

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Tuesday, June 12, 2018
Fripp Island Fire Station
9:30 a.m.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Public Hearing for Fiscal Year 2019 Budgets
4. Minutes for Commission Meeting of May 8, 2018
5. Committee Reports
 - Manager's Report for May, 2018
March 31, 2018 Unaudited Financial Statements
 - Fire Department Report for May, 2018
 - Erosion & Bridge
Traffic Volume Study – Summary of Data Collected April 2018
 - Long-Term Bridge Planning
6. Old Business
 - Adoption of Fiscal Year 2019 Proposed Budgets
 - Adoption of Fiscal Year 2019 Proposed Water & Sewer Rates
7. New Business
 - FIPOA Monthly Meeting Reporting
8. Questions and Comments from Visitors
 - FIPOA Representative
9. Executive Session
 - Legal & Contractual Matters Concerning Utility Attachment to the Fripp Inlet Bridge
 - Employee Compensation & Benefits
10. Upon returning to public session, the Commission may take such action(s) as it deems appropriate on items discussed in executive session.
11. Adjourn

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Minutes:	Commission Meeting on June 12, 2018
Present:	Rick E. Keup, Richard S. Combes, Warren S. McKay, and John Derrick, and James L. Parks
Absent:	Dan H. McCormick
Staff:	Angie Hughes, District Manager, Joshua Horton, Fire Chief; Kim Hinchey, Office Manager
Guests:	Darryl Zoeckler, Tom Hunter, Gary Nizzi, Ed Wetzel, Mike Wilt, Rita Riley, Stuart Mitchell, and John Marsh (FIPOA Rep)

1. Chairman Keup called the meeting to order at 9:30 a.m.
2. Chairman Keup led the Commission in the Pledge of Allegiance.
3. Chairman Keup immediately convened the public hearing for the fiscal year 2019 budgets and opened the floor to questions or comments. There being no questions or comments from the floor or written comments submitted, Chairman Keup concluded the hearing.
4. The Commission approved the minutes for the May 8, 2018 meeting, upon a motion by Mr. Combes.
5. Committee Reports
 - (a) The Commission reviewed the Manager's Report for May 2018 and the March 31, 2018 Unaudited Financial Statements (*Att A*).
 - (b) The Commission reviewed the Fire Department report for May 2018 (*Att B*).
 - (c) The Commission reviewed and discussed the Traffic Volume Study-Summary of Data Collected April 2018 (*Att C*).
6. Old Business
 - (a) The Commission adopted the proposed Fiscal Year 2019 Budgets (*Att D*), upon a motion by Mr. McKay.
 - (b) The Commission adopted a resolution imposing the Water and Sewer Rates for Fiscal Year 2019 (*Att E*), upon a motion by Mr. Parks.
7. New Business
 - (a) FIPOA Monthly Meeting Report- The FIPOA has stated that an FIPSD representative is no longer mandatory for reporting purposes at the FIPOA monthly meeting.
 - (b) The Commission discussed drone technology and its future possible usage for inspection of equipment and land and for historical reference.

8. Questions and Comments from Visitors

(a) The Commission entertained questions and comments from Mr. Marsh (FIPOA) and Mr. Wetzel regarding the repairs to the FIPOA owned portion of the revetment, to include the culvert that runs under Porpoise Drive. Also discussed was the revetment at the end of South Tarpon. There were questions and concerns about who owns the revetment and how best to keep people off of the rocks. The FIPSD and FIPOA will review and discuss options.

9. The Commission entered executive session to discuss legal & contractual matters concerning utility attachment to the Fripp Inlet Bridge, and employee compensation and benefits at 11:11 a.m., by motion of Mr. Combes. The Commission resumed open session at 12:10 a.m., upon a motion by Mr. Combes.

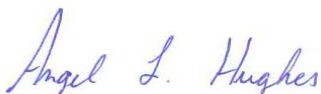
10. The Commission approved employee compensation and fringe benefits for FY 2019 as discussed during executive session and authorized the Chairman to communicate these changes to the District Manager in writing, upon a motion by Mr. Parks.

11. The Commission authorized the Manager to negotiate a Utility Attachment Rights Agreement with Hargray Communications and present the final contract to the Commission for approval upon the Manager's recommendation, upon a motion by Mr. McKay.

12. There being no further business, the meeting adjourned at 12:11 p.m., upon a motion by Mr. Derrick.



Rick E. Keup
Chairman



Angel L. Hughes
Secretary

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
MANAGER'S REPORT FOR MAY 2018**

I. Tap-Ins

<u>Category</u>	FY 2018		FY 2017		FY 2016	
	<u>May</u>	<u>YTD</u>	<u>May</u>	<u>YTD</u>	<u>May</u>	<u>YTD</u>
1. Water customers	1	5	2	5	-	2
2. Sewer customers						
a. Gravity	-	3	2	5	-	2
b. Vacuum	1	3	-	-	-	2

Total vacuum sewer customers: 559 of 725

II. Routine Operations

1. Butcher's Island and Hunting Island Booster Pumps Average Daily Run Time for May

	<u>2018</u>	<u>Diff</u>	<u>2017</u>	<u>Diff</u>	<u>2016</u>	<u>Diff</u>	<u>2015</u>
Butcher's Island Pumps Hrs/Day	4.3	(0.5)	4.8	0.3	4.5	0.1	4.4
Hunting Island Pumps Hrs/Day	<u>8.6</u>	<u>(1.0)</u>	<u>9.6</u>	<u>0.7</u>	<u>8.9</u>	<u>0.1</u>	<u>8.8</u>
Total Hrs/Day	12.9	(1.5)	14.4	1.0	13.4	0.2	13.2

2. Fripp Island Master Metered Water Use for May, Average Gallons per Day

	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
BJW&SA	601,250	(2.9)	619,188	3.3	599,219	5.3	568,893
Harbor Island	83,778	(7.0)	90,119	11.3	80,944	(2.9)	83,343
Hunt Island	14,178	44.3	9,825	(47.9)	18,859	(25.5)	25,300
Frripp Island	497,906	(5.7)	528,250	8.0	489,125	1.8	480,357
Accountability,%	99.1	N/A	101.5	N/A	98.3	N/A	100.9
Rainfall, Inches	2.2		6.3		11.6		4.0

The water tank levels and water line pressures were normal for May.

3. Wastewater Treatment Plant Flow for May, Gallons per Day

	<u>2018</u>	<u>% Change</u>	<u>2017</u>	<u>% Change</u>	<u>2016</u>	<u>% Change</u>	<u>2015</u>
Average Daily Flow	206,279	(0.7)	207,650	(23.8)	272,492	12.7	241,765
Weekly Max Flow	274,000	(3.2)	283,000	(24.7)	376,000	28.3	293,000
Peak Daily Flow	405,397	2.0	397,295	(38.6)	647,507	62.9	397,487

Peak daily flow of 405,397 occurred on Sun., 5/27/18 (Memorial Day weekend) without rain. For May. 2017, peak daily flow occurred on Mon., 5/29/17 (Memorial Day) without rain. For May. 2016, peak daily flow occurred on Sun., 5/29/16 (Memorial Day weekend) with 3.3" of rain and diversion of effluent flow from Harbor Island Utilities. For May. 2015, peak daily flow occurred on Mon., 5/25/15 (Memorial Day) without rain.

4. The water system and wastewater treatment plant samples were satisfactory.

III. Emergencies, Special Field Work and Activities

1. Wastewater Treatment Plant & Collection System

- a) During April, District staff found that excessive grease from the Ocean Point Grill had bypassed the grease trap and was causing problems at the Ocean Point sewer pump station. Fripp Island Resort was notified and on May 3rd, their contractor removed the grease from the pump station. No further problems have been found and the grease trap appears to be operating properly.
 - b) On May 11th, staff replaced one of two blowers on the grit system at the wastewater treatment plant. The other blower was replaced approximately three years ago.
2. Water System
- a) One of the master meters serving the New Haven condo complex has stopped working. One quote for the labor to replace the meter has been solicited and we are waiting on a second quote. A third quote could not be obtained due to lack of interest from contractors. Both quotes will be provided to the Commission for review and approval, since the actual cost will exceed both the budgeted amount and the amount that can be authorized by the District Manager.
3. Harbor River Bridge Water Line Replacement
- a) All permits have been approved and we are waiting for final issuance of the DOT Encroachment Permit and the USACE General Permit. A loan commitment letter was received from the SRF on May 21st. Bid opening will occur June 15th. A special Commission meeting to award the contract and approve the SRF loan agreement is scheduled for June 21st at 1:30 p.m. Following the 16-day waiting period required by the District's procurement regulation, a contract will be executed and notice to proceed by July 15th will be issued. The construction window is 180 days (six months) and we anticipate completion of construction by January 15, 2019.
4. Beaufort County Sheriff's Office Re-Entry System
- a) A letter appealing the decision of Beaufort County Emergency Management Division to include the District's office manager within Tier 4 of their incident re-entry pass system was mailed on May 8, 2018 and a letter denying the appeal was received on May 25, 2018. Inquiries are being made to the Hilton Head Island PSDs to determine whether those entities have been granted Tier 2 or higher passes for administrative personnel.
5. Election of Commissioners
- a) Two seats on the Commission will be up for election in the November 6, 2018 general election. Prospective candidates must file to run no later than Noon, Wednesday, August 15, 2018.

FRIPP ISLAND PUBLIC SERVICE DISTRICT

July 1, 2017 through March 31, 2018

Statement of Revenues & Expenses

Debt Service Fund

	Actual	Budget	Variance Favorable (Unfavorable)	Comments
Revenues				
Tax levy WWTP	435,566	425,240	10,326	timing
Service assessments	-	-	-	
Interest, penalties & misc	3,309	-	3,309	int & penalties
Total Revenues	438,874	425,240	13,634	
Expenditures				
Interfund Transfer (WWTP G.O. bond P&I)	411,122	332,220	(78,902)	17 GO ds pymt
Bond payment fees	-	-	-	
Total Expenditures	411,122	332,220	(78,902)	
Revenues over (under) expenditures	27,753	93,020	(65,267)	17 GO ds pymt
Cash available July 1, 2017	364,066	221,480	142,586	
Revenues over (under) expenditures	27,753	93,020	(65,267)	
Increase (decrease) payables & transfers	-	-	-	
Cash available Mar. 31, 2018	391,818	314,500	77,318	timing *

For 1st quarter budget, assume zero tax revenue. Actual taxes collected during 1st quarter are delinquent taxes for prior fiscal year. Budget assumes 50% collection in 2nd quarter & 50% collection in 3rd quarter.

Expenditures include interfund transfers of quarterly SRF (wwtp) debt payments and one biannual BB&T debt payment (revetment GO loan).

Available cash on July 1, 2017 needs to be sufficient to cover July 1, 2017 & Oct.1, 2017 wwtp quarterly debt payments of \$221,465.80.

Favorable variance resulted from timing of tax collections versus 2014 WWTP GO loan closing. We were not required to make payments until after the loan closed, which took place later than expected. In order to avoid lowering millage, only to increase it later, it made more sense to leave the millage the same and show a favorable variance until the payments "caught up" with the tax collections. A portion of the previous favorable variance was used to make the first payment on the new 2017 GO loan issue, which will have two payments come due prior to collection of tax revenue to pay the debt service.

FRIPP ISLAND PUBLIC SERVICE DISTRICT

July 1, 2017 through March 31, 2018

Statement of Revenues & Expenses

Fire Department & Erosion Operations

	Fire Department Fund			Erosion & Bridge Operations Fund			Fire Dept. Donations Fund		
	Actual	Budget	Variance Favorable (Unfavorable)	Actual	Budget	Variance Favorable (Unfavorable)	Actual	Budget	Variance Favorable (Unfavorable)
Revenues									
Taxes & penalties (ds transfers in)	581,219	566,100	15,119	210,388	130,370	80,018	-	-	-
Assessments, donations & FIPOA	1,200	900	300	-	-	-	352	-	352
Interest & miscellaneous	4,328	-	4,328	36,568	-	36,568	-	-	-
Total Revenues	586,746	567,000	19,746	246,956	130,370	116,586	352	-	352
Expenditures									
Employee expenses	319,873	355,905	36,032	-	-	-	-	-	-
General & Administrative	33,382	28,839	(4,543)	130,762	91,515	(39,247)	-	-	-
Operations	15,307	15,939	632	88,761	62,550	(26,211)	-	-	-
Total Operating Expenses	368,562	400,683	32,121	219,523	154,065	(65,458)	-	-	-
Bond Interest & expenses	39,020	23,260	(15,760)	21,923	-	(21,923)	388	-	(388)
Capital outlay	407,582	423,943	16,361	285,819	-	(285,819)	388	-	(388)
Total Expenditures	179,164	143,057	36,107	527,265	154,065	(373,200)	388	-	(388)
Revenues over (under) expenditures	407,582	423,943	16,361	285,819	154,065	(285,819)	388	-	(388)
	179,164	143,057	36,107	(280,309)	(23,695)	(256,614)	(36)	-	(36)
Cash available July 1, 2017	331,982	290,560	41,422	669,384	639,920	29,464	825	-	825
Revenues over (under) expenditures	179,164	143,057	36,107	(280,309)	(23,695)	(256,614)	(36)	-	(36)
Increase (decrease) payables & transfers	22,204	1,200	21,004	2,213,563	(2,213)	2,215,776	(128)	-	(128)
Cash available Mar. 31, 2018	533,350	434,817	98,533	2,602,639	614,012	1,988,627	661	-	661

Notes:

1. Unfavorable capital outlay for Fire Department was due to timing of the 6-wheeler purchased in FY17, but billed in FY18
2. Unfavorable capital outlay for Erosion & Bridge Fund was for expenses related to repair of Fripp Inlet revetment, which could not be budgeted, since completion of the project was contingent upon passage of a referendum in FY18.
3. Favorable variance for Fire Department and Erosion & Bridge Taxes and penalties was due to timing of tax collections and interfund transfers in from Bff Co debt service account to make debt svc pymt on revetment loan.
4. Large favorable variance for Erosion & Bridge Fund available cash was due to issuance of \$2.3M in general obligation bonds

FRIPP ISLAND PUBLIC SERVICE DISTRICT

July 1, 2017 through March 31, 2018

Statement of Revenues & Expenses

Water & Wastewater Operations

	Actual	Budget	Variance Favorable (Unfavorable)	Variance Comments
Operating revenues				
Water operations	705,786	634,376	71,410	Water sales, tap fees & FEMA
Water Tank Leases	159,270	159,270	-	Timing of payments
Wastewater operations	523,910	509,711	14,199	Sewer sales, tap fees & Effluent disp f
Total operating revenues	<u>1,388,966</u>	<u>1,303,357</u>	<u>85,609</u>	
Cost of sales	(312,799)	(296,856)	(15,943)	Water sales & accountability
Gross profit from operations	<u>1,076,167</u>	<u>1,006,501</u>	<u>69,666</u>	
Operating expenses				
General & administrative	427,828	478,583	50,755	Salaries, engineering, bk fees & legal 1
Water system expenses	57,433	71,853	14,420	Water lines, tanks
Wastewater expenses	178,134	199,750	21,616	Sludge disp & wastewater treatment
Total operating expenses	<u>663,395</u>	<u>750,186</u>	<u>86,791</u>	
Earnings (loss) from operations	412,772	256,315	156,457	Water & sewer sales, timing
Nonoperating income (expenses)				
Interest earned	48,029	45,000	3,029	
Taxes & assessments collected	695,499	680,860	14,639	VS assmts timings
Bond interest & expenses	(102,539)	(103,740)	1,201	timing
Net nonoperating income (expenses)	<u>640,989</u>	<u>622,120</u>	<u>18,869</u>	
Earnings (loss) before depreciation	1,053,761	878,435	175,326	
Depreciation/Loss on disposal	423,855	430,193	6,338	Timing of office generator and computer purchases
Net earnings (loss)	<u>629,906</u>	<u>448,242</u>	<u>181,664</u>	
Cash available on July 1, 2017			5,339,255	
Earnings (loss) before depreciation & debt amortization			1,053,761	
Changes in assets & liabilities				
(Increase) decrease in accounts receivable			70,552	
(Increase) decrease in inventory			261	
(Increase) decrease in prepaid expenses			(13,682)	
(Decrease) increase in accounts payable & transfers			(39,012)	
(Decrease) increase unrealized gains			(53,298)	
Net cash provided (used)			<u>(35,179)</u>	
Cash flow from capital & financing activities				
Asset additions/deletions & construction in progress			(159,889)	
Principal payments on bonds & deferred debt			(557,522)	GO bonds (WWTP) & Rev bond (VS)
Bond proceeds & contributed capital			-	
Net cash provided (used)			<u>(717,411)</u>	
Cash available on March 31, 2018			<u>5,640,425</u>	
Available cash includes following balance sheet accounts:				Change
		Beginning	Ending	Pos. (Neg.)
Cash (gross revenue, petty cash & contingency fund)		1,947,069	2,153,641	206,572
Due from Beaufort County Treasurer (Vac sewer assessments)		340,993	342,718	1,725
Investments & restricted cash (Sewer const fund, DS, invest.)		3,051,193	3,144,067	92,874
Total		<u>5,339,255</u>	<u>5,640,425</u>	<u>301,171</u>

FRIPP ISLAND PUBLIC SERVICE DISTRICT

Combined Balance Sheet

All Fund Types and Account Groups

March 31, 2018

	Governmental Fund Types			Proprietary	Fiduciary	Account Groups		Totals
	Erosion & Bridge	Fire Dept.	Debt Service	Fund Type Wtr & Sew Dept.	Fund Type Fire Dept. Donations	Fixed Assets	Governmental Long Term Debt	Mar 31 2018
ASSETS								
Available Cash	273,185	107,291		2,153,641	661			2,534,777
Due from Beaufort County Treasurer	93,686	426,059	391,818	342,718				1,254,281
Accounts receivable water & sewer system				347,770				347,770
Accounts receivable-other				19,776				19,776
Interfund receivable / transfer accounts								-
Inventory				23,593				23,593
Prepaid expenses				37,168				37,168
Restricted cash, debt service funds & investments				3,144,067				5,379,835
Fixed assets (net of accumulated depreciation)	2,235,768			12,376,781		6,076,449		18,453,230
Unamortized debt acquisition costs				161,547				161,547
Pension deferred outflows		147,390		143,580				290,970
Amount provided for retirement of long term debt								-
Total Assets	<u>2,602,639</u>	<u>680,740</u>	<u>391,818</u>	<u>18,750,641</u>	<u>661</u>	<u>6,076,449</u>	<u>-</u>	<u>28,502,947</u>
LIABILITIES								
Vouchers & accounts payable	13,913	34,677		75,131	25			123,747
Accrued employee expenses		6,544		4,802				11,345
Payable from restricted assets (accrued bond int.)				300				300
Deferred revenue				7,252,428				9,495,428
General obligation & revenue bonds payable	2,243,000			811,947				1,645,445
Pension liability & deferred inflows		833,498		6,307				4,978
Interfund payable / transfer accounts	(129)	(1,200)		8,150,915	25			11,281,243
Total liabilities	<u>2,256,784</u>	<u>873,519</u>	<u>-</u>	<u>8,150,915</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>11,281,243</u>
FUND EQUITY								
Contributed capital & G.O. bond proceeds				2,270,705				2,270,705
Investment in fixed assets						6,076,449		6,076,449
Unrealized gains (losses)	(8,197)			(89,938)				(98,135)
Retained earnings-Reserved for revenue bonds				233,207				233,207
Retained earnings-Unreserved beginning balance				7,555,846				7,555,846
Retained earnings-Year to date increase (decrease)				629,906				629,906
Fund balance-Reserved beg. bal. for debt service			364,066		672			364,066
Fund balance-Unreserved beginning balance	634,361	(371,943)			(36)			263,090
Fund balance-Year to date increase (decrease)	(280,309)	179,163	27,753	10,599,726	635	6,076,449		(73,429)
Total fund equity	<u>345,855</u>	<u>(192,779)</u>	<u>391,818</u>	<u>10,599,726</u>	<u>635</u>	<u>6,076,449</u>	<u>-</u>	<u>17,221,704</u>
Total liabilities & fund equity	<u>2,602,639</u>	<u>680,740</u>	<u>391,818</u>	<u>18,750,641</u>	<u>661</u>	<u>6,076,449</u>	<u>-</u>	<u>28,502,947</u>

***Fripp Island Fire Department
Monthly Report Summary
May 2018***

Response Activities:

Total emergency responses for May, 30

	May 2018	May 2017	YTD FY18	YTD FY17
• Structure Fires	00	01	02	05
• Vehicle Fire	00	00	01	01
• Medical Emergencies	16	08	110	105
• Brush Fires	00	00	00	05
• Misc. Fire	03	03	24	29
• Service Calls	09	03	41	22
• Mutual Aid	01	01	01	04
• Auto Accident	01	01	08	08
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	30	17	187	179

Average emergency response time:

4 minutes 42 seconds.

Inspections:

May 2018	May 2017	YTD FY18	YTD FY17
3	0	6	0

Training Activities:

No training for May.

Roster:

Total personnel active for May, 23

Vol.-05

Paid-18



MEMORANDUM

TO: Angel Hughes – Manager, Fripp Island Public Service District
DATE: 5/8/2018
FROM: Theresa McVey - JMT
PROJECT: Traffic Volume Study – Tarpon Boulevard Bridge to Fripp Island
JMT JOB NO.: 13-1394-013
RE: Summary of Data Collected April, 2018

Existing Conditions

The Fripp Island Bridge (Tarpon Boulevard) is a two (2) lane bridge that traverses in a north/south direction and provides access to Fripp Island. The posted speed limit is 25 mph for cars and 15 mph for trucks. On the south side of the bridge is a 24 hour security gate. Residents of the island possess a pass to enter and exit freely on a daily basis. Visitors need to stop at the gate to obtain a pass to enter. If visitors are staying multiple days, a multiple day pass is provided. Contractors stop and pay a fee for a daily pass or purchase a pass for multiple days to enter the island. In the southbound direction at the security gate to enter the island there are two (2) lanes. The right lane operates as a through lane and is used by residents, visitors or contractors already possessing a pass. The left lane is utilized for visitors without a pass to stop at the security gate.

Field Observations

Field observations were conducted on a weekday during the AM (7:00 AM – 9:00 AM) peak period and PM (4:00 PM – 6:00 PM) peak period. In addition, field observations were conducted on a weekend day from 12:00 PM to 3:00 PM.

Observations during the weekday AM peak period revealed no traffic operational issues. Traffic flow along the bridge both northbound and southbound was steady and uninterrupted. A maximum of five (5) vehicles were queued at the security gate at any one time during the AM peak period. PM peak period observations revealed traffic was steady with no operational issues or interruptions in traffic flow both northbound and southbound. There were no queued vehicles at the security gate during the PM peak period observations.

Data Collection

Traffic volume data was collected during the off peak season for a period of seven (7) days from April 13, 2018 to April 19, 2018 along Tarpon Boulevard. This study was conducted to determine the Average Daily Traffic (ADT) crossing the bridge to Fripp Island. The data collected includes twenty four (24) hour average daily volumes for each day with a breakout of thirteen (13) vehicle classifications and speeds along the bridge. Table 1 is a summary of the volume data collected.



TABLE 1: VOLUME DATA SUMMARY

Fripp Island Count Totals - April 13 to April 19									
Date	NB Daily Volume	SB Daily Volume	ADT	NB/SB AM Peak Hour Volume	Total AM Peak Hour Volume	NB/SB PM Peak Hour Volume	Total AM Peak Hour Volume	Weekend NB/SB Peak Hour Volume	Weekend Total Peak Hour Volume
Fri 4/13/2018 Peak Hour Time: 7-8 AM and 4-5 PM	1,200	1,300	2,500	55/98	153	83/96	179		
Sat 4/14/2018 Peak Hour Time: 4-5 PM	1,000	1,000	2,000					111/72	183
Sun 4/15/2018 Peak Hour Time: 11 AM- 12 PM	800	600	1,400					109/40	149
Mon 4/16/2018 Peak Hour Time: 8-9 AM and 4-5 PM	1,100	1,000	2,100	72/106	178	90/81	171		
Tues 4/17/2018 Peak Hour Time: 8-9 AM and 4-5 PM	1,100	1,100	2,200	78/111	189	103/83	186		
Wed 4/18/2018 Peak Hour Time: 8-9 AM and 4-5 PM	1,100	1,200	2,300	65/123	188	107/103	210		
Thurs 4/19/2018 Peak Hour Time: 8-9 AM and 4-5 PM	1,200	1,300	2,500	72/110	182	122/97	219		
Average Weekday	1,100	1,200	2,300		178		194		
Average Weekend Day	900	800	1,700						166
Totals = ADT (7 days) Weekday Peak Hours = (5 days) Weekend Peak Hours = (2 days)	7,500	7,500	15,000		890		965		332



The count data collected shows the ADT across the bridge on a weekday ranges from approximately 2,100 to 2,500 vehicles per day. The highest weekday ADT occurred on Thursday and Friday with approximately 2,500 vehicles per day. The highest ADT on a weekend day is approximately 2,000 vehicles per day and this occurred on Saturday.

Peak hour volumes shown in the Table 1 represent the highest volume hours for a weekday. The most frequent AM and PM peak hours that occurred during the weekdays were 8:00 AM to 9:00 AM and 4:00 PM to 5:00 PM. Weekend peak hour volumes represent the highest volume hour for Saturday (4:00 PM to 5:00 PM) and Sunday (11:00 AM to 12:00 PM). As shown in Table 1, AM and PM peak hour volumes are similar for all weekdays and range from approximately 150 to 200 vehicles per hour. The average weekday AM peak hour volume is approximately 180 vehicles per hour and the PM peak hour is approximately 190 vehicles per hour. The highest peak hour volume of traffic that occurred along the bridge on Saturday was approximately 180 vehicles per hour while Sunday's peak hour had approximately 150 vehicles per hour.

The classification data collected determined what types of vehicles cross the bridge on a daily basis. Light, medium and heavy trucks percentages were calculated from this data. Table 2 represents ADT truck percentages for the highest volume weekday and weekend day. Thursday data was used for the weekday and Saturday data was used for the weekend day.

TABLE 2: WEEKDAY AND WEEKEND TRUCK PERCENTAGES

Count Date	Light Truck	Medium Truck	Heavy Truck	ADT
Saturday 4/14/18	0.5%	1%	0.5%	2%
Thursday 4/19/18	1%	2%	1%	4%

As part of the traffic study, speeds along the bridge were collected in both directions. Table 3 summarizes the vehicle speeds for the highest volume weekday and highest volume weekend day.

TABLE 3: WEEKDAY AND WEEKEND VEHICLE SPEEDS

Day	Speeds (mph)													
	1 to 15	16 to 20	21 to 25	26 to 30	31 to 35	36 to 40	41 to 45	46 to 50	51 to 55	56 to 60	61 to 65	66 to 70	71 to 75	76 to 100
Thursday - Number of Vehicles NB and SB	69	100	326	671	654	386	168	58	15	5	1	0	0	0
Percentage	3%	4%	13%	27%	27%	16%	7%	2%	1%	0%	0%	0%	0%	0%
Saturday - Number of Vehicles NB and SB	26	85	295	544	555	323	129	44	9	4	1	0	0	0
Percentage	1%	4%	15%	27%	28%	16%	6%	2%	< 1%	< 1%	< 1%	0%	0%	0%



The posted speed limit on the Fripp Island Bridge is 25 mph for cars and 15 mph for trucks. On a typical weekday (Thursday) and weekend day (Saturday) only 20% of motorists crossing the bridge drive the posted speed limit or lower. Approximately 55% of motorists drive within the range of 5 to 10 mph over the speed limit on a weekday or weekend day. Motorists driving more than 10 mph over the speed limit on a weekday or weekend day is approximately 25%.

Conclusion

The highest volume of traffic in the off season along the Fripp Island Bridge (Tarpon Boulevard) is approximately 2,500 vehicles per day on a typical weekday and 2,000 vehicles per day on a Saturday. Truck volumes are approximately 2% to 4% across the bridge. Less than 20% of motorists drive the posted speed limit when crossing the bridge either on a weekday or weekend day. There are no traffic operational issues or significant queueing along the bridge or at the security gate during the AM and PM peak periods.

FRIPP ISLAND PUBLIC SERVICE DISTRICT

PROPOSED

FISCAL YEAR 2019 BUDGETS

June 12, 2018

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**FRIPP ISLAND PUBLIC SERVICE DISTRICT
NOTICE OF PUBLIC HEARING
Tuesday, June 12, 2018
Fripp Island Fire Station
9:30 a.m.**

As required by Section 6-1-80, Code of Laws of South Carolina, 1976, as amended, the Fripp Island Public Service District will hold a public hearing to receive public comment on the District's proposed fiscal year 2019 budgets. The hearing will be held on June 12, 2018 at the Fripp Island Fire Station located at 289 Tarpon Blvd on Fripp Island, S.C.

The current budgets for fiscal year 2017-2018 and the proposed budgets for fiscal year 2018-2019 are as follows:

	FY 2017-2018	FY 2018-2019	Percent
	<u>Approved</u>	<u>Proposed</u>	<u>Change</u>
Erosion, Bridge & Fire Depart. Operations			
Tax Revenues \$	617,610	\$ 641,830	3.9%
Expenditures \$	734,040	\$ 937,480	27.7%
Taxes Levied (Mills)	13.26	13.78	3.9%
Erosion & Bridge Natural Disaster Levy			
Tax Revenues \$	57,870	\$ 0	-100%
Expenditures \$	57,870	\$ 0	-100%
Taxes Levied (Mills)	1.24	0	-100%
Fire Department(FY17-18)/Erosion, Bridge Reserve Levy(FY18-19)			
Tax Revenues \$	50,000	\$ 50,000	0%
Expenditures \$	0	\$ 0	0%
Taxes Levied (Mills)	1.07	1.07	0%
Water & Wastewater Operations			
Revenues from User Fees \$	1,960,220	\$ 2,011,510	2.6%
Expenditures \$	1,976,870	\$ 2,455,680	24.2%
Taxes Levied (Mills)	N/A	N/A	N/A
General Obligation Bond Annual Debt Service			
Tax Revenues \$	442,960	\$ 751,830	69.7%
Bond Payments \$	442,960	\$ 751,830	69.7%
Taxes Levied (Mills)	9.51	16.14	69.7%
Total Taxes Levied (Mills)	25.08	30.99	23.6%

1. Beaufort County is presently undergoing reassessment. The tax levy for FY 2019 is based on the value of a mill provided by Beaufort County on April 25, 2018 using reassessed property values. The proposed tax levy for fiscal year 2019 reflects an increase of 5.91 mills over the prior year due to voter referendum authorized debt and increased operations expenditures, but actual tax revenues for operations will only increase by 3.9% over the prior fiscal year. Due to county-wide reassessment, the number of mills levied for FY 2019 could change, but the actual tax revenue collected will remain as proposed.
2. Section 6-1-320 of the Code of Laws of South Carolina allows for the suspension of the O&M millage increase limitation, by a two-thirds vote of the governing body, for recovery from a natural disaster. For fiscal year 2018, the millage rate limitation was suspended by a two-thirds vote of the Fripp Island Public Service District Commission to impose additional millage to recover from a net expenditure of \$57,870 for recovery from Hurricane Matthew. This millage will not be imposed during fiscal year 2019.
3. Section 6-1-320 of the Code of Laws of South Carolina exempts millage used to build/maintain a reserve account from the O&M millage increase limitation. The Fire Department imposed millage to build a reserve of \$50,000 by imposing an additional levy of 1.07 mills during fiscal year 2018. During fiscal year 2019, the District will impose a levy of 1.07 mills to build/maintain a reserve fund for emergency bridge expenses such as insurance deductibles.

4. Expenditures for Erosion, Bridge & Fire Dept. Operations include expenses paid from cash reserves.
5. Water and Wastewater Operations revenues include water & sewer user fees and annual special assessments for sewer system construction totaling \$366,990, which will appear on the 2018 Beaufort County tax bill for the affected real properties. Revenues from cell tower leases and interest income are not included. Water and Wastewater Operations expenditures include the wholesale purchase of water from the BJW&SA, operation & maintenance expenses and the annual debt service for the revenue bonds issued for the construction of the sewer collection system. Depreciation, amortization of deferred debt and capital improvements paid from capital fund reserves are not included. Residential and commercial base water rates will remain the same. Volumetric water rates **will increase** by \$0.10/1,000 gallons for all customers due to an increase in the wholesale cost of water. Sewer rates **will increase** \$0.50/quarter for all customers.
6. The General Obligation Bond Annual Debt Service of \$751,830 includes the annual payments to the South Carolina State Revolving Fund for monies borrowed in 2005 and 2014 for the construction of and improvements to a wastewater treatment facility, and new debt authorized by a voter referendum and incurred in 2018 for repairs to an erosion control structure damaged during Hurricane Matthew and replacement of the water transmission main along US Hwy 21 in conjunction with SCDOT's replacement of the Harbor River Bridge.
7. For a \$500,000 home assessed at 4 percent (primary residence), the total, proposed tax levy is \$619.80; an increase of \$118.20. For a \$500,000 home assessed at 6 percent, the total, proposed tax levy is \$929.70; an increase of \$177.30.

The District's fiscal year 2019 begins July 1, 2018. Copies of the budgets and water and sewer rates are available at the Fripp Island PSD office. Public comments, written or oral, are invited. Written comments may be mailed to the Fripp Island Public Service District, 291 Tarpon Blvd., Fripp Island, S.C. 29920 or e-mailed to contact@fipsd.org.

FRIPP ISLAND PUBLIC SERVICE DISTRICT
Fiscal Year 2019 Tax Levy
Comparison to Fiscal Year 2018

Comparison of Home Values	
Resident	Non-resident
Appraised	Appraised
Assessed	Assessed
\$500,000	\$500,000
\$20,000	\$30,000

Tax Levy Comparison based on Home Value

	Tax Levy, Mills		Resident Home Owner		Non-resident Home Owner	
	FY19 Mill Value	FY18 Mill Value	FY19 Mill Value	FY18 Mill Value	FY19 Mill Value	FY18 Mill Value
	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
Capped O&M Levy						
Erosion & Bridge	1.90	1.67	\$38.00	\$33.40	\$57.00	\$50.10
Fire Department	11.88	11.59	237.60	231.80	356.40	347.70
Total O&M	13.78	13.26	\$275.60	\$265.20	\$413.40	\$397.80
		0.52	\$10.40			\$15.60
Natural Disaster Recovery Levy						
Erosion & Bridge	0.00	1.24	0.00	24.80	0.00	37.20
Total O&M	0.00	1.24	\$0.00	\$24.80	\$0.00	\$37.20
		(1.24)		(24.80)		(37.20)
		(1.24)		(\$24.80)		(\$37.20)
Reserve Levy (Fire Dept in FY18)						
Fire Department	0.00	1.07	0.00	21.40	0.00	32.10
Bridge Reserve	1.07	0.00	21.40	0.00	32.10	0.00
Total O&M	1.07	1.07	\$21.40	\$21.40	\$32.10	\$32.10
		0.00		\$0.00		\$0.00
Debt Service						
Hwy 21 Waterline	4.29	0.00	85.80	0.00	128.70	0.00
Revetment	2.34	0.00	46.80	0.00	70.20	0.00
WWTP	9.51	9.51	190.20	190.20	285.30	285.30
Tot Debt Service	16.14	9.51	\$322.80	\$190.20	\$484.20	\$285.30
		6.63		\$132.60		\$198.90
Total Tax Levy	30.99	25.08	\$619.80	\$501.60	\$929.70	\$752.40
		5.91		\$118.20		\$177.30

FY 2019 (Tax year 2018) is a reassessment year. Beaufort County conducted reassessments of all real property within the county. The reassessed real property values provided by Beaufort County on April 25, 2018 indicated that the District's assessed value for real property has decreased but an increase in personal property values offset the decrease to provide an overall mil value of \$46,584 for FY 2019, vs. an estimated mil value of \$46,573 in FY 2018. Because reassessment did not result in a large change in overall assessed property values, a rollback or rollforward of millage is unnecessary.

State law limits tax millage increase for O&M to increase in CPI plus population increase as determined by SCB&CB Office of Records & Statistics. Millage increases are not capped for debt service and building/maintaining a reserve.

Per U.S. Bureau of Labor Statistics, change in annual CPI from 12/2016 - 12/2017 was 2.13%.

Population increase for Beaufort County was 1.82%.

O&M millage cap: $2.13\% + 1.82\% = 3.95\%$

Maximum allowable mills for O&M determined as follows:

$13.26 \text{ mills (Fiscal Year 2018)} \times 1.0395 = 13.78 \text{ mills (Fiscal Year 2019)}$

FY 2018-19 County Millage Rate Increase Limitation

County	Census Bureau Population Estimates (as of July 1)		Population Growth	Population Factor	CPI Factor	FY 2018-19 Millage Rate Increase Limitation
	2016	2017				
Abbeville County	24,717	24,722	0.02%	0.02%	2.13%	2.15%
Aiken County	166,922	168,179	0.75%	0.75%	2.13%	2.88%
Allendale County	9,059	9,002	(0.63%)	0.00%	2.13%	2.13%
Anderson County	195,968	198,759	1.42%	1.42%	2.13%	3.55%
Bamberg County	14,530	14,381	(1.03%)	0.00%	2.13%	2.13%
Barnwell County	21,591	21,345	(1.14%)	0.00%	2.13%	2.13%
Beaufort County	183,497	186,844	1.82%	1.82%	2.13%	3.95%
Berkeley County	211,863	217,937	2.87%	2.87%	2.13%	5.00%
Calhoun County	14,751	14,704	(0.32%)	0.00%	2.13%	2.13%
Charleston County	396,570	401,438	1.23%	1.23%	2.13%	3.36%
Cherokee County	56,725	57,105	0.67%	0.67%	2.13%	2.80%
Chester County	32,280	32,301	0.07%	0.07%	2.13%	2.19%
Chesterfield County	46,170	45,948	(0.48%)	0.00%	2.13%	2.13%
Clarendon County	34,239	34,057	(0.53%)	0.00%	2.13%	2.13%
Colleton County	37,599	37,611	0.03%	0.03%	2.13%	2.16%
Darlington County	67,370	67,265	(0.16%)	0.00%	2.13%	2.13%
Dillon County	30,817	30,666	(0.49%)	0.00%	2.13%	2.13%
Dorchester County	153,471	156,456	1.94%	1.94%	2.13%	4.07%
Edgefield County	26,580	26,693	0.43%	0.43%	2.13%	2.55%
Fairfield County	22,630	22,607	(0.10%)	0.00%	2.13%	2.13%
Florence County	138,448	138,566	0.09%	0.09%	2.13%	2.21%
Georgetown County	61,374	61,607	0.38%	0.38%	2.13%	2.51%
Greenville County	499,034	506,837	1.56%	1.56%	2.13%	3.69%
Greenwood County	70,172	70,355	0.26%	0.26%	2.13%	2.39%
Hampton County	19,874	19,602	(1.37%)	0.00%	2.13%	2.13%
Horry County	321,440	333,268	3.68%	3.68%	2.13%	5.81%
Jasper County	28,071	28,458	1.38%	1.38%	2.13%	3.51%
Kershaw County	64,269	65,036	1.19%	1.19%	2.13%	3.32%
Lancaster County	89,855	92,550	3.00%	3.00%	2.13%	5.13%
Laurens County	66,571	66,848	0.42%	0.42%	2.13%	2.55%
Lee County	17,607	17,350	(1.46%)	0.00%	2.13%	2.13%
Lexington County	286,394	290,642	1.48%	1.48%	2.13%	3.61%
Marion County	31,753	31,293	(1.45%)	0.00%	2.13%	2.13%
Marlboro County	27,036	26,825	(0.78%)	0.00%	2.13%	2.13%
McCormick County	9,569	9,545	(0.25%)	0.00%	2.13%	2.13%
Newberry County	38,044	38,488	1.17%	1.17%	2.13%	3.30%
Oconee County	76,407	77,270	1.13%	1.13%	2.13%	3.26%
Orangeburg County	88,334	87,476	(0.97%)	0.00%	2.13%	2.13%
Pickens County	122,939	123,479	0.44%	0.44%	2.13%	2.57%
Richland County	409,104	411,592	0.61%	0.61%	2.13%	2.74%
Saluda County	20,295	20,452	0.77%	0.77%	2.13%	2.90%
Spartanburg County	301,066	306,854	1.92%	1.92%	2.13%	4.05%
Sumter County	107,287	106,847	(0.41%)	0.00%	2.13%	2.13%
Union County	27,685	27,537	(0.53%)	0.00%	2.13%	2.13%
Williamsburg County	31,847	31,133	(2.24%)	0.00%	2.13%	2.13%
York County	257,998	266,439	3.27%	3.27%	2.13%	5.40%

Data Sources: Population as published by the U.S. Census Bureau, Population Division, March 2018; All Urban Consumer Price Index as published by the US Bureau of Labor Statistics for Calendar Year 2016 to Calendar Year 2017 in January 2018.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
EROSION & BRIDGE BUDGET
FISCAL YEAR 2019**

	ACTUAL FY 2017	BUDGET FY 2018	ESTIMATED FY 2018	PROPOSED FY 2019	Budget Inc (Dec)
AVAILABLE FUNDS JULY 1					
CASH, INVEST & BFT CO TREAS	869,280	639,920	669,383	1,692,246	1,022,863
INTERFUND TRANSFERS	143	-	255	-	(255)
AR/(AP) & INVEST (GAIN)/LOSS	(6,198)	(2,213)	(35,278)	9,200	44,478
TOTAL FUNDS AVAILABLE	863,226	637,707	634,360	1,701,446	1,067,086
LESS EMERGENCY RESERVE	(17,536)	(228,800)	(228,800)	(235,660)	(6,860)
LESS BRIDGE RESERVE	(520,178)	(519,650)	(501,360)	(205,550)	314,100
LESS REVETMT CONSTR FUND (1)	-	-	-	(1,009,006)	(1,009,006)
CASH AVAILABLE FOR O&M	325,512	(110,743)	(95,800)	251,230	365,320
OPERATING EXPENSES					
07-00-501-00 ADMINISTRATION	3,250	6,640	6,640	6,780	140
07-00-517-00 COMMISSIONERS EXPENSES	41	200	-	200	200
07-00-521-00 ACCOUNTING & AUDIT	1,250	1,300	1,260	1,300	40
07-00-522-00 LEGAL FEES	8,645	5,000	2,720	5,000	2,280
07-00-523-00 BANK SERVICE CHARGES	-	-	120	-	(120)
07-00-531-00 BRIDGE INSURANCE	45,747	80,000	126,670	145,670	19,000
07-00-533-00 LICENSES & TAXES	(40)	-	-	-	-
07-00-549-00 MISCELLANEOUS EXPENSE	-	-	250	-	(250)
07-00-562-00 GROIN REPAIR	-	-	-	-	-
07-00-564-00 REVETMENT REPAIR	87,138	10,000	12,770	24,000	11,230
07-00-566-00 BRIDGE INSPECT/MAINTENANCE	67,272	73,400	86,770	156,700	69,930
TOTAL O&M EXPENSES	213,303	176,540	237,200	339,650	102,450
07-00-190-01 CAPITAL EXPENDITURES (2)	154,126	-	25,000	-	(25,000)
07-00-245-00 17 GO BOND PRINCIPAL PYMTS	-	-	57,000	51,000	(6,000)
07-00-596-00 17 GO BOND INTEREST	-	-	21,920	57,870	35,950
TOTAL EXPENDITURES	367,429	176,540	341,120	448,520	107,400
AVAILABLE CASH OVER (UNDER) EXPENSES	(41,917)	(287,283)	(436,920)	(197,290)	239,630
07-00-410-00 FIPOA BRIDGE REVENUE	-	-	-	-	-
07-00-408-00 TAX PENALTIES	300	-	400	-	(400)
07-00-416-00 INTEREST INCOME	9,417	-	8,000	-	(8,000)
07-00-429-00 MISC INCOME (FEMA & INS)	74,831	-	29,940	-	(29,940)
07-00-499-00 INTERFUND TRANSFERS IN (OUT) (3)	-	-	78,920	108,870	29,950
EXCESS (REQUIRED) CASH	42,631	(287,283)	(319,660)	(88,420)	231,240
LESS ANTICIPATED REIMBURSEMENT FR GO BOND		151,480	146,750	-	
07-00-409-00 TAXES COLLECTED/REQUIRED	54,015	77,930	77,580	88,420	10,840
07-00-409-01 NATURAL DISASTER LEVY	-	57,870	57,610	-	(57,610)
BRIDGE RESERVE MILLAGE (4)	-	-	-	50,000	50,000
TOTAL TAXES COLLECTED/REQUIRED				138,420	3,230
PLUS EMERGENCY RESERVE	17,536	228,800	228,800	235,660	6,860
PLUS BRIDGE RESERVE	520,178	519,650	501,360	255,550	(245,810)
PLUS REMAINING REVMT CONSTR FUND	-	-	1,009,006	-	(1,009,006)
UNREALIZED INVEST GAIN (LOSS)	(6,353)	-	(9,200)	-	9,200
YR END TRANSFERS, (DB) CR	(255)	-	-	-	-
YR END ACCT REC/PAY, (DB) CR	41,631	-	-	-	-
FUNDS AVAILABLE @ YEAR END (5)	669,383	748,447	1,692,246	491,210	(996,676)
Estimated assessed value/mill	\$ 47,429	\$ 46,573	\$ 46,573	\$ 46,584	11
Based on a collection rate of	100%	100%	100.0%	100%	
one mill equals	\$ 47,429	\$ 46,573	\$ 46,573	\$ 46,584	11
O&M TAXES LEVIED, MILLS	1.14	1.67	1.67	1.90	0.23
NATURAL DISASTER TAXES LEVIED	-	1.24	1.24	-	(1.24)
BRIDGE RESERVE TAXES LEVIED, MILLS	-	-	-	1.07	1.07

Operations tax levy mill increase limited based on annual change in cpi & county population.

(1) Remaining GO bond proceeds in the revetment construction fund can only be used for purposes listed in the GO bond referendum authorizing the GO bond issue and must be used within 3 years of issue date.

(2) Capital expenditures totaling \$1,161,760 for repair of the Porpoise revetment and replacement of the missing bridge dolphin were incurred in FY2018. The \$25k dolphin cost was reimbursed through insurance and FEMA funds shown under miscellaneous income. The \$1,136,760 capital cost of the revetment repair was funded through a general obligation bond and is not shown. For FY2019, capital expenditures for the bridge bent retrofits are expected, but the cost is unknown and will be funded through a general obligation bond.

(3) Interfund transfers include monies transferred from Bft Co Treasurer's debt service fund for annual debt service payments. Includes principal and interest.

(4) State law exempts millage used for building/maintaining a reserve from the millage increase limitation. The bridge insurance policy purchased in FY2018 has a deductible of \$500,000 for all losses due to a named windstorm. Millage will be assessed annually to increase the bridge reserve fund to a minimum of \$500,000.

(5) Funds available at year end for FY 2018 was overstated as \$806,317 in the FY 2018 budget due to a clerical error.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
EROSION & BRIDGE DEPARTMENT**

**PROPOSED FISCAL YEAR 2019 BUDGET
ACCOUNT DETAIL**

TOTAL AVAILABLE FUNDS JULY 1 - Includes Erosion O&M checking account, Fripp Inlet Bridge investment & checking accounts, account with Beaufort County Treasurer's office for receipt of taxes, transfers (cash) between funds & due from other departments, & funds received from FIPOA for repairs to the Fripp Inlet Bridge.

CASH AVAILABLE FOR O&M – Available funds @ beginning of year less erosion funds set aside for emergencies such as unanticipated repairs to the Fripp Inlet revetment & anticipated remaining bridge reserves required at the end of the year. For FY18, unexpected bridge expenses reduced bridge reserves. For FY19, bridge reserve reduced to cover anticipated engineering expenses associated with bridge repairs. These expenses may be reimbursed from a bond issued to pay for the bridge repairs.

OPERATING EXPENSES

07-00-501-00 Administration – Water & sewer dept. fee for providing administrative & financial support for erosion & bridge dept. Budget based on FY2018 amount adjusted for annual avg. cpi increase from 2016 to 2017. Use \$ 6,780

07-00-517-00 Commissioner's Expenses - Reimbursement of expenses incurred by Commissioners related to erosion & bridge matters & prorated cost of election in odd numbered "fiscal" years. Use \$ 200

07-00-521-00 Accounting & Audit – Prorated amount for annual audit based on prior year. Use \$ 1,300

07-07-522-00 Legal Fees – Budget based on prior year's budget. Includes expense associated with bridge repairs and maintenance funding. Use \$ 5,000

07-00-523-00 Bank Service Charges - Fees charged by Bank to maintain District's Bank accounts. Now included in Administration costs. Use \$ 0

07-00-531-00 Bridge Insurance –Budget amount based on prior year premium plus fifteen percent increase. Use \$145,670

07-00-533-00 Licenses & Taxes – Based on prior year budget. Use \$ 0

07-00-562-00 Groin Repair – Budget amount based on prior three years' experience & the recommendation of Dr. Robert S. Young, PhD, in his June 2004 report, not to repair the groins. Use \$ 0

07-00-564-00 Revetment Repair –Budget for cost of minor repairs to newly rebuilt revetment and other erosion control structures. Use \$ 24,000

07-00-566-00 Bridge Inspection/Maintenance – Budget \$152,000 for design of recommended bent and other repairs, \$3,700 for bridge fascia soundings per September 2016 maintenance schedule adjusted for inflation, \$600 for monthly bridge cleaning, and \$500 for replacement speed limit signs. Use \$156,700

07-00-190-01 Capital Expenditures – Total for FY 2018 was \$1,161,760 and included \$25,000 for bridge dolphin replacement that was later refunded by insurance and FEMA funds, and \$1,136,760 for revetment repairs that was funded through general obligation bond proceeds and is not shown in this fund. Capital expenditures for bridge bent repairs are expected in FY2019, but the cost is unknown and will be funded through the issuance of bonds. Use \$ 0

07-00-245-00 '17 GO Bond Principal Pymts – Total of principal payments on 2017 GO Bond Issue for funding of Fripp Inlet Revetment repairs. Funds transferred from debt service account held at Beaufort County Treasurer's office and are shown as income under Interfund Transfers. Use \$ 51,000

07-00-596-00 '17 GO Bond Interest – Total of interest payments on 2017 GO Bond Issue for funding of Fripp Inlet Revetment repairs. Funds transferred from debt service account held at Beaufort County Treasurer's office and are shown as income under Interfund Transfers. Use \$ 57,870

OPERATING REVENUES

07-00-410-00 FIPOA Bridge Revenue – Assume PSD collects taxes for providing insurance & routine inspection & maintenance for the Fripp Inlet Bridge in lieu of payments received from FIPOA. Use \$ 0

07-00-408-00 Tax Penalties – Collected by Beaufort Co. Treasurer for late payment of taxes. Use \$ 0

07-00-416-00 Interest Income – Budget same amount as prior year. Use \$ 0

07-00-409-00 Taxes Collected/Required – Budget amount based on operations expenditures in excess of cash available and other revenue sources, plus taxes collected to build a reserve for emergency bridge expenses, to include payment of insurance deductible. Millage imposed for operations and maintenance is limited by State law, which caps maximum annual tax millage increase. Millage imposed for building/maintaining a reserve is exempt from the millage increase limitation. Operations levy - \$88,420. Reserve levy - \$50,000. Use \$138,420

07-00-499-00 Interfund Transfers In (Out) – Funds transferred from Beaufort County Treasurer debt service fund for payment of principal and interest on 2017 GO Bond. Use \$108,870

FRIPP ISLAND FIRE DEPARTMENT
FY-2019 Budget Comparison

ACCT NO	EXPENSES	ACTUAL FY-2017	APPROVED FY-2018	ESTIMATED FY-2018	PROPOSED FY-2019	BUDGET INC (DEC)
EMPLOYEE EXPENSES						
03-00-500-00	PAYROLL EXPENSE	-	-	1,880	1,760	(120)
03-00-501-00	SALARIES	322,542	356,530	304,900	365,440	60,540
03-00-504-00	FICA	20,015	22,100	18,904	22,660	3,756
03-00-505-00	FMED	4,681	5,170	4,421	5,300	879
03-00-506-00	RETIREMENT	124,955	48,120	40,970	52,840	11,870
03-00-509-00	MEDICAL INSURANCE	15,814	16,170	16,070	16,800	730
03-00-510-00	WORKMAN'S COMP	17,134	23,000	17,680	19,130	1,450
03-00-511-00	EMPLOYEE PHYSICAL	-	300	-	300	300
03-00-516-00	UNIFORMS & GEAR	1,447	3,000	3,000	2,750	(250)
03-00-519-00	VOLUNTEER RECOGNITION	-	150	-	150	150
	TOTAL EMPLOYEE EXPENSES	506,588	474,540	407,825	487,130	79,305
OPERATING EXPENSES						
03-00-513-00	SEMINARS & SCHOOLS	572	1,600	1,200	1,400	200
03-00-514-00	TRAVEL & RELATED	46	200	200	200	-
03-00-517-00	COMMISSIONERS EXPENSES	120	100	-	100	100
03-00-521-00	ACCOUNTING & AUDIT	5,500	5,630	5,470	5,630	160
03-00-522-00	BANK CHARGES	-	-	-	-	-
03-00-523-00	BEVERAGES & COMPLEMENTS	683	700	600	700	100
03-00-525-00	CLEAN SUPPLIES/SUNDRIES	844	1,000	1,000	1,000	-
03-00-526-00	DUES	423	350	320	350	30
03-00-532-00	GENERAL INSURANCE	11,178	12,340	12,960	14,700	1,740
03-00-533-00	LEGAL FEES & TAXES (01)	2,808	430	1,340	500	(840)
03-00-534-00	ADMINISTRATIVE SUPPORT	13,440	-	-	13,920	13,920
03-00-537-00	OFFICE SUPPLIES	607	400	300	400	100
03-00-539-00	PRINTING	-	50	-	-	-
03-00-542-00	SUBSCRIPTIONS	1,523	1,450	1,660	1,600	(60)
03-00-549-00	MISCELLANEOUS	5,000	3,200	3,200	3,200	-
03-00-581-00	ELECTRICITY	5,954	6,200	6,150	6,200	50
03-00-582-00	LP GAS & GARBAGE	903	1,300	1,100	1,300	200
03-00-583-00	TELEPHONE	4,325	3,500	3,900	4,000	100
	G&A Expenses	53,926	38,450	39,400	55,200	15,800
03-00-527-00	FIRE FIGHTING SUPPLIES	742	750	1,300	1,000	(300)
03-00-530-00	FIRE PREVENTION	-	1,000	-	1,000	1,000
03-00-531-00	MEDICAL SUPPLIES	85	500	300	400	100
03-00-541-00	SMALL TOOLS	456	300	220	300	80
03-00-543-00	GAS & OIL	6,489	6,400	5,000	5,500	500
03-00-558-00	GROUND & STATION MAINT	5,907	5,000	4,500	5,000	500
03-00-561-00	FIRE HYDRANTS	-	-	-	-	-
03-00-564-00	RADIOS & PAGERS	-	350	300	300	-
03-00-568-00	EQUIPMENT MAINTENANCE	649	1,500	4,200	2,000	(2,200)
03-00-569-00	VEHICLE MAINTENANCE	9,774	5,200	5,000	4,500	(500)
03-00-575-00	EMERGENCY/NATURAL DISAST	1,217	250	1,570	500	(1,070)
	O&M Expense	25,319	21,250	22,390	20,500	(1,890)
	TOTAL OPERATING EXPENSES	585,834	534,240	469,615	562,830	93,215
ASSET ADDITIONS						
03-00-590-00	PURCHASE OF FIXED ASSETS	15,492	23,260	39,170	35,000	(4,170)
03-00-591-00	FIRE TRUCK LEASE-PRINCIPAL	-	-	-	-	-
03-00-591-01	FIRE TRUCK LEASE-INTEREST	-	-	-	-	-
03-00-595-00	AMORT DEFERRED DEBT	-	-	-	-	-
09-00-595-00	NEW STATION PRINCIPAL	-	-	-	-	-
09-00-596-00	NEW STATION INTEREST	-	-	-	-	-
09-00-597-00	G.O. BOND COST	-	-	-	-	-
	TOTAL ASSET ADDITIONS	15,492	23,260	39,170	35,000	(4,170)
	TOTAL EXPENDITURES	601,326	557,500	508,785	597,830	89,045

**FRIPP ISLAND FIRE DEPARTMENT
OPERATION & MAINTENANCE
REVENUES & CASH FLOW
FY-2019**

	1ST QTR JUL-SEP	2ND QTR OCT-DEC	3RD QTR JAN-MAR	4TH QTR APR-JUN	TOTAL
CASH BEGINNING OF PERIOD	\$381,283				\$381,283
INTERFUND TRANSFERS	1,500				1,500
LESS CONTINGENCY RESERVE	(50,000)				(50,000)
AVAILABLE CASH BEGINNING OF PERIOD	\$332,783	\$192,376	\$300,108	\$407,841	\$332,783
EMPLOYEE EXPENSES	\$121,783	\$121,783	\$121,783	\$121,783	\$487,130
G&A EXPENSES	13,800	13,800	13,800	13,800	55,200
OPERATING EXPENSES	5,125	5,125	5,125	5,125	20,500
ASSET ADDITIONS (CAP OUTLAY)		17,500	17,500		35,000
TOTAL EXPENDITURES	\$140,708	\$158,208	\$158,208	\$140,708	\$597,830
03-00-408-00 TAX LEVY	\$0	\$265,640	\$265,640	\$22,140	\$553,407
03-00-408-01 RESERVE TAX LEVY	\$0	\$0	\$0	\$0	
03-00-406-00 TAP INS (1)	300	300	300	600	1,500
NET CASH INCREASE	(\$140,408)	\$107,733	\$107,733	(\$117,968)	(\$42,910)
CASH END OF PERIOD	\$192,376	\$300,108	\$407,841	\$289,873	\$289,873

Required Tax Revenue: **\$553,407**
Proposed Reserve: **\$0**

Value of mill for tax year 2018 **\$46,584**
Provided by A. Holland, Bft. Co. on 4/25/2018

Tax Collection Rate: **100%**

Value of mill @ Collection Rate: **\$46,584**

Operations Tax Levy Required, mills : **11.88**
Reserve Tax Levy Required, mills: **0.00**

Cash Balance at the end of the year needs to be sufficient to cover 1/2 of the annual budget for FY 2020.

Employee Expenses	\$250,870
Operating Expenses	38,990
Total Cash Reserve	\$289,860

(1) For all residential & commercial water taps, the District collects a \$300.00 "Fire Flow" fee.

EMPLOYEE EXPENSES

FY-19

03-00-500-00 Salary Expenses

This expenditure covers the cost of our payroll provider.

Use \$1,760

03-00-501-00 Salaries

This expenditure includes salaries for the Fire Chief and 18 PT Firefighters.

Use \$365,440

03-00-504-00 FICA

Social Security based is 6.2% of total salary

Use \$22,660

03-00-505-00 FMED

Medicare based on 1.45% of total salary

Use \$5,300

03-00-506-00 Retirement

District's contribution to State Retirement System based on employees' regular & overtime pays. Effective July 1, 2017, the employer's contribution is 13.41% for SCRS and 15.84% for PORS. We have employees who have retired out of PORS and we have to pay into their PORS not their SCRS.

Use \$52,840

03-00-509-00 Medical Insurance

The District provides coverage for all full time employees. As of 5/2/18, based on information provided by SC Public Employee Benefit Authority (PEBA), there is a projected overall health premium increase of 1% . Actual increases could be higher or lower depending on the final decision by the SC Budget & Control Board.

Use \$16,800

03-00-510-00 Workman's Comp

Estimated expense based on workmen's compensation annual premium for calendar year 2017 with a COLA included for salary increases.

Use \$19,130

03-00-511-00 Employee Physical

This employee expenditure is for annual physicals and SCBA Fit Testing.

Use \$300

03-00-516-00 Uniforms & Gear

This employee expenditure is established for uniforms/gear for all members of the Fire Department.

Use \$2,750

03-00-519-00 Firefighter Recognition

This employee expenditure is established for meritorious action awards and length of service awards for all members of the Fire Department.

Use \$150

OPERATING EXPENSES

FY-19

03-00-513-00 Training

This operating expenditure is established for firefighter and fire officer level training.

Use \$1,400

03-00-514-00 Travel & Related

This operating expenditure is established for meals and accommodations while traveling to training or fire department related activities. Department business meals are also included in this expenditure.

Use \$200

03-00-517-00 Commissioner's Expenses

This operating expenditure is established for expenses incurred for commissioner elections and other related expenses.

Use \$100

03-00-521-00 Accounting & Audit

This operating expenditure is for the Fire Departments portion of the annual audit report and consulting on fiscal matters. The PSD has a contract with Webster Rogers LLP.

Use \$5,630

03-00-523-00 Beverages & Compliments

This operating expenditure is for coffee, sugar, cream, cups and cold drinks. We provide beverages and complements for all fire department personnel during and after fire calls, training and meetings.

Use \$700

03-00-525-00 Cleaning Supplies / Sundries

This operating expenditure is established in order to maintain a high standard of cleanliness and to provide a clean and infectious free workplace.

Use \$1,000

03-00-526-00 Dues

This operating expenditure is for annual dues to the following in state and out of state professional organizations, Beaufort County Fire Chief's Association, International Association of Fire Chiefs, National Fire Protection Association, International Association of Arson Investigators, SC IAAI.

Use \$350

03-00-532-00 General Insurance

This operating expenditure is for liability, station, vehicle and materials insurance.

Use \$14,700

03-00-533-00 Legal Fees & Taxes (01)

This operating expenditure is for potential Attorney fees and Storm Water Utility Taxes

Use \$500

03-00-534-00 Administrative Support

What the District charges for providing administrative & financial support for Fire Department operations.

Use \$13,920

OPERATING EXPENSES

FY-19

03-00-537-00 Office Supplies

This operating expenditure is established for various office supplies.

Use \$400

03-00-539-00 Printing

This operating expenditure is established for printing, such as letterhead, business cards, envelopes and any large mail-out to the public.

Use \$0

03-00-542-00 Subscriptions

This operating expenditure is established for subscription services to trade periodicals, as well as our new reporting and records management system that was approved in FY-13.

Use \$1,600

03-00-549-00 Miscellaneous

This operating expenditure is for miscellaneous expenses throughout the year.

Use \$3,200

03-00-581-00 Electricity

This operating expenditure is for electricity cost for the fire station.

Use \$6,200

03-00-582-00 LP Gas

This operating expenditure is for LP Gas which we use for water heating and cooking.

Use \$1,300

03-00-583-00 Telephone

This operating expenditure is for telephones and telephone services. This department has three lines for the station, one for facsimile and two regular lines. We also have cellular service for one telephone and 4 mobile hotspots.

Use \$4,000

03-00-527-00 Fire Fighting Supplies

This operating expenditure is established for repair and maintenance of flashlights, SCBA, Chainsaws, Hose and misc. supplies.

Use 1,000

03-00-530-00 Fire Prevention

This operating expenditure is for the purchase of public education material. This Fire Department conducts fire safety education programs as requested for the Camp Fripp program and the multitude of station visitors throughout the year. We reached approximately 200 children a year.

Use \$1,000

03-00-531-00 Medical Supplies

The number of medical emergencies increases each year. Beaufort County EMS supplies us with basic equipment, if we need to add additional or new equipment this is our responsibility

Use \$400

OPERATING EXPENSES

FY-19

03-00-541-00 Small Tools

This operating expenditure is established for maintaining a complement of tools used for performing maintenance on vehicles and equipment.

Use \$300

03-00-543-00 Gas & Oil

This operating expenditure is for fuel, oil and oil changes.

Use \$5,500

03-00-558-00 Grounds & Station Maintenance

This operating expenditure is for maintenance of the firehouse both interior and exterior.

Use \$5,000

03-00-564-00 Radios & Pagers

This operating expenditure is for the maintenance and repair of radios, both vhf and 700 MHz, and pagers.

Use \$300

03-00-568-00 Equipment Maintenance

This operating expenditure is for the maintenance of generators, lights, ladders, nozzles, and fire extinguishers.

Use \$2,000

03-00-569-00 Vehicle Maintenance

This operating expenditure is for minor preventive maintenance of department vehicles.

Use \$4,500

03-00-575-00 Emergency / Natural Disaster

This operating expenditure is for anytime Fripp Island Fire Department may be evacuated due to an impending storm or other natural disaster. This expenditure would be used to purchase special supplies dependent on the nature of the incident.

Use \$500

ASSET ADDITIONS

FY-19

03-00-590-00 Fixed Assets

This expenditure is for replacing the Fire Chief's vehicle. Currently the Fire Chief is issued a 2011 Chevrolet Silverado that has 136,480 miles. Giving the fact that this is an authorized emergency vehicle with the capability and need to run lights and sirens to emergency calls the vehicle has reached the end of its service life. Cost includes all emergency equipment and mounting of radios and computers. The current vehicle will either be traded or will be placed in service for response on island, replacing the current pickup we use to respond to medical emergencies.

Use \$35,000

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
GENERAL OBLIGATION BOND DEBT SERVICE
REVENUES & CASH FLOW
FY-2019**

	1ST QTR JUL-SEP	2ND QTR OCT-DEC	3RD QTR JAN-MAR	4TH QTR APR-JUN	TOTAL
CASH BEGINNING OF PERIOD	\$ 286,920				
LESS DEBT SERVICE RESERVE	(250,410)				
AVAILABLE CASH BEGINNING OF PERIOD	<u>\$ 36,510</u>				
DEBT SERVICE PAYMENTS					
WWTP IMPROVEMENT PAYMENT	\$ 15,200	\$ 15,200	\$ 15,200	\$ 15,200	\$ 60,800
WWTP DEBT PAYMENT	95,540	95,540	95,540	95,540	382,160
REVTMENT DEBT SERVICE	28,930	-	79,940	-	108,870
HWY 21 WATERLINE DEBT SVC	-	-	50,000	50,000	100,000
TOTAL EXPENDITURES	<u>\$ 139,670</u>	<u>\$ 110,740</u>	<u>\$ 240,680</u>	<u>\$ 160,740</u>	<u>\$ 651,830</u>
09-00-409-01 TAX LEVIES					
WWTP IMPROVEMENTS	\$ -	\$ 29,180	\$ 29,180	\$ 2,430	\$ 60,800
WWTP	-	183,440	183,440	15,290	382,160
REVTMENT DEBT SERVICE	-	52,260	52,260	4,350	108,870
HWY 21 WATERLINE DEBT SVC	-	96,000	96,000	8,000	200,000
NET CASH INCREASE	<u>\$ (139,670)</u>	<u>\$ 250,140</u>	<u>\$ 120,200</u>	<u>\$ (130,670)</u>	<u>\$ 100,000</u>
 TOTAL CASH END OF PERIOD	 <u>\$ 147,250</u>	 <u>\$ 397,390</u>	 <u>\$ 517,590</u>	 <u>\$ 386,920</u>	

Required Tax Revenue for WWTP Improvements:	\$60,800
Required Tax Revenue for WWTP:	\$382,160
Required Tax Revenue for Revetment:	\$108,870
Required Tax Revenue for Hwy 21 Waterline:	\$200,000
Total Required Tax Revenue:	<u>\$751,830</u>

Value of mill for tax year 2018 \$46,584

Provided by A. Holland, Bft. Co. on 4/25/2018
Tax Collection Rate: 100%

Value of mill @ Collection Rate: \$46,584

Tax Levy Required, mills :	
WWTP IMPROVEMENT BONDS	1.31
WWTP BONDS	8.20
REVTMENT BOND	2.34
HWY 21 WATERLINE BOND	4.29
Total:	16.14

Cash Balance at end of year needs to be sufficient to cover the annual debt service for two quarterly WWTP debt service pymts, two quarterly waterline debt pymts and one biannual revetment debt pymt

WWTP Improvements Debt Svc Res	\$30,400
WWTP Debt Svc Res	191,080
Revetment Debt Svc Res	28,280
Hwy 21 Waterline Debt Svc Res	100,000
	<u>\$349,760</u>

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
INCOME PROJECTION
FISCAL YEAR 2019**

	WATER	WASTEWATER	TOTAL
REVENUES			
WATER & WASTEWATER SALES	915,270	687,790	1,603,060
VACUUM SEWER ASSESSMENT	-	366,990	366,990
TAP FEES	2,800	6,000	8,800
WATER TANK LEASE	234,650	-	234,650
OTHER REVENUES	26,430	6,230	32,660
TOTAL OPERATING REVENUES	1,179,150	1,067,010	2,246,160
COST OF SALES	456,330	-	456,330
GROSS PROFITS FROM OPERATIONS	722,820	1,067,010	1,789,830
EXPENSES			
GENERAL & ADMINISTRATIVE	303,393	303,393	606,785
WATER & WASTEWATER SYSTEM	82,110	252,055	334,165
TOTAL OPERATING EXPENSES	385,503	555,448	940,950
NET OPERATING REVENUES	337,318	511,563	848,880
OTHER INCOME (EXPENSE)			
INTEREST EARNED	50,000	11,000	61,000
AMORT OF DEFERRED DEBT	-	(15,070)	(15,070)
INTEREST ON BONDS	(35,000)	(145,060)	(180,060)
BOND PAYMENT FEES	-	(1,200)	(1,200)
BOND ISSUE FEES	-	-	-
TOTAL OTHER INCOME (EXPENSE)	15,000	(150,330)	(135,330)
INTERFUND TRANSFERS IN (OUT)	100,000	442,960	542,960
NET INCOME BEFORE DEPRECIATION	452,318	804,193	1,256,510
DEPRECIATION/LOSS ON DISPOSAL	157,340	452,750	610,090
NET INCOME (LOSS)	294,978	351,443	646,420

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
CASH REQUIREMENTS
FISCAL YEAR 2019**

	CASH ON HAND 04/30/18 FY2018	CASH REQUIRED 07/01/18 FY2019	CASH REQUIRED 07/01/19 FY2020
AVAILABLE FUNDS			
GROSS REVENUE/O&M FUNDS	609,734		
BEAUFORT CO VAC SEWER ASSESSMENTS	342,720		
ACCOUNTS RECEIVABLE	57,640		
ACCOUNTS PAYABLE/TRANSFERS	28,680		
TOTAL OPERATING FUNDS	1,038,774		
DEPRECIATION & CONTINGENCY FUNDS	4,122,900		
WWTP CONSTRUCTION FUND	-		
VAC SEWER CONST/PREPAY FUNDS	704,300		
2013 REVENUE BOND DS FUND (1)	36,410		
TOTAL AVAILABLE FUNDS/INVEST	5,902,384		
REQUIRED CASH & DEBT SERVICE RESERVES			
OPERATING FUNDS			
(20% over O&M budget & Cost of Sales for one quarter)		478,080	497,200
13 BOND DEBT SERVICE FUND (matures 10/01/28) (1)	(36,410)	364,220	364,160
ASSET ADDITIONS/CAPITAL IMPROVEMENTS (2)	(1,400)	694,200	120,000
WATER SYSTEM CONTINGENCY RESERVE (3)		381,710	413,390
WASTEWATER SYSTEM CONTINGENCY RESERVE (3)		381,710	413,390
WWTP MEMBRANE REPLACEMENT (4)		160,800	201,000
13 REVENUE BOND PREPAYMENT (5)		605,280	640,280
TOTAL REQUIRED CASH RESERVES	(37,810)	3,066,000	2,649,420
TOTAL CASH	5,864,574	3,066,000	2,649,420

1. **Bond Resolutions require funding a debt service account to pay the annual debt service. The required funds are transferred from the Beaufort County Treasurer upon collection of the annual vacuum sewer assessments. The 2013 bond proceeds prepaid the 2005 bond on 10/1/2014. Required cash for 7/1/2017 & 7/1/2018 DOES NOT include debt service funds for SRF G.O. bonds, which are funded by taxes, not revenues, and listed in the G.O. Bond Debt Service schedule.**
2. **Asset additions & capital improvements include remaining current year improvements funded by the District's cash reserves & on-going projects funded by bonds. FY2018 credit includes est. cost of office computer and replacement printer to be purch before end of FY18.**
3. **Contingency Reserves increased each year by 1/12 (8.3%) of the currently approved sum for the current fiscal year per the District's bond resolution requirements. For fiscal year 2018, the the approved contingency reserve was \$352,460 for water and \$352,460 for sewer. Contingency reserves are used for emergencies, major repairs , and "as needed" capital improvements such as small water line extensions and pump station rehab.**
4. **WWTP membranes installed March 2015 at a cost of \$263,951 and have a life of 8 years. Required cash based on original cost increased by 2.5% per year accrued over eight years. Includes new frames & shipping. Does not include installation.**
5. **2013 refunding bond matures 10/01/28. 2005 refunded bond would have matured 10/01/25. Vacuum sewer assessments end in 2025 with \$1,397,200 owed on 2013 refunding revenue bond. Sewer const fund increased annually by approx. \$35,000 to prepay debt (see 5/14/13 minutes).**

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
CASH FLOW PROJECTION
FISCAL YEAR 2019**

	WATER	WASTEWATER	TOTAL
CASH AT BEGINNING OF PERIOD			5,864,574
REVENUES & INCOME			
WATER & SEWER SALES	915,270	687,790	1,603,060
VACUUM SEWER ASSESSMENT	-	366,990	366,990
TAP FEES	2,800	6,000	8,800
WATER TANK LEASE	234,650	-	234,650
OTHER REVENUES	26,430	6,230	32,660
INTEREST EARNED	50,000	11,000	61,000
INTERFUND TRANSFERS IN (OUT)	100,000	442,960	542,960
TOTAL REVENUES & INCOME	1,329,150	1,520,970	2,850,120
COST OF SALES	456,330	-	456,330
EXPENSES			
GENERAL & ADMINISTRATIVE	303,393	303,393	606,785
WATER & WASTEWATER SYSTEM	82,110	252,055	334,165
EXPENSES BEFORE DEPRECIATION	385,503	555,448	940,950
ANNUAL BOND DEBT SERVICE			
BONDS - PRINCIPAL	65,000	662,100	727,100
- INTEREST	35,000	145,060	180,060
BOND PAYMENT FEES	-	1,200	1,200
BOND ISSUE FEES	-	-	-
TOTAL DEBT EXPENDITURES	100,000	808,360	908,360
OPERATING CASH INCREASE (DECREASE)	387,318	157,163	544,480
CAPITAL CONTRIBUTIONS (EXPENDITURES)			
ASSET ADDITIONS	(529,600)	(164,600)	(694,200)
CONSTRUCTION IN PROGRESS	-	-	-
TOTAL CAPITAL CONTRIB. (EXPENDITURES)	(529,600)	(164,600)	(694,200)
TOTAL CASH INCREASE (DECREASE)	(142,283)	(7,438)	(149,720)
CASH @ END OF PERIOD			5,714,854
REQUIRED CASH @ END OF PERIOD (1)			2,649,420
CASH OVER (UNDER) RESERVE REQUIREMENTS (2)			3,065,434

1. Required cash includes operating funds for one quarter (three months) & debt service reserves.
2. Funds in excess of cash requirements are available for contingencies, the purchase of assets, & capital improvements. There are some major water system expenses expected in the next few years. Maintenance and repair expenses increase each year as the wastewater treatment plant ages.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
REVENUE TEST FOR SERIES 2013 REVENUE BOND ISSUE
FISCAL YEAR 2019**

	WATER	WASTEWATER	TOTAL
OPERATING REVENUES	1,179,150	1,067,010	2,246,160
(LESS) AD VALOREM TAX REVENUE (1)	100,000	442,960	542,960
(LOSS) ON SALE OF FIXED ASSETS	-	-	-
INTEREST INCOME	50,000	11,000	61,000
(LESS) CONSTRUCTION FUND INTEREST (2)	-	-	-
GROSS REVENUES	1,329,150	1,520,970	2,850,120
LESS COST OF SALES	456,330	-	456,330
LESS OPERATING EXPENSES (3)	385,503	555,448	940,950
LESS BOND PAYMENT FEES	-	1,200	1,200
NET REVENUES	487,318	964,323	1,451,640
G.O./REVENUE BOND DEBT SERVICE			
CURRENT- PRINCIPAL	65,000	662,100	727,100
- INTEREST	35,000	145,060	180,060
LESS REFUNDED BOND DEBT (4)	-	-	-
TOTAL DEBT SERVICE	100,000	807,160	907,160
ACTUAL NET REVENUE / DEBT SERVICE	4.87	1.19	1.60
REQUIRED NET REVENUE / DEBT SERVICE	1.20	1.20	1.20

(1) Ad valorem property taxes are excluded from calculating net earnings for revenue test unless used for O&M or for payment of G.O. bonds.

(2) Interest earned on vacuum sewer construction fund was excluded from net earnings.

(3) Depreciation, amortization of debt expenses, bond interest, & bond issue expense are not included in O&M expenses for revenue test.

(4) N/A in FY19.

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
PROPOSED BUDGET
FISCAL YEAR 2019**

ACCT NO	ACTUAL FY 2017	BUDGET FY 2018	ESTIMATED FY 2018	PROPOSED FY 2019	BUDGET INC (DEC)
OPERATING REVENUES					
01-00-401-00 WATER CONSUMPTION	880,439	882,170	922,480	915,270	(7,210)
01-00-402-00 SEWER USE	676,837	673,750	687,000	687,790	790
01-00-403-00 PENALTIES	5,427	4,800	7,410	6,400	(1,010)
01-00-404-03 VACUUM SEWER ASSESSMENT	366,698	366,990	366,990	366,990	-
01-00-406-02 WATER TAP FEES	2,900	2,200	2,800	2,800	-
01-00-406-03 SEWER TAP FEES	6,000	4,800	7,200	6,000	(1,200)
01-00-407-00 ADMINISTRATIVE FEES	2,450	2,200	2,300	2,300	-
01-00-408-00 RECONNECTION FEES	1,530	1,200	1,900	1,700	(200)
01-00-410-00 WATER TRANSPORT FEE	9,929	10,110	8,970	9,240	270
01-00-410-01 EFFLUENT DISPOSAL FEE	16,468	1,140	1,030	1,030	-
01-00-412-00 WATER TANK LEASE	264,047	230,950	230,950	234,650	3,700
01-00-429-00 MISCELLANEOUS REVENUE	37,304	10,860	22,580	11,990	(10,590)
TOTAL OPERATING REVENUES	2,270,029	2,191,170	2,261,610	2,246,160	(15,450)
COST OF SALES					
01-00-451-00 WAREHOUSE SALES	1	-	-	-	-
01-00-452-00 WATER PURCHASES	417,852	424,080	449,480	456,330	6,850
TOTAL COST OF SALES	417,853	424,080	449,480	456,330	6,850
GROSS PROFIT FROM OPERATIONS	1,852,176	1,767,090	1,812,130	1,789,830	(22,300)
GENERAL & ADMINISTRATION					
01-01-500-00 PAYROLL EXPENSE	-	-	520	550	30
01-01-501-00 SALARIES	292,106	297,000	285,000	308,500	23,500
01-01-502-00 OVERTIME LABOR	21,803	11,580	17,650	12,340	(5,310)
01-01-504-00 FICA	18,683	19,130	18,760	19,890	1,130
01-01-505-00 FMED	4,369	4,470	4,390	4,650	260
01-01-506-00 SC RETIREMENT	9,390	60,290	40,590	46,230	5,640
01-01-509-00 MED., LIFE & DISABILITY INSURANCE	80,293	78,000	74,220	76,070	1,850
01-01-510-00 WORKMAN'S COMPENSATION	5,985	6,490	5,210	5,200	(10)
01-01-512-00 LICENSE RENEWAL	312	360	360	360	-
01-01-513-00 TRAINING & CONVENTION FEES	2,179	5,500	2,500	3,500	1,000
01-01-514-00 UNIFORMS	-	450	500	1,000	500
01-01-515-00 TRAVEL	-	400	400	400	-
01-01-516-00 BUSINESS MEALS	-	100	-	100	100
01-01-517-00 COMMISSIONER'S EXPENSES	4,357	600	1,110	700	(410)
01-01-518-00 FIRE DEPART ADMIN SUPPORT	(13,440)	-	-	(13,920)	(13,920)
01-01-519-00 EROSION ADMIN SUPPORT	(3,250)	(6,640)	(6,640)	(6,780)	(140)
01-01-521-00 ACCOUNTING & AUDIT	6,710	6,750	5,780	5,970	190
01-01-522-00 BAD DEBT	-	200	140	200	60
01-01-523-00 BANK SERVICE CHARGES	9,494	10,460	5,000	9,780	4,780
01-01-523-01 CREDIT CARD SERVICE FEES	1,219	1,100	1,400	2,000	600
01-01-526-00 DUES & SUBSCRIPTIONS	3,875	4,550	4,550	4,550	-
01-01-528-00 ENGINEERING & CONSULTING	6,519	15,000	200	10,000	9,800

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
PROPOSED BUDGET
FISCAL YEAR 2019**

ACCT NO	ACTUAL FY 2017	BUDGET FY 2018	ESTIMATED FY 2018	PROPOSED FY 2019	BUDGET INC (DEC)
01-01-531-00 INSURANCE	35,596	37,640	41,610	45,200	3,590
01-01-532-00 LEGAL FEES	1,573	7,500	2,500	2,500	-
01-01-533-00 LICENSES, TAXES & PERMIT FEES	12,078	11,100	11,240	11,725	485
01-01-535-00 METER READING & RELATED	-	-	12	-	(12)
01-01-537-00 OFFICE SUPPLIES	2,249	2,600	2,600	2,800	200
01-01-538-00 POSTAGE & FREIGHT	7,182	7,580	7,320	7,580	260
01-01-539-00 PRINTING	1,016	1,050	1,050	1,050	-
01-01-540-00 PROGRAM MAINTENANCE	3,773	4,000	4,650	12,780	8,130
01-01-543-00 VEHICLE GAS & OIL	10,967	11,400	10,900	11,400	500
01-01-549-00 MISCELLANEOUS	10,700	2,500	5,040	2,500	(2,540)
01-01-558-00 BUILDING & GROUNDS MAINTENANCE	13,333	5,460	5,000	5,480	480
01-01-562-00 GRAPHIC SERVICES	-	200	-	200	200
01-01-568-00 SUPPORT EQUIPMENT MAINTENANCE	53	600	50	400	350
01-01-569-00 VEHICLE MAINTENANCE	3,140	2,400	2,080	2,000	(80)
01-01-581-00 ELECTRICITY & LP GAS, OFFICE	1,844	2,000	2,350	2,880	530
01-01-583-00 TELEPHONE & COMMUNICATIONS	6,164	6,800	6,500	7,000	500
TOTAL G & A EXPENSES	560,273	618,620	564,542	606,785	42,243
WATER SYSTEM EXPENSES					
01-02-524-00 CHEMICALS	-	200	-	200	200
01-02-542-00 SMALL TOOLS & SUPPLIES	909	1,000	870	1,000	130
01-02-545-00 WATER TAP COSTS	704	1,280	1,280	1,280	-
01-02-557-00 BOOSTER PUMPS	4,188	4,500	4,500	2,250	(2,250)
01-02-560-00 CONTROLS & INSTRUMENTATION	207	250	1,100	250	(850)
01-02-561-00 FIRE HYDRANTS	-	1,000	260	1,000	740
01-02-568-00 SUPPORT EQUIPMENT MAINT	-	500	-	500	500
01-02-570-00 WATER LINES	39,848	20,500	16,000	8,000	(8,000)
01-02-571-00 WATER METER REPAIR	3,765	4,000	3,200	8,000	4,800
01-02-572-00 WATER QUAL MONITORING	2,743	3,380	3,380	3,380	-
01-02-573-00 WATER TANKS	37,912	45,720	44,420	42,040	(2,380)
01-02-581-00 ELECTRICITY	11,800	11,750	11,750	11,750	-
01-02-583-00 TELEPHONE/SCADA	2,254	2,460	2,260	2,460	200
TOTAL WATER O&M EXPENSES	104,330	96,540	89,020	82,110	(6,910)
WASTEWATER EXPENSES					
01-03-524-00 CHEMICALS	6,427	5,500	3,270	4,020	750
01-03-525-00 CLEANING SUPPLIES	-	150	-	150	150
01-03-527-00 EFFLUENT MONITORING, WWTP	26,364	28,510	20,720	21,850	1,130
01-03-529-00 GENERATOR FUEL/MAINT, WWTP	23,726	4,810	1,870	4,000	2,130
01-03-529-02 GENERATOR FUEL/MAINT, VAC SEW	1,437	1,170	1,400	1,780	380
01-03-541-00 SLUDGE DISPOSAL, WWTP	41,360	64,000	46,240	47,000	760
01-03-542-00 SMALL TOOLS & SUPPLIES	1,616	2,000	1,860	1,900	40
01-03-545-00 SEWER TAP COSTS	-	-	6,500	-	(6,500)
01-03-558-00 BUILDING & GROUNDS, WWTP	2,708	5,040	5,000	4,460	(540)
01-03-559-00 UV DISINFECTION SYSTEM, WWTP	-	500	-	500	500

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
PROPOSED BUDGET
FISCAL YEAR 2019**

ACCT NO	ACTUAL FY 2017	BUDGET FY 2018	ESTIMATED FY 2018	PROPOSED FY 2019	BUDGET INC (DEC)
01-03-560-00 CONTROLS/INSTRUMENTS, WWTP	2,509	2,600	9,550	2,600	(6,950)
01-03-563-00 GRAVITY SEWER LINES	3,037	4,500	3,530	6,000	2,470
01-03-563-02 VAC SEWER LINES	37,009	4,500	4,000	4,500	500
01-03-564-00 EFFLUENT DISPOSAL, WWTP	2,252	3,340	7,570	5,000	(2,570)
01-03-565-00 WASTEWATER TREATMENT	28,309	38,500	25,000	36,000	11,000
01-03-566-00 SEWER FORCE MAINS	-	2,000	80	2,000	1,920
01-03-567-00 WASTEWATER PUMPING STATIONS	8,831	7,000	29,630	10,000	(19,630)
01-03-567-02 VACUUM SEWER STATION	1,212	1,500	1,210	4,800	3,590
01-03-581-00 ELECTRICITY-WWPS	14,529	15,600	15,600	15,600	-
01-03-581-01 ELECTRICITY-WWTP	58,566	63,700	63,700	63,700	-
01-03-581-02 ELECTRICITY-VAC SEWER	12,660	13,200	15,470	15,470	-
01-03-583-00 TELEPHONE	701	710	975	725	(250)
TOTAL WASTEWATER O&M EXPENSES	273,254	268,830	263,175	252,055	(11,120)
TOTAL OPERATING EXPENSES	937,856	983,990	916,737	940,950	24,213
NET OPERATING REVENUES	914,319	783,100	895,393	848,880	(46,513)
OTHER INCOME					
01-00-416-00 INTEREST/NOT RESTRICTED	42,333	50,000	51,040	50,000	(1,040)
01-00-417-00 INTEREST/RESTRICTED	12,602	10,000	11,500	11,000	(500)
TOTAL OTHER INCOME	54,935	60,000	62,540	61,000	(1,540)
OTHER EXPENSES					
01-01-595-00 AMORT OF DEFERRED DEBT	15,067	15,070	15,070	15,070	-
01-01-596-00 INTEREST ON BONDS	172,696	159,020	159,020	180,060	21,040
01-01-597-00 BOND PAYMENT FEES	1,200	1,200	1,200	1,200	-
01-01-598-00 BOND ISSUE FEES	-	-	-	-	-
TOTAL OTHER EXPENSES	188,963	175,290	175,290	196,330	21,040
01-00-499-00 INTERFUND TRANSFERS IN (OUT)	442,932	442,960	442,940	542,960	100,020
NET INCOME BEFORE DEPRECIATION	1,223,223	1,110,770	1,225,583	1,256,510	30,927
DEPRECIATION					
01-01-611-00 G&A DEPRECIATION	34,977	40,120	39,360	34,680	(4,680)
01-02-611-00 WATER SYSTEM DEPRECIATION	97,993	103,370	98,640	140,000	41,360
01-03-611-00 WASTEWATER SYS DEPRECIATION	428,227	430,100	428,060	435,410	7,350
TOTAL DEPRECIATION	561,196	573,590	566,060	610,090	44,030
NET INCOME (LOSS)	662,027	537,180	659,523	646,420	(13,103)
ASSET ADDITIONS & IMPROVEMENTS					
01-00-172-00 BUILDINGS & GROUNDS	-	20,000	10,850	-	(10,850)
01-00-173-00 WATER SYSTEM	-	-	14,700	-	(14,700)

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER OPERATIONS
PROPOSED BUDGET
FISCAL YEAR 2019**

ACCT NO	ACTUAL FY 2017	BUDGET FY 2018	ESTIMATED FY 2018	PROPOSED FY 2019	BUDGET INC (DEC)
01-00-174-00 OFFICE FURNITURE & EQUIPMENT	276	-	2,570	-	(2,570)
01-00-175-00 FIELD SUPPORT EQUIPMENT	3,681	80,000	200	56,200	56,000
01-00-176-00 WELLS & PUMP STATIONS	-	-		500,000	500,000
01-00-177-00 LIFT STATIONS	-	-	18,230	-	(18,230)
01-00-179-00 WASTEWATER TREATMENT PLANT	-	100,000	-	135,000	135,000
01-00-181-00 VEHICLES	24,473	-	-	-	-
01-00-180-00 COMPUTERS, SOFTWARE, ETC	4,014	5,500	3,520	3,000	(520)
TOTAL ASSET ADD. & IMPROVEMENTS	32,444	205,500	50,070	694,200	644,130
CAPITAL PROJECTS IN PROGRESS					
01-00-190-14 HWY 21 WATERLINE RELOCATION	17,115	-	143,850	3,056,150	2,912,300
- INTENTIONALLY BLANK	-	-	-	-	-
- INTENTIONALLY BLANK	-	-	-	-	-
TOTAL CAPITAL PROJECTS	17,115	-	143,850	3,056,150	2,912,300
TOTAL ASSETS & CAPITAL PROJECTS	49,559	205,500	193,920	3,750,350	3,556,430

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
 WATER & WASTEWATER OPERATIONS
 PROPOSED ASSET ADDITIONS & CAPITAL IMPROVEMENTS IN PROGRESS
 FISCAL YEAR 2019**

	PROPOSED FY 2019	PROPOSED FY 2020	BEYOND FY 2020
Office Furniture, Computers, Software & Equipment			
Computer Addition/Laptop Addition	3,000	-	-
Upgrade Software	-	-	-
Total Furniture & Equipment	3,000	-	-
Field Support Equipment			
Sewer Vac Truck with Jetter	-	100,000	-
John Boat	600	-	-
Mini-excavator (backhoe/front end loader)	55,600	-	-
Total Field Support Equipment	56,200	100,000	-
Water System Improvements			
Rehab Hunting Island Water Pumping Station	500,000	-	-
Asbestos/Concrete Pipelines (replace or line)			N/A
Total Water System Improvements	500,000	-	-
Wastewater System Improvements			
CJFV Sewer Line Rehab/Lining			150,000
Sludge Truck, used			100,000
Fairway Club Lift Station Pump Replacement		20,000	
Washer/Compactor Replacement (WWTP)	35,000		
RAS Pumps Replacement (WWTP)	100,000		
Total Wastewater System Improvements	135,000	20,000	250,000
Total Proposed Asset Additions & Improvements	694,200	120,000	250,000
Capital Projects in Progress			
Harbor River Water Main Crossing	3,200,000	-	-
Total Capital Projects in Progress	3,200,000	-	-
Total Asset Additions/Improvements & CIP	3,894,200	120,000	250,000

**FRIPP ISLAND PUBLIC SERVICE DISTRICT
WATER & WASTEWATER DEPARTMENT**

**PROPOSED FISCAL YEAR 2019 BUDGET
ACCOUNT DETAIL**

OPERATING REVENUES

- 01-00-401-00 Water Consumption** – Propose increasing volumetric rate by \$0.10/1,000 gallons (3% for lowest tier). BJWSA anticipates 3% increase to wholesale water rate (\$0.08/1,000 gallons). Revenue based on actual water consumption for the twelve month period from 1/1/17 to 12/31/17 plus volumetric increase. Assume three new customers. Use \$915,270
- 01-00-402-00 Sewer Use** – Propose increasing sewer rates by \$0.50/qtr. from \$100/qtr. to \$100.50/qtr. (0.5%). Last sewer rate increase was \$1.00/qtr. in FY 2018. Increased sewer operations costs necessitate a modest increase in rates. Estimated revenue generated based on actual revenue for twelve month period from 4/1/17 to 3/31/18, plus increase. Assume three new customers. Use \$687,790
- 01-00-403-00 Penalties** - Based on average of prior year actual & fiscal year 2018 actual. Use \$ 6,400
- 01-00-404-03 Vacuum Sewer Assessment** – Annual assessments for 281 lots in divisions 2 & 3 @ \$503.54 each 451 lots in divisions 4 & 5 @ \$500.00. Fee assessed on December 2018 tax bill to pay '05 & '13 revenue bond debt service due April 1, 2019 & October 1, 2019. Use \$366,990
- 01-00-406-02 Water Tap Fees** – Four new taps were estimated for FY2018 – actual expected is five. Anticipate five new taps for FY2019. Tap fee is \$800 or \$900 (\$500 for 5/8th meter & \$600 for ¾ meter plus \$300 for fire) to help pay water system improvements & fire dept. O&M costs. 2 houses @ \$500 and 3 houses at \$600 Use \$ 2,800
- 01-00-406-00 Sewer Tap Fees** – Four new taps were estimated for FY2018 – actual expected is five. For FY2019 anticipate five sewer taps @ \$1,200. Use \$ 6,000
- 01-00-407-00 Administrative Fees** – Fee charged to establish a new account or transfer service to a new customer. Budget based on estimated FY2018. Use \$ 2,300
- 01-00-408-00 Reconnection Fees** - Based on average of actual FY2017 and estimated FY2018. Use \$ 1,700
- 01-00-410-00 Water Transport Fee** – Annual average CPI from 2016 to 2017 increased 2.13%. Harbor Island transportation charge will increase to 35¢ per 1,000 gals. Anticipate 26.402 million gallons in FY2019 based on 4/1/17-3/31/18 actual. 26,402k x \$0.35 = \$9,240 Use \$ 9,240
- 01-00-410-01 Effluent Disposal Fee** – Harbor Island effluent disposal fee of \$0.08/1,000 gals remains unchanged based on average annual CPI increase of 2.13% from 2016 to 2017. Budget based on actual disposal of 12.956 mil gals of Harbor Island's effluent, 3/1/17 – 2/28/18, @ \$0.08/1,000 gals. (Assumes turbidity does not exceed level to trigger higher rate.) Use \$ 1,030
- 01-00-412-00 Water Tank Lease** - Annual lease payment by cellular phone companies for antenna space on water tanks. Renewal by one carrier estimated at previous term rate. Use \$234,650

01-00-429-00 Miscellaneous Revenue - Recovery of annual Safe Drinking Water Fee charged by SCDHEC - \$8,690. (Cost prorated equally among total number of customers); Jetting Fees - \$300 (6 @ \$50); late payment penalties on taxes & reimbursement for emergency repairs bills - \$3,000. Estimated for FY2018 exceeds budget due to FEMA reimbursements for hurricane repairs in FY2017. Use \$ 11,990

COST OF SALES

01-00-451-00 Warehouse Sales – Assume purchase & sale of inventory items net to zero. Use \$ 0

01-00-452-00 Purchase of Water – BJW&SA wholesale water rate increased \$0.13/1,000 (5%) gals from \$2.66/1,000 gals to \$2.79/1,000 gals for FY2018. For FY2019, BJW&SA will increase rate an additional \$0.08 (3%) to \$2.87/1,000 gals. Purchases decreased from 175.2 million gals in FY2015 to 156.7 million gals in FY2016, then increased slightly to 157 million gals in FY2017. Estimated cost for FY2018 based on 4/1/17 - 3/31/18 actual purchase of 161.1 million gals. Use average of FY2017 actual and FY 2018 estimated = 159 million gals x \$2.87/1,000. Use \$456,330

GENERAL AND ADMINISTRATIVE EXPENSES

01-01-500-00 Payroll Expense – Annual cost of outsourced payroll processing. Use \$ 550

01-01-501-00 Salaries – Annual salaries include salary increases for current administrative & operations personnel. Estimated cost for FY2018 lower than budgeted due to delay in hiring part-time office assistant. FY2019 budget reflects cost of living increases of 2.5% and merit increase for newest field operator upon license achievement. Annual avg. cpi from 2016 to 2017 increased 2.13%. Use \$308,500

01-01-502-00 Overtime Labor – Estimated cost for FY2017 reflects additional overtime costs due to Tropical Storm Irma and operator callouts for sewer lift stations and leaks due to freezing. Budget FY 2019 based a slight increase over FY2018 budget, due to anticipated continued lift station callouts. Use \$ 12,340

01-01-504-00 FICA – Social Security is 6.2% of total salary. Use \$ 19,890

01-01-505-00 FMED – Medicare based on 1.45% of total salary. Use \$ 4,650

01-01-506-00 SC Retirement – District's contribution to State Retirement System based on full-time employees' regular & overtime pays. FY2017 actual cost reflects adjustment for pension liability reporting, per GASB Statement Nos. 68 and 71. Estimated FY2018 does not include pension liability estimate. For FY 2019, employer's contribution increases 1% to 14.41%. Use \$ 46,230

01-01-509-00 Medical, Life & Disability Insurance - District provides full family coverage for all full-time employees and retirees. As of 4/25/18, SC Employee Insurance Program projection includes a 6.2% premium increase. Actual increase could be higher or lower depending on the final decision by the SC Budget & Control Board. Prior year increase was less than projected by SCEIP. Use \$ 76,070

01-01-510-00 Workmen's Compensation – Estimated expense based on estimated worker's compensation annual premium for calendar year 2018, adjusted for estimated cost of additional clerical worker. Use \$ 5,200

01-01-512-00 License Renewal – Cost of renewal of water & wastewater licenses for operators (nine @ \$40.00 each). Use \$ 360

01-01-513-00 Training & Convention Fees – Budget \$2,000 for continuing education requirements & \$1,500 for manager to attend functions of special interest to the District. Use \$ 3,500

01-01-514-00 Uniforms – Based on three operators @ \$300 each. Increased to provide shirts to all staff to assist in hurricane re-entry. Use \$ 1,000

01-01-515-00 Travel – Mileage & other travel expenses incurred by manager & commissioners performing District business. Budget amount same as prior year. Use \$ 400

01-01-516-00 Business Meals – Budget amount same as prior year. Use \$ 100

01-01-517-00 Commissioner’s Expenses - Reimbursement of expenses incurred by Commissioners while performing District business. Estimated FY2018 includes lodging and fees for Chairman and Vice-Chairman to attend SC Special Purpose Districts conference. Budget amount increased to include cost of election in FY2019. Use \$ 700

01-01-518-00 Fire Depart Administrative Support – Cost of providing administrative & financial support for fire dept. operations. FY2017 and FY2018 budgets would have been \$26,880 and \$27,250, respectively, but were reduced due to tax levy limitations on Fire Department and Erosion operations. Based on 2.13% annual average increase in CPI from 2016-2017, cost would have been \$27,830. Reduced due to taxy levy limitations on Fire Department operations. Use \$ 13,920

01-01-519-00 Erosion Administrative Support – Cost of providing administrative & financial support for erosion & bridge operations. Based on the above, the fee would be \$6,780 in FY 2019. Use \$ 6,780

01-01-521-00 Accounting & Audit - Used for annual audit report and consulting in fiscal matters and includes cost to publish annual budget hearing. Based on actual cost for FY2018 with 3% increase for inflation. Pro-rata share of expense for water operations derived as follows:

Total FY2019	\$12,900	
Less Fire Dept.	5,630	
Less Erosion	<u>1,300</u>	
Wtr & Sew Operations	\$5,970	Use \$ 5,970

01-01-522-00 Bad Debt –Budget for non-collectible accounts same as FY 2018. Use \$ 200

01-01-523-00 Bank Service Charges - Fees charged by Bank to maintain District's Bank accounts and lockbox service for utility billing operations. FY2018 was lower than estimated due to actual costs being offset by interest on available funds, which increased due to the new GO bond proceeds for the revetment construction. Budget based on actual FY2017 cost plus 3% inflation. Use \$ 9,780

01-01-523-01 Credit Card Service Fees - Fees charged Bank to allow District’s customers to pay bills via credit card. Budget amount based on estimate for FY2018, increased for additional fees anticipated with customer’s ability to pay bills online. Use \$ 2,000

01-01-526-00 Dues & Subscriptions - Membership in SC Assoc. of Special Purpose Districts (\$1,850 max), Crescent Society (\$250), AWWA (\$700), Water Utility Council (\$200), SC Rural Water Association (\$450), SEDA (\$250), SC811 (\$450), and SC Water Pollution Control Association & WEF (\$400). Use \$ 4,550

- 01-01-528-00 Engineering & Consulting** – Estimated FY2018 lower than expected because cost of SRF loan application assistance for Harbor River waterline replacement project was capitalized. Budget based on years prior to FY2018. Use \$ 10,000
- 01-01-531-00 Insurance** – State Fiscal Accountability Authority provides property insurance, liability coverage, and vehicle insurance through the Insurance Reserve Fund. SFAA plans increases in all policy premiums ranging from 10-15% effective July 1, 2018. The District’s bond covenants also require a fidelity bond for all persons handling money or signing checks (Chairman, Vice Chairman, District manager, & office manager). Cost of fidelity bond is \$800 (est.) for \$500,000 coverage with a \$5,000 deductible. Increase \$7,560 for expected premium increase. Use \$ 45,200
- 01-01-532-00 Legal Fees** –Budget for miscellaneous legal expenses based on estimated FY2018 costs. Use \$ 2,500
- 01-01-533-00 Licenses, Taxes & Permit Fees** - SCDHEC Safe Drinking Water Fee (\$8,700), ND permit for wastewater plant (\$1,600), lab certification (\$400), Beaufort Co. storm water fee (\$1,000), group asbestos license. (\$25). Use \$ 11,725
- 01-01-535-00 Meter Reading & Related** – Budget same as prior year. Use \$ 0
- 01-01-537-00 Office Supplies** - For stationary, copy paper, checks, computer supplies, etc. Increase to cover cost of company identification cards for staff. Use \$ 2,800
- 01-01-538-00 Postage and Freight** –Budget includes postage for quarterly utility bills, rental of postage meter & folder/stuffer, freight charges for parts & materials. Budget same as prior year. Use \$ 7,580
- 01-01-539-00 Printing** – Budget includes cost of bill stock & envelopes and billing inserts during FY 2018. Budget same as prior year. Use \$ 1,050
- 01-01-540-00 Program Maintenance** – Annual license fees for accounting/utility billing software (\$2,750), Microsoft Office (\$400), Microsoft Cloud (\$1,500), WWTP monitoring software (\$400), antivirus/antimalware software (\$180) & handheld meter reading system (\$550), plus technical support (\$7,000). Technical support budget includes increase of \$6,050 for additional support while upgrading to cloud-based accounting & utility billing software. Use \$ 12,780
- 01-01-543-00 Vehicle Gas & Oil** – Budget same as last year. Use \$ 11,400
- 01-01-549-00 Miscellaneous** – For items not fitting other account descriptions such as annual employee Christmas gifts. Estimated FY2018 includes lodging for District Commissioners during hurricane evacuation. Budget same as last year. Use \$ 2,500
- 01-01-558-00 Buildings & Grounds Maintenance** – Based on \$100/month for cleaning office, \$250/month for grounds maintenance, \$70/qtr for pest control & \$1,000 for miscellaneous. Use \$ 5,480
- 01-01-562-00 Graphic Services** – Budget for blueprint and Mylar reproduction. Use \$ 200
- 01-01-568-00 Support Equipment Maintenance** – Maintenance for office machines. Use \$ 400
- 01-01-569-00 Vehicle Maintenance** – Reduced due to use of newer vehicles. Use \$ 2,000

01-01-581-00 Electricity & LP Gas – Budget based on estimated FY2018 costs increased by 1.5% for inflation and increased for gas refills for new office generator LP tank. Use \$ 2,880

01-01-583-00 Telephone & Communications – Expense for office telephone, mobile phones, pagers for field personnel, & recurring website and email charges. Budget increased for FY2019 to cover anticipated additional cost for conversion of website to new provider. Use \$ 7,000

WATER SYSTEM EXPENSES

01-02-524-00 Chemicals - Purchase chlorine for emergency chlorination, if needed and decontamination of broken water lines. Use \$ 200

01-02-542-00 Small Tools & Supplies – To purchase supplies and special tools to maintain water system. Budget amount based on prior two years' experience. Use \$ 1,000

01-02-545-00 Water Tap Costs – Budget same as last year. Use \$ 1,280

01-02-557-00 Booster Pumps – Budget for maintenance decreased since one booster pump will be completely rehabbed during the fiscal year. Use \$ 2,250

01-02-560-00 Controls & Instrumentation – Budget for controls & instrument repairs for pumping stations and water towers. Budget same as last year. Use \$ 250

01-02-561-00 Fire Hydrants – Budget for miscellaneous repairs to fire hydrants. Budget same as last year. Use \$ 1,000

01-02-568-00 Support Equipment Maintenance - Budget \$500 for expenses, such as replacement of hoses, motors or diaphragms on portable pumps. Use \$ 500

01-02-570-00 Water Lines – Budget includes \$3,000 for routine water line repairs and \$5,000 for one major repair Use \$ 8,000

01-02-571-00 Water Meter Repair – Repair, replacement & testing of meters. Increased to cover repair of New Haven master meter. Use \$ 8,000

01-02-572-00 Water Quality Monitoring - Budget to cover cost of sampling. (1) State regulations require 4 bacteriological samples per month. BJW&SA presently performs this analysis at \$30.00 per sample. Budget \$1,560 for 48 routine samples plus 4 repeats if necessary. (2) Include \$260 for water quality test kits & reagents. (3) Include \$1,300 for publishing annual consumer confidence report in newspaper. (4) Include \$260 for annual purchase of WS unknowns required by lab certification regulations. Use \$ 3,380

01-02-573-00 Water Tanks - Budget for contract maintenance program: 75k tank @ \$10,020, 200k tank @ \$15,870 & 250k tank @ \$14,600; plus misc. items such as altitude valve repair, etc. @ \$1,550. Use \$ 42,040

01-02-581-00 Electricity - Power for operation of booster pumps and lights at each water tank. Based on the estimated expense for FY2018 (less HIU's prorated amount for Butcher's Island pumping station). Use \$ 11,750

01-02-583-00 Telephone/SCADA – SCADA system controlling the telemetry between Butcher’s Island & Hunting Island pump stations and the 200,000 & 250,000 gallon elevated water tanks. Annual monitoring fee is \$2,254. Budget includes \$200 for misc. repairs to batteries, cables, etc. Use \$ 2,460

WASTEWATER SYSTEM EXPENSES

01-03-524-00 Chemicals – Sodium hypochlorite for biological cleaning: 12 - 55 gal drum x \$150 = \$1,800. Citric acid for cleaning mineral deposits: 2 clean/yr., use 6, 50lb bags x \$100 = \$600. Caustic soda for increasing pH: 1 – 560lb drum/qtr. x \$185 ea. = \$740. Fuel surcharge: 8 deliveries @ \$10 ea. & \$800 for deodorant blocks for TV p/s. Use \$ 4,020

01-03-525-00 Cleaning Supplies – Estimate for cleaning office/pump building. Same as FY2018. Use \$ 150

01-03-527-00 Effluent Monitoring, WWTP – Influent & effluent sampling performed once per week as permit requires and split samples w/ SCDHEC for two days (\$270 x 54 = \$14,580/year + \$220 x 26 = \$5,720/year). Purchase reagents & supplies for chlorine residual, pH analysis & MLSS (\$450), repair/replacement of pH meter or DO meter (\$800), & annual analysis of unknowns required by lab certification regulations (\$300). Use \$ 21,850

01-03-529-00 Generator Fuel/Maint, WWTP – FY2018 cost lower than expected due to fewer inspections. Reduced budget for lower anticipated maintenance costs. \$2,800 for maintenance & \$1,200 for fuel. Use \$ 4,000

01-03-529-02 Generator Fuel/Maint, Vac Sew - Increased for higher anticipated maintenance costs. \$1,280 for maintenance & \$500 for fuel. Use \$ 1,780

01-03-541-00 Sludge Disposal, WWTP – FY2018 cost was lower than expected. Budget based on FY2018 estimated. Cost \$500/dry ton for disposal & \$160/1000 gal for transportation. Use \$ 47,000

01-03-542-00 Small Tools & Supplies – Budget amount based on current year estimated. Use \$ 1,900

01-03-545-00 Sewer Tap Costs – Budget amount based on prior & current year. Do not anticipate new sewer tap costs in FY2019. Use \$ 0

01-03-558-00 Building and Grounds, WWTP – Grounds maintenance around wastewater treatment plant includes \$90/mo. dumpster rental, \$300/qtr. dump fee, \$80/ton disposal for 12 tons & \$125/qtr. fuel/environmental recovery fee, \$500 estimate for routine grounds maintenance. Budget amount based on current year estimated total. Use \$ 4,460

01-03-559-00 UV Disinfection System, WWTP – Bulb replacement not required. UV off. Use \$ 500

01-03-560-00 Controls & Instrumentation, WWTP – Budget for instrument calibration & routine maintenance items such as fuses & unforeseen repairs based on prior years’ expenses. FY2018 estimated includes unexpected VFD replacement. Use \$ 2,600

01-03-563-00 Gravity Sewer Lines – Budget \$1,500 for line maintenance & \$4,500 for cleaning of lines in CJFV and other areas if required. Line cleaning budget increased for anticipated costs associated with cleaning

sand from lines. Use \$ 6,000

01-03-563-02 Vacuum Sewer Lines – Budget for line maintenance & valve pit maintenance. Budget same as last year. Use \$ 4,500

01-03-564-00 Effluent Disposal, WWTP – FY2018 estimated includes cost of emergency repairs to dike between holding pond and lagoon from tropical storm damage. Effluent transfer station &/or storage tank (\$1,000) & \$200/mo for effluent pond weed control. Increased for anticipated cleaning of mussels from holding pond. Use \$ 5,000

01-03-565-00 Wastewater Treatment & Disposal – Budget based on age of facility, experience for routine maintenance & unforeseen repairs less amounts for disinfection, controls & instruments, & effluent disposal. FY2018 included grit system repairs that were partially completed and will be finished in FY2019. Use \$ 36,000

01-03-566-00 Sewer Force Mains – Budget for routine maintenance repairs. Use \$ 2,000

01-03-567-00 Wastewater Pumping Stations – Estimated FY2018 includes \$16,000 for unexpected repairs to Fairway Club pumps and Chapel pumps. Budget based on historical experience with increase for age of facilities and increased problems with non-flushable items. Use \$ 10,000

01-03-567-02 Vacuum Sewer Station – Budget same as prior year with addition of \$3,300 to replace vacuum pump filters. Use \$ 4,800

01-03-581-00 Electricity, WWPS - Budget amount for sewage lift stations same as prior year. Use \$ 15,600

01-03-581-01 Electricity, WWTP - Budget amount for wastewater treatment plant same as prior year. Use \$ 63,700

01-03-581-02 Electricity, VS - Budget amount for vacuum sewer station based on estimated FY2018. Use \$ 15,470

01-03-583-00 Telephone – Phone service connecting WWTP alarm system to operators' phones & to GE for reviewing system performance based on estimated FY2018, less \$250 for install of new phone and internet failover device. Use \$ 725

OTHER INCOME

01-00-416-00 Interest/Not Restricted - Interest earned on operating funds & depreciation & contingent investment account. Use \$ 50,000

01-00-417-00 Interest/Restricted – Quarterly interest on sewer construction account funds. Use \$ 11,000

OTHER EXPENSES

01-01-595-00 Amortization of Deferred Debt – Amortization of issuance costs for 2005 G.O., 2013 revenue & 2014 G.O. bond issues. Based on auditor's prior year adjusting journal entry. Use \$ 15,070

01-01-596-00 Interest on Bonds – Interest on 2005 WWTP G.O. bond, 2013 revenue refunding bond, & 2014

WWTP improvement G.O. bond. New in FY2019, includes anticipated \$35,000 expense for two interest payments on new waterline replacement G.O. bond. Use \$180,060

01-01-597-00 Bond Payment Fees - Cash management fees, Trustee Fees & Paying Agent Fees charged by First Commercial Bank for investing bond debt service funds & for the collection & handling of expired coupons & bonds for series 2013 bond issue. Use \$ 1,200

01-01-598-00 Bond Issue Fees – Anticipated \$28,000 expense for proposed 2018 G.O. bond issue for waterline replacement will be amortized over life of bond issue. For FY2019 no expense anticipated. Use \$ 0

TRANSFERS

01-00-499-00 Interfund Transfers In (Out) – Transfer of taxes collected by Beaufort County Treasurer to pay annual debt service for WWTP G.O. bonds from debt service fund to water & sewer fund. New in FY2019, includes anticipated \$100,000 transferred for two debt service payments on new water line replacement G.O. bond. Use \$542,960

DEPRECIATION

01-01-611-00 G&A Depreciation – Includes annual depreciation of replacement computer/laptop for administrative office. Use \$ 34,680

01-02-611-00 Water System Depreciation – Increased to include annual depreciation for new mini excavator/backhoe, john boat, Hunting Island Booster pump station rehab and new US 21 water main across Harbor River. Use \$140,000

01-03-611-00 Wastewater System Depreciation – Increased to include depreciation for new RAS pumps and washer/compactor. Use \$435,410

ASSET ADDITIONS & CAPITAL IMPROVEMENTS

01-00-175-00 Field Support Equipment – Cost of mini-excavator/backhoe was budgeted and ordered in FY2018, but not delivered until FY2019-actual cost \$24,400 below budget. Budget also includes cost of johnboat for cleaning intake screen for transfer pumps at effluent holding pond. Use \$ 56,200

01-00-176-00 Wells & Pump Stations – Rehab Hunting Island booster pump station. Use \$500,000

01-00-179-00 Treatment Plant – Replace RAS pumps and washer/compactor for screenings. RAS pumps were previously budgeted in FY2018, but repairs were not completed. Use \$135,000

01-00-180-00 Computers, Software, Etc. – Computer/laptop replacement for workstation that contains shared files and databases. Use \$ 3,000

**RESOLUTION
WATER & SEWER RATES FOR FISCAL YEAR 2019**

**ADOPTION OF WATER AND SEWER RATES FOR THE FISCAL YEAR STARTING
JULY 01, 2018 AND ENDING JUNE 30, 2019**

WHEREAS, the Fripp Island Public Service District has prepared and adopted a budget for the fiscal year starting July 01, 2018, which requires the imposition of water and sewer rates on the residents receiving service.

NOW, THEREFORE, BE IT RESOLVED, that the following water and sewer rates schedule will be in effect for the fiscal year starting July 01, 2018.

WATER RATES

Customer Category	Minimum Bill/Quarter	Water Consumption Over Minimum
Residential		
Single family lots	\$ 45.50	
Multi-family units	\$ 45.50	
0-10,000 gals./qtr./unit		\$3.45/1,000 gals.
10,001-50,000 gals./qtr./unit		\$3.65/1,000 gals.
50,001-150,000 gals./qtr./unit		\$4.05/1,000 gals.
over 150,000 gals./qtr./unit		\$4.35/1,000 gals.
Commercial/Irrigation		
		Same as residential
¾" meter	\$ 45.50	
1" meter	\$ 77.35	
1½" meter	\$ 150.15	
2" meter	\$ 241.15	
3" meter	\$ 458.80	
Hotel/Motel per Room (Sunsuites)		
	\$ 24.50	
0-5,000 gals./qtr./unit		\$3.45/1,000 gals.
5,001-25,000 gals/qtr./unit		\$3.65/1,000 gals.
25,001-75,000 gals./qtr./unit		\$4.05/1,000 gals.
over 75,000 gals./qtr./unit		\$4.35/1,000 gals.
Jetting (Hydrant Meter)	N/A	Same as residential
Off Island Individual Customers	\$ 63.90	Same as residential
Hunting Island Fishing Pier	\$ 172.30	Same as residential
Hunting Island State Park		
	\$8,739.50	
0-7,200,000 gals./qtr.		\$3.45/1,000 gals.
Over 7,200,000 gals./qtr.		\$3.85/1,000 gals.

**RESOLUTION
WATER & SEWER RATES FOR FISCAL YEAR 2019**

Hunting Island State Park, South	\$ 259.60	Same as Hunting Isl. S.P.
Harbor Island Transportation Fee	N/A	\$0.35/1,000 gals.

1. Where a single water meter serves more than one unit, multiply the minimum rate for the customer category by the number of units.
2. Delinquent accounts will be charged a 1.5% finance charge on the unpaid balance not paid by the date due.

SEWER RATES

Customer Category	Minimum Bill/Quarter	Excess Over 22,500 Gals.
Residential (Single family or multi-family)	\$100.50	N/A - Flat Rate
Commercial	\$100.50	\$6.15/1,000 gals.
Hotel/Motel Room (Sunsuites)	\$54.00	N/A - Flat Rate
Harbor Island Effluent Disposal Fee	N/A	\$0.08/1,000 gals.

1. Where a single water meter serves more than one unit, multiply the sewer rate by the number of units.
2. Delinquent accounts will be charged a 1.5% finance charge on the unpaid balance not paid by the date due.
3. If Harbor Island's wastewater effluent requires additional treatment prior to disposal, the Harbor Island effluent disposal fee increases to \$6.15/1,000 gallons.

NON-PAYMENT FEE

A past due notice will be sent to all delinquent water and/or sewer accounts. If payment for a past due account is not received by the deadline stated on the notice, a \$60.00 non-payment fee will be added to the account.

RECONNECTION FEES

Water and/or sewer service disconnected for non-payment will be charged a \$45.00 reconnection fee in addition to the \$60.00 non-payment fee added to the customer's account.

Water disconnected at the customer's request will be charged a \$45.00 reconnection fee.

ADMINISTRATIVE FEE

A \$25.00 non-refundable administrative fee will be charged to establish a new account, transfer

**RESOLUTION
WATER & SEWER RATES FOR FISCAL YEAR 2019**

service to a new customer or to re-establish a terminated account.

TAP FEES

WATER

5/8" Meter	\$ 500.00
3/4" Meter	\$ 600.00
1" Meter	\$ 700.00
1½" Meter	\$ 900.00
2" Meter	\$1000.00
One meter for multiple units	\$500.00/unit
Hydrant Meter (Jetting)	\$ 50.00
Fire Flow (not required for irrigation meters or hydrant meter installation)	\$ 300.00

1. Where a single water meter serves more than one residential unit, multiply the 5/8" water meter tap-in rate by the number of units.
2. Where a single water meter serves more than one residential unit, multiply the fire flow fee by the number of units.
3. An advance payment of \$150.00 will be collected for water used during construction.
4. An advance payment of \$50.00 will be collected for water used with a hydrant meter.

SEWER

Residential	\$1,200.00
Commercial	\$200.00/toilet or \$1,200.00 whichever is greater

1. Where a single water meter serves more than one residential unit, multiply the residential sewer tap-in rate by the number of units.

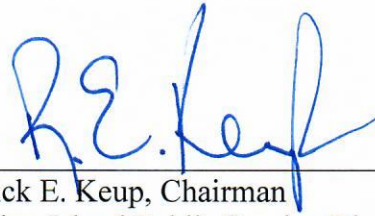
WATER CAPACITY FEES

All new development or expansions to existing development including, but not limited to, residential subdivisions, condominiums (villas), motels/hotels, and commercial facilities shall pay a \$3.00 per gallon water capacity capital contribution fee prior to receiving water service. The amount of water capacity required and purchased shall be adequate to meet the peak daily demand of the new development as determined solely by the Fripp Island Public Service District.

**RESOLUTION
WATER & SEWER RATES FOR FISCAL YEAR 2019**

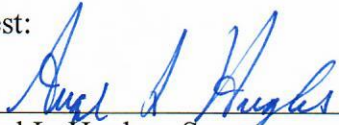
**This Resolution ratified and adopted by the FRIPP ISLAND PUBLIC SERVICE
DISTRICT COMMISSION on June 12, 2018.**

(SEAL)



Rick E. Keup, Chairman
Fripp Island Public Service District
South Carolina

Attest:



Angel L. Hughes, Secretary
Fripp Island Public Service District
South Carolina

