



PUBLIC HEARING
5:30pm, Tuesday, May 27, 2027
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 Bogosian, Streetman, Anderson (via Zoom), Ward, Hahn, Miars, Pierce, and Carroll, Mayor Pounds

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

2. Ordinance 2025 – 03 – 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, 2025, and ending June 30, 2026

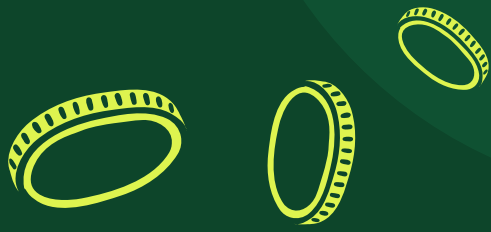
Director Hamilton reviewed the highlights of the proposed FY26 budget. Her presentation is attached to these minutes. There will be no property tax increase and on new debt in FY26.

3. Adjournment

Council Member Ward made a motion to adjourn, and Council Member Streetman seconded the motion. The meeting was adjourned at 5:41pm.

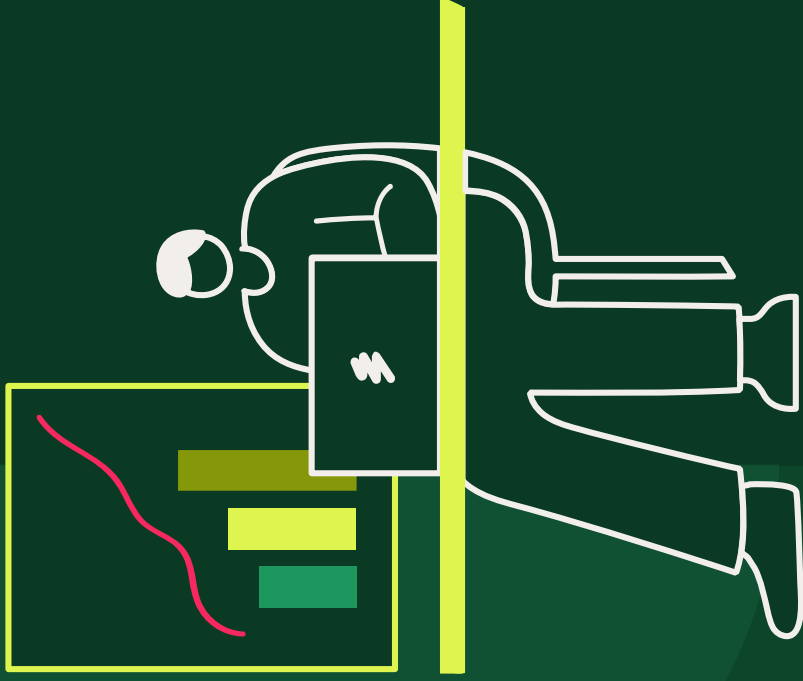
Respectfully submitted,

Nicole DeNeane
City Clerk



City of Isle of Palms

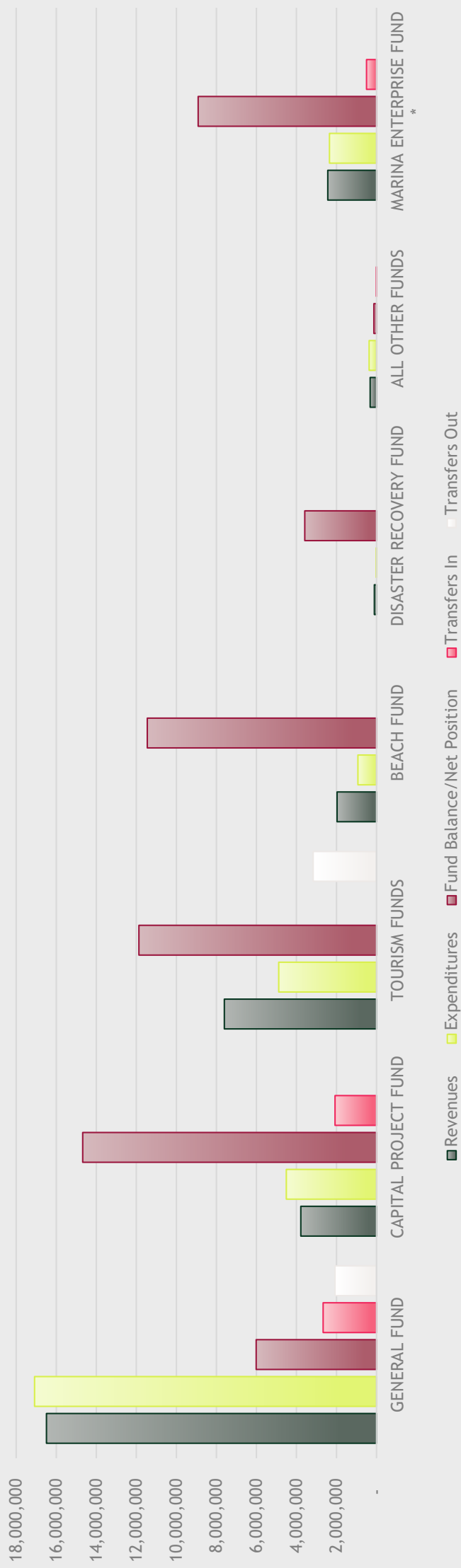
Proposed Annual Budget for Fiscal Year 2026



FY26 BUDGET SUMMARY BY REVENUE, EXPENDITURES AND FUND BALANCE/NET POSITION

Fund	Revenues	Transfers In	Expenditures	Transfers Out	Fund Balance/Net Position
GENERAL FUND	16,489,811	2,666,059	17,085,984	2,069,887	6,011,087
CAPITAL PROJECT FUND	3,780,290	2,069,887	4,508,586		14,677,305
TOURISM FUNDS	7,599,953		4,887,187	3,165,923	11,870,186
BEACH FUND	1,968,232		930,000		11,452,988
DISASTER RECOVERY FUND	105,053		13,000		3,583,719
ALL OTHER FUNDS	318,570	3,000	366,393	3,000	131,553
MARINA ENTERPRISE FUND *	2,434,724	499,864	2,350,572		8,911,407
TOTAL	32,696,632	5,238,810	30,141,722	5,238,810	56,638,244
*The Marina Fund's net position represents the overall financial health of the City of Isle of Palms' marina operations. Unlike other governmental funds that report a fund balance, the Marina Fund is an enterprise fund, which follows accrual accounting and reports a net position instead.					

FY26 BUDGET SUMMARY BY REVENUE, EXPENDITURES, TRANSFERS AND FUND BALANCE/NET POSITION



FY26 Budget Summary Highlights

The Proposed FY 2026 Budget aims to enhance the island’s initiatives to become South Carolina’s safest, most sustainable and family-friendly beach community.

❖ Total revenues were projected at **\$32,696,632**, a 14% increase from the FY25 Budget.

Increases are attributable to:

- Property Tax revenue **\$373,000** increased due to a rise in the market value of properties.
- Licensing & Permitting revenue increased by **\$725,000** due to a 15% rate increase applied to the base.
- Residential Rental Licenses (STR) revenue increased by **\$187,000** due to a 15% increase applied to the base.
- Increase Grant income by **\$1.9M** with grants awarded from FEMA Hazard Mitigation and FEMA Stormwater grants, as well as a State Budget Allocation grant.
- Tourism income increased by **\$423,000** based on 98% of the actual collections from most recent 12 months.
- Marina income increased by **\$378,000** based on collection.

❖ Total expenditure is projected to be **\$30,141,722**, representing a 13% increase from FY25.

FY26 Budget Summary Highlights

- ❖ The proposed budget does not include an increase to property taxes.
- ❖ General Fund revenues are budgeted at **\$16,489,811** – approximately 11% higher than the FY25 budget.
- ❖ General Fund expenditure is projected to be approximately **7%** higher than the FY25 budget, primarily due to increased personnel costs.
- ❖ Personnel costs account for **71%** of general fund expenditure and **41%** of city-wide expenditure. The budget for FY26 includes one new position for the Beach Resiliency Office and anticipates filling all remaining open positions.
- ❖ Transfers from the Tourism Funds to the General Fund are projected to be **\$2,666,059**, reflecting a **9%** increase from the FY25 budget. This approximately **\$214,000** increase is intended to cover rising personnel costs.
- ❖ Tourism revenues are projected at **\$7.6M**, which is approximately **98%** of the recent 12-month actuals.
- ❖ The current proposed budget does not include any new debt.

Highlights by Departments

General



General

- Provision for **2.5% COLA** and **3% merit pool wage** adjustments.
- **\$72,365** City's tuition reimbursement program for employees pursuing degrees of higher education.
- **\$245,000** for initiatives recommended by the Environmental Advisory Committee and Community Enrichment Task Force— including water testing, glass recycling and Smart Composting, as well as State and Federal Lobbyist and grant writing services.
- **\$100,000** for flood mitigation project on Forest Trail fully funded by grant.
- **\$50,000** is allocated for the reconfiguration of the upstairs conference room to create additional office spaces.
- **\$250,000** for essential repair and maintenance to City Hall.
- **\$95,000** for benches in Front Beach area and the repair of sidewalks on Ocean Blvd between 10th and 14th.
- **\$285,000** for the repair of dune walkovers and replacement of mobi mats as needed.
- **\$570,000** for beach maintenance, including nourishment permitting, coordination with the USACE, groin permitting, and ongoing shoreline monitoring.
- **\$300,000** allocated for the development of public green space at the Marina and the resurfacing of the city's portion of the Marina parking lot.
- **\$1.5 million** for dredging at the city's Marina.

Summary Highlights Police Department

Police Department

- **\$217,000** for new vehicle purchases.
- **\$18,000** for replacement for computer server.
- **\$20,000** for speed radar and trailer.
- **\$6,000** to replace the Public Safety Building gate.
- **\$40,000** for new computers with Windows 11.

Summary Highlights Fire Department

Fire Department

- **\$18,000** for Sea Doo jet ski at Fire Station 1.
- **\$300,000** allocated for a rescue boat, with the city seeking a FEMA grant to cover 75% of the total \$1.2 million cost.
- **\$26,000** for All-Terrain Vehicle (ATV) for beach patrol.
- **\$40,000** for thermal imaging camera.
- **\$12,000** for battery powered Positive Pressure Ventilation (PPV) fans.
- **\$6,000** to replace the Public Safety Building gate.

Summary Highlights Public Works Department

Public Works

- **\$68,000** allocated to replace the hopper truck with a flatbed dump truck.
- **\$320,000** for rear loader garbage truck.
- **\$20,000** to replace four 4-in flood water pumps as needed.
- **\$20,000** for the replacement of fuel dispensers.
- **\$131,000** to continue the cost-sharing partnership with Dominion Energy for moving utility lines underground.
- **\$100,000** to purchase 96-gallon garbage carts for transitioning the remaining carts to new side loaders.
- **\$4,148,668** allocated for total drainage projects identified by the comprehensive drainage plan, including general drainage, the Palm Blvd drainage project between 38th and 41st, ongoing drainage and ditch maintenance, and the elevation of the Waterway Blvd multi-use path. **\$3,230,000** of this amount will be funded by FEMA Hazard Mitigation and Stormwater grants, as well as the State Budget Allocation grant.

Summary Highlights Recreation Department

Recreation

- **\$20,000** for scoreboards and playground equipment.
- **\$16,000** allocated for soccer goals fencing for soccer field.
- **\$220,000** for reconstructing two tennis courts and fencing for tennis courts.
- **\$20,000** for the replacement of flooring in the office and lobby area.
- **\$12,000** allocated for lighting improvements in the hallway and lobby area.

Thank you

