



**SURFSIDE BEACH TOWN COUNCIL BUDGET WORKSHOP**  
**THURSDAY, MAY 17, 2018 ♦ 10:00 A.M.**  
**TOWN COUNCIL CHAMBERS**

**CALL TO ORDER.** Mayor Childs called the budget workshop to order at 10:00 a.m. Mayor Childs, Mayor Pro Tempore Pellegrino, and Councilmembers Dietrich, Johnson, Ott, and Scoles were in attendance. Councilmember Stevens was absent. A quorum was present. Others present: Interim Administrator Duckett; Town Clerk Herrmann; Finance Director King; Fire Chief Otte; Planning, Building & Zoning Director Morris; Police Chief Hofmann; Public Works Director Adair, and Events Supervisor Ellis.

**BUDGET 101.** Mr. Duckett presented the budget workshop package, a copy of which is on file, and gave a general introduction to the budget.

**RECESS 10:30 a.m. to 10:45 a.m.**

**General Fund Revenues** were explained. The anticipated total revenue for Fiscal Year (FY) 2018-2019 is \$7,814,495.

**Special Revenue Funds** are comprised of hospitality tax funds, local accommodations tax funds, and state accommodations tax funds. Anticipated revenue and allowable expenses were discussed for each type special revenue, which is set out in the budget workshop package. The Resolution of the Accommodations Tax Committee was reviewed and there were no objections to including the recommendations in the upcoming budget.

**Anticipated Revenues and Millage Allocation** were discussed; millage is allocated between three funds: general fund; capital replacement, and capital projects-stormwater.

**General Fund Parking and Land Reserve** receives all fees from the town's parking function; citations, and other parking revenue. Expenditures are made to maintain parking function equipment, pay Lanier Parking Solutions (the company that manages the town's parking function). Revenue is used to operate the parking function and net revenue is reserved to purchase real property.

**General Fund Salaries and Benefits and Expenditures by Department** were discussed in detail, including costs for respective departments, fleet maintenance, etc.

**Capital Projects Funds** are used to perform large-scale projects like underground wiring along Ocean Boulevard, upkeep of the town's lakes and drainage system, upgrading town roadways, etc.

**Beach Renourishment** staff proposed to systematically transfer \$75,000 per year from both accommodations tax revenue and hospitality funds to the capital projects fund - beach renourishment line item, and that beginning in 2020, the pier fund also transfer \$50,000 per year to the capital projects fund - beach renourishment line item. Using this schedule, the town would have over \$2 million for beach renourishment at the end of ten years. There were no objections.

**Surfside Pier** staff anticipates bringing an ordinance for consideration to an upcoming meeting to provide for the issuance and sale of general obligation bonds in the amount of approximately \$1.5 million to use for pier reconstruction until FEMA grant funds reimburse the town.

**Millage Bank** was not discussed as Town Council had no interest in raising taxes.

**Lunch Recess 11:44 a.m. to 12:30 p.m.**

**Capital Replacement** is a fund in which funds are reserved for major equipment and vehicle purchases. Discussion was held regarding the proposed purchases, and council agreed that all items should be included in the upcoming budget, those include:

Town Council Budget Workshop  
May 17, 2018

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58	Fire Engine	\$610,000
59	Fire 5-Passenger Command Vehicle	\$ 60,000
60	Police 2 4-door SUVs	\$ 80,000
61	Grounds Pickup	\$ 25,000
62	Grounds Gator	\$ 11,000
63	Streets Versaboom	\$ 85,000 (extension to cut ditches, limbs, etc.)
64	Street Mower	\$ 12,000
65	Street Tractor	\$ 25,000
66	Street Backhoe (Alternate with A-Tax)	\$ 70,000
67	Retrofit Marquee/LED	\$ 30,000
68	Sanitation Knuckleboom Truck	\$150,000
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70 Note: Mold remediation required in public works this year and town hall will need it next year.

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72 **General Fund – Changes in Fund Balance** stated that the town has 4.8 months of reserves in the  
73 event of a catastrophe; however, if all funds are included the town has 7.51 months of reserves.

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75 **Fund Balances** for NON-spendable, restricted, committed, assigned, and unassigned funds were  
76 discussed. The proposed total fund balance for the period ending June 30, 2019 is \$6,083,649.

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78 **Proposed Consolidated Budget 2018-2019** states the following balances:

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80	Governmental Operating Budget	\$12,333,285
81	Enterprise Operating Budget	<u>\$ 2,167,450</u>
82	<b>Total Operating Budget</b>	<b><u>\$14,500,735</u></b>
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84	Governmental Operating Expenditures/ 85 Expenses	\$11,043,330
86	Enterprise Expenditures/Expenses	<u>\$ 2,206,485</u>
87	<b>Total Expenditures/Expenses</b>	<b><u>\$13,249,815</u></b>
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89 **General Comments**

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91 Request to retrofit 13<sup>th</sup> Avenue South restroom to comply with ADA. That is a flood zone and any  
92 changes would require with current Coastal A Code; not feasible.

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94 Request for deck and walkway on Cedar Drive by Dogwood Lake. New drawings were requested  
95 that will be presented to the Keep Surfside Beach Beautiful Committee for recommendation to council that  
96 scale down the proposal. Public works to fill in or pipe the ditch to make more pedestrian friendly.

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98 If council decided to move forward with these requests, funding would have to be through a tax  
99 increase.

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101 **ADJOURNMENT.** Mayor Childs adjourned the meeting at 1:10 p.m.

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103 Prepared and submitted by:

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108 Debra E. Herrmann, CMC, Town Clerk

109 Approved: June 11, 2018

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VOTE:	Yes	No
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**Surfside Beach Town Council**

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Robert F. Childs, III, Mayor

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David L. Pellegrino, Mayor Pro Tempore

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Bruce H. Dietrich, Town Council

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Mark L. Johnson, Town Council

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Ron Ott, Town Council

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Debbie Scoles, Town Council

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Randle M. Stevens, Town Council

Clerk's Note: This document constitutes minutes of the meeting that was digitally recorded, and not intended to be a complete transcript. Appointments to hear recordings may be made with the town clerk; a free copy of the audio will be given to you provided you bring a new, unopened flash drive. In accordance with FOIA §30-4-80(A) and (E), meeting notice and the agenda were distributed to local media and interested parties via the town's email subscription list. The agenda was posted on the entry door at Town Council Chambers. Meeting notice was also posted on the town website at [www.surfsidebeach.org](http://www.surfsidebeach.org) and the marquee.

