



PUBLIC HEARING
5:45pm, Tuesday, May 25, 2021
1207 Palm Boulevard, Isle of Palms, SC and
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>

MINUTES

1. Call to order

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

Staff Present: Administrator Fragoso, Asst. Administrator Hanna, Attorney Hinchey, various department heads

2. Ordinance 2021-05 – AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE CITY OF ISLE OF PALMS, SOUTH CAROLINA, FOR THE FISCAL YEAR BEGINNING JULY 1, 2021 AND ENDING JUNE 30, 2022

Administrator Fragoso said of the budget: “The budget presented to Council for second reading and ratification was unanimously approved by the Ways and Means Committee. The proposed budget was a collaborative effort between City Administration, City Treasurer Debbie Suggs, Chair of Ways and Means Phillip Pounds, City Council and Department Heads. The proposed budget does not contemplate a property tax increase. The total millage rate for Isle of Palms is 0.0233, which generates approximately \$4,806,000 in property tax revenue to the City.

“General Fund revenues are \$11,798,779 which represents an 11% increase from the FY21 budget but only a 2% increase from Actual FY20. Recall the FY21 revenue budget was extremely conservative due to pandemic concerns. General Fund expenditures are \$12,466,296, which is 10% ahead of the FY21 Budget. The \$667,000 difference is covered with net transfers in from tourism funds. The General Fund Revenue increase is due primarily to budgeted increases Local Option Sales Taxes and License and permit fees, both driven by the current strong economic activity that is expected to continue in FY22. Expenditure increases due primarily to wages & fringes and IT.

“Total personnel costs represent 71% of General Fund expenditures and 41% of total city-wide expenditures.

“The proposed budget includes \$396,000 in new revenues related to the new Wild Dunes hotel and \$92,000 associated with the first fiscal year of new marina restaurant lease revenue.

“The proposed budget includes \$5,753,125 (\$5.7M) in Tourism Funds revenues (Hospitality, State Accommodations and Municipal Accommodations, and Beach Preservation Funds). This represents an increase of 55% over the conservative FY21 budget which reflects tourism recovery on the island and the impact of the new hotel. Transfers in from tourism funds to the General Fund are \$1,062,000, which is consistent with tourism contributions in prior years to support tourism impacted services such as Public Works and Public Safety.”

She then shared several initiatives and capital projects supported by budget funds, including: \$525,000 for the replacement of a pumper truck for Fire Department; \$2,462,000 in capital expenditures for the construction of the Phase 3 drainage outfall project; \$250,000 for a comprehensive drainage master plan to steer policy and funding decisions for the foreseeable future (Re-budget from FY21); \$150,000 for a public dock and greenspace at the IOP Marina; \$125,000 for undergrounding of electrical lines through Dominion Energy’s non-standard service fund which covers 50% of eligible expenses; the purchase of 9mm caliber handguns for the Police Department; \$100,000 to purchase license plate readers that synch up with paid parking software for enforcement; \$131,000 to address recommendations from the wage and compensation study; \$250,000 to maintain, renovate or construct beach accesses paths; \$25,000 for grant writing services to address potential opportunities in Federal and State funding programs; \$290,000 for the replacement of the Fire Departments self-contained breathing apparatus; and \$34,000 for new agenda and video software and \$65,000 for a new AUDIO-VISUAL System for Council Chambers, in addition to many others.

Administrator Fragoso said she was proud of the hard work done by staff and Council to finish FY21 in a successful manner.

3. Adjournment

Council Member Moyer made a motion to adjourn and Council Member Buckhannon seconded the motion. The meeting was adjourned at 5:55pm.

Respectfully submitted,

Nicole DeNeane
City Clerk