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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

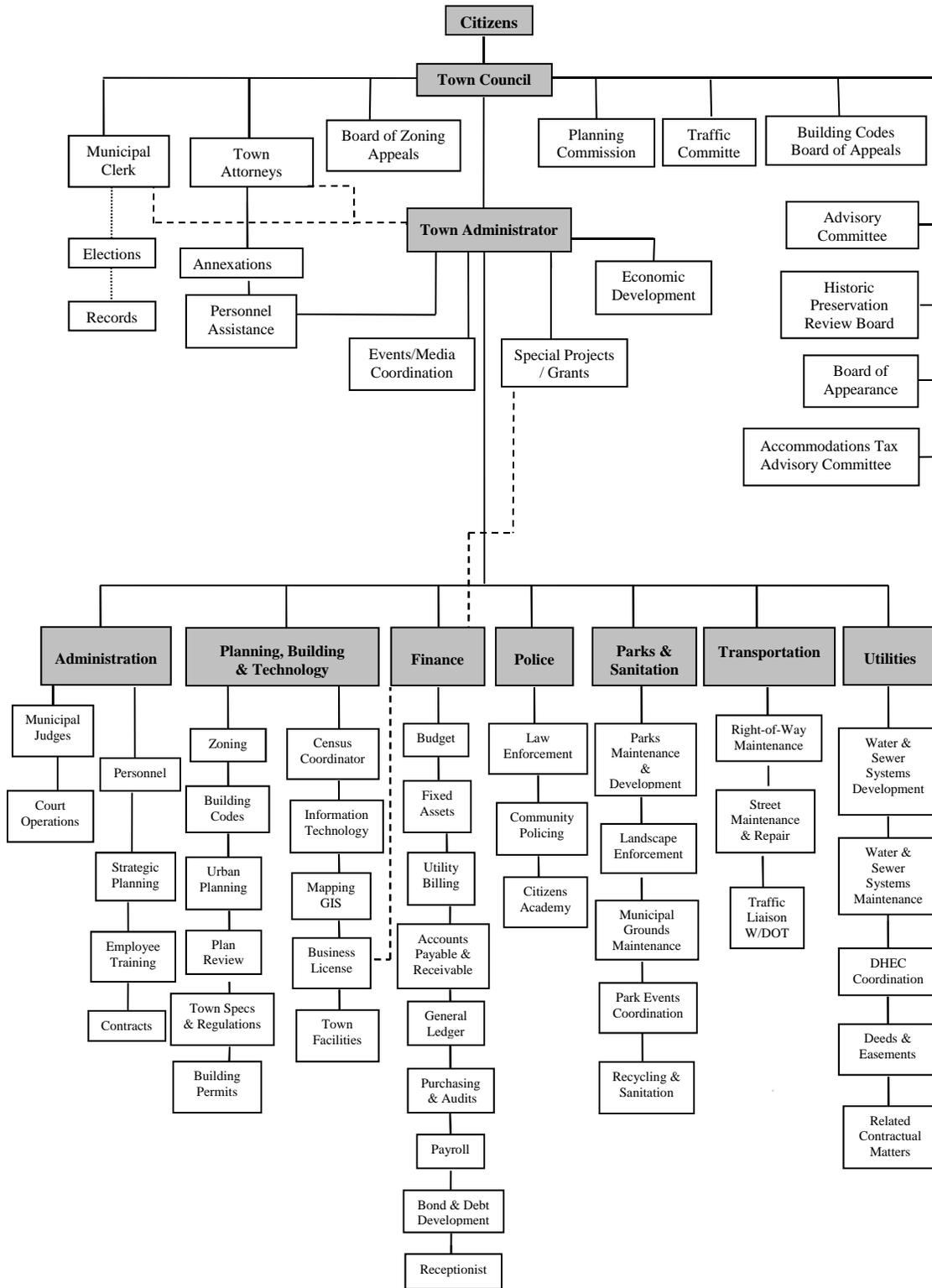
John D. Hanson, Planning, Building and Technology

Chief Terrence Green, Police

J. Randy Edwards, Transportation

J. Allen Lutz, Utilities

# Town of Lexington Organization Chart



Revised June 30, 2016



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Lexington  
South Carolina**

For the Fiscal Year Beginning

**July 1, 2015**

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, 2015. 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
- ADAPTIVE COMPUTERIZED SIGNALIZATION SYSTEM
- DESTINATION PLAZA
- AMPHITHEATRE
- PERMANENT FARMER’S MARKET
- BOUTIQUE RETAIL
- CONTINUED INFRASTRUCTURE IMPROVEMENTS

Find us on Face Book 

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

Twitter 

<https://twitter.com/TownLexingtonSC>

Or Online

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

	<u>FY 2017</u>	<u>FY 2016</u>
<b>General Fund</b>		
Revenue	12,337,278	11,068,180
Expenditures	12,337,278	11,068,180
Property Tax	3,600,000	3,530,000
Millage	34.29	35.14
<b>Enterprise Fund</b>		
Revenue	17,030,000	15,660,000
Expenses	17,030,000	15,660,000



## **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 23<sup>rd</sup> 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 4<sup>th</sup> 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 2015-2016, the School District operated 30 public schools with an enrollment of over 25,000. This enrollment places the School District in the top ten 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 527 students annually. Since 1997, the School District has built fifteen new schools. Additionally numerous additions and renovations have been completed. This growth is due in large part to the School District’s excellent reputation.

According to the U.S. Census Bureau (American Community Survey 5-year Estimates), estimated education attainment for residents of the Town over the age of 25 in the year 2013 is set forth in the following table.

<u>No. of Years Completed</u>	<u>Number</u>	<u>Percentage</u>
High school graduates (includes equivalency)	2,558	20.7%
Some college, or associates degree	3,898	31.6
Bachelor’s degree	3109	25.2
Graduate or professional degree	2,042	16.5

Note: These statistical estimates contain margins of error averaging approximately 2.5%

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 428 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 magnificent and fascinating animals in natural habitat exhibits and one of the nation's most beautiful and inspiring botanical gardens. 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, barbeque grills, a spray pool, butterfly gardens, flower gardens, a koi pond, and public restrooms.

Also, the Blowfish Baseball Club is beginning its second season in Lexington County with a stadium approximately 4 miles from downtown Lexington. The Blowfish averaged 2,100 fans per game with a season attendance of over 60,000.

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

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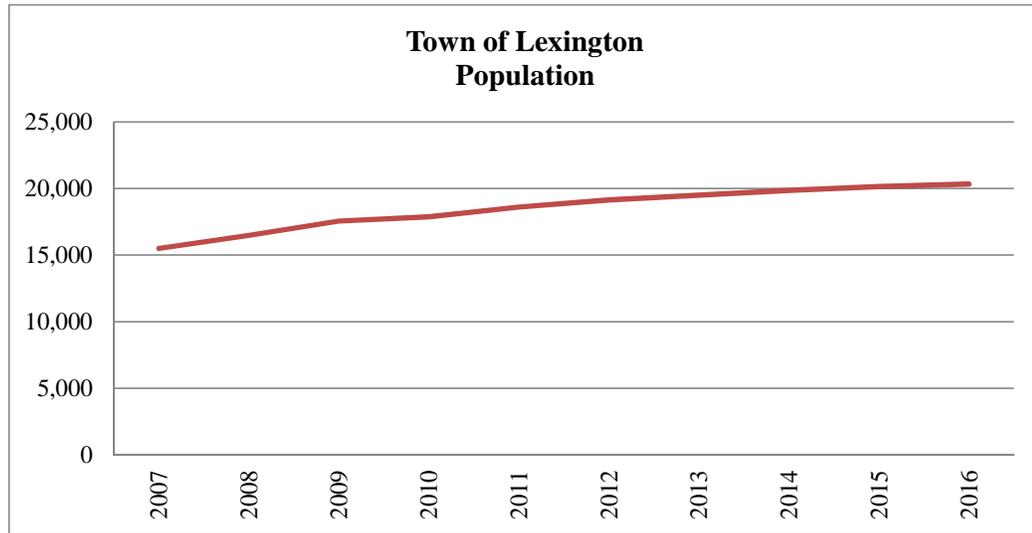
<b>Fiscal Year Ended June 30</b>	<b>(1) Population</b>	<b>(2) Per Capita Personal Income</b>	<b>(3) Estimated Total Personal Income</b>	<b>(4) School Enrollment</b>	<b>(5) Unemployment Rate</b>
2007	15,500	\$ 34,481	\$ 534,455,500	19,705	4.10%
2008	16,500	35,688	588,834,156	20,458	4.70%
2009	17,570	28,161	494,787,925	21,228	8.60%
2010	17,870	28,927	516,925,490	21,756	8.00%
2011	18,623	30,580	569,491,340	22,097	8.80%
2012	19,141	29,983	573,904,603	22,367	7.30%
2013	19,491	30,574	595,917,834	22,935	6.90%
2014	19,863	30,352	602,881,776	23,363	4.80%
2015	20,138	30,656	617,340,862	23,953	5.60%
2016	20,341	\$ 30,962	\$ 629,811,765	24,418	4.70%

Data Sources and Notes:

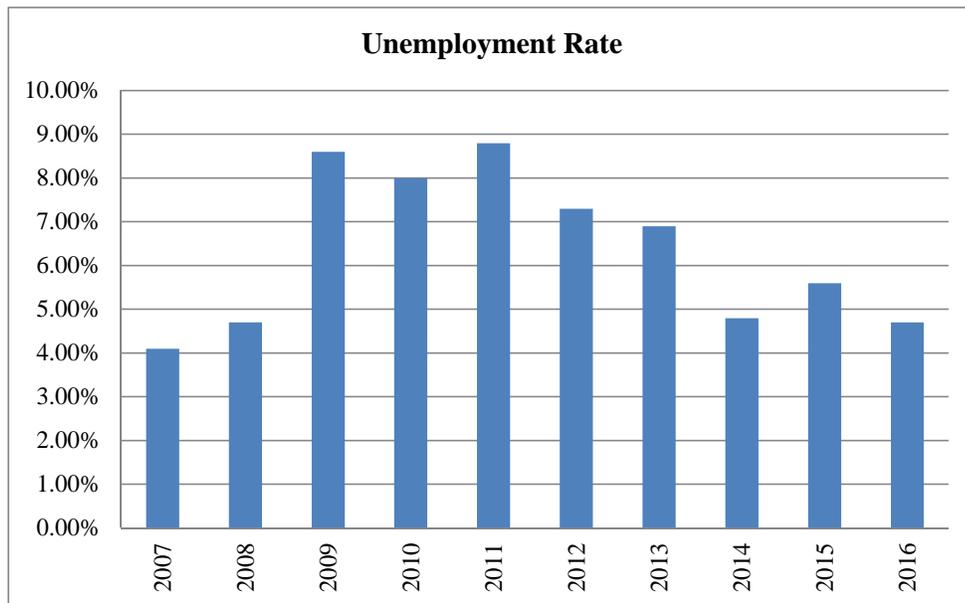
- (1) Information provided by U.S. Census Bureau. Annual estimates of the Resident Population April 1, 2010 to July 1, 2015. 2016 is estimated based on Town growth.
- (2) Information provided by U.S. Census Bureau American Community Survey
- (3) Estimated by multiplying estimated population by estimated per capita personal income (not an official census estimate).
- (4) Provided by Lexington County School District 1 and includes entire District.
- (5) Provided by SC Labor and Marketing for June each year.



Population and Unemployment



Source: Information provided by U.S. Census Bureau. Annual estimates of the Resident Population April 1, 2010 to July 1, 2015. 2016 is estimated based on Town growth.



Source: Provided by SC Labor and Marketing for June each year.



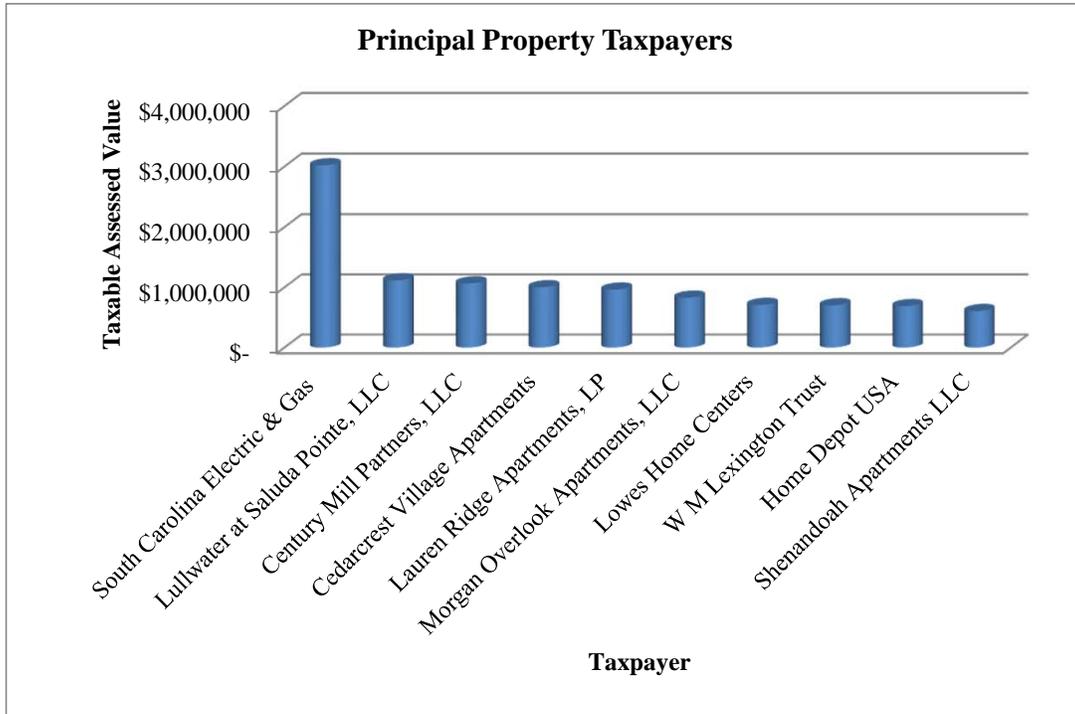
Principal Property Tax Payers

Taxpayer	2016			2015			2014		
	Taxable Assessed Value (12/31/2015)	Rank	Percentage of Total Taxable Assessed Value	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
South Carolina Electric & Gas	\$ 3,020,150	1	3.05%	\$ 2,959,360	1	3.08%	\$ 2,840,070	1	3.04%
Lullwater at Saluda Pointe, LLC	1,115,070	2	1.12%	969,620	2	1.01%	969,620	2	1.04%
Century Mill Partners, LLC	1,065,820	3	1.07%	967,250	3	1.01%	966,530	3	1.04%
Cedarcrest Village Apartments	1,000,500	4	1.01%	870,000	4	0.91%	870,000	4	0.93%
Lauren Ridge Apartments, LP	962,550	5	0.97%	837,000	5	0.87%	837,000	5	0.90%
Morgan Overlook Apartments, LLC	828,000	6	0.84%	720,000	7	0.75%	720,000	7	0.77%
Lowes Home Centers	708,250	7	0.71%	789,340	6	0.82%	807,880	6	0.87%
W M Lexington Trust	702,480	8	0.71%	610,860	8	0.64%	610,850	8	0.65%
Home Depot USA	688,690	9	0.69%	563,150	9	0.59%	562,150	10	0.60%
Shenandoah Apartments LLC	606,450	10	0.61%	-	-	-	-	-	-
Harman Family Real Estate Company	-	-	0.00%	538,140	10	0.56%	572,650	9	0.61%
Target Corporation	-	-	-	-	-	-	-	-	-
Carlyle Centennial Century Mill	-	-	-	-	-	-	-	-	-
RSC Oakleaf Lexington , LLC	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 10,697,960</b>		<b>10.79%</b>	<b>\$ 9,824,720</b>		<b>10.23%</b>	<b>\$ 9,756,750</b>		<b>10.46%</b>
<b>Total Assessed Valuations</b>	<b>\$ 99,154,430</b>			<b>\$ 96,049,710</b>			<b>\$ 93,278,030</b>		

Taxpayer	2013			2012		
	Taxable Assessed Value (12/31/2012)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (12/31/2011)	Rank	Percentage of Total Taxable Assessed Value
South Carolina Electric & Gas	\$ 2,561,310	1	2.81%	\$ 2,299,770	1	2.56%
Lullwater at Saluda Pointe, LLC	969,620	2	1.06%	969,620	2	1.08%
Century Mill Partners, LLC	963,560	3	1.06%	963,150	3	1.07%
Lauren Ridge Apartments, LP	860,540	4	0.94%	837,000	4	0.93%
Cedarcrest Village Apartments	856,030	5	0.94%	586,600	8	0.65%
Morgan Overlook Apartments, LLC	804,740	6	0.88%	804,740	5	0.90%
Lowes Home Centers	762,680	7	0.84%	790,210	6	0.88%
W M Lexington Trust	610,850	8	0.67%	610,850	7	0.68%
Harman Family Real Estate Company	572,650	9	0.63%	553,580	10	0.62%
Home Depot USA	557,450	10	0.61%	568,850	9	0.63%
Inland Southeast Lexington LLC	-	-	-	-	-	-
Target Corporation	-	-	-	-	-	-
Carlyle Centennial Century Mill	-	-	-	-	-	-
RSC Oakleaf Lexington , LLC	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 9,519,430</b>		<b>10.45%</b>	<b>\$ 8,984,370</b>		<b>10.02%</b>
<b>Total Assessed Valuations</b>	<b>\$ 91,071,390</b>			<b>\$ 89,692,640</b>		

Source: Lexington County Property Appraisers Office



Source: County of Lexington - Treasurer's Office

<u>Employer</u>	<u>Number of Employees</u>
Lexington County	868
Lexington School District One	720
Walmart	346
Lowe's Home Centers	160
Town of Lexington	150
Avtec	129
Home Depot	128
Target	126
Kohl's Department Stores, Inc.	121
Honda Cars of Columbia	89

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, 2016

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, 2017. A great deal of study and review by our management team has been devoted to this budget.

The focus of the 2017 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 \$ 31,802,309, an increase of 18.8% from last fiscal year.

#### Budget Highlights

- The Hospitality Tax that was approved in FY 2016 is projected to bring in \$2,400,000 to be used for specific approved capital road projects. This accounts for 47.5% of the budget increase.
- Balanced budget with no property 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 includes a 1.5% COLA for FY 2017 and also contain the annual merit increase and bonus per the compensation policy.
- Funds are budgeted for ongoing Vision Plan projects.
- Allocations of General and Administrative Expenditures from the General Fund to the Enterprise Fund total \$2,188,861.
- The Enterprise Fund Capital Improvement Plan (CIP) for 2017 is fully funded with use of Bond Anticipation Notes issued in FY 2013 in addition to new Bond Anticipation Notes to be issued in FY 2017.
- The Enterprise Fund debt coverage ratio is estimated to be 2.06 in 2017. The minimum required ratio is 1.20. Our coverage ratio exclusive of Capital Contribution Fees ("operating coverage") is estimated to be 1.46.
- The General Obligation Bonds of 2012 require a debt service payment in FY 2017 of \$181,700. Annual requirements average approximately \$177,080 through March 2021. Annual payments of \$210,000 on the remaining Certificates of Participation ("COPs") run through December 2018.

- The cost of employee insurance increased to \$1,141,118 in FY 2017 from \$1,050,927 in FY 2016 (a \$90,191 or 8.6% increase). This includes the cost of the stipend for those able to obtain health insurance from another source.

#### Accomplishments and Areas of Focus

The accomplishments for Fiscal Year 2016 and areas of focus for Fiscal Year 2017 revolve around the Town's Vision Plan. 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](http://www.lexsc.com/vp_index.htm).

The Town has had a number of successes in Fiscal Year 2016:

- Five intersections in the downtown area have been transitioned to the Adaptive Computerized Signalization System. This system will help place Lexington at the forefront of traffic management through the latest, innovative computer technology. This system will eventually include 35 signals.
- The Police department continually works hard to ensure safety in our community. They were named "Fitting Station of the Year" for their diligence in performing child seat checks with Officer Steffonie Cockerill being named "Law Enforcement Child Passenger Safety Technician of the Year".
- The Town has also experienced significant new construction. For the first half of Fiscal 2016, \$70 million in new construction has been permitted. This is 35% higher than the construction value recorded for the prior fiscal year.
- The Town recently received the Governmental Finance Officers Association's Comprehensive Annual Financial Report Award for the 17<sup>th</sup> consecutive year and the Distinguished Budget Presentation Award for the 6<sup>th</sup> consecutive year. The Town takes seriously its responsibility for decisions and accurately reporting plans, actions and results.
- During Fiscal 2016, Moody's Investors Service announced an upgraded credit rating for the Town of Lexington Combined Waterworks and Sewer System Revenue Bonds from A1 (strong) to Aa3 (very strong) and confirmed its MIG-1 short term rating (the highest available) for the Town's short-term water and sewer revenue obligations. This strengthened rating helps assure that the cost of funds for needed improvements to the water and wastewater systems will be among the lowest for state and municipal borrowers.
- The Town's utility department was successful in decommissioning the Coventry Woods Wastewater Treatment Plant. This was part of the regional plan to process and treat wastewater at the City of Cayce Regional Wastewater Treatment Facility which opened in the fall of 2012. This eliminates discharge to the Lower Saluda River and provides cleaner outflow by being treated at a state-of-the-art regional processing facility. The Town is currently flowing 3.1 million gallons per day to the joint facility, which is less than a quarter of the Town's available capacity, ensuring we are prepared for future growth.
- The utility department has also performed a sewer line rehab on 6,000 plus feet of line with 37 manholes on Main Street and South Lake Drive. This line was originally installed in 1925. This rehab saved hundreds of thousands of dollars by utilizing the newest technology which eliminated the need to dig up streets for the replacement of this line.
- The Town broke ground and has made substantial headway on Project Ice House including the sale of the Shirey's building on Main Street. The project is expected to include a plaza, amphitheater, boutique retail, eateries, a permanent Farmers' Market, and public green space.

- Two additional “Front Porches” were strategically placed around the Town. These projects included landscaping and signage to welcome visitors and residents to our wonderful community.

For the 2017 budget year more challenges and opportunities await.

- Work continues on Project Ice House. This project is expected to be completed the first half of Fiscal 2017.
- Work also continues on the 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. We will be the first municipality in the state to implement this new technology at all traffic signal intersections in town.
- Downtown improvements to alleviate traffic congestion are much anticipated. First portions of Lake Drive and Church Street will be transitioned to one-way pairs. This doubles capacity for these roads and provides significant increase to the amount of green time for the Main Street signals. Additionally the left turn signal phase will be eliminated from South Lake Drive further increasing green time available. Additional traffic projects include crossroad improvements at Lake Drive at Sunset Boulevard and Corley Mill at Sunset Boulevard.
- Significant capital improvements are lined up for our utility infrastructure. The initial phase of the Barr Road Regional Pump Station and Sewer Line Upgrade Project will include improvements to the Prescott Glen pump station to increase its capacity. Additionally, approximately 2.5 miles of 12” and 18” sewer force main and ½ mile of 20” gravity lines will be installed from Prescott Glen running along Barr Road to Hendrix Street and then turning onto Chariot and ultimately crossing US 1 and Highway 378 from Chariot.
- An array of events and activities are planned throughout the year. The Town along with the Lexington County Recreation and Aging Commission will host several events including Movies in the Park, the reading of haunted tales in Virginia Hylton Park and the Snowball Festival. Other community events include Kid’s Day of Lexington, the Wine Walk on Main, the Farmers Market and the ongoing Historic Downtown Cell Phone Walking Tour.

The Town has maintained a strong financial position in both the General Fund and the Enterprise Fund. This reaffirms our continuing practice of being financially conservative. 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,

A handwritten signature in blue ink, appearing to read "D. Britt Poole".

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 Ice House 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. The Town broke ground on this project in FY2016 and anticipates completion in early FY2017.

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 going 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. Two additional “Front Porch” signs were completed in FY 2016.

An additional piece of the corridor development work is related to traffic congestion. The Adaptive Computerized Signalization System is in process. Phase 1 includes 19 intersections of which 5 are complete with an additional 9 that are 95% complete. The project will ultimately include 35 signals. This project will place Lexington at the forefront of traffic management using the latest innovative computer technology.

To further reduce traffic congestion three projects are being teed up, funded by the recently passed Hospitality Tax. The first project is the transition to one-way pairs along the Lake Drive and Church Street corridors. This transition doubles capacity for these roads. The additional capacity allows a significant increase in the amount of green signal time that is allotted to the Main Street signals. Additionally, the left turn signal phase would be eliminated from South Lake Drive further increasing the green time available. Additional traffic projects include crossroad improvements at Lake Drive and Sunset Boulevard as well as at Corley Mill Road and Sunset Boulevard.

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.

In relation to Community (C) and Service (S), the Town continues showcase our wonderful community. We provide an array of events and activities throughout the year by partnering with other organizations to host the Lexington Wine Walk, the Snowball Festival, the Flashlight Easter Egg Hunt, Movies in the park, the reading of haunted tales in Virginia Hylton Park, the Farmer’s Market and the Downtown Cell Phone Walking Tour. Special thanks to the Lexington County Recreation and Aging Commission as well as the Lexington Beautification Foundation for their dedication to these events. 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. The Coventry Woods Wastewater Plant was decommissioned in FY2016, a step to improve water quality for our citizens and the midlands region. The closing of smaller facilities provides cleaner outflow by being treated at a state-of-the art regional processing facility in Cayce.

Other infrastructure improvements include the initial phase of the Barr Road Regional Pump Station and Sewer Line Upgrade which will include improvements to the Prescott Glen pump station to increase its capacity. Additionally, approximately 2.5 miles of 12” and 18” sewer force main and ½ mile of 20” gravity lines will be installed from Prescott Glen running

along Barr Road to Hendrix Street and then turning onto Chariot Road and ultimately crossing US Highway 1 and Highway 378.

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 is ongoing for FY 2017.

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 and included in the new budget. 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 and Sanitation; Planning, Building and Technology; Transportation; and Police. A portion of the expenditures for the General Government departments (Council; Administration; Finance; Planning, Building and Technology; and Transportation) are allocated to the Enterprise Fund.

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.

There are three Special Revenue Funds shown in the budget. The Victims' Advocate 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 Hospitality Tax Fund is a newly approved tax that has been pledged to provide funding for the three major upcoming road projects, and the Streets and Infrastructure Fund is money dedicated to fund various smaller road projects approved by Council.



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 and Sanitation
	*Transportation
Special Revenue Fund	
	Victims’ Advocate
	Hospitality Tax
	Streets and Infrastructure
Debt Service Fund	
Waterworks and Sewer System Fund	
	*General Government Allocation
	Finance
	Utilities
*The General Government allocation includes expenses for Council, Administration, Finance, Planning, Building and Technology, and Transportation	

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 generated 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. The Town of Lexington has only one 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 Finance Director, Assistant Finance Director, Town Administrator and Assistant Town Administrator work together to compile a balanced budget request to present to Council.
3. The Council meets in a workshop in the last quarter of the fiscal year to discuss all the departments' budgets.
4. 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.
5. 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.
6. 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.
7. 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

February 2	Budget meeting with department heads. Distribute budget worksheets and targets.
March 2	Budget requests to Finance.
April 20	Proposed budget completed.
April 25	Budget presentation and work session with Town Council.
May 23	Budget Ordinance and Tax Levy Ordinance first reading.
June 6	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, 2016 AND ENDING JUNE 30, 2017, 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, 2016 and ending June 30, 2017, 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, 2016.

Enacted this 6th day of June, 2016.



Steve MacDougall, Mayor of the Town of Lexington

ATTEST

INTRODUCED. . . . . May 23, 2016  
 PUBLIC HEARING . . . . . June 6, 2016  
 FINAL READING . . . . . June 6, 2016  
 APPROVED . . . . . June 6, 2016



Becky Hildebrand, Municipal Clerk,

I, BECKY HILDEBRAND, MUNICIPAL CLERK, CERTIFY THAT THIS ORDINANCE WAS ADVERTISED FOR PUBLIC HEARING ON MAY 19, 2016.

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

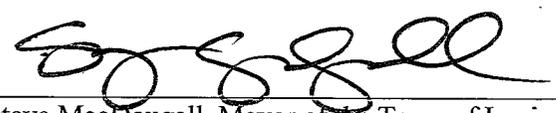
AN ORDINANCE

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, 2016 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, 2016 and ending June 30, 2017, a tax of thirty four point two nine (34.29) 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, 2016.
- SECTION 6: All taxes and sums herein assessed and provided for shall be due and payable between October 1, 2016 and January 15, 2017. If paid after January 15, 2017 but before February 2, 2017, a 3 % penalty will be assessed. If paid after February 1, 2017 and before March 16, 2017, a 10% penalty will be assessed. If paid after March 15, 2017 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 6th DAY OF JUNE, 2016.



Steve MacDougall, Mayor of the Town of Lexington

ATTEST

INTRODUCED. . . . . May 23, 2016  
PUBLIC HEARING . . . . . June 6, 2016  
FINAL READING . . . . . June 6, 2016  
APPROVED . . . . . June 6, 2016



Becky Hildebrand, Municipal Clerk,

I, BECKY HILDEBRAND, MUNICIPAL CLERK, CERTIFY THAT THIS ORDINANCE WAS ADVERTISED FOR PUBLIC HEARING ON MAY 19, 2016.

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## FACTORS AFFECTING FINANCIAL CONDITION

As discussed in the Background section of this document, the Town is the 4<sup>th</sup> 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.

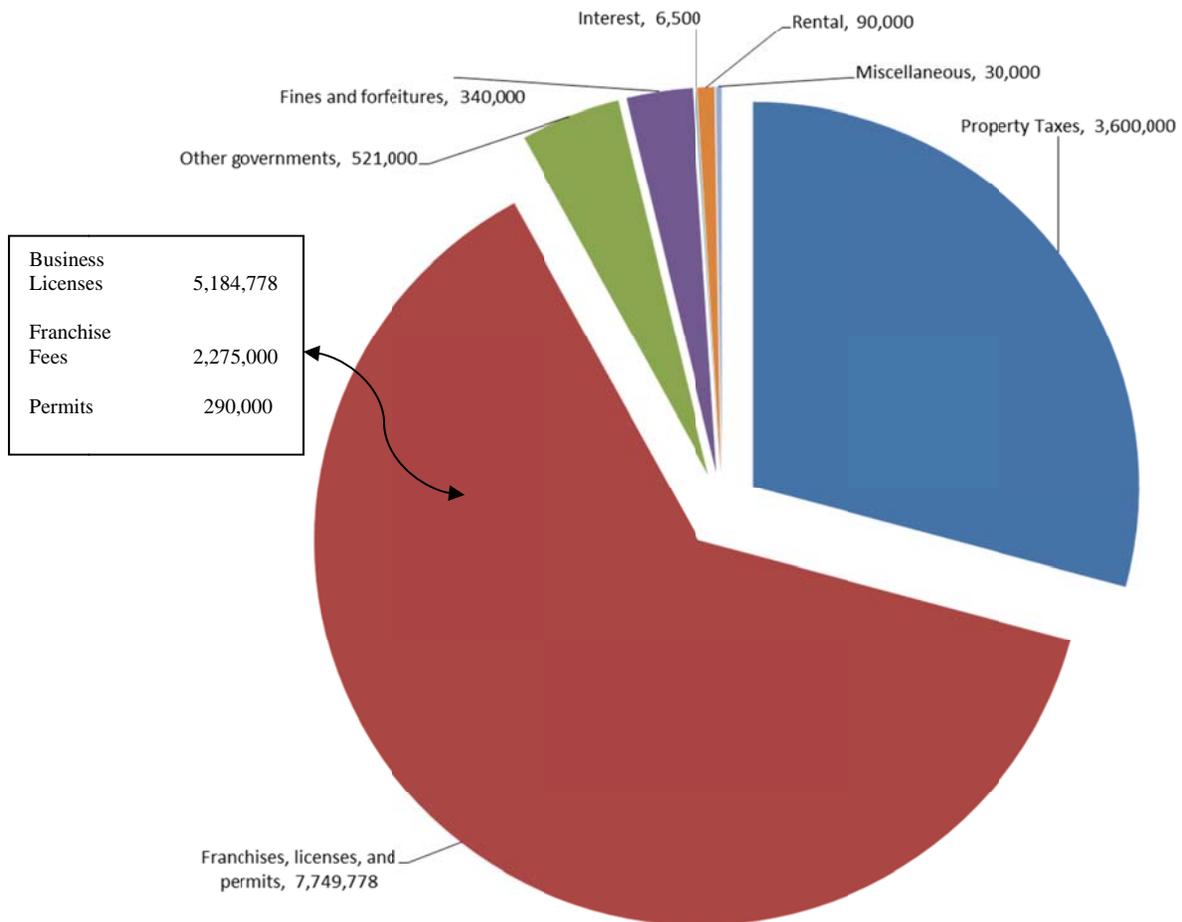
The Town continues to invest in water and wastewater infrastructure to enable the development of commercial, industrial and residential properties both in town and regionally. The Town's 100 square mile combined water and sewer service areas serve a substantial portion of Lexington County. Although the 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 201 net new businesses opened in the Town of Lexington, including home health/medical services, employment services, restaurants, retail, design services, and amusement/recreation services. Commercial development continues both in town and 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 144 residential units which began construction during the year.

**GENERAL FUND REVENUE**

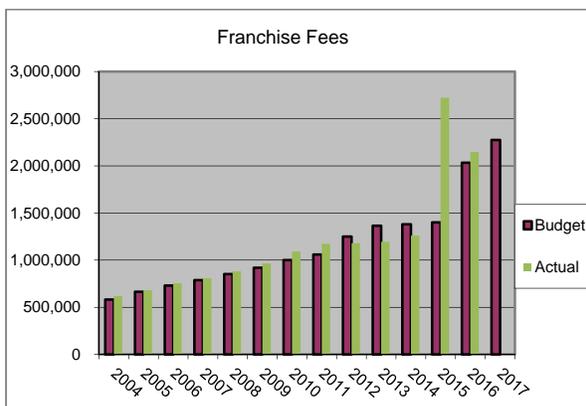
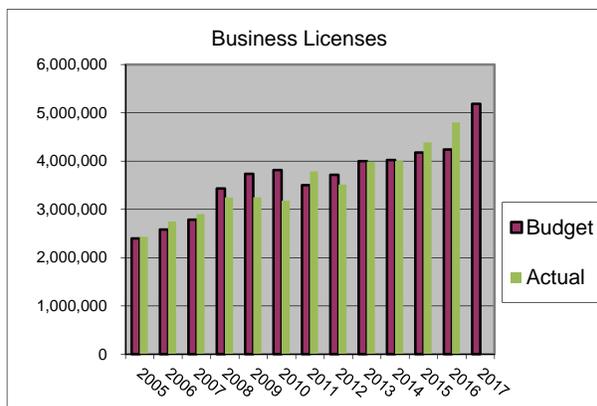
In general revenues are forecasted based on the current year’s nine month actuals in conjunction with trends over the last ten years. For the General Fund, the largest two revenue categories are Property Taxes and Franchise, Licenses and Permits. Franchise, Licenses and Permits have steadily outpaced Property Tax revenues over the last ten years and currently make up 63% of General Fund revenues.

**2017 GENERAL FUND REVENUE**

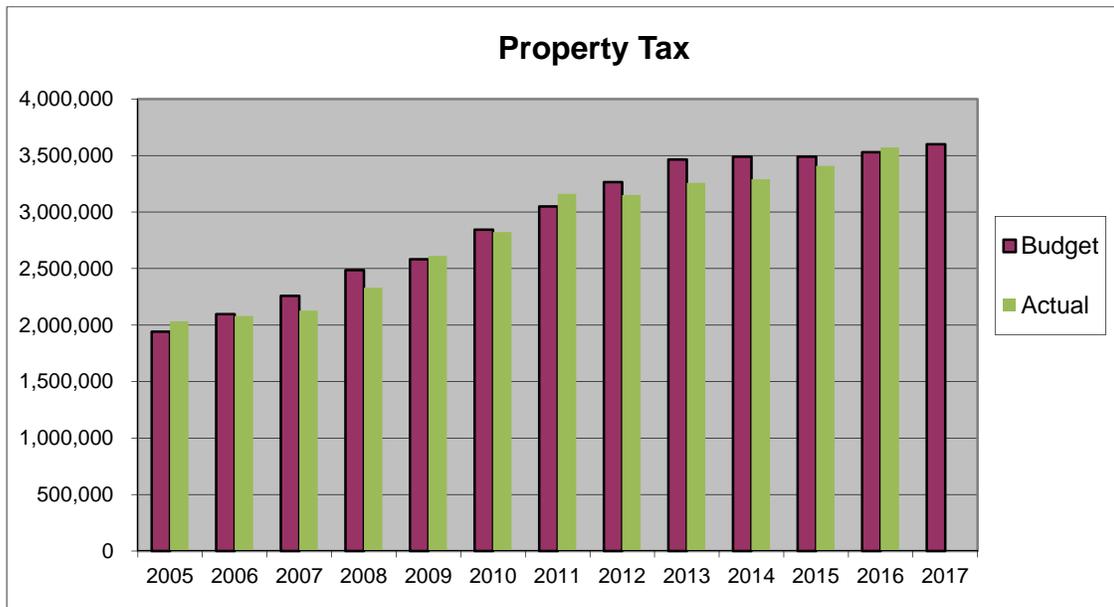


**Franchise, Licenses and Permits** – Business License Fees, the largest component of this category at 67%, is a privilege tax. It is required of every person engaged or intending to engage in any calling, business, occupation or profession within the limits of the Town of Lexington and is based on gross 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 continue. A significant portion (48%) 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, 2014 and 2015. Stable growth is expected to continue for 2016 and 2017.

The second largest part of this category is our Franchise Fees (at 29%). In September 2014 Town Council increased the electric franchise fee 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 29% 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.

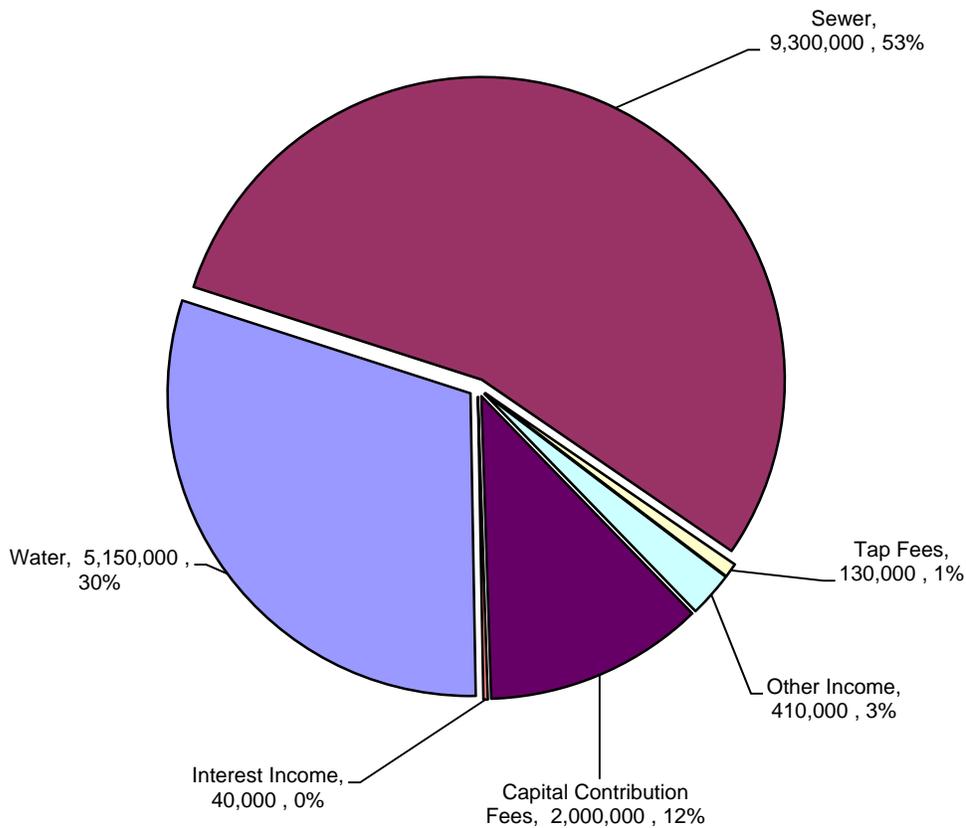


### ENTERPRISE FUND REVENUE

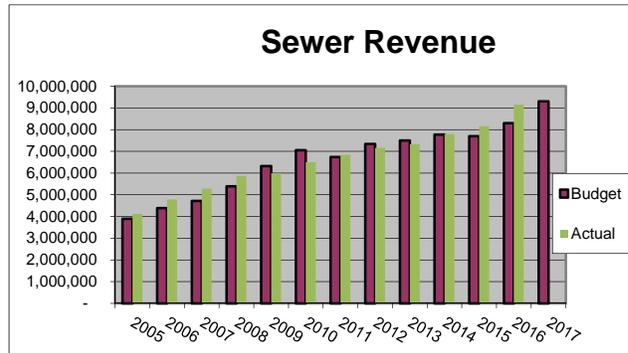
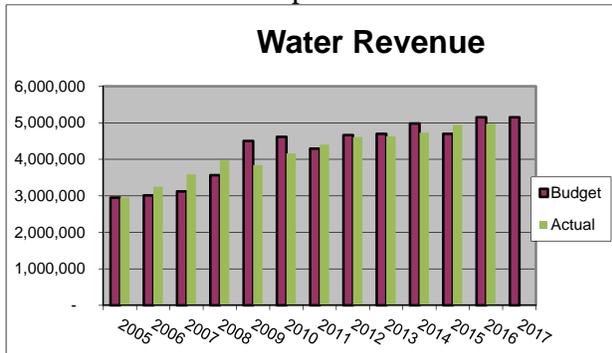
The Town’s combined waterworks and sewer system provides water and sewer services to customers both inside the political boundaries of the Town and in adjacent unincorporated portions of Lexington County. With approximately 216 miles of water lines and approximately 293 miles of sewer lines, the system 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.

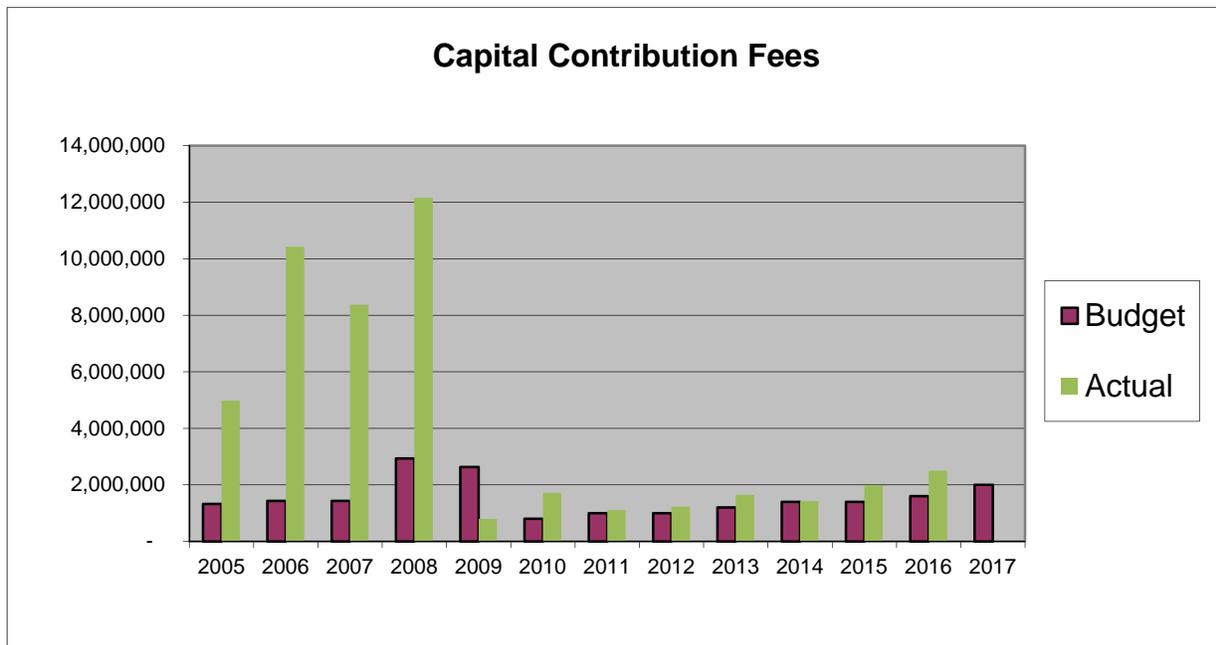
## 2017 Enterprise Fund Revenue



**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 2017.



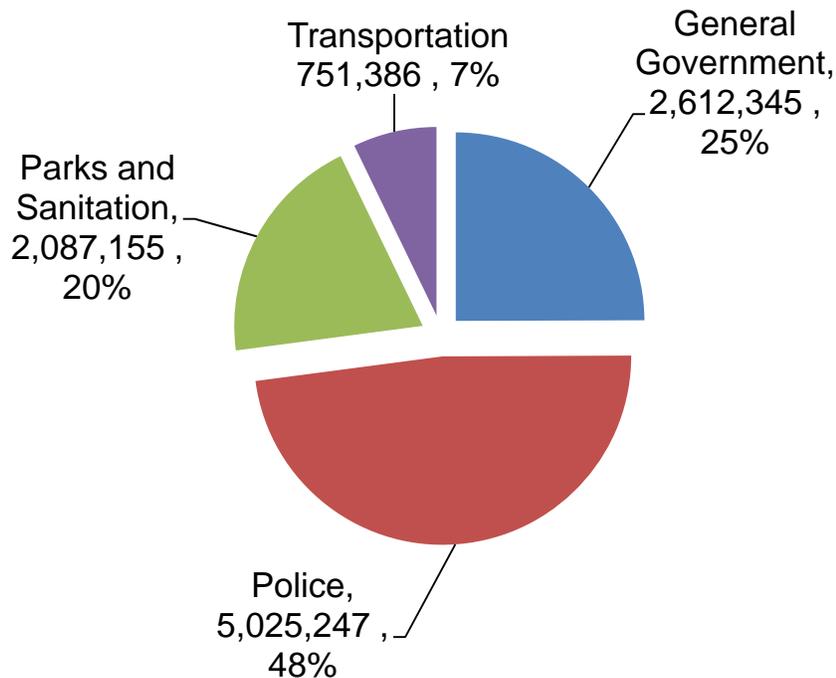
**Capital Contribution Fees** – The Town imposes capital contribution fees (CCFs) to recover the cost of capital improvements to the system and related expenditures that are incurred as the result of adding customers and accommodating development. The last CCF rate increase was January 1, 2008. When 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 have been built out and several new major projects have started. Stable growth is expected for FY 2017.



### GENERAL FUND EXPENDITURES

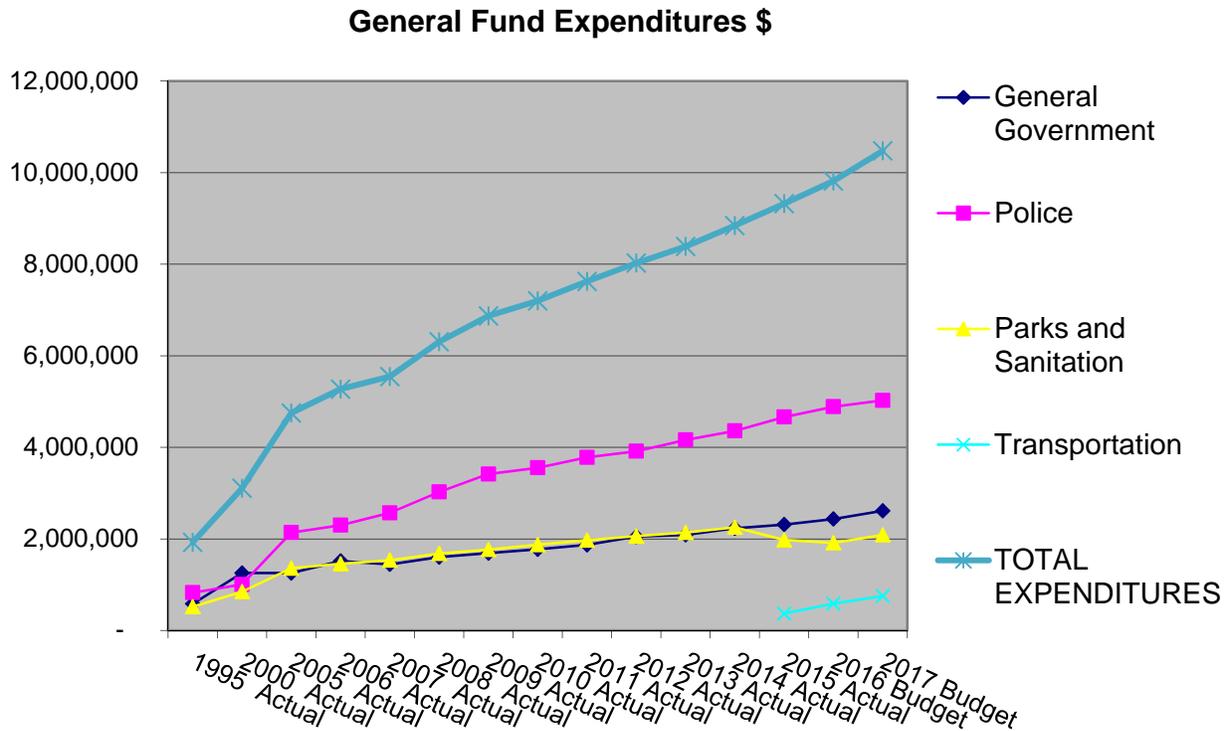
Almost half of the expenditures for the General Fund are for Police. Of the \$5,025,247 budgeted for the Police department, \$4,474,667, or 89%, is for salaries and benefits. The remaining budget for the General Fund is split between Parks and Sanitation, Transportation, and General Government. General Government includes Council; Administration; Finance; and Planning, Building and Technology.

## 2017 General Fund Expenditures





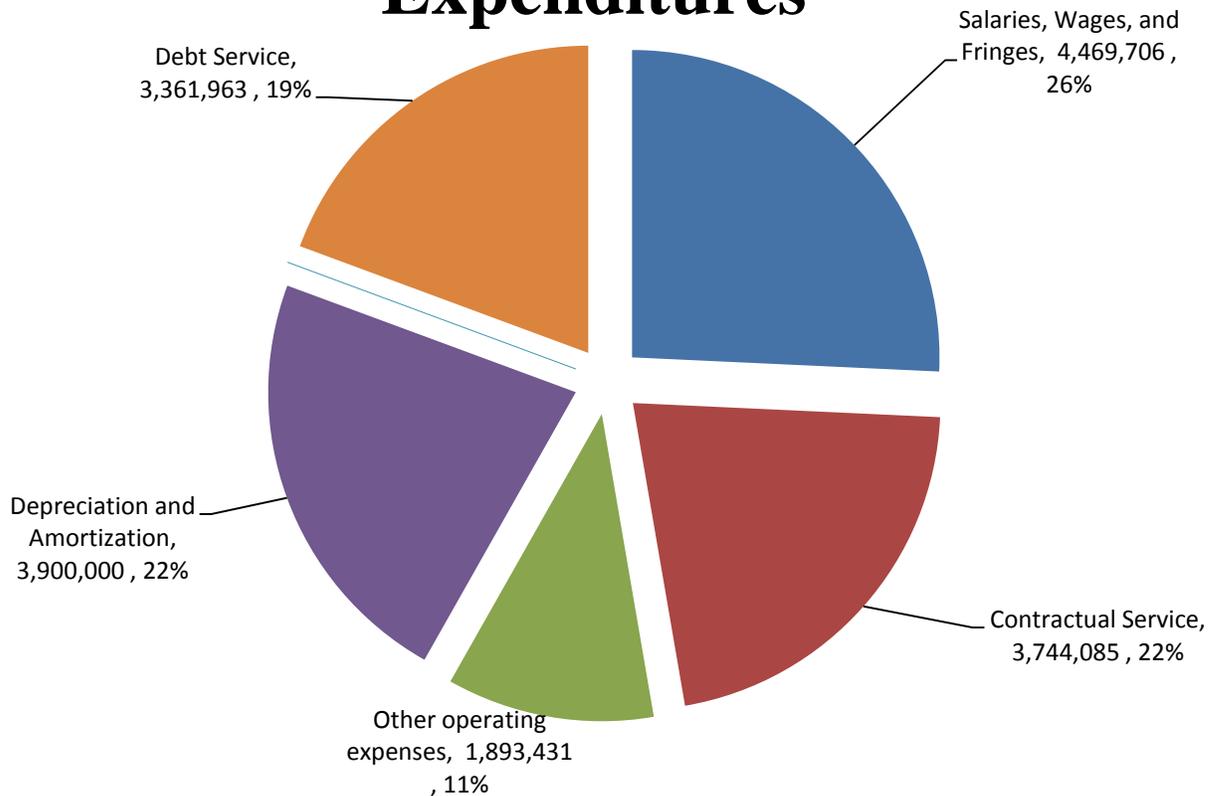
General Fund Expenditures have grown over the years partly through general inflation. In addition the Town has grown through annexation and general population increases, consequently additional staff has been added most notably in the Police Department. The chart below shows the growth of expenditures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



### ENTERPRISE FUND EXPENDITURES

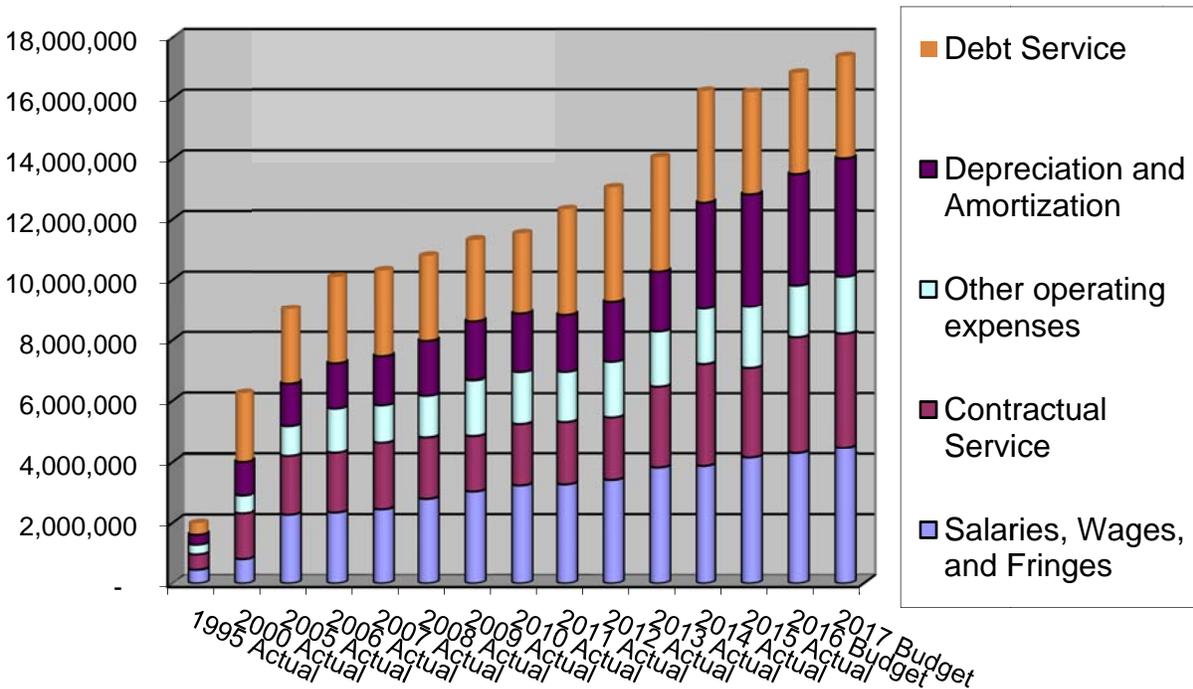
For the Enterprise Fund, 26% of the expenditures directly cover wages and benefits. Another 19% covers debt service requirements. Contractual services account for 22% of Enterprise Fund expenditures. The cost of water from West Columbia and the cost of sewer treatment from Cayce make up approximately 86% of the contractual services category. The remaining expenditures for the Enterprise Fund are for depreciation and amortization and other operating expenditures.

## 2017 Enterprise Fund 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, 2016	Additions	Reductions	Balances June 30, 2017	Due within one Year
<b>General Government:</b>					
Certificates of participation:					
Capital appreciation certificates	630,000	-	(210,000)	420,000	210,000
Less deferred amount:					
For issuance discount	(62,140)	-	31,046	(31,094)	-
Total certificates of participation	<u>567,860</u>	<u>-</u>	<u>(178,954)</u>	<u>388,906</u>	<u>210,000</u>
General obligation bonds	835,000	-	(165,000)	670,000	165,000
GO bond anticipation note	5,740,000	5,740,000	(5,740,000)	5,740,000	-
Note payable	34,250	-	(34,250)	-	-
Lease Purchase	308,215	-	(75,598)	232,617	76,560
Compensated absences	730,373	475,000	(425,000)	780,373	430,000
Governmental activities					
Long-term liabilities	<u>\$ 8,215,698</u>	<u>\$ 6,215,000</u>	<u>\$ (6,618,802)</u>	<u>\$ 7,811,896</u>	<u>\$ 881,560</u>
<b>Enterprise Fund:</b>					
Revenue bonds payable:					
Revenue bonds	53,485,000	-	(1,110,000)	52,375,000	1,160,000
Less deferred amounts:					
For issuance discount	(67,389)	-	2,861	(64,528)	-
For issuance premium	390,464	-	(27,476)	362,988	-
On refunding	(1,242,816)	-	96,057	(1,146,759)	-
Total revenue bonds payable	<u>52,565,259</u>	<u>-</u>	<u>(1,038,558)</u>	<u>51,526,701</u>	<u>1,160,000</u>
Contract payable/capital lease	822,399	-	(274,383)	548,016	280,731
Revenue bond anticipation notes	10,000,000	10,000,000	(10,000,000)	10,000,000	-
Compensated absences	216,240	230,000	(225,000)	221,240	125,000
Business-type activities					
Long-term liabilities	<u>\$ 63,603,898</u>	<u>\$ 10,230,000</u>	<u>\$ (11,537,941)</u>	<u>\$ 62,295,957</u>	<u>\$ 1,565,731</u>



The following table shows the debt funding requirements for the Town of Lexington for 2017 – 2043. The amounts show principal and interest and is based on current outstanding debt issues.

ANNUAL DEBT MATURITY AND INTEREST REQUIREMENTS  
 For General Fund Debt , Revenue Bonds and Contractual Obligations

Year	General Fund Debt		Revenue Bonds		Contractual Obligations		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2017	450,144	20,864	1,110,000	2,251,963	274,383	12,172	4,119,526
2018	451,717	15,991	1,160,000	2,222,503	280,731	8,111	4,139,053
2019	452,694	11,714	1,200,000	2,187,388	267,285	3,956	4,123,037
2020	248,660	7,426	1,525,000	2,151,058	-	-	3,932,144
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**

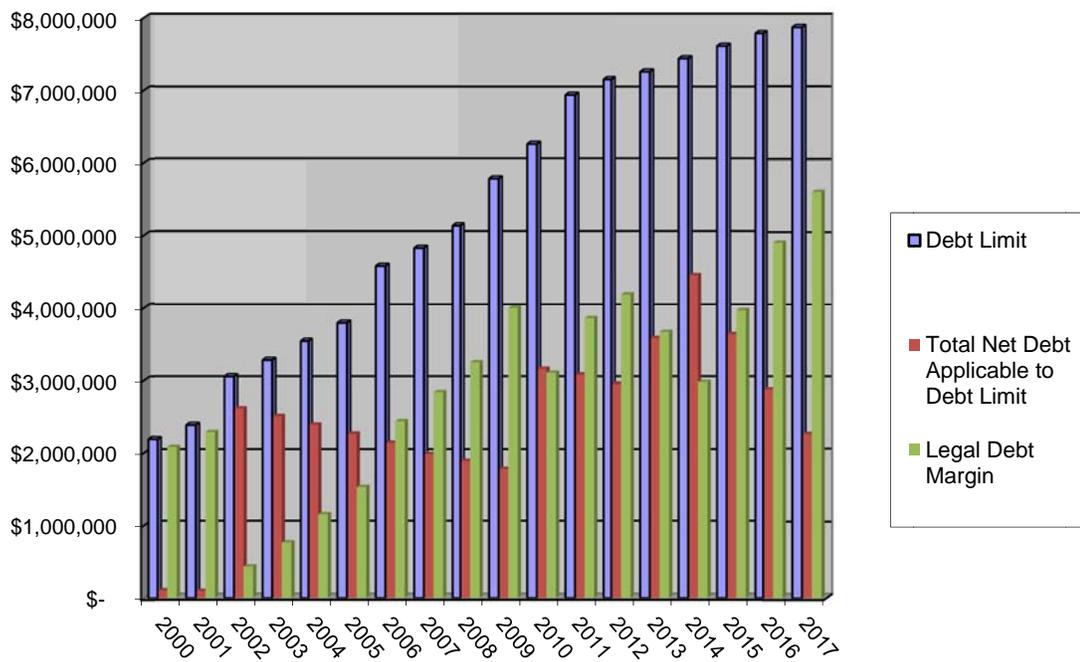
Description	Issue Date	Amount Borrowed	Rate	Final PYMNT	Purpose
Series 2012 GO Refunding Bonds	12/27/2012	\$ 1,465,000	1.428795%	6/15/21	Refund Series 2002 GO Bonds which was used for the Acquisition and Construction of Road and Infrastructure Maintenance and Main Street Streetscape Improvements.
Series 2016 GO Bond Anticipation Notes	1/15/2016	\$ 1,590,000	1.00%	1/12/17	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.
2016 Lease Purchase	2/18/2016	\$ 308,215	1.250%	4/15/2020	Acquisition of general capital items.

**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.

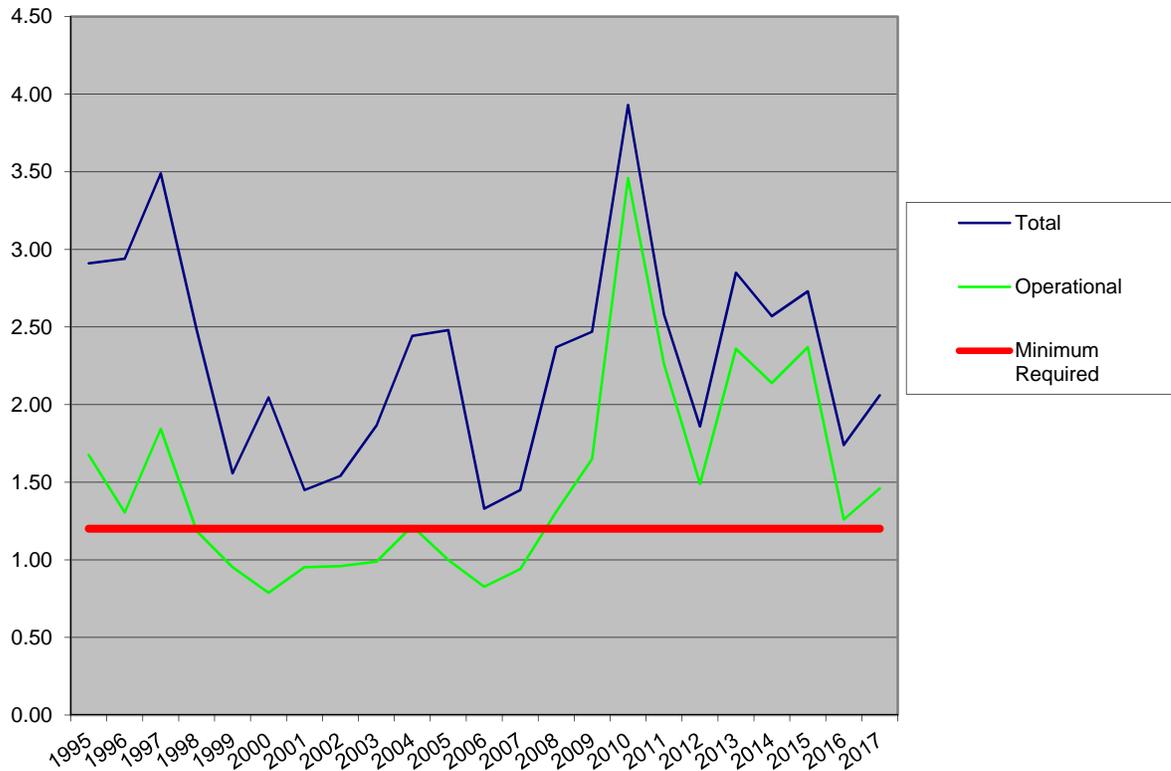
The Town’s borrowing power is restricted by amended Article X, Section 14 of the State Constitution which became effective November 30, 1977. This Section provides that a local government unit cannot at any time have total general bonded debt outstanding (excluding certain lease and installment obligations) 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 2017 is 2.06. The ratio excluding Capital Contribution Fees is estimated to be 1.46.

### 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 Ice House 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. During late Fiscal 2016 the Town hired an additional staff member to manage this venue. 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](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 with a sunset date have been instituted.

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 has been decommissioned. As capacity use increases, it is expected that the operating costs will increase.

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, 2016.

## 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 2017, 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 2017.

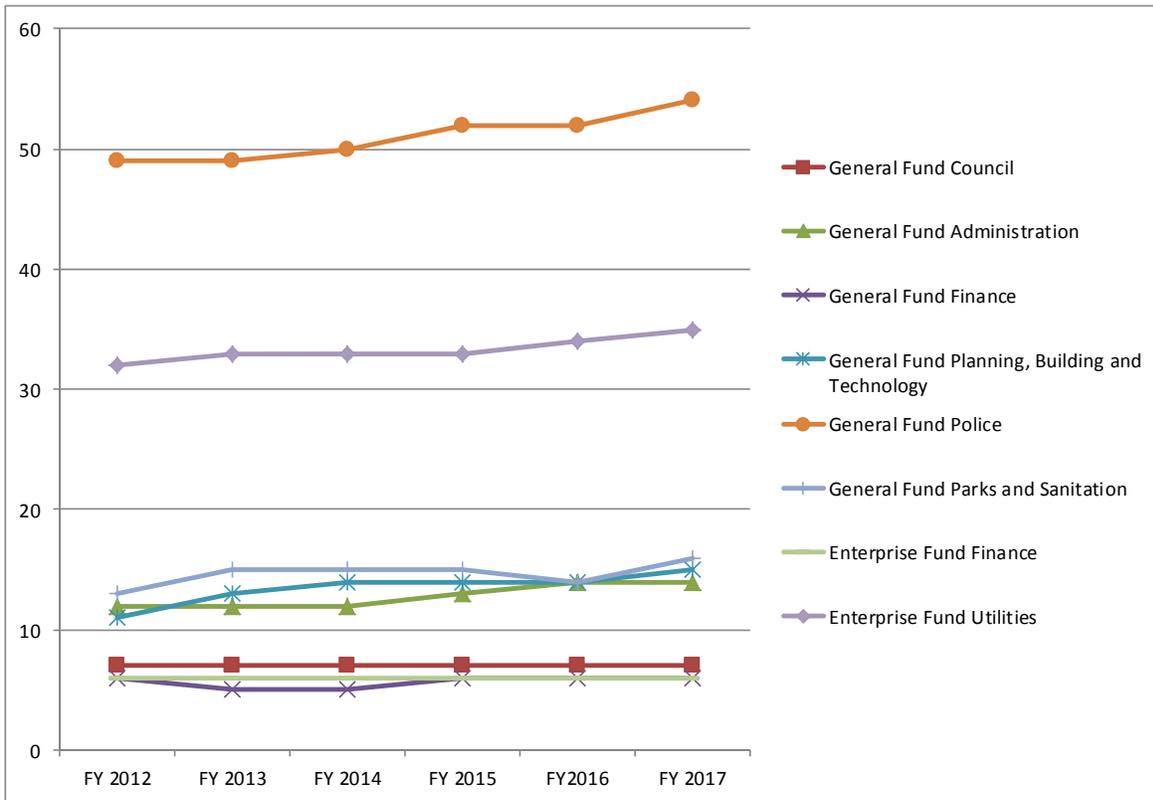
## POSITIONS

For FY 2017, the Town has added five positions in the General Fund. The need was brought about by growth in the Town, completion of several parks facilities and additional technology enhancements. One position has been added in Planning, Building and Technology; two in Police 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 117, up 5 from FY 2016 and the Enterprise fund has increased by one for a total of 41 employees. Total employment for the Town of Lexington is 158 full time positions, not including temporary, grant funded positions.

**POSITIONS**

	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY2016</b>	<b>FY 2017</b>
<b>General Fund</b>						
Council	7	7	7	7	7	7
Administration	12	12	12	13	14	14
Finance	6	5	5	6	6	6
Planning, Building and Technology	11	13	14	14	14	15
Police	49	49	50	52	52	54
Parks and Sanitation	13	15	15	15	14	16
Transportation				1	5	5
<b>Enterprise Fund</b>						
Finance	6	6	6	6	6	6
Utilities	32	33	33	33	34	35
<b>TOTAL POSITIONS</b>	<b>136</b>	<b>140</b>	<b>142</b>	<b>147</b>	<b>152</b>	<b>158</b>



*Sources and Uses of Funds*

Fiscal Year Ending June 30, 2017  
Budget Summary



	<b>GENERAL FUND</b>	<b>ENTERPRISE FUND</b>	<b>DEBT SERVICE FUND</b>	<b>SPECIAL REVENUE FUND</b>	<b>TOTAL FY 2017 BUDGET</b>	<b>TOTAL FY 2016 BUDGET</b>	<b>TOTAL FY 2015 ACTUAL</b>
<b>ESTIMATED REVENUES</b>							
Taxes:							
Property Taxes	\$ 3,600,000	\$ -	\$ -	\$ -	\$ 3,600,000	\$ 3,530,000	\$ 3,408,719
Franchise Fees	2,275,000	-	-	-	2,275,000	2,033,000	2,722,790
Hospitality Tax	-	-	-	2,400,000	2,400,000	-	-
Licenses and Permits	5,474,778	-	-	-	5,474,778	4,500,000	4,601,677
Intergovernmental Revenue	521,000	-	-	-	521,000	540,000	419,223
Charges for Services	90,000	14,900,000	-	-	14,990,000	14,010,000	13,193,559
Fines and Forfeitures	340,000	-	-	35,031	375,031	384,301	361,603
Miscellaneous Revenue	36,500	2,130,000	-	-	2,166,500	1,771,000	2,612,668
<b>TOTAL SOURCES OF FUNDS</b>	<b>12,337,278</b>	<b>17,030,000</b>	<b>-</b>	<b>2,435,031</b>	<b>31,802,309</b>	<b>26,768,301</b>	<b>27,320,239</b>
<b>OPERATING EXPENDITURES AND CAPITAL OUTLAY</b>							
General Government	4,896,015	-	-	-	4,896,015	4,404,169	4,222,522
Public Safety	5,382,297	-	-	71,031	5,453,328	5,222,832	5,021,791
Public Works	-	8,680,711	-	-	8,680,711	8,175,771	7,264,364
Parks and Sanitation	2,191,183	-	-	-	2,191,183	2,918,722	1,742,708
Transportation	955,577	-	-	2,400,000	3,355,577	-	698,536
General and Administrative Allocation	(2,188,861)	2,188,861	-	-	-	-	-
Debt Service	79,308	3,648,517	727,446	-	4,455,271	4,067,501	4,204,137
<b>TOTAL OPERATING EXPENDITURES AND CAPITAL OUTLAY</b>	<b>11,315,519</b>	<b>14,518,089</b>	<b>727,446</b>	<b>2,471,031</b>	<b>29,032,085</b>	<b>24,788,995</b>	<b>23,154,058</b>
<b>OTHER SOURCES AND USES</b>							
Specific Encumbrance	35,000	-	-	-	35,000	13,000	-
Cash Reserves - Previous Bond/Ban Issue	-	5,888,539	-	-	5,888,539	7,276,782	-
Bond/Bond Anticipation Note (BAN)	-	6,000,000	-	-	6,000,000	(494,030)	(660,000)
Capital Improvement Plan	-	(14,175,000)	-	-	(14,175,000)	(8,773,600)	(4,596,016)
Lease Purchase	-	-	-	-	-	308,215	-
Operating Transfers	(871,700)	-	727,446	36,000	(108,254)	67,250	9,250
Contingency Reserve	(185,059)	(225,450)	-	-	(410,509)	(376,923)	-
<b>TOTAL OTHER SOURCES AND (USES)</b>	<b>(1,021,759)</b>	<b>(2,511,911)</b>	<b>727,446</b>	<b>36,000</b>	<b>(2,770,224)</b>	<b>(1,979,306)</b>	<b>(5,246,766)</b>
Excess (Deficiency) of Revenue Over Expenditures and Other	-	-	-	-	-	-	(1,080,585)
Fund Balance/Fund Equity, Beginning of Year	3,839,285	61,516,361	840,862	1,852	66,198,360	73,488,142	74,568,727
Use of Cash Reserves	(35,000)	(5,888,539)	-	-	(5,923,539)	(7,289,782)	(1,080,585)
Fund Balance/Fund Equity, End of Year	<b>\$ 3,804,285</b>	<b>\$ 55,627,822</b>	<b>\$ 840,862</b>	<b>\$ 1,852</b>	<b>\$ 60,274,821</b>	<b>\$ 66,198,360</b>	<b>\$ 73,488,142</b>

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

Fiscal Year Ending June 30, 2017  
 General Fund



<b><u>REVENUE</u></b>	<b><u>FY 2017</u></b>
Property Taxes	\$ 3,600,000
Franchise Fees	2,275,000
Business Licenses	5,184,778
Permits	290,000
Fines and Forfeitures	340,000
Rental Income	90,000
Other Governments	521,000
Miscellaneous Income	30,000
	<hr/>
Total Revenue	12,330,778

**OPERATING EXPENDITURES**

Council and Town Hall Department	185,774
Administration Department	973,824
Finance Department	245,372
Planning, Building and Technology Department	1,207,375
Police Department	5,025,247
Parks and Sanitation Department	2,087,155
Transportation Department	751,386
	<hr/>
Total Operating Expenditures	10,476,133

**OTHER SOURCES AND (USES)**

Interest Income	6,500
Debt Service-Franchise Fee	(300,000)
Capital Outlay	(760,078)
Lease Purchase Payments	(79,308)
Transfer Out -- Vision Plan	(75,000)
Transfer Out -- Debt Service Fund	(393,700)
Transfer Out -- Victims' Advocate	(36,000)
Transfer Out -- Capital Projects Streets & Infrastructure	(500,000)
Transfer Out -- Ampitheatre	(100,000)
Transfer In -- Accommodations Tax	33,000
Transfer In -- Hospitality Tax	500,000
Specific Encumbrance	35,000
Contingency Reserve (@ 1.5% of Revenue)	(185,059)
	<hr/>
Total Other Sources and (Uses)	(1,854,645)

Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)	<hr/> <hr/> \$ -
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Town of Lexington, South Carolina  
*Schedule of Fund Balance and Required Reserve*

Fiscal Year Ending June 30, 2017  
 General Fund



**FY 2017**

**FUND BALANCE AND REQUIRED RESERVE**

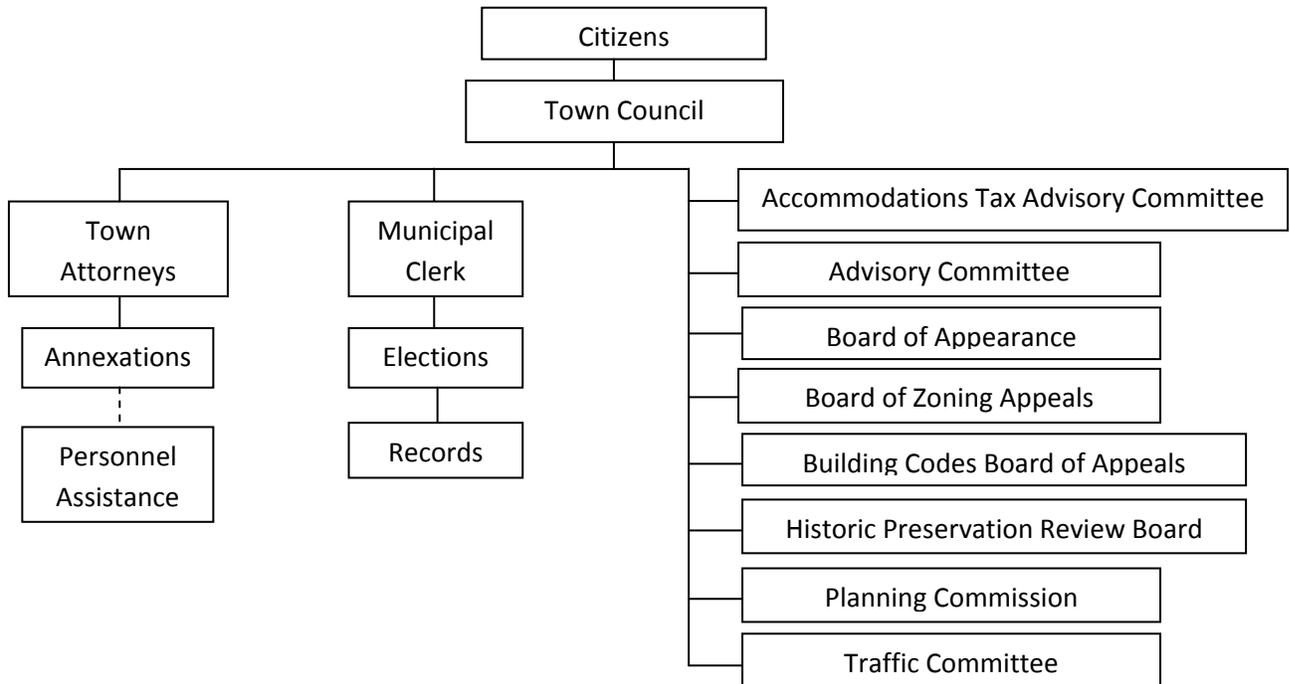
Estimated beginning fund balance at July 1, 2016	\$ 4,652,285
Total revenues	12,337,278
Total operating expenditures	(10,476,133)
Other Sources and (uses)	(1,861,145)
	<u>4,652,285</u>
Estimated approximate fund balance at June 30, 2017	<u>\$ 4,652,285</u>
25% Required Reserve	<u>(2,905,550)</u>
Allocations:	
Operating Contingency Reserve	(185,059)
Designated:	
SCANA	(600,000)
Total allocations and designations:	<u>(785,059)</u>
Working capital requirements	<u>(873,011)</u>
Estimated net contingent funds through June 30, 2017	<u>\$ 88,665</u>
Required Reserve as a % of estimated fund balance	62%



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>REVENUE</u></b>						
Property Taxes	\$ 3,408,719	\$ 3,571,000	<b>\$3,530,000</b>	<b>\$3,600,000</b>	\$ 70,000	2.0
Franchise Fees	2,729,346	2,141,000	<b>2,033,000</b>	<b>2,275,000</b>	242,000	11.9
Business Licenses	4,387,785	4,900,000	<b>4,240,000</b>	<b>5,184,778</b>	944,778	22.3
Permits	183,300	400,000	<b>260,000</b>	<b>290,000</b>	30,000	11.5
Plan Review Fees	24,037	-	-	-	-	-
Fines and Forfeitures	320,303	300,000	<b>344,180</b>	<b>340,000</b>	(4,180)	(1.2)
Rental Income	73,709	75,000	<b>80,000</b>	<b>90,000</b>	10,000	12.5
Other Governments	419,223	472,000	<b>540,000</b>	<b>521,000</b>	(19,000)	(3.5)
Miscellaneous Income	48,130	35,000	<b>35,000</b>	<b>30,000</b>	(5,000)	(14.3)
<b>Total Revenue</b>	<b>11,594,550</b>	<b>11,894,000</b>	<b>11,062,180</b>	<b>12,330,778</b>	<b>1,268,598</b>	<b>11.5</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Council and Town Hall Department	160,343	170,701	<b>178,320</b>	<b>185,774</b>	7,454	4.2
Administration Department	837,956	856,848	<b>920,529</b>	<b>973,824</b>	53,295	5.8
Finance Department	239,175	223,265	<b>237,027</b>	<b>245,372</b>	8,345	3.5
Planning, Building and Technology Department	1,075,429	1,037,185	<b>1,097,441</b>	<b>1,207,375</b>	109,934	10.0
Police Department	4,662,500	4,639,785	<b>4,887,316</b>	<b>5,025,247</b>	137,931	2.8
Parks and Sanitation Department	1,977,675	1,862,724	<b>1,912,456</b>	<b>2,087,155</b>	174,699	9.1
Transportation Department	368,547	712,488	<b>584,777</b>	<b>751,386</b>	166,609	28.5
<b>Total Operating Expenditures</b>	<b>9,321,625</b>	<b>9,502,996</b>	<b>9,817,866</b>	<b>10,476,133</b>	<b>658,267</b>	<b>6.7</b>
<b><u>OTHER SOURCES AND (USES)</u></b>						
Interest Income	6,490	6,783	<b>6,000</b>	<b>6,500</b>	500	8.3
Debt Service-Franchise Fee	-	(494,030)	<b>(494,030)</b>	<b>(300,000)</b>	194,030	(39.3)
Capital Outlay	(443,340)	(518,310)	<b>(518,310)</b>	<b>(760,078)</b>	(241,768)	46.6
Sale of Capital Assets (Gain)	4,933	15,000	-	-	-	-
Lease Purchase Payments	-	-	-	<b>(79,308)</b>	(79,308)	-
Transfer Out -- Vision Plan	(25,000)	-	-	<b>(75,000)</b>	(75,000)	-
Transfer Out -- Debt Service Fund	(1,791,592)	(396,166)	<b>(396,166)</b>	<b>(393,700)</b>	2,466	(0.6)
Transfer Out -- Victims' Advocate	(27,627)	(30,000)	<b>(30,000)</b>	<b>(36,000)</b>	(6,000)	20.0
Transfer Out -- Capital Projects Streets & Infrastructure	-	-	-	<b>(500,000)</b>	(500,000)	-
Transfer Out -- Amphitheatre	-	-	-	<b>(100,000)</b>	(100,000)	-
Transfer In -- Accommodations Tax	-	32,219	<b>33,000</b>	<b>33,000</b>	-	-
Transfer In -- Hospitality Tax	-	-	-	<b>500,000</b>	500,000	-
Specific Encumbrance	-	-	<b>13,000</b>	<b>35,000</b>	22,000	169.2
Lease Purchase Financing	-	308,215	<b>308,215</b>	-	(308,215)	(100.0)
Contingency Reserve (@ 1.5% of Revenue)	(60,000)	(178,512)	<b>(166,023)</b>	<b>(185,059)</b>	(19,036)	11.5
<b>Total Other Sources and (Uses)</b>	<b>(2,336,136)</b>	<b>(1,254,801)</b>	<b>(1,244,314)</b>	<b>(1,854,645)</b>	<b>(610,331)</b>	<b>49.0</b>
Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)	<b>\$ (63,212)</b>	<b>\$ 1,136,203</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>



# 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 2016:**

- Unveiled Adaptive Signalization System. (S, V, R)
- Installed two Gateway Beautification Welcome Signs and improvements to Main Street. (C, V, R)
- Broke ground on 900-seat amphitheater for Project Icehouse. (S, V, C, R)
- Initiated Design Work for H-Tax Traffic Improvement Projects. (S, V, R)
- Completed closure of Coventry Woods Wastewater Treatment Plant, last of four facilities. (S, A, R)

**Goals and Objectives for FY 2017:**

- Completion of Downtown Traffic Improvements/One-Way Pairs. (S, V, R)
- Opening and promotion of Project Icehouse Amphitheater. (S, V, C, R)
- Construct 250 space parking lot to serve downtown amenities. (S, V, R)
- Continue to build on the Town’s Vision Plan and Comprehensive Plan. (S, V, C)
- Continue rebuilding from 1,000 Year Flood of October 2016. (S, C)

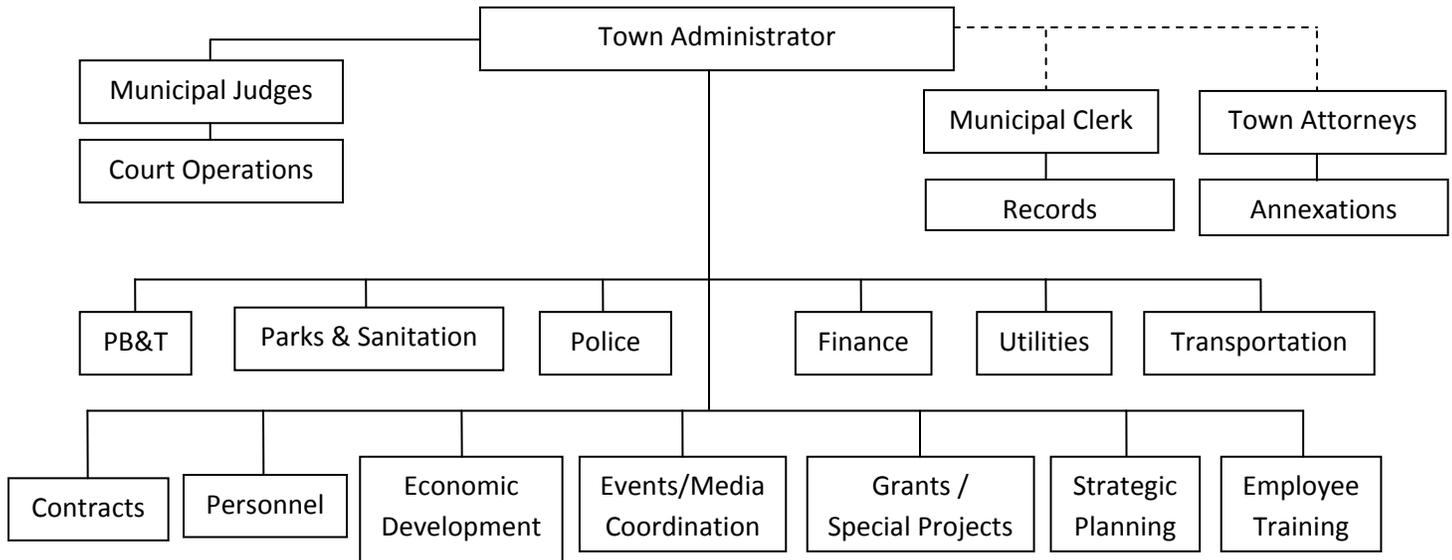
Town of Lexington, South Carolina  
**Council Department**

Fiscal Year Ending June 30, 2017  
 General Fund



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 42,060	\$ 41,551	\$ 41,575	\$ 41,575	\$ -	-
Overtime	-	-	-	-	-	-
FICA Expense	2,940	3,179	3,180	3,180	-	-
SC Retirement Expense	4,195	4,820	4,230	4,422	192	4.5
Health Insurance - Employee	17,290	20,668	17,504	21,205	3,701	21.1
Workers Compensation Insurance	311	190	176	202	26	14.8
Unemployment	-	-	-	-	-	-
Wellness Program	253	289	298	300	2	0.7
Total Salaries & Fringes Before Allocation	67,048	70,696	66,963	70,884	3,921	5.9
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	67,048	70,696	66,963	70,884	3,921	5.9
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	1,650	565	2,500	2,500	-	-
Advisory Boards & Commissions	8,588	12,104	6,000	6,000	-	-
Awards & Memorials	2,972	1,873	2,600	2,600	-	-
Contractual Services	12,487	11,585	29,095	29,960	865	3.0
Contributions	20,186	17,927	24,500	24,500	-	-
Council Expenses	14,818	23,471	11,375	11,375	-	-
Deeds & Easements	327	761	1,500	1,500	-	-
Dues & Subscriptions	21,120	25,382	22,990	22,990	-	-
Election Expense	25	-	5,500	5,500	-	-
Film Development	-	-	100	100	-	-
Meetings & Meals	14,095	16,138	11,590	11,590	-	-
Non-Capital - Computer Supplies	5,398	-	-	-	-	-
Non-Capital - Equipment	-	-	-	-	-	-
Non-Capital - Furniture & Fixtures	9,409	5,170	8,500	15,500	7,000	82.4
Office Supplies	325	292	1,550	1,550	-	-
Office Supplies - Postage	1,687	701	1,800	1,000	(800)	(44.4)
Printing & Publishing	-	44	600	600	-	-
Professional Services - Legal	38,712	38,870	39,900	39,900	-	-
Repairs-Building & Facilities	235	-	-	-	-	-
Repairs-Equipment	100	272	-	-	-	-
Screening & Shots	40	98	140	140	-	-
Strategic Plan	-	-	500	500	-	-
Supplies	963	702	740	740	-	-
Travel & Training	30,654	40,595	49,965	49,965	-	-
Uniforms	126	-	-	-	-	-
Utilities - Tele-Communications	2,672	3,459	1,270	1,270	-	-
Total Operating Expenditures	186,589	200,009	222,715	229,780	7,065	3.2
General & Administrative Allocation	(93,294)	(100,005)	(111,358)	(114,890)	(3,532)	3.2
Total Expenditures	160,343	170,701	178,320	185,774	7,454	4.2
Capital Outlay Before Allocation	-	-	-	-	-	-
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outla	\$ 160,343	\$ 170,701	\$ 178,320	\$ 185,774	\$ 7,454	4.2

# 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 2016:**

- Unveiled Adaptive Signalization System. (S,V,R)
- Gateway Beautification – Two new Welcome Signs and improvements to Main St. (C,V,R)
- Broke ground on 900-seat amphitheater for Project Icehouse. (S, V, C, R)
- Initiated Design Work for H-Tax Traffic Improvement Projects. (S, V, R)
- Completed closing of Coventry Woods Wastewater Treatment Plant, last of four facilities. (S,A,R)

**Goals and Objectives for FY 2017:**

- Completion of Downtown Traffic Improvements / One-Way Pairs. (S,V,R)
- Opening of Project Icehouse Amphitheater. (S,V,C,R)
- Construction of 250 space parking lot to serve downtown amenities. (S,V,R)
- Opening of Town Maintenance Facility to serve as main office for Utilities and house equipment for Police, Parks, Transportation and Utilities. (V, A)

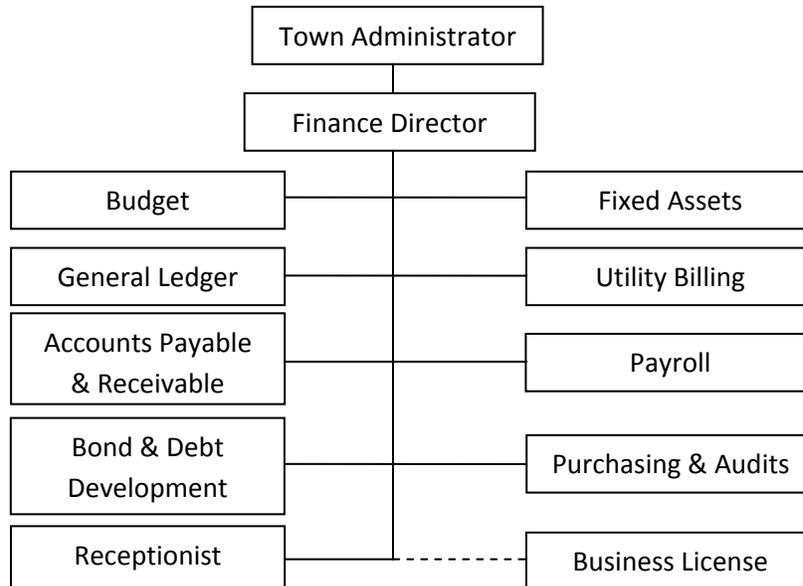
Town of Lexington, South Carolina  
**Administration Department**

Fiscal Year Ending June 30, 2017  
 General Fund



	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>\$\$\$</u>	<u>%%%</u>
	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>AMENDED</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>VARIANCE</u>
			<u>BUDGET</u>			
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 532,188	\$ 568,027	\$ 629,050	\$ 634,534	\$ 5,484	0.9
Overtime	-	-	-	-	-	-
FICA Expense	39,533	43,454	48,122	48,542	420	0.9
SC Retirement Expense	54,043	65,891	65,577	69,086	3,509	5.4
Health Insurance - Employee	49,955	55,527	62,700	57,840	(4,860)	(7.8)
Workers Compensation Insurance	10,950	6,642	6,161	7,126	965	15.7
Unemployment	-	-	2,076	2,094	18	0.9
Wellness Program	505	671	721	722	1	0.1
Tuition Reimbursement	-	-	-	25,000	25,000	-
Total Salaries & Fringes Before Allocation	687,173	740,212	814,407	844,944	30,537	3.7
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	687,173	740,212	814,407	844,944	30,537	3.7
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	-	45	5,000	5,000	-	-
Advisory Boards & Commissions	-	-	-	-	-	-
Awards & Memorials	3,019	3,433	5,500	5,500	-	-
Contractual Services	14,190	24,364	11,545	59,460	47,915	415.0
Contractual Services - Muni Court	95,895	62,095	61,800	37,500	(24,300)	(39.3)
Downtown Beautification	-	-	-	-	-	-
Dues & Subscriptions	4,292	5,615	5,965	5,965	-	-
Fuels	1,384	946	3,000	3,000	-	-
Meetings & Meals	4,143	1,212	4,330	4,330	-	-
Non-Capital - Computer Supplies	1,742	-	-	-	-	-
Non-Capital - Equipment	-	-	-	-	-	-
Non-Capital - Furniture & Fixtures	1,041	1,162	300	300	-	-
Office Supplies	2,395	2,757	5,510	5,510	-	-
Court Expenses	2,160	3,299	2,450	2,450	-	-
Office Supplies - Postage	2,188	3,016	4,000	11,400	7,400	185.0
Permits & Licenses	39	-	-	-	-	-
Printing & Publishing	14,614	9,771	8,785	12,185	3,400	38.7
Professional Services - Legal	-	463	-	-	-	-
Repairs - Automotive	707	-	1,500	1,500	-	-
Repairs - Building & Facilities	4,867	6,790	-	-	-	-
Repairs - Equipment	-	-	400	400	-	-
Screening & Shots	100	98	400	400	-	-
Supplies	634	389	1,240	1,240	-	-
Travel & Training	44,464	35,419	22,970	41,470	18,500	80.5
Uniforms	413	873	800	800	-	-
Utilities - Tele-Communications	5,228	6,132	2,500	2,500	-	-
Total Operating Expenditures	203,513	167,879	147,995	200,910	52,915	35.8
General & Administrative Allocation	(52,730)	(51,243)	(41,873)	(72,030)	30,157	(72.0)
Total Expenditures	837,956	856,848	920,529	973,824	53,295	5.8
Capital Outlay Before Allocation	20,906	-	-	-	-	-
Capital Outlay Allocation	-	-	-	-	-	100.0
Total Expenditures and Capital Outlay	\$858,862	\$ 856,848	\$ 920,529	\$ 973,824	\$ 53,295	5.8

## 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 2016:

- Received Distinguished Budget Presentation Award from the Government Finance Officers Association for the sixth time. (A, V)
- Received Certificate of Achievement for Excellence in Financial Reporting for the seventeenth time. (A, I)
- Improved accounts payable processes by downloading large invoices and importing information into financial software. Thereby improving efficiency and reducing keystroke error. (A, R)

### Goals and Objectives for FY 2017:

- Improve reporting timeline. (A, R)
- Implement automated phone payment system for court and rentals. (S, R)

Town of Lexington, South Carolina  
**Finance Department**

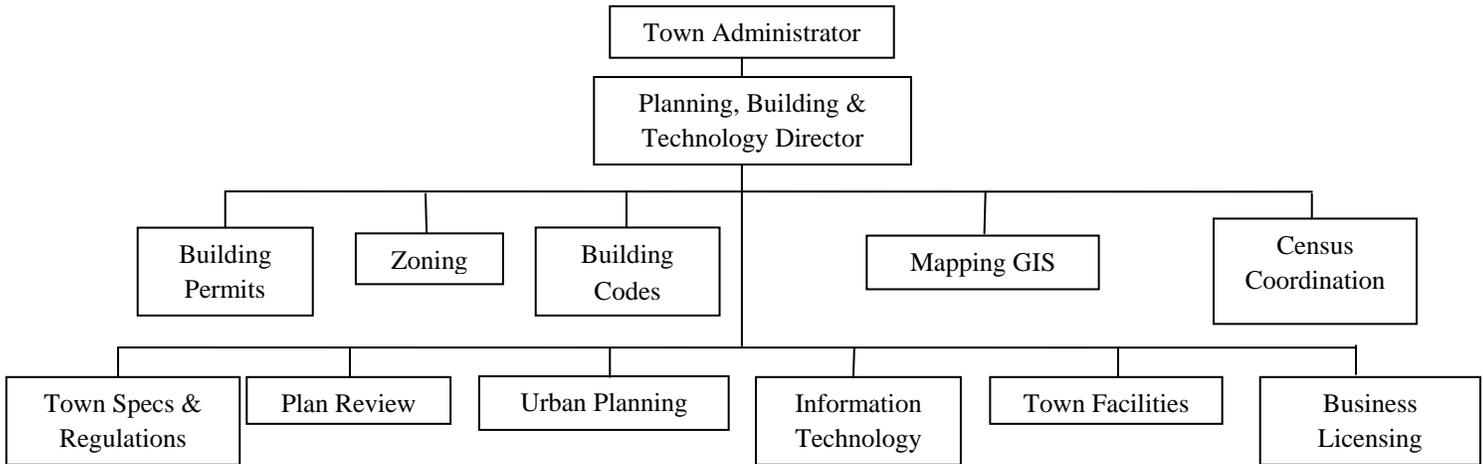
Fiscal Year Ending June 30, 2017  
 General Fund



	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2016 AMENDED BUDGET	FY 2017 BUDGET	\$\$\$ VARIANCE	%% VARIANCE
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 388,608	\$ 391,574	\$ 399,386	\$ 413,806	\$ 14,420	3.6
Overtime	-	-	-	15	15	-
FICA Expense	11,476	29,955	30,553	31,657	1,104	3.6
SC Retirement Expense	16,463	45,423	42,856	46,437	3,581	8.4
Health Insurance - Employee	13,314	17,091	42,855	31,888	(10,967)	(25.6)
Workers Compensation Insurance	546	1,238	1,610	1,862	252	15.7
Unemployment	4,860	-	1,318	1,366	48	3.6
Wellness Program	173	489	515	514	(1)	(0.2)
<b>Total Salaries &amp; Fringes Before Allocation</b>	<b>435,440</b>	<b>485,772</b>	<b>519,093</b>	<b>527,545</b>	<b>8,452</b>	<b>1.6</b>
General & Administrative Allocation	(232,865)	(291,463)	(311,456)	(316,527)	(5,071)	1.6
<b>Total Salaries &amp; Fringes</b>	<b>202,575</b>	<b>194,309</b>	<b>207,637</b>	<b>211,018</b>	<b>3,381</b>	<b>1.6</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	1,076	39	500	500	-	-
Contractual Services	34,962	15,330	7,709	9,155	1,446	18.8
Dues & Subscriptions	1,310	1,855	1,465	1,470	5	0.3
Meetings & Meals	143	211	400	400	-	-
Non-Capital - Equipment	-	-	-	-	-	-
Non-Capital - Furniture & Fixtures	384	304	-	-	-	-
Office Supplies	2,513	280	3,600	2,500	(1,100)	(30.6)
Office Supplies - Postage	895	1,000	1,550	2,400	850	54.8
Permits & Licenses	80	122	80	80	-	-
Printing & Publishing	1,420	2,856	1,100	1,460	360	32.7
Professional Services - Audit	15,775	18,735	18,735	31,000	12,265	65.5
Repairs - Equipment	-	-	150	-	(150)	(100.0)
Screening & Shots	140	-	280	100	(180)	(64.3)
Supplies	242	195	420	370	(50)	(11.9)
Tax Bill Preparation Cost	28,650	30,000	30,000	30,000	-	-
Travel & Training	3,363	1,463	6,986	5,950	(1,036)	(14.8)
Uniforms	548	-	500	500	-	-
<b>Total Operating Expenditures</b>	<b>91,498</b>	<b>72,390</b>	<b>73,475</b>	<b>85,885</b>	<b>12,410</b>	<b>16.9</b>
General & Administrative Allocation	(54,898)	(43,434)	(44,085)	(51,531)	(7,446)	16.9
<b>Total Expenditures</b>	<b>239,175</b>	<b>223,265</b>	<b>237,027</b>	<b>245,372</b>	<b>8,345</b>	<b>3.5</b>
Capital Outlay Before Allocation	2,341	2,341	-	1,000	1,000	100.0
Capital Outlay Allocation		(1,405)	-	(600)	(600)	(100.0)
<b>Total Expenditures and Capital Outlay</b>	<b>\$ 241,516</b>	<b>\$ 224,201</b>	<b>\$ 237,027</b>	<b>\$ 245,772</b>	<b>\$ 8,745</b>	<b>3.7</b>



# 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 2016:**

- Added Security cameras to the 3<sup>rd</sup> floor of Town Hall and upgraded the DVR system to allow for additional cameras which improves the overall building security. (S, A)
- Increased intelligence and expanded threat protection on the IT systems to allow more efficient protection and recovery from external virus intrusion and attacks. (S, I, A)
- IT equipment enhancements for the Police Department to support video storage and improve efficiency. (S, R)
- Replaced nearly 100 lights in the Town Hall complex with more efficient lighting thus conserving energy. (S, A)
- Renovated the Municipal Court offices to accommodate a full-time judge and relocate the Clerk of Court. (S)
- Permitted nearly 100 million dollars of new construction and continued to annex new properties into the Town. (S)

**Goals and Objectives for FY 2017:**

- Improve the Wireless network in Town Hall and setup a private wireless network for Town employees. (S, C, R)
- Continue customer service improvements by implementing online permit processing. (S, R)
- Improve employee IT assistance and enhance the Town’s media assets by augmenting the IT staff. (S, A, R)
- Continue energy conservation efforts by upgrading lighting and replacing an outdated HVAC unit with a more efficient unit. (S, A)

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

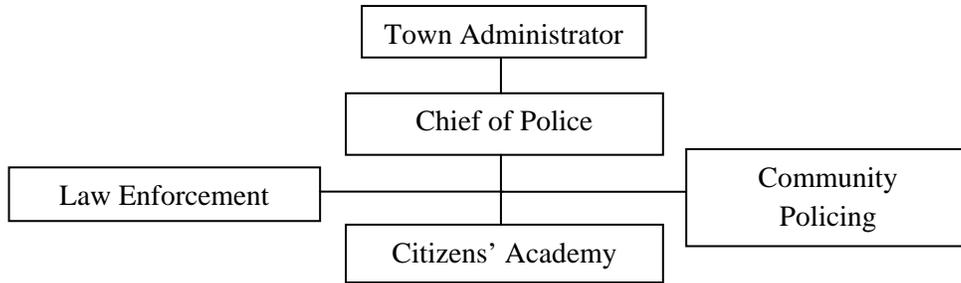
Fiscal Year Ending June 30, 2017  
 General Fund



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 550,734	\$ 557,172	\$ 560,765	\$ 607,116	\$ 46,351	8.3
Overtime	-	-	-	-	-	-
FICA Expense	40,768	42,624	42,899	46,445	3,546	8.3
SC Retirement Expense	58,640	64,632	61,408	68,492	7,084	11.5
Health Insurance - Employee	68,151	70,451	60,583	77,923	17,340	28.6
Workers Compensation Insurance	19,167	4,887	4,533	6,638	2,105	46.4
Unemployment	623	-	1,851	2,003	153	8.3
Wellness Program	686	811	860	858	(2)	(0.2)
<b>Total Salaries &amp; Fringes Before Allocation</b>	<b>738,770</b>	<b>740,576</b>	<b>732,899</b>	<b>809,475</b>	<b>76,576</b>	<b>10.4</b>
General & Administrative Allocation	-	-	-	-	-	-
<b>Total Salaries &amp; Fringes</b>	<b>738,770</b>	<b>740,576</b>	<b>732,899</b>	<b>809,475</b>	<b>76,576</b>	<b>10.4</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	1,035	1,309	1,000	700	(300)	(30.0)
Building Maintenance Agreements	101,663	118,383	104,900	107,181	2,281	2.2
Contractual Services	44,377	47,097	69,017	67,770	(1,247)	(1.8)
Dues & Subscriptions	7,491	2,665	3,910	3,910	-	-
Fuels	10,093	7,560	11,000	9,500	(1,500)	(13.6)
Insurance - Building & Other	208,083	213,000	218,000	230,000	12,000	5.5
Meetings & Meals	23	-	750	750	-	-
Non-Capital - Computer Supplies	8,615	7,685	11,750	11,750	-	-
Non-Capital - Equipment	1,366	1,973	1,000	1,850	850	85.0
Non-Capital - Furniture & Fixtures	40	207	2,000	2,000	-	-
Non-Capital - Small Tools	1,131	-	-	-	-	-
Office Supplies	3,759	3,571	4,050	5,050	1,000	24.7
Office Supplies - Postage	2,822	4,715	2,820	4,300	1,480	52.5
Permits & Licenses	17	-	1,000	1,250	250	25.0
Rental - Equipment	152	-	-	-	-	-
Repairs - Automotive	4,211	2,329	6,000	6,000	-	-
Repairs - Building & Facilities	39,088	18,918	30,500	66,484	35,984	118.0
Repairs - Equipment	196	-	-	-	-	-
Screening & Shots	258	367	350	350	-	-
Supplies	2,663	577	2,240	2,240	-	-
Travel & Training	17,708	9,636	13,750	14,250	500	3.6
Uniforms	1,564	3,233	2,200	2,500	300	13.6
Utilities - Electricity	140,555	124,473	152,000	147,000	(5,000)	(3.3)
Utilities - Tele-Communications	34,963	41,206	38,600	39,600	1,000	2.6
<b>Total Operating Expenditures</b>	<b>631,873</b>	<b>608,904</b>	<b>676,837</b>	<b>724,435</b>	<b>47,598</b>	<b>7.0</b>
General & Administrative Allocation	(295,214)	(312,295)	(312,295)	(326,535)	(14,240)	4.6
<b>Total Expenditures</b>	<b>1,075,429</b>	<b>1,037,185</b>	<b>1,097,441</b>	<b>1,207,375</b>	<b>109,934</b>	<b>10.0</b>
Capital Outlay Before Allocation	88,250	8,231	136,750	299,200	162,450	118.8
Capital Outlay Allocation	-	(16,563)	(60,875)	(107,600)	(46,725)	76.8
<b>Total Expenditures and Capital Outlay</b>	<b>\$1,163,679</b>	<b>\$1,028,853</b>	<b>\$ 1,173,316</b>	<b>\$ 1,398,975</b>	<b>\$ 225,659</b>	<b>19.2</b>



# 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.

- Strive to Persevere
- Excellence thru Competence
- Respectful
- Value Communications
- Integrity and Honesty
- Community
- Encourage Teamwork

### Achievements for FY 2016:

- The first body camera program was implemented for road and traffic officers. (S, C, A)
- Reduced property crime by 5% and kept response time below 10 minutes on 80% of the calls. (S, C, R)
- Three lifesaving events by patrol officers: Cpl. Paul Walker, Ptl. Todd Ziegler, and Ptl. Jonathan Taylor. (S, R)
- The department received its third CALEA re-accreditation on March 24, 2015. (S, A, I)
- Named "Fitting Station of the Year" at the 2015 Safe Kids of South Carolina Child Passenger Safety Summit. (S, C)
- PFC Steffonie Cockerill named "Law Enforcement Technician of the Year" at the 2015 Safe Kids of South Carolina Child Passenger Safety Summit. (S, C)
- Successful "FILL THE MRAP" events were held for S.C. Flood Victims and Toys for Tots with many community partners. (S, R)
- Adopt-A-Cop received over \$10,000 of food, services, and cash donations enabling special events like Drive-Thru Child Seat Checks, Fall Fest, National Night Out, Fan Program, Chaplain Program, and others a success. (S, C, R)

### Goals and Objectives for FY 2017:

- 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)

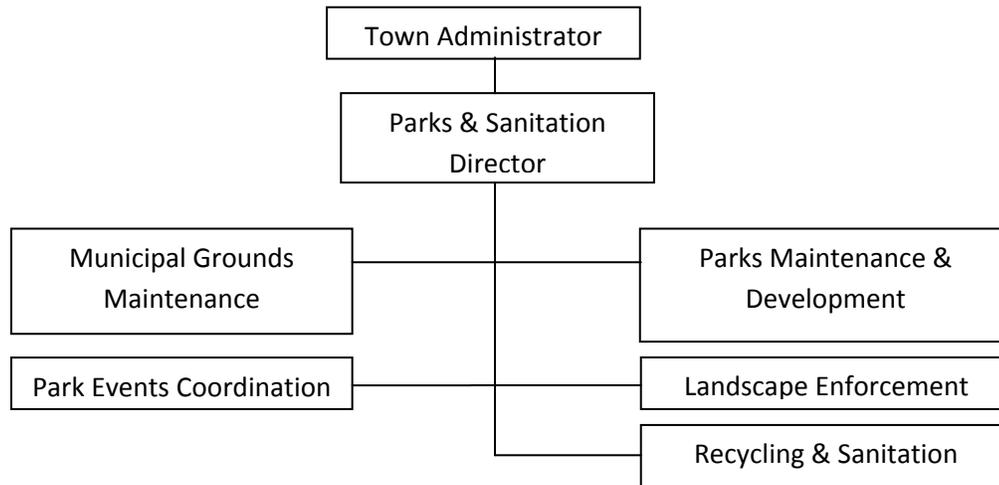
Town of Lexington, South Carolina  
**Police Department**

Fiscal Year Ending June 30, 2017  
 General Fund



	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2016 AMENDED BUDGET	FY 2017 BUDGET	\$\$\$ VARIANCE	%% VARIANCE
<b>EXPENDITURES</b>						
<b>SALARIES &amp; FRINGES</b>						
Salaries	\$ 2,834,106	\$ 2,875,869	\$ 3,009,628	\$ 3,072,539	\$ 62,911	2.1
Overtime	194,944	197,136	210,000	205,330	(4,670)	(2.2)
FICA Expense	227,857	220,004	246,302	250,757	4,455	1.8
SC Retirement Expense	396,709	411,073	429,475	439,622	10,147	2.4
Health Insurance - Employee	339,293	363,790	377,741	377,896	155	0.0
Workers Compensation Insurance	176,756	104,934	97,680	113,233	15,553	15.9
Unemployment	2,343	-	10,625	10,817	192	1.8
Wellness Program	3,757	2,463	4,472	4,473	1	0.0
Total Salaries & Fringes Before Allocation	4,175,764	4,175,270	4,385,923	4,474,667	88,744	2.0
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	4,175,766	4,175,270	4,385,923	4,474,667	88,744	2.0
<b>OPERATING EXPENDITURES</b>						
Accreditation	9,106	6,100	9,750	5,150	(4,600)	(47.2)
Advertising	-	-	750	750	-	-
Awards & Memorials	1,641	962	1,450	1,450	-	-
Citizen's Academy	1,123	357	1,900	1,900	-	-
Contractual Services	47,096	40,599	41,483	26,680	(14,803)	(35.7)
Contractual Services -DJJ	300	662	4,000	4,000	-	-
Contractual Services - Motorola	23,624	34,945	34,300	26,080	(8,220)	(24.0)
Contractual Services - Muni Court	-	-	-	-	-	-
Contractual Services - Scholarship	3,157	-	5,000	5,000	-	-
Contributions	3,050	3,196	1,400	2,400	1,000	71.4
Damages	1,180	1,049	500	1,500	1,000	200.0
Dues & Subscriptions	5,681	6,198	7,190	8,590	1,400	19.5
Fuels	123,329	89,048	111,500	124,264	12,764	11.4
Lab Test	-	-	500	1,000	500	100.0
Meetings & Meals	7,187	3,046	4,550	4,750	200	4.4
Non-Capital - Computer Supplies	-	109	250	250	-	-
Non-Capital - Equipment	5,238	14,130	8,425	21,010	12,585	149.4
Non-Capital - Furniture & Fixtures	1,854	500	2,250	3,750	1,500	66.7
Office Supplies	6,224	7,911	8,215	9,215	1,000	12.2
Court Expenses	-	-	-	-	-	-
Office Supplies - Postage	11,696	11,781	17,500	8,500	(9,000)	(51.4)
Permits & Licenses	273	280	400	650	250	62.5
Recruitment	1,486	602	2,000	2,800	800	40.0
Repairs - Automotive	51,835	47,740	57,650	67,650	10,000	17.3
Repairs - Equipment	7,560	10,334	9,200	15,500	6,300	68.5
Screening & Shots	6,725	2,095	3,350	3,350	-	-
Supplies	18,475	22,076	20,900	21,700	800	3.8
Supplies - Ammunition	9,110	13,293	9,100	9,100	-	-
Supplies - K-9	9	-	2,000	2,000	-	-
Travel & Training	46,212	49,788	41,000	68,060	27,060	66.0
Uniforms	25,253	30,803	22,850	22,855	5	0.0
Uniforms - Clothing Allowance	11,500	12,000	12,000	12,000	-	-
Utilities - Electricity	34,000	34,000	34,000	34,000	-	-
Utilities - Tele-Communications	22,812	20,911	21,030	29,676	8,646	41.1
Drug Fund Expenses	-	-	5,000	5,000	-	-
Total Operating Expenditures	486,736	464,515	501,393	550,580	49,187	9.8
General & Administrative Allocation	-	-	-	-	-	-
Total Expenditures	4,662,500	4,639,785	4,887,316	5,025,247	137,931	2.8
Capital Outlay Before Allocation	289,073	234,712	265,395	357,050	91,655	34.5
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outlay	\$ 4,951,573	\$ 4,874,497	\$ 5,152,711	\$ 5,382,297	\$ 229,586	4.5

## PARKS AND SANITATION



### The Parks, Streets and Sanitation Department:

- Maintains existing parks,
- Develops new parks,
- Administers garbage pickup for Town residents.
- Enforce Landscape and Tree Ordinance.

### Achievements for FY 2016:

- Site preparation and support for new extended Lexington Farmers Market. (S, C)
- Took over upkeep for Beautification project at Sunset Boulevard and Interstate 20 as well as at US1 and Interstate 20. (V, C)
- Building mini parks at West Main Street/Highway 378 and Sunset Boulevard/North Lake Drive. (S, C)
- Rebuilt planters on Main Street and planted new trees. (S, V, C)
- Implemented new 90 gallon recycle roll cart program. (S, C)
- Maintained Tree City USA award. (C, A)

### Goals and Objectives for FY 2017:

- 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)

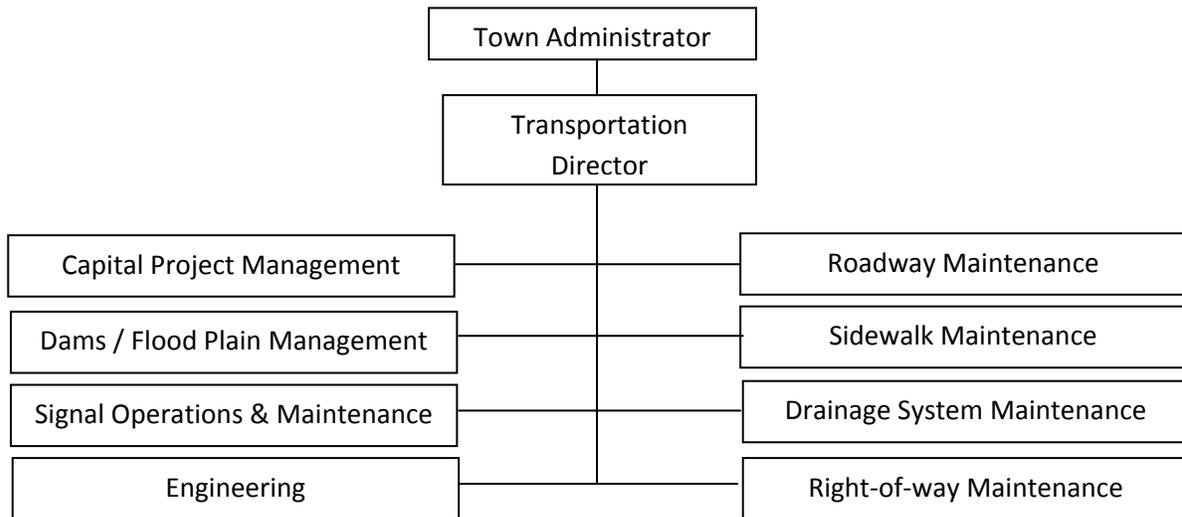
Town of Lexington, South Carolina  
**Parks and Sanitation Department**

Fiscal Year Ending June 30, 2017  
 General Fund



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	AMENDED <u>BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 699,455	\$ 605,801	\$ 629,050	\$ 726,120	\$ 97,070	15.4
Overtime	16,342	-	11,000	12,465	1,465	13.3
FICA Expense	53,008	46,344	48,067	56,502	8,435	17.5
SC Retirement Expense	75,916	70,273	67,717	82,959	15,242	22.5
Health Insurance - Employee	107,502	99,023	107,464	122,810	15,346	14.3
Workers Compensation Insurance	25,542	13,041	11,248	16,810	5,562	49.4
Unemployment	-	-	2,073	2,437	364	17.6
Wellness Program	1,083	1,064	1,203	1,202	(1)	(0.1)
Total Salaries & Fringes Before Allocation	978,846	835,546	877,822	1,021,305	143,483	16.3
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	978,846	835,546	877,822	1,021,305	143,483	16.3
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	3,247	271	800	800	-	-
Contractual Services	820,891	832,605	892,779	913,230	20,451	2.3
Damages	-	220	-	-	-	-
Downtown Beautification	8,295	34,890	22,510	27,400	4,890	21.7
Dues & Subscriptions	-	-	225	225	-	-
Fuels	24,985	15,600	12,841	12,841	-	-
Lab Test	-	-	75	75	-	-
Meetings & Meals	41	-	500	500	-	-
Non-Capital - Computer Supplies	-	226	-	-	-	-
Non-Capital - Equipment	654	7,444	2,890	2,864	(26)	(0.9)
Non-Capital - Furniture & Fixtures	-	1,833	-	-	-	-
Non-Capital - Small Tools	3,055	5,918	1,684	1,172	(512)	(30.4)
Office Supplies	1,406	1,784	980	980	-	-
Office Supplies - Postage	1,678	1,483	850	1,700	850	100.0
Permits & Licenses	57	77	100	100	-	-
Printing & Publishing	-	-	-	-	-	-
Rental - Equipment	6,987	1,272	1,000	1,000	-	-
Repairs - Automotive	11,343	10,888	8,940	8,940	-	-
Repairs - Building & Facilities	965	-	1,000	1,000	-	-
Repairs - Equipment	15,370	26,584	5,011	5,011	-	-
Screening & Shots	1,867	838	1,020	1,020	-	-
Supplies	60,566	51,872	42,409	41,287	(1,122)	(2.6)
Travel & Training	(104)	1,252	450	135	(315)	(70.0)
Uniforms	6,119	5,259	4,950	4,950	-	-
Utilities - Electricity	25,110	22,663	29,000	36,000	7,000	24.1
Utilities - Tele-Communications	6,295	4,199	4,620	4,620	-	-
Total Operating Expenditures	998,829	1,027,178	1,034,634	1,065,850	31,216	3.0
General & Administrative Allocation	-	-	-	-	-	-
Total Expenditures	1,977,675	1,862,724	1,912,456	2,087,155	174,699	9.1
Capital Outlay Before Allocation	32,231	20,890	20,890	104,028	83,138	398.0
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outlay	\$ 2,009,906	\$ 1,883,614	\$ 1,933,346	\$ 2,191,183	\$ 257,837	13.3

# TRANSPORTATION



**The Transportation Department:**

- Currently maintains Town owned streets, sidewalks, and streetlights.
- Currently administers an Intergovernmental Agreement with South Carolina Department of Transportation to maintain traffic signals and their operation.
- Currently provides engineering services to the Town related to roads, sidewalks, drainage systems, traffic, dam structures and floodplains.

**Achievements for FY 2016:**

- Entered the first Intergovernmental Agreement for operations and maintenance for 35 traffic signals in and around the Town. (S, V, R)
- Began phase-1 of the Adaptive Signal Installation project. (S, V, R)
- Began construction activity for Project Ice House. (C, V)

**Goals and Objectives for FY 2017:**

- Complete design and fully construct the One Way Pair project in downtown. (S, V, R)
- Complete Project Ice House. (C, V)
- Establish mapped locations of all town owned street related facilities. (S, A)
- Complete design and begin construction on phase-1 of the Corley Mill Gateway project. (S, V, R)

Town of Lexington, South Carolina  
**Transportation Department**

Fiscal Year Ending June 30, 2017  
 General Fund



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% % <u>VARIANCE</u>
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 37,677	\$ 209,669	\$ 209,125	\$ 214,779	\$ 5,654	2.7
Overtime	-	286	-	350	350	-
FICA Expense	2,907	16,040	16,895	16,457	(438)	(2.6)
SC Retirement Expense	3,998	24,322	23,849	24,287	438	1.8
Health Insurance - Employee	-	18,817	33,859	31,782	(2,077)	(6.1)
Workers Compensation Insurance	-	1,000	1,776	2,054	278	15.7
Unemployment	-	-	729	711	(18)	(2.5)
Wellness Program	-	307	317	316	(1)	(0.3)
Total Salaries & Fringes Before Allocation	44,583	270,442	286,550	290,736	4,186	1.5
General & Administrative Allocation	(52,251)	-	-	-	-	-
Total Salaries & Fringes	44,583	270,442	286,550	290,736	4,186	1.5
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	1,337	747	1,000	1,000	-	-
Contractual Services	370	91,320	46,095	52,230	6,135	13.3
Damages	-	-	-	-	-	-
Downtown Beautification	-	-	-	-	-	-
Dues & Subscriptions	85	130	400	400	-	-
Fuels	1,244	2,293	5,750	4,000	(1,750)	(30.4)
Lab Test	-	-	-	-	-	-
Meetings & Meals	271	158	400	400	-	-
Non-Capital - Computer Supplies	113	710	1,450	2,500	1,050	72.4
Non-Capital - Equipment	42	3,628	-	-	-	-
Non-Capital - Furniture & Fixtures	267	-	4,000	4,000	-	-
Non-Capital - Small Tools	-	962	1,000	1,000	-	-
Office Supplies	358	879	1,000	1,000	-	-
Office Supplies - Postage	-	(495)	850	400	(450)	(52.9)
Permits & Licenses	-	28	-	-	-	-
Printing & Publishing	-	109	-	-	-	-
Rental - Equipment	-	481	2,500	2,000	(500)	(20.0)
Repairs - Automotive	1,129	4,045	6,000	4,000	(2,000)	(33.3)
Repairs - Building & Facilities	-	-	-	-	-	-
Repairs - Equipment	-	35,092	-	45,000	45,000	-
Screening & Shots	100	118	450	450	-	-
Supplies	5,232	23,015	20,370	20,370	-	-
Travel & Training	7,318	4,584	5,000	4,500	(500)	(10.0)
Uniforms	355	1,398	2,350	2,000	(350)	(14.9)
Utilities - Electricity	304,855	270,368	297,000	313,000	16,000	5.4
Utilities - Tele-Communications	888	2,476	2,400	2,400	-	-
Total Operating Expenditures	323,964	442,046	398,015	460,650	62,635	15.7
General & Administrative Allocation	-	-	(99,788)	-	99,788	-
Total Expenditures	368,547	712,488	584,777	751,386	166,609	28.5
Capital Outlay Before Allocation	10,540	121,666	208,200	107,000	(101,200)	(48.6)
Capital Outlay Allocation	-	-	(52,050)	-	52,050	-
Total Expenditures and Capital Outlay	\$ 379,087	\$ 834,154	\$ 740,927	\$ 858,386	\$ 117,459	15.9

Town of Lexington, South Carolina  
**Positions by Department**

Fiscal Year Ending June 30, 2017  
 General Fund



	<u>Current Year FY 2015</u>	<u>Current Year FY 2016</u>	<u>Budgeted FY 2017</u>
<b><u>Council</u></b>			
Mayor	1	1	1
Mayor Pro-Tem	1	1	1
Council	5	5	5
Total	<u>7</u>	<u>7</u>	<u>7</u>
<b><u>Administration</u></b>			
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	1
Municipal Clerk	1	1	1
Events & Media Coordinator	1	1	1
Grants Administrator	1	1	1
Municipal Judge	1	1	1
Clerk of Court	1	1	1
Clerical Assistant	3	3	3
Total	<u>13</u>	<u>14</u>	<u>14</u>
<b><u>Finance</u></b>			
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	1
Total	<u>6</u>	<u>6</u>	<u>6</u>
<b><u>Planning, Building and Technology</u></b>			
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
Digital Media Coordinator	-	-	1
Total	<u>14</u>	<u>14</u>	<u>15</u>

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

Fiscal Year Ending June 30, 2017  
 General Fund



	<u>Prior Year</u> FY 2015	<u>Current Year</u> FY 2016	<u>Budgeted</u> FY 2017
<b><u>Police</u></b>			
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	5
Corporal	7	7	7
Detective	4	4	4
Crime Scene Investigator	1	1	1
Gang Investigator	1	1	1
Inspector	1	1	1
Patrolman	22	22	22
School Resource Officer	2	2	3
Administrative Specialist	1	1	1
Clerical Assistant	1	1	1
Records Management	1	1	1
Victims' Advocate	1	1	1
Total	<u>52</u>	<u>52</u>	<u>54</u>
<b><u>Parks and Sanitation</u></b>			
Director of Parks, Streets and Sanitation	1	1	1
Foreman	1	1	-
Assistant Director	-	-	1
Landscape Supervisor	-	-	1
Landscape Technician	1	1	1
Assistant Landscape Technician	3	5	-
Street Supervisor	1	-	-
Street Technician	1	-	-
Assistant Street Technician	2	-	-
Grounds Maintenance Worker	4	5	11
Secretary	1	1	1
Total	<u>15</u>	<u>14</u>	<u>16</u>
<b><u>Transportation</u></b>			
Transportation Director	1	1	1
Street Supervisor	-	1	1
Street Technician	-	1	1
Street Maintenance II	-	2	2
Total	<u>1</u>	<u>5</u>	<u>5</u>
<b>Total General Fund</b>	<b><u>108</u></b>	<b><u>112</u></b>	<b><u>117</u></b>

Town of Lexington, South Carolina  
**New Personnel**

Fiscal Year Ending June 30, 2017  
 General Fund



	<u>PBT</u>	<u>POLICE</u>	<u>POLICE</u>	<u>PARKS</u>	<u>PARKS</u>	<u>TOTALS</u>
	<u>FY 2017</u>					
Salary	\$ 45,894	\$ 25,532	\$ 10,486	\$ 30,383	\$ 32,107	\$ 144,402
Overtime	-	-	-	-	-	-
FICA	3,510	1,953	802	2,324	2,456	11,045
SC Retirement	5,237	3,534	1,451	3,467	3,663	17,352
SC Group Life	69	102	42	46	48	307
Health Insurance	12,161	6,081	3,040	12,161	12,161	45,604
Worker's Compensation Insurance	2,790	171	70	1,847	1,952	6,830
Unemployment	151	84	35	100	106	476
<b>Total Salaries &amp; Fringes Before Allocation</b>	<u>69,812</u>	<u>37,457</u>	<u>15,926</u>	<u>50,328</u>	<u>52,493</u>	<u>226,016</u>
<b>General &amp; Administrative Allocation</b>	<u>(34,906)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,906)</u>
<b>Total Salaries &amp; Fringes</b>	<u>34,906</u>	<u>37,457</u>	<u>15,926</u>	<u>50,328</u>	<u>52,493</u>	<u>191,110</u>
Non-Capital Equipment	-	-	3,110	-	-	3,110
<b>Total Other Expenditures</b>	<u>-</u>	<u>-</u>	<u>3,110</u>	<u>-</u>	<u>-</u>	<u>3,110</u>
Vehicle and Equipment	-	-	45,900	-	-	45,900
Glock Duty Weapon	-	-	500	-	-	500
Rifle	-	-	1,200	-	-	1,200
Taser w/ Holster	-	-	950	-	-	950
Motorola Handheld	-	-	4,000	-	-	4,000
Body Camera	-	-	950	-	-	950
Ballistic Vest w/ outer cover	-	-	1,000	-	-	1,000
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>54,500</u>	<u>-</u>	<u>-</u>	<u>54,500</u>
<b>Totals</b>	<u>\$ 34,906</u>	<u>\$ 37,457</u>	<u>\$ 73,536</u>	<u>\$ 50,328</u>	<u>\$ 52,493</u>	<u>\$ 248,720</u>
	(1)	(2)	(3)	(4)	(5)	

Notes:

- (1) Digital Media Coordinator
- (2) Training Sergeant 6 months
- (3) School Resource Office
- (4) Grounds Maintenance Worker
- (5) Grounds Maintenance Worker



	<b>#</b>	<b><u>FY 2017</u></b>
<b><u>Finance Department</u></b>		
Scanner		\$ 1,000
<b>Total Finance</b>		<u>1,000</u>
<b>Allocation to Enterprise Fund</b>		<u>(600)</u>
<b><u>Planning, Building and Technology Department</u></b>		
Sedan	1	25,000
Police Camera Storage (Specific Encumbrance)	1	5,000
Traffic Camera Recording for Intersections	1	50,000
Courtroom DVR	1	4,000
Web Design	-	35,000
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
Server Replacement	1	10,000
Old Town Hall Chiller Air Conditioner	1	108,000
Conference Room Project-Replacing Video Cameras	-	4,200
Loading Dock Key Card	1	3,000
<b>Total Planning, Building and Technology</b>		<u>299,200</u>
<b>Allocation to Enterprise Fund</b>		<u>(107,600)</u>

Town of Lexington, South Carolina  
**Capital Outlay**

Fiscal Year Ending June 30, 2017  
 General Fund



	<u>#</u>	<u>FY 2017</u>
<b><u>Police Department</u></b>		
Vehicle Replacements for Patrol	3	81,000
Equipment for Patrol Replacements	3	54,600
Forensics Video Acquisition Field Kit	1	6,000
Outdoor Surveillance Camera System	1	2,000
Evidence Drying Cabinet	1	6,000
Honda Portable Generator	1	1,100
Prism Light	1	5,100
IA Pro Software	1	12,250
Taser X26P w/ Holster with Download Kit	10	12,000
Rifles	2	2,400
Cameras for Parks	4	16,000
Modules for Written Exams for Promotions	3	15,000
800 Mhz APX6000 Radio Replacements for Discontinued XTS 5000 Radios	12	46,000
Watchguard Video Vista Body Cameras	10	10,000
Radio Headsets for Range for Communication Between Instructors	2	1,800
Est-Hard Armor Ballistic Rifle Plates for Tactical Vests	10	5,400
EST Replacement Optics for Rifles	12	9,000
Replacement Shield for Tactical Purposes	1	1,900
Canine	1	15,000
New Hire-Glock Duty Weapon & Rifle	1	1,700
New Hire-Taser w/Holster	1	950
New Hire-Motorola Handheld	1	4,000
New Hire-Body Camera	1	950
New Hire-Ballistic Vests with outer cover	1	1,000
New Hire-Vehicle & Painting,Graphics, and Equipment Install	1	33,900
New Hire-Camera System & Radio	1	12,000
<b>Total Police</b>		<u>357,050</u>
<b><u>Parks and Sanitation Department</u></b>		
Bobcat Mt85 Wide Track with 50" bucket	1	23,031
Crew cab pick-up truck, 4x4, ¾ ton	1	30,084
Crew cab pick-up truck, 4x2, ¾ ton	1	25,249
Little Wonder 904-00-01 bed edger	1	3,890
JRCO Electric Broadcast Spreader/Grasshopper	1	1,356
Bobcat utility vehicle 3650 with 62" Bucket	1	16,618
14' Duel Axel trailer	1	3,800
<b>Total Parks and Sanitation</b>		<u>104,028</u>
<b><u>Transportation Department</u></b>		
Signal Shop Development/Building-(Specific Encumbrance)	1	30,000
Full Size Truck 4 x 2	1	25,000
Stake Body conversion	1	8,000
Equipment Trailer	1	4,000
550 Dump Truck	1	40,000
<b>Total Transportation Department</b>		<u>107,000</u>
<b>Total Capital Outlay Requests</b>		<u>\$ 760,078</u>

Town of Lexington, South Carolina  
*General Fund Debt Service*

Fiscal Year Ending June 30, 2017



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	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016 Lease	\$ 75,144	\$ 4,164	\$ 79,308
Total Debt Service	<u>\$ 75,144</u>	<u>\$ 4,164</u>	<u>\$ 79,308</u>

**Revenue, Expenditures and Other Sources and Uses (Summary)**

Fiscal Year Ending June 30, 2017  
Enterprise Fund



<b><u>REVENUE</u></b>	<b><u>FY 2017</u></b>
Water Service	\$ 5,150,000
Sewer Service	9,300,000
Tap Fees	130,000
Service Fees	80,000
Late Fees	240,000
Miscellaneous Income	90,000
	<hr/>
Total Revenue	14,990,000
	<hr/>
 <b><u>OPERATING EXPENDITURES</u></b>	
Council and Town Hall Department	187,115
Administration Department	725,555
Finance Department	1,031,643
Planning, Building and Technology	702,742
Transportation Department	97,191
Utilities Department	7,362,976
	<hr/>
Total Operating Expenditures	10,107,222
	<hr/>
 <b><u>OTHER SOURCES AND (USES)</u></b>	
Interest Income	40,000
Capital Contribution Fees	2,000,000
Debt Service	(3,648,517)
Capital Equipment	(762,350)
Capital Projects (Net) and Reserves	(14,175,000)
New BAN issue	6,000,000
Previous Bond/Ban Issue	5,888,539
Contingency Reserve(@1.5% of Revenue)	(225,450)
	<hr/>
Total Other Sources and (Uses)	(4,882,778)
	<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, 2017  
 Enterprise Fund



	FY 2015 <u>Actual</u>	FY 2016 <u>Estimate</u>	FY 2016 <u>Budget</u>	FY 2017 <u>(Budget)</u>
<b>Operating Revenue</b>				
Water Service	\$4,942,763	\$ 4,993,729	\$ 5,150,000	\$ <b>5,150,000</b>
Sewer Service	8,157,773	9,015,788	8,300,000	<b>9,300,000</b>
Tap Fees	93,023	126,389	120,000	<b>130,000</b>
Service Fees	65,869	71,581	90,000	<b>80,000</b>
Late Fees	242,315	240,620	270,000	<b>240,000</b>
Miscellaneous Income	56,692	65,000	90,000	<b>90,000</b>
Total operating revenue	<u>13,558,434</u>	<u>14,513,107</u>	<u>14,020,000</u>	<u><b>14,990,000</b></u>
<b>Operating Expenses</b>				
Council and Town Hall Department	161,945	170,701	179,661	<b>187,115</b>
Administration Department	665,565	702,264	653,607	<b>725,555</b>
Finance Department	970,989	904,832	1,017,325	<b>1,031,643</b>
Planning Building and Technology Department	622,850	638,839	645,293	<b>702,742</b>
Transportation Department	52,251	95,271	192,779	<b>97,191</b>
Utilities Department	6,380,671	7,134,888	7,127,087	<b>7,362,976</b>
Other operating expenses	3,685,375	3,835,747	3,647,271	<b>3,900,000</b>
Total operating expenses	<u>12,539,646</u>	<u>13,482,542</u>	<u>13,463,023</u>	<u><b>14,007,222</b></u>
Operating income	<u>1,018,788</u>	<u>1,030,565</u>	<u>556,977</u>	<u><b>982,778</b></u>
<b>Non-Operating Revenue (Expenses)</b>				
Interest income	52,731	91,932	40,000	<b>40,000</b>
Capital Contributions	2,902,401	3,395,163	1,600,000	<b>2,000,000</b>
Transfer to Other Fund - Wetland Mitigation	(134,769)	-	-	-
Interest expense	(2,274,210)	(2,726,041)	(2,305,025)	<b>(2,302,000)</b>
Bond issuance costs	(118,444)	(167,816)	(130,933)	<b>(170,000)</b>
Total non-operating revenue (expenses)	<u>427,709</u>	<u>593,238</u>	<u>(795,958)</u>	<u><b>(432,000)</b></u>
Net Income (loss)	<u>\$1,446,497</u>	<u>\$ 1,623,803</u>	<u>\$ (238,981)</u>	<u>\$ <b>550,778</b></u>

**Debt Coverage**

Fiscal Year Ending June 30, 2017

	FY 2015 <u>Actual</u>	FY 2016 <u>Estimate</u>	FY 2016 <u>Budget</u>	FY 2017 <u>(Budget)</u>
Net income	\$ 1,446,497	\$ 1,623,803	\$ (238,981)	\$ 550,778
Adjustments:				
Non Cash Capital Contributions	1,706,066	951,364	-	-
Depreciation and amortization	3,803,819	4,003,563	3,778,204	4,070,000
Interest expense	2,274,210	2,726,041	2,305,025	2,302,000
Debt coverage adjustments	<u>7,784,095</u>	<u>7,680,968</u>	<u>6,083,229</u>	<u>6,372,000</u>
Debt coverage income	\$ 9,230,592	\$ 9,304,771	\$ 5,844,248	\$ 6,922,778
Debt service	3,385,101	3,357,133	3,357,133	3,361,963
Debt coverage ratio	2.73	2.77	1.74	2.06

**Operational Debt Coverage Calculation:**

Debt Coverage Income	\$ 9,230,592	\$ 9,304,771	\$ 5,844,248	\$ 6,922,778
Adjustments:				
Cash Capital Contributions	<u>(1,196,335)</u>	<u>(2,443,799)</u>	<u>(1,600,000)</u>	<u>(2,000,000)</u>
Operational Debt coverage income	\$ 8,034,257	\$ 6,860,972	\$ 4,244,248	\$ 4,922,778
Debt service	3,385,101	3,357,133	3,357,133	3,361,963
Debt coverage ratio	2.37	2.04	1.26	1.46

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

Fiscal Year Ending June 30, 2017  
 Enterprise Fund



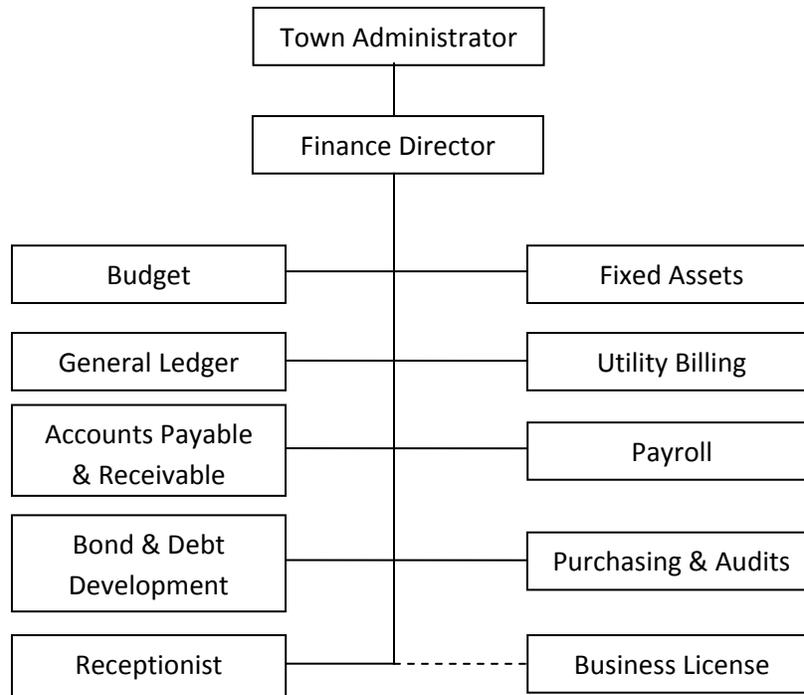
	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>REVENUE</u></b>						
Water Service	\$ 4,942,763	\$ 4,993,729	\$ 5,150,000	\$ 5,150,000	\$ -	-
Sewer Service	8,157,773	9,015,788	8,300,000	9,300,000	1,000,000	12.0
Tap Fees	93,023	126,389	120,000	130,000	10,000	8.3
Service Fees	65,869	71,581	90,000	80,000	(10,000)	(11.1)
Late Fees	242,315	240,620	270,000	240,000	(30,000)	(11.1)
Miscellaneous Income	56,692	65,000	90,000	90,000	-	-
<b>Total Revenue</b>	<b>13,558,435</b>	<b>14,513,107</b>	<b>14,020,000</b>	<b>14,990,000</b>	<b>970,000</b>	<b>6.9</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Council and Town Hall Department	161,945	170,701	179,661	187,115	7,455	4.1
Administration Department	665,565	702,264	653,607	725,555	11,632	1.8
Finance Department	970,989	904,832	1,017,325	1,031,643	14,318	1.4
Planning, Building and Technology	622,850	638,839	645,293	702,742	57,450	8.9
Transportation Department	52,251	95,271	192,779	97,191	4,200	2.2
Utilities Department	6,380,671	7,134,888	7,127,087	7,362,976	235,889	3.3
<b>Total Operating Expenditures</b>	<b>8,854,271</b>	<b>9,646,795</b>	<b>9,815,752</b>	<b>10,107,222</b>	<b>291,470</b>	<b>3.0</b>
<b><u>OTHER SOURCES AND (USES)</u></b>						
Interest Income	52,731	91,932	40,000	40,000	-	-
Capital Contribution Fees	1,996,100	3,395,163	1,600,000	2,000,000	400,000	25.0
Developer Capital Asset Contributions	906,301	-	-	-	-	-
Debt Service	(3,666,441)	(3,637,084)	(3,637,085)	(3,648,517)	(11,432)	0.3
Capital Equipment	(366,557)	(391,011)	(499,825)	(762,350)	(262,525)	52.5
Capital Projects (Net) and Reserves	(4,229,459)	(4,797,396)	(8,773,600)	(14,175,000)	(5,401,400)	61.5
Cash Reserves	-	-	-	-	-	-
Gain/(Loss) on Sale of Asset	(65,697)	-	-	-	-	-
Transfer to Other Wetlands Mitigation	(134,769)	-	-	-	-	-
New BAN issue	-	-	-	6,000,000	6,000,000	-
Previous Bond/Ban Issue	-	-	7,277,162	5,888,539	(1,388,623)	(19.1)
Contingency Reserve(@ 1.5% of Revenue)	-	-	(210,900)	(225,450)	(14,550)	6.9
<b>Total Other Sources and (Uses)</b>	<b>(5,507,791)</b>	<b>(5,338,396)</b>	<b>(4,204,248)</b>	<b>(4,882,778)</b>	<b>(678,530)</b>	<b>16.1</b>
<b>Excess (Deficiency) of Revenue Over Expenditures and Other Sources and (Uses)</b>	<b>\$ (803,627)</b>	<b>\$ (472,084)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>



Fiscal Year Ending June 30, 2017

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2016 AMENDED BUDGET	FY 2017 BUDGET	\$\$\$ VARIANCE	%% VARIANCE
<b>EXPENDITURES</b>						
<b>COUNCIL SALARIES &amp; FRINGES</b>						
Salaries	\$ 42,062	\$ 41,551	\$ 41,575	\$ 41,575	\$ -	-
Overtime	-	-	-	-	-	-
FICA Expense	2,941	3,179	3,180	3,180	-	-
SC Retirement Expense	5,462	4,820	4,230	4,422	192	4.5
Retiree Health Care-OPEB	331	-	1,340	1,340	-	-
Health Insurance - Employee	17,291	20,668	17,504	21,205	3,701	21.1
Workers Compensation Insurance	311	190	176	203	27	15.3
Unemployment	-	-	-	-	-	-
Wellness Program	253	289	298	300	2	0.7
Total Salaries & Fringes	68,651	70,696	68,303	72,225	3,922	5.7
<b>COUNCIL OPERATING EXPENDITURES</b>						
Total Council Operating Expenditures	93,294	100,005	111,358	114,890	3,532	(3.2)
Total Expenditures	\$ 161,945	\$ 170,701	\$ 179,661	\$ 187,115	\$ 7,454	4.1
<b>ADMINISTRATION SALARIES &amp; FRINGES</b>						
Salaries	\$ 469,401	\$ 503,520	\$ 475,652	\$ 486,533	\$ 10,881	2.3
Overtime	-	-	-	-	-	-
FICA Expense	33,961	38,519	36,387	37,220	833	2.3
SC Retirement Expense	60,951	58,408	49,195	52,331	3,136	6.4
Retiree Health Care-OPEB	3,694	3,694	1,675	1,675	-	-
Health Insurance - Employee	35,737	41,405	42,123	43,297	1,174	2.8
Workers Compensation Insurance	8,729	5,026	4,662	5,393	731	15.7
Unemployment	-	-	1,570	1,606	36	2.3
Wellness Program	361	449	470	470	-	-
Tuition Reimbursement	-	-	-	25,000	25,000	-
Total Salaries & Fringes	612,835	651,021	611,734	653,525	41,791	6.8
<b>ADMINISTRATION OPERATING EXPENDITURES</b>						
Total Administration Operating Expenditures	52,730	51,243	41,873	72,030	(30,157)	72.0
Total Expenditures	\$ 665,565	\$ 702,264	\$ 653,607	\$ 725,555	\$ 71,948	11.0
<b>PLANNING, BUILDING AND TECHNOLOGY SALARIES &amp; FRINGES</b>						
Salaries	\$ 247,914	\$ 239,437	\$ 252,337	\$ 279,660	\$ 27,323	10.8
Overtime	-	-	-	-	-	-
FICA Expense	18,637	18,317	19,304	21,393	2,089	10.8
SC Retirement Expense	32,191	27,775	27,225	31,715	4,490	16.5
Retiree Health Care-OPEB	1,951	1,951	1,675	1,675	-	-
Health Insurance - Employee	24,060	26,266	24,379	31,121	6,742	27.7
Workers Compensation Insurance	1,875	7,440	6,901	9,377	2,476	35.9
Unemployment	-	5,026	833	923	90	10.8
Wellness Program	253	333	344	343	(1)	(0.3)
Total Salaries & Fringes	326,881	326,544	332,998	376,207	43,209	13.0
<b>PLANNING, BUILDING AND TECHNOLOGY OPERATING EXPENDITURES</b>						
Total Planning, Building and Technology Operating Expenditures	295,970	312,295	312,295	326,535	14,240	(4.6)
Total Expenditures	\$ 622,851	\$ 638,839	\$ 645,293	\$ 702,742	\$ 57,449	8.9
<b>TRANSPORTATION SALARIES &amp; FRINGES</b>						
Salaries	\$ 41,849	\$ 62,993	\$ 68,970	\$ 71,593	\$ 2,623	3.8
Overtime	-	264	-	350	350	-
FICA Expense	3,213	4,819	5,276	5,504	228	4.3
SC Retirement Expense	5,434	7,307	7,518	8,123	605	8.0
Retiree Health Care-OPEB	329	329	-	-	-	-
Health Insurance - Employee	22	18,816	10,301	10,594	293	2.8
Workers Compensation Insurance	1,403	638	592	685	93	15.7
Unemployment	-	-	228	236	8	3.7
Wellness Program	-	105	106	106	-	-
Total Salaries & Fringes	52,251	95,271	92,991	97,191	4,200	4.5
<b>TRANSPORTATION OPERATING EXPENDITURES</b>						
Total Transportation Operating Expenditures	-	-	99,788	-	-	-
Total Expenditures	\$ 52,251	\$ 95,271	\$ 192,779	\$ 97,191	\$ (95,588)	(49.6)

# 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 2016:

- Implemented phone payment system for utility customers. (S, R)
- Improved Moody's bond rating on Revenue Bonds from A1 to Aa3 reducing the cost of capital. (S, A)
- Added customer consumption history in graph form to bills to provide additional useful information. (S, R)

### Goals and Objectives for FY 2017:

- Improve information provided to customers regarding their account on the web site. (S, C, A)
- Provide paperless customer application process. (S, R)

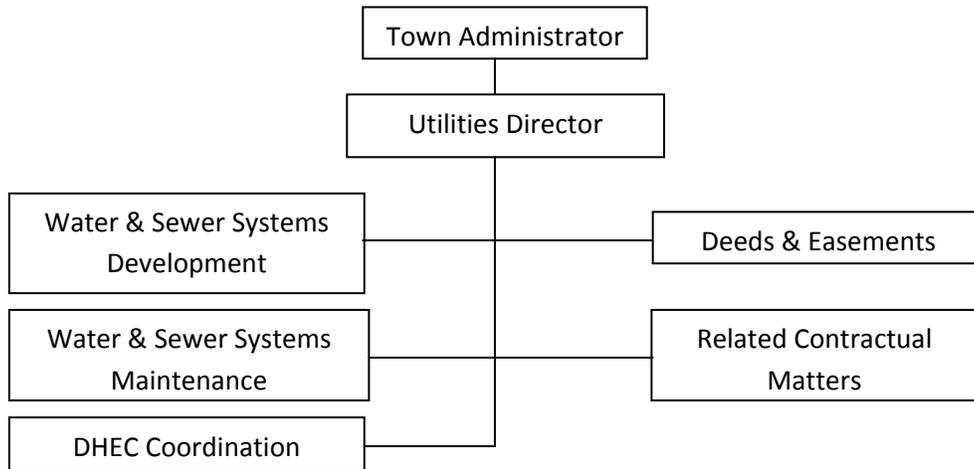
Town of Lexington, South Carolina  
**Finance Department**

Fiscal Year Ending June 30, 2017  
 Enterprise Fund



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 287,357	\$ 236,621	\$ 299,733	\$ 293,317	\$ (6,416)	(2.1)
Overtime	1,502	6,247	1,800	5,675	3,875	215.3
FICA Expense	38,313	18,102	23,067	22,873	(194)	(0.8)
SC Retirement Expense	37,313	27,448	32,522	33,675	1,153	3.5
Retiree Health Care -OPEB	2,262	2,300	-	-	-	-
Health Insurance - Employee	62,548	71,036	46,548	51,921	5,373	11.5
Other Post Employment Benefits (OPEB)	-	-	9,105	9,105	-	-
Workers Compensation Insurance	7,999	3,808	3,071	3,552	481	15.7
Unemployment	-	-	995	987	(8)	(0.8)
Wellness Program	693	489	515	515	-	-
<b>Total Salaries &amp; Fringes Before Allocation</b>	<b>437,986</b>	<b>366,051</b>	<b>417,356</b>	<b>421,620</b>	<b>4,264</b>	<b>1.0</b>
General & Administrative Allocation	232,865	291,463	311,456	316,527	5,071	1.6
<b>Total Salaries &amp; Fringes</b>	<b>670,851</b>	<b>657,514</b>	<b>728,812</b>	<b>738,147</b>	<b>9,335</b>	<b>1.3</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Contractual Services	143,745	97,134	129,100	113,185	(15,915)	(12.3)
Deeds & Easements	-	-	-	-	-	-
Dues & Subscriptions	-	-	90	90	-	-
Fuels	8,457	6,311	11,200	11,200	-	-
Meetings & Meals	78	211	300	300	-	-
Meters, Pipes & Fittings	2,420	3,024	2,000	3,000	1,000	50.0
Non-Capital - Equipment	-	445	100	100	-	-
Non-Capital - Furniture & Fixtures	929	814	-	250	250	-
Non-Capital - Small Tools	833	1,665	1,000	1,000	-	-
Office Supplies	1,975	2,655	2,500	3,000	500	20.0
Office Supplies - Postage	70,405	78,600	80,600	83,900	3,300	4.1
Printing & Publishing	140	250	-	400	400	-
Professional Services - Audit	7,825	7,700	7,500	11,000	3,500	46.7
Professional Services - Legal	-	-	-	-	-	-
Repairs - Automotive	1,881	529	2,400	2,400	-	-
Repairs - Computers	978	1,616	-	1,500	1,500	-
Repairs - Equipment	-	-	252	254	2	0.8
Screening & Shots	195	161	206	206	-	-
Supplies	317	491	880	880	-	-
Travel & Training	2,477	600	3,700	6,700	3,000	81.1
Uniforms	1,496	721	1,100	1,100	-	-
Utilities - Tele-Communications	1,090	957	1,500	1,500	-	-
<b>Total Operating Expenditures</b>	<b>245,240</b>	<b>203,884</b>	<b>244,428</b>	<b>241,965</b>	<b>(2,463)</b>	<b>(1.0)</b>
General & Administrative Allocation	54,898	43,434	44,085	51,531	7,446	16.9
<b>Total Expenditures</b>	<b>970,989</b>	<b>904,832</b>	<b>1,017,325</b>	<b>1,031,643</b>	<b>14,318</b>	<b>1.4</b>
Capital Outlay Before Allocation	-	4,800	21,000	-	(21,000)	(100.0)
Capital Outlay Allocation	-	2,400	-	600	600	100.0
<b>Total Expenditures and Capital Outlay</b>	<b>\$ 970,989</b>	<b>\$ 912,032</b>	<b>\$ 1,038,325</b>	<b>\$ 1,032,243</b>	<b>\$ (6,082)</b>	<b>(0.6)</b>

## 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 293 miles of sewer lines, 216 miles of water lines, 4,337 manholes, 1,037 fire hydrants, 80 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 33 staff members.

**Achievements for FY 2016:**

- 12 Mile Creek sewer line to Coventry Woods. (S, V)
- Main Street sewer line rehabilitation. (S, V)
- Water plant to Sportswear sewer. (S, V)
- West Lexington water line improvements. (S, V)
- Close out Coventry Woods WWTP. (S, A, R)

**Goals and Objectives for FY 2017:**

- 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)
- 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 and office space for Utilities. (S, A)
- East Main Street water line replacement. (S, V)
- 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)
- Total rehabilitation of Town’s original sewer system. (S, A)

Town of Lexington, South Carolina  
**Utilities Department**

Fiscal Year Ending June 30, 2017  
 Enterprise Fund



	FY 2015 <u>ACTUAL</u>	FY 2016 <u>ESTIMATE</u>	FY 2016 <u>AMENDED BUDGET</u>	FY 2017 <u>BUDGET</u>	\$\$\$ <u>VARIANCE</u>	%% <u>VARIANCE</u>
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 1,647,681	\$ 1,414,865	\$ 1,669,010	\$ 1,725,758	\$ 56,748	3.4
Overtime	98,288	92,518	104,780	86,650	(18,130)	(17.3)
FICA Expense	128,187	108,237	135,695	138,649	2,954	2.2
SC Retirement Expense	213,948	164,124	192,497	205,331	12,834	6.7
Retiree Health Care -OPEB	12,968	12,968	-	-	-	-
Health Insurance - Employee	239,575	259,155	256,971	273,627	16,656	6.5
Other Post Employment Benefits (OPEB)	-	-	41,481	41,481	-	-
Workers Compensation Insurance	63,251	48,107	44,622	51,821	7,199	16.1
Unemployment	-	-	5,854	5,981	127	2.2
Wellness Program	2,383	2,641	3,113	3,113	-	-
<b>Total Salaries &amp; Fringes Before Allocation</b>	<b>2,406,280</b>	<b>2,102,616</b>	<b>2,454,023</b>	<b>2,532,411</b>	<b>78,388</b>	<b>3.2</b>
General & Administrative Allocation	-	-	-	-	-	-
<b>Total Salaries &amp; Fringes</b>	<b>2,406,280</b>	<b>2,102,616</b>	<b>2,454,023</b>	<b>2,532,411</b>	<b>78,388</b>	<b>3.2</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Advertising	11	4,894	600	5,500	4,900	816.7
Contractual Services	399,108	374,986	384,311	393,900	9,589	2.5
Contractual Services - Sludge Removal	144,032	60,000	23,000	2,000	(21,000)	(91.3)
Damages	-	-	1,500	800	(700)	(46.7)
Deeds & Easements	20	-	500	500	-	-
Dues & Subscriptions	3,591	2,938	3,300	2,840	(460)	(13.9)
Fuels	100,679	67,572	90,000	70,000	(20,000)	(22.2)
Lab Test	38,440	22,701	24,000	18,500	(5,500)	(22.9)
Meetings & Meals	1,483	1,548	2,500	2,000	(500)	(20.0)
Meters, Pipes & Fittings	215,809	192,275	150,000	205,000	55,000	36.7
Non-Capital - Computer Supplies	23,601	9,858	5,000	5,000	-	-
Non-Capital - Equipment	13,072	30,645	33,400	26,680	(6,720)	(20.1)
Non-Capital - Furniture & Fixtures	572	424	1,000	1,000	-	-
Non-Capital - Small Tools	12,563	19,633	9,500	15,000	5,500	57.9
Office Supplies	2,634	4,960	3,080	3,500	420	13.6
Office Supplies - Postage	1,965	2,306	2,900	10,400	7,500	258.6
Permits & Licenses	23,919	26,692	16,843	23,500	6,657	39.5
Printing & Publishing	-	-	-	-	-	-
Professional Services - Engineering	23,854	13,682	2,000	10,400	8,400	420.0
Professional Services - Legal	1,440	50,829	20,000	2,145	(17,855)	(89.3)
Rental - Equipment	3,788	5,593	10,000	11,000	1,000	10.0
Repairs - Automotive	31,536	40,962	15,000	26,000	11,000	73.3
Repairs - Building & Facilities	379	9,403	500	1,500	1,000	200.0
Repairs - Equipment	56,194	78,431	104,280	75,000	(29,280)	(28.1)
Screening & Shots	3,818	2,088	2,500	1,700	(800)	(32.0)
Supplies	150,621	190,240	182,500	160,000	(22,500)	(12.3)
Travel & Training	18,913	27,301	32,250	40,700	8,450	26.2
Uniforms	20,503	29,085	19,600	24,000	4,400	22.4
Utilities - Electricity	387,037	373,400	233,000	431,000	198,000	85.0
Utilities - Tele-Communications	34,010	28,939	30,000	26,000	(4,000)	(13.3)
W/S - Sewer Treatment	1,405,822	2,497,135	2,270,000	2,235,000	(35,000)	(1.5)
W/S - Water Purchases	854,977	863,752	1,000,000	1,000,000	-	-
<b>Total Operating Expenditures</b>	<b>3,974,391</b>	<b>5,032,272</b>	<b>4,673,064</b>	<b>4,830,565</b>	<b>157,501</b>	<b>3.4</b>
General & Administrative Allocation	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>6,380,671</b>	<b>7,134,888</b>	<b>7,127,087</b>	<b>7,362,976</b>	<b>235,889</b>	<b>3.3</b>
Capital Outlay Before Allocation	158,428	365,900	365,900	654,150	288,250	78.8
Capital Outlay Allocation	-	-	-	-	-	-
<b>Total Expenditures and Capital Outlay</b>	<b>\$ 6,539,099</b>	<b>\$ 7,500,788</b>	<b>\$ 7,492,987</b>	<b>\$ 8,017,126</b>	<b>\$ 524,139</b>	<b>7.0</b>

Town of Lexington, South Carolina  
**Positions By Department**

Fiscal Year Ending June 30, 2017  
 Enterprise Fund



	<u>Prior Year FY 2015</u>	<u>Current Year FY 2016</u>	<u>Budgeted FY 2017</u>
<b><u>Finance</u></b>			
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>
<b><u>Utilities</u></b>			
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	13	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
Clerical Assistant	-	-	1
Total	<u>33</u>	<u>34</u>	<u>35</u>
<b>Total Enterprise Fund</b>	<b><u>39</u></b>	<b><u>40</u></b>	<b><u>41</u></b>

Town of Lexington, South Carolina  
**New Personnel**

Fiscal Year Ending June 30, 2017  
 Enterprise Fund



	<u>UTILITIES</u>	<u>TOTALS</u>
	<u>FY 2017</u>	<u>FY 2016</u>
Salary	\$ 30,383	\$ 30,383
Overtime	-	-
FICA	2,324	2,324
SC Retirement	3,467	3,467
SC Group Life	46	46
Health Insurance	12,161	12,161
Worker's Compensation Insurance	204	204
Unemployment	100	100
<b>Total Salaries &amp; Fringes Before Allocation</b>	<u>48,685</u>	<u>48,685</u>
<b>General &amp; Administrative Allocation</b>	-	-
<b>Total Salaries &amp; Fringes</b>	<u>48,685</u>	<u>48,685</u>
<b>Totals</b>	<u>\$ 48,685</u>	<u>\$ 48,685</u>
	(1)	

Notes:

(1) Clerical Assistant

**FY 2017**

Capacity Payments	\$ 286,554
Series 2001A Revenue Bonds	67,000
Series 2009 Revenue Bonds	522,075
Series 2010 Revenue Bonds	795,525
Series 2011 Revenue Bonds	1,276,450
Series 2012 Revenue Bonds	250,838
Series 2014 Revenue Bonds	<u>450,075</u>
Total Debt Service	<u><u>\$3,648,517</u></u>

	<b>#</b>	<b><u>FY 2017</u></b>
<b><u>Finance Department</u></b>		
Allocation to Enterprise Fund		\$ 600
<b>Total Finance</b>		<u>600</u>
<b><u>Planning, Building and Technology Department</u></b>		
Allocation to Enterprise Fund		<u>107,600</u>
<b>Total Planning, Building and Technology</b>		<u>107,600</u>
<b><u>Utilities Department</u></b>		
2 X 2 Service Truck to Replace U11-1	1	34,000
4 X 4 Service Truck to Replace U11-2	1	37,000
4 X 4 Service Truck to Replace U77	1	37,000
New Maintenance and Storage at Mill Stream	-	18,000
Sewer Service Cameras	-	7,150
Marina Cover Pump Replacement	1	9,800
Martins Crossing Pump Replacement	1	6,500
Harbour Watch 1 Pump Replacement	1	8,700
Line Stop Equipment	-	54,000
Equipment to Reline Sewer Lines	-	72,000
New Combo Truck -Replace older truck transfer to Transportation	1	<u>370,000</u>
<b>Total Utilities</b>		<u>654,150</u>
<b>Total Capital Equipment Requests</b>		<u><u>\$ 762,350</u></u>

Town of Lexington, South Carolina  
**Capital Improvement Plan**

Fiscal Year Ending June 30, 2017  
 Enterprise Fund



<u>SEWER CIP</u>	<u>FY 2017</u>
Cromer Road Pump Station	\$ 6,300,000
Barr Road Force Main & Prescott Glen Lift Station	2,620,000
Main Street Sewer Rehabilitation	880,000
South Lake Lift Station	400,000
Woodmill Rehabilitation	218,000
Easement Acquisition	200,000
Twelve Mile Creek/Harbor Watch Manhole Rehabilitation	170,000
Birkshire Rehabilitation	70,000
Lori Court Rehabilitation	17,000
<b>Total Estimated Cost:</b>	<u>10,875,000</u>
<u>WATER CIP</u>	
New Storage & Office Space for Utilities	2,500,000
East Main Street Water Line Replacement (including Martel & South Crout)	550,000
Ground Storage Rehabilitation	100,000
Above Ground Storage Analysis	100,000
South Church Street Water Line Replacement	50,000
<b>Total Capital Improvement Projects - Water</b>	<u>3,300,000</u>
<b>Total Capital Improvement Projects (Net)</b>	<u><u>\$ 14,175,000</u></u>



	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>5 Year Total</u>
<b><u>Sewer Projects:</u></b>						
12/14 Mile Creek Upgrade - Ph II (Cromer Road Station)	\$ 6,300,000	\$ -	\$ -	\$ -	\$ -	\$ 6,300,000
Barr Rd Force Main/Gravity Sewer	2,150,000	1,080,000	-	-	-	3,230,000
Prescott Glen Pump Station Upgrade	470,000	240,000	-	-	-	710,000
Pisgah Church Rd Gravity Sewer	-	-	250,000	250,000	-	500,000
Hwy 378 West - Relocations SCDOT Bridge Project	-	-	-	750,000	750,000	1,500,000
Main Street Rehabilitation	880,000	-	-	-	-	880,000
South Lake Drive Lift Station	400,000	-	-	-	-	400,000
Woodmill Rehabilitation	218,000	-	-	-	-	218,000
Birkshire Rehabilitation	70,000	-	-	-	-	70,000
Twelve Mile Creek/Harbor Watch Manhole Rehabilitation	170,000	-	-	-	-	170,000
Mineral Springs/Lori Court Sewer Stabalization	17,000	-	-	-	-	17,000
Abandon Chimney Ridge Pump Station	-	-	-	150,000	-	150,000
Corley Mill Force Main	-	2,500,000	2,500,000	-	-	5,000,000
Easement acquisition	200,000	100,000	100,000	100,000	100,000	600,000
Force Main Improvements	-	25,000	50,000	75,000	100,000	250,000
Future Sewer System, FM, and PS Improvements	-	-	-	50,000	75,000	125,000
	<u>10,875,000</u>	<u>3,945,000</u>	<u>2,900,000</u>	<u>1,375,000</u>	<u>1,025,000</u>	<u>20,120,000</u>
<b><u>Water Projects:</u></b>						
New Storage & Office Space for Utilities	2,500,000	-	-	-	-	2,500,000
E. Main Water Line Replacement (including Martel & South Crout)	550,000	-	-	-	-	550,000
1-20 Interconnection Relocation	-	60,000	60,000	-	-	120,000
Ground Storage Rehabilitation	100,000	-	-	-	-	100,000
South Church Waterline Replacement	50,000	-	-	-	-	50,000
Above Ground Storage Analysis/Construction	100,000	-	-	-	-	100,000
Future Water Main Replacements	-	-	50,000	50,000	50,000	150,000
Future Water Main Extensions	-	-	25,000	25,000	25,000	75,000
	<u>3,300,000</u>	<u>60,000</u>	<u>135,000</u>	<u>75,000</u>	<u>75,000</u>	<u>3,645,000</u>
<b>Total Capital Projects</b>	<b>14,175,000</b>	<b>4,005,000</b>	<b>3,035,000</b>	<b>1,450,000</b>	<b>1,100,000</b>	<b>23,765,000</b>
Escalation Factor	0	0.025	0.025	0.025	0.025	
Commulative Percentage Factor	0	0.025	0.05	0.075	0.05	
<b>Total Escalated Capital Projects</b>	<b>\$ 14,175,000</b>	<b>\$ 4,105,125</b>	<b>\$ 3,186,750</b>	<b>\$ 1,558,750</b>	<b>\$ 1,155,000</b>	<b>\$ 24,180,625</b>



Rates Effective July 1, 2016

Water Rates

<b>Monthly Customer Service Charges / Meter</b>			
Meter size		Inside Town	Outside Town
3/4"	\$	7.21	\$ 12.97
1"	\$	13.34	\$ 23.99
1-1/2"	\$	18.02	\$ 32.42
2"	\$	36.03	\$ 64.83
3"	\$	93.67	\$ 168.56
4"	\$	172.94	\$ 311.19
6"	\$	226.99	\$ 408.44

<b>Volume Charges / Thousand Gallons</b>			
		Inside Town	Outside Town
Residential	\$	4.02	\$ 7.24
Commercial	\$	3.75	\$ 6.75
Industrial	\$	3.75	\$ 6.75

Sewer Rates

<b>Monthly Customer Service Charges / Meter</b>			
		Inside Town	Outside Town
	\$	7.46	\$ 12.69
Flat Rate (Non-Metered)	\$	38.52	\$ 65.52

<b>Volume Charges / Thousand Gallons</b>			
		Inside Town	Outside Town
	\$	5.18	\$ 8.80

(Maximum of 10,000 gallon / mo. for residential customers)

<b>Fire Protection Charges</b>			
		Inside Town	Outside Town
Sprinkler minimum (\$ / mo.)	\$	4.87	\$ 9.72
Additional over 60 heads (\$ / head / mo.)	\$	0.07	\$ 0.16
Commercial Fire Hydrant	\$	10.13	\$ 20.22

## Water and Sewer Connection Fees

<b>Tap Fees</b>	
Water Tap Fee	\$ 640.00
Sewer Tap Fee	\$ 510.00

<b>Water Meter Fees (Fees vary by meter size)</b>	
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

<b>Capital Contribution Fees (per ERU)</b>		
	<b>Inside Town</b>	<b>Outside Town</b>
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

	<b>Inside Town</b>	<b>Outside Town</b>
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, 2017  
Debt Service Fund



**SOURCES**

**FY 2017**

Transfer From General Fund	\$ 693,700
Transfer From Alcohol Permits Fund	33,746
Interest	-
	<hr/>
Total Sources	727,446
	<hr/>

**USES**

Debt Service (COP & GO Bond)	<hr/> 727,446
Total Uses	<hr/> 727,446
	<hr/>
Excess (Deficiency) of Sources	\$ <hr/> <hr/> -

Town of Lexington, South Carolina  
*Schedule of Sources and Uses*

Fiscal Year Ending June 30, 2017  
 Debt Service Fund



<u>SOURCES</u>	<b>FY 2015 ACTUAL</b>	<b>FY 2016 ESTIMATE</b>	<b>FY 2016 AMENDED BUDGET</b>	<b>FY 2017 BUDGET</b>	<b>\$\$\$ VARIANCE</b>	<b>%% VARIANCE</b>
Transfer From General Fund	\$ 1,791,592	\$ 910,353	\$ <b>396,166</b>	\$ <b>693,700</b>	\$ 297,534	75.1
Transfer From Alcohol Permits Fund	34,250	34,250	<b>34,250</b>	<b>33,746</b>	(504)	(1)
Interest	4	5	-	-	-	-
<b>Total Sources</b>	<b>1,825,846</b>	<b>944,608</b>	<b>430,416</b>	<b>727,446</b>	<b>297,030</b>	<b>69.0</b>
 <u>USES</u>						
Debt Service (COP, GO Bond, & BAN)	1,197,696	1,507,370	<b>430,416</b>	<b>727,446</b>	297,030	69.0
<b>Total Uses</b>	<b>1,197,696</b>	<b>1,507,370</b>	<b>430,416</b>	<b>727,446</b>	<b>297,030</b>	<b>69.0</b>
 Excess (Deficiency) of Sources	 \$ 628,150	 \$ (562,762)	 \$ -	 \$ -	 \$ -	 -

Town of Lexington, South Carolina  
*Schedule of Sources and Uses*

Fiscal Year Ending June 30, 2017  
 Special Revenue Fund



<b><u>REVENUE</u></b>	<b>VICTIMS' ADVOCATE FY 2017</b>	<b>HOSPITALITY TAX FY 2017</b>	<b>STREETS &amp; INFRASTRUCTURE FY 2017</b>	<b>COMBINED FY 2017</b>
Hospitality Tax	\$ -	\$ 2,400,000	\$ -	\$ 2,400,000
Fines and Forfeitures	35,031	-	-	35,031
<b>Total Revenue</b>	<b>35,031</b>	<b>2,400,000</b>	<b>-</b>	<b>2,435,031</b>
<b><u>OPERATING EXPENDITURES</u></b>				
Victims' Advocate	71,031	-	-	71,031
<b>Total Operating Expenditures</b>	<b>71,031</b>	<b>-</b>	<b>-</b>	<b>71,031</b>
<b><u>OTHER SOURCES AND (USES)</u></b>				
Capital Outlay	-	(1,900,000)	(500,000)	(2,400,000)
Transfer (to)/from General Fund	36,000	(500,000)	500,000	36,000
<b>Total Other Sources and (Uses)</b>	<b>36,000</b>	<b>(2,400,000)</b>	<b>-</b>	<b>(2,364,000)</b>
<b>Excess (Deficiency) of Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

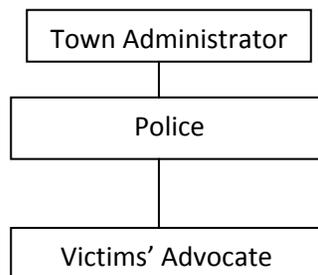
Town of Lexington, South Carolina  
*Schedule of Sources and Uses*

Fiscal Year Ending June 30, 2017  
 Special Revenue Fund



<b><u>REVENUE</u></b>	<b><u>FY 2015 ACTUAL</u></b>	<b><u>FY 2016 ESTIMATE</u></b>	<b><u>FY 2016 AMENDED BUDGET</u></b>	<b><u>FY 2017 BUDGET</u></b>	<b><u>\$\$\$ VARIANCE</u></b>	<b><u>%% VARIANCE</u></b>
Hospitality Tax	\$ -	\$ 1,711,926	\$ -	\$2,400,000	\$ 2,400,000	\$ -
Other Governments	-	32,300	-	-	-	-
Fines and Forfeitures	41,327	28,731	40,121	35,031	(5,090)	(0.13)
<b>Total Revenue</b>	<b>41,327</b>	<b>1,772,957</b>	<b>40,121</b>	<b>2,435,031</b>	<b>2,394,910</b>	<b>59.69</b>
<b><u>OPERATING EXPENDITURES</u></b>						
Victims' Advocate	70,245	66,964	70,121	71,031	910	0.01
<b>Total Operating Expenditures</b>	<b>70,245</b>	<b>66,964</b>	<b>70,121</b>	<b>71,031</b>	<b>910</b>	<b>0.01</b>
<b><u>OTHER SOURCES AND (USES)</u></b>						
Capital Equipment	-	(32,299)	-	-	-	-
Capital Projects	-	(227,516)	-	(2,400,000)	(2,400,000)	-
Transfer (to)/from General Fund	27,627	30,000	30,000	36,000	6,000	0.20
<b>Total Other Sources and (Uses)</b>	<b>27,627</b>	<b>(229,815)</b>	<b>30,000</b>	<b>(2,364,000)</b>	<b>(2,394,000)</b>	<b>(79.80)</b>
<b>Excess (Deficiency) of Sources</b>	<b>\$ (1,291)</b>	<b>\$ 1,476,178</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

## 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, 2017  
 Special Revenue Fund



	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2016 AMENDED BUDGET	FY 2017 BUDGET	\$\$\$ VARIANCE	%% VARIANCE
<b><u>EXPENDITURES</u></b>						
<b><u>SALARIES &amp; FRINGES</u></b>						
Salaries	\$ 51,116	\$ 52,291	\$ 52,317	\$ 54,086	\$ 1,769	3.4
Overtime	1,633	569	900	580	(320)	(35.6)
FICA Expense	4,004	4,000	4,071	4,182	111	2.7
SC Retirement Expense	6,644	7,185	7,008	6,063	(945)	(13.5)
Health Insurance - Employee	81	184	177	187	10	5.9
Workers Compensation Insurance	3,948	1,935	1,795	2,076	281	15.7
Unemployment	-	-	176	180	5	2.7
Wellness Program	-	-	-	-	-	-
Total Salaries & Fringes Before Allocation	67,427	66,164	66,444	67,354	910	1.4
General & Administrative Allocation	-	-	-	-	-	-
Total Salaries & Fringes	67,427	66,164	66,444	67,354	910	1.4
<b><u>OPERATING EXPENDITURES</u></b>						
Contractual Services	2	5	-	-	-	-
Dues & Subscriptions	-	-	25	25	-	-
Fuels	1,737	1,437	2,500	2,500	-	-
Non-Capital - Equipment	214	-	-	-	-	-
Office Supplies	91	580	75	75	-	-
Office Supplies - Postage	227	219	277	277	-	-
Repairs - Automotive	-	-	300	300	-	-
Travel & Training	-	-	-	-	-	-
Utilities - Tele-Communications	520	500	500	500	-	-
Total Operating Expenditures	2,791	2,741	3,677	3,677	-	-
General & Administrative Allocation	-	-	-	-	-	-
Total Expenditures	70,218	68,904	70,121	71,031	910	1.3
Capital Outlay Before Allocation	-	-	-	-	-	-
Capital Outlay Allocation	-	-	-	-	-	-
Total Expenditures and Capital Outlay	\$ 70,218	\$ 68,904	\$ 70,121	\$ 71,031	\$ 910	1.3

## 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 1<sup>st</sup> and ends the following June 30<sup>th</sup>.

**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**

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

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