer payment to a recipient for a capital project or asset, for which the Government will not receive any goods or services. Capital contribution payments are conditional on performance, achievement, or the receipt of capital goods, and are subject to audit or other reporting requirements.

Capital Improvement Program (CIP): A plan for purchasing, leasing, and/or constructing the equipment or property needed to complete the Town's long-term improvement projects. The plan details by year (over a fixed number of years) for each project. The plan also specifies the resources estimated to be available to pay for the project expenditures.

Capital Outlay: (Also called Capital Expenditures.) Equipment with a value in excess \$500 and with an expected life of more than one year.

Capital Project: Construction, purchase or major renovation of Town infrastructure with a cost of at least \$20,000, or equipment with a cost of at least \$50,000 and which results in a fixed asset.

Certificates of Participation (COPS): A financing instrument by which certificates or securities are sold to investors who underwrite a project. The issuance of COPs is secured by lease-purchase agreements to which the Town is a party.

Debt: An obligation resulting from borrowed money or from the purchase of goods and services. Debts of government include bonds and notes.

Debt Coverage Ratio: A calculation the banks use to determine the capability of an entity to pay its debt.

Debt Limit: The maximum amount of general obligated debt which is legally permitted. The State of South Carolina forbids cities from incurring debt in excess of 8% of the total assessed valuation of taxable property within the Town.

Debt Service: The payment of principal and interest on borrowed funds, such as bonds.

Department: A major administrative unit of the Town which manages an operation or group of related operations within a functional area.

Depreciation: The decrease in value of physical assets due to use and the passage of time.

Enterprise Fund: A fund established to account for operations: (a) financed through user charges and operated in a manner similar to private businesses, where the intent is to

cover the cost of providing goods and services to the general public on a continuing basis; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, or other purposes. The Town's Enterprise Fund is for water, wastewater, and storm water.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditures/Expenses: The amount of cash paid or to be paid for a service rendered, goods received or an asset purchased.

Fiscal Year (FY): A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The Town of Lexington's fiscal year begins July 1st and ends the following June 30th.

Fixed Asset: (Also called Capital Assets.) Tangible or intangible items acquired for use in operations that will benefit more than one fiscal year. For practical application, the Town only capitalizes assets with a cost excess of \$5,000.

Fund: A fiscal and accounting entity that has a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: The difference between governmental fund assets and liabilities, also referred to as fund equity.

Generally Accepted Accounting Principles (GAAP): A body of accounting and financial reporting standards set by the Governmental Accounting Standards Board (GASB) for state and local governments.

General Fund: The fund used to account for all financial resources except those required to be accounted for in another fund.

General Obligation (GO) Bonds: When the Town pledges its full-faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is used to refer to bonds which are repaid from taxes and other general revenue.

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.

Governmental Funds: Those funds through which more governmental functions typically are financed. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service Funds).

Interfund Transfers: Amounts transferred from one fund to another, generally for expenses incurred but paid from another fund for services rendered or for account tracking purposes.

Intergovernmental Revenue: Revenue received from other governments, whether local, state or federal, usually in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

Levy: To impose taxes, special assessments, or service charges for the support of Town activities.

Long Term Debt: Any unmatured debt that is not a fund liability since it is not currently due, such as outstanding bonds issued by the Town.

Major Fund: Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other government or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Modified Accrual Accounting: A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are "measurable" and available. It is recommended as the standard for most governmental funds.

Operating Budget: A financial plan for the Town's general operations, such as salaries, utilities and supplies.

Operating Transfers: Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. An example would be the transfer

of funds from the general fund or an enterprise fund to an internal service fund to finance the services provided by the internal service fund.

Ordinance: A formal legislative enactment by the governing board of a municipality (the Town Council). If it is not in conflict with any higher form of law, such as, a State statute, a Federal law, or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less formality and has a lower legal status. Ordinarily, the Town's statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution.

Property Tax: Property taxes are levied on both real and personal property according to the property's assessed valuation and the tax rate applied.

Proposed Budget: The budget as formulated and proposed by the budget-making authority (the Town Administrator). It is submitted to the legislative body (the Town Council) for review and approval.

Reserve: An account used to earmark a portion of the fund balance. This may be done for various reasons. The most common are to indicate that a portion of the fund balance is not available for general expenditures or the amount has been legally segregated for specific future use.

Revenue: Income received or anticipated from taxes or other sources, such as business licenses, user fees, fines, and investments.

Revenue Bonds: When a government issues bonds which do not pledge the full faith and credit of the jurisdiction, it issues limited liability revenue bonds. Typically, pledges are made to dedicate one specific revenue source to repay these bonds. Revenue bonds are not included in the 8% general obligation debt limit set by the State. The Town's revenue bonds are repayable from utility user charges.

Salaries and Fringes: The costs associated with compensating employees for their labor.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Supplies: A cost for minor items (individually priced at less than \$500) required by departments to conduct their operations.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit, such as police services, planning, and parks etc. This term does not include specific charges such as special assessments or user charges.

Trend Analysis: A comparative analysis of a company's financial ratios over time.

User Charge: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Working Capital: An amount calculated by subtracting current liabilities from current assets. Is an indicator of the liquidity of an entity.

GLOSSARY OF ACRONYMS

AET:	Alcohol Enforcement Team
CALEA:	Commission on Accreditation for of Law Enforcement Agencies Inc.
CAFR:	Comprehensive Annual Financial Report
CAT:	Community Action Team
CCF:	Capital Contribution Fees
CIP:	Capital Improvement Plan
CMOM:	Capacity, Management, Operation and Maintenance
CMSA:	Columbia Metropolitan Statistical Area
COG:	Council of Government
COLA:	Cost of Living Adjustment
COPS:	Certificates of Participation
DUI:	Driving Under the Influence
FBI:	Federal Bureau of Investigation
FOG:	Fats, Oils and Grease
FY:	Fiscal Year
GAAFR:	Governmental Accounting Auditing and Financial Reporting
GAAP:	Generally Accepted Accounting Principles
GASB:	Governmental Accounting Standards Board
GFOA:	Government Finance Officers Association
GO:	General Obligation Bonds

LOCC:	Lexington One Community Coalition
LRADAC:	Lexington-Richland Alcohol and Drug Abuse Council
MGD:	Million Gallons per Day
NCIC:	National Crime Information Center
NLC:	National League of Cities
RAIDS:	Regional Analysis and Information Data Sharing
RICO:	Racketeer Influenced and Corrupt Organizations
SC DHEC:	South Carolina Department of Health and Environmental Control
SCADA:	Supervisory Control and Data Acquisition
SCDOT:	South Carolina Department of Transportation
SLED:	State Law Enforcement Division
SO:	Special Operations
SWAT:	Special Weapons and Tactics
VIP:	Volunteers in Policing
WWTP:	Wastewater Treatment Plant