

**PUBLIC HEARING**  
City of Isle of Palms  
6:30 p.m., Tuesday, May 27, 2008

City Council for the City of Isle of Palms held a Public Hearing at 6:30 p.m. on Tuesday, May 27, 2008 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Present for the hearing were Council members Bettelli, Buckhannon, Cronin, Duffy, Loftus, Piening, Rice and Taylor, Mayor Sottile, City Administrator Tucker, Treasurer Suggs, Assistant to the Administrator Dziuban and City Clerk Copeland.

1. Mayor Sottile called the meeting to order and acknowledged that the press and the public had been duly notified in accordance with the Freedom of Information Act.
2. Mayor Sottile explained that the purpose of the Public Hearing was to provide a public forum on Ordinance 2008-04 – 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, 2008 and ending June 30, 2009. He then asked the City Administrator to review the highlights of the budget before receiving public comments.

Administrator Tucker opened her remarks with an expression of thanks to the members of City Council for the excellent job they had done on this budget that was made more complex due to the major projects with which the City was involved. She also thanked City Treasurer Suggs for her diligence as this budget had gone through many, many versions before tonight. Administrator Tucker praised Councilman Taylor for the strong involvement he had in the preparation of the budget. She voiced her opinion that the City has been faced with some of the biggest projects to be accomplished in one span of time since the City had had to deal with the aftereffects of Hugo.

Comments on the budget began with the Administrator Tucker explaining that she would focus on items that were different from previous years. Beginning with Revenues, she related that there had been reductions to Property Taxes, Local Option Sales Taxes and Building Permits based on trends for the past year where the rate of growth in the City has declined slightly. During the construction of the Public Safety Building, the City would lose a portion of the parking lot; therefore, Parking Lot Revenue has been reduced accordingly. Administrator Tucker also noted that certain expenses had been re-classed from the General Fund to Municipal Accommodations Fees and Hospitality Taxes.

On the expense side, the Administrator reported that the major projects were as follows:

1. Construction of the Public Safety Building at \$7.5 million,
2. Beach restoration with a balance of \$7.5 million, and
3. Marina bulkhead replacement, without dredging, at \$2.5 million.

To finance these projects the City has done bond issues, so the debt service for the bonds has been included in the budget. She commented on the fact that the City had always taken a conservative approach in trying to plan for future expenses, and most of these projects have included monies that had been set aside in the past. For 2008-2009, there would be two (2) additional reservations of funds; one was for \$150,000 towards the planned reconfiguration of the ball fields, and the second was \$100,000 for future beach restoration projects.

Personnel expenses included in the FY 2008-2009 Budget are a one (1) time salary adjustment with related fringes to try to make the City salaries more equitable with the marketplace. The Administrator stated that the usual merit and cost of living increases were also included.

Administrator Tucker noted that the millage increase was the amount allowed by state law for the Consumer Price Index. She directed attention to the handout that detailed the affect of the millage increase on an owner occupied home valued at \$750,000 as being \$21.00 per year and on a non-owner occupied home of the same value as being \$31.50 per year.

Other expense items of interest were the following:

Fuel costs- \$4.50/gal for unleaded & \$5/gal for diesel	\$310,646
Year 4 of Eadie's drainage initiative	91,425
Underground wiring-SCE&G non-standard service fund	75,000
Ongoing shoreline monitoring	50,000
Charleston County radio charge (Nov 08 thru June 09)	29,400
Improvements to wiring and pipes along Marina docks	25,000
General drainage contingency	25,000
Extend ICW dockage to outer pilings	10,000

The Administrator commented that the Eadie's drainage initiative was a five (5) year program to maintain the City's drainage infrastructure. The shoreline monitoring was a part of the Long Term Beach Management Plan. Charleston County was anticipated to begin charging all municipalities a fee to keep their radios operational on the 800-radio system that is operated by Charleston County. The extension of the docks along the Intracoastal would assist with dock space during the construction of the bulkhead.

Administrator Tucker listed the items that had been discussed during the budget process, but that had not been included in the budget. These items included twelve (12) additional firefighters, replacement of the docks at the Marina, Marina dredging, parking studies for the Marina and island-wide and a reserve for the 53<sup>rd</sup> – 57<sup>th</sup> Avenue drainage.

In conclusion, the Administrator explained that the budget, as advertised in the *Post and Courier*, reported an increase of 5.4%, but the budget presented for final approval anticipated an increase of only 1.8%.

Mayor Sottile took the opportunity before public comments to commend the Administrator and the Treasurer and, particularly, the City Council with its new members, who all learned a lot and put in a great deal of time. He also praised Councilman Taylor for his leadership through this complex process. The Mayor stated that the FY 2008-2009 Budget was a very aggressive one with several major projects. He concluded his comments with the statement that the budget was strong and the City was fiscally strong.

**Citizens' Comments:**

Guy Taylor, 625 Ocean Boulevard, announced that he was pleased to see that he was not the only person present for this hearing on the budget as he had been for the previous four (4) years. Before making comments on the budget, he voiced his concern about the lack of police force on the island; he reported that there were times when there were no police on the island, other than a sergeant at City Hall, since officers were transporting persons to Leeds Avenue. He related that he had made these statements in the past and would continue to do so.

Mr. Taylor remarked that he could not address how the City's money was being spent having not attended all of the meetings, but he did find the sources of revenue "fascinating." He commented that Property Tax revenue accounted for 49.2% of total budgeted revenue, and it was followed by Business Licenses and Insurance License Fees. He noted that two (2) years ago there had been no Residential License Fees, but those fees accounted for \$414,000 in the budget. Mr. Taylor reported that this season had started out to be the rowdiest he had experienced since 1985 and that he saw the source to control it as the fear of the residential rental owners to lose their licenses. He referred to Municipal Accommodation Fees as "the big hitter" at \$818,000.

Concluding, Mr. Taylor expressed his thanks to the staff and the Council for all of the work that has gone into the preparation of this budget.

There were no other speakers.

3. Mayor Sottile adjourned the Public Hearing at 6:55 p.m.

Respectfully submitted:

Marie Copeland, City Clerk