



Ways and Means Committee

6:00 p.m., Tuesday, March 16, 2021
1207 Palm Boulevard, Isle of Palms, South Carolina

Virtual Meeting Due to COVID-19 Pandemic:

The public may join the virtual meeting by clicking
here: <https://www.youtube.com/user/cityofisleofpalms>

Public Comment:

All citizens who wish to speak during the meeting must email their first and last name, address and topic to rhanna@iop.net no later than **3:00 p.m. on the Business day before** the meeting. Citizens who sign up to speak will receive an email with instructions to join the meeting via Zoom. All verbal comments will have a time limit of three (3) minutes. Speakers must turn on their video and make sure that their actual name shows up as their Zoom identifier, and mute themselves after their comments.

Citizens may also provide public comment here:

<https://www.iop.net/public-comment-form>

Agenda

1. **Call to order** and acknowledgment that the press and the public have been duly notified of the meeting in accordance with the Freedom of Information Act.

2. **Approval of previous meeting's minutes**

Regular Meeting – February 16, 2021

3. **Citizens' Comments**

4. **Financial Statements** – Treasurer Debbie Suggs

Financial Reports and Project Worksheets

5. **Old Business**

Discussion and consideration of recommendation from the Public Works Committee to select the following Dominion Energy Non-standard Service Fund Projects for FY22:

- IOP Marina – Overhead to Underground Conversion (Estimate: \$150,000-\$250,000)
- 21st Avenue – Overhead to Underground Conversion (Estimate: \$30,000 - \$60,000)
- 14th Avenue – Overhead to Underground Conversion (Estimate: \$40,000 - \$80,000)

6. **New Business**

- a. Report on purchase of a Polaris Ranger Crew XP 1000 via a grant in the amount of \$19,223.89
- b. Discussion of IOP Revenue Analysis
- c. Discussion of Business License Standardization
- d. Discussion and consideration of July 4th fireworks show

7. **Miscellaneous Business**

Next meeting date: FY22 Budget Workshop 4:00 p.m., Thursday, March 25, 2021
Regular meeting: 6:00 p.m., Tuesday, April 20, 2021

8. **Executive Session** – If needed. Upon returning to open session, the Committee may take action on matters discussed in Executive Session.

9. **Adjournment**



**Ways & Means Committee Meeting
6:00pm, Tuesday, February 16, 2021
Virtual Meeting via Zoom call due to COVID-19 Pandemic
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>**

MINUTES

1. Call to Order

Present: Council members Pounds, Streetman, Popson, Bell, Buckhannon, Smith, Moye, Ward, and Mayor Carroll

Staff Present: Administrator Fragoso, Asst. Administrator Hanna, Treasurer Suggs, various City Department heads

Also Present: Kirby Marshall, ATM

2. Approval of previous meeting's minutes – November 18, 2020

Council Member Streetman made a motion to approve the minutes and Council Member Moye seconded the motion. The motion passed unanimously.

3. Citizen's Comments -- none

4. Financial Statements – Treasurer Suggs

Treasurer Suggs reviewed the financial reports with Committee members. As of 1/31/21, she said there is enough information to predict the City will finish FY21 with approximately \$12.6M in revenues (\$3.5M in bond proceeds). Expenditures will finish the year approximately \$4.6M under budget; the majority of which is drainage expenses deferred to FY22.

Business licenses, rental licenses, and building permits are doing well so far this year.

Council Member Pounds briefly reported on research showing an increase in the number of rental units over the past two years. Further analysis will be provided during an upcoming budget workshop.

Treasurer Suggs said, "Overall, the City looks really favorable compared to the prior year. The two exceptions are hospitality tax being down and the loss of the Accommodations Tax pass through. Current forecast predicts the City will have approximately \$590,000 worth of revenues in excess of expenditures in the General Fund at 6/30/2021."

All accommodations-related tax revenues are showing increases of 6-8% from FY19.

Administrator Fragoso said a few punch list items remain at the Public Safety Building. They are awaiting the letters making up the building name and the installation of the flood-proof door in March before closing out the project worksheet.

Treasurer Suggs reviewed a listing of legal expenses incurred by the City in FY21. Discussion ensued about the amount of time and money being spent to fill and review voluminous FOIA requests. Many of the recent large requests have been in relation to Tidal Wave Water Sports. The largest such request to date has been in excess of 10,000 documents, all of which need to be reviewed by legal counsel before being sent out. The costs involved in that legal review have not yet been billed. Administrator Fragoso stated there is a page on the City's website that explains the FOIA request process.

5. Old Business –none

6. New Business

A. Consideration of change order in the amount of \$228,505.69 to Salmon's Dredging for the construction of the marina fuel hut, re-engineered fuel hut support flotation, and other modifications to the fuel dock required for the marina dock rehabilitation project

Administrator Fragoso and Kirby Marshall of ATM broke down the change order request. A \$100,000 placeholder was put in the Marina Rehabilitation budget for the building of the fuel hut. The City had hoped to find a way to lower the original proposed cost of the hut, which was \$130,000.

The additional costs include longshoreman's insurance which was not included in the original bid. Also not included in the original pricing is "some re-engineering for the support of the floating dock that will be supporting the fuel hut," the recalculated weight of the hut, and "minor items associated with the fuel dispenser's relocation to limit the blastproof construction requirements."

Mr. Marshall reported that Salmon's received three bids for the project, and this is the lowest estimate. He said the largest cost is the longshoreman's insurance, which cannot be covered by Salmon's. Some of the increase can also be attributed to commodity price increases due to COVID as well as higher standards in code requirements.

He shared drawings of what is now being considered for the hut and larger surrounding platform needed to support the hut. He reported that the dock manufacturer "insists that to properly float that portion of the dock system and maintain the freeboard of the adjacent docks they require this larger platform." Despite pushback from the City, the dock manufacturer is holding to the requirement.

Administrator Fragoso indicated the City is paying "like for like" with regards to the fuel hut as required by the lease agreement, and said Brian Berrigan, the Marina Manager, will pay \$36,000 (of the \$228,505.69) in design costs for the fuel hut. The unbudgeted \$92,000 will be covered by the City's contingency in the Marina fund budget. Council Member Pounds noted there will still be \$500,000 remaining in contingency funds.

Council members expressed concern about the increase in the size of the floating dock to support the fuel hut and the large increase in relative costs. Pros and cons of moving the fuel hut to land were discussed. Council Member Bell said he would like to see this returned to the Real Property Committee for further review and recommendation. Mr. Marshall pointed out delaying the decision for that amount of time will prevent the project's completion by July 4.

MOTION: Council Member Pounds made a motion to approve the request for the change order in the amount of \$228,525.69. Council Member Streetman seconded the motion.

Administrator Fragoso assured Council members of the due diligence done by herself, staff, and Mr. Marshall on behalf of the City to keep costs as low as possible. She said she shared their frustration over this development. Council Member Moye said he would like "to see a little bit of discovery into working with the Marina operator to consider alternative placement of the fuel hut office and then also a little bit of digging into alternative fuel dock manufacturers" and see if there are other manufacturers of the same materials. Council Member Pounds said he trusts Administrator Fragoso and Mr. Marshall to work to keep the costs down as much as is possible and encouraged Council members to keep the project moving forward.

A vote was taken as follows:

Ayes: Popson, Streetman, Moye, Buckhannon, Smith, Ward, Pounds
Nays: Bell, Carroll

The motion passed 7-2.

B. Discussion and consideration of approval of an amount not to exceed \$20,000 for the development of engineered plans for building permit approvals for the marina fuel hut

Administrator Fragoso explained these monies will allow the architect to develop the engineered plans needed to build the fuel hut. The cost also includes the permitting process. She anticipates the cost to come in much lower than \$20,000, likely closer to \$10,000 based on very recently received information.

When asked why this expense is just now coming before Council, Mr. Marshall said it was because the fuel hut was selected as an alternate part of the original bid and was therefore not included in the final project cost estimates. Had the City accepted the fuel hut as part of the project from the start, these costs would not be incurred by the City at this time.

MOTION: Council Member Buckhannon made a motion to approve the request for an amount not to exceed \$10,000 for the development of engineered plans for building permit approvals for the marina fuel hut. Council Member Popson seconded the motion. A vote was taken as follows:

Ayes: Popson, Streetman, Buckhannon, Moye, Ward, Smith, Pounds
Nays: Bell, Carroll

The motion passed 7-2.

C. Discussion and consideration of potential Dominion Energy's Non-Standard Service Fund projects

Administrator Fragoso reported that the Public Works Committee has been in conversations with Dominion Energy about potential projects that could benefit the City through the use of the Non-Standard Service Fund. She reviewed the projects and estimated costs. Dominion Energy identified these projects as places on the island that could benefit from undergrounding of electrical lines.

Council Member Smith encouraged Committee members to watch the video of February's Public Works Committee meeting for further clarification and understanding of these projects. She added that more conversation is needed to understand the pros and cons of each project.

Council Member Pounds would like to see the issue returned to the Public Works Committee to further refine the projects and come back with a specific recommendation.

D. Discussion of FY22 expenditure assumptions and 10-year Capitol Plan

Council Member Pounds reviewed budget expenditure assumptions with Committee members including drainage, the purchase of a firetruck and SCBA equipment. He indicated a placeholder will be needed for the Dominion Energy project.

Committee members discussed the need to address the beach access paths. Funding options for the improvement of the beach access paths could include the City budget, beach preservation funds, County subsidies, and federal grants.

E. Discussion and consideration of re-instating the 2020 2.5% merit pool

This issue will be discussed at length at the first budget workshop. Administrator Fragoso added, "We've talked about how our projections show that the City is going to end up in a better position than we originally planned, and I think that obviously our people, maybe I am biased, but our people infrastructure are the most amazing thing that we have with the City, with the City family. Last year, due to COVID concerns, we did not implement the 2.5% merit increase that was budgeted. We did it in an effort to try to avoid having any cutting of hours or furloughing folks, and we did that to protect our team. I want to have a conversation with you all based on again the numbers that we are seeing in terms of our revenues, tourism revenues, and our General Fund revenue coming back better than expected. I think that I would recommend and support either reinstating last year's merit increase that we tossed or increasing the existing budgeted merit increase for FY21."

7. Miscellaneous Business

The next meeting of the Ways & Means Committee will be Tuesday, March 16, 2021 at 6pm.

8. Adjournment

Council Member Buckhannon made a motion to adjourn and Mayor Carroll seconded the motion. The meeting was adjourned at 8:21pm.

Respectfully submitted,

Nicole DeNeane
City Clerk

City of Isle of Palms
Financial Statement Summary as of February 28, 2021
(Dollars in Thousands)

	REVENUES						TRANSFERS IN / (OUT)						EXPENDITURES						YTD Actual Net Rev & Exp
	YTD Actual	Annual Budget	Remaining to Collect	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	YTD Actual	Annual Budget	Remaining to Transfer	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	YTD Actual	Annual Budget	Remaining to Spend	YTD Actual as a % of Budget	Current Annual Forecast	Forecast Above or (Below) Budget	
General	\$ 8,284	\$10,663	\$ 2,379	78%	\$ 11,111	\$ 448	\$ -	\$ 693	\$ (693)	0%	\$ 270	\$ (423)	\$ 6,836	\$ 11,356	\$ 4,520	60%	\$ 11,381	\$ 25	1,448
Capital Projects	3,510	3,280	(230)	107%	3,617	337	-	184	(184)	0%	607	423	2,726	7,535	4,809	36%	3,333	(4,202)	784
Muni Accom Tax	659	829	170	79%	1,058	229	-	(291)	291	0%	(291)	-	551	1,384	833	40%	1,441	57	108
Hospitality Tax	304	640	336	48%	445	(195)	-	(218)	218	0%	(218)	-	514	1,058	544	49%	872	(186)	(210)
State Accom Tax	1,181	1,460	279	81%	1,903	443	-	(584)	584	0%	(584)	-	832	1,655	823	50%	1,565	(90)	349
Beach Prserv Fee	663	832	169	80%	1,060	228	-	-	-	-	-	-	9	294	285	3%	294	-	654
Marina	181	297	116	61%	271	(26)	-	216	(216)	0%	216	-	452	1,105	653	41%	999	(106)	(271)
Disaster Recovery	4	52	48	8%	10	(42)	-	-	-	-	-	-	-	10	10	0%	-	(10)	4
All Other	168	165	(3)	102%	169	4	-	-	-	-	-	-	151	162	11	93%	153	(9)	17
Total All Funds	\$ 14,954	\$18,218	\$ 3,264	82%	\$ 19,644	\$ 1,426	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$12,071	\$ 24,559	\$ 12,488	49%	\$ 20,038	\$ (4,521)	\$ 2,883

General Fund YTD Revenues							
	FY21 YTD Actual	FY21 Budget	% of FY21 Budget	FY20 YTD Actual	% of Prior YTD	Current Annual Forecast	Forecast Above/ (Below) Budget
Prop Tax	\$ 4,493	\$ 4,757	94%	\$ 4,283	105%	\$ 4,806	49
LO Sales Tax	448	641	70%	365	123%	800	159
Business Lic	801	1,012	79%	776	103%	1,012	-
Rental Lic	887	750	118%	955	93%	900	150
Other Lic (Insurnce/Utilities)	119	1,281	9%	123	97%	1,376	95
Build Pmts	384	338	114%	283	136%	450	112
From State	127	215	59%	125	102%	260	45
Parking	571	1,211	47%	540	106%	986	(225)
All Other	454	458	99%	410	111%	488	30
Total	\$ 8,284	\$ 10,663	78%	\$ 7,860	105%	\$ 11,078	\$ 415

General Fund YTD Expenditures (YTD target = 67%)							
	FY21 YTD Actual	FY21 Budget	% of FY21 Budget	FY20 YTD Actual	% of Prior YTD	Current Annual Forecast	Forecast (Above)/ Below Budget
Mayor/Council	\$ 93	\$ 145	64%	\$ 101	92%	\$ 136	\$ (9)
General Govt	735	2,041	36%	712	103%	2,007	(34)
Police	1,720	2,707	64%	1,568	110%	2,659	(48)
Fire	2,287	3,286	70%	2,318	99%	3,433	147
Public Works	917	1,391	66%	900	102%	1,453	62
Build & Lic	271	422	64%	284	95%	423	1
Recreation	612	1,038	59%	647	95%	963	(75)
Judicial	155	224	69%	125	124%	224	-
BSOs	46	102	45%	39	118%	83	(19)
Total	\$ 6,836	\$ 11,356	60%	\$ 6,694	102%	\$ 11,381	\$ 25

City of Isle of Palms Supplemental Financial Information as of February 28, 2021 (*Dollars in Thousands*)

Cash Balances		
	2/28/2021	2/29/2020
General Fund	6,273	4,606
As a % of GF Exp (target is > 30%)	55%	41%
Capital Projects	6,338	4,689
Disaster Recovery	2,734	2,604
Marina	4,219	549
Tourism Funds	4,314	5,752
Beach Preservation	4,110	3,215
Other Restricted	157	144
Total All Cash	28,145	21,559
Deposits at LGIP (.1384%)	25,575	91%
Deposits at BBT	2,570	9%
RESTRICTED CASH	8,581	30%

Fund Balances				
Fund	6/30/2020 Audited Fund Balance (Note 1)	FY21 YTD Actual Net Revenues & Transfers Less Expenses	Current Actual Fund Balance	6/30/21 Budgeted Fund Balance
General Fund	\$ 3,648	\$ 1,448	5,096	\$ 3,648
Capital Projects	6,141	784	6,925	7,032
Muni Accom Tax	1,284	108	1,392	610
Hospitality Tax	1,113	(210)	903	468
State Accom Tax	1,681	349	2,030	1,435
Beach Funds	3,454	654	4,108	4,220
Marina (See Note 1)	639	(271)	368	127
Disaster Recovery	2,810	4	2,814	2,820
All Other	139	17	156	155
Total All Funds	\$ 20,909	\$ 2,883	\$ 23,792	\$ 20,515

Note 1: The comparable amount for the Marina Enterprise Fund is not Fund Balance, but Net Position. To be consistent with the presentation of the other funds, the amount included here for the Marina is the Unrestricted Net Position, which does not include \$6,000,000 of net fixed assets. Unrestricted net position is approx = cash for the Marina.

February Notes:

- Total City YTD revenues are \$14,954,000 or 82% of the FY21 budget of \$18,218,000. Declines in the County accommodations tax pass-through and hospitality tax have been experienced due to Covid-10, but these are offset by strong municipal and state accommodations revenues.
- Total City YTD expenditures are \$12,071,000 which is 49% of the FY21 budget of \$24,559,000. The current forecast projects total FY21 expenditures of approximately \$20,038,000. Projects budgeted for FY21 that have been moved to FY22 include Drainage Phase (\$3,375,000) and the replacement of a Fire Engine (\$300,000).
- The current forecast predicts General Fund revenues will exceed General Fund expenditures by approximately \$390,000 for the fiscal year ending 6/30/21.

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Municipal Accommodations Fee							
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
JUL	162,862	161,068	139,501	199,724	195,287	172,336	146,465
AUG	191,759	218,620	235,007	209,600	213,067	169,596	159,800
SEPT	150,212	136,141	157,274	152,535	152,561	186,938	114,421
OCT	90,691	77,500	75,353	79,534	75,506	129,033	56,629
NOV	61,918	57,777	64,256	63,444	65,882	66,090	49,412
DEC	33,233	36,937	32,877	40,182	34,301	71,683	25,726
JAN	25,309	28,217	28,859	25,836	32,335	34,025	24,251
FEB	20,313	15,332	18,317	13,666	18,596		13,947
MAR	16,918	20,485	21,562	19,983	9,690		14,987
APR	51,082	51,166	53,213	53,685	26,422		40,264
MAY	70,954	92,529	88,875	90,800	7,181		68,100
JUNE	94,270	95,768	94,112	97,999	55,311		73,499
Deduct last July	(162,862)	(161,068)	(139,501)	(199,724)	(195,287)	(172,336)	(146,465)
Add next July	161,068	139,501	199,724	195,287	172,336		146,465
Total Fiscal Year	967,728	969,974	1,069,429	1,042,551	863,187	657,364	787,500
	Incr from FY15 -4%	Incr from FY16 0%	Incr from FY17 10%	Incr from FY18 -3%	Incr from FY19 -17%	Incr from FY20 8%	Incr from FY20 -9%
			Jul-Jan only % Change fr FY19	770,856	768,938 0%	829,700 8%	

Heads in
Beds in

JUN
JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
tourism activity
resumes by July
2021 (FY22)

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

State Accommodations Tax (Tourism-Related Only)							
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
Sept Qtr	518,796	520,784	518,028	546,269	580,306	541,783	435,230
Dec Qtr	179,446	178,830	202,803	203,067	181,550	252,012	136,162
Mar Qtr	66,294	61,586	71,773	103,097	88,638		66,479
June Qtr	364,938	407,460	413,234	445,779	242,893		334,334
Total Fiscal Yr	1,129,474	1,168,660	1,205,838	1,298,212	1,093,387	793,795	972,204
	1.7%	3.5%	3.2%	7.7%	-15.8%	4.2%	-11.1%
	Incr from FY15	Incr from FY16	Incr from FY17	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY20
	Jul-Dec only			749,337	761,856	793,795	
	% Change fr FY19				2%	6%	

Heads in
Beds in

Jun-Aug
Sept-Nov
Dec-Feb
Mar-May

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
economic activity
resumes by July
2021 (FY22)

Chas County ATax Pass-Through							
	FY16	FY17**	FY18	FY19	FY20	FY21	FY21 BUDGET
1st Payment	276,704	520,000	327,750	381,000	370,500	-	-
2nd Payment	208,390	-	109,250	127,000	-	-	-
Total Fiscal Yr	485,093	520,000	437,000	508,000	370,500	-	-
	1%	7%	-16%	16%	-27%		-100%
	Incr from FY15	Incr from FY16	Incr from FY17	Incr from FY18	Incr from FY19	Incr from FY20	Incr from FY20

Charleston County has notified the City that no distributions will be included in the County's budget for the remainder of FY20 or FY21. Staff did commit to revisiting distributions if the County's revenues came in stronger than anticipated.

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Hospitality Tax							Food/Bev Sold in
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET
JUL	83,038	85,051	89,309	104,681	88,238	66,947	44,119
AUG	87,110	93,123	98,883	101,031	106,673	59,353	80,005
SEPT	70,725	77,619	81,373	78,014	78,129	49,484	58,597
OCT	66,113	68,348	56,439	69,394	76,033	37,348	57,025
NOV	40,576	46,488	70,905	65,210	66,929	27,609	50,197
DEC	61,052	40,557	41,260	38,440	56,591	46,700	42,443
JAN	24,864	27,883	19,085	31,905	28,058	57,988	21,043
FEB	29,443	27,947	28,826	27,373	27,574	24,135	20,681
MAR	27,586	39,785	49,744	40,741	21,853		30,556
APR	50,531	57,961	66,633	66,425	12,956		49,819
MAY	71,297	85,246	79,870	85,134	15,429		63,851
JUNE	79,858	92,137	87,753	100,621	46,102		75,466
Deduct last July	(83,038)	(85,051)	(89,309)	(104,681)	(88,238)	(66,947)	(44,119)
Add next July	85,051	89,309	104,681	88,238	66,947		66,179
Total Fiscal Year	694,206	746,402	785,452	792,527	603,275	302,616	615,860
	Incr fr FY15 1%	Incr fr FY16 8%	Incr fr FY17 5%	Incr fr FY18 1%	Incr fr FY19 -24%	Incr fr FY20 -31%	Incr fr FY20 2%
			Jul-Feb only % Change fr FY19	516,049	528,225 2%	369,563 -28%	

100% reduction

75% reduction

50% reduction

25% reduction

Assume normal tourism activity resumes by July 2021 (FY22)

JUN

JUL

AUG

SEPT

OCT

NOV

DEC

JAN

FEB

MAR

APR

MAY

JUN

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Beach Preservation Fee								Heads in Beds in
	FY16	FY17	FY18	FY19	FY20	FY21	FY21 BUDGET	
JUL	162,228	161,068	192,666	199,724	195,287	172,336	172,336	JUN
AUG	191,610	218,620	181,842	209,600	213,067	169,596	159,800	JUL
SEPT	149,350	136,141	157,274	152,535	152,561	186,938	114,421	AUG
OCT	90,398	77,500	75,353	79,534	75,506	129,033	56,629	SEPT
NOV	61,647	57,777	64,256	63,444	65,882	66,090	49,412	OCT
DEC	33,233	36,937	32,877	40,182	34,301	71,683	25,726	NOV
JAN	25,309	28,217	28,859	25,836	32,335	34,025	24,251	DEC
FEB	20,313	15,332	18,317	13,666	18,596		13,947	JAN
MAR	16,918	20,485		19,983	9,690		14,987	FEB
APR	51,082	51,166	53,213	53,685	26,422		40,264	MAR
MAY	70,954	92,529	88,875	90,800	7,181		68,100	APR
JUNE	94,270	95,768	94,112	97,999	55,311		73,499	MAY
Deduct last July	(162,228)	(161,068)	(139,501)	(199,724)	(195,287)	(172,336)	(172,336)	
Add next July	161,068	139,501	199,724	195,287	172,336		146,465	JUN
Total Fiscal Year	966,152	969,974	1,047,867	1,042,551	863,187	657,364	787,500	

Incr from FY16 0%	Incr from FY17 8%	Incr from FY18 -1%	Incr from FY19 -17%	Incr from FY20 3%	Incr from FY20 -9%
Jul-Jan only % Change fr FY19		770,856	768,938 0%	829,700 8%	

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
economic activity
resumes by July
2021 (FY22)

City of Isle of Palms Revenue w/ Forecasted Declines Related to Covid-19

Local Option Sales Tax					
	FY18	FY19	FY20	FY21	FY21 BUDGET
AUG	83,614	88,713	93,221	87,833	69,916
SEPT	73,671	72,557	83,456	83,149	62,592
OCT	61,352	63,829	62,752	71,963	47,064
NOV	61,040	61,435	65,514	68,054	49,135
DEC	49,732	54,748	59,951	67,342	44,964
JAN	55,282	57,483	64,996	69,592	48,747
FEB	43,314	48,026	53,263		39,947
MAR	47,589	49,240	50,882		36,930
APR	60,349	65,794	43,070		49,346
MAY	77,153	85,394	56,012		64,046
JUNE	70,879	78,238	74,078		58,678
JULY	88,382	92,504	92,789		69,378
Total Fiscal Year	772,357	817,962	799,984	447,933	640,742
	Incr from FY17	Incr from FY18	Decr from FY19	Change from FY20	Incr from FY20
		5.9%	-2.2%	4.2%	-19.9%
	Aug-Jan only	398,766	429,889	447,933	
	% Change fr FY19		8%	12%	

When Sales
Occurred

JUL
AUG
SEPT
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN

100% reduction
75% reduction
50% reduction
25% reduction

Assume normal
economic activity
resumes by July
2021 (FY22)

City of Isle of Palms
Public Safety Building Repair

FY19 Spending (Phase I)	105,092
FY20 Spending (Phases II and III)	2,272,838
FY21 Capital Project Fund Budget	3,039,374
FY21 Muni Atax Fund Budget	432,040
FY21 State Atax Fund Budget	432,040
Total Project Cost Estimate	6,281,385
Contracts/Change Orders/Relocation	(5,528,266)
Estimated Remaining Contingency	(714,004)
Budget Funds Remaining	39,114

Contracts and Change Orders Received:

Trident Construction Phase I	Investigative work & scope development
Trident Construction Phase II	Design and Engineering
Trident Construction Phase III	Permit Set Pricing w/ flat roof awning (no portico)
William Scotsman, Extra Space Storage, etc	3 Construction trailers for personnel, storage units, supplies
Insight Group	Owners Representative
City Contingency remaining	

Investigation & Design	Construction Admin	Construction	Owners' Rep	Relocation Costs	City's Conting	Total
95,267						95,267
395,647						395,647
33,828	37,851	4,788,833				4,860,512
				150,000		150,000
			26,840			26,840
				9,667	704,337	714,004
524,742	37,851	4,788,833	26,840	159,667	704,337	6,242,270

Project Expenditures:

Invoice Date	Payee	Description of Work
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5/8/19	Trident Construction	Phase I - Pay App #1	86,420	86,420
6/30/19	Trident Construction	Phase I - Pay App #2	8,847	8,847
10/30/19	Trident Construction	Phase II - Pay App #1	131,049	131,049
1/9/20	Trident Construction	Phase II - Pay App #2	136,142	136,142
1/27/20	Dominion Energy	secondary utility pole for trailers		832
1/21/20	Lowe's	storage boxes		47
FY19	Williams Scotsman	rent on construction trailer		9,825
FY20	Williams Scotsman	rent on construction trailers		64,614
FY20	Extra Space Storage	storage unit rent		1,634
FY21	Williams Scotsman	rent on construction trailers		44,704
FY21	Extra Space Storage	storage unit rent		1,546
2/1/2020	Home Depot/Amazon	parts for trailer setup PD		479
2/10/20	MJK Electric	setup 400Amp electrical meter base		4,150

Public Safety Building Repair Project Expenditures continued:

Invoice Date	Payee	Description of Work
2/17/20	Trident Construction	Phase II - Pay App #3
2/21/20	Royall Hardware	shower for FD trailer
2/24/20	Lowe's	parts for trailer setup
3/3/20	MJK Electric	electrical hookup for 3 trailers
3/31/20	Various	supplies & furnishing for trailers
3/16/20	Bishop & Sons Plumbing	plumbing hookout for 3 trailers
3/20/20	MJK Electric	hookup for stove and water heater trailer
3/16/20	SC Muni Insurance Rsv Fund	builders risk coverage for PSB
4/3/20	Technology Solutions	wiring, accessories & labor for moving IT svc to trailers
4/10/20	Miles Pearson	installed 2 fax lines in PD trailer
4/13/20	Office Depot	power supply
4/1/20	Home Depot	supplies and storage totes
4/13/20	Bishop & Sons Plumbing	plumbing hookout for 3 trailers
5/1/20	Trident Construction	Phase III Pay App #4
5/1/20	Trident Construction	Phase III Pay App #5
5/7/20	Insight Group, LLC	3rd Party Inspector
5/7/20	Homemedics	air purifiers for Police trailer
6/1/20	Trident Construction	Phase III Pay App #6
6/3/20	Lowe's, HomeDepot, etc	supplies for trailers
6/19/20	Insight Group, LLC	3rd Party Inspector
6/22/20	Service Master of Charleston	sanitize and transport furnishings from PSB
6/30/20	Trident Construction	Phase III Pay App #7
7/25/20	Costco/Lowe's	13x13 Canopy Shelters for equipment
7/31/20	Trident Construction	Phase III Pay App #8
8/31/20	Home Depot	storm prep and trailer maintenance supplies
9/1/20	Trident Construction	Phase III Pay App #9
9/1/20	Insight Group, LLC	3rd Party Inspector
9/1/20	Insight Group, LLC	Chapter 17 testing services
9/25/20	Office Depot/Home Depot	wall plate/air filters
10/1/20	Technology Solutions	ran new CAT 6 cable damaged during construction
10/2/20	Home Depot	3 Refrigerators for Fire Dept
10/7/2020	Trident Construction	Phase III Pay App #10
10/19/20	Insight Group, LLC	3rd Party Inspector and Chapter 17 testing svcs
10/26/20	All American Awards	dedication plaque
10/27/20	Bishop & Sons Plumbing	disconnect trailer plumbing

Investigation & Design	Construction Admin	Construction	Owners' Rep	Relocation Costs	City's Conting	Total
38,779						38,779
				327		327
				67		67
				7,500		7,500
				6,228		6,228
				9,500		9,500
				1,950		1,950
					11,390	11,390
				8,360		8,360
				180		180
				57		57
				636		636
				1,210		1,210
56,641	8,516	216,660				281,817
		497,292				497,292
			1,870			1,870
				330		330
		549,296				549,296
				1,239		1,239
			2,888			2,888
				9,494		9,494
		503,483				503,483
				474		474
		503,088				503,088
				634		634
		604,405				604,405
			5,775			5,775
				908		908
				65		65
				498		498
				3,868		3,868
		498,778				498,778
			5,825	640		6,465
				2,614		2,614
				1,115		1,115

Public Safety Building Repair Project Expenditures continued:

Invoice Date	Payee	Description of Work	Investigation & Design	Construction Admin	Construction	Owners' Rep	Relocation Costs	City's Conting	Total
10/28/20	Docu Graphics	move copiers from trailers to PSB					645		645
10/31/20	Home Depot/Lowe's/Amazon	misc furnishings and supplies for PSB					3,105		3,105
11/9/20	Technology Solutions	move network from trailers to PSB					1,920		1,920
11/13/20	Schindler Elevator	elevator repair					671		671
11/17/20	Trident Construction	Phase III Pay App #11			630,512				630,512
11/19/20	Blitch Plumbing	plumbing repairs					471		471
11/29/20	Insight Group	3rd Party Inspector & Chapter 17 structural steel testing				2,980			2,980
11/30/20	Home Depot/Lowe's/Walmart	misc furnishings and supplies for PSB					432		432
12/9/20	Trident Construction	Phase III Pay App #12			524,951				524,951
12/17/20	Blitch Plumbing	plumbing repairs					210		210
12/29/20	Lowe's	misc furnishings and supplies for PSB					1,062		1,062
1/8/21	Insight Group	3rd Party Inspector & Chapter 17 structural steel testing				330			330
1/31/21	Lowe's	supplies for PSB and PSB storage unit					243		243
11/2/20	East Cooper Lock & Safe	remove keypad from trailer					323		323
2/1/21	Trident Construction	Pay App #13			36,290				36,290
2/10/21	Lowe's & Home Depot	supplies for shed					243		243
		Total paid	457,878	8,516	4,564,755	19,667	195,050	11,390	5,257,256
		Remaining on contracts	66,864	29,335	224,078	7,173	(35,382)	692,947	985,015

City of Isle of Palms
Drainage Phase 3

Contracts and Change Orders Approved :

Thomas & Hutton	11/27/2018	Proj .0000 - Outfall Study - surveying, needs assessment & conceptual design
Thomas & Hutton	correction	Proj .0000 - Change Order #1 for Project Admin & Meetings
Thomas & Hutton		Proj .0002 - preliminary assessment of small but high impact projects in basin
Thomas & Hutton		Proj .0003 - design, eng & permitting for small but high impact projects in basin
Thomas & Hutton		Proj .0004 - design, eng & permitting for outfalls @ 30th Ave & Forest Trail + 41st Ave impro
Thomas & Hutton	6/23/2020	Proj .0005 - conceptual assessment of Waterway Blvd elevation study
Thomas & Hutton	7/28/2020	Proj .0003 - bidding & construction admin services for internal drainage projects
Gulf Stream Construction		Construction Contract, internal drainage projects

Project Expenditures:

Invoice Date	Invoice #	Payee	Description of Work
FY 2019		Thomas & Hutton Engineering	Engineering & Design Fees, Projects .00 and .02
FY 2020		Thomas & Hutton Engineering	Engineering & Design Fees, .00, .02, .03 & .04
YTD FY 2021		Thomas & Hutton Engineering	Engineering & Design Fees, .03, .04 & .05
			Total paid
			Remaining on contracts

FY19 Project Spending	93,052
FY20 Project Spending	134,935
FY21 Budget for Small Project Construction	500,000
FY21 Budget for Outfall Construction	3,120,000
Contracts/Change Orders	(1,090,632)
Budget Funds Remaining	2,757,355

Engineering & Design	Project Admin	Construction	Legal & Misc	Total
100,800				100,800
-	13,000		-	13,000
23,300			-	23,300
62,600				62,600
229,500				229,500
18,900				18,900
30,000				30,000
		612,532		612,532
465,100	13,000	612,532	-	1,090,632

87,437	5,615	-	-	93,052
154,087	7,386	-	-	161,473
129,324	-	-	-	129,324
370,848	13,000	-	-	383,848
94,252	-	612,532	-	706,784

IOP NSSF PROJECT ESTIMATES

*IMPORTANT NOTE: ALL INFORMATION IN THIS PROPOSAL IS PRELIMINARY. FURTHER WORK IS NEEDED TO DETERMINE THE FEASIBILITY OF EACH PROJECT. AFTER FURTHER INVESTIGATION, ISSUES MAY BE DISCOVERED THAT WOULD PREVENT DOMINION ENERGY FROM COMPLETING THE WORK AS DESCRIBED. ESTIMATED COSTS ARE ONLY MEANT TO PROVIDE AN IDEA OF THE SCALE OF THE PROJECT COST AS DESCRIBED.

PROJECT #1: CITY MARINA - OVERHEAD to UNDERGROUND CONVERSION

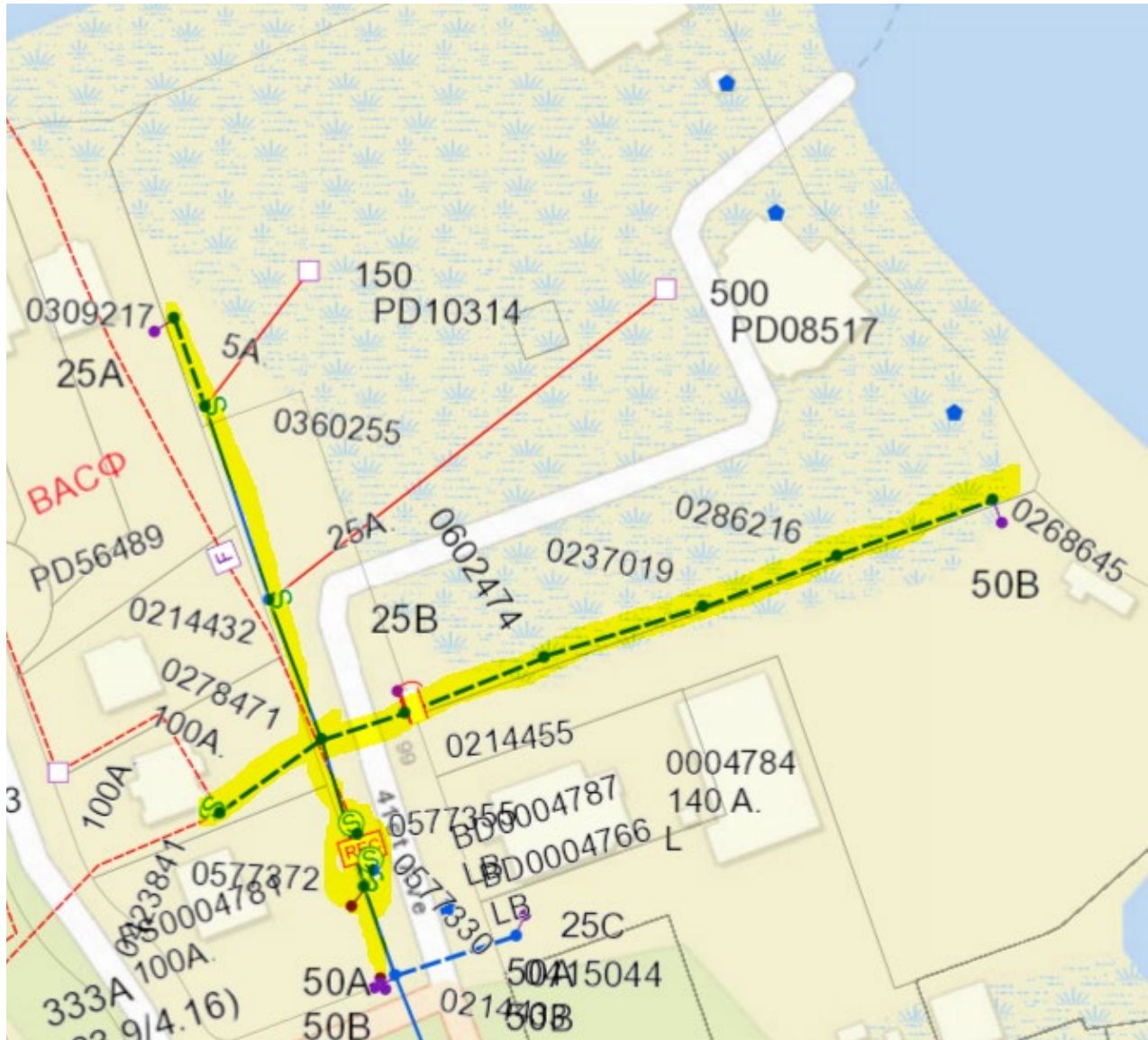
PROJECT #2: 41ST AVENUE - OVERHEAD to UNDERGROUND CONVERSION

PROJECT #3: 21ST AVENUE - CROSSINGS CONVERSION

PROJECT #4: 14TH AVENUE - OVERHEAD to UNDERGROUND CONVERSION

PROJECT #5: PALM /OAK HARBOR BLVD (11TH- 13TH) - OVERHEAD to UNDERGROUND CONVERSION

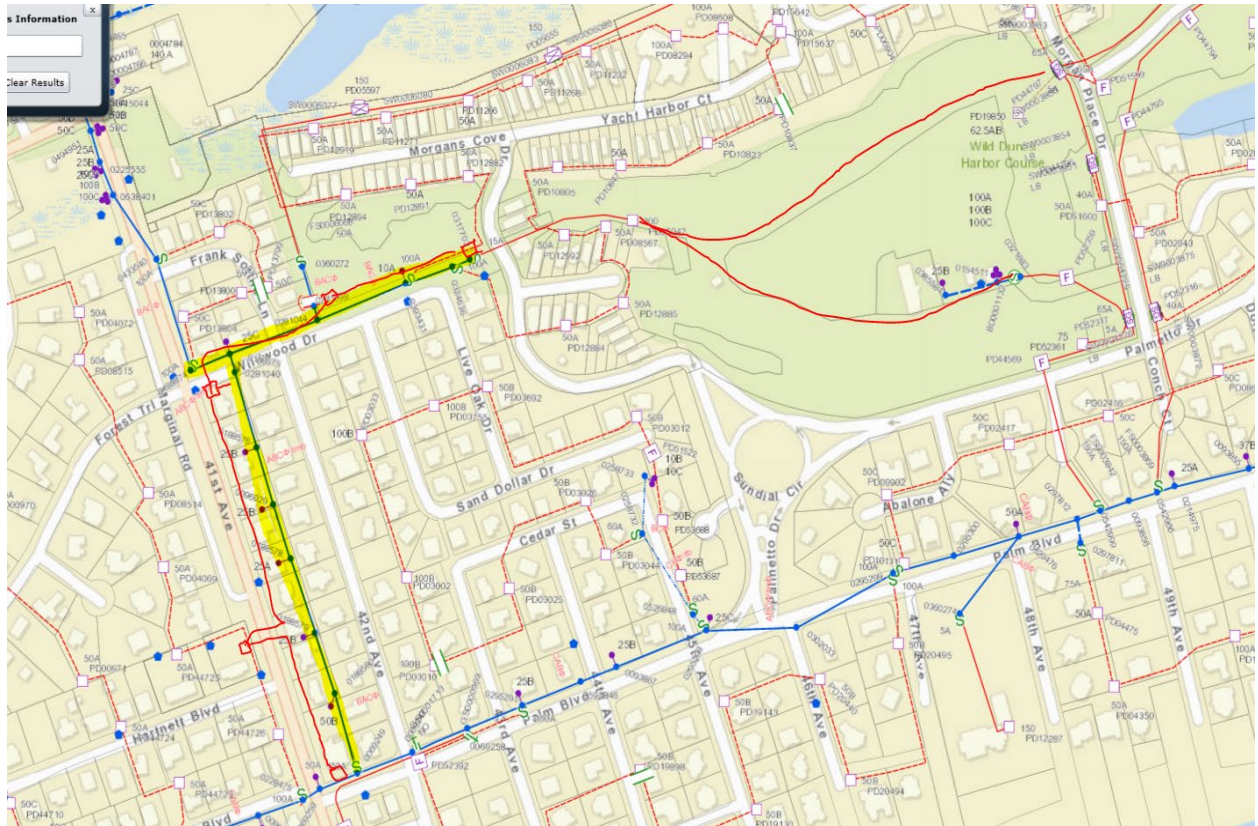
PROJECT #1: CITY MARINA – OVERHEAD to UNDERGROUND CONVERSION



PROJECT NOTES

- **ESTIMATED COST RANGE: \$150,000-\$250,000**
- CURRENT RENOVATION PROJECTS IN PROGRESS AT THE MARINA RESTAURANT & SLIPS
- COMMUNICATIONS UNDERBUILT ON THIS LINE

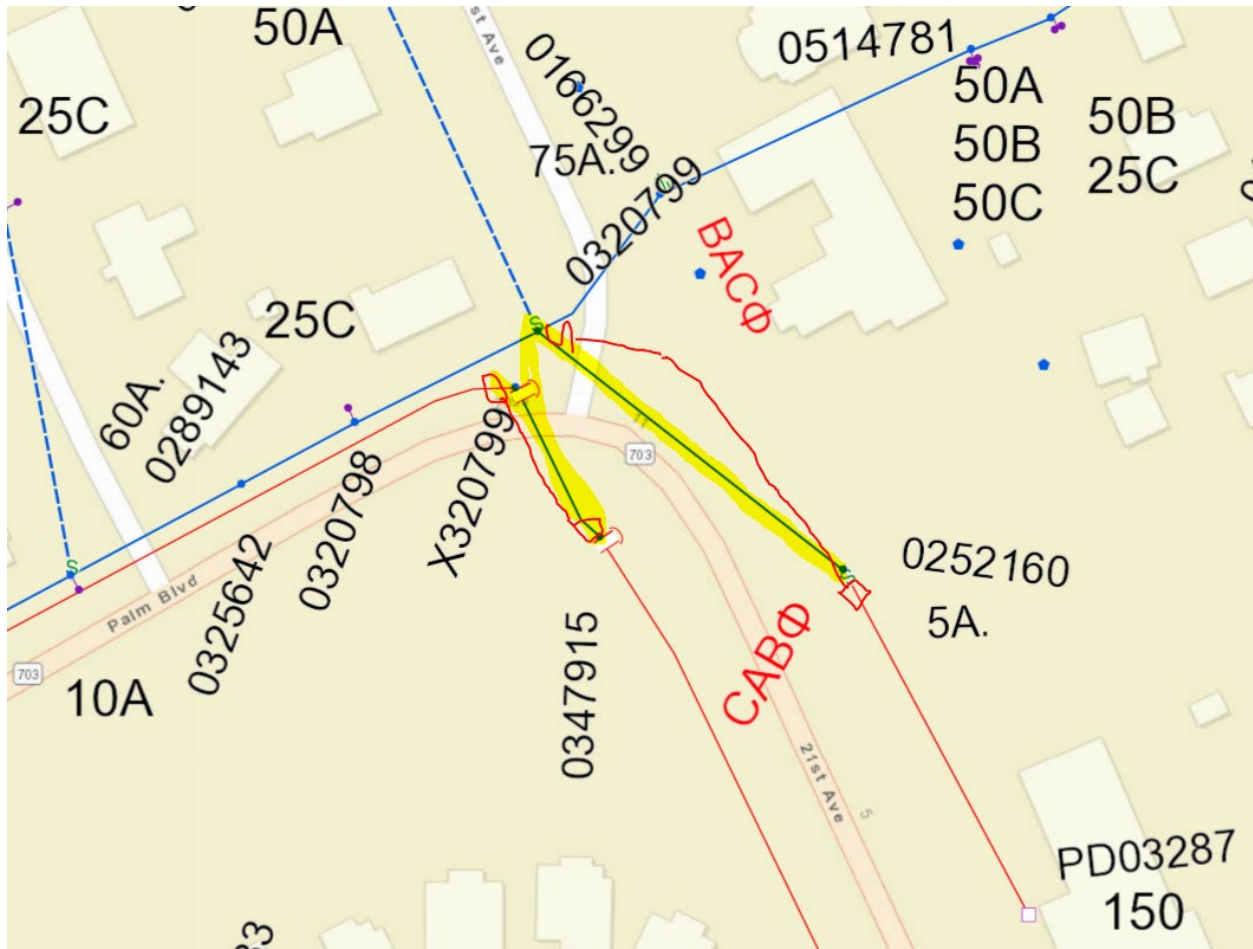
PROJECT #2: 41ST AVENUE – OVERHEAD to UNDERGROUND



PROJECT NOTES

- **ESTIMATED COST RANGE: \$450,000-\$600,000**
- BACK LOT LINE BETWEEN 41ST AND 42ND
- COMMUNICATIONS UNDERBUILT ON THIS LINE
- SCOPE OF WORKS ITEMS: CAN BE BROKEN UP INTO A PHASED APPROACH

PROJECT #3: 21ST AVENUE – CROSSINGS CONVERSION



PROJECT NOTES

- **ESTIMATED COST RANGE: \$30,000-\$60,000**
- PALM BLVD & 21ST ARE BOTH DOT ROADS SO DESIGN (AND COST) WOULD BE HEAVILY DEPENDENT ON APPROVAL OF SCDOT PERMIT
- COMMUNICATIONS LINES UNDERBUILT ON EXPRESS FEEDER CROSSING
- SCOPE OF WORK ITEMS: EITHER CROSSING CAN BE CONVERTED INDEPENDENTLY

- **ESTIMATED COST RANGE: \$40,000-\$80,000**
- COMMUNICATIONS UNDERBUILT ON THIS LINE

PROJECT #5: PALM /OAK HARBOR BLVD (11TH-13TH) OVERHEAD to UNDERGROUND CONVERSION



PROJECT NOTES

- **ESTIMATED COST RANGE: \$600,000-\$900,000**

Business License Standardization Is the Law — Now What?

The South Carolina General Assembly overwhelmingly passed the [SC Business License Tax Standardization Act](#) in September 2020, bringing a resolution to years of attacks on the business license tax. For many cities and towns across the state, it also marked the need to transition to a new way to administer the business license tax.

While the task of complying with the new law may seem burdensome, the benefits of standardizing business license tax administration statewide will make doing business in cities easier. It will also ensure the tax's stability as a municipal revenue source against possible future efforts to eliminate it.

What does the law require?

The new law, Act 176, standardizes many elements of business license tax administration that were previously determined by individual municipalities.

Effective January 1, 2022, Act 176 will require cities and towns that levy a business license tax to

- Issue a business license for a period of May 1 to April 30.
- Calculate the tax based on a business' gross income for the previous calendar year or its previous fiscal year.
- Use the law's definition of gross income.
- Accept a standardized application approved by the SC Revenue and Fiscal Affairs Office.
- Use the law's standardized class schedule.
- Allow businesses to make renewal payments through an online payment system hosted by the SCRFA.
- Use the law's standardized appeals process.
- Set rates for the 2022 license year to prevent a revenue windfall in the first year of compliance with the law.

Getting started with compliance

The Municipal Association maintains an extensive menu of resources for cities and towns that levy the business license tax.

Municipal officials should familiarize themselves with the model business license ordinance, the Business Licensing Handbook and the Business Licensing Officials Association, which has provided specialized business license training to municipal staff since 1985.

To help municipalities comply with Act 176 by the end of 2021, a diverse group of Association staff has developed a phased implementation plan for cities and towns to use. While these staff members will provide hands-on assistance to municipalities as they move toward compliance, there is critical work municipal licensing officials can do to ensure their city or town's success.

Steps to take immediately:

Assign a six-digit North American Industry Classification System code to each of the businesses that have a current license. The law's standardized class schedule uses the latest edition of the NAICS codes to place businesses into appropriate rate classes. All cities and towns must begin using the 2017 edition, six-digit NAICS codes found at www.census.gov/eos/www/naics/.

Export each business license record into a standardized Excel spreadsheet after the correct NAICS codes are assigned. The Association can provide the spreadsheet needed for this step. This action is needed so that municipal and Association staff can review records to help with compliance with the law.

Once the records are exported, each municipality should have someone review them for errors. Municipal staff will want to ensure there are no obvious flaws with the records like transposed numbers or formatting problems.

Second, someone should analyze the city's license data to ensure each business is properly classified as required by the law. The Municipal Association maintains the standardized class schedule.

Finally, municipal staff must analyze the data to determine the tax rates for each class to ensure the city or town does not gain a revenue windfall in the first year of implementation. After the first year, municipal councils may set business license tax rates to meet their city's fiscal needs.

Municipal Association staff have developed training and a spreadsheet model to help municipal staff members conduct these analyses themselves. However, for those that do not have the capability to conduct the analyses, Association staff can assist.

What to expect

The initial data analysis and rate setting will be the most difficult part of complying with Act 176. That phase of compliance will be ongoing through spring 2021. After that, cities and towns should expect to:

- **Adopt a new business license ordinance to comply with Act 176.** The Association strongly recommends cities and towns adopt its model business license ordinance by December 31, 2021.
- **Reach out to businesses with information about the licensing changes.** As soon as possible, begin reaching out to businesses about the changes Act 176 will bring to the licensing process. The Association can assist municipalities with templates and messaging if requested.

- **Direct staff to Municipal Association training on the new law and online license renewal payment portal.** The Association will conduct frequent training sessions for municipal staff members. These will address, most importantly, how to use the online business license renewal payment software developed by the Association and hosted by the SCRFA.

For more information, see the Municipal Association's [business license standardization page](#), contact Melissa Harrill at mharrill@masc.sc or Caitlin Cothran at ccothran@masc.sc.