



**Special Ways & Means Committee Meeting  
Budget Workshop #1  
1:00pm, Wednesday, March 16, 2022  
Recreation Center  
24 28<sup>th</sup> Avenue, Isle of Palms, SC 29451**

**MINUTES**

**1. Call to Order**

Present: Council members Anderson, Bogosian, Hahn, Miars, Popson, Streetman, Ward, and Mayor Pounds

Staff Present: Administrator Fragoso, Director Kerr, Treasurer Suggs, various City Department heads and staff

**2. Purpose – Discussion of the FY23 Budget**

Council Member Pounds reviewed the goals for the discussion of the FY23 Budget: review on budget assumptions, discuss key budget initiatives and projects, a review revenue forecast and proposed expenditures, and any additions of new projects or initiatives.

Budget assumptions for FY23 include: 90% of the revenue from the previous 12 months, 95% staffing capacity in the Police Department, a 2.5% merit and or step increase, \$4.50/gallon fuel charge, overlapping costs for positions of Finance Director and Public Works Foreman, a transfer of \$1.2M from tourism funds into the General Fund, and a projected transfer of \$961,000 from the General Fund into the Capital Projects Fund.

Key budget initiatives included the outfalls at 30<sup>th</sup> and 36<sup>th</sup> avenues, the Master Drainage plan and smaller drainage projects as identified by that plan, improvements at the Public Dock and T-docks, development of the greenspace at the Public Dock, beach access path improvements, undergrounding utility lines at 21<sup>st</sup> Avenue, the refurbishment of the basketball court and creation of the pickleball court, a second set of bunker gear for the firefighters, employee wage adjustments, and contracted professional services.

FY23 projects a \$2.7M bump in revenues. Committee members discussed whether or not such a large assumption was prudent in light of inflation and gasoline prices. Forecasts from ExploreCharleston and local rental agencies indicate strong rental numbers for the year, but staff will track trends throughout the budget process in case there are changes. Mayor Pounds said that the City's cash balances are strong and discretionary spending can be easily changed if need be.

The debt service for the Recreation Center will roll off in 2023. The next debt service to roll off will be for Fire Station 2 in 2026.

Committee members briefly discussed the need and desire to bury more of the electrical wires. While the City and the Committee would like to see this done more aggressively, staffing at Dominion Energy and the City's desire to have these projects done in the off season limits undergrounding to one project per year.

Council Member Bogosian suggested the addition of a code enforcement officer (not a sworn position). He said that Chief Cornett believed such a position could be filled before the sworn positions and would be very helpful in managing the code enforcement and livability calls coming in. Administrator Fragoso said previous data does not support this addition, but it could be the information is not being tracked properly. Director Kerr added that Chief Cornett said this position could start out as a seasonal position.

Mayor Pounds reviewed some predicted changes coming in the second draft of the budget including an 18% increase in health insurance premiums, the re-budgeting of the purchase of police and fire vehicles from FY22, an increase in the amount paid for beach access signage, the addition of \$10,000 for text-to-park transaction fees, and a \$151,054 correction to the Tourism Promotion Expense in the State ATAX Fund. Council Member Pounds asked for the cost of a boat lift for Public Safety boats to be added to the budget. Mayor Pounds would like to add the cost of a forensic audit for island businesses to be in FY23.

Committee members held a lengthy discussion about the options for improvements at the Public and T-docks as presented at last night's Ways & Means Committee Meeting. The costs of the "middle ground" option on both docks will be included in the next draft of the budget.

The second draft of the FY23 budget will be discussed at the April Ways & Means Committee meeting. The first reading of the budget is slated for the April City Council meeting followed by a Public Hearing and Second Reading at the May City Council meeting.

### **3. Adjournment**

Council Member Ward made a motion to adjourn and Council Member Streetman seconded the motion. The meeting was adjourned at 2:38pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk