

IOP FY24 BUDGET WORKSHOP

April 11, 2023

AGENDA

- Review changes for Drafts 2 and 3
- Discuss funding strategy alternatives
- Discuss wage assumptions
- Next steps

City of Isle of Palms

Summary of FY24 Budget DRAFT #2 with Reconciliation from DRAFT #1

General Fund	Capital Proj Fund	Muni Atax Fund	Hosp Tax Fund	State Atax Fund	Beach Preserve Fund	All Other Funds (Incls Disaster Recovery)	Marina Fund Illustrative Only NOTE 1	Total Fund Balance & Net Position
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RECONCILE FY24 BUDGET DRAFT #1 TO DRAFT #2:

DRAFT #1 ENDING FUND BAL	4,593,856	9,217,623	3,104,949	837,536	4,069,968	8,622,827	3,261,043	387,747	34,095,549
Correct formula error in Draft 1 FY23 Forecast				(47,665)					(47,665)

CHANGES TO REVENUES:

Add Property Tax revenue based on most recent 12 mos rec'd	184,000								184,000
Decrease budget for Bus Lic and Build Pmts to 85% of most recent 12 months instead of 80% of CY22	(163,000)								(163,000)
Increase budget for Rental Lic to 90% of most recent 12 mos	153,000								153,000
Add new \$200 cost to each short term rental license	356,000								356,000
Other net revenue incrs based on most recent 12 months actual	12,000		20,000	10,000		20,000			62,000
Recognize revenue for the 2nd half of the Federal ARP Funding		1,085,300							1,085,300

CHANGES TO EXPENDITURES - (Increase)/Decrease:

Add 6 Paramedics incl fringes	(548,214)								(548,214)
Add uniforms for 6 Paramedics	(12,000)								(12,000)
Add med supplies for Paramedics	(30,000)								(30,000)
Add bunker gear for Paramedics				(36,000)					(36,000)
Add 2 cardiac monitors for Paramedics				(120,000)					(120,000)
Add \$ for Medical Control Off req'd by DHEC (currently unpaid)	(20,000)								(20,000)
Add 9.8% health insurance experience modifier incr all employees effect 1/1/24 (6 mos)	(41,453)								(41,453)
Moved Rentalscape STR compliance software to Muni Atax fund	62,000		(62,000)						0
Added Property Mgt software			(35,000)						(35,000)

City of Isle of Palms

Summary of FY24 Budget DRAFT #2 with Reconciliation from DRAFT #1

	General Fund	Capital Proj Fund	Muni Atax Fund	Hosp Tax Fund	State Atax Fund	Beach Preserve Fund	All Other Funds (Incls Disaster Recovery)	Marina Fund Illustrative Only NOTE 1	Total Fund Balance & Net Position
Added renovation construction of City Hall in FY24 instead of FY25		(584,000)	(416,000)						(1,000,000)
RECONCILE FY24 BUDGET DRAFT #1 TO DRAFT #2, continued:									
Increased Capital Expense for Drainage to match ARP Grant recognized		(835,300)	250,000						(585,300)
Moved 50% of Waterway Blvd Project to State Atax Fund		550,000			(550,000)				0
Added \$ for Rec Ctr amperage		(10,000)							(10,000)
Increase cost of PWks pickup				(25,000)					(25,000)
Misc expense correction							100		100
CHANGES TO TRANSFERS IN AND (OUT):									
Increase Transfers In from Tourism to cover 3 Paramedics	275,211				(275,211)				0
Increase Transfers In from Tourism to cover health ins increase on funded positions	4,041		(1,837)	(1,102)	(1,102)				0
Increase Transfer Out to Capital Projects Fund	(231,585)	231,585							0
DRAFT #2 ENDING FUND BAL	4,593,856	9,655,208	2,860,112	617,769	3,243,655	8,642,827	3,261,143	387,747	33,262,317

FUNDING STRATEGY ALTERNATIVES

- Budget draft 2 (includes \$200 increase of STR license fee) and draft 3 (no new revenue added) show continued healthy fund balances for next 5 budget years
- Both drafts reflect adding significant services for residents and visitors with 10 new employees – 6 paramedics, 3 STR/livability positions and 1 Public Relations and Tourism Coordinator
- Funding ideas for consideration:
 - Move 1 mil for Rec Center debt maturing in June 2023 from debt service millage to operating millage –generates approx. \$250,000 in annual revenue
 - Add additional fee to STR license cost – @ \$200 per license = approx. \$350,000 in annual revenue
 - Increase transfers in from Tourism Funds
 - Others?

CURRENT WAGE ASSUMPTIONS

- Current budget drafts include funds (\$15K) to update wage and comp survey
- Current budget drafts also include a merit pool of 2.5% effective 1-1-24
- Consider including placeholder in FY24 budget for any recommended adjustments resulting from wage and comp update results

REVIEW OF KEY BUDGET INITIATIVES

- New Public Dock at IOP Marina - \$1.7M
- Renovation/Expansion of City Hall - \$1.25M
- Drainage projects per Comprehensive Drainage Masterplan - \$1.1M
- Paramedic Program - \$700K
- “T” dock improvements - \$200K
- New emergency beach access path by County Park - \$200K
- Outdoor Fitness Court at Rec Center - \$165K
- Public Dock Greenspace - \$150K

NEXT STEPS

- Adjust budget based on today's feedback
- First Reading of proposed FY24 budget at April 25 Council meeting
- Public Hearing and Second Reading at May 23 Council meeting
- FY24 Budget must be ratified no later than June 30, 2023