

WAYS and MEANS COMMITTEE
5:45 p.m., Tuesday, November 17, 2015

The regular meeting of the Ways and Means Committee was held at 5:45 p.m., Tuesday, November 17, 2015 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Councilmembers Bettelli, Buckhannon, Carroll, Ferencz, Harrington, Loftus and Ward, Mayor Cronin, Administrator Tucker, Treasurer Suggs, Assistant Administrator Fragoso and Clerk Copeland; a quorum was present to conduct business. The absence of Councilmember Bergwerf was excused.

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

2. **Approval of Previous Meeting's Minutes**

MOTION: Councilmember Bettelli moved to approve the minutes of the regular meeting of October 20, 2015 as submitted; Councilmember Carroll seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments – None**

4. **Financial Statements – Treasurer Debbie Suggs**

A. Financial Statement

Treasurer Suggs commented that the financial statement for October 2015 represented financial activity for the first third of the fiscal year, making the target for revenue and expenditures thirty-three percent (33%). She reminded the Committee that the expense numbers in the Capital Projects and Disaster Recovery Funds were impacted by the flooding and king tides during the month, as was payroll in the General Fund; the weather-related expenses to-date were as follows:

Capital Projects for equipment repair	\$15,000
Disaster Recovery	2,500
General Fund for payroll overtime	9,500

The City has received an insurance disbursement of eighteen thousand dollars (\$18,000) and is working with FEMA to recover storm-related costs.

General Fund revenue through October was thirteen percent (13%) of budget, but the City will begin to receive Property Tax revenue in January that will make a significant impact. Even at this, typically, low point in the fiscal year, cash balances were healthy.

General Fund expenditures for all departments was at thirty-two percent (32%) of budget, which was higher than FY14 due to the payment of six (6) months' workers compensation premiums.

B. Tourism Schedules

In the tourism funds, the Treasurer reported that the City has received an additional ninety thousand dollars (\$90,000) since the report was printed, resulting in the collections running four percent (4%) more than in FY15.

With one (1) quarter's State Accommodations Taxes, the year-to-date collection is two point seven percent (2.7%) greater than in FY15.

The City has received no collections from the Charleston County Accommodations Tax Pass-through; these funds are paid semi-annually.

Hospitality Taxes are running five percent (5%) more than in FY15; October was a particularly good month with collections in excess of sixty-six thousand dollars (\$66,000).

With school starting and the end of the beach season, collections for the Beach Preservation Fee for September was ninety thousand dollars (\$90,000), bringing the total year-to-date collections to approximately four hundred thirty-one thousand dollars (\$431,000).

The Mayor noted that the online travel companies are now paying Hospitality Tax, and Treasurer Suggs reported that the County is doing a better job at tracking the correct payee, but the state continues to have problems getting collections to the proper entity.

In closing, the Treasurer thanked Councilmembers Buckhannon and Loftus for their support and friendship over the years; she commented that they both were fiscal conservatives who have been supportive of the prudent use of City funds.

5. Old Business

Status update related to historic flooding

Administrator Tucker announced that she and City staff had met for a kickoff meeting with FEMA's team of seven (7); they reviewed all levels of damage from improvement projects to hazard mitigation projects. Although there was some discussion of the condition of the beach, their beach specialist was not with the team, so it is the one (1) missing piece.

The Administrator reminded everyone present that, if they sustained any type of damage from the flooding, December 4th is the deadline for submitting claims.

Mayor Cronin noted that they were not interested in damage to the roads on the island; claims for the roads must be made by SCDOT.

Responding to Councilmember Ward's question, the Administrator stated that, if FEMA would facilitate the beach restoration with work through the Corps of Engineers, they would be welcomed; she added that she had reached out to the Corps.

6. New Business

- A. Consideration of out-of-budget purchase of 1 Ford Interceptor sedan from Benson Ford in the amount of \$33,000 to replace and equip vehicle totaled in a motor vehicle accident; insurance covered \$8,928**

The vehicle being replaced had roughly eighty-four thousand miles (84,000 mi.) on it, and the out-of-budget expenditure would be made from the Capital Projects Fund.

MOTION: Mayor Cronin moved to approve the out-of-budget expenditure from the Capital Projects Fund in the amount of \$33,000 for 1 Ford Interceptor sedan; Councilmember Loftus seconded and the motion PASSED UNANIMOUSLY.

B. Consideration of Morgan Creek Grill lease agreement

On the advice of counsel, the Real Property Committee did not meet on Monday, November 16; therefore, this subject will be deferred until the Committee has a recommendation.

C. Recommendations from the ATAX Committee

1. Award of \$2,500 to the IOP Fire Department to replace the rescue sled

MOTION: Mayor Cronin moved to purchase 2 rescue sleds for the Fire Department from ATAX funds; Councilmember Bettelli seconded.

Councilmember Carroll asked if the new sled would be like the original one, and Chief Graham replied that they would be the same sled, but a newer model. The Department will retain the old one as a spare. The Councilmember then asked if the new sled would be a blow-up model; the Chief said it would be because someone could be injured by a hard one.

When Councilmember Ward asked if the sleds were in the FY16 budget, Administrator Tucker explained that the funding would come from the fifty thousand dollars (\$50,000) included in the ATAX budget to be used at their discretion.

VOTE: The motion PASSED UNANIMOUSLY.

2. Award of \$3,500 to the Dunlop Junior Tennis Championship

MOTION: Mayor Cronin moved to approve \$3,500 for the Dunlop Junior Tennis Championship; Councilmember Bettelli seconded.

Mayor Cronin reminded the Committee that the City had supported the tennis championship for the past two or three (2-3) years since many participants and their families stay on the island.

VOTE: The motion PASSED UNANIMOUSLY.

3. Approval of overage of \$1,994 from the ATAX budget for the bucket on the skid steer

Director Pitts stated that he had planned to buy a used bucket along with the used skid steer, but, when he made the purchase, a good used one was not available. He intended to pay for

the bucket from the Small Tools line of the Public Works budget, but Treasurer Suggs decided that it should come from ATAX funds.

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VOTE: The motion PASSED UNANIMOUSLY.

D. Recommendation from the Public Works Committee to spend up to \$4,000 for design and submission for an encroachment permit to facilitate a golf cart connection between 18th and 20th Avenues and request to add \$600 to this amount for the necessary survey to facilitate the design

MOTION: Councilmember Ward moved to approve up to \$4,600 for a survey, the design and application for an encroachment permit to facilitate a golf cart path from 18th to the Island Center; Councilmember Carroll seconded.

Councilmember Ward reiterated that this golf cart path is something that the residents of the island want and he fully supports this project to be done in the most economical way.

VOTE: The motion PASSED UNANIMOUSLY.

7. Miscellaneous Business

Next meeting date: 5:45 p.m., Tuesday, January 19, 2016

Administrator Tucker took a few moments to thank Councilmembers Buckhannon and Loftus for their years of service to the City and for their friendship.

8. Executive Session – not necessary

9. Adjourn

MOTION: Councilmember Loftus moved to adjourn the meeting at 6:30 p.m.; Councilmember Buckhannon seconded and the motion PASSED UNANIMOUSLY.