

Town of Surfside Beach



FY 2019-2020 Budget Workshop

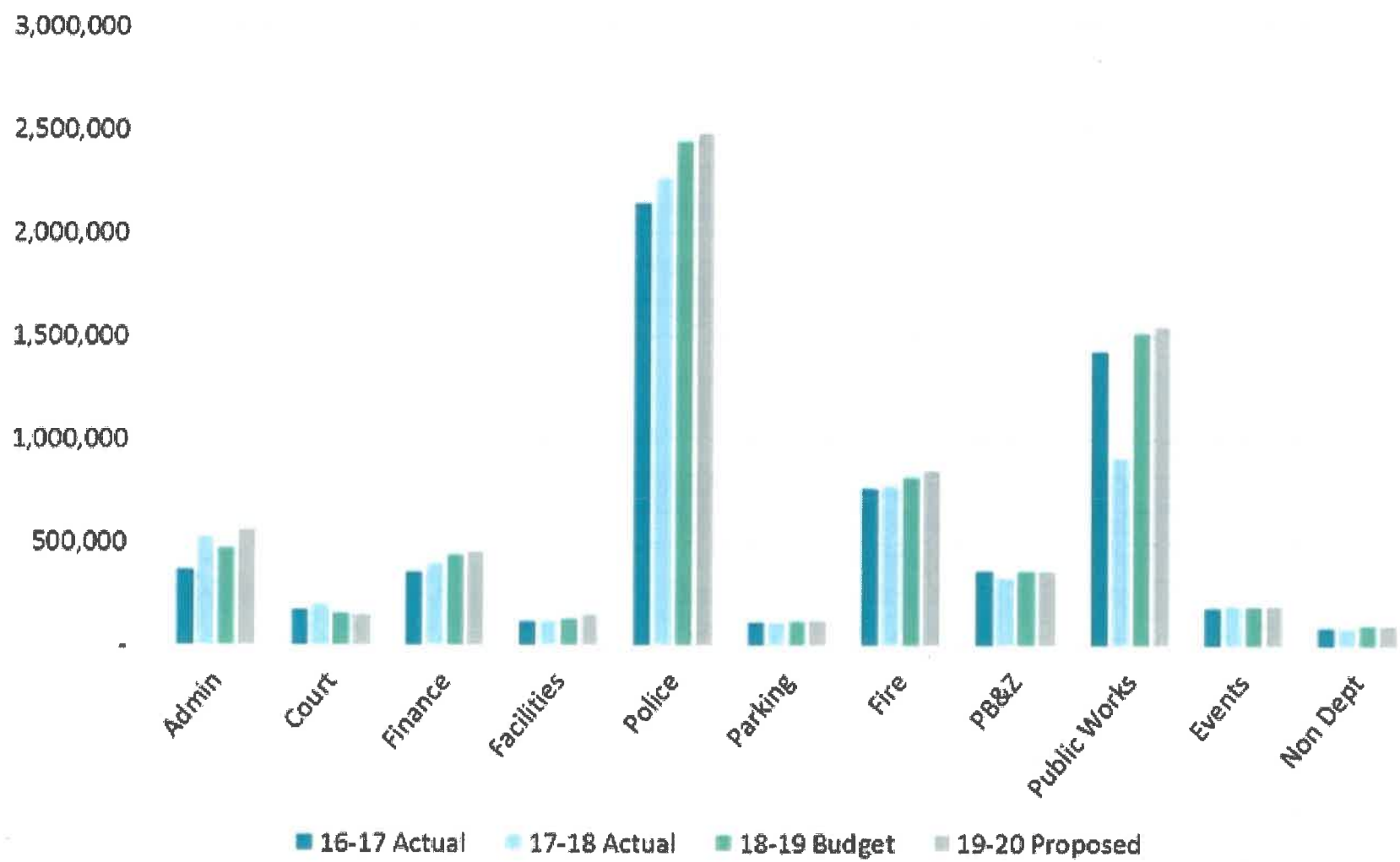
GF Budget Summary

General Fund	2017-2018	2018-2019	2019-2020
Expenditures	\$6,675,156	\$7,814,495	\$7,542,225

Major Factors Affecting 2019/2020 General Fund Budget Expenditures:

- Increase in Salaries & Benefits
- Increase in Liability & Workers Comp Coverage
- Increase in Health Insurance Costs
- Increase in S.C. Retirement
- Increase in Contract Services
- Overall decrease due to use of Capital Replacement Funds – Fire Truck

GF Budget By Department 2017 - 2020



2019-2020 Projected GF Revenues

General Fund Line Item	2016-2017 Actual	2017-2018 Actual	2018-2019 Approved	2019-2020 Proposed
Property Taxes	2,892,947	2,926,342	2,943,280	3,112,245
Franchise Fees	650,654	676,796	651,050	678,780
Fines & Forfeits	121,275	110,106	111,000	113,500
Interest	3,318	7,556	3,500	12,000
Intergovernmental Revenues	511,867	326,710	269,480	217,165
Other Revenue	90,550	169,461	111,360	120,100
Parking Revenue	293,886	227,914	226,000	260,000
Subtotal	4,564,497	4,444,885	4,315,670	4,513,790
Business Licenses	761,825	718,355	730,000	740,000
Business Licenses - Insurance	813,718	849,988	810,000	830,000
Animal Licenses	2,460	1,630	2,500	2,000
Building Permits	232,691	238,534	200,000	220,000
Subtotal	1,810,694	1,808,507	1,742,500	1,792,000
Transfer from Hospitality Tax	300,000	300,625	603,755	296,885
Transfer from Accommodations Tax	218,597	261,962	259,100	250,650
Transfer from Sanitation	80,000	82,000	90,000	94,000
Transfer from Pier	34,590	20,450	20,350	6,600
Transfer from Local Accommodations Tax	183,141	170,100	190,100	192,300
Use of Capital Replacement Funds	-	-	593,000	396,000
Subtotal	816,327	835,137	1,756,305	1,236,435
TOTAL	\$ 7,191,518	\$ 7,088,529	\$ 7,814,475	\$ 7,542,225

Departmental Budget Requests and Proposed 2019-2020 Budget

Departmental Changes

	Personnel	Operations	Capital
Administration	None Requested 3% COLA	Increase of \$7,000	None Requested
Finance	None Requested 3% COLA	Increase of \$1,925	None Requested
Court	None Requested 3% COLA	Decrease of \$3,725	None Requested
Facilities	None Requested 3% COLA	Decrease of \$3,675	None Requested
PB&Z	None Requested 3% COLA	Decrease of \$4,730	None Requested
Events	None Requested 3% COLA	Increase of \$215	None Requested
Non Departmental	N/A	Increase of \$63,000 \$50k Façade Grant & \$13k computer upgrade	None Requested

Administration

- Personnel
 - None Requested
 - 3% COLA
- Operations
 - Increase of \$7,000 (Council Travel, Professional Fees)
 - No tax increase. Reassessment of real estate in 2019. Tax rate will be set after Horry County determines new values.
- Capital
 - None Requested

Police Department

- Personnel
 - 3% COLA
 - 1 position not funded
- Operations
 - Increase of \$60,030 (Insurance, Service Contracts, IT)
- Capital
 - Funded by Hospitality
 - 3 Police Vehicles \$120,000 (Vehicle Take-Home Policy)
 - 1 Low Speed Vehicle \$16,000 (Beach Patrol)
 - Fire Alarm Installation \$6,000

Fire Department

- Personnel
 - None Requested
 - 3% COLA
- Operations
 - Increase of \$10,110 (Insurance, Materials/Supplies, Vehicle Maintenance)
- Capital
 - Fire Truck \$622,000 (½ Hospitality Fund 2018-2019)(½ General Fund 2019-2020)
 - Air Packs \$73,000 (Hospitality Fund)

Public Works

- Personnel
 - None Requested
 - 3% COLA
- Operations
 - Increase of \$560
- Capital
 - Repair Tennis Courts \$25,000 (Hospitality Fund)
 - Applied for \$15,000 grant
 - 2 Street Pickup Trucks
 - 1 Grounds Pickup Truck

Non-Departmental

- Operations
 - Increase of \$13,000 (Utilities, Technology Upgrade, Equipment & Maintenance)
 - Façade Grant \$50,000
- Capital
 - HVAC \$10,000
 - Veteran's Memorial Wall upkeep and additional plaques

Fund Balances in Detail

Line Item	6/30/2017 Actual	6/30/2018 Actual	6/30/2019 Projected	6/30/2020 Proposed
Disaster Recovery	400,000	800,000	800,000	800,000
Capital Replacement	626,604	784,717	714,118	515,818
Land Meters	386,798	512,549	616,149	749,349
Total Assigned Fund Balance	1,413,402	2,097,266	2,130,267	2,065,167

Proposed Sanitation Fund Budget

Sanitation Fund Line Item	2016-2017 Actual	2017-2018 Actual	2018-2019 Approved	2019-2020 Proposed
Revenue				
Service Charges	1,388,532	1,413,417	1,412,000	1,415,000
Interest Income	2,642	3,549	2,400	3,500
Other Revenue	180,933	95,131	4,400	3,000
Subtotal	1,572,107	1,512,097	1,418,800	1,421,500
Expenses				
Salaries & Benefits	506,489	588,484	555,450	582,225
Maintenance & Service Contracts	302,375	301,662	345,500	344,500
Materials & Supplies	268,161	190,849	226,315	226,205
Depreciation	168,375	162,694	170,000	160,000
Transfer to General Fund	80,000	82,000	90,000	94,000
Subtotal	1,325,400	1,325,689	1,387,265	1,406,930
TOTAL	\$ 246,707	\$ 186,408	\$ 31,535	\$ 14,570

Points to Note

- New side loader \$310,000 for residential service
- Review revenue & costs in January 2020 for possible rate adjustment

Proposed Accommodations Tax Budget

Accommodations Tax Fund Line Item	2019-2020 Proposed
Revenue	
State Accommodations Tax Revenue	685,000
Interest Income	350
Subtotal	685,350
Expenditures	
Police	50,000
Public Works	12,000
Events	54,500
MB Chamber	183,000
Non Departmental Grants	26,050
Subtotal	325,550
Other Financing Uses	
Transfer to General Fund	250,650
Transfer to Capital Projects Beach Renourishment	75,000
Transfer to Pier Fund	50,000
Subtotal	375,650
TOTAL	\$ (15,850)

Points to Note

- Committee met 1/18/2019 (See resolution for details)
- Council action: defer beach renourishment \$75,000 transfer out
- Change fund balance ordinance

Proposed Hospitality Tax Budget

Hospitality Fund Line Item	2019-2020 Proposed
Revenue	
Hospitality Tax Revenue	870,000
Hospitality Tax Revenue (additional)	90,000
Interest Income	4,500
Grant Revenue	15,000
Subtotal	979,500
Expenditures	
Police	142,000
Fire	73,000
Grounds	35,000
Streets	16,500
Events	11,100
Subtotal	277,600
Other Financing Uses	
Transfer to General Fund	296,885
Transfer to Capital Projects Beach Renourishment	75,000
Transfer to Pier	110,000
Subtotal	481,885
TOTAL	\$ 220,015

Points to Note

- Rate change to 2% on restaurants and admissions
- Collect 1% that Horry County previously collected
- Hospitality tax is not collected on accommodations in this fund
- The budgeted additional \$90,000 in revenue will be held for the pier rebuild
- Defer beach renourishment of \$75,000

Proposed Local Accommodations Tax Budget

Local A-Tax Fund Line Item	2019-2020 Proposed
Revenue	
Local Accommodations Tax Revenue	192,000
Local Accommodations Tax Revenue (additional)	960,000
Interest Income	300
Subtotal	1,152,300
Other Financing Uses	
Transfer to General Fund	192,300
Subtotal	192,300
TOTAL	\$ 960,000

Points to Note

- Rate change to 3% for all accommodations
- Collect 1.5% that Horry County previously collected
- The budgeted additional \$960,000 in revenue will be held for the pier rebuild

Proposed Capital Projects Fund

Capital Project Fund Line Item	2019-2020 Projected
Revenue	
Interest Income	2,000
County Road Fees	200,000
CTC Reimbursement Paving	300,000
Underground Hwy 17 Reimbursement (deferred)	-
Subtotal	502,000
Expenditures	
Grounds/Lake	74,000
Street Drainage	30,000
Road Paving Projects	300,000
Road Paving Engineering	30,000
Hydrant Upgrade	34,000
Underground Hwy 17 Construction (deferred)	-
Subtotal	468,000
Other Financing Sources	
Transfer from General Fund	34,000
Transfer from Hospitality Beach Renourishment	75,000
Transfer from A-Tax Beach Renourishment	75,000
Subtotal	184,000
TOTAL	\$ 218,000

Points to Note

- Repaving streets using Horry County road fees and CTC reimbursement
- Beach renourishment funds currently \$658,000 at 6/30/19. Defer transfer for 2 years due to Pier.

Beach Renourishment Deferred Transfers

Fiscal Year	2018 Actual	2019 Actual	2020 Projected	2021 Projected	2022 Projected
Beginning Balance	\$ 357,913	\$ 507,913	\$ 657,913	\$ 657,913	\$ 657,913
Funding Transfer Hospitality	75,000	75,000	75,000	75,000	75,000
Funding Transfer A-tax	75,000	75,000	75,000	75,000	75,000
Funding Transfer Pier	-	-	30,000	30,000	30,000
Ending Balance	\$ 507,913	\$ 657,913	\$ 657,913	\$ 657,913	\$ 837,913

Requires a fund balance ordinance change

Pier Fund

- Unknown construction date
- Revenue from leases and parking \$132,000
- Unknown when FEMA approval will occur allowing bids for construction and demolition
- Adjustment to capital assets when the current pier gets demolished
- Budgeted "Transfer In" for debt payment: \$110,000 from Hospitality & \$50,000 from A-tax
- Reimbursements for the Pier design are being received from FEMA

Stormwater Fund

- To start FY 2019-2020
- The stormwater fee is setup to be added to tax bills mailed October 2019 from Horry County
- All fees will accumulate in a Special Revenue Fund
- Purchase of Used Front Loader \$100,000

- Rates:
 - Proposed \$ 6.83 per month - \$82 annually
 - Revenue \$465,000

Miscellaneous

- Council Comments
- Staff Comments
- Questions

