

PUBLIC HEARING

5:30 p.m., Tuesday, May 20, 2014

1. Mayor Cronin called the meeting to order and acknowledged that the press and public had been duly notified of the meeting in accordance with the Freedom of Information Act.

2. Public Hearing

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, 2014 and Ending June 30, 2015.

Administrator Tucker explained that the Public Hearing was for the “pink” budget approved for First Reading at the April City Council meeting, published on-line and advertised. The Administrator noted that the City had taken a new approach to the budget process this year in that it began with projected revenues and moved to the Capital and Operating Budgets secondly. Staff generated several new tools for Council to use in making decisions relative to the budget; an important aspect of that was trying to determine where the bulk of City revenues are generated and what expenses might be attributable to the impact of tourism. Another new tool was a menu of options to try to bring revenues and expenditures into balance; the menu included cutting expenses, deferring expenses, making transfers-in from other funds, re-assigning expenses and increasing revenues to offset expenses. The increases in revenue will come from an increase in business license fees for off-island businesses and an increase in the franchise fees for SCE&G. Overall General Fund revenues have been relatively consistent prior to transfers-in; the transfers-in are higher than in previous years due, primarily, to the increase to staffing in the Fire Department approved in 2014. In FY14, transfers-in totaled roughly six hundred thousand dollars (\$600,000), and, in FY15, the transfers-in will exceed one million dollars (\$1,000,000), but there were assignments to tourism funds for the Police Department and for Public Works. Tourism revenue is projected to increase eleven percent (11%) based on how they have been performing thus far in FY14; tourism revenues are from State Accommodations Taxes, local accommodations taxes and hospitality taxes. On the expense side, all of the General Fund departmental budgets are stable or show a slight increase with the exception of the Fire Department and Judicial and Legal; the increase in the Fire Department is attributable to the addition of three (3) firefighters. The increased expenses for the Judicial and Legal Department are expenses related to computer work associated with parking tickets and overall increases the City has experienced over the last couple of years due to some unanticipated things that came up and the anticipated re-finance of the Recreation bond for a significant savings to the City.

Larger expenses in the FY15 budget are:

- The second year of the initiative to avoid debt for garbage and fire apparatus;
- The continuation of the contract with Stantec for beach access parking and wayfinding signs;
- Replacement of two (2) four-wheel patrol vehicles, one (1) patrol car and the all-terrain vehicles;
- Replacement of the rescue truck and two (2) all-terrain vehicles;

- Replacement of the 1999 garbage packer, forward movement on the Phase II Drainage Project and funding to come into compliance with NPDES regulations at the Public Works site;
- The rehabilitation of the ball fields with fifty thousand dollars (\$50,000) coming from the Recreation Building fund;
- Lighting improvements for Front Beach;
- A shoal management project at the northeast end of the island in the fall; and
- Replacement of several items at the marina, some only with failure, and a placeholder for design and consulting for marina site enhancements.

The FY15 budget does not contemplate a tax increase for property owners.

3. Adjourn

With no comments or questions from Council or attendees, the Mayor closed the Public Hearing at 5:43 p.m.

Respectfully submitted:

Marie Copeland
City Clerk