



TOWN OF SURFSIDE BEACH
115 US Highway 17 North, Surfside Beach, SC 29575
Web: www.surfsidebeach.org
☎ (843) 913-6111 📠 (843) 238-5432

**TOWN COUNCIL WORKSHOP
COUNCIL CHAMBERS
WEDNESDAY, MAY 16, 2012 ♦ 9:30 A.M.**

A G E N D A

1. **CALL TO ORDER** – Mayor Douglas F. Samples
2. **PUBLIC COMMENTS**
3. **BUSINESS**
FY2012-2013 Municipal Budget
4. **PUBLIC COMMENTS**
5. **COUNCIL COMMENTS**
6. **ADJOURNMENT**



**SURFSIDE BEACH TOWN COUNCIL
BUDGET WORKSHOP MINUTES
MAY 16, 2012 ♦ 9:30 A. M.
TOWN COUNCIL CHAMBERS**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55

1. **CALL TO ORDER.**

Mayor Samples called the workshop to order at 9:30 a.m. Mayor Samples, Mayor Pro Tempore Mabry, and Councilmembers Dodge, Smith and Stevens were in attendance. Councilmember Johnson was absent. A quorum was present. Staff present: Interim Administrator Fellner; Treasurer Hursey; Police Chief Frederick; Public Works Director Adair, and Recreation Supervisor Ellis. Also present: Town Clerk Herrmann.

2. **PUBLIC COMMENTS.**

There were no public comments.

3. **BUSINESS.**

Ms. Fellner gave a brief overview of adjustments made on May 10th. Pertinent questions and motions follow:

Administration

-*Travel & Training.* Mr. Stevens moved to reduce travel and training to \$25,000. Ms. Mabry seconded. All voted in favor. **MOTION CARRIED.**

Recreation

A list of special events with associated cost estimates was distributed.

-*Promotion & Special Events.* \$25,000 includes town events and special employee events like the wellness, health fair, and the Christmas party. Mayor Samples believed employee events should be separated into non-departmental funds to clearly identify tourist related events. Other departments also have special events.

-*Adult Softball Leagues (Athletics.)* Mayor Samples believed adult leagues should be charged \$550 so they would be self-supporting. Ms. Ellis said there was no fall league last year, because teams went to the new Crabtree facility in Myrtle Beach. Staff proposed that a fall children's league be organized if there is no adult interest; cost would be minimal. Ms. Mabry moved to suspend the adult softball league at this time, and establish fall leagues for children. Ms. Dodge seconded. Ms. Mabry said staff could bring a recommendation to council, if adults express an interest in a fall league. All voted in favor. **MOTION CARRIED.**

-*Promotional Advertising (All funds.)* A breakdown of the \$174,720 budget was distributed. The 50th Anniversary amount was reduced to \$5,000 at the last workshop.

-*Employee Christmas Luncheon.* \$5,000 budgeted, in the past the amount was \$2,000 - \$2,500. Administrator recommended last year including the cost of sweatshirts and cardigans for employee gifts; the cost was about \$3,000.

-*Family Festival.* \$11,000 of which \$3,000 is inflatable games and other give-away items for kids; \$3,000 for two bands; \$1,500 for three stages; temporary electric poles; port-a-johns, and the "Mad Science" show. Vendor fee income is about \$4,825 @ \$50 for arts and crafts, and \$60 for food vendors, because they need electricity.

-*Christmas Parade.* \$6,300 for floats, fee for Santa Claus, candy for town council, donation to the band booster clubs of \$100 each. Revenue received is about \$3,480 in entry fees and float rentals.

-*Accommodations Tax Funds.* All events are tourist based and approved by the accommodations tax advisory committee; the dances are almost exclusively tourists; 60-percent of Easter egg hunt

56 participants are tourists. The Ocean Expo will probably be cancelled this year. Mayor Samples asked
57 staff to follow up on the expo as there is interest; another date might be considered. Ms. Ellis said this
58 was done jointly with the surf-off; paddle board and kayaking demonstrations were to be done, but in both
59 years of the event, there were always reasons why they could not do them.

60 -*Hospitality Fund.* Sunday serenades begin Memorial Day weekend and are held at the Veterans
61 Memorial. They are well attended. Town merchandise is sold in town hall and at special events.

62 -*Car Show.* Town sponsored event; hire Band or DJ and rent stage. Vendors pay fees \$60 each.
63 All registration fees at \$20/car benefit the Veterans Honor Flight.

64 -*Easter Egg Hunt.* Over 450 children participated this year, they each received a bag of candy,
65 and prizes were raffled per field

66 -*July 4th Celebration.* Band, stage, sound equipment, free ice cream and watermelon, give-away
67 items like flags for the public, port-a-johns

68
69 Ms. Ellis said event advertising is done using radio and print ads with the *Myrtle Beach Herald*
70 *Visit* edition; Next Media, and Cumulus Broadcasting; Family Festival and 4th of July are advertised on
71 TV13. Advertising is budgeted in general fund at \$8,000 and accommodations tax at \$23,000. Mayor
72 Samples asked staff to research the cost of a reusable banner that could be used to advertise special
73 events at Surfside Drive intersection and other entry points and bring a recommendation to town council.

74
75 Ms. Mabry asked how the events were tracked to insure marketing is done timely. Ms. Ellis said
76 a file was opened for each event so she could follow up with vendors and track expenses. Ms. Fellner
77 explained an event management software program that would improve the process and recommended its
78 purchase. Ms. Mabry moved to allocate \$3,000 to purchase event planning software as explained. Mr.
79 Stevens seconded. All voted in favor. **MOTION CARRIED.**

80 81 **Accommodations Tax**

82 -*Revenue.* Projected at \$450,000; based on trends staff expects the amount to be higher

83 84 **Accommodations Tax - Police**

85 -*Police Salaries - Regular.* 1 police officer salary (not another body; only salary allocation)

86 -*Police Salaries – Overtime.* All tourism-related overtime beginning in May through September

87 -*Travel & Training.* CPR, beach rescue, and associated training

88 89 **Accommodations Tax – Sanitation/Public Works**

90 -*Salaries.* Cleaning, sweeping and emptying garbage on the beach

91 -*Beach Access Replace, Repair & Maintenance.* Regular repairs and maintenance on beach
92 accesses

93 -*Contractual Services.* Cost of wear and tear on equipment that was not purchased with
94 accommodations tax funds; a reimbursement to sanitation and street departments for equipment
95 belonging to the departments that is used on the beach

96 -*Capital – Land/Land Imp.* To upgrade pier parking lot restrooms to comply with ADA (Americans
97 with Disabilities Act) standards

98 99 **Accommodations Tax – Grounds**

100 These expenses are for the beach bathrooms

101 102 **Accommodations Tax – Non-Departmental**

103 -*Advertising – MB Chamber.* The town pays 30-percent of all collected revenue to the Chamber,
104 mandatory under State Code. Ms. Fellner believes this is the best option for town advertising and efforts
105 are being made to enhance cooperation with the chamber.

106 -*Tourist Events.* July 4 fireworks show

107 -*Miscellaneous/Grants.* The committee has committed \$4,000 for the Surfside Rotary Club for
108 next year

109 -*Transfer to General Fund.* Statutory requirement - first \$25,000 and 5-percent of all other
110 collections are transferred to general fund

112 **Capital Projects**

113 Ms. Hursey said 5-mils is collected by ordinance for stormwater projects; expires in FY2012.
114 Mayor Samples said council should consider whether it was necessary to continue collection.

115
116 *-Draining/Dredging Projects.* Mayor Samples said these projects were needed, but believed an
117 additional year would allow time to better define the problems and solutions. Mr. Smith said these
118 residents have dealt with the problem for a long time, and he believed Mr. Adair should move forward with
119 the projects, especially since funds are available to do the projects. Ms. Dodge believed the 3rd Avenue
120 North project should be done now as those residents have been very patient. Ms. Mabry said if council
121 chose to continue the stormwater millage next year, then the entire project could be funded and she
122 would fight to get the entire project done. Completing small portions might create other problems. After
123 much other debate, Ms. Mabry moved to defer the 3rd and 16th Avenue North projects until the future. Mr.
124 Stevens seconded. Mayor Samples, Mayor Pro Tem Mabry and Councilmember Stevens voted in favor.
125 Councilmembers Dodge and Smith voted against. **MOTION CARRIED.**

126
127 **Capital Projects – Grounds Department - Lakes**

128 *-Professional Services (CCU).* Mr. Adair did not support a fourth water testing water testing site;
129 there are currently three sites, one at Myrtle; one at Dogwood, and one is in Garden City where the
130 town's discharge runs out. Mr. Smith moved to reduce the budget to \$21,000 to maintain the current
131 three water quality monitoring sites. Ms. Mabry seconded. All voted in favor. **MOTION CARRIED.**

132 *-Training Water Quality – NPDES.* The town pays a fee to the water treatment plant on the
133 Waccamaw river for the town's share of cost to monitor discharge; fee paid to DHEC for annual MS4
134 permit; education fees to stormwater consortium for training and workshops.

135
136 **Sanitation Fund**

137 *-Sanitation Revenue.* Receipts slowly declining; attributed to fewer commercial accounts, fewer
138 accounts in the summer service district, and reduction in the numbers of carts per account, which
139 contributes somewhat to the increase in the recycling program

140 *-Depreciation.* Non-cash expense; it is a proper entry. Mayor Samples said on a cash basis,
141 there is no loss.

142 *-Transfer to General Fund.* Amount has doubled - increase from 5-percent to 10-percent to offset
143 ever-increasing costs

144 *-Capital Purchases.* Replace existing 2006 model side-arm truck (#316 on the replacement plan)
145 that has had numerous repairs over the past year. It is one-operator truck that saves manpower. This
146 type truck generally runs about seven years.

147
148 Ms. Mabry asked whether providing service to Caropines was worthwhile. Mr. Adair said there
149 are 192 accounts in Caropines; the effort requires a little extra manpower, but there are no extra
150 equipment costs and the pickups are delivered to the landfill on the same day as the town's is. In his
151 opinion it was worthwhile. Ms. Dodge asked how much Caropines accounts are charged. Mr. Adair
152 said residents pay \$15/cart; Caropines pay \$16.50. Ms. Hursey said state code limits the amount
153 charged to out-of-town accounts to no more than 10-percent above what residents pay. Mayor Samples
154 asked for a copy of the statute. Ms. Mabry asked when the last rate increase was adopted. Mr. Adair
155 said six to eight years ago. Mayor Samples and Ms. Mabry asked that staff evaluate the rate and make a
156 recommendation to town council. Mr. Smith asked that the amount be calculated to increase the rate so
157 that net income would be zero instead of negative \$101,000.

158
159 **Hospitality**

160 *-Police – Meters.* Part-time seasonal employee salary \$42,769; expenses \$22,640

161 *-Fire.* Materials and supplies, air tanks

162 *-Police – Beach Safety.* Tourist related part-time certified police officer @ \$15/hour w/no
163 benefits

164 *-Non-Departmental/Grounds.* Martin Park; Floral Park, including the Veterans Memorial, and All
165 Children's Park, all maintenance and supplies; upgrade two bathrooms with two stalls each at Huckabee
166 Complex at press box/concession area to meet ADA Title III requirements estimated contract is \$60,000,
167 but \$75,000 was budgeted

168
169 Ms. Mabry stressed the importance of compliance with ADA saying she wanted the town to
170 always "be excellent in all we do." Although it was costly, the town had a responsibility to all its citizens to
171 set a standard as high as it can be and still be fiscally responsible. Mr. Adair said during the past year
172 three separate justifications were made to ADA; as long as work is being done to bring the town facilities
173 into compliance, there is no deadline for completing everything.

174
175 **Pier Enterprise Fund**

176 -*Dues & Subscriptions.* License fees
177 -*Building/Liability Insurance.* General liability and property insurance
178 -*Interest Expense.* 10-percent of revenue is paid to the general fund
179 -*Depreciation.* Non-cash expenditure
180 -*Admissions.* The town receives 90-percent of all admissions and fishing; Pier Outfitters collects
181 and pays all admission fees to the State.

182
183 The fund Balance as of June 30, 2011 was about \$148,000; it is currently higher because
184 expenditures are low.

185
186 Mayor Samples asked who was managing the pier projects. Ms. Fellner said the former
187 administrator was, but she was familiarizing herself with the project and would report to council. Mayor
188 Samples said that Mr. Adair could assist with the project management. He wants the pier to be
189 successful and wanted controls in place.

190
191 Ms. Fellner said a possible encroachment issue has been identified where the restaurant tenant
192 has an over-hang constructed over the neighboring property. Ms. Fellner will investigate and report to
193 council. She also said that the pier needs to be ADA compliant within a year. She is working with OCRM
194 (Office of Coastal Resource Management) seeking pre-approval for the preliminary plans before
195 engineered drawings are completed. Additional information will be presented to council for a decision.

196
197 Mayor Samples noted for the record that Mr. Smith was excused at 12:03 p.m. to attend another
198 business meeting. A quorum was still present.

199
200 After continued discussion on the pier, Ms. Mabry moved to initiate OCRM approval for the
201 designs to bring the pier into ADA compliance and the pier deck. Mr. Stevens seconded. All voted in
202 favor. **MOTION CARRIED.**

203
204 Mayor Samples asked that the budget detail be updated with current information prior to the
205 second reading of the ordinance, including capital improvements. Ms. Hursey explained that capital
206 improvements are assets and according to accounting practices do not belong in the enterprise fund
207 budget. Information is provided to identify cash balances. Any capital expenditures that are not budgeted
208 must be presented to town council for approval.

209
210 Ms. Mabry moved to transfer \$45,000 per year from hospitality funds for the next ten years into a
211 beach renourishment fund; said amount to be increased at council's discretion. Ms. Dodge seconded. All
212 voted in favor. **MOTION CARRIED.** Ms. Hursey said a resolution would restrict the funds and an
213 ordinance would commit the funds; she would bring options to council for consideration.

214
215 **4. PUBLIC COMMENTS.**

216
217 There were no public comments made.

218
219 **5. COUNCIL COMMENTS.**

220
221 Ms. Mabry thanked staff for their efforts and work on the budget and said that she had learned a
222 lot during the two workshops. She also thanked council for their assistance. The workshops had actually
223 been fun.

224
225 Mayor Samples said staff did a good job. He told Mr. Adair that the stormwater project would be
226 done.

227
228 6. ADJOURNMENT.

229
230 Ms. Mabry moved to adjourn the workshop at 12:29 p.m. Mr. Stevens seconded. All voted in
231 favor. **MOTION CARRIED.**

232
233 Respectfully submitted,
234 [Redacted Signature]

235
236 Debra E. Herrmann, CMC, Town Clerk

237
238 Approved: June 11, 2012

239 [Redacted Signature]
240
241 Douglas F. Samples, Mayor

242 [Redacted Signature]
243
244 Mary Beth Mabry, Mayor Pro Tempore

245 [Redacted Signature]
246
247 Ann Dodge, Town Council

248 [Redacted Signature]
249
250 Mark L. Johnson, Town Council

251 [Redacted Signature]
252
253 Roderick E. Smith, Town Council

254 [Redacted Signature]
255
256 Randle M. Stevens, Town Council

257
258 Vacant Seat

252 Clerk's Note: This document constitutes minutes of the meeting, which was audio taped. This meeting was transcribed by Town Clerk Herrmann. In
253 accordance with FOIA, meeting notice and the agenda were distributed to local media and interested parties. A complete list is on file in the clerk's
254 office. The agenda was posted on bulletin boards outside Council Chambers and in the Town Hall reception area. Meeting notice was also posted on
255 the Town marquee. When (***) is used a section of the transcription is inaudible.