



**PUBLIC HEARING**  
**5:45pm, Tuesday, May 23, 2023**  
**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 Anderson, Bogosian, Hahn, Miars, Pierce, Popson, Streetman, Ward, and Mayor Pounds

Staff Present: Administrator Fragoso, Director Kerr, City Attorney McQuillin, various department heads

**2. Ordinance 2023-07 – to raise revenue and adopt a budget for the City of Isle of Palms, South Carolina, for the fiscal year beginning July 1, 2023 and ending June 30, 2024.**

Administrator Fragoso said of the budget: “We have a very ambitious workplan for the rest of the year, so we are excited to go through some of the key budget initiatives by department, so bear with me....

“So for FY24, total revenues are projected to be \$26 million, 26.4, which is approximately 17% increase from FY23. These increases are attributable to a \$2.2 million grant that we received from ARPA funds that are being assigned for the construction of the public dock and the Waterway Boulevard path and additional drainage work. There is an increase of about \$800,000 in tourism revenues, an increase of \$700,000 for licensing and permitting revenue, and \$200,000 due the increase to the short-term rental license base fee of \$100.

“The proposed budget does not include an increase to the operating millage and assumes a decrease to the debt service millage due to the Recreation Center bond maturing earlier this year...This will result in about \$200,000 in savings in property taxes for residents...

“The General Fund revenues are budgeted at \$13.9 million which is about 8% more than FY23. Expenditures are 8% higher than FY23 mostly due to ten new positions that we are funding in this upcoming budget. Total personnel costs are 70% of General Fund expenditures, and 37% of all City-wide expenditures. And this budget assumes the addition of six new paramedics in the Fire Department, a full-time short-term rental coordinator, a PR and Tourism Coordinator that we are cost-sharing with Explore Charleston, and a finance analyst position in General Government, and a second Code Enforcement officer in the Police Department.

“Transfers in from the tourism funds to the General Fund are projected at \$1.5 million, which is a 21% increase from last year. We are being a little bit more aggressive in using tourism funds for certain projects, but also they are covering three of the six paramedics in the Fire Department. Total tourism revenues are conservatively projected at \$8.6 million, which is about 90% of recent 12-month actuals. There are no new debt issues included in this budget.

“I am going to go through some of the initiatives by department. First, we will start with General. We included a provision for 2.5% for wage adjustments. We also include a provision of \$15,000 to review the latest Wage & Compensation study that we did in 2021 to ensure that we remain competitive in wages islandwide. We also include about \$56,000 to support the City’s tuition reimbursement program. We currently have five employees participating and pursuing degrees in higher education through this program. We also have multiple employee engagement events throughout the year and uses engagement software that uses text messaging and webchat technology to facilitate efficient and timely communications between the City and the residents, and this is directly tied to one of those strategic priorities in the City’s Strategic Plan. We continue funding initiatives recommended by the Environmental Advisory Committee, including glass recycling, smart composting, and they also include a provision of \$15,000 for any additional projects or initiatives by the Committee. We include funds for the construction of a new public dock and greenspace at the Marina. Also about \$1.25 million for us to begin the planning, design, and construction of renovations to the City Hall building to reconfigure our space, make space for additional staff, and hopefully consolidate both departments on one floor to improve service delivery for residents and visitors. We continue to fund the annual monitoring of the entire shoreline of the beach, and funds to begin the permitting and design of the shoal management project and the next offshore beach renourishment project we talked about at length at the workshop meeting a couple weeks ago. We also have funds for the permitting and design of the marina dredging project, which is funded by \$1.5 million grant from the State. We have included \$250,000 for the City to continue adding ADA-compliant beach walkovers around the island, very similar to what we did at 34A. And just as a reminder, the City submitted a budget request to the State for \$500,000 to support our efforts at doing this.

“A big project that we have slated for this coming budget is the construction of a new emergency vehicle access path next to the County park, and this would allow us to avoid utilizing some of the beach access paths that may have dune systems that are more vulnerable. We also include the expenditure of the construction for the improvements of the Waterway Boulevard multi-use path. As a reminder, the City submitted a grant to FEMA and we should know by early next year whether or not the City is successful in this allocation. However, should the City not be successful, we would have the funds to go ahead and start that project either then or earlier depending on whatever Council decides.

“For the Building Department, we have a \$30,000 provision to install a new permitting and licensing system to make it better and more user friendly not only for the staff, but also folks that are submitting and requesting permits and licenses through the City. We continue the agreement with RentalScape for short-term rental management and compliance, and we added a \$35,000 provision for additional analytical software tools to support our operations.

“For the Fire Department, as you all know, the largest initiative in this year is implementing a paramedic program. That includes adding six personnel, two per shift, and this will not only help in our service delivery when responding to emergency medical services, but also support the operations of our team in any calls that they receive throughout the year. We also include significant investments in technology for the Fire Department to include additional computers to accommodate online training requirements and new accountability software to assist our battalion chiefs in firefighter accountability.

“For the Police Department, in addition to the initiatives that City Council recently approved to enhance beach safety and surveillance, we have also included the installation of an automatic license plate reader at the Connector, the purchase of a second radar sign for traffic control, and we have increased funds to support the hiring of additional deputies for traffic management during the season in addition to our BSOs.

“For the Recreation Department, we have included \$165,000 for the installation of a new outdoor fitness court...Also include funds for improvements to the dog park including replacing the fence and adding new equipment for dogs to play, several enhancements to the building, WiFi at the gym and cardio rooms, upgrading the A/V in the classrooms, installing new lighting around the new pickleball courts, and of course support for the more than 15 events that the department puts together every year.

“And then lastly, Public Works, we have included funds to purchase a new Caterpillar trash loader for yard debris operations. We are not replacing our existing equipment. We are keeping it. We are just enhancing the operation for as long as our current Caterpillar is operational. Also included some surveying equipment to support our efforts at being more proactive in doing in-house drainage maintenance. We also include a provision to continue our cost-sharing partnership with Dominion Energy so that we can continue to move utilities lines underground. And then last, but not least, we include significant investment for new drainage infrastructure, maintenance of existing infrastructure, including the completion of Phase 3, which is as we all know, outfall projects at 36<sup>th</sup> and 41<sup>st</sup>, and then start pursuing some of the projects identified by the Comprehensive Drainage Master Plan.”

She thanked all department heads for their professional work in preparing this year’s budget. She also thanked Debbie Suggs for her work on what is her last budget with the City due to her retirement later in the year.

### **3. Adjournment**

Council Member Ward made a motion to adjourn and Council Member Popson seconded the motion. The meeting was adjourned at 5:58pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk