

# 2018

## CITY OF MYRTLE BEACH



*Boardwalk from Eighth Ave. North*



**Annual Budget &  
Financial Plans**





## **FY 2017-18 ANNUAL BUDGET & FINANCIAL PLANS**

### **MAYOR**

John T. Rhodes

### **MAYOR PRO TEMPORE**

Clyde H. " Mike" Lowder

### **CITY COUNCIL**

Michael Chestnut

W. Wayne Gray

Mary Jeffcoat

Philip N. Render, DMD

Randal Wallace

# **City of Myrtle Beach**



## **OFFICIALS and DIRECTORS**

### **OFFICIALS**

- ◊City Manager, John G. Pedersen
- ◊Chief Financial Officer, Michael W. Shelton
- ◊Assistant City Manager, Bruce Boulineau
- ◊Assistant City Manager, Jonathan "Fox" Simons
- ◊City Attorney, Thomas E. Ellenburg
- ◊City Clerk, Joan M. Grove

### **CITY DEPARTMENT HEADS**

- ◊Director of Financial Management & Reporting, Michelle B. Shumpert
  - ◊Director of Financial Services, Mary C. McDowell
  - ◊Director of Risk Management, Val Rosser
    - ◊Public Information, Mark Kruea
    - ◊Construction Services, Chris Lee
- ◊General Manager, Myrtle Beach Convention Center, Paul T. Edwards
  - ◊Chief of Police, Amy Prock
  - ◊Director of Public Works, William Oliver
    - ◊Fire Chief, Alvin Payne
    - ◊Planning Director, Carol Coleman
- ◊Human Resources Director, Angela Kegler
  - ◊Recreation Services Director, Pam Stone
- ◊Director of Sports Tourism, Timothy Huber

### **Special Thanks to the Financial Management & Reporting Staff**

- ◊Michael D. Price, Financial Analyst, Senior
- ◊Lori Frishmuth, Financial Analyst, Senior



## OUR VISION

### FIRST IN SERVICE

*We believe that the employees of the city are collectively among the most talented and dedicated to be found in any work force. Through the efforts of these employees, the City of Myrtle Beach serves the public in an outstanding manner, providing needed services efficiently and courteously.*

*We believe that we can learn from the collective experiences of this work force to focus our efforts, provide even better service to the public, and improve the satisfaction experienced by all employees for the contributions they make.*

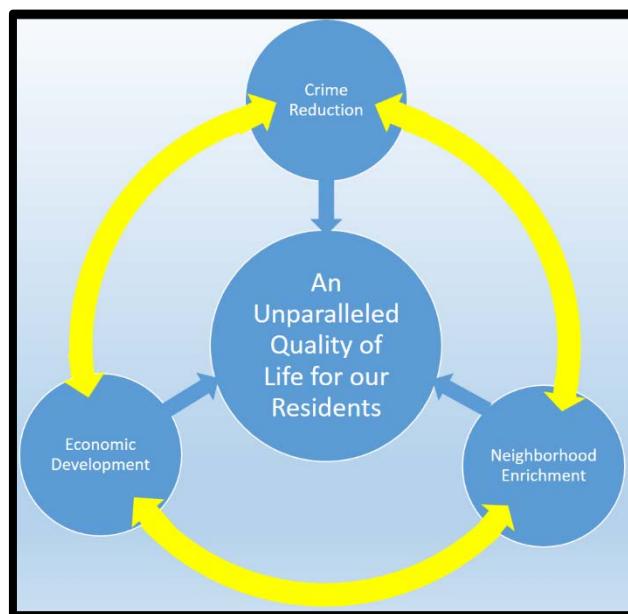
- S**afety -- Comes First
- E**xcellence -- Constantly Improving
- R**espect -- For Ourselves and Others
- V**alue -- The Individual and the Organization
- I**ntegrity -- Fairness and Honesty
- C**ommunication and Courtesy -- To All
- E**ducation -- Knowledge to Help



## OUR STRATEGIC INITIATIVES

*Create an unparalleled quality of Life for our residents through:*

**C**rime Reduction  
**N**eighborhood Enhancement  
**E**conomic Development





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# **Introduction**

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**Budget Introduction**

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## Budget Introduction



**WELCOME to** the City of Myrtle Beach 2017-18 Budget. This document has been designed to illustrate who we are as a community and as an organization, including our financial standing and our priorities for this upcoming year. We in the Office of Financial Management & Reporting hope this document provides a sense of the annual operations of our city, how they are financed and the manner in which we serve.

Sincerely,

Michael Shelton, CGFO  
Chief Financial Officer

Michelle Shumpert, CPA  
Director of Financial Management  
& Reporting

Michael Price, CGFO  
Lori Frishmuth, CPA  
Financial Analysts, Senior

## The City Structure

The City of Myrtle Beach operates under a council-manager form of government, which was adopted by voters in 1973. Council is the legislative body of government, comprising seven elected members including the Mayor, each serving four-year teams. The Mayor and three Council Members stand for election in one year and two years later the remaining three Council seats are up for election. The Council determines the city's policy direction by enacting ordinances and resolutions as well as approving the annual budget. A professional City Manager is appointed by Council, and serves at the pleasure of the Council on a contractual basis. The Manager administers the daily operations of the City through appointed executive staff members and department heads.

Named for native wax myrtle trees growing wild along the shores, Myrtle Beach was incorporated as a town in 1938 and as a city in 1957. It is the largest city in Horry County as well as the Myrtle Beach-Conway MSA. Situated largely on a barrier island between the Atlantic Intracoastal Waterway and the Atlantic Ocean, Myrtle Beach is home to over nine miles of recreational beachfront area and some of the world's widest and cleanest stretches of white sandy beach. The community offers a wide variety of cultural entertainment, attracting 17 million visitors annually, Myrtle Beach is a major U.S. tourist center continually receiving accolades from regional and national publications.



*Fireworks over the ocean*

The City is committed to being “First in Service,” providing quality service at reasonable prices. This commitment, along with the City’s ideal oceanfront location, combine to position Myrtle Beach among the best resort, business, and residential locations on the East Coast. Public amenities within the City include:

- 6 fire stations and full Emergency Medical Services.
- 3 Police stations-including the main headquarters, the police annex, and the joint use of Fire Station #4 on the Air Force Base.
- 1.2 mile Oceanfront Boardwalk featuring shops, cafes and an oceanfront park.
- 12.5 miles of Greenway Bike Pathways,
- 37 City Parks, three full-service recreation centers and 9.25 miles of beaches,
- Including 141 public beach accesses.
- 18-hole, championship Whispering Pines Golf Course.
- Myrtle Beach Convention Center with 100,000 square feet of meeting space.
- The 402-room Sheraton Myrtle Beach Convention Center Hotel, carrying ratings of 4-star by Forbes and Northstar and 3-diamond by AAA.
- Water and Sewer System serving over 17,000 commercial and residential customers.
- Full Solid Waste residential and recycling services, as well as limited service for shared compactors along Ocean Boulevard.
- Myrtle Beach Colored School and the Historic Train Depot, historical sites, and community centers.
- Chapin Memorial Library, owned and operated by the City.
- The Myrtle Beach Sports Center, a 100,000 Square foot Indoor Sports Complex opened in FY15 and is located on the Myrtle Beach Convention Center Campus.

### **Myrtle Beach Facts**

<i>Population (2010):</i>	27,109
<i>Myrtle Beach MSA (2010):</i>	269,291
<i>Median Home Price (2015):</i>	\$171,600
<i>Largest Private Employer:</i>	Wal-Mart
<i>Avg. Annual Salary (2015):</i>	\$41,260
<i>Number of Hotel Rooms:</i>	98,500
<i>Estimated Unrestricted *</i> <i>True Value of Taxable</i> <i>Property (Tax Yr 2016):</i>	\$6,169,402,862
<i>Average High Temperature:</i>	63F
<i>Annual Precipitation:</i>	53.27"
<i>Sister Cities:</i>	Burlington, Canada Pinamar, Argentina Bradford-Keighley, UK Killarney, Ireland Tiberias, Israel Xia Men & Quing Dao, China

\* Unrestricted values represent those giving rise to tax revenue that is available for General Fund operations.



## FY 2017-18 Annual Budget Calendar



PHASE I - POLICY FORMATION & BUDGET DEVELOPMENT

PHASE II - BUDGET REVIEW  
AND ADOPTION

### November 2016

#### Budget Development—Establish Current Level Benchmarks

- Develop pay and benefit recommendations
- Develop Current Level projections

### December 2016

#### Departmental Budget Development—Current Level

- Formulate SWOT Analysis
- Develop preliminary revenue estimates
- Complete Current Level requests

### January 2017

#### Budget Development—Service Level Changes

- Provide overview of economic & financial environment, status of major initiatives, budget calendar
- Approve 2016-17 initiatives
- Develop service level changes for any new initiatives
- Departments prepare budget proposals
- Planning Commission makes capital project

### February 2017

#### Senior Management Review

- Debt Plan
- Capital Improvement Plan Review and Adjustment
- Departmental Operating Budgets
- Financial Partners and Outside Agency requests

#### City Council Review

- Financial Partners and Outside Agency requests

#### CFO & Financial Management & Reporting Office

- Prepare Enterprise and Special Revenue Funds
- Capital Improvement Budget & Five-Year Plan
- Present proposals for balancing General Fund
- Review recommendations with City departments

### March 2017

#### Preparation of Balanced Budget

- Property Tax and Hospitality-related revenue updates
- CFO reviews any adjustments with Manager
- Financial Management & Reporting Office coordinates departmental preparation of budget presentations for City Council Budget Retreat

### March 2017

#### Presentation of City Manager's Recommended FY 2017-18 Budget and 2018-2022 Capital Improvements Plan

- Budget Retreat
- Budget workshops, if necessary
- Public Hearing Notice

### May 2017

- Budget Retreat Follow up Workshop
- First Reading of the Budget Ordinance

### June 2017

- Public Hearing
- Second Reading and Adoption



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## FY 2017-18 Transmittal Letter



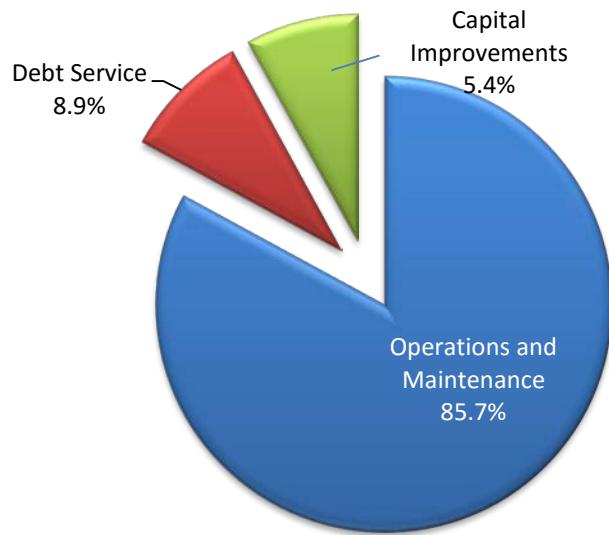
Honorable Mayor John Rhodes and Members of City Council:

On behalf of the City Manager, I am pleased to present the Municipal Budget for Fiscal Year 2017-18 (FY 2018), and the 2018-22 Capital Improvements Plan (CIP). Total expenditures/expenses for the fiscal year, net of interfund transfers, are approximately \$190.6 million, down from the \$192.3 million authorized in Fiscal Year 2016-17 by \$1.7 million or 0.9%.

	FY2015-16 Actual	FY2016-17 Rev. Budget	FY2017-18 Budget	% Δ
Governmental Operations	\$ 158,236,515	\$ 168,158,296	\$ 173,111,557	2.9%
Enterprise Operations	36,644,411	37,099,687	38,807,988	4.6%
Total Operating Budget	<u>194,880,926</u>	<u>205,257,983</u>	<u>211,919,545</u>	3.2%
Governmental Capital Projects	<u>5,005,449</u>	<u>9,887,784</u>	<u>5,513,584</u>	-44.2%
Reconciling Items				
Enterprise Capital Projects	<u>3,513,447</u>	<u>7,859,500</u>	<u>4,780,700</u>	-39.2%
Total Reconciling Items	<u>3,513,447</u>	<u>7,859,500</u>	<u>4,780,700</u>	-39.2%
Less: Interfund Transfers	<u>(28,877,720)</u>	<u>(30,711,077)</u>	<u>(31,584,004)</u>	2.8%
Grand Total Appropriations	<u>\$ 174,522,102</u>	<u>\$ 192,294,190</u>	<u>\$ 190,629,825</u>	-0.9%

Before interfund transfers are netted out, expenditures for operations and maintenance of general government responsibilities and of City enterprises are estimated at \$180.3 million (85.7% of total). Debt service expenditures/expenses equal \$17 million (8.9% of total). New capital improvement authorizations for FY 2018 have been approved in the amount of \$10.3 million (5.4% of total).

### FY2018 Resource Allocation by Major Categories



This budget includes no increase in the *ad valorem* tax rate and no changes in business license fees have been made in this budget.

In the City's various special revenue and enterprise funds, fees and charges were increased as follows:

- *Water and Sewer Fund*—A blended increase of 2.5%-2.8%, depending upon usage. The increase amounts to \$1.23 per month for a residential user of an average of 7,500 gallons per month.
- *Solid Waste Fund*— An increase of 24.14% to cover an increase imposed by the Solid Waste Authority. The increase amounts to \$1.15 per month for a residential customer.
- *Convention Center Fund*— No increases.
- *Storm Water*—No increases.

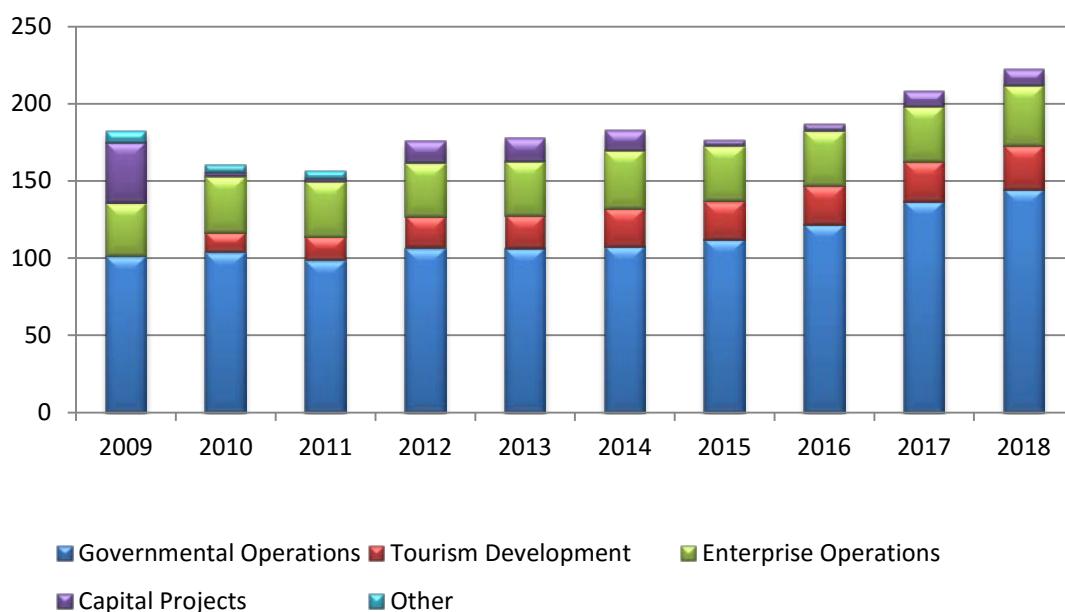
### Budget Comparisons and Costs of City Services

As the following graph shows, appropriations for governmental operations changed relatively little in the aftermath of the 2007-08 recession and financial crisis (fiscal year 2009-2011) and did not rise dramatically for several years to follow. Fortunately, the tourism sector has led a rebound over the past several fiscal years and the City has been able to moderate its course and allow for limited growth in expenditures. This is due in no small part to the adoption and implementation of the one percent (1.0%) Tourism Development Fee (TDF) in May 2009.

The TDF became effective in August 2009, just after the beginning of the 2010 fiscal year. The red sections in years 2010-2017 in the following graph indicate the strong growth that the City has seen in revenues from this source and, consequently, in the amount of

resources that are dedicated to promoting Myrtle Beach tourism in other markets along the east coast and into the Midwestern states and Canada. During the first year of its collection, all of the TDF revenue was required to go to the Chamber of Commerce to fund out-of-market advertising. In the second year and each subsequent year, 80% is designated for out-of-market advertising and the remaining 20% may be used for a credit against residential property taxes or to finance tourism-related capital projects.

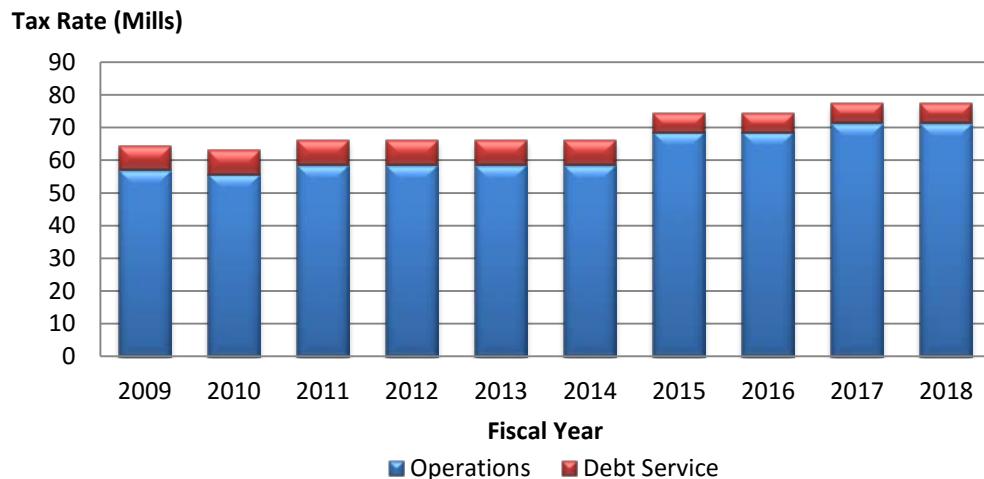
### Comparison of 2009-2017 Gross Budgets



Council elected to use a significant amount of the TDF money, about \$3.1 million per year at 2012 levels, to establish a credit against the operating millage for all owner-occupied residences.

Property tax rates were kept at 66.1 mills from 2009 through 2014. In 2015, the rate was adjusted to the statutory equivalent rate (as adjusted for reassessment) of 67.4 mills. Council adopted the first rate increase in six years in 2015, when the rate went from the baseline rate of 67.4 mills to 74.5 mills. In FY 2017, council implemented a 3 mill rate increase which set total millage at 77.5 mills. At the same time, though, Council decided to use growth in the TDF to increase the amount of the credit for owner-occupied units. For 2017-18, the tax rate for owner-occupied properties will be 14.0 mills, using an estimated \$3.9 million (about 13.5%) of TDF revenues for property tax credits.

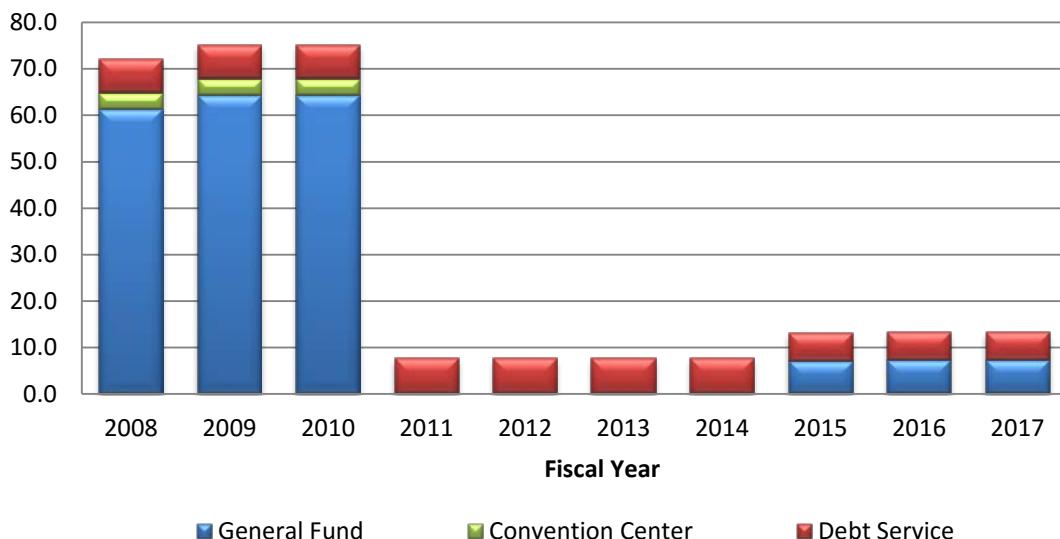
### City Tax Rates with Operations and Debt Service Components, Last Ten Years



In 2011 and 2015, statutory millage resets resulted from falling property values under reassessment programs. Tax increases were adopted in 2009, 2015 and 2017. A reduction was approved in 2010.

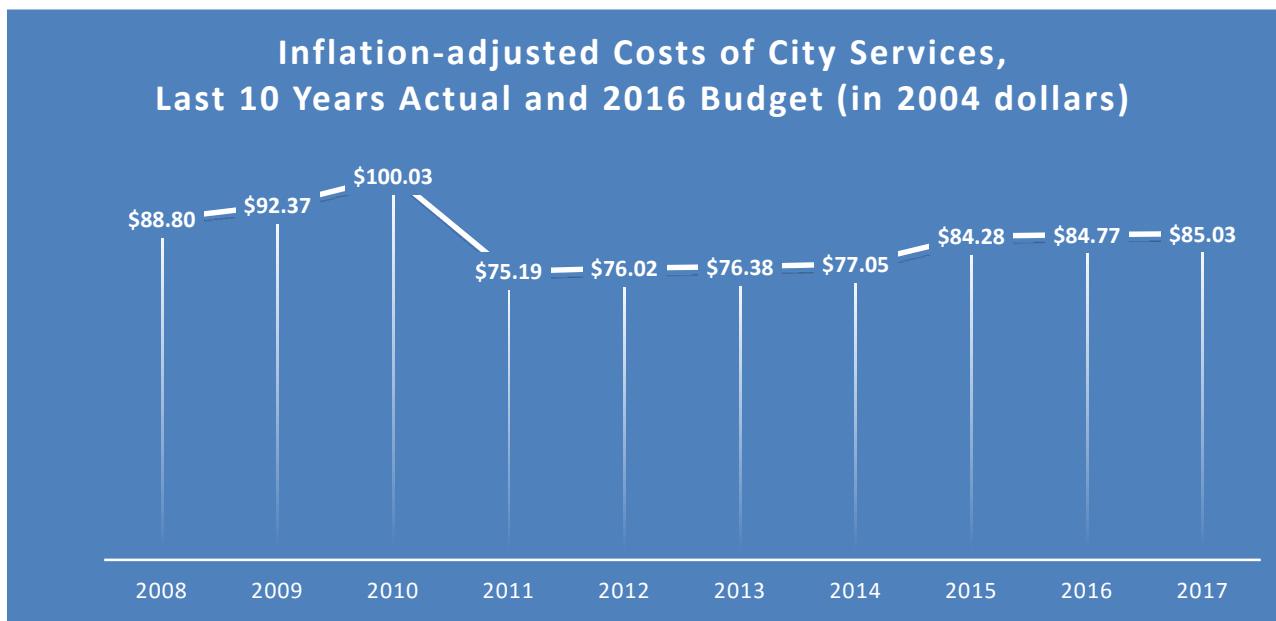
The following graph shows the net property tax rates that residents living in their own homes have paid for fiscal years 2008-17.

### Owner-Occupied Residential Property Tax Rates by Purpose of Levy, Last Ten Years



**Note:** For the 2011 fiscal year (2010 tax year) forward, residential property taxes are substantially offset by a credit from the Tourism Development Fee. Residents pay debt service levy only on City taxes.

The net cost of all City services to an average Myrtle Beach resident, when all regular taxes, fees and service charges are considered, is estimated to be about \$122.49, less than a typical power bill or the cost of phone, internet and cable TV service. When the effects of inflation are controlled for, the costs of service have actually fallen by about \$3.77 between fiscal years 2008 and 2017.<sup>1</sup>



### Strengths, Weaknesses, Opportunities and Threats



Senior Management and Department Heads engaged in SWOT sessions with organization-wide focus in early December 2016. From the input received during those sessions, the Manager formulated a set of Strategic Initiatives that he recommended to Council in January 2017. Following Council's review and approval, staff developed the 2017-18 budget with funding priorities given to the Strategic Initiatives that had been developed.

### Strategic Initiatives for 2017-18

- **An Unparalleled Quality of Life** including efforts to promote and maintain the community's natural beauty and recreational opportunities, optimize public safety and health, support community building beginning at the neighborhood level, and fostering an

<sup>1</sup> Analysis assumes median-priced home ranging from \$195,000 market value in 2007 to \$226,000 in 2017; vehicles valued at \$28,000; average water consumption of 7,500 gallons; taxable expenditures of \$2,000 per month; standard residential storm water and solid waste service. Inflation adjustments computed per CPI-U for June of each year (*U.S. Department of Labor, Bureau of Labor Statistics*).

environment in which economic activity can be expanded so that more of our citizens can enjoy what the community has to offer.

- **Anti-Crime Initiative** including efforts to train, equip, and retain qualified officers and improve community relations, deploy body cameras, and increase use of surveillance cameras.
- **Neighborhood Development Initiative** to deal with quality of life issues in center city neighborhoods, including community watch, more aggressive code enforcement, affordable housing and multi-year CDBG programming
- **Economic Development Initiative** to foster an environment in which economic activity can be expanded so that all our citizens have an opportunity to enjoy what the community has to offer.

The Budget includes measures to address these initiatives. In all, a total of \$1.5 million in service level changes were added utilizing \$1.3 million of general revenues. The remainder came from growth in earmarked revenue. These measures require the addition of 14 positions for FY 2018.

- 5 Uniformed Police Officers
- 2 Code Enforcement Officers to assist the Police Regulatory Division
- 2 Real Time Crime Analyst
- 1 Commercial Building Inspector
- 1 Building Maintenance Trades Worker
- 1 IT Technician
- 1 Administrative Assistant in Risk Management
- 1 Cashier in Revenue Billing

The enhancement of Beach Services by both the Police Department and Fire Department represent additional service level expansions that did not involve additional personnel. The enhancement includes the purchase of beach safety equipment and funding of additional overtime to provide a higher level of coverage on the oceanfront during peak times. The cost of the enhancement of beach services is at least partially offset with local accommodations tax revenues.

## **Capital Improvements**

A total of \$117 million in capital improvements are planned over the five-year term.

The 2018-22 Capital Improvements Plan (CIP) includes \$22.5 million of new projects for the first year of the plan. Actual FY2018 appropriations include \$6.3 million in pay-as-you-go projects for recreational facilities, public safety facilities, street and sidewalk improvements, transportation system improvements, water and sewer maintenance and extension, as well as renewal and replacement of other City facilities. Debt financed

projects of \$3.5 million primarily include renovation of 6 Pump Stations, pending availability of favorable financing through the state revolving loan fund program.

### **Conclusion**

We look forward to working with Council to review the City's strategic initiatives this fall and to fashion a budget for 2019 that will continue to advance the City as a premier resort community with an unparalleled quality of life for our residents and visitors alike.

On behalf of the City Manager, I would like thank the Departmental Management team and, indeed, the entire work force for the positive manner in which they have taken ownership of the strategic initiatives funded in this budget. We would also like to thank City Council for its direction and its stalwart support. And for all of my colleagues in the Financial Management Group, you are a very special group of people—without you, the delivery of quality services in Myrtle Beach would be impossible.

This City works well because its people work together.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael W. Shelton".

Michael W. Shelton, CGFO

Chief Financial Officer



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## City of Myrtle Beach Structure and Services

### Local Government Powers

Myrtle Beach is a municipal corporation of the state of South Carolina and, as such, possesses all the general powers granted to municipalities by the state's constitution and general statutes. In 1972, as part of a general revision of South Carolina's 1895 Constitution, voters approved a new Article VIII on local government. The key passage in Section 17 of that article states that:

*"The provisions of this Constitution and all laws concerning local governments shall be liberally construed in their favor. Powers, duties and responsibilities granted local government subdivisions by this Constitution and by law shall include those fairly implied and not prohibited by this Constitution."*

This constitutional amendment and the State of South Carolina, Local Government Act (1975), have established South Carolina as a 'home rule' state. The constitution requires that courts interpret the statutes liberally in favor of local government. Though political and legal challenges continue to arise from time to time, a number state court decisions in the intervening years have reaffirmed the home rule doctrine in many respects but, arguably, have eroded it in others—especially with regards to financial home rule.

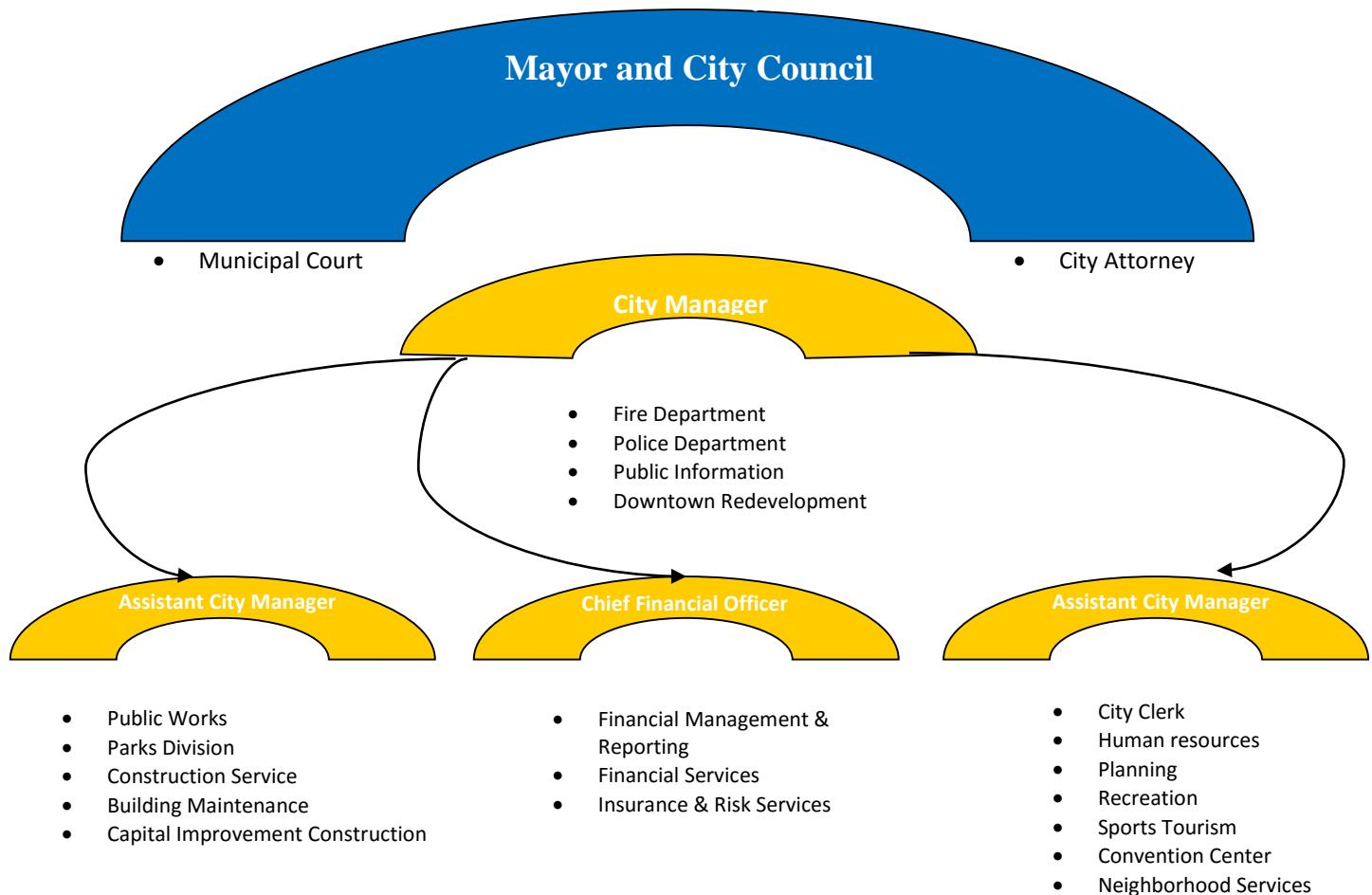
### Government Services

The City is a public agency. It is also a multi-million dollar corporation offering a diverse line of services and products. Residents and visitors receive traditional municipal services such as police protection; fire prevention and protection; well-maintained public parks and rights-of-ways; recreation facilities and programs; sanitation and street maintenance; and community development assistance including planning, zoning, and building code enforcement.

### Citizen Participation and Voluntarism

The City considers citizen participation vital to the successful fulfillment of its mission. Citizen input is sought in order to help reveal and clarify the true needs of City customers, provide efficacious access for citizens to their local government and allow council and staff to receive timely and insightful information regarding the potential impacts of public policy decisions upon different sectors of the community. Most members of boards and commissions are appointed by Council and open to the public at-large.

# Organizational Chart





## Operating Environment: Property Tax

### Operating and Debt Service Millage

Property tax reform legislation adopted in 2006 limits the City's annual ability to raise millage rates to an amount equal to the annual increase in the Consumer Price index (CPI) plus the population growth rate based on U.S. Census estimates. Other increases are allowed only in specific circumstances, such as requiring a 2/3 majority vote. For Fiscal Year 2018, the City maintained a millage rate of 77.5 mills. The adjacent chart compares Myrtle Beach tax millage to those of nine other South Carolina cities. Myrtle Beach and North Augusta are the lowest of the ten cities in terms of City millage.

### South Carolina Operating Millage Rates

City	City Millage
Myrtle Beach <sup>1</sup>	77.5
Charleston	78.1
North Augusta	70.5
Orangeburg	94.0
Greenville	85.3
North Charleston	95.0
Rock Hill	93.5
Spartanburg	105.0
Columbia	98.1
Anderson	118.0

<sup>1</sup> Total Tax Levy in the city of Myrtle Beach is 77.5 mills. The City applies a tax credit to offset the majority of the millage for operations—64.0 mills or 82.6%—on owner-occupied residential property, thanks to the implementation of a 1% Tourism Development Fee. Thus the resident pays a net rate of 13.5 mills, of which 6.0 mills are for debt service.

### Property Tax Burden Based on Median Home Price

The chart below compares the property tax burden in Myrtle Beach with that of other cities in the state. This chart does not compare additional local taxes or fees.

### Property Tax Burden Comparison Chart

	Myrtle Beach	Greenville	Spartanburg	Charleston	Charleston	North Columbia
Median Home Price (2015)	\$171,600	\$221,800	\$121,000	\$255,600	\$141,400	\$162,200
Household Median Income (2015 - Adj. For Inflation)	\$41,260	\$41,924	\$35,126	\$55,546	\$39,543	\$41,260
Personal Real Estate Tax Burden based on Median Price (see note 1 above)	\$ 532 (\$491) \$ 41	\$757	\$508	\$798	\$537	\$624
Real Property Tax Burden as % of Median Income	0.10%	1.81%	1.45%	1.44%	1.36%	1.52%

Sources: US Census Bureau, 2011-2015 American Community Survey; Office of Financial Management & Reporting.



## Operating Environment: User Fees

Myrtle Beach is a transient, oceanfront resort with a population ranging from 3 to 12 times the size of its permanent population depending upon the season. While the need for capacity to serve peak rather than average population creates upward pressure on water and sewer rates, Myrtle Beach has managed to keep its user fees reasonable to residents. The following chart compares the City to other selected South Carolina cities in terms of water and sewer rates. The chart compares each city's rate based on 7,500 gallons of consumption and demonstrates that Myrtle Beach rates are well below most of the other in-state communities surveyed.

City	Water	Sewer	Total
North Charleston	56.86	61.46	118.32
Charleston	25.85	87.48	113.33
Spartanburg	35.40	56.22	91.62
Anderson	28.66	50.19	78.85
Rock Hill	24.44	47.61	72.05
Greenville	17.81	53.08	70.89
Columbia	30.61	41.21	71.82
North Augusta	18.01	32.47	50.48
<b>Myrtle Beach</b>	<b>18.32</b>	<b>30.25</b>	<b>48.57</b>
Orangeburg	16.91	26.43	43.34

Source: Myrtle Beach Office of Financial Management & Reporting, Survey of South Carolina Water and Sewer Systems, July, 2017.



## Buying Power of a Typical Household's Taxes and Fees

### Household:

Based upon a house valued at \$250,000 and two cars valued at \$28,000 and monthly household water consumption of 7,500 gallons, a typical Myrtle Beach household will pay the City's General Government a total of \$1,469.88 this year. This includes:

City Taxes	\$265.20
Water and Sewer charges	583.08
Storm Water Fees	69.00
Solid Waste Fees	312.60
Tourism Development Fee	240.00
Annual Total	\$1,469.88



If you are the typical City resident, your \$1,469.88 will buy any one of these things:



- Two bullet-proof vests or a gun and body camera for one Police Officer
- One Level-A Hazardous Material Suit for a Fire Fighter or 250 ft. of fire hose
- About 4.5 days' salary and benefits for an entry-level Police Officer or Firefighter or 200 ft. of fire hose
- 79 linear feet of new paving, 17 street signs or 72.5 linear feet of sidewalk
- 96 children's books, 32 reference books or 3 IPAD Air (available for loan) for Chapin Library.
- 100 cubic yards of mulch for landscaped medians and parks
- Outfit 9 children for youth football with a helmet, shoulder pads, pants & pads, & a jersey.

## What Can You Buy per month for \$122.49? \*

### City Services:

- ✓ 24-hour police protection
- ✓ Criminal Investigation
- ✓ Traffic Enforcement
- ✓ Crime Prevention Programs
- ✓ School Resource Officer's Program
- ✓ 24-hour fire protection
- ✓ Fire Prevention Services
- ✓ 24-hour Emergency Medical Response
- ✓ Hazardous Materials Response
- ✓ Street Construction and Maintenance
- ✓ Traffic Signals and Street Lighting
- ✓ Street Cleaning
- ✓ Drainage System Maintenance
- ✓ Drainage Improvements
- ✓ Parks and Recreation Facilities and Programs
- ✓ Street Tree Planting and Maintenance
- ✓ Community Planning, Zoning, and Development Review
- ✓ Neighborhood Services
- ✓ Construction Services
- ✓ Municipal Court
- ✓ Various Economic Development Services
- ✓ All Municipal Legislative, Management, and Support Services



Three tanks of mid-grade gasoline to fill your family's mid-sized sedan:

**\$125.73**

*Based on 21.0 gallons of fuel capacity at \$1.99 per gallon*



Total Cost of City Services:

**\$122.49 Per Month**

One evening out for two with dinner and a movie:

**\$ 118.25**

*Based upon entrée' price of \$22.95, including two drinks, taxes, tips and refreshments at the theater.*

*Compare With:*



One Month's subscription to Basic Cable TV & High Speed Internet Access:

**\$131.99**



One week's low cost grocery bill for a family of 4:

**\$ 163.90**

*Based upon USDA Official Food Plan update February 2017.*



## Community Improvements

Since the Comprehensive Plan was enacted in 2000, great changes have come to the City of Myrtle Beach. Many of the Comprehensive Plan elements below have been accomplished by the City.

- Revitalization of the downtown area through the construction of a 1.2 mile long oceanfront boardwalk. The northern-most stretch of the boardwalk is a traditional, raised boardwalk that meanders along the dunes leading into the central section, located next to Plyer Park and oceanfront businesses, and consisting of a wide plaza with shade sails and a crosshatched wooden deck. The southern section is a broad promenade with lush landscaping and a great beach view.
- Transformation at the former Air Force Base with the opening of the Market Common, the renovation of Crabtree Gym, completion of miles of new walking and biking trails, extensive landscaping and lighting of public spaces, and construction of a new multi-field sports complex at Grand Park.
- Joint development of the new International Technology and Aerospace Park, or ITAP, covering nearly 400 acres at the former Air Force Base. The property, ready and waiting for new industry, is being marketed by Horry County and the Myrtle Beach Regional Economic Development Corporation. Located off Farrow Parkway, the park is literally next door to the runway at Myrtle Beach International Airport and just down the street from The Market Common.
- Preservation of the natural resources by maintaining ocean dunes in their natural state and enhancing accessibility to afford all people the opportunity to enjoy the beaches.
- New roadways such as Harrelson Boulevard, Grissom Parkway, the Carolina Bays Parkway, Pine Island Drive, the 82nd Parkway extension, Farrow Parkway, and the construction of the Fantasy Harbor bridge to improve access to and within the city.
- Extensive community outreach programs such as the Canal/Nance Revitalization project, neighborhood watch groups, and new community meeting/event facilities such as the Myrtle Beach Colored School and the Train Depot.
- Provision of affordable housing options through Waccamaw Housing, Grand Strand, and other groups. Plan for Unity Village, a consolidated homeless housing, health care, and job placement center. Master plan to rehabilitate housing in target areas of the city.
- Citywide street lighting plan and improvements. Burying of utility lines in the Downtown area and along the main thoroughfares. Aesthetic enhancements in landscaping along main thoroughfares and commercial areas such as Kings Highway, Coastal Grand Mall, and the Market Common development.
- Eliminating visual clutter citywide by zoning ordinances as well as the underground utility improvements. Continuous recipient of the "Tree City USA" distinction for amount of trees and shrubs planted in city rights-of-way.



## Financial Policies

### Elements of Financial Planning in the City of Myrtle Beach

#### (1) ***Mix of Available Resources***

Objectives:

- ✓ Use a balanced mix of revenues that will ensure reasonable stability for operation at continuous service levels through economic cycles, but will provide the economic sensitivity suitable for responding to increased service demand in a rapid-growth environment.
- ✓ Evaluate the characteristics of major resources and apply them to the types of expenditures for which they are best suited, e.g., recurring revenues for operating expenditures, one-time revenues for capital investment.

#### (2) ***Balanced Budget with Competitive Rate Structures***

Objectives:

- ✓ Maintain operating expenditures within the City's ability to raise revenues while keeping tax and rate structures competitive.
- ✓ Maintain strong prospects of structural balance over the long term.

#### (3) ***Adequate Liquidity to Retire Operating Obligations***

Objective:

- ✓ Ensure continuity of service without the use of interim borrowing.

#### (4) ***Access to Capital Markets***

Objective:

- ✓ Adequate capital financing sources and low costs of borrowing by managing to ensure the City's credit worthiness.

The policies on the following pages are consistent with the objectives stated above. While policies are long-standing in nature, they are reviewed and evaluated as to their appropriateness at the beginning of each annual budget process. Policies are intended to guide the organization in observing best practices of prudent financial management. Their function is to facilitate—not to hamstring—the operation of City government. To that end, it is expected that the City will exercise a certain amount of flexibility where necessary in order to keep a balance between best financial practices and optimum service delivery.

#### **Balanced Budget**

- The South Carolina Constitution and Code of Laws require that local governments adopt balanced budgets.

- A balanced budget provides for sufficient revenues and other financing sources to offset expenditures authorized for a fiscal period. The resources used to balance the budget may include judicious use of fund balance, and may include the use of long-term debt for financing capital projects.
- The City adopts balanced budgets for each year and attempts to maintain structural balance between revenues and expenditures in each operating fund over the long term.

### **Long Term Financial Planning**

- The Budget Office maintains and annually updates financial plans with a five-year planning horizon.
- Five-year plans for operating funds incorporate the effects of absorbing the operating costs of capital projects in the Capital Improvements Program, the Debt Management Plan, and Comprehensive Plan implementation.
- Long-term plans help to ensure structural balance of financing sources and uses by allowing the evaluation of long-term impacts of current decisions. Where structural deficits are found, the plans provide recommendations for corrective actions to restore structural balance in a timely fashion.

### **Revenues and Expenditures**

- The City utilizes formal historic trend analysis to establish baseline estimates of major revenues and expenditures. The Financial Management Division updates both mathematical specifications of trends and their resulting long-term projections each year.
- Updates are formed by study of economic projections of Waccamaw Regional Council and Charleston Southern University. This information helps to identify trends in independent variables in the deterministic models of City revenues and expenditures and to anticipate the likelihood and direction of short-term deviations from long-term trends.
- Revenue estimates are formulated so as to assume reasonable risk, but avoid overly optimistic projections.
- The City maintains operating expenditures within its ability to raise revenues. Annually recurring revenues must equal or exceed annually recurring expenditures.
- The City utilizes a mix of operating revenues characterized by (1) some sources that offer reasonable stability to support operation at continuous service levels and (2) others that provide the elasticity necessary for responding quickly to the challenges of a rapid growth environment. Toward that end, the City will use more economically sensitive revenues, such as business license fees, in the General Fund to allow more timely response to increased service demands during high-growth periods, and to ease the immediate burden on the ad valorem tax rate;
  - stabilize the revenue base for payment of debt service and capital leases by utilizing a portion of the property tax levy for this purpose;
  - avoid the use of non-recurring revenues to fund operations, using them instead to accumulate reserves or to fund capital improvements;

- use more volatile sources (such as building permits) to fund pay-as-you-go capital improvements.

### **Capital Improvements**

- The capital improvements program will not fund all community needs, but will fund high priority community growth projects in a variety of program areas.
- Existing infrastructure will be maintained and replaced as needed. The City will maintain or increase the use of pay-as-you-go funding, and will avoid the use of long-term debt for small projects (generally those under \$250,000) or those with a useful life of less than 20 years.
- Proceeds of new funding sources for the capital improvements program will be used for capital acquisition or to establish reserves for the renewal and replacement of existing capital assets.
- The first year of the five-year CIP will be the basis of formal fiscal year appropriations during the annual budget process.
- A projects monitoring team, chaired by a representative of the City Manager's office and including all project managers for active projects, will periodically review progress, issue progress reports, and coordinate new project resolutions and ordinances with the Budget Office during the year.

### **Contingencies and Strategies to Manage Certain Volatile Expenditures**

- In formulating the annual budget, the City appropriates contingency accounts in major operating funds equal to one and one-half per cent (1.5%) of annual operating revenues.
- A disaster recovery reserve is maintained in the Self-Insurance Fund to provide additional cash flow in disaster response situations pending the receipt of FEMA assistance. When reimbursements are received into the City treasury, they are used to replenish the reserve.
- The City maintains a sinking fund for the timely replacement of rolling stock with a value exceeding \$10,000. It is funded by annual lease payments from the users. Additions to the fleet are acquired with an initial capital outlay from grants or fund equities of the appropriate funds.

### **Budget Amendments and Updates**

- Budget-to-actual reports are provided monthly. The Financial Management and Reporting department completes budget reviews and re-projections quarterly and includes recommendations for corrective action as necessary.
- Budget amendments are processed as necessary, but are considered no less frequently than quarterly.

### **Working Capital**

- The City regularly evaluates the need and the availability of sufficient working capital to finance operations without interruption and without having to resort to short-term borrowing for operations.
- Working capital recommendations take into account the city's particular risk characteristics and are based upon an inventory model to plan for adequate inventories of unrestricted cash throughout the year.

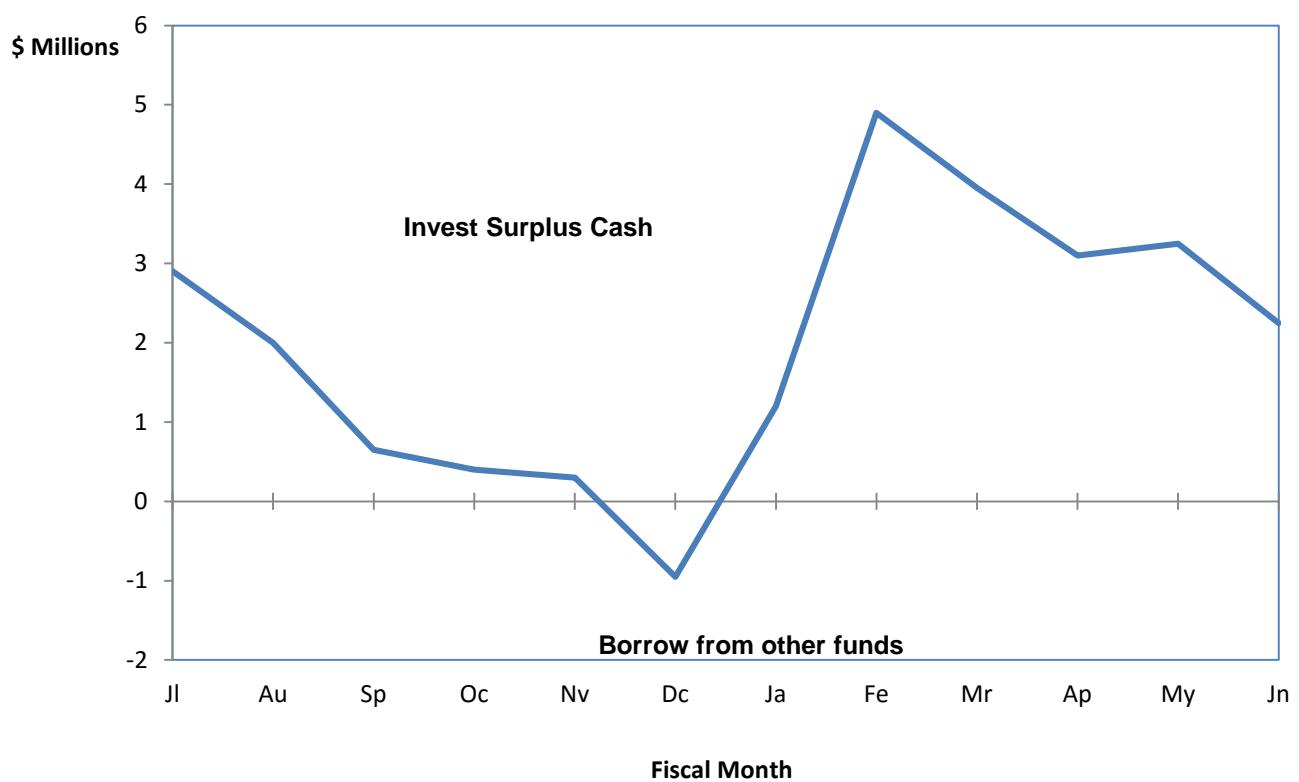
- Recommended working capital levels are set based upon projections of cash flow patterns, which are well synchronized in some funds—especially enterprise funds—but asynchronous in most governmental funds. In the General Fund, the recommended level is normally about 20% of recurring expenditures based upon the City's historical cash flows and the asynchronous nature of cash inflows and outflows. The City should retain sufficient working capital to provide some cushion against possible interruption of cash inflows in the event of a natural disaster.
- The City will not issue revenue or tax anticipation notes. To avoid such interim borrowing, the City will;
  - o maintain unreserved and undesignated fund balances in governmental funds which are sufficient to avoid interim borrowing or service interruptions under normal operating conditions. The target range in the General Fund is between 15% and 20% of recurring expenditures.
  - o maintain current ratios of at least 2:1 in each City enterprise fund. (The current ratio is the ratio of unrestricted current assets to current liabilities other than the current liability for servicing long-term debt.)
- Generally, fund balances are allowed to accumulate for designated purposes or for the retention of sufficient working capital to retire routine operating obligations, given the expected cash flows of those funds. Excess fund balance amounts (in excess of the 20% threshold) in the General Fund may be appropriated for non-recurring expenditures such as capital acquisitions or capital improvements.
- Myrtle Beach invests excess cash in short-term treasuries, fully collateralized certificates of deposit and repurchase agreements, and the South Carolina Local Government Investment Pool administered by the State Treasurer's Office. For periods when the demand for cash exceeds receipts from revenues and other financing sources, these investments are partially liquidated in order to meet current financial obligations. Interfund loans from pooled cash and investments are occasionally used to offset temporary cash shortages in individual funds during the fiscal year. Interfund loans of this type must be satisfied within one year's time. The Cash Management Strategy Graph in the following section illustrates this policy.

### **Interfund Transfers**

- The City does not use interfund transfers from enterprise or special revenue funds to subsidize the costs of City services provided by the General Fund.
- Interfund Transfers are allowed for direct or indirect cost allocation for services rendered by administrative and support service departments to enterprise or special revenue funds.
- Interfund Borrowing during the year is allowed in a manner compliant with the Moderate Working Capital policy described above, where the interfund borrowing is not prohibited by legal or contractual provisions. It is anticipated that any fund may have a balance “due to” other funds on its balance sheet some time during the year. However, interfund borrowing is an interim arrangement and interfund loans normally should not have a life beyond 90-180 days.

- Interfund Borrowing that cannot be repaid in such a timely manner may be indicative of a structural imbalance in the borrowing fund. If that is the case, the Financial Management & Reporting Department will provide the Manager with recommendations for correcting the imbalance.
- An enterprise or special revenue fund may be required to make payments in lieu of taxes to the General Fund, provided that the enterprise or special revenue program charges its regular rates for any service provided to General Fund departments that are accounted for in the General Fund.

### **Cash Management Strategy, General Fund**



### **Moderate Working Capital Policy**

Because cash inflows and outflows are asynchronous in governmental funds, the cash positions in those funds can vary widely over the fiscal year. Conservative working capital policy would require the City to keep larger fund balances in order to avoid cash deficits at any time, thus requiring higher tax and fee rates. The opposite extreme would make liberal use of interim borrowing for ongoing operations, likewise requiring higher taxes and fees to support interest payments. The City's policy is to seek a reasonable balance by controlling projected cash deficits to levels that are manageable within limited interfund loan guidelines.

## **Capital Formation and Debt Management**

### **Capital Formation**

- Funding dedicated to General Capital Improvements on a pay-as-you-go basis includes:
  - all non-current ad valorem taxes,
  - one-time revenues and highly volatile revenues,
  - share of the accommodations tax for beach monitoring, and
  - share of the hospitality fee.
- Enterprise fund impact fees are used for expansion of distribution system capacity, and all other improvements to municipal enterprises are funded from fund equity, system revenues, or debt secured by a pledge of the enterprise's revenues.
- To the extent that the unreserved general fund balance exceeds amounts needed for working capital, the City may draw upon that balance to provide pay-as-you-go financing for (a) capital outlay to support service delivery, and (b) general capital improvements.

### **Debt Management**

- The City issues debt only to finance capital improvements for which the project's useful life is expected to equal or exceed the term of the debt issue.
- The City seeks to maintain investment grade credit ratings by managing the timing of debt issuances so as to sustain moderate debt ratios and ensure the affordability of debt before preparing an issue for market.
- The Debt Management Plan will provide for the issuance of new debt at reasonable time intervals in order to avoid erratic impacts upon the ad valorem tax rate or water and sewer utility rates.
- Enterprise Fund projects are formulated and undertaken on a self-sustaining basis.

## **Public Funds Management**

### **Allowable Investments**

The City's funds management activity is governed by state law and by local policy. Allowable investment instruments include, and are limited to, U. S. Treasury or Agency securities; bonds of the State of South Carolina; bonds of South Carolina municipalities with an investment grade credit rating; insured or fully collateralized Certificates of Deposit; money market mutual funds backed by short-term U.S. Government securities for reserves or construction funds held in connection with a bond issue by a trustee under a trust agreement; guaranteed investment contracts for reserve funds in connection with a bond issue, when the contract is collateralized by U.S. Treasuries or Agencies of suitable maturities; other investment arrangements for proceeds of bond issues as may be negotiated, provided they meet the policy objectives identified herein.

In addition to these guidelines, the City has set for itself the following investment objectives, in order of priority:

- a) *Preservation of capital.* The first interest of the City is to safeguard against the risk of loss. To that end, it is the City's policy to observe State laws that protect against credit risk. The City also attempts to limit market risk by investing operating cash

balances (or working capital) in cash equivalents and marketable securities with maturities of less than one year.

b) *Liquidity appropriate to the demand for the funds.* The City accumulates and maintains unrestricted fund balances for working capital to meet routine operating cash flow needs. The City does not, as a matter of policy, adopt tax or fee structures sufficient to generate excess balances to be made available for investment over an indefinite term. Furthermore, Council may from time to time desire to appropriate from fund balances for public purposes.

It is the City's intent to avoid the risk of suffering losses due to the need to liquidate investments prior to maturity. Therefore, all investments of working capital funds will have a final maturity of one year or less, and the City will attempt to maintain no less than seventy-five per cent (75%) of such short-term funds in arrangements offering daily liquidity.

Exceptions to this rule are permitted only for the investment of balances designated for funded depreciation in an enterprise fund, for the future replacement of rolling stock according to the Vehicle Replacement Plan, or for Debt Service Reserve funds governed by their respective bond ordinances. In any event, however, the maturity schedules of the invested funds will match the schedules according to which the funds are reasonably expected to come into demand.

c) Reasonable, not maximum, yield. The City will attempt to achieve reasonable returns on its investments. In no event should safety or liquidity be sacrificed in favor of above market yields.

### **Custodial Arrangements**

GASB Statement 3 Rules Apply. The City shall comply with GASB Statement 3 rules on custodial arrangements with a designated risk level of Category 1 or 2.

**Safekeeping Agent and Requirements.** Securities belonging to the City of Myrtle Beach are held in safekeeping by a designated third-party agency, normally a bank's trust or safekeeping department. Securities will be fully registered in the name of the City of Myrtle Beach, and the safekeeping agent will supply receipts documenting the City's ownership of or pledged interest in the securities, stating (1) the name of the issuer and a description of the security, (2) the par amount, (3) the final maturity date, (4) the CUSIP number, (5) the date of the transaction, and (6) the safekeeping receipt number.

**Delivery versus Payment Basis of Transfer.** The City requires that all transfers of securities, or of cash as payment for securities, be completed on the basis of delivery versus payment (DVP).

**Segregation of selling and safekeeping responsibilities.** In no event will the bank or broker/dealer from whom a security was purchased be allowed to safe-keep the security.

### **Special Topics**

**Unsolicited Business.** The City does not entertain unsolicited trade proposals.

**Eligibility of Firms to Respond to Requests for Investment Proposals.** Any firm requesting eligibility to respond to requests for investment proposals of the City of Myrtle

Beach will be furnished a copy of this policy. Such firm will agree to be bound by the terms of this policy, and will certify such agreement by filing a written statement to that effect. Said statement will be written on the firm's letterhead and will be signed by an officer of the firm and accompanied by documentation certifying the officer's authorization to pledge securities of the firm's portfolio for any depository accounts in the City's name, or his/her license to sell on the firm's behalf any deliverable and registrable securities to the City of Myrtle Beach.

**Trading Programs.** Many firms offer securities trading programs and many local governments participate in them. While these programs may be designed to observe the letter of the law of South Carolina with regard to legal investments, they are often designed to evade its intent. The City will not entertain such proposals.

**Bond Mutual Funds.** Many bond funds are marketed as being "government guaranteed." Except for money market funds, however, their underlying portfolios often consist of securities with long maturities, allowing them to quote high yields. They are not suitable for short-term investments. It is the City's interpretation that these are not legal investments for municipalities in the state of South Carolina.

The single exception to this rule is for money market funds with allowable underlying securities when invested by the trustee for a bond issue as outlined in state code.

**Derivative, or "Exotic" Products.** These products come in such a wide variety, it would be impossible to cover them all. Use of any product that derives its value from the performance of an underlying security is inconsistent with the City's objectives for investment of working capital funds. Such products should be avoided.

**Leveraging.** Leveraging of assets of the City of Myrtle Beach for investment purposes is strictly prohibited. This prohibition specifically includes reverse repurchase agreements.



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# **Total Budget Summary**

**2017-18 Budget Summary & Comparison**

**City Staffing**

**Departmental Budgets**

**Capital Improvement Budget & 5-year Plan**

**Debt Management**



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## City of Myrtle Beach

### FY17-18 Budget Summary & Comparison

	FY2015-16 Actual	FY2016-17 Rev. Budget	FY2017-18 Budget	% Δ
Governmental Operations	\$ 158,236,515	\$ 168,158,296	\$ 173,111,557	2.9%
Enterprise Operations	36,644,411	37,099,687	38,807,988	4.6%
Total Operating Budget	<u>194,880,926</u>	<u>205,257,983</u>	<u>211,919,545</u>	3.2%
Governmental Capital Projects	<u>5,005,449</u>	<u>9,887,784</u>	<u>5,513,584</u>	-44.2%
Reconciling Items				
Enterprise Capital Projects	<u>3,513,447</u>	<u>7,859,500</u>	<u>4,780,700</u>	-39.2%
Total Reconciling Items	<u>3,513,447</u>	<u>7,859,500</u>	<u>4,780,700</u>	-39.2%
Less: Interfund Transfers	<u>(28,877,720)</u>	<u>(30,711,077)</u>	<u>(31,584,004)</u>	2.8%
Grand Total Appropriations	<u>\$ 174,522,102</u>	<u>\$ 192,294,190</u>	<u>\$ 190,629,825</u>	-0.9%

## FY18 Budget Statement of Revenues, Expenditures, & Changes in Fund Balance/Equity

	Governmental Operating Budget	Enterprise Operating Budget
<b><u>Revenues and Other Financing Sources</u></b>		
Property Taxes	\$ 35,531,267	\$ -
Licenses and Permits	44,784,050	-
Fines and Forfeitures	1,244,075	-
Local Option Tourism Fees	28,560,000	-
Intergovernmental Revenue	13,951,800	-
Charges for Current Services	11,960,361	33,989,988
Miscellaneous Revenue	6,395,400	233,600
Proceeds of Long-term Obligations	2,430,060	-
Transfers from Other Funds	28,254,544	1,159,400
Capital Contributions	-	3,425,000
Net Use of Fund Balances	-	-
	<u>\$ 173,111,557</u>	<u>\$ 38,807,988</u>
<b><u>Expenditures/Expenses</u></b>		
General Government	\$ 12,359,587	\$ -
Public Safety	44,950,743	-
Transportation	6,892,464	-
Community and Economic Development	34,316,505	-
Culture and Recreation	13,596,942	964,458
Public Works	8,556,916	35,172,964
Capital Improvements & Acquisitions	6,243,757	-
Principal Retirement	8,417,615	-
Interest and Fiscal Charges	7,333,379	1,197,529
Bond Issuance Costs	-	8,610
Transfers to Other Funds	30,156,004	1,428,000
Increase in Fund Net Assets	287,645	36,427
	<u>\$ 173,111,557</u>	<u>\$ 38,807,988</u>
<b><u>Add items previously appropriated and non-expense items</u></b>		
Enterprise Capital Projects	-	4,780,700
<b>Less Interfund Transfers</b>	<b>(30,156,004)</b>	<b>(1,428,000)</b>
<b>Grand Total FY2018 Recommended Budget</b>	<b><u>\$ 142,955,553</u></b>	<b><u>\$ 42,160,688</u></b>

Total Operating Budget	General Capital Improvements Budget	Total Manager's Recommended Budget
\$ 35,531,267	\$ 610,000	\$ 36,141,267
44,784,050	750,000	45,534,050
1,244,075	-	1,244,075
28,560,000	-	28,560,000
13,951,800	1,589,520	15,541,320
45,950,349	-	45,950,349
6,629,000	57,000	6,686,000
2,430,060	-	2,430,060
29,413,944	2,170,060	31,584,004
3,425,000	-	3,425,000
-	337,004	337,004
<u>\$ 211,919,545</u>	<u>\$ 5,513,584</u>	<u>\$ 217,433,129</u>
\$ 12,359,587	\$ 440,584	\$ 12,800,171
44,950,743	-	44,950,743
6,892,464	-	6,892,464
34,316,505	-	34,316,505
14,561,400	-	14,561,400
43,729,880	-	43,729,880
6,243,757	5,073,000	11,316,757
8,417,615	-	8,417,615
8,530,908	-	8,530,908
8,610	-	8,610
31,584,004	-	31,584,004
324,072	-	324,072
<u>\$ 211,919,545</u>	<u>\$ 5,513,584</u>	<u>\$ 217,433,129</u>
4,780,700	-	4,780,700
<u>(31,584,004)</u>	<u>-</u>	<u>(31,584,004)</u>
<u>\$ 185,116,241</u>	<u>\$ 5,513,584</u>	<u>\$ 190,629,825</u>

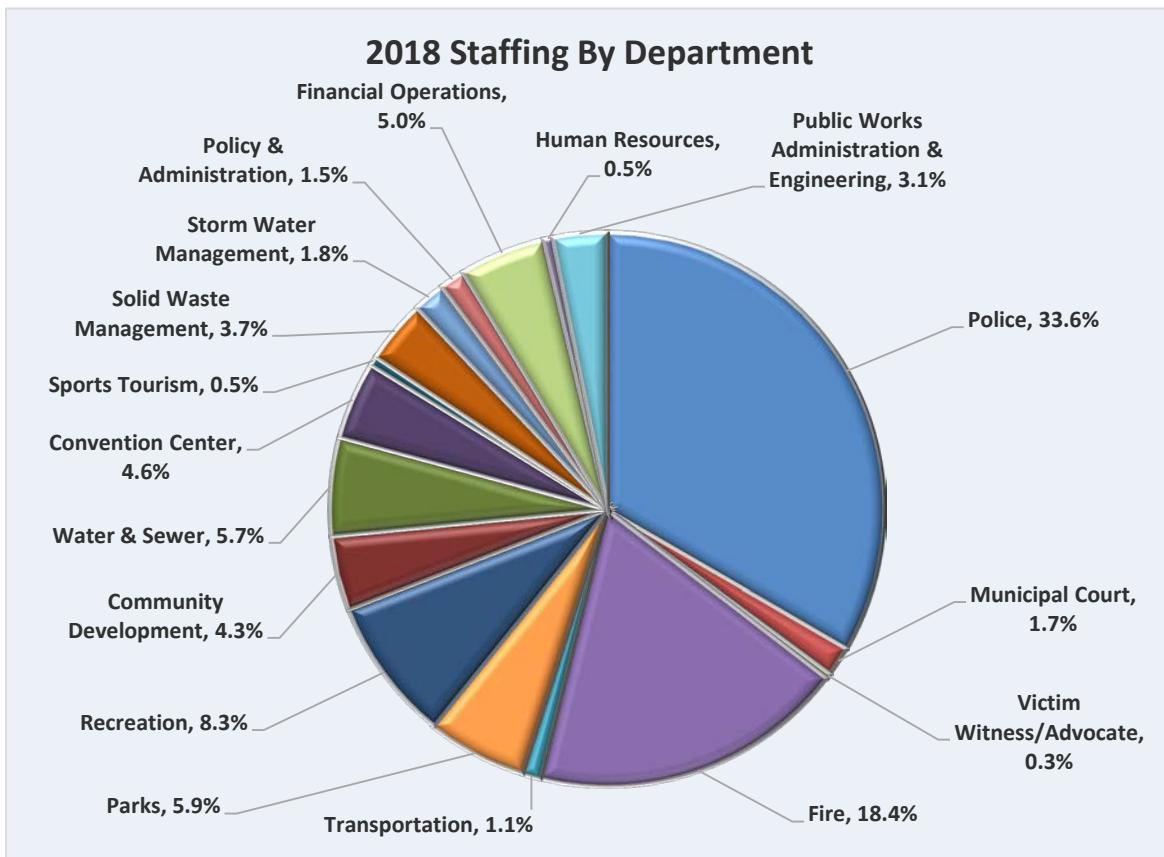
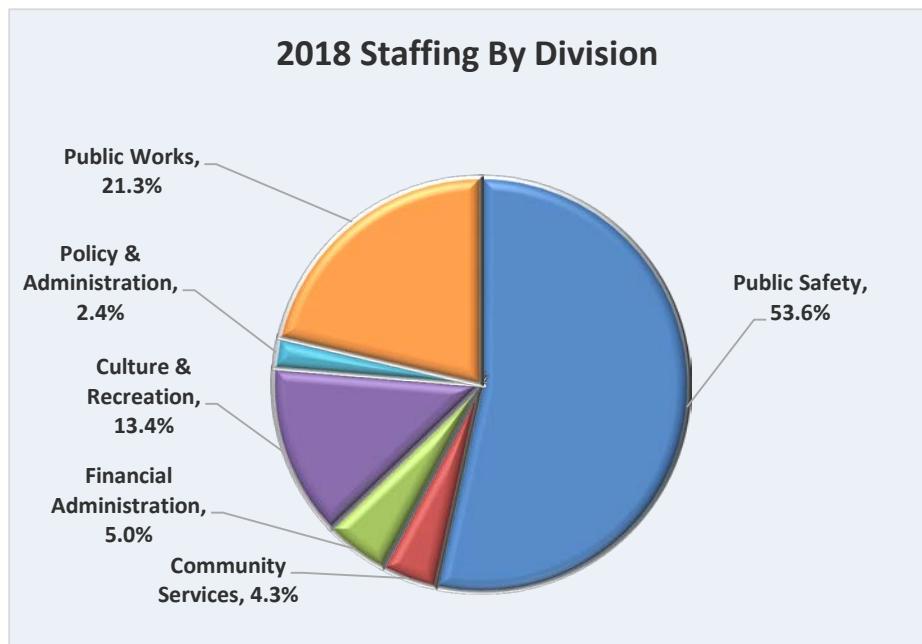


## City of Myrtle Beach Staffing

A significant part of the operating budget, nearly 40%, is funding for employees who provide services to the citizenry. The charts accompanying this section identify full-time position allocations by department.

	2015-16	2016-17	2017-18	Net Change
<b><u>Community Services</u></b>				
Police	296	298	<b>308</b>	<b>10</b>
Municipal Court	17	18	<b>16</b>	<b>(2)</b>
Victim Witness/Advocate	3	3	<b>3</b>	-
Fire	169	161	<b>170</b>	<b>9</b>
Transportation	10	10	<b>10</b>	-
Parks	51	54	<b>54</b>	-
Recreation	73	77	<b>77</b>	-
Community Development	38	38	<b>40</b>	<b>2</b>
Water & Sewer	56	53	<b>53</b>	-
Convention Center	38	39	<b>42</b>	<b>3</b>
Golf Course	-	-	-	-
Sports Tourism	5	5	<b>5</b>	-
Solid Waste Management	32	34	<b>34</b>	-
Storm Water Management	<u>16</u>	<u>17</u>	<u>17</u>	-
<b>Total Community Services</b>	<b>804</b>	<b>807</b>	<b>829</b>	<b>22</b>
<b><u>Support Services</u></b>				
Policy & Administration	14	14	<b>14</b>	-
Financial Operations	43	43	<b>46</b>	<b>3</b>
Human Resources	6	6	<b>5</b>	<b>(1)</b>
Public Works Administration & Engineering*	<u>28</u>	<u>29</u>	<u>29</u>	-
<b>Total Support Services</b>	<b><u>91</u></b>	<b><u>92</u></b>	<b><u>94</u></b>	<b><u>2</u></b>
<b>Total Authorized Positions</b>	<b>895</b>	<b>899</b>	<b>923</b>	<b>24</b>

\* Includes 8 staff members from the Fleet Service Internal Service Fund





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## Departmental Budgets

Departmental budgets are presented in a manner reflective of the City's organizational structure as follows:

**Policy & Administration Division** - The Policy and Administration Division offers professional leadership and direction in the management of the City and execution of City Council policies, provides administrative support to the City Council, legal guidance to the City, provides for the municipal court, victim advocacy, and acts as the liaison with other governmental agencies, citizens, businesses, community groups, and the media.

**Financial Administration Division** - Financial Administration provides city-wide accounting services that include payroll, accounts payable, revenue collection, financial reporting and accounting, grants administration, and capital assets tracking. The division also manages the annual financial plan, the capital improvements plan, debt service, business licensing, utility billing, and risk management.

**Community Services Division** - Community Services involves both organizational and community development and encompasses human resources, planning, neighborhood services, recreational facilities and programming, the promotion of sports tourism, and the Myrtle Beach Convention Center.

**Public Safety Division** - Public Safety encompasses police, fire, and emergency services.

**Public Works Division** – Public Works responsibilities encompass the administration, planning, maintenance, construction management and technical engineering of the city's infrastructure including buildings and grounds, transportation systems, storm water collection systems, water and sewer distribution systems, solid waste collection, fleet maintenance, and construction permitting and oversight services.



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## **Policy & Administration Division**



**City Council  
City Manager  
City Attorney  
Victims Advocate  
Municipal Court  
Public Information**

## Policy & Administration



Mission: To provide policy guidance in the formulation of community vision, goals and objectives, and manage their direction.

Service	<i>Budget / Positions</i>		
	FY 2015-16 <i>Actual</i>	FY 2016-17 <i>Budget</i>	FY 2017-18 <i>Budget</i>
<b>City Council</b> Provides leadership and develops the strategic vision for the City of Myrtle Beach.	\$571,187 8	\$606,629 8	\$583,297 8
<b>City Manager</b> The City Manager's Office is responsible for implementing Council's policy decisions, providing vision and leadership to the organization, and facilitating and directing the daily operations of City Government.	\$971,865 6	\$1,065,884 6	\$1,084,327 6
<b>City Attorney</b> Legal representation or procurement of representation for the City of Myrtle Beach.	\$779,876 4	\$926,452 4	\$934,446 4
<b>Victims Advocate</b> Provide information, support, and advocacy for victims of crime throughout the criminal justice process.	\$240,971 3	\$273,301 3	\$285,388 3

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Public Information</b>	\$252,888	\$278,828	\$281,064
Responsible for communication with the press, compliance with FOIA regulations, and general dissemination of information to the public.	2	3	3
<b>Municipal Court</b>	\$1,185,179	\$1,329,461	\$1,247,035
Operation of the Municipal Court for the City of Myrtle Beach.	17	18	16
<b>Capital Outlay</b>	\$0	\$0	\$0
<b>Total Policy &amp; Administration</b>	\$4,001,966	\$4,480,555	\$4,415,557
	40	42	40



## **Policy & Administration Budget Formation**

The Policy & Administration Division budget decreased by 1.4% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The City Administration budget increased by \$3,000 for the purchase of new computers.

### **Budget Decreases:**

- The Municipal Court Budget decreased by 6.2% because of the reassignment of the two Court Bailiffs to the Police Department.
- City Council's overall budget decreased slightly because of a decrease in professional fees for FY18.

### **Strategic Emphasis for 2017-18:**

- The Public Information Office's emphasis is to update and maintain a new website, continue publication of newsletters, assist other departments with communications and message, and manage and promote both departmental and city-wide special events and activities.
- The Victim's Advocate Division emphasis is to provide compassionate and informative support to crime victims, provide training and resources for the community, and refer victims to programs and services afforded to them by neighborhood businesses and non-profit organizations.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Public Information</b>					
Facebook Posts	n/a	n/a	n/a	805	1,353
News Releases	n/a	n/a	166	183	184
Proclamations	n/a	n/a	58	57	62
Emails (PIO)	n/a	n/a	8,800	11,200	13,100
30 minute radios shows each airing four(4) cumulus stations	n/a	n/a	52	52	52
<b>Municipal Court</b>					
Cases Filed	27,780	26,607	27,669	25,107	25,084
Arrest Warrants Issued	3,014	2,982	2,809	2,070	3,374
<b>Victims Advocate</b>					
Cases Opened	2,741	2,744	2,457	2,490	2,373
Bond Hearings Attended	1,040	1,159	1,105	1,194	1,324
Bench Trials Attended	465	501	490	499	465
Pre-Trial Conference- Jury Trial	199	197	159	164	140





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## **Financial Management Division**



Financial Management & Reporting  
Financial Services  
Risk Management

## **Financial Management & Reporting**



Mission: To coordinate and manage the budget process and capital improvement plan, serve as the lead agency in the management of the City's debt portfolio, and provide accurate accounting and financial reporting on the City's financial position.

<b>Service</b>	<b>Budget / Positions</b>		
	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Financial Management &amp; Reporting</b>	\$279,671	\$561,369	\$623,380
Responsible for financial management, reporting, and the City's budget coordination and monitoring, debt planning and compliance, general accounting services, and management of information system services.	4	5	5
<b>Information Systems</b>	\$909,904	\$984,491	\$1,082,897
The IS division is responsible for hardware, software, infrastructure, and telecommunication for the data systems of the City and its users. The department provides support, training, installation, and maintenance for systems city-wide.	7	7	8
<b>Accounting</b>	\$517,956	\$450,069	\$469,115
Provides general accounting services, including general ledger maintenance, authorization and documentation for payment of the City's liabilities, distributing accounts payable checks, payroll, and related reporting.	8	6	6
<b>Capital Outlay</b>	\$0	\$0	\$0
<b>Total Financial Management &amp; Reporting</b>	\$1,707,531	\$1,995,929	\$2,175,392
	19	18	19

## **Financial Management and Reporting Budget Formation**

The Financial Management and Reporting budget increased by 9.0% when compared to the FY2016-17 Adopted Budget.

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- An increase of \$63,480 in the Information System Division to create an IS Help Desk/Technician position to free up IS Analysts to assist users, update policy, monitor cyber security, and prepare for new system implementation.

### **Budget Decreases:**

- Financial Management and Reporting decreased by \$2,495 in Travel, Meetings, and Schools.

### **Service Delivery Highlights and Challenges:**

- Financial Management and Reporting will focus on policy, planning, and productivity improvements in the coming fiscal year. Stability of the budget, accuracy in reporting, internal control, security against cyber threats, and maintaining relevant emergency response plans and procedures make up the highest priorities for the department. Addressing those priorities will require an investment in staff and infrastructure.
- Maintaining and updating the organization's financial and peripheral technology infrastructure is an integral component of effective financial management and plays a role in facilitating the operations of nearly every department in the City. In FY 17, funding was appropriated to retain a professional firm to assess existing technology infrastructure and identify a system suitable to replace the existing 20 year old legacy system in operation today.
- Much like our technology infrastructure, our core Information Services staffing level has remained unchanged for years. The number and types of technological devices utilized has changed dramatically over the last decade and the complexity of that technology has expanded. In addition, cyber security, training, and recovery planning are vital in our current environment. To sufficiently service those devices, prepare to implement new infrastructure, and secure our current infrastructure, the Information Systems department requires the addition of an Information Systems Technician. The addition of a staff member in the department will allow management to focus on system planning and security.

**Strategic Emphasis 2017-18:**

- Promote financial planning that ensures the sustainability of our organization.
- Monitor revenues and expenditures for variances from the adopted budget and recommend corrective courses of action when needed.
- Implement accounting policies and procedures that safeguard the City's assets and ensure compliance with all applicable laws and accepted accounting practices.
- Actively engage in continuing education and relevant training to stay ahead of changing standards, laws, and potential threats.
- Cross-train staff members to ensure continuity of service.
- Staff our Information Systems department sufficiently to facilitate efficient operation in all of the various departments throughout the City.
- Enhance our Cyber Security and emergency response policies and procedures to meet continuously evolving challenges.

## Financial Services Department



Mission: To provide for revenue collections and the procurement of goods and services.

### Budget / Positions

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Financial Services</b>	\$540,717	\$347,204	\$294,509
Responsible for the management of finance services including the City's general revenue collection services, overseeing and coordinating utility billing, business license, hospitality, and managing the procurement function.	4	3	2
<b>Business License</b>	\$409,044	\$422,966	\$434,337
Enforce business license, hospitality, and local accommodations ordinances; and ensure efficient collection of these fees.	6	6	6
<b>Purchasing</b>	\$482,951	\$559,213	\$538,246
To provide for the fair and equitable treatment for the purchase of supplies, materials, equipment, and contractual services required by all stakeholders, to maximize the purchasing value of public funds and to provide safeguards for maintaining a procurement system of quality and integrity.	7	7	7

	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Budget	Budget
<b>Revenue Billing</b>	\$419,849	\$609,188	\$679,315
Responsible for the billing, collection, and deposit of all City monies for water/sewer, storm water, solid waste billing, and collection services.	4	4	8
<b>Capital Outlay</b>	\$0	\$27,000	\$0
<b>Total Financial Services Department</b>	\$1,852,561	\$1,965,571	\$1,946,407
	21	20	23

## **Financial Services Division Budget Formation**

The Financial Services Division budget decreased by 1.0% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the boardadjustment, effective January 2018, per the compensation study.
- A \$44,731 increase in the Utility Billing Department to convert a part-time cashier to a full-time cashier to assist with customer service during heavy collection periods, provide needed backup when one of the two cashiers are out, keep filing up to date and assist in the mail room. Additionally, an employee previously maintained in the Financial Services Department transferred to the Utility Billing Department.

### **Budget Decreases:**

- A decrease of \$38,800 in the Financial Services Department reflects a transfer of one employee from Financial Services to the Utility Billing Department.
- The Purchasing Department's had a decrease of \$27,000 in the Facility Improvement budget. Improvements to the front door and automatic fencing were completed in FY17. Additionally, the budget reflects a \$14,000 decrease in building and grounds maintenance. Major repairs were required on the Gas Boy system in the prior year.

### **Service Delivery Highlights and Challenges:**

- Business License Division issued 10,242 business licenses in FY 2017. Business license revenue is the second largest revenue source for the general fund. FY 2017 collections exceeded \$22 million. The division has 6 staff members responsible for enforcing and collecting this revenue source. Of the total team, 4 are administrative (including the supervisor) and 2 are field. In FY 2017, the city approved a contract with NuStrat Analytics, a consulting firm that assists the division to collect revenue by identifying companies primarily located outside of the municipality doing work within the municipality. This contract will assist in new revenue collections without the cost of increasing staff positions. The increase in special events and facility use permits continues to present enforcement challenges.
- Purchasing Division issued 552 purchase orders in FY 2017 and the warehouse processed more than 7,100 transactions which consists of receiving and issuing inventory. Purchase orders require departments to submit requisition requests to purchasing and purchasing creates a purchase order through the computer. The automation of the requisition process was completed in FY 2017 which enables the

requesting department and buyer to follow the purchase from inception to receipt. The process also improves efficiency by placing more responsibility for the purchase and its specifications on the requestor to ensure the buyer is purchasing exactly what was requested. The flow of information between departments is electronic and confirmed with emails. The challenges are to continue to seek competitive bids and pricing and continue to educate small businesses on how to do business with the city.

- Revenue Division serviced an average of 20,390 utility accounts. There are 3 customer service representatives and 1 supervisor to service these accounts. That represents about 5,098 customers per person. A 24/7 IVR (interactive voice recognition) system was implemented at the end of FY 2015 which has enabled utility customers to pay their bill anytime using an automated service. The system has eliminated the inconvenience of only being able to pay by phone within the normal business hours. The challenges are the additional customer accounts to be serviced as a result of the increased development on both the southern and northern portion of the city.

#### **Strategic Emphasis 2017-18:**

- Participate in the process to identify a financial software package that will replace our current legacy system so that new technology can be utilized to improve our current systems. The Financial Services Department is a support department to all city departments. The department collects business license revenue which is the 2<sup>nd</sup> largest revenue for the city, bills citizens and businesses for water, sewer, solid waste, and storm water management fees and collects the revenues for the same, and handles the city's purchasing and bidding of requests for proposals. Each of these functions contribute to the support of services and infrastructure that will lead to an unparalleled quality of life for our residents.

#### **Demand and Performance Indicators**

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Business Licenses Issued	7,522	7,475	7,261	7,567	9,318
Utility Accounts	17,791	18,188	18,348	19,280	19,823
Hospitality Accounts Collected Monthly	1,126	1,136	1,147	1,174	1,208
Purchase Orders Completed Annually	464	443	391	699	486

## Risk Management



Mission: To protect the assets of the City against losses which might adversely affect its operation and continuity of services through a program of identifying and assessing hazards and loss exposures and by selecting the best techniques to avoid, control, assume, or transfer the risk.

### *Budget / Positions*

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Risk Management</b>	\$240,600	\$265,540	\$341,293
The Risk Management Office is responsible for protecting the assets of the City against losses which might adversely affect its operation and continuity of services through a program of identifying and assessing hazards and loss exposures and by selecting the best techniques to avoid, control, assume or transfer the risk.	3	3	4
<b>Capital Outlay</b>	\$0	\$0	\$0
<b>Total Risk Management</b>	\$240,600	\$265,540	\$341,293
	3	3	4

## **Risk Management Budget Formation**

The Risk Management budget increased by 28.5% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- An Administrative Secretary position was added to coordinate and assist with special events and the department's transition into health insurance administration.

### **Service Delivery Highlights and Challenges:**

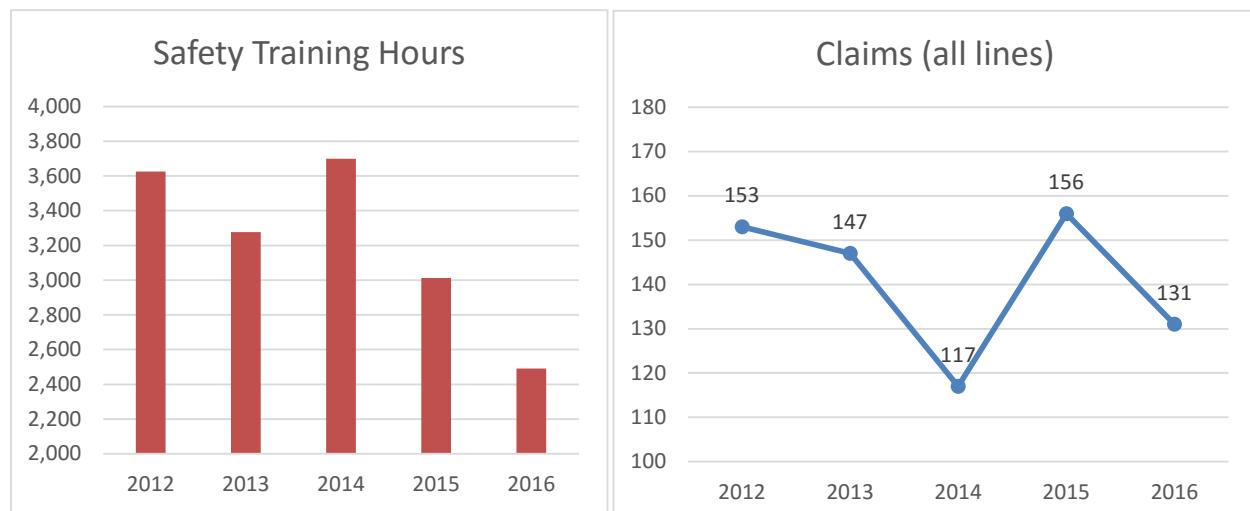
- The safety program has helped to reduce the number of workers' compensation claims and early intervention on worker's comp claims has resulted in faster closing ratios. The safety program has also help to reduce claims in other lines of coverage.
- Safety training for new employees is a regular part of the orientation process and the loss prevention program is supporting efforts of the Risk Management Department.
- Continue to review and assess exposures that could have a negative impact on our residents and employees.

### **Strategic Emphasis for 2017-18:**

- Incorporate in RFP's training from manufacturers and outside vendors and other departments for equipment users.
- Provide training for new management and employees on "Return to Work" program.
- Attend department safety committee meetings to review in depth incident/accident investigation.
- Incorporate Occupational Health services under our CareHere Clinic umbrella.
- Closely monitor claim activities in all lines to reduce insurance costs.
- Research insurance market for new products to protect the City infrastructure and add Cyber insurance to our array of coverage.
- Take over the Administration of the Health Insurance program.

## Demand and Performance Indicators

	2012	2013	2014	2015	2016
<b>Measure</b>					
Number of Safety Training Hours	3,626	3,276	3,699	3,013	2,491
Number of Safety Classes Conducted	33	29	31	31	26
Number of Claims (all lines)	153	147	117	156	131
Number of workers comp claims	103	92	84	117	102





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## **Community Services Division**



Human Resources  
Neighborhood Services  
Planning  
Recreation  
Chapin Memorial Library  
Myrtle Beach Convention Center  
Sports Tourism

## Human Resources



Senior Job and Volunteer Assistance Fair

Mission: To serve the citizens of Myrtle Beach, its employees, and elected officials with timely, efficient, and accurate employee and labor relations services and provide city employees, retirees, and the General Public with timely, high-quality service that integrates kindness, communication, teamwork, respect, understanding, trust, confidentiality, sensitivity, and individualized attention

### *Budget / Positions*

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Human Resources</b>	\$924,403	\$925,464	\$872,888
The Human Resources department provides services relating to recruitment, testing, compensation, employee relations, training, organizational development, and benefits design, consulting, and management.	6	6	5
<b>Capital Outlay</b>	\$0	\$0	\$0
<b>Total Human Resources</b>	\$924,403	\$925,464	\$872,888
	6	6	5

## **Human Resources Budget Formation**

The Human Resources Department budget decreased by 5.7% when compared to the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- A \$5,000 increase in funding for the education reimbursement program.

### **Budget Decreases:**

- Personal Services decreased slightly due to the retirement of the long-time director and hire of a new director at a lower rate.
- Other operational expenditures decreased by \$24,000 because the CLIMB Leadership program was brought in-house.

### **Service Delivery Highlights and Challenges:**

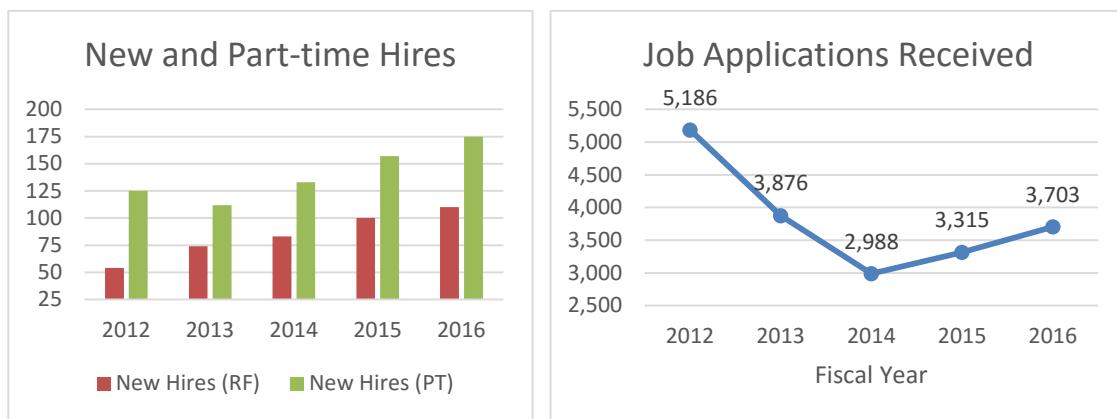
- The number of allocated positions has increased, increasing demand to recruit, screen, hire and process new hires. Separations of regular full-time and temporary employees have also increased steadily. These events result in a large volume of paperwork. Automation of the application and on-boarding system is expected to create efficiencies in the process.
- Our efforts to retain good employees and support them in performing their current jobs and preparing for the future includes more training opportunities, a meaningful performance evaluation system, an accurate and reliable classification and compensation system, effective communication, and recognition systems.

### **Strategic Emphasis for 2017-18:**

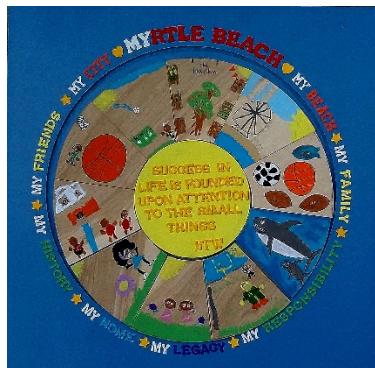
- Collaborate with departments to provide education and training on issues related to equity, compliance, inclusion, skill development and diversity. Continued focus to strengthen the City's workforce diversity.
- Focus on quality of services, conduct HR Services Review to improve the quality and efficiency of HR services to departments.
- Seek tools, systems, processes, and best practices that will prepare us for internal and external changes. Consider onboarding and HRIS systems.
- Conduct a Strategic Workforce Plan to ensure the City's workforce is adequately staffed to meet the needs of a growing population.
- Focus on talent activation and engagement initiatives that enhance retention of the City's existing workforce and strengthens recruitment efforts of future employees.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Number of New Hires (RF)	54	74	83	100	110
Number of New Hires (PT)	125	112	133	157	175
Number of Terminations (RF)	51	61	84	98	74
Number of Terminations (PT)	83	85	118	103	129
Attended Benefit Meetings	724	746	740	726	748
Number of Training Classes Offered	22	28	23	22	16
Attendance at Training Classes	192	271	170	261	157
Number of Jobs Advertised	182	244	238	366	470
Number of Applications Received	5,186	3,876	2,988	3,315	3,703
Number of Job Fairs Attended	18	10	10	10	11
Turnover Rate	6.25%	7.41%	10.13%	11.87%	9.75%



## Neighborhood Services



Mission: To make our neighborhoods catalysts for our future.

	<i><b>FY 2015-16 Actual</b></i>	<i><b>FY 2016-17 Budget</b></i>	<i><b>FY 2017-18 Budget</b></i>
<b>Neighborhood Services</b>	\$232,857	\$278,983	\$334,853
Responsible for coordination of neighborhood outreach, community services, and the administration of the Community Development Block Grant.	3	3	3
<b>Capital Outlay</b>	\$0	\$22,000	\$0
<b>Total Neighborhood Services</b>	\$232,857	\$300,983	\$334,853
	3	3	3

## **Neighborhood Services Budget Formation**

The Neighborhood Services Department budget increased by 11.3% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- An increase of \$4,400 provides for annual fleet lease expense associated with the vehicle purchased in FY17.
- An increase of \$1,700 for office supplies and operating materials for the department.

### **Service Delivery Highlights and Challenges:**

- Challenges include finding match funding for the awarded grants, identifying funding sources for four properties that need re-construction, and procuring qualified general contractors. Also, funds that were initially budgeted for renovations to the homeless shelter need to be reallocated to meet HUD objectives.
- Need the tools to identify the needs of low-to moderate income (LMI) residents and to develop programs that may result in better outcomes for children is another challenge the department faces. A dedicated youth coordinator could determine student needs, identify available programming, and develop outreach programs.

### **Strategic Emphasis for 2017-18:**

- The Department will focus on neighborhood engagement and developing and supporting resident-led neighborhood alliances.
- Major initiatives include the youth work readiness training, job referrals and placement program, staging of the Quarterly Neighborhood Empowerment Workshop Series (Q-NEWS), and the formation of a multi-department taskforce to accommodate a more organized method of addressing neighborhood quality of life issues.

## Planning Department



Mission: To administer the City's programs for managing future development so as to provide for diversified economic base and quality environment for all residents and visitors; provide comprehensive, neighborhood and corridor planning; and provide staff support to City boards and commissions.

### *Budget / Positions*

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Planning</b>	\$573,512	\$682,015	\$660,064
Provides administrative and planning services for Subdivision Administration, Zoning Annexation, Neighborhood Services Initiatives, Urban Design, and Committee Support for Planning Commission, Tourism Committee, etc.	6	6	6
<b>Capital Outlay</b>	\$0	\$0	\$0
<b>Total Planning</b>	\$573,512	\$682,015	\$660,064
	6	6	6

## **Planning Budget Formation**

The Planning Department budget decreased by 3.2% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.

### **Budget Decreases:**

- A \$10,000 decrease in the budget reflects the elimination of the Cyclovia event, which the City hosted in FY17.
- The Rental budget decreased by \$4,000 because a new plotter was secured in FY17.

### **Service Delivery Highlights and Challenges:**

- Nearly \$800,000 in grant funding was acquired in the last year. Most of these funds have resulted in projects which have provided free goods and/or services to the citizens of Myrtle Beach, or have created funding sources for hardscape improvements.
- The Planning staff continues to update the City's Comprehensive Plan, as required under state law. An update to the Subdivision Regulations is scheduled to begin in January 2017 to address increasing development throughout the City.
- A grant from the NAR through the CCAR for a walkability study showed areas for improvement along Kings Hwy. One takeaway was the use of paint or other graphics to create safe walk/bikeways as well as pedestrian crossings.
- Pursue potential reclassification of positions within department

### **Strategic Emphasis for 2017-18:**

- Implement the list of improvements generated by the Bike/Pedestrian Committee for better walkability & bike-ability.
- Continue to address Quality of Life issues in the City by creating opportunities for branding in neighborhoods.
- Implement way finding project's 2<sup>nd</sup> phase to help tourists find their way around town.
- Check for funds to implement plan for Welcome to Myrtle Beach sign at 501 & 3<sup>rd</sup> Ave S.

## Demand and Performance Indicators

Measure	2012	2013	2014	2015	2016
Planning Commission Meeting Convened	21	23	24	22	24
Annexations	6	4	3	8	1
Rezoning & Text Amendments	13	26	45	38	42
Encroachments	7	9	9	6	4

## Recreation Services



*Mission: To create community through people, parks, and programs.*

<b>Service</b>	<b>Budget / Positions</b>		
	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Administration</b>  Manages Recreation Division, supervises departmental management staff, provides administrative support for Recreation & Convention Center, monitors departmental budgets, and makes presentations and reports to Senior Management.	\$305,431	\$327,460	\$414,948
<b>Historic Colored School</b>  Museum and Education Center staffed by former students who volunteer to welcome visitors. Artifacts from the school and the era are on display, and a reference library of African American History is available to the public.	3	3	3
<b>Historic Train Depot</b>  Listed on the National Register of Historic Places, the Train Depot was built in 1937. In 2004 the depot was restored and reopened as a space available to rent for events and gatherings.	\$16,131	\$24,495	\$21,995
	-	-	-
	\$31,024	\$36,494	\$43,964
	-	-	-

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Myrtle's Market</b>	\$1,831	\$2,950	\$6,550
Myrtle's Market is a farmer's market located in the heart of Myrtle Beach across from City Hall offering a selection of seasonal fresh fruits and vegetables from local growers and providers.	-	-	-
<b>Recreation</b>	\$6,168,383	\$6,122,771	\$6,280,274
Provides personal and group health and fitness activities, programs, events, sports, lessons, and recreation opportunities by offering quality customer service to all ages. Provides maintenance and operation of 4 Rec. Centers, 2 athletic field complexes, 1 tennis center, 2 indoor swimming pools, sports leagues, aquatics programs, after school programs, and youth summer sports programs.	59	61	62
<b>Baseball Stadium</b>	\$183,484	\$227,549	\$227,549
Pelicans Ballpark is home to the Myrtle Beach Pelicans, a class A Advanced Affiliate of the Chicago Cubs.	-	-	-
<b>Capital Outlay</b>	\$247,979	\$383,054	\$113,147
<b>Total Recreation Division</b>	\$6,954,263	\$7,124,773	\$7,108,427
	62	64	65

## **Recreation Budget Formation**

The Recreation Division budget decreased by .2% when compared to the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The Train Depot budget increase is the result of an increase of \$1,420 in Janitorial costs which is reimbursed by the facilities users and \$1,050 for the purchase of tables, chairs, and other supplies for events.
- The Myrtle's Market budget increased by \$600 for picnic tables and umbrellas, and \$3,000 for permanent wooden signs.
- The Recreation Department budget includes \$63,277 increase for the promotion of a Recreation Center Supervisor to a Deputy Director of Recreation Services.

### **Budget Decreases:**

- There were capital requests of \$113,147 in FY18 budget, resulting in a decrease of \$269,907 from FY17. The capital requests include a new truck used for hauling materials and supplies for special events, two storage units for sports equipment, a trailer to load and distribute portable fencing for sports events, two pool vacuums to replace ones purchased thirty years ago, and an aquatics lift chair that will assist patrons that are unable to enter and exit the pool on their own.
- The Myrtle Beach Colored School decreased by \$2,500 for an anniversary party held in the prior year.
- Departmental supplies in Administration decreased by \$10,000 because we receive \$10,000 in funding annually from the Chamber of Commerce to offset purchasing of "Myrtle Beach" branded give-a-way items.

## **Service Delivery Highlights and Challenges:**

### **In Aquatics**

- Participation numbers in swim lessons and recreational swim teams have improved due to strong programs and organization with participation numbers increasing by 5,500 from FY15 to FY16.
- Built a strong aquatics team that will help continue to build great programs and overall customer service to the public. Several associates attended the Association of Aquatics Professionals Conference and will be implementing Water Polo and SKWIM Leagues.

### **At Pepper Geddings**

- Space continues to be a challenge in order to provide excellent recreation experiences led by four work groups that call Pepper Geddings home.
- Fitness programs remain a strategy to reach new people who may in the beginning need more than personal and group fitness opportunities in order to reach their health and fitness goals.
- Youth and teen development serve as a catalytic goal among activities onsite as well as among inter-departmental initiatives and community efforts.
- Staff is critical to the successful delivery of excellent recreation experiences. Continual development is required to hire and retain quality part-time personnel limited to 29 hours per week in order to remain compliant with the Affordable Health Care Act.

### **In Youth Programs**

- Our programs accommodate children of all ethical and social backgrounds and the City strives to maintain diversity in program staff.
- We continue to inspire children to do their personal best while utilizing their life skills, while providing a safe outlet for children year round.
- Challenges are aging facilities and population, and staying on top of industry trends to provide unique services.

### **In Youth Sports and Ballfield Maintenance**

- Doubled participation in Flag Football.
- 11-12 Boys Baseball All-Stars won the State Championship and represented South Carolina and Myrtle Beach in the Dixie Youth World Series.
- Won South Carolina Recreation and Parks Association Athletic Agency of the Year for the 4<sup>th</sup> time in a row.
- Hosted South Carolina Athletic Program State Volleyball Tournament at Pepper Geddings.

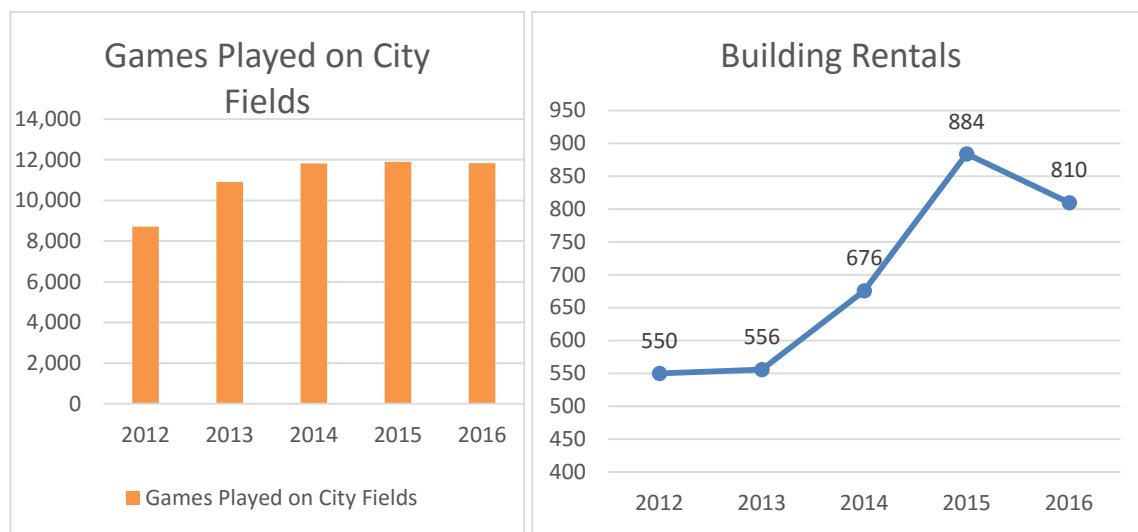
### **Strategic Emphasis for 2017-18:**

- Continue much needed renovations to offer a safe and healthy environment for programs and activities to both residents and the sports tourism market.
- Offer bus trips as daily group excursions to experience fun recreational activities.
- Teach life skills through sports by providing the basic fundamentals.
- Promote the values of physical activity, sportsmanship, and work ethic by conducting quality programs and special events for youth, teens, and seniors.

- Offer beneficial sports leagues including volleyball, summer basketball, and lacrosse as well as after-school programs that promote youth development through fitness, sports, and cultural activities.
- Instill confidence, social development, and basic team oriented/building skills through comprehensive programs.
- Continue teen employability training workshops in cooperation with community job training specialists and teen-friendly business partners with the result of assisting to secure a summer job for every teen that completes the program.
- Continue to work with Don Weaver and the Boys and Girls Club of the Grand Strand to host training or employ teen participants.
- Continue to assist Myrtle Beach Colored School in providing snacks, juice, arts & crafts materials, and other supplies needed.
- Continue to provide programs in which adults & children are able to experience activities that they may not otherwise have the opportunity to experience.
- Continue to develop Mary C. Canty Lifelong Impacted Teens Advisory Group to get teens off the street and educated.
- Expand recreational programming to the outdoors using our greenways and outdoor classroom.

## Demand and Performance Indicators

Measure	2012	2013	2014	2015	2016
Participation in Youth Sports	2,341	2,108	1,972	2,044	2,481
Participation in Adult Sports	3,240	3,148	3,462	3,407	3,665
Center Rentals	550	556	676	884	810
Tennis Center Totals	11,634	17,987	16,370	16,402	18,076
Aquatics Totals	33,411	41,924	46,609	45,620	51,120
Youth Program Participants (5x/wk)	454	477	457	470	508
Games Played on City Fields	8,709	10,912	11,821	11,901	11,832
Daily Center Use (Members, Walk-in & Fitness Class)	223,622	219,580	202,226	209,113	252,221



## Chapin Library



**Mission:** To enrich lives by fostering lifelong learning and by ensuring that every member of the community has access to a vast array of ideas and information.

### Budget / Positions

Service	FY 2015-16 <i>Actual</i>	FY 2016-17 <i>Budget</i>	FY 2017-18 <i>Budget</i>
<b>Library</b>  The library provides traditional library offerings and youth services for those from birth to age 17 with materials and programming, business center functions, adult programming, access to computers, technology loans, online digital & reference resources, and local history & genealogy assistance.	\$1,069,122  11	\$1,256,863  12	\$1,238,826  12
<b>Capital Outlay Requests</b>	\$8,094	\$0	\$0
<b>Total Chapin Library</b>	\$1,077,216  11	\$1,256,863  12	\$1,238,826  12

## **Library Budget Formation**

The Library budget decreased by 1.4% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the boardadjustment, effective January 2018, per the compensation study.
- An increase of \$6,530 in Travel, Meetings, & Schools due to new staff needing training and an increase of \$9,691 in Software License Fees to cover increased fees on existing software and the addition of wireless printing software and online payment software.

### **Service Delivery Highlights and Challenges:**

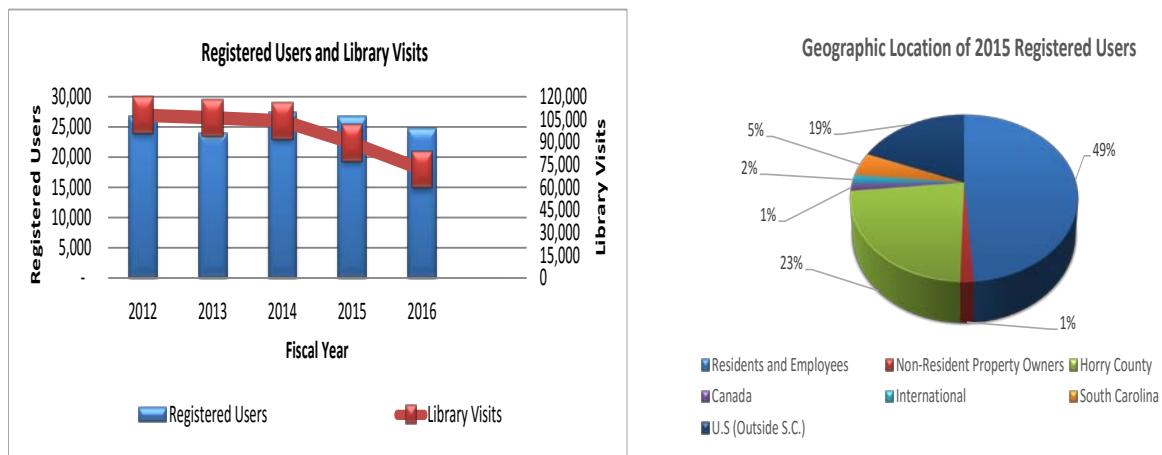
- Staff will work with existing agencies to improve services, offer additional teen programming, and focus on job readiness.
- The Library offers a variety of online resources, such as Mango, Zinio, Universal Class, and OverDrive. Staff will continue to seek out other quality resources to continue to provide excellent recreational and cultural opportunities and amenities.
- Communication with the community is a challenge. To improve communication, there are plans to build a new website, utilize social media, continue with our newsletter, and increase the members on our email list.
- There are myriad opportunities to improve technology and create efficiencies that would free staff to work on additional projects. Utilization of a POS system, self-service options, and improvements in financial reporting and management are all areas that would increase efficiency.

### **Strategic Emphasis for 2017-18:**

- Review of technology plan and identification of areas where improvements are viable. Examples include self-service options, reducing staff time by providing technology solutions, building a new website, and using social media tools.
- Develop a professional development plan for staff, both as a group and individually, and hire professional staff to ensure the highest level of service and innovative programs for our constituents.
- Provide user friendly service desks and setups that are more conducive to our library setup.
- Expand services to include STEAM offerings and makerspaces, utilize mobile versions of these offerings to allow the library to reach new users or those unable to travel to the facility.

## Demand and Performance Indicators

<b>Measure</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Registered Users	26,814	23,881	27,426	26,768	24,779
Library Visits	107,721	105,908	103,986	89,267	71,768
Sessions on Public Computers	46,486	43,983	36,574	28,539	33,583
Annual Number of Wireless Sessions	N/A	N/A	10,832	5,136	N/A
Total Physical Circulation	160,015	159,689	178,800	147,783	147,252
Library Summer Reading Participation	2,241	2,705	2,767	2,874	743
Support from Horry County	10,000	10,000	35,000	35,000	35,000
Support from Other Sources	400	400	1,400	73,571	24,769



## Myrtle Beach Convention Center



**Mission:** To create economic benefits for the community through the booking of events that attract out-of-town visitors and to provide a clean and safe full-service convention facility with a professional and friendly staff. The center provides a facility in which buyers and sellers exchange goods and services and provides a multi-purpose facility for locally oriented functions.

### Budget / Positions

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Administration</b>  Responsible for the administrative services and the overall management and direction of Myrtle Beach Convention Center facility.	\$957,004  3	\$996,971  3	\$1,001,853  3
<b>Convention Services</b>  Responsible for 24/7 security of the facility as a whole and event and show security. Operates the pay for parking program and traffic control for move in and move out of events.	\$459,229  6	\$517,989  6	\$572,488  6
<b>Convention Center Sales &amp; Marketing</b>  Responsible for the marketing and sale of space at the convention center and the coordination of events for our clients.	\$1,164,250  9	\$1,226,616  9	\$1,206,661  8

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Convention Center Operations</b>	\$2,162,554	\$2,654,667	\$2,728,050
Responsible for set up and breakdown of events in the exhibit halls, ballrooms and meeting space; cleaning and maintenance of all event spaces, restrooms, offices, and outdoor areas; maintenance of mechanical and electrical systems and equipment; the planning and distribution of electrical service to shows; operation of the HVAC system, wireless internet, and various other utilities.	21	21	21
<b>MBCC Concessions</b>	\$0	\$0	\$515,315
Operation of Concession Services at the Myrtle Beach Convention Center	-	-	4
<b>Capital Outlay</b>	\$2,343,236	\$460,000	\$135,000
<b>Total MB Convention Center</b>	\$7,086,273	\$5,856,243	\$6,159,367
	39	39	42



## **Myrtle Beach Convention Center Budget Formation**

The Convention Center budget increased by 5.2% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The budget includes an increase in fleet lease expense in Convention Services due to an increase in the replacement cost of a vehicle.
- There were capital requests in the amount of \$135,000 for two parking structures with Point of Sale Systems on the new Burroughs and Chapin Boulevard, a mast boom lift, and a forklift.
- The Concessions division increased overall by \$98,852 based on operating experience.
- There was a \$20,000 increase in Janitorial, \$5,000 in utilities, and \$3,500 in Small Tools & Equipment.

### **Service Delivery Highlights and Challenges:**

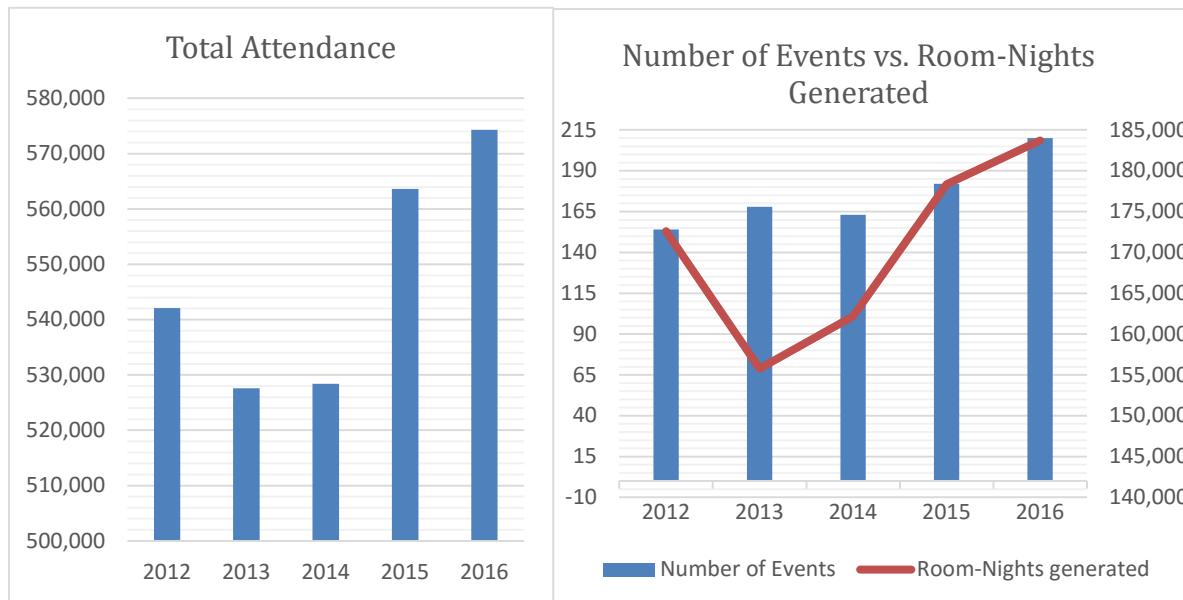
- Event demand verses availability of required dates and space. Performance remains successful but stymied due to lack of preferred dates.
- Increased exhibit hall occupancy (70% in FY15/16) and event attendance resulted in increased janitorial expenses and part time staffing fulfillment challenges.
- Inability to identify a contracted Concession Stand operator that could meet performance measures resulted in the creation of an in-house operation. Full and part time personnel as well as infrastructure equipment and food product inventory created additional expenses but should result in increased revenues.
- Customer feedback rates most services to be excellent, the exception being cleaning which averages a rating of good. Increased event attendance and an aging facility compound the challenge.
- Creation of a new convention center campus entrance at Burroughs and Chapin Boulevard provides improved access to entertainment and dining options but will increase parking lot infrastructure and personnel expenses.

**Strategic Emphasis for 2017-18:**

- Continued adherence to booking policies to insure events that maximize economic impact receive priority, strengthening, growing, and diversifying tourism initiatives.
- Careful planning of the campus expansion to include a Performing Arts Center and Amphitheater, providing cultural opportunities and amenities to residents and tourists alike. Insure the new facilities also fulfill the campus mission of creating economic impact, satisfying the objective to strengthen and diversify tourism.
- Further implementation of our five-year capital improvement plan to restore and upgrade the convention center and replace aging equipment. This action step addresses both quality of life and economic development strategic initiatives.
- Increase revenues during peak demand periods to address increased operational costs during those periods, contributing to the sustainable city strategy.
- Work with HGTC workforce development to make the Performing Arts Center and Amphitheater project a job creation opportunity for residents, contributing to the neighborhood development objective.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Number of Events	154	168	163	182	210
Room-Nights generated	172,600	155,750	162,200	178,350	183,700
Total Attendance	542,075	527,600	528,400	563,650	574,300
% Occupancy of the Convention Center	65%	63%	62%	65%	70%



## Sports Tourism



Mission: To identify, solicit, and facilitate amateur sporting events which enhance the local economy.

### *Budget / Positions*

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Sports Tourism</b>	\$848,313	\$1,584,195	\$1,493,424
Support sports tourism through working with event owners on scheduling and contractual considerations, communication with other city departments and local agencies to provide resources and support, monitor venues for policy compliance, and provide a positive guest experience.	4	5	5
<b>Concessions</b>	\$0	\$0	\$541,820
Operation of concession services at Grand Park, Ashley Booth, and Ned Donkle sports complexes	-	-	3
<b>Myrtle Beach Sports Center</b>	\$212,851	\$1,140,887	\$1,391,976
Marketing, management, and operation of the Myrtle Beach Sports Center.	-	-	-
<b>Capital Outlay</b>	\$48,418	\$45,500	\$0
<b>Total Sports Tourism Division</b>	<b>\$1,109,582</b>	<b>\$2,770,582</b>	<b>\$3,427,220</b>
	4	5	8

## Sports Tourism Budget Formation

The City operated Sports Tourism Department budget increased by 23.7% over the FY2016-17 Adopted Budget and reflects:

### Budget Increases:

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The Concessions division increased overall by \$541,800 based on operating experience.
- Expenditures increased by \$449,000 because a larger portion of field maintenance costs directly related to sports tourism have been recognized in the Sports Tourism Fund.

### Service Delivery Highlights and Challenges:

- Implementing athletic venue fees that are all inclusive.
- Providing concession services that focus on Service, Quality, and Profitability.
- Providing complimentary 'Live Streaming' services during all events.
- Sponsor engagement that results in win-win-win scenarios for guests, local businesses, and department.
- Increasing departmental revenues, while maintaining departmental expenses, in move towards sustainability.

### Strategic Emphasis for 2017-18:

- Monitor newly adopted venue usage fees for effect on estimated direct spending.
- Assimilate the concession operations into the city/department leadership culture. Three full time and between 20-40-part time residents will be employed.
- Market our Live Streaming service through rights holders and on venue. Sell affordably priced downloads to generate revenue.
- Coordinate with Sports Facility Management (SFM) Director of Business Development to identify new inventory and sell sponsorship packages to local businesses.
- Implement ticketing operations administered by departments' guest service team as a means to enhance revenue and venue experience.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Convention Center	\$54,154,04	\$46,609,599	\$55,542,062	\$51,970,900	\$70,084,762
Grand Park Athletic Complex	\$35,251,156	\$37,734,510	\$44,686,152	\$48,820,128	\$46,367,968
Streets and Roads	\$8,523.03	\$7,057.825	\$6,861,540	\$6,856,712	\$5,331,808
Doug Shaw Memorial Stadium	\$3,325,596	\$2,818,104	\$3,518,797	\$3,380,372	\$4,077,360
City Gyms	\$3,438,864	\$2,503,718	\$2,680,161	Included w/MBSC	Included w/MBSC
City Pools	\$195,542	\$85,224	\$155,944	\$257,468	\$205,862
Beach	\$79,705	\$98,688	\$126,504	\$108,102	\$0
MB Sports Center	\$0	\$0	\$3,906,995	\$22,207,500	\$31,338,453
Non-City Venues*	\$27,455,231	\$27,568,015	\$38,011,001	\$33,498,614	\$30,129,281

## **Public Safety Division**



**Police Department  
Fire & Emergency Services**

## Police Departments



*Myrtle Beach Police Bicycle Patrol*

Mission: To provide residents and visitors to the city of Myrtle Beach community ensure safety, security, and well being through crime prevention, education, enforcement, and programs that will enable an enhanced quality of life.

### *Budget / Positions*

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Administration</b>	\$2,060,455	\$2,339,502	\$3,611,802
Provides administrative support to all levels of the organization including training, payroll, and some ancillary regulatory services.	19	21	27
<b>Investigations</b>	\$2,610,234	\$2,815,034	\$3,105,959
Provides investigative support to address major crimes and prepare cases for general sessions court. This division also includes crime scene investigations.	26	29	30
<b>Uniform Patrol</b>	\$13,405,652	\$14,392,166	\$8,232,143
Provides uniformed patrol services in a variety of traditional and non-traditional approaches and assignments.	183	179	113
<b>Special Operations</b>	\$279,878	\$351,031	\$6,585,981
Plans for long-term growth and development within the organization and handles all special events planning and coordination.	3	3	72

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>May Bike Events</b>	\$2,596,076	\$1,306,066	\$1,554,934
Supports costs relating to Memorial Day Weekend by providing funding for overtime, additional resources, equipment and training.	-	-	-
<b>Sports Tourism</b>	\$40,755	\$23,742	\$24,578
Supports costs relative to sponsored sporting events at city venues by providing funding for overtime and equipment.	-	-	-
<b>Special Events</b>	\$54,118	\$118,710	\$189,827
Supports costs relating to sponsored special events at city venues or public property by providing funding for overtime and equipment.	-	-	-
<b>Support Services</b>	\$4,629,125	\$5,310,415	\$5,958,571
Provides detention and communications services in support of the police/fire operations, and supports the maintenance and upkeep of our equipment, supplies, facilities and records.	65	66	66
<b>Animal Control</b>	\$257,482	\$245,000	\$255,000
Funds operating costs through contributions to the Grand Strand Humane Society for operating the animal shelter.	-	-	-
<b>Capital Outlay</b>	\$550,692	\$334,000	\$183,550
<b>Total Police Department</b>	\$26,484,467	\$27,235,666	\$29,702,345
	296	298	308

## **Police Budget Formation**

The Police Department budget increased by 9.1% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The Police budget includes funding for the addition of 5 police officers (\$397,000) 2 regulatory officers (\$173,000), and additional overtime to allow for increased police presence during peak times (\$150,000).
- Beach Service Enhancements that allow more police presence on the Oceanfront resulted in an increase of \$66,000 in the police budget.
- An increase of \$64,000 to fund a Crime Analyst.

### **Service Delivery Highlights and Challenges:**

- The Police Department has access and manages 900+ surveillance cameras, and by July 2017, all four phases of the static License Plate Readers (LPR) will be completed. Year-end calls for service (CFS) for 2015 = 125,241, and through October 2016 = 118,476. Part I Crimes reported for 2016 vs 2015 have increased by approximately 5%.
- The Police Department Beach Patrol/Marine Unit experienced an increase in calls for service (CFS) in 2016, year to date total = 3,251 compared to 2015 = 2,738. Efforts underway to grow tourism numbers have had an impact on our number one asset, the beach.
- The Police Department currently staffs the Investigative Division as follows: Property Crimes.....8 Detectives, 1 Sergeant, 1 Lieutenant, and Violent Crimes.....6 Detectives, 1 Sergeant, 1 Lieutenant. Since 2012, the division detectives have handled over 3,000 cases each year, and as of October 2016, 3,037 cases. This averages 3,382 cases per year, or 241 cases per detective.
- Officers assigned to Patrol, Traffic and Beach Patrol are "call-responsive". Officers and supervisors have asked for briefing time before each shift to cover training issues, officer safety briefings, assignments, and crime analysis information. Our overtime budget was not funded to accommodate this request at the present time, and flexing the work schedule is not an option.
- The Police Department is making advances in the vetting of new police officer candidates through improved psychological testing, and in addition, upgrading our promotional testing process.
- The Police Department continues to be a leader in providing the most up-to-date technology and equipment to its employees. Technology changes rapidly and equipment wears out in our difficult working environment.

## **Service Delivery Highlights and Challenges (continued):**

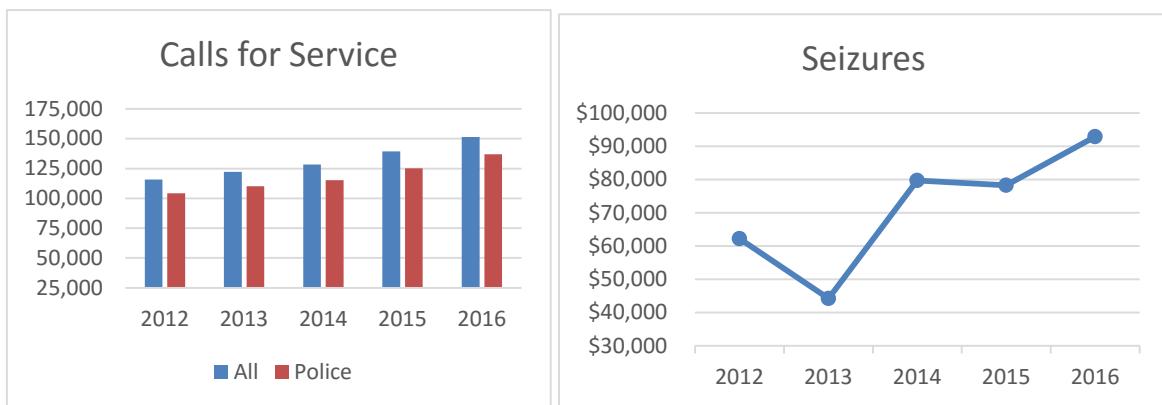
- Community Events and Youth Outreach. Through continued efforts to build upon relationships with our community members (with an emphasis on youth), we have undertaken the responsibility for planning, organizing, and funding multiple events to attract our citizens to activities where the police and community can interact.
- Gang Task Force.....The Police Department has assigned three (3) officers to the ATF-Gang Task Force targeting criminal street gangs, firearms, and drugs working in conjunction with our local, state and federal partners.
- Training-Leadership....The Police Department wholly supports the city's current initiative to advance our professionalism and level of service through advanced training in our respective fields and through leadership. The Police Department has expanded training opportunities and encouraged all employees to take advantage of this training to include an emphasis on: High Liability/Low Probability Incidents, Ethics, Leadership, and Cultural Diversity.

## **Strategic Emphasis for 2016-17:**

- Continue programs and activities for youth by increasing officer participation in the PRIDE program designed to coordinate volunteer assignments of officers to address the specific needs of our youth.
- Implement the revamped DARE program in the schools in August 2017 by our SRO's
- Work with the Youth Advisory Council to identify and support youth activities and continue youth outreach in the form of Cops and Bobbers and similar styled programs.
- Continue to provide funding and support for our Citizen's Police Academy and Alumni Association as they are a conduit for citizen awareness and involvement in neighborhoods.
- Communicate with neighborhood leaders of those neighborhoods not served by a crime watch association and develop sustainable programs.
- Implement substance abuse interdiction and prevention strategies (especially heroin).
- Continue to mitigate behavior and safety issues related to specific special events
- Continue the funding to maintain our surveillance cameras. License Plate Reader (LPR) systems, and the Operations Center needs.
- Continue to sponsor the Special Events Summit to bring together professionals in the field of special events planning.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Traffic Fatalities	8	22	2	10	7
Traffic Collisions Investigated	2,677	2,487	3,746	4,133	4,071
Animals Picked Up	1004	859	736	764	610
Calls For Service - All	115,648	122,268	128,336	139,300	151,517
Calls For Service - Police	104,199	110,102	115,233	125,241	136,860
Arrest Totals (Including Tickets)	21,729	22,417	24,639	23,815	22,633
Seizures	\$62,183	\$44,258	\$79,736	\$78,259	\$92,888
Part I Crimes	4,006	4,464	4,435	3,809	4,033
Homicides	5	2	8	8	6
Investigative Case Files	3,828	3,746	3,851	3,408	3,532



## **Fire & Emergency Services**



Mission: To reduce the loss of life and property to the community through an aggressive emergency response system including firefighting, emergency medical services, and hazardous materials response and by providing fire prevention programs which include both education and inspection activities.

### ***Budget / Positions***

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Administration</b>	\$770,915	\$894,069	\$969,954
Provides administrative support, direction, and policy development for the emergency services and technical services functions.	7	8	8
<b>Emergency Services</b>	\$11,904,493	\$12,505,111	\$13,516,102
Provides fire suppression, first responder medical service, EMS transport, hazardous materials mitigation, technical rescue, building preplanning, and building inspections throughout the City.	154	145	154
<b>Technical Services</b>	\$887,727	\$948,147	\$945,892
Responsible for fire code enforcement processes, public education, fire investigations, and Public Information. Provides fire training, EMS training, and Specialty rescue training to the Fire Department.	8	8	8
<b>Capital Outlay</b>	\$8,602	\$0	\$30,000
<b>Total Fire Department</b>	\$13,571,737	\$14,347,327	\$15,461,948
	169	161	170

## **Fire Department Budget Formation**

The Fire Department budget increased by 7.8% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The increased presence of trained water rescue staff on the City's oceanfront, Beach Service Enhancement, resulted in an increase of \$204,157 in the Emergency Services budget.
- Fleet Lease expenses in the Emergency Service Department increased by \$112,600 due to the placement of new equipment into service.

### **Service Delivery Highlights and Challenges:**

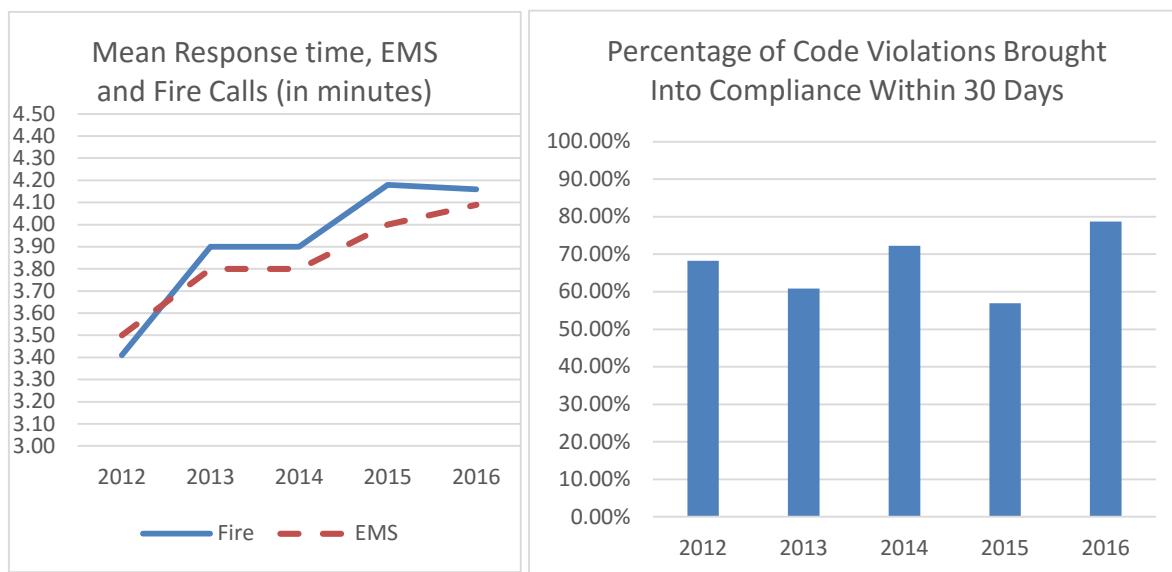
- The Fire Department call volume increased 7.2 % with calls increasing from 12,869 to 13,798. The total increase since 2010 is over 31%.
- The addition of our water rescue program has been highly successful with 19 saves and several hundred medical treatments. The 2 beach teams created higher public safety visibility as well as an information conduit for our visitors.
- With the opiate epidemic in our area, we have trained all of our personnel to administer narcan and have placed the medications on all of our apparatus.
- The addition of nine firefighters will aid in our ability to handle the increased call volume as well as lower our overtime cost. With the climb program overtime and our specialty team programs, overtime cost has continued to escalate and these personnel will have a major impact on lowering our overtime use.
- The renovation of our training buildings will allow for larger classroom events as well as providing a new meeting venue for our south end neighborhoods. The new burn building will enhance our training abilities with several new training props
- Hurricane Matthew and the Flood of 2015 revealed several areas that we can improve through training and information sharing with our businesses and personnel.
- Participation in a large number of Neighborhood watch meetings, while positive, has created a challenge in meeting our other Public Education program commitments.

### **Strategic Emphasis for 2017-18:**

- The addition of the nine firefighters will enable the department to continue to place an additional EMS unit on the streets and substantially reduce our overtime. The additional personnel and resources will also aid with the large call volume that has increased dramatically over the last few years.
- The 34 highly trained water rescue team members and the newly created beach front safety program will allow for the staffing of multiple crews during the tourist season. This program will begin in April and continue throughout the summer. The abbreviated program that was used from July to September had tremendous results and provided a tremendous level of visibility and medical capabilities to our visitors.
- During this budget year, we will complete our training building which will greatly enhance our classroom activities. It will also provide a venue for the south end neighborhoods to have meetings. This will aid in efforts to participate in neighborhood meetings. We also plan to start utilizing engine companies that cover specific neighborhoods to speak at the meetings in the coverage area so the community will be more familiar with their firefighters. There are no additional costs with these improvements.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Fire Calls / Company	349.27	373.82	392.73	400.00	447.55
EMS Calls / Company	536.15	578.38	640.77	677.08	686.77
Mean Response Time for Fire Calls ( in minutes)	3.41	3.9	3.9	4.18	4.16
Mean Response Time for EMS Calls ( in minutes)	3.5	3.8	3.8	4.0	4.1
Fire Code Inspections Conducted	4,636	4,234	3,985	4,453	3,951
Code Violations Discovered Through Inspection	3,812	3,947	3,206	3,661	2,143
Code Violations Brought Into Compliance Within 30 days	2,600	2,402	2,316	2,083	1,687
Percentage of Code Violations Brought Into Compliance Within 30 Days	68.21%	60.86%	72.24%	56.89%	78.72%



## **Public Works Division**



Public Works Administration, Engineering & Transportation  
Parks Division  
Construction Services  
Building Maintenance  
Water & Sewer Utility  
Solid Waste Management  
Stormwater Management

## **Public Works Administration, Engineering & Transportation**



Mission: To direct the operation of public works' programs including Solid Waste Management, Street Maintenance, Traffic Engineering, and Water and Sewer Public Service, and to coordinate the implementation of Capital Improvement Projects.

### **Budget / Positions**

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Administration</b>  Manages and directs all of the divisions of Public Works, provides customer service as first point of contact and manages Capital Improvement Projects for the City.	\$1,035,073  12	\$1,053,165  11	\$1,127,745  11
<b>Engineering</b>  Responsible for development plan reviews, issuing various permits, inspection services on construction projects, in-house project design, and provides guidance and coordination with developers, engineers and the public.	\$759,358  8	\$634,523  7	\$654,819  7
<b>Street Maintenance</b>  Coordinates the paving schedule and contractual paving arrangements for new City streets and resurfacing for existing City streets, and repairs existing roadways damaged due to normal wear, accidents, or utility cuts.	\$955,504  6	\$988,107  6	\$1,029,383  6

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Infrastructure Projects</b>	\$0	\$329,386	\$370,717
Coordinates and manages capital improvement projects.	-	3	3
<b>Traffic Engineering</b>	\$2,859,313	\$3,345,292	\$3,464,924
Provides for the design, installation, and maintenance of traffic signs, roadway markings of all public streets and parking lots, signalized intersections, and streetlights. The department also installs and removes all festival decorations and Special Event banners.	4	4	4
<b>Capital Outlay</b>	\$0	\$0	\$59,000
<b>Total Administration, Engineering &amp; Transportation</b>	\$5,609,248	\$6,350,473	\$6,706,588
	30	31	31



## **Public Works Administration, Engineering & Transportation Budget Formation**

The Public Works Administration, Engineering & Transportation budget increased by 5.6% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- Capital purchases increased by \$59,000 to accommodate the purchase of a truck for the Deputy Director and a Plotter to replace the existing equipment.
- The Administration budget contains an increase of \$4,500 attributable to appreciation in vehicle costs.
- A \$109,000 increase in the Traffic Engineering department relates directly to the addition of street lighting and funding a 4% rate increase.
- Professional Fees increased \$50,000 in the Infrastructure department for project planning and engineering.

### **Service Delivery Highlights and Challenges:**

- Build collaborative planning, project management, and project estimating talent within our Infrastructure Projects Division. Skill development will allow our project management team to more effectively review and comment on capital improvement project submittals, recognize and eliminate opportunity for scope creep, and confidently negotiate construction costs.
- Perform a comprehensive review and update of our current 2001 Bid and Specifications document to prevent contested bids/rebidding and make the document more user-friendly.
- Improve our 5-year Capital Improvement Program (CIP) plan by forecasting inflation costs, and establish a grant matching fund that can build over time to support opportunities that become available throughout the year by a variety of agencies.
- Need for survey equipment to assist with design of internal projects and establishing and verifying grades and property features.
- Transition our Project Coordinators and Construction Inspectors to hand-held tablets to allow quick reference of utility maps and word processing software to assist with field inspections.
- Comprehensive Review of current City Codes and Policies: City codes and policies need to be updated regarding site development requirements based upon current State and Federal Regulations and lessons learned from past developments.

## **Strategic Emphasis for 2017-18:**

- Inclusion of professional service fees for a consultant team (engineering and architectural) to review and update the bid and specification package document.
- Initiate a comprehensive review of current City Codes and Policies with the formation of a cross-departmental task force to offer recommendations to improve our organization's land development regulations and compliance with State and Federal Requirements to enhance the development experience within our community.
- Inclusion of funding to support training, survey equipment, and tablet purchases within the respective divisions.
- Make a recommendation of inflation adjustments and establishment of a grant matching fund within the 5-year CIP plan.
- Initiate an CIP technical review process to offer an opportunity to (1) accurately identify needs and interests of all stakeholders involved and/or benefiting from the project, (2) establish and effectively communicate a baseline budget and accompanying itemized costs attributed to design alternatives of desired outcomes, and (3) perform an internal peer review of project design submittals and specification documents prior to submitting the bid package to our Purchasing Office in an effort to improve communication, coordinated job duties, and relay construction sequencing needs to reduce chances for scope creep.
- In an effort to capture the full extent of equipment maintenance services and recordkeeping within the City, the department would like to reach out and collaborate with all departments to educate them on the functionality of the equipment maintenance fee-based structure and incorporate all ongoing light-duty maintenance activities within the division.
- Initiate a comprehensive review of current storm recovery preposition contracts and formation of a cross-departmental task force to offer recommendations to improve our organization's disaster preparedness, emergency operations, and recovery response.
- Initiate the formation of a departmental task force team to assess the condition of utility easements and identification and tracking of encroachments that should be removed.

## **Demand and Performance Indicators**

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Road Resurfacing (Linear Feet)	54,000	81,279	39,480	37,319	47,927
Asphalt Repairs (tons)	385	392	427	322	184
Sidewalk/Curb Repairs (feet)	3,750	5,160	3,880	4,879	4,879
Plan Reviews	940	1,131	1,225	1,399	1,463
Traffic Signals	61	67	69	73	79

## Parks Division



Mission: To provide clean, attractive, functional facilities that are, accommodating and memorable for residents and visitors alike through regular maintenance, upkeep and repair to City landscapes, medians, right of ways, parks and beaches, the Parks Division strives

### *Budget / Positions*

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Special Events</b>  The Special Events department is utilized to account for parks division related cost associated with festivals and special events. Special events include, but are not limited to, the MB Marathon, Mini Marathon, organized runs/races, downtown festivals, car shows, parades, Military Appreciation Days, and numerous civic and non-civic events and ceremonies.	\$155,579	\$256,462	\$304,092
	-	3	3
<b>Right-of-Way and Beach Maintenance</b>  Right of Way maintenance services including the mowing of all road shoulders and most medians within the City; tree care, planting, trimming, and removal; oversight of median maintenance contracting; highway median beautification and landscape maintenance. Beach maintenance services involve beach raking and cleaning, beach litter collection and maintenance of beach accesses, and sand dunes.	\$2,034,197	\$2,504,513	\$2,514,121
	17	17	17

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Litter Control</b>	\$550,233	\$570,897	\$589,373
Removal and disposal of litter and other small debris found within City maintained streets, rights-of-way, and the Oceanfront Boardwalk. Manual debris removal is managed by crews utilizing litter picking tools, bags and trucks. Service is provided on a recurring and as needed basis.	9	9	9
<b>Grounds Maintenance</b>	\$1,698,460	\$1,970,335	\$2,043,077
Management of landscape beautification and maintenance services for City parks, dog parks, playgrounds, facility grounds, landscaped medians, and most irrigation systems and fountains. Additional services include the management of picnic shelters and park reservations.	21	22	22
<b>Cemetery</b>	\$216,770	\$229,452	\$220,260
Operation and maintenance of the City owned Ocean Woods Cemetery as an attractive, dignified, and appropriate burial ground. The cemetery consists of traditional burial sites, columbaria, and a pet cemetery.	3	3	3
<b>Capital Outlay</b>	\$160,691	\$115,000	\$47,500
<b>Total Parks Division</b>	\$4,815,930	\$5,646,659	\$5,718,423
	50	54	54

## **Parks Division Budget Formation**

The Parks Division budget increased by 1.3% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.

### **Budget decreases:**

- The capital budget decreased by \$31,000 in Grounds Maintenance and by \$36,000 in Special Events. Both decreases are attributable to non-recurring vehicle purchases for additional crew members in FY16.

### **Service Delivery Highlights and Challenges:**

- Development of a proactive irrigation system management program to effectively manage the city's 250 irrigation systems. There is a desire to dedicate a licensed irrigation professional to oversee the inventory, design, installation, and maintenance of irrigation systems and certification of back-flow preventers.
- Development of a proactive public tree management program. Our community is a member of Tree City USA and actively supports the management and expansion of trees within our public space. The division currently has a bucket truck and pull behind grinder to perform tree trimming/mulching activities, but no personnel dedicated to management or ongoing tree trimming activities. There is a need to establish a dedicated team to conduct a city-wide tree inventory, address sight-visibility issues, and develop a systematic tree care/health and maintenance program.
- Cooperatively plan, design, and budget public park space and landscape improvement projects and their associated long-term maintenance needs. Consideration should be given to develop master landscape plans within development districts, neighborhood entranceways, or gateway corridors. Consideration should be given to contract the construction of large-scale improvement projects, or bundle multiple smaller-scale improvement projects together, to third-parties to successfully attain desired project completion deadlines and mitigate adverse service level impacts to ongoing routine maintenance activities.
- Expansion of park and landscaped space within our community directly impacts the workload of existing resources. Available resources should complement the growing maintenance needs of new infrastructure, most notably the constant growth of public right-of-way and park space within our Market Common District and recent beautification initiative within our Downtown District.

**Service Delivery Highlights and Challenges (continued):**

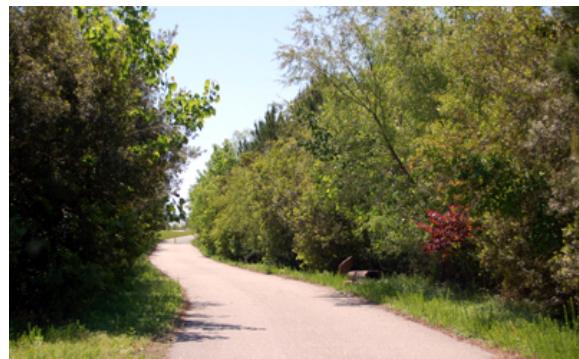
- The number of Special Events continues to grow and represent a challenge to the department.

**Strategic Emphasis for 2017-18:**

- Analyze current operations and service level demands and consider reallocation of duties in an effort to make current operations more efficient and capable of managing changing and increasing workloads.
- Using current staff and available contract labor, develop a realistic approach for care and pruning of the City's trees.
- Devote the resources necessary to keep our beach clean and repair the damages from Hurricane Matthew, and prepare for beach re-nourishment. Operate a full scale litter and recycling collection program at existing levels (approximately 450 containers).
- Continue work to upgrade the beauty of public spaces through improved landscaped maintenance and renovations as funding allows.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Number of City Parks Maintained	49	50	50	50	51
Park Rentals (days)	-	-	204	181	195
Picnic Shelter Rentals	-	-	96	118	101
Miles of Right-Of-Way Maintained	95	97	99	101	102
Number of City Trees Maintained	27,025	27,025	27,275	27,544	27,729
Trees Planted by staff	-	-	306	269	185
Miles of Beaches Cleaned	9.25	9.25	9.25	9.25	9.25
Miles of Median Strips Maintained	43	47	48	49	49
Special Events Worked	-	-	29	24	34
Hours worked	-	-	2,715	2,432	3,477
Total Cost (including equipment)	-	-	\$89,685	\$100,824	\$128,115



## Construction Services



Mission: To enforce the Zoning Ordinance, Minimum Housing Codes, and Sign Regulations.

### *Budget / Positions*

<b>Service</b>	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Construction Services</b>	\$1,787,109	\$1,927,247	\$2,006,865
Administers and enforces the City's principal community development, building construction and land use management codes, which ensure public safety and orderly community growth.	23	23	24
<b>Capital Outlay</b>	\$42,657	\$0	\$0
<b>Total Construction Services</b>	\$1,829,766	\$1,927,247	\$2,006,865
	23	23	24

## **Construction Services Budget Formation**

The Construction Services budget increased by 4.1% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The budget includes the addition of a Commercial Building Inspector, increasing personal service and associated costs by \$67,000.

### **Service Delivery Highlights and Challenges:**

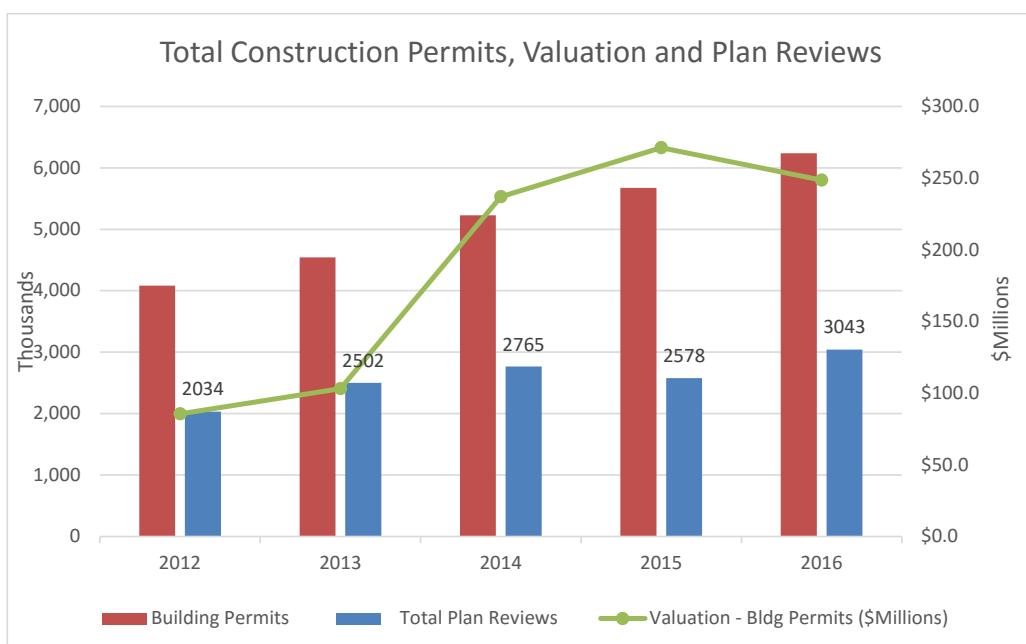
- Construction has been steadily rising within the last few years. There are additional developments in the works that will keep the figures rising.
- Continue consistent enforcement of the Property Maintenance Program in the downtown area to improve and aid in crime reduction, neighborhood enrichment, and economic development objectives.

### **Strategic Emphasis for 2017-18:**

- Add a Commercial Building Inspector to allow the inspectors to keep up with the increasing commercial construction work load, new upcoming projects, and increase BCEGS rating.

## Demand and Performance Indicators

<b>Measures</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Building Permits (Figures per Fiscal Year)	4,081	4,543	5,227	5,673	6,239
Valuation of Building Permits	\$ 85.5	\$ 103.1	\$ 237.0	\$ 271.2	\$ 248.6
Building Inspections	11,929	12,445	16,231	14,902	15,286
Property Maintenance Letters	394	319	275	285	382
Abandoned Vehicles	223	148	197	164	383
Sign Applications	369	327	272	208	210
Residential Plan Reviews	638	735	779	813	1,006
Commercial Plan Reviews	639	644	721	662	774
Landscape Plan Reviews	757	1,123	1,265	1,103	1,263
Business License Reviews	1,557	1,416	1,419	1,742	1,860



## **Building Maintenance**



Mission: To provide City facilities that are clean, attractive, functional, and accommodating for residents, visitors and City staff through regular maintenance, upkeep and repair.

### ***Budget / Positions***

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Building Maintenance</b>  Manages the maintenance, repair, and painting, of City buildings and facilities, sports complexes, parks, playgrounds, fountains, the Oceanfront Boardwalk, and multiple electrical systems both indoor and outdoor.	\$496,046  6	\$650,474  6	\$732,712  7
<b>Capital Outlay</b>	\$5,745	\$0	\$33,000
<b>Total Building Maintenance Department</b>	\$501,791  6	\$650,474  6	\$765,712  7

## **Building Maintenance Budget Formation**

The Building Maintenance budget increased by 17.7% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- The budget includes the addition of a Trades worker position increasing personal services, supplies, and vehicle purchases by a total of \$87,000.
- Fleet Lease expense increased by \$8,500 due to the transfer of a vehicle from Construction services and the nation-wide appreciation in vehicle costs.

### **Service Delivery Highlights and Challenges:**

- City facilities are in need of a maintenance program due to the aging conditions of many of the buildings.

### **Strategic Emphasis for 2017-18:**

- Establish a Roof Maintenance Program to improve the maintenance of our Public Facilities.
- Establish a HVAC Replacement Program City's to address the City's aging HVAC systems.

## **Demand and Performance Indicators**

<b>Measure</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Number of City Buildings Maintained	97	97	97
City Parks	37	39	39
Boardwalk	1.5 miles	1.5 miles	1.5 miles
Dune Walkovers	125	125	125
Street Median Lighting	90	90	90

## Water & Sewer Utility



Mission: To provide potable water to its customers, ensure availability of fire flows, and treat and dispose of wastewater according to standards that meet or exceed State and regulatory requirements and consumer demand.

Service	<i>Budget / Positions</i>		
	FY 2015-16 <i>Actual</i>	FY 2016-17 <i>Budget</i>	FY 2017-18 <i>Budget</i>
<b>Administration</b> General administration costs associated with delivery of potable water and transmission and disposal of wastewater.	\$3,686,174	\$3,860,470	\$3,805,470
<b>Utility Location</b> Responsible for utility location in conjunction with infrastructure projects, both City and Non-City.	\$0	\$136,867	\$141,101
<b>Construction Division</b> Construction of new water and sewer line extensions, repair of major water and sewer mains, installation of fire hydrants, and assists all divisions of Public Works as requested.	\$669,346	\$807,667	\$688,431

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Water</b>	\$10,559,083	\$10,245,228	\$10,787,273
Provides adequate water flows and pressures throughout the service area for domestic consumption and firefighting purposes, and maintains and repairs all water lines and appurtenances.	25	25	25
<b>Sewer</b>	\$9,281,695	\$9,213,058	\$10,012,183
Collection and transmission of all wastewater within the service area. The division is also responsible for the maintenance and operation of the system and for all system expansions.	23	18	20
<b>Capital Outlay</b>	\$0	\$41,200	\$0
<b>Total Water &amp; Sewer Utility</b>	\$24,196,298	\$24,304,490	\$25,434,458
	56	53	53

## **Water & Sewer Utility Budget Formation**

The Water & Sewer Utility budget increased by 4.6% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- A \$1,100,000 increase in Utility costs is reflective of the rate increase proposed by the utility service provider and growth in the residential population.
- Increases in the Water Division fund include an additional \$50,000 of construction and maintenance costs based on current trends.

### **Budget Decreases:**

- The budget reflects a decrease of \$55,000 in the Administration Division in professional fees and contingency based on historical experience.
- Decreases in the Construction Department personal services budget are the result of a transfer of an employee to the Sewer Department.
- The construction M&I budget in the Construction Department decreased by \$40,000 based on historical performance in the account.

### **Service Delivery Highlights and Challenges:**

- The Interactive Voice Response (IVR) system and modification of the non-payment value on the utility bill has greatly reduced the number of meters on the water service termination lists.
- 3,833 water meters have been installed within the past 10-years and 2017-2018 trends are approximately 500 new meters per year. We provide service to over 20,000 water accounts and our current level of resources are becoming strained.
- Water Loss: Aged large capacity (Turbo) meters that only capture large volume flows should be replaced using a phased approach with newer technology that captures both low and large volume flow. Coordinate with Fire Department inspections to take corrective action when unmetered dedicated fire lines are improperly tapped for domestic use.
- Development of a dedicated systematic water/sewer utility structural condition assessment and evaluation program. Combining inspection techniques and observed/recorded data, analysis of system performance, maintenance history, age, materials, and structural risk analysis to proactively determine the need and priority of repair, rehabilitation, or replacement.

### **Service Delivery Highlights and Challenges (continued):**

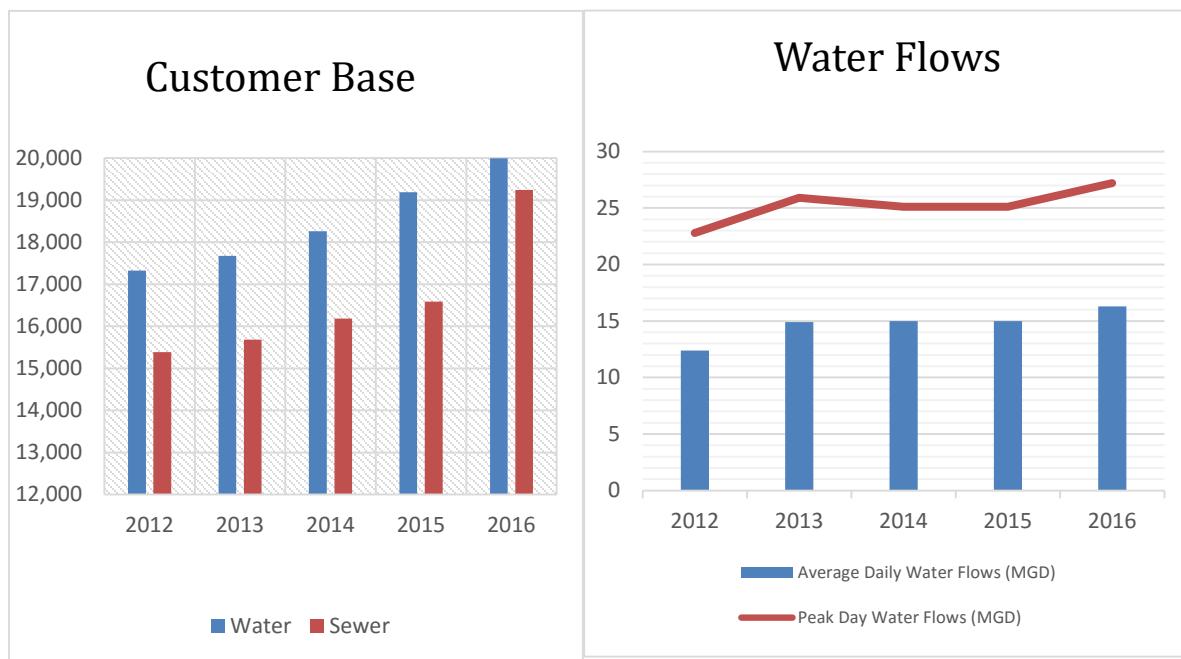
- Enhance our sanitary sewer collection system maintenance program with proactive elements. Propose a phased approach in acquiring resources and establishing frequency/scheduling needs of maintenance activities to effectively perform a regular, system wide cleaning, development of “pump around” plans, identification of low points in the system, promote redundant pumping and backup power source availability, and recommend preventative maintenance practices associated with selected hot spot areas, including source control measures.

### **Strategic Emphasis for 2017-2018:**

- Include operational funding to purchase and install five (5) new large capacity water meters.
- Initiate collaboration of departmental utility representative(s), Right-of-Way Technician, and Code Enforcement personnel to assess the condition and encroachments within current departmental utility easements and devise a multi-year work plan in support of funding a dedicated departmental crew in future budget years to perform restorative measures (where applicable) and continued long-term maintenance.
- Collaborate with Fire Department (fire suppression system inspections) and Construction Services (code enforcement- domestic plumbing) to test for domestic use of water dedicated for the fire suppression system and means to require corrective action.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Total No. of Water Customers	17,327	17,673	18,263	19,188	19,990
Total No. of Sewer Customers	15,387	15,678	16,185	16,588	19,240
Average Daily Water Flows (MGD)	12.4	14.9	15.0	15.0	16.3
Peak Day Water Flows (MGD)	22.8	25.9	25.1	25.0	27.2
New Water Meters Installed	346	377	503	537	517
Water Lines Installed (linear ft.)	25,709	13,255	12,603	9,994	16,039
Water Valves Installed	171	147	199	181	232
Fire Hydrants Maintained	2,428	2,448	2,488	2,509	2,554
Water Service Calls Completed	2,791	2,242	3,807	2,849	2,221
Sewer Service Calls	292	177	255	460	520
Sewer Lines Cleaned (feet)	512,000	263,121	338,391	300,000	244,850
Sewer Lines Checked by Camera (feet)	199,757	15,047	291,617	185,000	91,625
Sewer Lines Upgrades (feet)	1,148	1,274	3,466	2,174	707
Water Lines Upgrades (feet)	4,100	440	2,290	2,230	0



## Solid Waste Management



Mission: To contribute to a safe and healthy living environment in the community by collecting and disposing of waste in a timely manner, and encouraging environmental sensitivity and waste reduction opportunities by facilitating recycling.

<b>Service</b>	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Administration</b>	\$709,269	\$744,731	\$738,529
Manages the day to day operation of Solid Waste collection and disposal, maintenance of records for waste collection, recycling and disposal, and communicates with public regarding solid waste issues.	2	2	2
<b>Residential Collection</b>	\$1,488,775	\$1,730,025	\$1,665,863
Provides once per week curbside collection of containerized refuse, small yard waste clippings, and commingled recyclable materials.	15	17	17
<b>Special Services</b>	\$472,513	\$479,316	\$538,146
Collection of litter receptacles located on ocean front street ends along Ocean Boulevard.	5	5	5
<b>Commercial Collection</b>	\$468,759	\$496,616	\$578,084
Commercial collections service is provided for large dumpster units at City Facilities, townhomes, and apartment complexes and compactor units at motels and businesses in the compactor zone.	4	4	4

	<i>FY 2015-16 Actual</i>	<i>FY 2016-17 Budget</i>	<i>FY 2017-18 Budget</i>
<b>Transfer Station</b>	\$1,480,250	\$1,269,659	\$1,592,470
Serves as a central location where all waste collected by City forces is weighed and packed into transfer trailers for transport to the Horry County Solid Waste Landfill for Disposal. The division also handles the processing of scrap metals.	4	4	4
<b>Alert Crew</b>	\$101,065	\$112,441	\$115,414
Responds to all after hours calls during weekdays and weekends related to Public Works; assists Police with various activities.	2	2	2
<b>Capital Outlay</b>	\$0	\$0	\$0
<b>Total Solid Waste</b>	\$4,720,631	\$4,832,788	\$5,228,506
	32	34	34

## **Solid Waste Management Budget Formation**

The Solid Waste Management budget increased by 8.2% over the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- A \$320,000 increase in Utility costs is reflective of the 24.14% rate increase implemented by the utility service provider.
- An increase of \$30,000 for E-waste disposal services.

### **Budget Decreases:**

- A \$16,000 decrease in personal service costs in Administration due to the retirement of a long term employee.

### **Service Delivery Highlights and Challenges:**

- Expansion of our residential and beach recycling programs. A variety of residential recycling container options are now available and recycling containers are in place along the entire extent of our recreational beachfront.
- Exploration of innovative technologies to enhance our solid waste collection. Desire to use GPS tracking technology to conduct route optimization studies.
- Upgrading the Solid Waste Transfer Station. Perform an evaluation of our current solid waste streams and operational practices and review all transfer technology to propose a transfer method that meets the current and future needs of our community.
- Identify opportunities to streamline the promotional and hiring process to fill vacant positions as soon as possible.
- Propose creative approaches to reduce illegal dumping activity.
- Create partnerships with the Solid Waste Authority and other municipal entities to promote activities that serve the operational and economic interests of all involved.

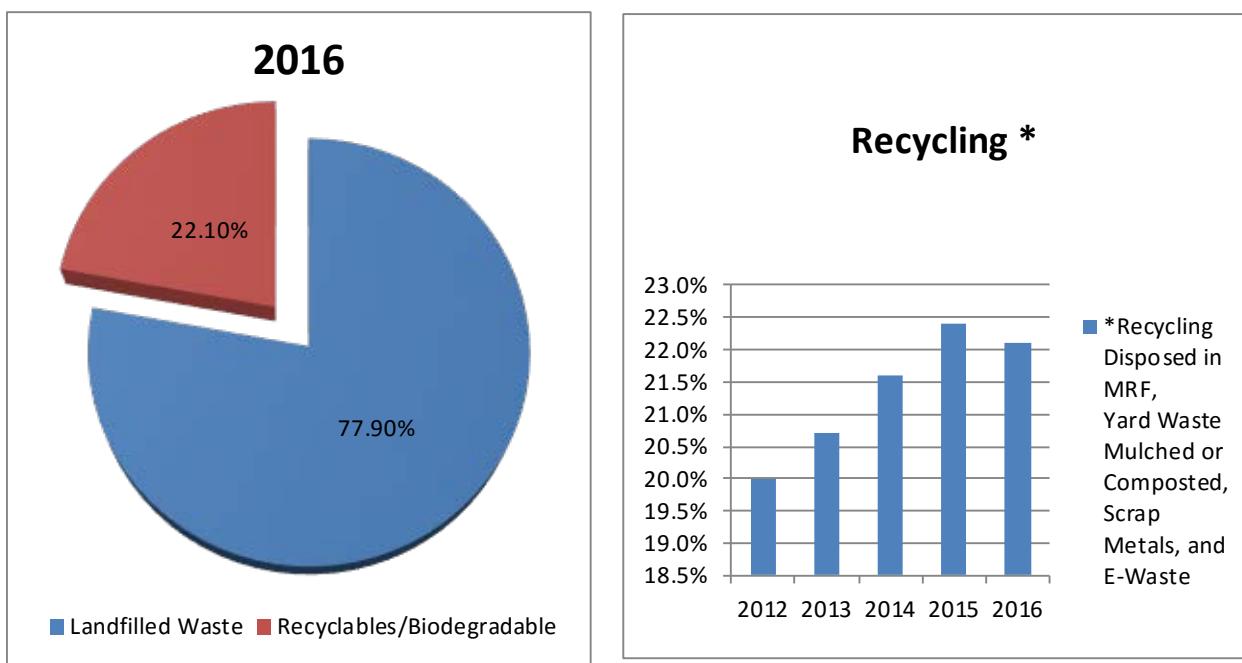
### **Strategic Emphasis for 2017-18:**

- Establish an accurate inventory of existing and potential residential and commercial customer accounts (and serviceable containers) to serve as a foundation in the exploration of route optimization studies.
- Initiate the evaluation of our current waste streams and review transfer technology to support future expansion and upgrading of our current Solid Waste Transfer Station.
- Include operational funding to upgrade our existing e-waste and tire storage disposal facilities to satisfy regulatory compliance. Application in FY17 for Residential Electronics Recycling Grant for eligible reimbursable expenses.
- Coordinate with the Solid Waste Authority to identify and propose potential project(s) to promote commercial recycling within our community. Include operational funding for a pilot commercial recycling project (up to four sites) within the Downtown Redevelopment Corporation (DRC) District. Application in FY18 for Solid Waste Reduction and Recycling Grant for eligible reimbursable expenses.
- Include operational funding for a pilot event recycling program to accommodate various sized events throughout the year. Collaboration with our Planning Department to incorporate waste diversion elements with new development. Application in FY18 for Solid Waste Reduction and Recycling Grant for eligible reimbursable expenses.
- Include operational funding to establish a small inventory of commercial containers (dumpsters, roll off containers, etc.) to be able to meet commercial customer needs as requests are generated.

## Demand and Performance Indicators

Tons of Collections	2012	2013	2014	2015	2016
Garbage	20,087	19,289	20,264	18,428	21,155
Bulk Waste	1,586	1,650	1,804	1,994	2,500
Yard Waste	4,336	4,319	4,939	4,310	4,612
Recyclables	1,007	1,077	1,105	2,389*	2,000
E-Waste	28	23	14	28	39
Scrap Metal	39	36	33	47	61
Total Collections	27,083	26,394	28,159	27,196	30,367
Recyclables/Biodegradable Percentage	5,410	5,455	6,091	6,774	6,712
	20.0%	20.7%	21.6%	24.9%	22.1%

\* - Cardboard tonnage included



\*Recycling Disposed in MRF, Yard Waste, Scrap Metal & E-waste.

## Stormwater Management



Mission: To provide for an increased level of service for the City's stormwarter maintenance system in order to reduce the threat of property damage or loss to City residents and businesses due to flooding during routine and moderate storms.

Service	<i>Budget / Positions</i>		
	FY 2015-16 <i>Actual</i>	FY 2016-17 <i>Budget</i>	FY 2017-18 <i>Budget</i>
<b>Stormwater Maintenance</b>	\$2,126,554 16	\$2,536,665 17	\$2,736,207 17
The division maintains outfalls, ditches, and other facets of the stormwater management system, coordinates the engineering and design of stormwater infrastructure improvements, and manages construction projects for improvements in drainage basins under City control.			
<b>Capital Outlay</b>	\$0	\$298,346	\$0
<b>Total Stormwater</b>	\$2,126,554 16	\$2,835,011 17	\$2,736,207 17

## **Stormwater Maintenance Budget Formation**

The Stormwater Maintenance Budget decreased by 3.5% when compared to the FY2016-17 Adopted Budget and reflects:

### **Budget Increases:**

- City-wide personal service budget allocations include a 7.5% increase in employer funded health insurance premiums, a 1% increase in employer's retirement contribution, a 2.75% average merit increase, and a 1.75% across the board adjustment, effective January 2018, per the compensation study.
- An increase of \$55,000 in fleet lease and maintenance expenses, in part due to the addition of a street sweeper in FY17.
- An increase of \$62,000 in professional fees is a result of the addition of monitoring of 4<sup>th</sup> Avenue Outfall and water quality monitoring – both related to existing or pending regulatory requirements.
- An increase of \$95,000 in maintenance funding for the City storm drainage system.

### **Budget Decreases:**

- Capital Expenditures decreased by \$298,000. The capital equipment purchased in FY17 was associated with the acquisition of a Street Sweeper for a new position added in FY17.

### **Service Delivery Highlights and Challenges:**

- In the process of hiring an Equipment Operator and delivery of a sweeper to serve the growing roadway infrastructure within our community.
- Cooperatively plan, design, and budget construction of public improvement projects and their associated long-term maintenance needs. Consideration should be given to contract the construction of public improvement projects to third-parties to successfully attain desired project completion deadlines and mitigate adverse service level impacts to ongoing routine maintenance activities. Should use of internal departmental resources be appropriate, consider the establishment of a *new* internal special projects construction crew with a dedicated budget, talented personnel, and resources.
- Development of a dedicated systematic stormwater utility structural condition assessment and evaluation program. Currently there is no stormwater utility inspection personnel nor equipment within the division. Combining inspection techniques and observed/recorded data, analysis of system performance, maintenance history, age, materials, and structural risk analysis to proactively determine the need and priority of repair, rehabilitation, or replacement. In-line

## **Service Delivery Highlights and Challenges (continued):**

inspection and assessment capabilities will also aid in the investigation, tracking, and elimination of illicit (non-stormwater) discharges.

- Enhance our stormwater maintenance program with proactive elements. Propose a phased approach in acquiring resources and establishing frequency/scheduling needs of maintenance activities to effectively perform a regular, system wide cleaning of our underground and open channel drainage system, consideration of crew dedicated to roadside swales and driveway culverts, consideration of a crew dedicated to the restoration of utility easement maintenance access, promote use of new technology and collaborative methods to assist in quantifying water quality improvements, and continued internal collaboration relative to source control measures to educate and prevent non-stormwater discharges.

## **Strategic Emphasis for 2017-2018:**

- Initiate investigation and demonstration of in-line stormwater utility inspection technology for consideration in future budget years. Collaboration with Water & Sewer Division of findings and consideration of cross-purpose innovative camera inspection technologies and/or professional services to perform structural risk analysis.
- Initiate collaboration of departmental utility representative(s), Right-of-Way Technician, and Code Enforcement personnel to assess the condition and encroachments within current departmental utility easements and devise a multi-year work plan in support of funding a dedicated departmental crew in future budget years to perform restorative measures (where applicable) and continued long-term maintenance.
- Investigate coordination of deep ocean outfall inspection frequency with neighboring communities to benefit from economy of scale of performing the desired three (3) special inspections.

## Demand and Performance Indicators

<b>Measure</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Catch Basins Repaired	24	30	30	11	3
Storm Drains Cleaned (feet)	247,172	151,950	187,559	67,120 <sup>(1)</sup>	65,952
Ditches/Canals Maintained	222,575	385,750	295,491	179,469 <sup>(1)</sup>	226,343
Miles of Streets Swept	16,664	*14,482	*13,483	15,312	16,976

*\* A long term health issue with 2 of the 3 sweeper operators resulted in less sweeping times the last two years.*

*(1) – FY15 Staff diverted for various Special Events & May Bike Week Set-up*



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## **Capital Projects & 2018-22 Capital Improvements Plan**

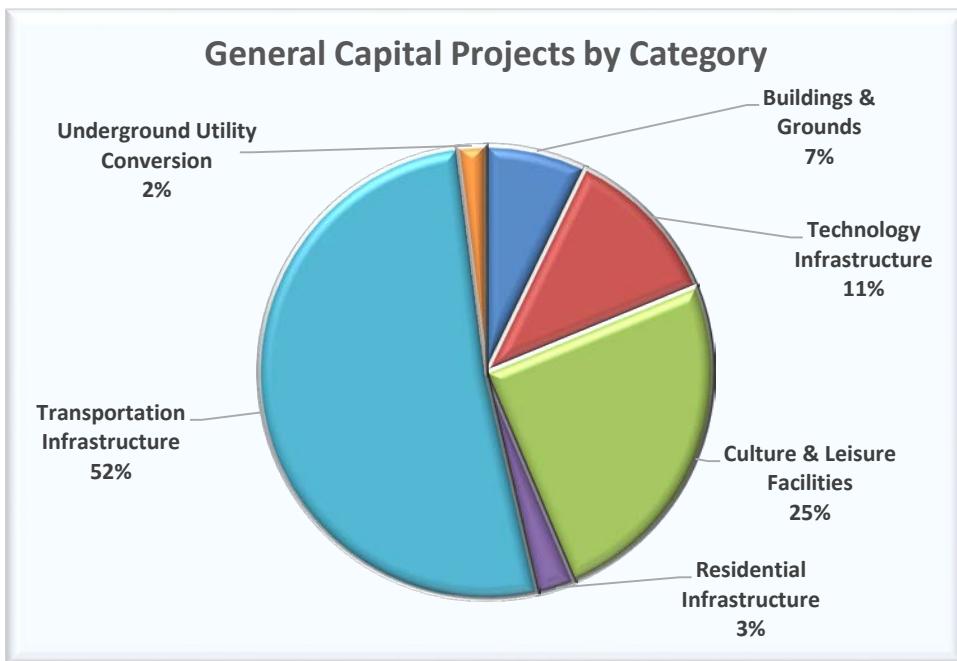
A Capital Project is a project to acquire or construct an asset with a value usually exceeding \$25,000 and an expected life of ten years or more. Capital project appropriations continue in effect for the life of the project. It is characteristic that these projects span several years due to the scope of work being performed.

A Capital Improvements Plan is a schedule for the financing and construction of physical assets such as equipment, buildings, streets, sewers, and recreation amenities. The plan extends over several future years indicating the beginning date of each project, the amount available in each year, the methods of financing those expenditures, and the anticipated operating costs associated with placing those assets into service.

## FY 2018-2022 General Capital Improvements

### General Capital Improvement Plan by Funding Source

General Capital Improvement Plan By Funding Source						
Major Funding Source	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	TOTAL
Hospitality	\$800,000	\$825,000	\$825,000	\$825,000	\$825,000	\$4,100,000
Local Tourism Fee	845,000	425,000	400,000	400,000	300,000	2,370,000
Intergovernmental	750,000	15,700,000	700,000	750,000	700,000	18,600,000
General	585,000	585,000	585,000	585,000	585,000	2,925,000
Admission Tax	1,000,000	-	-	-	-	1,000,000
Debt	9,500,000	-	-	1,737,500	-	11,237,500
<b>Total</b>	<b>\$13,480,000</b>	<b>\$17,535,000</b>	<b>\$2,510,000</b>	<b>\$4,297,500</b>	<b>\$2,410,000</b>	<b>\$40,232,500</b>



## General Capital Improvement Plan by Category

Category	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	TOTAL
Buildings & Grounds	\$409,000	\$591,500	\$618,500	\$772,500	\$472,500	\$2,864,000
Technology Infrastructure	4,535,000	35,000	35,000	50,000	55,000	4,710,000
Culture & Leisure Facilities	6,076,000	551,000	624,000	2,217,500	525,000	9,993,500
Residential Infrastructure	215,000	215,000	215,000	215,000	215,000	1,075,000
Transportation Infrastructure	2,145,000	15,992,500	867,500	892,500	892,500	20,790,000
Underground Utility Conversion	100,000	150,000	150,000	150,000	250,000	800,000
<b>Total</b>	<b>\$13,480,000</b>	<b>\$17,535,000</b>	<b>\$2,510,000</b>	<b>\$4,297,500</b>	<b>\$2,410,000</b>	<b>\$40,232,500</b>

## General Capital Projects

The City's Comprehensive Plan is the long range planning document for the City of Myrtle Beach. The Comprehensive Plan and its elements serve as a guide for establishing a Capital Improvements Plan (CIP) for the City's public infrastructure and facilities and the annual budgeting process. The City's 2018-2022 General Capital Improvements Plan includes \$13.5 million in FY2018 appropriations and \$40.2 million of outlays over the five-year planning period. In an effort to satisfy the goals set forth in the Comprehensive Plan, \$20.8 million for transportation system infrastructure, \$1 million for residential infrastructure improvements, \$800,000 for underground utilities, \$10 million for the improvement of Cultural and Leisure Services facilities, \$4.7 million for the acquisition of a new financial software package and renewal of technology infrastructure, and \$2.9 million for the construction and maintenance of the City's general capital infrastructure have been programmed into the 5-year plan.

### Financing Mix

The two basic ways of financing capital improvements are (a) pay-as-you-go which means using current revenues or cash on hand, and (b) pay-as-you-use, which involves leveraging debt to spread the acquisition expense over the period of time the community uses the capital asset.

Classic **pay-as-you-go** financing requires that communities allocate a significant portion of operating revenues to a capital improvement fund each year, and use these monies for annual capital improvements or save them until they are sufficient to pay for very large projects. Pay-as-you go financing avoids borrowing costs, but may be impractical for very large or "lumpy" projects and for communities that have an urgent need for certain improvements. Relying exclusively on the use of pay-as-you-go financing may mean the

government is assuming a savings function for its citizens. It is, in effect saving money paid into its treasury by current citizens to pay for facilities that will be enjoyed by future citizens.

**Pay-as-you-use** financing, on the other hand, utilizes the issuance of debt to spread the costs of the project over the years when it is used. Projects are financed by serial debt issues maturing in such a way that the retirement of the debt roughly coincides with the depreciation of the project. By the end of the project's life, the debt has been paid off. If the project has to be replaced, more debt may be issued and retired in the same manner. In this way, "no one is forced to provide free goods for a future generation or to contribute toward facilities for a town in which he or she may not live, nor will new members of the community reap what they have not sown."<sup>2</sup>

The City attempts to make a reasonable and balanced use of these two options. For presentation purposes, capital improvement projects are grouped by funding mechanism. The following are typical of the funding categories generally used:

**Pay-as-you-go Programs** – The General Pay-as-you-go program includes as funding sources all non-current ad valorem taxes, one-time revenues and highly volatile revenues. Examples of one-time revenues may include grants and private participation or the appropriation of fund balance. Highly volatile revenue sources may consist of building permit fees, state shared revenues, and interest earnings. These may be spent for any legitimate governmental purposes and are used for smaller projects with shorter useful lives.

The plan also utilizes transfers from the Hospitality Fee fund and the Tourism Development Fee fund. Hospitality Fee revenue is generated by the collection of a 1% Hospitality Fee levied within the limits of the City. The Tourism Development Fee is a 1% sales tax imposed on substantially all retail sales within the limits of the City. Both revenue sources are designated for a narrow range of specific uses and are generally used to fund projects that support the community's tourism infrastructure.

**Debt Financed, or Pay-as-you-use Programs** – Funding is generated through the issuance of debt. The retirement of the debt may be supported by the City's Full Faith and Credit, which is its power to tax, or by pledges of non-tax revenues. This program is used to build larger, more expensive facilities with relatively long useful lives. Most will have lives of 40+ years.

## **Highlights for the Five Year General Capital Improvements Plan (FY 18 - FY22)**

### ***Building & Grounds***

The Community and Facilities element of the Comprehensive Plan provides that, through sound management and strategic investments, community facilities and services will be provided and maintained for all members of the Myrtle Beach community that promote health, safety, and an enhanced quality of life in an efficient, responsive, and sustainable

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<sup>2</sup> J. Richard Aronson and Eli Schwartz, *Management Policies in Local Government Finance*, 3<sup>rd</sup> Ed., International City Management Association, 1987, p. 414. See Ch. 17 on capital budgeting for a full discussion of topics addressed in this section of the budget.

manner. To ensure that City facilities are maintained and equipped to most efficiently serve the public, public facility needs are evaluated annually by department heads and included in the 5-year Capital Improvement Plan. The Building and Grounds category consists primarily of projects for the construction of public buildings; acquisition of property for future public buildings; major building maintenance, repair and replacement projects (other than Culture & Leisure Buildings and Facilities which are included in another category).

The majority of funding identified for Buildings and Grounds in the current 5-Year plan will be utilized to maintain existing facilities. A \$1.6m HVAC replacement program has been incorporated into the plan, as well as \$467,000 for annual roof inspection and maintenance, and \$160,000 for general maintenance and renewal.

Replacement of the existing Solid Waste scale house and administrative offices has been included in fiscal year 2020 with an estimated cost of \$125,000. The existing facilities are over 20 years old and nearing the end of their useful life and the project presented within the 5-year plan involves replacing the existing facilities with new modular units to house Solid Waste operations.

Several renovation projects are included in the plan. Renovation projects include \$220,000 funding for the replacement of the Vactor Truck housing facility roof, \$62,000 for roof renovations at the Public Works Administration facility, and \$84,000 to resurface the parking lot at the Fleet Services/Purchasing complex.

In addition to the bricks and mortar infrastructure projects undertaken, the city utilizes costly technology and software systems that must be maintained and, from time to time, replaced. The current 5-year plan includes \$4.7 million funding for the replacement of the Financial Accounting System over the course of 2 years and recurring allocations for hardware and software renewal and replacement.

### ***Culture & Leisure Facilities***

The Culture and Leisure project group encompasses both traditional recreational facilities and those that enhance our appeal as a tourism destination. Frequently the two overlap, as the City of Myrtle Beach maintains a number of facilities and complexes dedicated to both recreation and sports tourism, as well as our largest tourism draw, the beach. To enhance the quality of life for our visitors and residents alike, a \$5m beach renourishment project represents the largest of undertakings included in the current plan. Beach Renourishment is a process by which sand, lost through longshore drift or erosion, is replaced from other sources. In addition to adding beach capacity, a wider beach can reduce storm damage to coastal structures and infrastructure from storm surges and unusually high tides. An additional \$1m of funding for the restoration of beach walkovers has been incorporated over the 5 years of the plan to ensure safe and convenient access to the City's beaches.

The construction of a new Parks Maintenance Facility is included in FY21 of the 5 year plan with an estimated cost of \$1.3m. The division has grown rapidly over the last several years and there is a need for a centrally located facility to manage the beach cleaning, right-of-way management, litter control, and parks maintenance service demands managed by the City.

Other projects incorporated in the Culture and Leisure project group involve maintaining and improving existing facilities. Projects include renovations of parks and playgrounds, concrete work at sports complexes, shelters, LED light installation, surveillance camera installation, additions to the Train Depot, maintenance of aquatics facilities, renovation of the skate park, and new courts for Myrtle Beach Tennis Center.

### ***Residential Infrastructure***

The Residential Infrastructure category addresses projects that meet goals set forth in both the Community Facilities and the Neighborhood elements of the Comprehensive Plan. These Projects enhance connectivity, promote quality of life and generally result in the enhancement of neighborhoods, through the construction and maintenance of sidewalks, signage, curb, and guttering. Residential projects typically involve the repair, replacement and installation of infrastructure improvements to driveways, parking surfaces, streetscape, sidewalks, and walkways.

### ***Transportation System Infrastructure***

Transportation System Infrastructure encompasses roadway construction, major roadway repair and maintenance, sidewalk, and pedestrian accessibility projects; other improvements including bikeways, public transportation enhancements, intersection improvements, lane widening, tree planting, and median enhancement, etc. City-wide sign replacement, pavement marking, and way-finding projects are among the projects designed to enhance the traveling experience along our roadways. Transportation system design and capital planning are undertaken with consideration for the Comprehensive Plan stated goals of becoming a sustainable community, with a transportation system that is multi-modal and integrated and that address mobility and access needs, and encourages less dependence on automobiles while facilitating the safe movement of people and goods to, within, and from the area.

The current 5-year plan includes projects for the installation of and improvements to ADA ramps to address mobility and access needs. Also addressing mobility and encouraging less dependence on automobiles, the plan includes funding for pedestrian safety improvements and continued maintenance of the Greenway Bike Path.

The largest maintenance projects included in the transportation infrastructure category involve the milling and resurfacing of City roadways, including the 9.4 miles of City owned roadway along Ocean Blvd. Segments of the boulevard and various other roadways will be resurfaced annually during the course of the 5-year plan period.

Several beautification and Intersection improvement projects are contemplated in the early years of the plan, the largest of which involve various intersections with the major artery into the City, Hwy 501. Additionally, a \$13.9 million total re-alignment of the Hwy 501 corridor is planned for FY19.

### ***Underground Utility Conversion***

Underground Utility Conversion consists of the removal of utility poles and the burial of utility lines, including streetscape enhancements, curb and gutter restorations, and other roadway improvements as needed.

### **Operating Budget Impact of the General Capital Improvement Plan**

Virtually any new capital investment will require staffing, materials, utilities and other regular maintenance if it is to serve its purpose to the community. Some capital projects will generate revenues to the City, and will help to promote the community's general economic health and well-being as well as enhance its quality of life. While it is difficult to quantify the exact costs of future operations and maintenance of a project, most can be reasonably estimated based upon experience. For example:

The approximate annual cost of maintenance associated with a new sidewalk is \$1.15 per foot. Approximately 8,000 feet of new sidewalks and a number of new ADA ramps will be added to system infrastructure, increasing operating cost by an estimated \$9,700 per year.

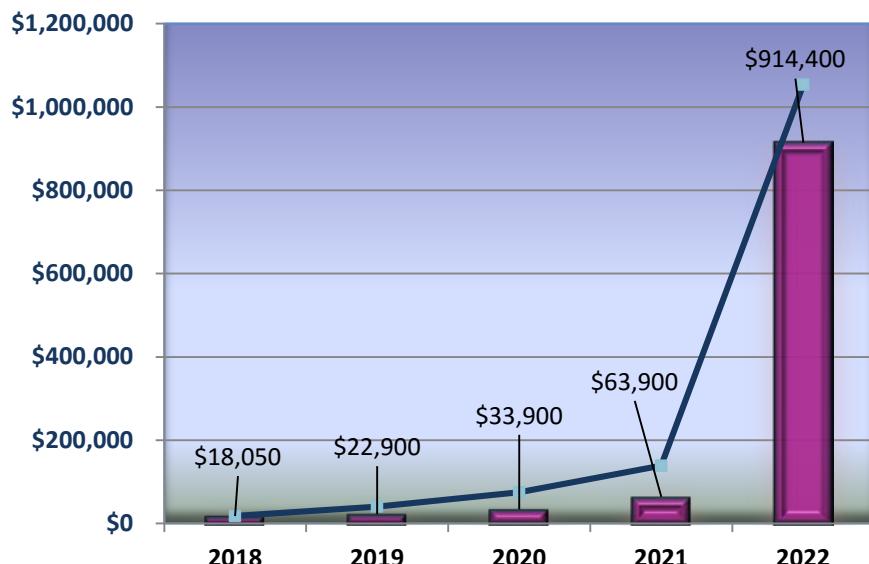
Operating costs associated with transportation projects included in the five-year plan will be approximately \$11,000 per year by 2018 and include street sweeping, landscaping, and general maintenance.

The addition or expansion of Cultural and Leisure facilities and amenities will result in a cumulative operating impact of \$44,000. The addition of cameras, picnic shelters, and various other projects will produce operating expenses of \$3,350 in FY18 and the extension of the Withers Swash Boardwalk and of a new Parks Maintenance Facility presented in the latter years of the plan result in an annual operating impact of \$41,000 by FY22.

While the Withers Preserve/Clemson Tract Fire Station will be funded utilizing the MB Air Base TIFD bond proceeds, construction of the facility in FY20 will generate annual general operating costs of \$850,000. Staffing the fire station accounts for \$669,000 of the operating cost estimates and utilities and other contractual services account for the balance of the annual obligations. The first full year of operation of the station would be FY22.

Projects completed during the 2018 Fiscal Year will result in \$18,050 of growth in operational cost, creating a minimal operating impact on the City's General Fund. Capital Improvements placed into service over the five years of the Capital Improvements Plan are expected to produce a cumulative operating impact of \$1,053,000 or the equivalent of approximately 3 mills on the City's property tax rate in the absence of other revenue growth.

### Projected Operating Cost of New Capital Improvements FY18 - 22



## General Capital Improvement Plan By Category

<b>Buildings &amp; Grounds</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Public Facility Infrastructure	\$ 12,000	\$ 42,500	\$ 28,500	\$ 25,500	\$ 52,500	\$161,000
Roof Maintenance Program	85,000	90,000	95,000	97,000	100,000	467,000
HVAC Replacement Program	250,000	375,000	350,000	350,000	320,000	1,645,000
Public Works Roof Renovation	62,000	-	-	-	-	62,000
Fleet Shop & Purchasing Lot Resurfacing	-	84,000	-	-	-	84,000
Engineering/Design for a New Municipal Complex	-	-	-	100,000	-	100,000
Public Works Sewer - Vactor Truck Housing Roof Repair	-	-	20,000	200,000	-	220,000
Solid Waste Scale House Replacement	-	-	125,000	-	-	125,000
<b>Total Admin., Buildings &amp; Grounds</b>	<b>\$ 409,000</b>	<b>\$ 591,500</b>	<b>\$ 618,500</b>	<b>\$ 772,500</b>	<b>\$ 472,500</b>	<b>\$ 2,864,000</b>
<b>Technology Infrastructure</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
<b>Technology Infrastructure</b>	<b>\$ 4,535,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 50,000</b>	<b>\$ 55,000</b>	<b>\$ 4,710,000</b>



Cultural & Leisure Facilities	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	<b>TOTAL</b>
Playground Improvements	\$ 50,000	\$ 100,000	\$ 150,000	\$ 100,000	\$ 100,000	\$500,000
Recreation Infrastructure	50,000	50,000	50,000	50,000	50,000	250,000
Parks Infrastructure	50,000	50,000	50,000	50,000	50,000	250,000
Walkover Renovations	200,000	200,000	200,000	200,000	200,000	1,000,000
Sand Dune Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Matt Hughes Skate Park Renovation	65,000	-	-	-	-	65,000
Train Depot Railcar Project	78,000	-	-	-	-	78,000
Security Cameras at Doug Shaw & Ned Donkle	20,000	-	-	-	-	20,000
Picnic Shelter @ Ned Donkle	78,000	-	-	-	-	78,000
Doug Shaw LED Field Lights	240,000	-	-	-	-	240,000
Dugout Misting Fans	105,000	-	-	-	-	105,000
Pepper Geddings-Painting Locker rooms & Pool Balcony Railing	15,000	-	-	-	-	15,000
Withers Swash Walkway Replacement	120,000	-	-	-	-	120,000
Trash Cans @ Doug Shaw & Ned Donkle	-	100,000	-	-	-	100,000
Ned Donkle Concrete Walkway	-	46,000	-	-	-	46,000
Doug Shaw Stadium - Concrete Pad	-	-	90,000	-	-	90,000
Pepper Geddings Pool Resurfacing	-	-	79,000	-	-	79,000
Mary C. Canty Pool Resurfacing	-	-	-	75,000	-	75,000
Ned Donkle Ice Kiosk	-	-	-	-	120,000	120,000
Beach Renourishment	5,000,000	-	-	-	-	5,000,000
MB Tennis Center - Court Replacement	-	-	-	482,500	-	482,500
Parks Maintenance Facility	-	-	-	1,255,000	-	1,255,000
<b>Total Culture &amp; Leisure Facilities</b>	<b>\$6,076,000</b>	<b>\$551,000</b>	<b>\$624,000</b>	<b>\$2,217,500</b>	<b>\$525,000</b>	<b>\$9,993,500</b>

<b>Residential Infrastructure</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Street Ends	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$75,000
Sidewalk Improvement Program	200,000	200,000	200,000	200,000	200,000	1,000,000
<b>Total Residential Infrastructure</b>	<b>\$215,000</b>	<b>\$215,000</b>	<b>\$215,000</b>	<b>\$215,000</b>	<b>\$215,000</b>	<b>\$1,075,000</b>
<b>Transportation System Infrastructure</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Ocean Blvd. Milling & Resurfacing	\$ 225,000	\$ 225,000	\$ 200,000	\$ 200,000	\$ 200,000	\$1,050,000
Major Road Resurfacing	200,000	200,000	250,000	275,000	275,000	1,200,000
Sidewalk Grinding	50,000	50,000	50,000	50,000	50,000	250,000
Ocean Blvd. ADA Ramps	50,000	50,000	50,000	50,000	50,000	250,000
City-Wide Sign Replacement	20,000	20,000	20,000	20,000	20,000	100,000
City-Wide Pavement Marking	87,500	87,500	87,500	87,500	87,500	437,500
Intersection Improvements	50,000	50,000	50,000	50,000	50,000	250,000
Pedestrian Safety Improvements	50,000	50,000	50,000	50,000	50,000	250,000
Master Street Tree Planting	10,000	10,000	10,000	10,000	10,000	50,000
Traffic Signal Power Supply Project	-	100,000	100,000	100,000	100,000	400,000
Christmas Decorations	100,000	-	-	-	-	100,000
3rd Avenue Street Tree Planting	40,000	-	-	-	-	40,000
B&C Boulevard PH II	1,000,000	-	-	-	-	1,000,000
Highway 501 Beautification	200,000	-	-	-	-	200,000
Highway 501 & Broadway Intersection Improvements	25,000	600,000	-	-	-	625,000
US Highway 17 Business and US 501 Intersection	37,500	650,000	-	-	-	687,500
Re-Alignment of Highway 501	-	13,900,000	-	-	-	13,900,000
<b>Total Transportation System Infrastructure</b>	<b>\$2,145,000</b>	<b>\$15,992,500</b>	<b>\$867,500</b>	<b>\$892,500</b>	<b>\$892,500</b>	<b>\$20,790,000</b>

<b>Underground Conversion</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Underground Utility - Property Relocation	\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$450,000
Conversion, Streetscape, Curb, & Gutter	50,000	50,000	50,000	50,000	150,000	350,000
<b>Total Underground Conversion Projects</b>	<b>\$100,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$250,000</b>	<b>\$800,000</b>
<b>Total General Capital Projects</b>	<b>\$8,945,000</b>	<b>\$17,500,000</b>	<b>\$2,475,000</b>	<b>\$4,247,500</b>	<b>\$2,355,000</b>	<b>\$40,232,500</b>



*Map of the Oceanfront Development Area*

## FY 2018-2022 Oceanfront Redevelopment Capital Improvement Plan

Downtown Redevelopment Projects are additions to and enhancement of public infrastructure undertaken to facilitate the revitalization of the downtown area. The City's 2018-2022 Downtown Redevelopment Capital Improvements Plan includes \$11.4 million in capital outlays over the five-year planning period.

### Financing Mix

Financing for Downtown/Oceanfront Redevelopment projects will consist of both pay-as-you-go (or pay-as-you-acquire) which means using current revenues or cash on hand, and (b) pay-as-you-use, which involves leveraging debt to spread the acquisition expense over the period of time the community uses the capital asset.

The **pay-as-you-go** financing allocated to funding the projects will consist of Admissions Tax revenues generated by business operated within the district and Tourism Development Fee revenues generated within the City. **Pay-as-You-Use** funding will consist of Limited Obligation and Tax Increment Revenue Bonds. The retirement of the debt may be supported by the tax revenues generated within the Tax Increment Financing District.

### **Highlights for the Five Year Oceanfront Redevelopment Capital Improvements Plan (FY 18 - 22)**

The 5-year plan for the Oceanfront Development Area focuses on improvements to and revitalization of the 1.2 mile ocean front boardwalk, sidewalk construction along Ocean Boulevard from 9th Avenue North to 12th Avenue North, and the extension of the oceanfront boardwalk southward to Withers Swash. The largest of the projects identified, the extension of the oceanfront boardwalk, has an estimated cost of \$5 million and is included in the plan for construction in FY22.

### **Operating Budget Impact of the Oceanfront Redevelopment Capital Improvement Plan**

The improvements included in the five-year plan require only a nominal increase in maintenance and utility costs since the boardwalk is in operation and currently lighted and the majority of the area sidewalk system is already in place.

#### **Oceanfront Development Area Projects**

<b>Financing Sources</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Admissions Tax	\$501,000	\$155,000	\$155,000	\$165,000	\$165,000	\$1,141,000
Tourism Dev. Fee	153,060	160,000	-	75,000	-	388,060
Tax Increment Debt	-	-	5,016,200	-	4,760,000	9,776,200
Fund Balance	66,940	-	-	-	-	66,940
<b>Total Financing Sources</b>	<b>\$721,000</b>	<b>\$315,000</b>	<b>\$5,171,200</b>	<b>\$240,000</b>	<b>\$4,925,000</b>	<b>\$11,372,200</b>
Ocean Blvd Median Lights	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$100,000
Withers Swash Boardwalk Renovation - (Ocn Blvd - Hwy 17)	671,000	-	-	-	-	671,000
Boardwalk Shade Sail Replacement	-	265,000	-	-	-	265,000
Boardwalk Revitalization	-	-	4,511,000	-	-	4,511,000
Ocean Blvd Sidewalks 9th Ave. to 12th Ave. North	-	-	660,200	165,000	-	825,200
Withers Swash Extension-Oceanfront Boardwalk	-	-	-	75,000	4,925,000	5,000,000
<b>Total Downtown Projects</b>	<b>\$721,000</b>	<b>\$315,000</b>	<b>\$5,171,200</b>	<b>\$240,000</b>	<b>\$4,925,000</b>	<b>\$11,372,200</b>

## **FY 2018-2022 MB Air Base Redevelopment District Capital Improvement Plan**

Myrtle Beach Air Base Tax Increment District projects are additions to and enhancement of public infrastructure undertaken within the air base tax increment district to facilitate the improvement and revitalization of the former air force base. The City's 2018-2022 MB Air Base District Capital Improvements Plan includes \$25.5 million in capital outlays over the five-year planning period.

### **Financing Mix**

Financing for MB Air Base Tax Increment District projects will consist of both pay-as-you-go (or pay-as-you-acquire) which means using current revenues or cash on hand, and (b) pay-as-you-use, which involves leveraging debt to spread the acquisition expense over the period of time the community uses the capital asset.

The **pay-as-you-go** financing allocated to funding the projects will consist of contributions from the Myrtle Beach Air Force Base Redevelopment Authority and excess property tax revenues deposited in the capital projects account. **Pay-as-You-Use** funding will consist of Limited Obligation and Tax Increment Revenue Bonds. The retirement of the debt may be supported by the tax revenues generated within the Tax Increment Financing District.

### **Highlights for the Five Year Myrtle Beach Air Base Redevelopment Capital Improvements Plan (FY 18 - 22)**

The 5-year plan for the MB Air Base Tax Increment District focuses on improvements at the Grand Park complex and public safety facilities serving the district.

Grand Park improvements include various renovation and maintenance, replacement of the artificial turf on fields 1, 2, and 3, and the addition of Swallow Avenue park. The final phase of the Grand Park sports complex, Phase V, is expected to cost \$12 million and will result in the creation of additional recreational opportunities in the redevelopment area. The plan also includes the final phase of the Grand Park Linear Extension, a passive recreational trail that meanders through natural areas around a large stormwater lake and connects with the sports complex and various trails incorporated into district neighborhoods for FY19.

Public safety projects include a \$2.3 million expansion of Fire Station #3 in FY19 that will add much needed garage space for emergency vehicles, a proper storage area for turn-out gear, a decontamination area for infectious control measures, and expanded classroom and dining facilities. Expansion and renovation of the Police Annex building is included in FY20. The expansion involves the addition of 2 secure vehicle storage/search bays for the investigative division and is estimated to cost \$2.5 million.

New construction contemplated includes the Withers Preserve/Clemson Tract Fire Station located within the district. The station has an estimated cost of \$3.5 million and is currently in the plan for construction in FY20.

## Myrtle Beach Air Force Base Development Area Projects

<b>Financing Sources</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Capital Projects Account	\$ 372,000	\$ 414,000	\$ 1,652,000	\$ 774,000	\$ 453,000	\$ 3,665,000
Tax Increment Debt	-	3,800,000	18,025,000	-	-	21,825,000
<b>Total Financing Sources</b>	<b>\$ 372,000</b>	<b>\$ 4,214,000</b>	<b>\$ 19,677,000</b>	<b>\$ 774,000</b>	<b>\$ 453,000</b>	<b>\$ 25,490,000</b>
Warbird Parks - Airplane Painting	\$ 2,000	\$ 64,000	\$ 2,000	\$ 2,000	\$ 65,000	\$ 135,000
Grand Park Ph. V	-	-	12,000,000	-	-	12,000,000
Grand Park Improvements	270,000	-	-	-	-	270,000
Grand Park Loading/Unloading	100,000	-	-	-	-	100,000
Swallow Avenue Park	-	350,000	-	-	-	350,000
Fire Station #3 Expansion	-	2,300,000	-	-	-	2,300,000
Grand Park Linear Extension	-	1,500,000	-	-	-	1,500,000
Grand Park Turf Replacement Field 1,2,&3	-	-	1,650,000	-	-	1,650,000
Grand Park Main Building Renovations	-	-	-	567,000	-	567,000
Grand Park Concessions Renovations	-	-	-	205,000	-	205,000
Grand Park Concessions Renovations, PH II	-	-	-	-	388,000	388,000
Clemson Tract Fire Station	-	-	3,500,000	-	-	3,500,000
Police Annex Expansion & Renovation	-	-	2,525,000	-	-	2,525,000
<b>Total MBAFB TIFD Projects</b>	<b>\$ 372,000</b>	<b>\$ 4,214,000</b>	<b>\$19,677,000</b>	<b>\$ 774,000</b>	<b>\$ 453,000</b>	<b>\$ 25,490,000</b>

## FY 2018-2022 Stormwater Management Capital Improvement Plan

Stormwater Management projects are additions to and enhancement of public infrastructure undertaken to maintain and improve the City's storm drainage system. The City's 2018-2022 Stormwater Management Capital Improvements Plan includes \$17.2 million in capital outlays over the five-year planning period.

### Financing Mix

Financing for Stormwater Management projects will consist of both pay-as-you-go (or pay-as-you-acquire) which means using current revenues or cash on hand, and (b) pay-as-you-use, which involves leveraging debt to spread the acquisition expense over the period of time the community uses the capital asset.

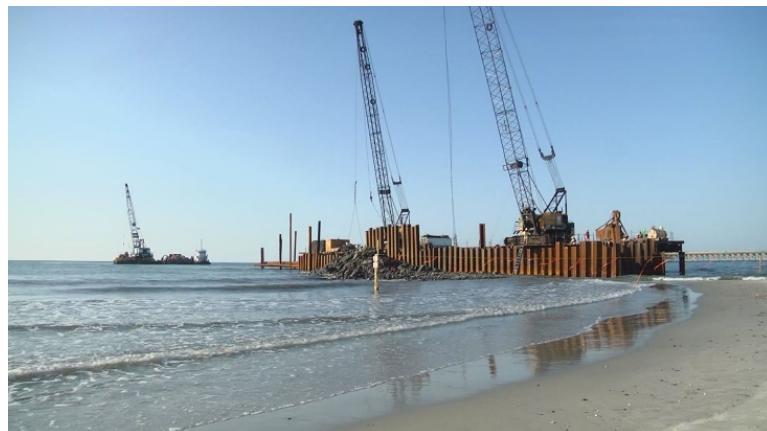
The **pay-as-you-go** financing allocated to funding the projects will consist of Stormwater fee revenues generated by the system and intergovernmental grants. **Pay-as-You-Use funding** will consist of State Revolving Loans. Overall financing of the plan is still in the planning and exploration phase and will be updated as developed.

### Highlights for the Five Year Stormwater Management Capital Improvements Plan (FY 18 - 22)

The 5-year stormwater management plan projects consist mainly of projects designed to address drainage issue throughout the City. The most costly stormwater projects contemplated involve the removal of storm drainage pipes along the oceanfront. The next outfall project anticipated will be at 24<sup>th</sup> Avenue North, has an estimated cost of \$11m, and will remove 11 beach outfall pipes.

### Operating Budget Impact of the Stormwater Management Capital Improvement Plan

The improvements included in the five-year plan require only a nominal increase in maintenance and utility costs for the first several years since most projects are a component of our already existing system. Once the 24<sup>th</sup> North Ocean Outfall is in service, annual monitoring costs of approximately \$60,000 will likely be incurred.



### Stormwater Management Projects

<b>Financing Sources</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
State Revolving Loan	\$ 1,105,060	\$ -	\$ 80,000	\$11,000,000	\$ -	\$ 12,185,060
Intergovernmental Grants	-	3,448,424	-	-	-	3,448,424
TBD	-	1,149,565	-	-	-	1,149,565
Fund Balance	39,376	100,000	100,000	100,000	100,000	439,376
<b>Total Financing Sources</b>	<b>\$ 1,144,436</b>	<b>\$ 4,697,989</b>	<b>\$ 180,000</b>	<b>\$ 11,100,000</b>	<b>\$ 100,000</b>	<b>\$ 17,222,425</b>
Hwy 15, Rosehaven to Hornes St. Drainage	\$ 525,060	\$ -	\$ -	\$ -	\$ -	\$525,060
Outfall Pipe Elim - Up & Downstream of 25th S. Outfall	500,000	-	-	-	-	500,000
Hwy 501/Balsam Street	9,688	1,762,004	-	-	-	1,771,692
N. Kings Highway/Cane Patch	9,688	2,835,985	-	-	-	2,845,673
Miscellaneous Drainage	100,000	100,000	100,000	100,000	100,000	500,000
24th Avenue North Outfall Project	-	-	80,000	11,000,000	-	11,080,000
<b>Total Stormwater Projects</b>	<b>\$ 1,144,436</b>	<b>\$ 4,697,989</b>	<b>\$ 180,000</b>	<b>\$ 11,100,000</b>	<b>\$ 100,000</b>	<b>\$ 17,222,425</b>

## **FY 2018-2022 Myrtle Beach Convention Center Capital Improvement Plan**

The capital plan for the Myrtle Beach Convention Center includes a number of renovation projects and improvements to the convention center campus. The City's 2018-2022 Capital Improvements Plan includes \$3.5 million in capital outlays over the five-year planning period.

### **Financing Mix**

Financing for Myrtle Beach Convention Center projects will consist of both pay-as-you-go (or pay-as-you-acquire) which means using current revenues or cash on hand, and (b) pay-as-you-use, which involves leveraging debt to spread the acquisition expense over the period of time the community uses the capital asset.

The **pay-as-you-go** financing allocated to funding the projects will consist of revenues generated through the operation of the facility and Hospitality Fee revenue generated from the collection of a 1% Hospitality Fee levied within the limits of the City . **Pay-as-You-Use funding** will consist of Capital Lease debt.

### **Highlights for the Five Year Myrtle Beach Convention Center Capital Improvements Plan (FY 18 - 22)**

The 5-year Convention Center plan projects consist mainly of renewal and replacement projects designed to preserve and improve the appearance and operation of the facility. The largest project included involves the replacement of the telescopic seating system at a cost of \$1.3 million. Parking lot resurfacing, main entrance renovation, metal door replacement, and the installation of a new pre-function hall HVAC unit are a few of the other projects included to enhance the look and functionality of the center.

### **Operating Budget Impact of the Myrtle Beach Convention Center Capital Improvement Plan**

The improvements included in the five-year plan should not result in any increase in operational costs.



### Myrtle Beach Convention Center Projects

<b>Financing Sources</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Hospitality Fee	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ 500,000
General Revenues	362,500	287,500	787,500	262,500	-	1,700,000
Lease/Debt Financing	1,325,000	-	-	-	-	1,325,000
<b>Total Financing Sources</b>	<b>\$1,937,500</b>	<b>\$ 287,500</b>	<b>\$1,037,500</b>	<b>\$ 262,500</b>	<b>\$ -</b>	<b>\$ 3,525,000</b>
Telescopic Seating	\$1,325,000	\$ -	\$ -	\$ -	\$ -	\$1,325,000
Metal Door Replacement	62,500	62,500	62,500	62,500	-	250,000
Main Entrance Renovation	350,000	-	-	-	-	350,000
Parking Lot Surface Improvements	200,000	200,000	200,000	200,000	-	800,000
Pre-Function HVAC System	-	25,000	775,000	-	-	800,000
<b>Total MBCC Projects</b>	<b>\$ 1,937,500</b>	<b>\$ 287,500</b>	<b>\$1,037,500</b>	<b>\$ 262,500</b>	<b>\$ -</b>	<b>\$ 3,525,000</b>



## **Enterprise Capital Improvement Plan**

Enterprise Projects include capital improvements for replacement, expansions, and upgrade of the Waterworks and Sewer System infrastructure and renovations of the City owned baseball stadium.

### **FY 2018-2022 Water & Sewer Enterprise Fund Capital Improvement Plan**

The City's 2018-2022 Waterworks and Sewer System Capital Improvements Plan includes \$ 4.4m in fiscal year 2018 appropriations and \$ 11.8m of outlays over the five-year planning period.

#### **Financing Mix**

Financing for the Waterworks and Sewer system will consist of both (a) pay-as-you-go and (b) pay-as-you-use, which involves leveraging debt to spread the acquisition expense over the period of time the community uses the capital asset.

The **pay-as-you-go** financing allocated to funding the projects will consist of Water and Sewer Fees, Impact Fees (projects to expand treatment or delivery capacity), and retained earnings (major maintenance or reinforcement projects) of the system. **Pay-as-You-Use** funding will consist of a combination of Waterworks and Sewer System Revenue Bonds and State Revolving Loan funds. The retirement of the debt will be supported by system revenues.

#### **Highlights for the Five Year Water & Sewer Enterprise Capital Improvements Plan (FY 18 - 22)**

Capital improvement projects funded by the Water & Sewer enterprise fund include the construction, replacement, and upgrades of water delivery system infrastructure; construction and replacement of sewer system infrastructure; upgrades or renovations of existing pump stations; brick manhole relining and sewer pipe relining projects; and replacement of various force mains within the City.

Sewer projects represent the largest planned investment in the 5-year plan. Major renovations to 6 existing pump stations account for \$3m. The plan also provides \$5.2m for relocation of back-lot sewer lines and forcemain rehabilitation throughout the City.

#### **Operating Budget Impact of the Enterprise Capital Improvement Plan**

The planned additions to the Waterworks and Sewer system will cause no significant increase in operational costs. The current staffing level is sufficient to maintain and monitor the new infrastructure placed into service during the plan period.

## Water and Sewer System Capital Improvement Projects

<b>Financing Sources</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Retained Earnings	\$398,700	\$252,125	\$124,198	\$255,000	\$260,000	\$1,290,023
Water Impact Fees	250,000	250,000	250,000	250,000	285,000	1,285,000
Sewer Impact Fees	250,000	250,000	250,000	250,000	285,000	1,285,000
Revenue Debt Funding	3,540,000	2,200,000	2,200,000	-	-	7,940,000
<b>Total Financing Sources</b>	<b>\$4,438,700</b>	<b>\$2,952,125</b>	<b>\$2,824,198</b>	<b>\$755,000</b>	<b>\$830,000</b>	<b>\$11,800,023</b>
<b>Water System Improvements</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Miscellaneous/Emergency Water Projects	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Upgrade 4 1/2" hydrants to 5 1/4" hydrants	20,000	20,000	20,000	20,000	20,000	100,000
Water Tank Painting/Maintenance	543,700	247,125	269,198	200,000	275,000	1,535,023
79th Ave. Waterline - Kings Hwy to Ocn. Blvd.	-	150,000	-	-	-	150,000
<b>Total Water Projects</b>	<b>\$613,700</b>	<b>\$467,125</b>	<b>\$339,198</b>	<b>\$270,000</b>	<b>\$345,000</b>	<b>\$2,035,023</b>
<b>Sewer System Improvements</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Miscellaneous/Emergency Sewer Projects	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Brick Manhole Lining Program to Reduce I&I	90,000	90,000	90,000	90,000	90,000	450,000
Sewer Relining to Reduce I&I (cured-in-place pipe)	145,000	145,000	145,000	145,000	145,000	725,000
Dunes Club #2 Pump Station Renovation	366,250	-	-	-	-	366,250
M. Manor Retirement Home Pump Station Renovation	467,500	-	-	-	-	467,500
Bear Branch Pump Station Renovation	543,750	-	-	-	-	543,750
The Forest Pump Station Renovation	640,000	-	-	-	-	640,000
Northwoods Pump Station Renovation	653,750	-	-	-	-	653,750
Briarcliffe Mall Pump Station Renovation	468,750	-	-	-	-	468,750
Backlot Line Sewer Relocation	-	2,000,000	2,000,000	-	-	4,000,000
Broadway St. Bridge - Force main Relocation	200,000	-	-	-	-	200,000
Force main Investigation and Rehabilitation	200,000	200,000	200,000	200,000	200,000	1,000,000
<b>Total Sewer Projects</b>	<b>\$3,825,000</b>	<b>\$2,485,000</b>	<b>\$2,485,000</b>	<b>\$485,000</b>	<b>\$485,000</b>	<b>\$9,765,000</b>
<b>Total Water &amp; Sewer System Projects</b>	<b>\$4,438,700</b>	<b>\$2,952,125</b>	<b>\$2,824,198</b>	<b>\$755,000</b>	<b>\$830,000</b>	<b>\$11,800,023</b>

## **FY 2018-2022 Baseball Stadium Enterprise Fund Capital Improvement Plan**

The City's 2018-2022 Baseball Stadium Capital Improvements Plan includes \$412,000 in fiscal year 2018 appropriations and \$ 3.5m of outlays over the five-year planning period.

### **Financing Mix**

Financing for the Baseball Stadium improvements and renovations is comprised of pay-as-you-go funding. The **pay-as-you-go** financing allocated to funding the projects will consist of transfers from the Local Option Tourism Development Fee and contributions from Horry County. Horry County shares ownership of the Stadium with the City and is responsible for 30% of the cost to operate and maintain the facility. Overall financing of the final year of the plan is still in the planning and exploration phase and will be updated as developed.

### **Highlights for the Five Year Baseball Stadium Capital Improvement Plan (FY18- 22)**

Capital improvement projects funded in the Baseball Stadium fund include concourse resurfacing and lighting, replacement of the main roof system, replacement of ornamental fencing and gates, interior ball field lighting replacement, wall and joint repairs, and a contribution toward the future renovation of the artificial playing surface. Replenishment of the renewal and replacement account has been included in the Capital Plan to allow for the final repayment of funds utilized for a major seating deck and expansion joint repair project undertaken in FY15. Lease agreements associated with the Stadium require the replenishment of the \$300,000 reserve within three years of use.

FY18 renovation projects include concourse resurfacing, wall and joint waterproofing, and renovations to the showers and concession floor. A \$750,000 project to replace the lighting system for the ball field is scheduled to be undertaken in FY19 and 20.

\$700,000 toward the replacement of the artificial playing surface is reflected in the plan in FY21 and 22. The funding has been incorporated in order to begin the process of accumulating the resources needed to renovate the playing surface. The existing field was renovated in the Spring of 2012 and is estimated to have a useful life of 10 to 12 years. Further funding of the renovation should occur outside of the current 5-year planning window.

### **Operating Budget Impact of the Enterprise Capital Improvement Plan**

The planned renovations of the Baseball Stadium will cause no significant increase in operational costs. The current staffing level is sufficient to maintain and monitor the new infrastructure placed into service during the plan period.

## Baseball Stadium Projects

<b>Financing Sources</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022</b>	<b>TOTAL</b>
Local Tourism Development Fee	\$ 309,400	\$ 409,500	\$ 262,500	\$ 273,000	\$ 350,000	\$ 1,604,400
Horry County	102,600	175,500	112,500	117,000	525,512	\$ 1,033,112
TBD	-	-	-	-	876,195	\$ 876,195
<b>Total Financing Sources</b>	<b>\$ 412,000</b>	<b>\$ 585,000</b>	<b>\$ 375,000</b>	<b>\$ 390,000</b>	<b>\$ 1,751,707</b>	<b>\$ 3,513,707</b>
Interior Light Replacement - Concourse	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
Tile Replacement in Showers	22,000	-	-	-	-	22,000
Main Concession Floor - Epoxy	40,000	-	-	-	-	40,000
Wall & Joint Waterproofing	210,000	-	-	-	-	210,000
Replace Ornamental Perimeter Fencing & Gates	-	210,000	-	-	-	210,000
Ballfield Light Replacement	-	375,000	375,000	-	-	750,000
Stadium -Main Roof System Replacement	-	-	-	40,000	1,401,707	1,441,707
Field Replacement(Multi-Year Contribution)	-	-	-	350,000	350,000	700,000
Replenishment of Renewal & Replacement Fund	70,000	-	-	-	-	70,000
<b>Total Baseball Stadium Projects</b>	<b>\$ 412,000</b>	<b>\$ 585,000</b>	<b>\$ 375,000</b>	<b>\$ 390,000</b>	<b>\$ 1,751,707</b>	<b>\$ 3,513,707</b>





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## **Debt Management**

Pay-as-you-go financing is usually the preferred option for financing capital improvements. But for capital improvements with very long useful lives and significant initial investment requirements, the City uses its borrowing capacity as an alternative means of capital formation. General Obligation Bonds, Certificates of Participation and Tax Increment Revenue Bonds make up the General Long-Term Debt reported by the City.

Specific-source Revenue debt includes debt financed with a specific pledge on non-utility revenue. At present, the only debt of this type issued by the City is Hospitality Fee Revenue debt.

The City also uses revenue bonds to finance capital improvements for the Waterworks and Sewer System. This debt is reported within that specific fund.

## General Long Term Debt

General Long Term Debt includes all debt that the City expects to repay with governmental funds, such as taxes or license fees. It does not include bonds for which principal and interest payments are repaid exclusively from the revenues of an enterprise, such as a public utility system.

Myrtle Beach's debt management program includes two categories of general long-term debt, as well as specific source revenue and tax increment financing debt:

- *general obligation debt*, which is secured by a "full faith and credit" pledge of the government's taxing power;
- *general non-bonded obligations* are certificates of participation (COPs) in a revenue stream. They include *asset-based financings* secured only by an interest in the property being financed and subject to annual appropriations, and *special revenue financings*, which differ from asset-based financings mainly in that they use a pledge of a specific tax or fee source other than the property tax to secure the annual lease payment;

Non-bonded debt instruments, such as the Certificates of Participation used to finance the Convention Center expansion, are considered the equivalent of general obligation debt for purposes of credit analysis.



Valor Memorial Garden

## Outstanding General Obligation Debt June 30, 2017

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
General Obligation Bonds, Series 2008	Full faith and credit	Construction of North Park, Grand Park, Crabtree Gymnasium, and Public Facility Land Purchase	Mar-33	4.50-5.00%	350,000
Myrtle Bch Public Facilities Corp. Refunding Certificates of Participation, Series 2010 *	Asset-based; Convention Center lease revenues	Convention Center expansion was financed by original issue, 1992	Jul-17	2.50-4.00%	1,625,000
General Obligation Bonds, Series 2011B	Full faith and credit	Refunded GO Bond (referendum debt) Series 2002 A & B and 2003 A & B originally issued for Stormwater and Recreation Infrastructure Projects.	Mar-28	3.00-5.00%	12,115,000
General Obligation Bonds, Series 2012A	Full faith and credit	Grand Park and other miscellaneous Recreation projects.	Mar-32	3.00-3.50%	3,445,000
General Obligation Bonds, Series 2012B (Taxable)	Full faith and credit	MB Convention Center HVAC and Roof Renovations.	Mar-32	2.50-4.00%	7,510,000
General Obligation Bonds, Refunding Series 2015A	Full faith and credit	Refunded Go Series 2006 A & B issued for Construction of North Park, Grand Park,a Bike Path, and Storm water management projects	Sep-30	2.38%	7,107,000
General Obligation Bonds, Refunding Series 2015B	Full faith and credit	Refunded GO Series C issued for Fire Station Construction – 38 <sup>th</sup> Avenue North	Sep-25	1.99%	1,413,000
General Obligation Bonds, Refunding Series 2015C	Full faith and credit	Refunded GO Series 2008 issued for Construction of North Park, Grand Park, Crabtree Gymnasium and Public Facility Land Purchase	Sep-30	2.38%	8,096,000
<b>Total</b>					<b>\$41,661,000</b>

\* Series 2010 Refunding Cops, while considered as General Obligation Debt for credit analysis, are not backed by the City's full faith and credit nor applied against the constitutional debt limit.

### General Obligation Debt

South Carolina cities may issue General Obligation Debt under two different kinds of authority—*Constitutional Authority* and *Authorization by Referendum*. Article X, Section

14 of the State Constitution provides that the incorporated municipalities of the state may issue general obligation indebtedness in an amount not exceeding eight per cent (8.0%) of the assessed value of all taxable property located within their corporate boundaries. The 8% limit may be waived for particular issues of debt provided the municipality's electorate grants the waiver and authorizes the City, by referendum, to issue debt in specific amounts for specific purposes.

General Non-Bonded Obligations were occasionally issued prior to 1995 and usually took the form of lease-purchase financings. Subsequent to July 1, 1995, most lease-purchase financings are treated as general obligation debt for purposes of determining whether they may be issued under the eight per cent constitutional ceiling. The City's outstanding Myrtle Beach Public Facilities Corporation Refunding Certificates of Participation in a Facilities Lease Agreement (COPs), Series 2010, refunded a 1998 issue that refunded a 1992 issue that financed the Convention Center renovation and expansion project. The 1992 issue predated the legislation and neither the original 1992 issue nor the 2011 refunding issue is subject to the debt ceiling. In addition to the 2010 COPs, the 2011B and 2015A series debt are not subject to the 8% debt ceiling. Those issue refunded debt originally issued under the Article X, Section 14 addressing Authorization by Referendum.

#### **Estimate of G.O. Debt Margin Fiscal Year 2016-2017**

Item	Amount
Assessed Value:	
Taxable Property (est. at 06/30/2017)	\$433,805,167
Taxable Value of Property in TIF Districts Exempt Merchants' Inventory	(\$66,984,029)
Total Assessed Valuation	<u>3,407,035</u>
Rate (8.0% of Assessed Valuation)	<u>0.08</u>
Constitutional Debt Limit	<b>29,618,254</b>
Total General Obligation Debt Outstanding	\$ 41,661,000
Add back: GO Debt Issued per referendum	<u>(20,847,000)</u>
Less: Outstanding restricted debt	<u>20,814,000</u>
<b>Constitutional GO Debt Margin at Fiscal Year 2017</b>	<b>\$8,804,254</b>

For the fiscal year ended 2017 outstanding GO debt of \$21 million issued under the constitutional debt limit equaled 70.3% of the City's constitutional debt limit. Available general obligation debt margin was estimated at \$8.8 million, as shown in the table above. The constitutional limit does not apply to other types of debt or to GO Debt issued under referendum authority.

## **Annual Debt Service Requirements on General Obligation Debt**

Annual general obligation debt service requirements on debt issued under constitutional authority are funded by a tax levy of 6 mills, or about \$2.1 million per year based upon the estimated 2016 assessed valuation and a 92% collection rate. Hospitality fee revenues fund debt service payments for the Series 2015A and 2011B general obligation bonds, all of which were issued under referendum authority.

Gross debt service requirements for all general long-term debt by fiscal year appear in the following table. All information is current through June 30, 2017.

<b>Gross Debt Service Requirements, General Obligation Debt 6/30/2017</b>			
<b>Fiscal Year</b>			
<b>Ending 6/30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2018	3,896,000	2,031,485	5,927,485
2019	2,794,000	1,890,921	4,684,921
2020	2,808,000	1,755,549	4,563,549
2021	2,902,000	967,800	3,869,800
2022	2,994,000	869,233	3,863,233
2023-2032	26,267,000	3,642,612	29,909,612
<b>Total</b>	<b>\$41,661,000</b>	<b>\$11,157,600</b>	<b>\$52,818,600</b>

## **Tax Increment Financing District Debt**

Tax Increment Revenue Debt is secured by incremental *ad valorem* tax revenues generated when real property improvements occur within a designated redevelopment district. These instruments do not carry a pledge of the City's full faith and credit. The City has established two separate Tax Increment Financing Districts within its boundaries.

### **Myrtle Beach Air Force Base Redevelopment District**

At June 30, 2017, the City had one outstanding Tax Increment Revenue Bond issue funded by the incremental *ad valorem* tax revenues generated within the Myrtle Beach Air Force Base Redevelopment District.

The character of the air base redevelopment project is mixed-use, including an urban-style "town center" with theatres, restaurants, and various retail shops at ground level and dwelling units on the upper floors. The center is surrounded by condominium and single-family residential dwellings. A network of City parks and recreation facilities is located adjacent to the development. These facilities include Crabtree Recreation Center, equipped with weight rooms, basketball courts, racquetball, etc.; numerous athletic playing fields; an 80-acre lake, biking and pedestrian lanes, and multi-purpose sidewalks. The outstanding debt consists of a bond issued to refund Series 2006A bonds in the amount of \$26.8 million, 2006B bonds of \$9.8 million, and Series 2010 bonds of \$6.4 million.

**Outstanding Myrtle Beach Air Force Base Tax Increment Financing District  
Revenue Debt June 30, 2017**

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Tax Increment Revenue Bonds, Refunding Series 2016	Incremental Property Taxes	Former Myrtle Beach Air Force Base Redevelopment Area Projects	Oct-35	4.00- 5.00%	\$ 38,960,000
<b>Total</b>					<b>\$38,960,000</b>

Annual debt service requirements for the Myrtle Beach Air Base Redevelopment Tax Increment Financing District debt by fiscal year appear in the following table. All information is current through June 30, 2017.

**Gross Debt Service Requirements, Tax Increment Revenue Bonds**

Fiscal Year Ending 6/30	Principal	Interest	Total
2018	1,290,000	1,661,600	2,951,600
2019	1,355,000	1,601,925	2,956,925
2020	1,425,000	1,532,425	2,957,425
2021	1,500,000	1,459,300	2,959,300
2022	1,570,000	1,382,550	2,952,550
2023-2036	31,820,000	9,362,150	41,182,150
<b>Total</b>	<b>\$38,960,000</b>	<b>\$16,999,950</b>	<b>\$55,959,950</b>



## Oceanfront Redevelopment Financing District

At June 30, 2017, the City had one outstanding Limited Obligation Bond issue funded by the incremental ad valorem tax revenues generated within the Oceanfront Redevelopment Financing District. The Oceanfront development district encompasses approximately 300 acres between 6<sup>th</sup> Avenue South and 16<sup>th</sup> Avenue North, bordered by the Atlantic Ocean. Improvements to the district include the construction of an Oceanfront Boardwalk & Promenade, district-wide storm water improvements, utility burial, and water & sewer line upgrades.

### Outstanding Oceanfront Tax Increment Financing District Revenue Debt June 30, 2017

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Limited Obligation Bonds, Series 2009	TIF Revenues from Oceanfront Redevelopment area.	Oceanfront Redevelopment Projects, including a Boardwalk and Promenade, and Pavilion Block improvements.	Mar-34	3.00-5.00%	\$8,495,000
Total					\$8,495,000

Annual debt service requirements for the Oceanfront Redevelopment Tax Increment Financing District debt by fiscal year is presented in the following table. All information is current through June 30, 2017.

### Gross Debt Service Requirements, Oceanfront Redevelopment TIFD

Fiscal Year Ending 6/30	Principal	Interest	Total
2018	350,000	388,260	738,260
2019	365,000	374,260	739,260
2020	380,000	359,660	739,660
2021	390,000	344,460	734,460
2022	410,000	328,860	738,860
2023-2034	6,600,000	2,248,765	8,848,765
<b>Total</b>	<b>\$8,495,000</b>	<b>\$4,044,265</b>	<b>\$12,539,265</b>

## Specific-Source Debt

### Hospitality Fee Revenue Debt

The City has issued *Hospitality Fee obligations, including both Hospitality Fee Revenue Bonds and Certificates of Participation*, for instruments secured by a pledge of the City's 1% hospitality fee charged on accommodations, prepared food and beverages and admissions. The City has four series of debt secured by the fee and they are accounted for in the Hospitality Fee Fund.

#### **Outstanding Hospitality Fee Revenue Debt June 30, 2017**

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Myrtle Beach Public Facilities Corporation Certificates of Participation, Series 1998	Hospitality fee revenues, general revenue pledge	Acquisition of Coastal Federal Stadium	Jul-18	3.65-4.95%	1,505,000
Limited Obligation Bonds, Series 2014A (Taxable)	Hospitality fee revenues, general revenue pledge	Development and Construction of the Municipal Sports Complex and to Refund Hospitality Fee Bonds Series 2004B, originally issued for MB Convention Center.	Jun-24	1.05-4.50%	14,860,000
Limited Obligation Bonds, Series 2014B, Refunding	Hospitality fee revenues, general revenue pledge	Refund Hospitality Fee Bond Series 2004A originally issued for MB Convention Center Hotel Refinancing and 2002 Certificates of Participation originally issued for Downtown Redevelopment Projects.	Jun-34	2.00-4.55%	43,565,000
Limited Obligation Bonds, Series 2015A, Refunding	Hospitality fee revenues, general revenue pledge	Refund Hospitality Fee Bond Series 2006A&B originally issued for Recreation and Stormwater Projects	Jun-31	4.125-5.00%	7,107,000
<b>Total</b>					<b>\$67,037,000</b>

Annual Debt Service Requirements on the Hospitality Fee Debt Series Bonds are presented below. By contractual agreement, the Convention Center Hotel Corporation is obligated to pay a ground lease to the City each year equivalent to that year's annual debt service on the Series 2014A & Series 2014B refunding bonds, provided that sufficient net earnings are available for that purpose. In the event that sufficient net earnings are not available in any given year, the hotel accrues a liability for the ground lease that is to be paid at such time as sufficient net earnings become available. Currently, the revenue from the hotel is sufficient to cover the debt service on these bonds.

Convention Center and Stadium lease revenues fund debt service on Certificate of Participation financings related to those projects. The City (70%) and Horry County (30%) make lease payments from their respective hospitality fees to support the Stadium debt service. Hospitality fees are also pledged for the Downtown Redevelopment COPs issued in 2002.

### **Gross Debt Service Requirements, Hospitality**

<b>Fiscal Year Ending 6/30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2018	2,378,000	3,076,713	5,454,713
2019	2,450,000	2,994,985	5,444,985
2020	2,722,000	2,928,933	5,650,933
2021	2,838,000	2,808,961	5,646,961
2022	2,968,000	2,682,470	5,650,470
2022-2036	53,681,000	36,871,157	90,552,157
<b>Total</b>	<b>\$67,037,000</b>	<b>\$51,363,219</b>	<b>\$118,400,219</b>

### **Waterworks and Sewer System Revenue Debt**

Revenue Bonds of the Myrtle Beach Waterworks and Sewer System are secured by system revenues and do not carry any pledge of the governments full faith and credit. The system does maintain rate covenants pursuant to the terms of the bond indentures. Covenants require that rates produce annual revenues equal to one hundred twenty percent (120.0%) of the system's annual debt service.

In December of 2007, the City issued Waterworks and Sewer System Revenue bonds in the amount of \$11.7 million funding the enlargement, extension, and enhancement of the City's waterworks and sewer system. An additional \$8.9 million in Revenue Bonds were again issued in 2011 to fund further extensions and enhancements to the waterworks and sewer system, the largest of which involved the upgrade of a major sewer force main that runs nearly the length of the City. In 2016 The City issued an \$18.4 million Revenue Bond, utilizing \$8.3 million to refund a portion of the 2007 revenues bonds consisting of the principal portion due from 2019 through 2027 and to undertake \$12.7 million of new projects. The new projects financed the final phase of a 36" forcemain placement, the upgrade and relocation of water and sewer lines, and various other projects to upgrade or renew infrastructure of the system.

### **Outstanding Waterworks & Sewer System Revenue Debt June 30, 2017**

Outstanding Issue	Debt	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Waterworks & Sewer System Revenue Bonds, Series 2007		Gross Revenues of the Waterworks & Sewer System	Extension and improvements to the waterworks & sewer system	Mar-28	4.50- 5.00%	590,000
Waterworks & Sewer System Revenue Bonds, Series 2011		Gross Revenues of the Waterworks & Sewer System	Extension and improvements to the waterworks & sewer system	Sep-32	2.00- 4.00%	7,475,000
Waterworks & Sewer System Revenue Bonds, Series 2016		Gross Revenues of the Waterworks & Sewer System	Extension and improvements to the waterworks & sewer system and refund a portion of the 2007 W&S bonds	Mar-36	2.00- 5.00%	18,085,000
<b>Total Waterworks &amp; Sewer System Revenue Debt</b>						<b>\$26,150,000</b>

The following table sets forth the annual debt service requirements for the Waterworks and Sewer System Revenue Debt incurred as of June 30, 2017.

### **Gross Debt Service Requirements, Waterworks & Sewer System**

Fiscal Year Ending 6/30	Principal	Interest	Total
2018	1,380,000	1,057,100	2,437,100
2019	1,405,000	1,011,325	2,416,325
2020	1,435,000	975,225	2,410,225
2021	1,495,000	911,775	2,406,775
2022	1,545,000	866,925	2,411,925
2022-2036	18,890,000	3,993,619	22,883,619
<b>Total</b>	<b>\$26,150,000</b>	<b>\$8,815,969</b>	<b>\$34,965,969</b>



## **Storm Water System Revenue Debt**

In 2004, the City entered into a State Revolving Fund Loan Agreement (the “SRF Loan”) with the South Carolina Budget & Control Board. The \$11 million loan, bearing an interest rate of 3.25% per annum, financed improvements in the 14<sup>th</sup> Avenue Storm Water Basin. A State Revolving Fund Loan financing in 2009 allowed for landward drainage improvements to 4<sup>th</sup> Avenue North in the Downtown Redevelopment Project Area. The \$2,773,380 loan bears a blended interest rate of 1.67% per annum as a result of the American Recovery and Reinvestment Act (ARRA) funding that allowed a portion of the loan to be made interest-free.

In 2014, the City was approved for a State Revolving Loan not to exceed \$11.95 million for the construction of the Ocean Outfall component of the 4th Avenue North drainage improvements. As of June 30, 2017, \$9.3 million of loan proceeds had been drawn down.

### **Outstanding State Revolving Loan Fund Debt June 30, 2017**

Outstanding Loan	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Storm water Revenue SRF Loan, Series 2004	Storm water Fees	14 <sup>th</sup> Avenue Ocean Outfall	May-27	3.25%	5,952,815
Storm water Revenue SRF Loan, Series 2009	Storm water Fees	4 <sup>th</sup> Avenue Landward Drainage Improvements	Oct-26	1.84%	1,864,925
Storm water Revenue SRF Loan, Series 2014	Storm water Fees	4th Avenue Ocean Outfall Drainage Improvements	Feb-36	2.00%	9,256,980
<b>Total Revolving Loan Fund Debt</b>					<b>\$17,074,720</b>

The following table sets forth the annual debt service requirements for the Storm Drainage System Revenue Debt incurred as of June 30, 2017. Estimated principal and interest on the balance of SRF proceeds drawn down as of June 30, 2017 have been included in the debt service requirements.

### **Gross Debt Service Requirements, Storm Water System**

Fiscal Year Ending 6/30	Principal	Interest	Total
2018	1,177,980	377,807	829,849
2019	1,202,421	353,366	829,848
2020	1,227,236	328,371	829,849
2021	1,252,978	302,810	829,848
2022	1,279,121	276,667	829,848
2022-2029	10,934,984	1,462,723	7,088,203
<b>Total</b>	<b>\$17,074,720</b>	<b>\$3,101,744</b>	<b>\$11,237,445</b>

## Credit Ratings

Myrtle Beach obtains credit ratings from the major rating agencies to aid the marketability of its bonds and to attain the lowest possible rates. Generally speaking, the higher the credit rating, the lower the costs of borrowing to taxpayers and users of city services. The City also uses bond insurance or other means of credit enhancement when economic analysis indicates the likelihood that the benefits of the enhancement will be greater than its cost.

Type of Debt	Moody's Rating	Standard & Poor's
Senior-most Tax-Backed Ratings (GO), affirmed July 2011 (Moody's affirmed with stable outlook July 2015)	Aa2	AA
Utility Revenue Bond Rating, affirmed January 2011	Aa3	AA-

A comparison of the rating categories Standard & Poor's and Moody's Investors Service is presented in the following table. Within each category, those bonds with the strongest attributes are designated with a "1" or a "+." For example, bonds rated A1 are judged to be of slightly higher quality than those rated A. Standard & Poor's designates weaker bonds in any category with a "-."

Moody's	Standard & Poor's	Description of Rating
Aaa	AAA	Highest grade. Smallest degree of investment risk. Interest payments are protected by a large or exceptionally stable margin and principal is secure. Changes in conditions are unlikely to impair their strong position.
Aa	AA	High-grade. Differ from Aaa/AAA only in that protective margins may not be as large or fluctuation of protective elements may be of greater amplitude.
A	A	Upper medium grade. Possess many favorable investment attributes. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment in the future.
Baa	BBB	Medium grade. Neither highly protected nor poorly secured. Lacking in outstanding investment characteristics and having some speculative character.
Ba, B, Caa, Ca, C	BB, B, CCC, CC, C	Speculative grades. Generally do not possess favorable investment attributes. Future cannot be considered well assured. Moderate to very poor protective elements. Bonds rated Caa/CCC or below may be in default or have other shortcomings.

## **Planned New Debt**

### **General, Limited Obligation, and Hospitality Fee Bonds**

The City anticipates the issuance of \$4.5 million of General Obligation indebtedness over the course of the 2018-2022 5-year Capital Improvement Plan. The project for which this debt is anticipated involves the acquisition and installation of a new Financial Software Package. Additionally, the 2016–2020 Capital Improvement Plan contemplated debt funding for the construction of a \$10 million Performing Arts theater at the Myrtle Beach Convention Center. As of June 30, 2017 debt for the project had not been issued and will likely occur in the next fiscal year.

### **Hospitality Fee Revenue Bonds**

The City anticipates the issuance of \$1.8 million of Hospitality Fee Revenue funded indebtedness over the course of the 2018-2022 5-year Capital Improvement Plan. The projects funded in the plan include replacement of tennis courts at the Myrtle Beach Tennis Center and construction of a centrally located Parks Maintenance Facility. Additionally, the 2017–2021 Capital Improvement Plan contemplated debt funding of \$9.6 million for the renovation of the Mary C. Cantz recreation center and Doug Shaw Memorial Stadium. As of June 30, 2017 debt for the project had not been issued and the issuance is planned for the fall of the next fiscal year.

### **Limited Obligation Bonds**

The City anticipates the issuance of \$14.8 million of Limited Obligation Bonds over the course of the 2018-2022 5-year Capital Improvement Plan. The projects funded in the plan include extension and revitalization of the existing oceanfront boardwalk and beach renourishment.

### **Tax Increment Financing Bonds**

The City anticipates the issuance of \$21.8 million of Tax Increment Financing indebtedness over the course of the 2018-2022 5-year Capital Improvement Plan. MB Air Base Tax Increment District projects include construction of Grand Park Phase V, improvements to the Grand Park Linear Extension, Turf Replacement for Phase I of Grand Park ball fields, Expansion of Fire Station #3, the Clemson Tract/Withers Preserve Fire Station, and renovation of the Police Annex. The Air Base TIFD projects total \$18.7 million of the debt planned throughout the 5-year period.

\$5.9 million in debt funded projects are included in the 2018-2022 5-year Capital Improvement Plan for the Oceanfront Redevelopment Tax Increment Financing District. Those projects include an extension of the Oceanfront Boardwalk from its current terminus at 2<sup>nd</sup> Avenue Pier to Withers Swash and the construction of sidewalks from 9<sup>th</sup> Avenue North to 12<sup>th</sup> Avenue North along Ocean Boulevard.

## **Water & Sewer Revenue Funded Debt**

The 2018-2022 Capital Improvement plan anticipates utilizing \$7.9 million in debt funding to finance the renovation of 6 pump stations, relocation of back-lot sewer lines, the upgrade and relocation of water and sewer lines, and various other projects to upgrade or renew infrastructure of the system. Debt instruments will be a combination of Water & Sewer Revenue Bonds and State Revolving Loan Funds.

## **Stormwater System Funded Debt**

The 2018-2022 Capital Improvement plan anticipates utilizing \$12.2 million in State Revolving Loan funding to finance the removal of outfall pipes along the beachfront.





# **Supplementary Information**

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**Community Profile**

**Budget Ordinance**

**Glossary**



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## Community & Regional Profile



The City is in the center of a 60-mile long coastal beach known as the "Grand Strand" which extends from Brunswick County, North Carolina southward to Georgetown, South Carolina. The Grand Strand has some of the world's widest beaches, reaching nearly a quarter mile wide during low tide. The beaches are of white sand, and the coastal water is clear and unpolluted, as there are no harbors, shipping traffic, or heavy industry in the area. No rivers or streams drain into the Atlantic for a distance of nearly 30 miles. The coastline is oriented northwest to southwest, with surrounding areas that have no elevations exceeding 50 feet above sea level.

# Myrtle Beach



South Carolina



## Regional Economic and Demographic Information

The City of Myrtle Beach is on the forefront of business and economic development and was listed as the 9<sup>th</sup> fastest growing City in the nation by the US Census Bureau in 2010. According to 2010 Census data, there are more than 269,000 people living in the Myrtle Beach-Conway-North Myrtle Beach Metropolitan Statistical Area (MSA). When the adjacent coastal counties are considered in addition to the MSA, the population of the Grand Strand area is estimated at about 450,000 people.

### ***Horry County Incorporated Places***

<b>City</b>	<b>Population (2010)</b>
Myrtle Beach	27,109
North Myrtle Beach	13,752
Conway	17,103
Surfside Beach	3,837
Loris	2,396
Aynor	560
Briarcliff Acres	457
Atlantic Beach	334

*Source US Census Bureau, 2010 Estimates*

### ***Selected Incorporated Places within 45 minutes driving distance***

<b>City</b>	<b>Population (2010)</b>
Garden City, SC	9,209
Georgetown, SC	9,163
Shallotte, NC	3,675
Sunset Beach, NC	3,572
Carolina Shores, NC	3,048
Tabor City, NC	2,511
Calabash, NC	1,786
Pawley's Island, SC	103

### ***Horry County Demographics***

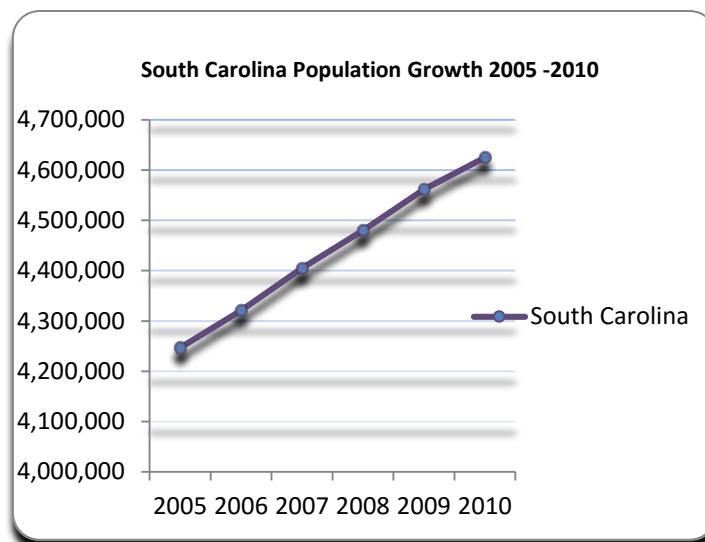
2010 Population (2010 Census)	269,291
White (2015)	82.4%
Black or African-American(2015)	13.6%
American Indian(2015)	0.6%
Identifies 2 or More Races(2015)	1.9%
Hispanic/Latino(2015)	6.1%
Persons under 18 (2015)	24.2%
Persons Between 18 & 65 (2015)	54.4%
Persons 65 and older (2015)	21.4%
Average Household Size(2014)	2.43
High School Graduate(2014)	87.8%
Bachelors or Higher Degree(2014)	22.9%
Mean Travel to Work Time(2014)	21.5 min
Median Household Income(2014)	\$42,322
Per Capita Income(2014)	\$23,693
Individuals Below Poverty Line(2014)	17.6%

*Source US Census Bureau*

## Population & Growth Trends

	2005	2006	2007	2008	2009	2010	% Change
<b>City of Myrtle Beach</b>	<b>26,593</b>	<b>28,597</b>	<b>29,971</b>	<b>30,596</b>	<b>31,968</b>	<b>27,109</b>	<b>(15.2)%</b>
Myrtle Beach MSA	226,992	238,493	249,711	257,380	263,868	269,291	2.1%
South Carolina	4,246,933	4,321,249	4,404,914	4,479,800	4,561,242	4,625,364	1.4%

Source: US Census Bureau



## Local Employers

### Horry County, Top 10 Employers

Company/Organization	Type of Business	# Employees
Horry County School District	Education ( K-12)	5,650
Wal-Mart	Retail Sales	2,700
Horry County	County Government	2,300
Coastal Carolina University	Higher Education	2,269
Conway Hospital	Hospital	1,500
Grand Strand Regional Medical Center	Hospital	1,400
Food Lion	Grocery Store	1,050
McLeod Loris Seacoast	Hospital	950
City of Myrtle Beach	Local Government	889
Horry Telephone Cooperative	Utility	690

\* Source: Myrtle Beach Regional Economic Development Corp. & survey of businesses.

### Horry County, 5 Largest Industrial Employers

Company/Organization	Type of Business	# Employees
Conbraco Industries, Inc.	Steel Products & Components	410
New South Lumber Const. Inc	Structural Building Products	250
Precision Southeast, Inc.	Plastic Molding & Tooling	180
UFP Mid Atlantic, LLC.	Structural Building Products	150
Met glass, Inc.	Amorphous Metal	140

\* Source: Myrtle Beach Regional Economic Development Corp. & survey of businesses.



## Labor Force

### Horry County Labor Force Participation Rates

	2012	2013	2014	2015	2016
Civilian Labor Force <sup>(1)</sup>	132,681	133,026	134,303	137,395	139,212
Employment	118,938	121,559	124,415	127,595	131,442
Unemployment	13,743	11,467	9,888	9,800	7,770
Percent of Labor Force	10.4%	8.6%	7.4%	7.1%	5.6%

Source: South Carolina Employment Security Commission, Labor Market Information Division

<sup>(1)</sup>Workers involved in labor disputes are included among the employed. Total employment also includes agricultural workers, proprietors, self-employed persons, workers in private households and unpaid family workers.

### Average Unemployment Rates 2012-2016

Year	City	County	State	U.S
2016	5.6%	5.6%	4.8%	4.9%
2015	7.1%	7.0%	6.0%	5.3%
2014	8.1%	7.3%	6.4%	6.2%
2013	8.5%	8.5%	7.6%	7.4%
2012	10.1%	10.1%	9.0%	8.1%

Source SC Department of Employment and Workforce, Labor Market Information Division& US Bureau of Labor & Statistics

## Tourism

The Myrtle Beach Area, popularly known as the Grand Strand is one of the largest tourist destinations in the United States. It stretches from Little River to Pawley's Island. Pristine beaches, abundant dining and entertainment choices, and moderate climate contribute to the areas popularity.

The Travel Channel ranks Myrtle Beach second on its list of top 10 Beaches in America (2017) and, according to *Tipspoke.com*, a google consumer survey named Myrtle Beach the best beach in the U.S. (2016). *Coastal Living* magazine lists Myrtle Beach in the top 10 beach towns for quality of life (2017) and *Southern Living* magazine has routinely placed Myrtle Beach in its "Favorites" lists with recent designations as Best Southern Labor Day Getaway (2017), Favorite Beach (2009), Favorite Family Destination (2009), and Favorite Weekend Getaway (2009). *Conde' Nast* ranked the Myrtle Beach Boardwalk as the best of 9 U.S. Boardwalks, ahead of other famous boardwalks including Coney Island, Ocean City, Maryland, Venice Beach, California, and the world-renowned Atlantic City Boardwalk (2017). TripAdvisor listed Myrtle Beach at the top of 10 of the most popular Spring Break destinations overall, due in part to its affordable airfares and average nightly hotel costs (2017). *Priceline.com* identified Myrtle Beach as the 3rd best Summer Beach Destination (2014) and *Convention South* ranked the City in the 11<sup>th</sup> spot for Best Places to Hold Meetings (2013).

Horry County, which includes the Myrtle Beach resort area, leads all counties in the State in visitor spending and employment and tax revenues resulting from travel and tourism. According to the SC Department of Parks, Recreation and Tourism, 2015 domestic travel expenditures in Horry County reached \$3.9 billion, accounting for nearly 31.3% of the State total. Approximately 40,200 jobs in the County were directly related to tourism in 2015.

### **Occupancy and Room Charges**

Over the past few years, several lodging and condominium developments have been placed into service throughout the Grand Strand, with an emphasis on projects within the Downtown Redevelopment District of the City. These projects have increased the number of rooms available on the strand to approximately 98,500. The Chamber of Commerce, the Myrtle Beach Convention Center and Myrtle Beach Golf Holiday have worked to increase leisure, golf and conference travel to the Grand Strand to utilize the increased capacity, especially during the slower tourism seasons.

**Myrtle Beach International Airport  
Commercial Passenger Totals**

<u>Year</u>	<u>Arrivals</u>	<u>Departures</u>
2012	742,097	867,106
2013	833,568	831,349
2014	872,734	876,923
2015	916,720	913,351
2016	972,041	970,886

*Source Myrtle Beach International Airport*



**Estimated Number of  
Visitors (millions)**

<u>Year</u>	<u>Estimated Number of Visitors (millions)</u>
2010	14.0
2011	14.5
2012	15.2
2013	16.1
2014	17.2

*Source Myrtle Beach Area Chamber of Commerce*





## Area Accolades

<b>#2 Beach in America (2017)</b>	—Travel Channel
<b>#9 Best Beach in Town (2017)</b>	—Coastal Living Magazine
<b>#1 Best Boardwalk in the U.S. (2017)</b>	—Conde' Nast
<b>#2 Best Labor Day Getaway (2017)</b>	—Southern Living
<b>#1 Best Beach in the U.S. (2016)</b>	—TipsSpoke.com
<b>Most Popular Travel Destination (2014)</b>	—Trip Advisor (Traveler's Choice)
<b>#3 Top Summer Beach Destination (2014)</b>	—Priceline.com
<b>#11 Best Places to Hold Meetings (2013)</b>	—Convention South
<b>Americas Most Awesome Boardwalks (2013)</b>	—Budget Travel.com
<b>#6 Best Restaurant Cities(2013)</b>	—Huffington Post.com
<b>#6 Best Family Beach Vacations</b>	
<b>#6 Best Family Vacations in the USA</b>	
<b>#7 Best Affordable US Vacations</b>	
<b>#9 Best Beaches USA</b>	—US News and World Reports (2012)
<b>Cheat Sheet of Best Beaches for 2012</b>	—Away.com
<b>America's Most Fun Affordable Cities</b>	—Better Homes & Gardens (2012)
<b>Top 5 Summer Travel Destinations of 2011</b>	—US News and World Reports (2011)

## **Education**

### **Institutions of Higher Learning**

Coastal Carolina University, located ten miles west of the City, offers 55 baccalaureate degree programs and seven master's degree programs. Over 10,000 students from across the country and the world are enrolled at Coastal Carolina. Coastal Carolina is fully accredited by the Southern Association of Colleges and Schools.

Horry-Georgetown Technical College is a comprehensive commuter college with three campus locations which serve more than 7,750 students annually. The College offers 70 associate degrees, diplomas, and certificates in the areas of Arts and Science, as well as a varied technical and business curriculum whose credits are transferable to baccalaureate degree programs at many major colleges and universities. The continuing education curriculum at the College enrolls more than 8,000 people each year and maintains an intensive on-site industrial training program which serves several businesses and industries annually. The College is one of 16 technical colleges and technical education centers making up the South Carolina Technical Education System and is fully accredited by the Commission on Colleges of the Southern Association of Colleges and Schools.

At its Myrtle Beach extension campus, Webster University of St. Louis, Missouri ("Webster"), offers programs of study leading to the Master of Arts degree with various areas of emphasis targeting professional students. Enrollment at the Myrtle Beach campus exceeds 400 students. Webster is accredited at the undergraduate and graduate levels by the North Central Association of Colleges and Schools and maintains membership in the American Assembly of Collegiate Schools of Business.



Coastal Carolina University



Horry Georgetown Tech

## Public Education

The City is part of the Horry County School District, which is the third largest of 85 school districts in the State. The School District's 56 schools consist of 27 primary/elementary schools, 11 middle schools, 10 high schools, 3 Academies, an alternative school and 4 Charter Schools. Fourteen private schools are located within the County. Of the District's 2,571 classroom teachers, 73% have earned post-graduate degrees or education.

**Horry County Public Schools Enrollment**

<b>Year</b>	<b>Kindergarten</b>	<b>1-8</b>	<b>9-12</b>	<b>Total</b>
2012-13	3,224	24,327	10,948	38,499
2013-14	3,200	25,023	11,290	39,513
2014-15	3,199	25,750	11,807	40,756
2015-16	3,011	26,395	12,429	41,835
2016-17	3,147	26,762	12,604	42,513

*Source: South Carolina Department of Education.*



Horry County Schools Robotics Team - Winner 2015



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## **Budget Ordinance No. 2017-22**

1st Reading, May 23, 2017

2nd Reading, June 13, 2017

ORDINANCE No. 2017-22

1 CITY OF MYRTLE BEACH  
2 COUNTY OF HORRY  
3 STATE OF SOUTH CAROLINA

AN ORDINANCE TO LEVY TAXES AND  
ESTABLISH A MUNICIPAL BUDGET FOR THE  
FISCAL YEAR BEGINNING JULY 1, 2017, AND  
ENDING JUNE 30, 2018, AND A CAPITAL  
IMPROVEMENTS PROGRAM FOR FISCAL YEARS  
2018-2022

10 WHEREAS, Section 5-13-30(3) of the Code of Laws of South Carolina requires that a municipal council shall  
11 act by ordinance to adopt budgets and to levy taxes pursuant to public notice;

12 NOW, THEREFORE, BE IT ORDAINED by the governing body of the City of Myrtle Beach, in Council duly  
13 assembled, and by the authority of the same, that taxes are hereby levied, and revenue estimates and  
14 appropriations are hereby established as set forth in the following Municipal Budget Ordinance for the  
15 Fiscal Year beginning July 1, 2017 and ending June 30, 2018 (the "Ordinance").

16 **Sec. 1. Levy of taxes.**

17 For the support of general governmental functions of the City, an *ad valorem* tax to apply for the  
18 period July 1, 2017 through June 30, 2018, both inclusive, for the sums and in the manner set  
19 forth as follows, is and shall be levied, collected, and paid into the treasury of the City of Myrtle  
20 Beach, South Carolina, for the use and service thereof.

22 Tax Levy and Distribution (in mills)

Operations	71.5
Debt Service	<u>6.0</u>
Total Tax Levy (in mills)	77.5

30 Such tax is hereby levied upon the value of all real and personal property within the corporate  
31 limits of the City, except such as is exempt from taxation under the Constitution and Laws of the  
32 State of South Carolina, as such property is assessed for taxation for County and State purposes.

34 **Sec. 2. Estimates of revenues and other financing sources, and establishment of appropriations.**

35 A. Moneys from revenues and other financing sources are hereby estimated to be available to  
36 finance appropriations of the 2017-18 fiscal year in the manner and the amounts as set forth  
37 in Exhibit A, which is attached hereto and made a part hereof.

38 B. **Exceptions for Certain Funds.**

39 *Provisions of Existing Statutes, Ordinances, Contracts and Covenants.* Where existing  
40 statutes, ordinances, contracts and covenants govern the use of funds according to  
41 legislatively or contractually determined formulae, the estimates in this ordinance are  
42 illustrative rather than controlling and appropriations of those funds will be adjusted  
43 according to the applicable provisions of such statutes, ordinances, contracts and covenants.

45 *Capital Project Appropriations.* Appropriations in the General Capital Projects Fund shall not  
46 lapse at June 30, 2018, but each project appropriation shall remain in force for the life of the  
47 project and shall be closed out upon completion or other disposition of the project.

49 *Tax Levies and Appropriations Established by Other Ordinances.* Direction to levy taxes for  
50 the payment of annual installments of General Obligation Debt along with appropriations for  
51 capital expenditure or investment, bond issuance costs or for annual installments of  
52 capitalized interest according to a predetermined schedule are established in Bond  
53 Ordinances. Nothing in this ordinance shall modify or amend the terms of any such ordinance.

1      **Sec. 3. Affirmation/amendment of various schedules of fees and charges.**

- 2      A. **Waterworks and Sewer System fees and charges.** Pursuant to provisions of the Code of  
3      Ordinances of the City of Myrtle Beach, Sec. 21-9(a), the schedule of Water and Sewer System  
4      Fees and Charges is hereby amended to read in its entirety according to the schedule attached  
5      hereto as Exhibit B.  
6      B. **Other Fees and Charges.** Various other fees and charges set by ordinance are hereby affirmed  
7      or amended to read in their entirety according to the schedules appearing in Exhibits C  
8      through L, attached hereto.

9

10     **Sec. 4. FY2016-17 Encumbrances and Remaining Grant Authorizations Re-appropriated; Recording of**  
11     **Commitments of Amounts Appropriated from Fund Balance.**

- 12     A. Encumbrances in each fund at June 30, 2017, representing obligations made against 2016-17  
13     appropriations outstanding as of that date, are hereby re-appropriated. The appropriations  
14     shall be distributed to the 2017-18 budgetary accounts corresponding to the referenced  
15     encumbrances and the expenditures will be charged to those accounts during the 2016-17  
16     budget year as such obligations are satisfied, provided however, that such encumbrances,  
17     when taken together with 2016-17 expenditures, would not have caused any fund to exceed  
18     its budgetary authorization for the year ended June 30, 2017.  
19     B. For each fund in which a re-appropriation occurs under Sec. 4.A. above, the amount of funds  
20     appropriated hereunder shall be established in the fund balance of that fund as amounts  
21     "Committed for Encumbrances."  
22     C. For each fund in which the balanced budget for 2016-17 includes the use of fund balance, the  
23     amount of fund balance so used shall be identified as "Committed for Current  
24     Appropriations."  
25     D. Appropriations for grants, the authorization for which extends beyond the end of the fiscal  
26     year, shall not lapse at the end of the fiscal year. For grant authorizations with balances  
27     remaining at the end of a fiscal year, the remaining balances are hereby re-appropriated  
28     pursuant to the conditions of the respective grant agreements and the fund balance of the  
29     respective funds shall show a corresponding amount "Restricted for Grants."  
30     E. Amounts of Governmental Fund balances intended to be used for debt service expenditures  
31     during the coming year per the terms of Bond Ordinances, Indentures or local policy are  
32     hereby established as commitments of fund balances.

33

34     **Sec. 5. Business Policies, Goals and Objectives.** The business policies, goals and objectives of the  
35     FY2017-18 budget are hereby adopted by reference.

36

37     **Sec. 6. Certain supplemental appropriations.** Any funds received during the fiscal year as a result of  
38     new grants awarded to the City and any increases in the appropriation of fund balances for grants  
39     from the City to outside agencies or appropriations of fund balance for Capital Projects approved  
40     by motion or resolution of City Council shall increase the original budget and shall not require a  
41     supplemental budget ordinance.

42

43     **Sec. 7. Administration of the budget.** The City Manager or his designee shall administer the budget and  
44     may authorize the transfer of appropriations within the allotments heretofore established as  
45     necessary to achieve the goals of the budget provided, however, that no such transfers shall be  
46     used to increase the total appropriation within any fund.

47

48     **Sec. 8. Validity of the budget ordinance.** If, for any reason, any sentence, clause, or provision of this  
49     ordinance shall be declared invalid, such declaration shall not affect the remaining provisions  
50     thereof.

51

52

1   **Sec. 9. Conflicts with preceding ordinances.** Except as otherwise provided herein, with respect to any  
2   conflicts arising between this and other ordinances, this Ordinance shall prevail with respect to  
3   the conflicting sections.  
4  
5  
6  
7  
8  
9

10 Attest:

11 Joan Groves

12 City Clerk

13 First Reading: 5-23-17  
14 Second Reading: 6-13-17

  
John Shire

Mayor

15  
16  
17  
18  
19  
20

**Exhibit A. Estimated Revenues and Appropriations, Fiscal Year Ending June 30, 2018**

1  
2

	Governmental Operating Budget	Enterprise Operating Budget	Total Operating Budget	General Capital Improvements Budget	Total Manager's Recommended Budget
<b>Revenues and Other Financing Sources</b>					
Property Taxes	\$ 35,531,267	\$ -	\$ 35,531,267	\$ 610,000	\$ 36,141,267
Licenses and Permits	44,784,050	-	44,784,050	750,000	45,534,050
Fines and Forfeitures	1,244,075	-	1,244,075	-	1,244,075
Local Option Tourism Fees	28,560,000	-	28,560,000	-	28,560,000
Intergovernmental Revenue	13,951,800	-	13,951,800	1,589,520	15,541,320
Charges for Current Services	11,960,361	33,825,488	45,785,849	-	45,785,849
Miscellaneous Revenue	6,395,400	233,600	6,629,000	57,000	6,686,000
Proceeds of Long-term Obligations	2,430,060	-	2,430,060	-	2,430,060
Transfers from Other Funds	28,254,544	1,159,400	29,413,944	2,170,060	31,584,004
Capital Contributions	-	3,425,000	3,425,000	-	3,425,000
Net Use of Fund Balances	-	128,073	128,073	337,004	465,077
	<b>\$ 173,111,557</b>	<b>\$ 38,771,561</b>	<b>\$ 211,883,118</b>	<b>\$ 5,513,584</b>	<b>\$ 217,396,702</b>
<b>Expenditures/Expenses</b>					
General Government	\$ 12,359,665	\$ -	\$ 12,359,665	\$ 440,584	\$ 12,800,249
Public Safety	44,928,910	-	44,928,910	-	44,928,910
Transportation	6,892,423	-	6,892,423	-	6,892,423
Community and Economic Development	34,333,182	-	34,333,182	-	34,333,182
Culture and Recreation	13,598,677	964,458	14,563,135	-	14,563,135
Public Works	8,560,300	35,172,964	43,733,264	-	43,733,264
Capital Improvements & Acquisitions	6,243,757	-	6,243,757	5,073,000	11,316,757
Principal Retirement	8,417,615	-	8,417,615	-	8,417,615
Interest and Fiscal Charges	7,333,379	1,197,529	8,530,908	-	8,530,908
Bond Issuance Costs	-	8,610	8,610	-	8,610
Transfers to Other Funds	30,156,004	1,428,000	31,584,004	-	31,584,004
Increase in Fund Net Assets	287,645	-	287,645	-	287,645
	<b>\$ 173,111,557</b>	<b>\$ 38,771,561</b>	<b>\$ 211,883,118</b>	<b>\$ 5,513,584</b>	<b>\$ 217,396,702</b>
<b>Add items previously appropriated and non-expense items</b>					
Enterprise Capital Projects	-	4,780,700	4,780,700	-	4,780,700
<b>Less Interfund Transfers</b>	<b>(30,156,004)</b>	<b>(1,428,000)</b>	<b>(31,584,004)</b>	<b>-</b>	<b>(31,584,004)</b>
<b>Grand Total FY2018 Recommended Budget</b>	<b>\$ 142,955,553</b>	<b>\$ 42,124,261</b>	<b>\$ 185,079,814</b>	<b>\$ 5,513,584</b>	<b>\$ 190,593,398</b>

3  
4  
5  
6

## **Exhibit B. Schedule of Water and Sewer User Charges**

## Water Base Charge

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>
3/4" & 5/8"	2.74	5.49
1"	4.57	9.14
1.5"	9.13	18.26
2"	14.61	29.21
3"	31.94	63.87
4"	45.62	91.25
6"	91.23	182.46

## Volumetric Charge

(per 1,000 gal)		
Tier 1: 0-4	1.47	2.94
Tier 2: 5-15	2.77	5.55
Tier 3: 16-30	3.11	6.22
Tier 4: >30	3.31	6.63

## **Sewer Base Charge**

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>
<u>3/4" &amp; 5/8"</u>		
1"	3.70	7.40
1.5"	6.20	12.24
2"	12.38	24.76
3"	19.78	39.55
4"	43.30	86.60
6"	61.85	123.70
	123.68	247.36

## Volume Charge

(per 1,000 gal) 3.54 7.09

<sup>1</sup> All consumption registered on flow meters (cooling towers) and irrigation meters is assessed at the Tier 3 rate beginning with the first thousand gallons of consumption registered.

#### **Exhibit C. Schedule of Solid Waste Fees and Charges**

For purposes of this section, "standard residential service" shall mean:

- 1) once per week curbside collection of general waste, once per week recycling service, once per week yard waste collection, and bulky trash service for a single service address with one or two roll-out containers, or
  - 2) once per week service to each residential service address utilizing a shared 8 cubic yard container.

10 For customers with more than two containers, each additional container is serviced at an additional charge

11 "Container fee" shall mean an assessment to cover the initial cost and replacement cost of one residential  
12 container and one recycle container.

13 "Eight cubic yard (8 yd<sup>3</sup>) container service" shall mean one instance of collecting and removing the  
14 contents of one solid waste container with a rated capacity of eight cubic yards;

15 “Call-back service” refers to each incidence of unscheduled service above and beyond the rate for which  
16 the customer has subscribed;

17 "Compactor service" shall mean one instance of collecting and removing the contents of one compaction  
18 unit.

19 "Transfer station customers" are private haulers, private individuals or firms doing business as  
20 landscapers, or other individuals or firms not falling into a previously defined class, who collect waste and  
21 deliver it to the transfer station to be transferred to the landfill by city forces.

		<u>Collection</u>	<u>Landfill Disposal</u>
<u>Standard Residential Service:</u>			
Service to one or two containers	\$	18.15 per month	\$ 4.75 <b>5.90</b> per month
Service to each additional container	\$	9.80 per month per container	Included in rate
Container fee	\$	2.00 per month	
<u>Commercial Services:</u>			
8 yd <sup>3</sup> Container Service:			
Once per week schedule	\$	148.00 per month	Included in rate
All other service schedules	\$	42.50 per service	Included in rate
Call-Back Service (8 cu. yd.)	\$	63.00 per service	Included in rate
Compactor Service	\$	132.50 per service	Contemporary landfill Tipping rate
<u>Roll-out container service:</u>			
One container twice per week	\$	36.30 per month	\$ 9.50 <b>11.80</b> per month
Each additional service per week	\$	18.15 per month	\$ 4.75- <b>5.90</b> per month
Each additional container (up to a Maximum of five (5))	\$	9.80 per month per container	Included in rate
<u>Transfer Station Customers:</u>			
Transfer Station Processing Fees	\$	23.00 per ton	Contemporary landfill tipping rate
Landscaping Waste Fees	\$	23.00 per ton	Contemporary landfill tipping rate

## Exhibit D. Schedule of Recreation Fees and Charges

2 Definitions: For the purposes of this section "youth" shall mean any person three (3) to twelve (12)  
 3 years of age; "teen" shall mean any person thirteen (13) to seventeen (17) years of age; "adult" shall  
 4 mean any person eighteen (18) through fifty-four (54) years of age; 'senior' shall mean any person fifty  
 5 five (55) years of age or older; 'civic' shall mean any of the following non-profit organizations or  
 6 persons:  
 7     a) Government agency  
 8     b) Civic Organization  
 9     c) Religious Organization  
 10    d) Charitable Organization  
 11    e) Individual requesting the use of a facility for a bone fide 'not for profit' function.

12 "Community usage" shall mean any usage of recreational facilities not associated with Sports Tourism  
 13 Events.

14 Actual rates for any given event shall be the prevailing market rates, which shall be subject to  
 15 negotiation between the event promoters and the Recreation Services staff.

16 **Recreation Division Uniform Schedule of Fees and Charges.**

17 **Fitness Membership Fees**

18 *Non-city fees apply to Monthly and Annual Memberships. Non-City fees are computed by multiplying  
 19 the City Resident Fees by 1.67 and rounding up to the nearest \$5.00 increment. Fitness classes are not  
 20 included in membership fees. Other family members may be added to Adult or Senior Monthly or  
 21 Annual Memberships only.*

22 **City Resident/US Military Veteran Fees:**

23 **Daily Use Fitness Fees**

30 Youth	3-12	\$ 1.00
31 Teen	13-17	\$ 1.00
32 Adult	18-54	\$ 5.00
33 Senior	55 and up	\$ 3.00

34 **Monthly Membership Fitness Fees**

36 Teen	13-17	\$ 20.00
37 Adult	18-54	\$ 30.00
38 Senior	55 and up	\$ 25.00
39 Add a Family Member		\$ 15.00

40 **Three-month Membership Fitness Fees**

42 Teen	13-17	\$ 45.00
43 Adult	18-54	\$ 75.00
44 Senior	55 and up	\$ 60.00
45 Add a Family Member		\$ 40.00

46 **Annual Membership Fitness Fees**

48 Teen	13-17	\$ 100.00
49 Adult	18-54	\$ 175.00
50 Senior	55 and up	\$ 125.00
51 Add a Family Member		\$ 30.00

52 ***Guests under 14 are not permitted in the weight room***

1    **Facility Fees**

2    ***Rental Fees***

3    Rates for facility rental to City residents and businesses are as follows. Non-resident persons or  
4    businesses shall be charged at 1.67 times the expressed resident rates. Non-city fees shall be computed  
5    by multiplying the city fee by 167% and rounding up to the nearest \$5.00 increment. Rental fees cover  
6    the exclusive use of facilities only. Additional fees for services in connection with use of the facilities  
7    may be charged.

8

9    **Staffing Fees & Labor Costs**

10   Additional fees for services in connection with the use of the facilities are as follows and rates are the  
11   same for civic or non-civic users. After hours gymnasium rentals require a minimum of 3 hours rental  
12   and a minimum of 2 staff members at overtime rates. Staffing fees will be charged for facility rentals  
13   during non-business hours to include overtime and/or holiday rates. The fees stated herein are  
14   expressed as ordinary rates and are designed to recover costs. In the event that actual costs are  
15   materially higher or lower under given circumstances, the City Manager or his designee may negotiate  
16   such different rates as may be appropriate in order to cover the City's costs.

17

18   Basic Labor during regular business hours	\$ 20.00/hour/person
19   Overtime Rate during non-business hours	\$ 30.00/hour/person
20   Holiday Rate (On a City Holiday if staff is available)	\$ 50.00/hour/person
21   Cleanup	\$100.00-\$1,200.00/site/use

22

23   Charges are based upon the amount of clean-up required. Materials are provided at cost.  
24   A minimum cleaning charge of \$100 will be charged for any rental event attended by 50 or  
25   more persons.

26

27   Clients may reserve facilities no more than 730 days in advance of their events by entering into a  
28   contract with the City. The contract may provide for a deposit to secure the reservation in an amount  
29   not to exceed 50% of the contract rental price. The reservation may be cancelled, with a full refund of  
30   the deposit, no fewer than 90 days prior to the event. In the event of a cancellation fewer than 90 days  
31   prior to the event, the client shall forfeit the deposit in its entirety. Should the client cancel the event  
32   fewer than ninety days in advance for two consecutive years, he or she shall forfeit the right to the  
33   event date(s) and the date(s) shall be returned to a list of available dates to be offered subject to  
34   lottery drawing.

35

36   **Pool Rental\***

37   City will furnish up to 3 lifeguards for rentals. Additional lifeguards may be required depending on type  
38   of function and number of participants. See staffing fees above for additional cost of lifeguards.

39   After hour pool rentals require a minimum of 3 hours rental and a minimum of 3 staff members (2  
40   lifeguards & 1 center staff) at overtime rates.

41

42   Entire Pool (for all pools)	\$ 120.00/hour
43   Lane Rentals (at all pools)	\$ 15.00/lane/hour
44   Shallow End Only (Pepper Gedding)	\$ 30.00/hour

45

46   **Recreation Facility Rental\***

	<u>Civic</u>	<u>Non-Civic</u>
47   Meeting Room	\$20.00/hour	\$35.00/hour
49   Small Gymnasium	\$ 65.00/hour	\$ 90.00/hour
50   Large Gymnasium	\$ 250.00/day	\$ 360.00/day
51		
52		
53		

1	Ballroom/Banquet Hall	\$ 30.00/hour	\$ 65.00/hour
2	Table & Chair Set Up Fee	\$ 25.00	\$ 25.00
3	Renters may request all available tables and chairs in the facility for their use. If additional tables and chairs are needed, they must be provided by the renter. Setup and delivery must be coordinated with the City.		
4			
5			
6			
7			
8			
9	<i>See Staffing Fees and Labor Costs above for rentals that occur during non-business hours.</i>		
10			
11	<u>Athletic Fields/Courts/Rinks</u>	<u>Civic</u>	<u>Non-Civic</u>
12			
13	<u>Hourly Rental-single field/court/rink</u>	\$ 30.00/hour	\$ 30.00/hour
14			
15	<u>Daily Rental-Rate</u> (Covers initial daily preparation, use of any existing press box and lights as needed to maintain the safety of players and spectators. The City retains the right to assess a fee to recover the cost of lighting used during other periods of time.)	\$ 200.00/field, rink or court/day	\$ 200.00/field, rink or court/day
16			
17			
18			
19			
20			
21			
22			
23			
24	<u>Ashley Booth Rental Fee</u>	\$ 300.00/day	\$ 1,000.00/day
25			
26	<u>Doug Shaw Memorial Stadium</u>	\$ 1,000.00/day	\$ 3,125.00/day
27	• Additional Field Lines	\$ 540.00	\$ 540.00
28	• Video Display Operator (if provided by the City)	\$ 50.00/game	\$ 20.00/hr/non-game function
29	• Scorekeeper	\$ 50.00/game	\$ 20.00/hr/non-game function
30	• Cleanup Fee	\$ 500.00/function maximum	\$ 500.00/function maximum
31			
32			
33			

34 (Clean up fee to be discussed with applicant and cleaning deposit may be required.)

This facility must be staffed at all times, with a minimum of 2 staff members. Use of track areas or size of event may require additional staffing. See Staffing Fees and Labor Costs above for rentals.

## **39 Recreation Activities and Instructional Programs**

For recreation activities, fitness classes, and instructional programs offered by the City on a fee basis, non-residents shall be charged at a rate of 1.67 times the rate established for City residents. Non-city fees shall be computed by multiplying the city fee by 1.67 and rounding up to the nearest \$5.00 increment.

#### **44 Youth Sports Fees**

45	For each sport	
46	City resident	\$ 15.00
47	Non-resident	\$ 50.00

## 49 Special Program Fees

50 Fees will be set as necessary to cover costs, with reasonable preference granted to City residents.

## 52 Sponsorships

53 The recreation department may sell sponsorships to support sports programs. Sponsorship fees may be  
54 negotiated with the donors.

1	<b><u>Train Station Fees and Charges</u></b>	
2	City Resident	\$ 50.00/hour
3	Non-Resident	\$ 100.00/hour
4	Staffing Charge for events during non-business hours	\$ 30.00 per hour
5	Holiday Staffing Rate (if staff is available)	\$ 50.00/hour
6	Table/Chair Set-up Fee	\$ 25.00
7	Cleanup Fee	\$ 100.00/hour with one-hour minimum.
8	Exceptions may be made for events with fewer than 50 attendees. (12 tables and 50 chairs are available as part of the rental. If additional tables and chairs are needed, they must be provided by the renter.	
9		
10	Setup and delivery must be coordinated with the Facility Attendant.)	

11

12 **City/County Professional Baseball Stadium Rental Fee Schedule**

13

14 Category 1, *Commercial Use - any event staged by a group or individual for profit or business purposes. (i.e., entertainment shows, concerts, corporate events, trade shows, fantasy camps, company picnics, etc.)*

15

16 Category 2, Non Profit - use by Myrtle Beach, Horry County, State, or Federal non-profit organizations staging an event with the purpose of generating revenue for charitable organizations. Must be registered with the State as a non-profit organization. A minimum of 40 % of the gross revenues must be contributed to the listed charitable organization.

17

18 Category 3, Government and Public School - use by any municipal government in Horry County, by Horry County Government, or by Horry County Public Schools for the purpose of providing recreational opportunities, public service opportunities or educational opportunities to their citizens.

19

<u>Area</u>		<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Entire stadium	per day	\$4,000.00	\$2,400.00	\$800.00
	per hour*	\$ 800.00	\$ 480.00	\$ 240.00
Picnic area	per day	\$ 600.00	\$ 360.00	\$ 200.00
	per hour*	\$ 120.00	\$ 72.00	\$ 40.00
Concourse	per day	\$ 600.00	\$ 360.00	\$ 200.00
	per hour *	\$ 120.00	\$ 72.00	\$ 40.00
Playing field	per day	\$1,000.00	\$ 600.00	\$ 300.00
	per hour*	\$ 200.00	\$ 120.00	\$ 60.00
Parking lot	per day	\$1,200.00	\$ 720.00	\$ 360.00
	per hour*	\$ 240.00	\$ 144.00	\$ 72.00

40 Parking lot rates are for exclusive use of the paved area only and do not include any access to the stadium.

41 \* Three hour minimum rental requirement applies in all areas. Must include set up and tear down time.  
42 Move-in and Move out days will be charged at 50% of one day's rental.

43 Additional Charges

44 Users will be required to pay for services provided by the Myrtle Beach Pelicans according to the terms  
45 of the Lease agreement among the City, Horry County and the Team, as amended through the current

1 date. Such services may include, but may not be limited to, the following examples. In certain cases,  
2 holiday rates may apply. The City will bill all such services at its cost, as indicated in invoices from the  
3 Myrtle Beach Pelicans.

4

5 Examples of services that may be required:

6     *Head Groundskeeper*  
7     *Grounds Crewmen*  
8     *Cleaning Fees*  
9     *Field Lights*  
10    *Video Board Operator*  
11    *PA System Operator*  
12    *Scoreboard Operator*  
13    *Scorekeeper*  
14    *Programs and Novelty Sales*  
15    *Stadium/Field Damages*  
16    *8-ft. folding tables*  
17    *Folding chairs*  
18    *Security Officers*  
19    *Usher, Ticket-taker, Parking Attendant*  
20    *Geotextile fabric installation (required for all events utilizing the playing field)*

21

22

23 **Library Cards**

24 For the purposes of this schedule, the following definitions shall apply:

25 "City Resident" shall mean the owner of record of property registered in the City of Myrtle Beach for  
26 purposes of taxation or any other person residing permanently in the City regardless of ownership of  
27 taxable property.

28 "County Resident" shall mean the owner of record of property registered in Horry County for purposes  
29 of taxation or any person residing permanently in the County regardless of ownership of taxable  
30 property.

31 "Non-resident" shall mean any person who does not qualify as either a City Resident or a County  
32 Resident.

33 "Family member" shall mean any person related by blood, marriage, or other legal means to the primary  
34 cardholder.

35

36 The current schedule of fees and charges for Library Cards is hereby affirmed as follows:

39 <b>Class</b>	40 <b>Annual Fee</b>
41 <b>City Resident</b>	42     No charge
43     Horry County Resident	44     \$ 20.00
44     Primary Card	45     No charge
45     Additional Cards for other family members	46     \$ 2.00 per card
46     Non-resident 90-Day Card	47     \$ 8.00
47     Primary Card	48     \$ 20.00
48     Additional cards for other family member(s)	49     \$ 8.00 per card
49     Non-resident annual card	50

## **Exhibit E. Schedule of Parks Fees and Charges**

Rates for facility rental to City residents and businesses are as follows. Non-resident persons or businesses shall be charged at 1.67 times the expressed resident rates. Non-city fees shall be computed by multiplying the city fee by 167% and rounding up to the nearest \$5.00 increment. Rental fees cover the exclusive use of facilities only. Additional fees for services in connection with use of the facilities may be charged.

**Any event of more than 250 people lasting more than 3 hours will be required to provide additional portable toilets at the expense of the Facility Use Permit holder.**

Post-event clean-up of the park is the responsibility of Facility Use Permit holder. Any event of more than 250 will require payment of a clean-up fee. (See "Staffing Fees & Labor Costs")

<u>Parks</u>	<u>Civic</u>	<u>Non-civic</u>
All City Parks except Grand Park & Valor Park	\$ 250.00/day	\$ 500.00/day
Plyler Park, H.B. Springs and Anderson Park for periods of 2 hours or less	\$ 50.00	\$ 50.00
Valor Park	\$ 500.00/day	\$ 2,000.00/day
Grand Park Park Area surrounding Lake (excluding Ballfields and Picnic Shelters)	\$ 500.00/day	\$ 2,000.00/day
Esplanade/Dock	\$ 125.00/day	\$ 500.00/day
Lake Front Area	\$ 375.00/day	\$ 1,500.00/day
Per Move-In/Move-Out Day	50% of one-day rental	50% of one-day rental
Small Picnic Shelter(Capacity of 20)	\$ 50.00/day	\$ 50.00/day
Large Picnic Shelter (Capacity of 96)	\$ 150.00/day	\$ 150.00/day
Events or Rentals that require a Roll-Off Container	\$ 350.00	\$ 350.00
<u>Staffing Fees &amp; Labor Costs</u>		
Additional fees for services in connection with the use of the facilities are as follows and rates are the same for civic or non-civic users. Staffing fees will be charged for facility rentals during non-business hours to include overtime and/or holiday rates. The fees stated herein are expressed as ordinary rates and are designed to recover costs. In the event that actual costs are materially higher or lower under given circumstances, the City Manager or his designee may negotiate such different rates as may be appropriate in order to cover the City's costs.		
Basic Labor during regular business hours	\$ 20.00/hour/person	
Overtime Rate during non-business hours	\$ 30.00/hour/person	
Holiday Rate (On a City Holiday if staff is available)	\$ 50.00/hour/person	
Cleanup	\$100.00-\$1,200.00/site/use	

1 Charges based upon amount of clean-up required. Materials provided at cost.  
2 A minimum cleaning charge of \$100.00 will be charged for any rental event attended by 50 or  
3 more persons.  
4  
5 Clients may reserve facilities no more than 730 days in advance of their events by entering into a  
6 contract with City. The contract may provide for a deposit to secure the reservation in an amount not  
7 to exceed 50.0% of the contract rental price. In any event, a non-refundable preparation, maintenance  
8 and inspection fee of \$ 50.00 will be charged in addition to any security deposit assessed, with the  
9 exception of small picnic shelter rentals. The reservation may be cancelled, with a full refund of the  
10 deposit, no fewer than 90 days prior to the event. In the event of a cancellation fewer than 90 days  
11 prior to the event, the client shall forfeit the deposit in its entirety. Should the client cancel the event  
12 fewer than ninety days in advance for two consecutive years, he or she shall forfeit the right to the  
13 event date(s) and the date(s) shall be returned to a list of available dates to be offered subject to  
14 lottery drawing.

16 **Special Event Fee for Qualifying Special Event** \$ 5.00 \$ 5.00  
17 (per vendor and/or per participant)

#### **Exhibit F. Schedule of Sports Tourism Venue Fees and Charges**

## Venue Usage Fee and In-City Lodging Incentive

A Venue Usage Fee shall be charged for sports tourism events to cover initial daily preparation, use of any existing press box, and lights as needed to maintain the safety of players and spectators. The Venue Usage Fee shall be determined in one of the following ways:

### **1) Calculated Venue Usage Fee**

**Calculated Venue Usage Fee = Total Athlete Count x Seasonal Multiplier x Number of Event Days x Venue Usage Rate**, where the Seasonal Multiplier and the Venue Usage Rate shall be charged according to the following schedules:

## Table of Seasonal Multipliers

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
Youth	2	2	2.5	2.5	2	3	3	3	2.5	2.5	2	2
College	1.25	1.25	2	2	1.25	3	3	3	2	2	1.25	1.25
Adult	1.5	1.5	2	2	1.5	3	3	3	2	2	1.5	1.5
Senior	1.5	1.5	2	2	1.5	3	3	3	2	2	1.5	1.5

## Venue Usage Rate Table

<u>Calendar Year</u>	<u>Venue Usage Rate</u>
2018	\$ 1.50
2019	\$ 2.50

#### **2) Minimum Daily Venue Fee**

In the case of events with fewer than 240 athletes, the Venue Usage Fee will be the greater of the calculated Venue Usage Fee from item (1) above or a Minimum Daily Venue Fee. Minimum Daily Venue Fees for each of the following facilities are:

Grand Park Athletic Complex: \$200.00 per field per day (3 field minimum per day)  
Ned Donkle Field Complex: \$200.00 per field per day (3 field minimum per day)  
Ashley Booth Field: \$300.00 per day  
Doug Shaw Memorial Stadium: \$1,000.00 per day  
Officials Rooms (each)\* \$ 50.00 / Game \$200.00  
Team / Flex Room\* \$150.00 / Game \$400.00

**\*Included with Stadium rental. Additional fees apply when used in conjunction with the Ashley Booth Field or Ned Donkle Field Complex.**

The Venue Usage Fee may be collected through a gate admission charge that City staff will collect and manage. Daily minimum rates shall be \$ 5.00 for adults (18+) and \$ 4.00 for ages 5-17 and for Seniors 62 or more years of age. *Event Owner and City staff may mutually agree to higher rates.*

Should the after-tax venue admission revenue fail to cover the Venue Usage Fee or the Minimum Daily Venue Fee, the event owner will be invoiced for the difference.

Should the after-tax venue admission revenue exceed the Venue Usage Fee or the Minimum Daily Venue Fee, the Event Owner and City will split the excess revenue at the following percentages:

Calendar Year 2018: 50/50 (Event Owner/City)  
Calendar Year 2019: 65/35 (Event Owner/City)  
Calendar Year 2020: 80/20 (Event Owner/City)

**For Events with a demonstrated history of significant economic impact, the City may adjust percentages.**

### **3) Non-Sports Tourism Event Rentals - See Exhibit D**

## In-City Lodging Incentive

Under certain conditions based upon verifiable in-city lodging data, the City may discount the Venue Usage Fee.

The formula for discounts shall be based on the number of athletes that can be documented to have stayed in paid accommodations within the City limits during the athletes scheduled event:

**240-348 athletes - 10% discount.  
349-468 athletes - 15% discount.  
469-588 athletes - 20% discount.  
589+ athletes - 25% discount.**

## **Exhibit G. Myrtle Beach Convention Center Fees and Charges**

#### Convention Center Exhibition, Ballroom and Meeting Room maximum rates.

These maximum rates cover events being planned as far as ten years into the future. This structure allows the Convention Center marketing staff the flexibility to propose on conventions being planned in the intermediate and more distant future without underselling the facility vis-à-vis its market. Actual rates for any given time are subject to negotiation between the respective event planners and the Convention Center marketing staff.

<b>10</b>	<b>Space</b>	<b>Maximum Rate</b>
11	Exhibit Hall ABC (100,800 sq. ft.)	\$ 14,500.00
12	Exhibit Hall A (36,000 sq. ft.)	\$ 6,400.00
13	Exhibit Hall B (28,800 sq. ft)	\$ 5,500.00
14	Exhibit Hall C (36,000 sq. ft.)	\$ 6,400.00
15	Meeting Rooms (per day or portion thereof, each room)	\$ 350.00
16	Ballroom (per day or portion thereof)	\$ 8,000.00
17	Parking Charge (per space per day)	\$ 5.00
18	<i>Exception: Residents with City parking decal</i>	No charge
19	Other Convention Center services and Charges	Market Rates

**Exhibit H. Schedule of Building Permit Charges**

## Construction Permit Fees

(i) Single-family construction; alterations of any structure, single-family or other:

<u>Total Valuation</u>	<u>Fee</u>
Less than \$1,000	No permit required
\$1,000 to \$5,000	\$ 50.00
\$5,000 to \$25,000	\$ 50.00 for the first \$5,000 plus \$ 5.00 for each \$1,000, or fraction thereof, over \$5000.
\$25,000 to \$150,000	\$ 175.00 for the first \$25,000 plus \$ 4.75 for each \$1,000, or fraction thereof, over \$25,000.
\$150,000 to \$250,000	\$ 769.00 for the first \$150,000 plus \$ 4.50 for each \$1,000, or fraction thereof, over \$150,000.
\$250,000 to \$750,000	\$1,244.00 for the first \$250,000 plus \$ 4.25 for each \$1,000, or fraction thereof, over \$250,000.
\$750,000 to \$5,000,000	\$3,619.00 for the first \$750,000 plus \$ 4.00 for each \$1,000, or fraction thereof, over \$750,000.
Over \$5,000,000	\$23,806.00 for the first \$5,000,000 plus \$ 3.00 for each \$1,000, or fraction thereof, over \$5,000,000.

(ii) All other permits for new construction:

1	<b><u>Manufacture Home Permit Fees</u></b>		
2	Base	\$ 35.00	
3	<b><u>Trade Permit Fees</u></b>		
4	Trade permits are required in addition to the Construction and Manufactured Home permit fees of		
5	above.		
6			
7			
8			
9			
10	<b>Mechanical Permit</b>		
11	\$2,000 and less	\$ 35.00	
12	Over \$2,000	\$35.00 plus \$2.00 for each \$1000, or fraction thereof, over \$2,000.	
13			
14			
15	<b>Plumbing Permit</b>		
16	Base Fee	\$ 25.00	
17	Per Fixture	\$ 2.50	
18	Sewer	\$ 5.00	
19	Vacuum Breaker	\$ 2.50	
20	Grease Trap	\$ 5.00	
21	<b>Gas Permit</b>		
22	Base	\$ 25.00	
23	Per Appliance	\$ 2.50	
24			
25	<b>Electrical Permit</b>		
26	Base	\$ 25.00	
27	Temporary Service Pole	\$ 10.00	
28	Residential Service	\$ 10.00	
29	Commercial Service	\$ 25.00	
30	Each Sub-panel	\$ 10.00	
31	Per 110 volt outlet	\$ 0.20	
32	Per 220/440 volt outlet	\$ 2.00	
33			

34   **Moving of Buildings or Structures**

35   For the moving of any building or structure, the fee shall be One Hundred Fifty Dollars (\$150.00).

36   **Demolition of Buildings or Structures**

37   For the demolition of any building or structure, the fee shall be One Hundred Fifty Dollars (\$150.00).

38   **Re- Inspection Fees**

39   All re-inspection fees will be \$ 100.00, which shall be paid before the re-inspection is made.

1 Penalties

2 Where work for which a permit is required by this code is started or proceeded prior to obtaining said  
3 permit, the fees herein specified shall be doubled; but the payment of such double fee shall not relieve  
4 any persons from fully complying with the requirements of this code in the execution of the work nor from  
5 any other prescribed penalties.

## **6    Plan-Checking Fees**

When a plan is required to be submitted a plan-checking fee shall be paid at the time of permitting. The plan-checking fee shall be equal to 60% of the building permit fee as determined in accordance with subsection (a) herein above. Such plan-checking fee is in addition to the building permit fee. In the event of excessive (8 or more) plan resubmissions, a \$ 150.00 fee will be incurred.

## **12 Sign Permit Fees**

13 Permit fees for signs shall be calculated in accordance with the Construction Permit Fees sub-section  
14 herein above. Plan-check fees for all sign permit applications shall be \$ 15.00 per sign, payable at the  
15 time the permit application is made.

## **Parking Lots, Driveways, and Associated Landscaping Permit Fees**

The permit fee for development of a parking lot or a driveway that is not associated with any other building development will be based on the contract value of the developed lot, including all landscaping, and be determined in accordance with Construction Permit Fees sub-section herein above. Plan-checking fees will be sixty per cent (60%) of the permit fees, payable at the time the permit application is made.

## Commercial Stormwater Review Fee

28 Commercial projects that require a stormwater plan review will be charged \$250.00.

#### **Exhibit I. Schedule of Planning Fees and Charges**

30	<u>Zoning Ordinance Text Change</u>	\$ 200.00
31	<u>Rezoning (Map Change)</u>	\$ 500.00 per new Planned Unit Development \$2,500.00 + \$1,000.00 per applicant continuance
32		
33		
34		
35	<u>Planned Unit Development Amendment</u>	\$1,250.00 + actual noticing costs Encroachments
36		
37		
38	<u>Residential, Right-of-Way</u>	\$ 100.00
39	<u>Residential, City Property</u>	\$ 250.00
40	<u>Commercial, Right-of-Way</u>	\$ 300.00
41	<u>Commercial, City Property</u>	\$ 600.00
42	<u>Subdivision Review (Minor Exempt)</u>	No charge
43	<u>Subdivision Review (Major)</u>	\$ 100.00 + \$ 25.00 per lot

1	<u>Annexation and Rezoning</u>	No charge
2		
3	<u>Street Naming Fees</u>	
4	With New Subdivision	\$ 100.00
5	Required of Private Drive	\$ 25.00 per street name
6		
7	<u>Plat Review (staff review)</u>	
8	Combination Plats	\$ 25.00
9	Site Plats	\$ 25.00
10	Easements	\$ 50.00
11	Subdivisions with lots > 5 ac.	\$ 100.00 per lot
12		
13	<u>Minor Subdivision Review (Planning Commission)</u>	\$ 50.00
14		
15	<u>Map Fees</u>	\$ 100.00
16		
17	<u>Re-review of Plats</u>	
18	First re-review	(No additional charge)
19	Second Re-review	\$ 50.00
20	Third Re-review	\$ 100.00
21	Fourth Re-review	\$ 150.00
22	Fifth and subsequent re-reviews	\$ 200.00
23	<u>Restrictive Covenant, failure to apply</u>	
24	For failure to apply for annexation within one year of becoming contiguous to City limits, or within sixty (60) days of receiving a letter requesting compliance	\$ 500.00
25		
26		
27		
28		
29		
30		

### Exhibit J. Schedule of Code Enforcement Charges

#### Fees for grass and debris removal, related Mowing/Cutting/Clearing Charge:

35	Non-tractor cutting:	
36	\$25.00 per machine per deployment	
37	\$25.00 per person per hour	
38	Tractor equipment cutting:	
39	\$100.00 per machine per deployment	
40	\$100.00 per person per hour	
41	Any use of heavy equipment: re: Brush/Debris/Tree Pickup:	
42	\$150.00 per vehicle per deployment	
43	\$150.00 per hour per unit	

#### Administrative Fee for public abatement of grass, debris, general nuisance, to include costs of direct personnel, oversight, records:

46	Initial public abatement against owner:	\$ 500.00
47	Second abatement;	\$ 750.00
48	Third abatement:	\$ 750.00
49	Any additional abatements:	\$ 1,000.00

51 Cost of Title Search, if required: \$ 275.00

52 Cost of Lien Filing, if required: \$ 25.00

53

1 Actual attorney fees and costs of collection incurred when the public is compelled to collect through  
2 legal process.

3 **Exhibit K. Schedule of Animal Control Fines and Fees**

4

5 **Animal Shelter Fees**

6 **Service**

	<u>Altered</u>	<u>Unaltered</u>
7 Boarding Fees ( <i>maximum per day</i> )	\$ 10.00	\$ 10.00

8

9 **Fees and Charges for Certain Violations pursuant to Section 4-10**

10 Violation	<u>Fees</u>
11 No Rabies Vaccination	\$ 15.00
12 No Animal License	\$ 15.00

13

14 **Designation of Fee Revenues.**

15 The Grand Strand Humane Society shall be authorized to collect and retain boarding fees imposed under  
16 this Section. Funding in an amount equivalent to the revenues from the Animal Shelter fees shall be used  
17 in support of the Humane Society's objective of reducing the number of unlicensed or abandoned animals  
18 at large in the community. The City Manager shall develop the procedures necessary to put this  
19 designation of funding into effect.

20

21

1      **Exhibit L. Miscellaneous Fees and Charges**

2

3      **Cemetery Fees and Charges**

4	Cemetery Plot Price, each	\$ 1,250.00
5	Niche, each	\$ 1,000.00
6	Pet Plot Price, each	
7	2ft. x 2ft.	\$ 400.00
8	2ft. x 4ft.	\$ 450.00
9	Continuing care charge	20% of Plot/Niche Price

10  
11

12      **Fire and Emergency Medical Service Fees and Charges**

13

14      Basic Transport Charges (including  
15      Basic Life Support (BLS) services,  
16      Tier 1 and Tier 2 Advanced Life  
17      Support (ALS) services, mileage  
18      charges and charges for a required  
19      Third Attendant, when necessary)  
20

The Fire Department shall maintain reasonable rates designed to recoup the costs of these services but not in excess of the current County rate schedule or, for items not included in the County rate schedule, not in excess of reasonable direct and indirect costs.

21

22      Medications, fluids, supplies and  
23      special treatments  
24

The above charges include all medications, fluids, supplies and special treatments necessary to deliver required medical treatments.

25

26      Hazardous Materials Incident Charges  
27

The Fire Department shall maintain reasonable rates sufficient to recoup the costs of these incidents but not in excess of the current County rate schedule or, for items not included in the County rate schedule, not in excess of reasonable direct and indirect costs.

28

29      Facility Use Fee (Station #6 Training  
30      and Community Room)  
31

For non-residents and businesses located outside the City, there shall be a charge of \$50 for the first four hours or any fraction thereof and an additional \$100 for a second four hours or any fraction thereof in any given day.

32

33

34

35

36

37      **Ambulance and Medical Personnel for Special Events**

38      The Fire Department shall, from time to time, establish reasonable rates sufficient to recoup the costs of providing personnel and equipment for special events but not in excess of prevailing rates charged by other providers operating in Horry County.

39

40

41

42

43

44

45      **Fire Training**

46

47

48

49

50

51

52

The Fire Department shall, from time to time, establish reasonable rates sufficient to recoup the costs of providing personnel and equipment for special training per contractual agreements.

1    **False Alarms**

2    An assessment of \$200.00 per false fire alarm will apply for each call for service resulting from a false  
3    alarm after the 3<sup>rd</sup> such false alarm in any 365 day period.

4    **Inspection Fees**

5    The following fees shall apply for Fire Safety Inspections to be conducted on a routine basis, annual or  
6    biannual depending upon the type of facility:

7	Tier One (less than 1,000 sq. ft.)	\$ 75.00 per inspection
9	Tier Two (1,000 to 2,499 sq. ft.)	\$ 100.00
10	Tier Three (2,500 to 9,999 sq. ft.)	\$ 150.00
11	Tier Four (10,000 to 49,999 sq. ft.)	\$ 200.00
12	Tier Five (50,000 sq. ft. or more)	\$ 300.00
13		
14	Thirty day re-inspection (if required)	included in above fees
15	45 day and subsequent re-inspections	\$ 100.00 per inspection
16	Special Inspections	\$ 200.00 per inspection
17		
18	<b><u>Erection of Banners for Special Events</u></b>	\$ 35.00



## Glossary

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting or peculiar to the City of Myrtle Beach. This glossary is provided in order to assist the reader in understanding these terms.

### Glossary

**Account Number.** Each class of expenditures and revenues is assigned a specific number for use within the City's accounting system. Account numbers are organized according to fund, program, department, activity, and object of expenditure or revenue.

**Accrual Basis.** Sometimes called "full accrual" basis. A basis of accounting in which revenues are recognized when earned, regardless of when they are received, and expenses are recorded at the time the liability is incurred, regardless of when it is paid.

**Activity.** The smallest unit of budgetary accountability and control which encompasses specific and distinguishable lines of work performed by an organizational unit for the purpose of accomplishing a function for which the City is responsible.

**Ad Valorem Tax.** A tax expressed as a rate per unit of property value. An ad valorem tax is levied on all real and personal property located within the City and not expressly exempted. The term is used interchangeably with “property tax.”

**Advanced Life Support (ALS).** Advanced services provided by a 3rd level Emergency Medical Technician, which may include administering certain medications or the use of electric defibrillation equipment.

**Air Base Redevelopment Authority.** A body constituted by the state of South Carolina to coordinate redevelopment efforts at the former Myrtle Beach Air Base property. It is composed of appointees of the City and Horry County.

**Appropriation.** A legal authorization to expend public resources, or to incur expenses on behalf of the government. Appropriations must be established by ordinance.

**Assessed Value.** The taxable value of a parcel of property. Assessed value is determined by multiplying a property’s market value by a legally established assessment ratio.

**Assessment Base.** The total assessed valuation of all property within a jurisdiction.

**Assessment Ratio.** The fraction of a property’s market value that legally may be taxed.

**Asset.** A probable future economic benefit obtained or controlled by an entity as a result of past transactions or events.

**Average Daily Rate (ADR).** The mean rate charged for one day’s stay at the Convention Center Hotel.

**Balanced Budget.** A financial plan for a fiscal year, in which plan the sources of financing equal the authorized outlays.

**Basic Life Support (BLS).** Services provided by an Emergency Medical Technician responding to victims of illness or injury which may include basic emergency care or transportation to a medical facility.

**Basis of Budgeting.** A term used to refer to when revenues, expenditures, expenses, transfers, and the related assets and liabilities—are anticipated to be made on the City’s books of account. Specifically, it relates to the timing of the estimates and whether they are based upon the cash or accrual method.

**Benchmark.** A performance measure which is used for comparative purposes. An organization may use benchmarks to judge whether performance is improving over time. It may also analyze its own performance by comparison with industry standards, or with those considered to be the best in its field.

**Bond.** Most often, a written promise to pay a specified sum of money (called the face value or principal amount), at a specified date or dates in the future, (called the maturity date(s)), together with periodic interest at a specified rate. The difference between a bond and a note is that the latter is issued for a longer period of time and requires greater legal formality.

**Bond Anticipation Notes (BANs).** Short-term interest-bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issues to which they are related. See "interim borrowing."

**Bonded Debt.** The portion of indebtedness represented by outstanding bonds.

**Budget.** A plan of financial operation including an estimate of proposed expenditures for a given period and the proposed means of financing them. The term usually indicates a financial plan for a single fiscal year.

**Budget Message.** A letter of transmittal for the proposed budget prepared by the City Manager and addressed to the governing board that contains the Manager's views and recommendations on the City's operation for the coming fiscal year.

**Cash Basis.** A basis of accounting under which transactions are recognized only when cash is received or disbursed.

**Cash Equivalent.** Short-term, highly liquid investments that are both (1) readily convertible to known amounts of cash and (2) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

**Capital Budget.** A plan of capital outlays and the means of financing them for the current year. The appropriation of funds for the current year's capital improvement projects correspond to the first year's allocations of the five-year Capital Improvements Plan (CIP).

**Capital Improvement Project.** A project to acquire or construct an asset generally with a value exceeding \$25,000 and an expected life of ten years or more. Capital project appropriations continue in effect for the life of the project. It is characteristic that these projects span several years due to the scope of work being performed.

**Capital Improvement Plan.** A financial plan for construction of physical assets such as buildings, streets, sewers, and recreation facilities. The plan extends over several future years indicating the beginning and ending date of each project, the amount to be expended in each year, and the method of financing those expenditures.

**Capital Lease.** An agreement that conveys the right to use property, plant, or equipment, usually for a stated period of time, that meets one or more of the criteria set forth in SFAS No. 13 for lease capitalization.

**Capital Outlay.** Expenditures for the acquisition of fixed assets such as building, machinery, and equipment. Generally, such equipment has a value greater than \$500 and an expected life of two or more years. Fixed assets costing more than \$25,000 and lasting more than ten years are normally provided for in the Capital Improvements Plan, and are the subject of annual appropriations in capital budgets of the General Capital Projects Fund or of an enterprise fund.

**Capitalization Policy.** The criteria used by government to determine which outlays should be reported as fixed assets.

**Center City Redevelopment Area.** An agreement established between the City and Burroughs and Chapin Inc., in order to redevelop a district of blighted land. Some of the areas include Seaboard Commons and the Broadway at the Beach projects.

**Certificates of Participation (COP).** Certificates issued by a trustee pursuant to a trust agreement. The proceeds from the sale of COPs are used to finance the acquisition, construction, and installation of a project.

**Charges for Services.** Revenues derived from charging fees for providing certain government services. These revenues can be received from private individuals or entities, or other governmental units. Charges for services includes fire rescue services, landscaping services, water/sewer fees, solid waste fees, and recreation and culture admissions.

**Community Development Block Grant (CDBG).** A federal entitlement program to promote the improvement of blighted areas.

**Community Development Fund.** Used to account for revenues and expenses derived from the CDBG Entitlements to the City.

**Community Oriented Policing.** A philosophy of policing which emphasizes the direct personal contact of officers with residents and business people in the neighborhoods they are assigned to patrol.

**Comprehensive Plan.** According to the South Carolina Local Government Planning Enabling Act (1994), this plan consists of the Planning Commission's recommendations to the local governing body with regard to the wise and efficient use of public funds, future growth, and the development and redevelopment of its area of jurisdiction, and with consideration of the plan's fiscal impact upon property owners. The Plan must be developed with broad-based citizen participation and must include elements on population, economics, natural resources, cultural resources, community facilities, housing, and land use.

**Comprehensive Planning Process.** The basic planning process includes (1) an inventory of existing conditions, (2) a statement of needs and goals, (3) implementation strategies with time frames.

**Constitutional Debt Limit.** Article X, Section 14 of the State Constitution provides that the incorporated municipalities of the state may issue general obligation indebtedness in an amount not exceeding eight per cent (8.0%) of the assessed value of all taxable property located within their corporate boundaries without the requirement of a referendum. The limit may be waived for particular issues of debt provided the municipality's electorate approves such at referendum.

**Contingency.** An appropriation of funds to cover unforeseen events that occur during the fiscal year.

**Cost Allocation.** A method used to distribute charges originating in one fund or account to the funds or accounts which receive the ultimate benefit of the service.

**Council-Manager Form.** One of three forms of local government allowed in South Carolina. The Mayor and Council establish policy, while a professional manager and his appointees are responsible for governmental operations.

**Credit Rating.** A rating assigned to a debt issue by one of the recognized credit rating agencies to indicate the likelihood that the issuer will be financially able to make timely payments on the principal and interest as the series of the issue reach maturity.

**Culture and Recreation.** The cost of providing recreational facilities and activities.

**Current Ratio.** A measure of financial liquidity, which expresses the proportion of current unreserved and unrestricted assets in relation to current liabilities payable from other than restricted assets. Generally, a higher ratio indicates a greater ability to meet short term obligations as they come due.

**Coalition of Myrtle Beach Organizations. (COMBO).** A lobbying coalition of business and professional associations from the Myrtle Beach area. It is active primarily at the state level.

**COPs Fast and Universal.** Federal grants through the U.S. Department of justice, which are used to aid crime prevention through the addition of police officers.

**Debt.** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants and notes.

**Debt Capacity.** The amount a jurisdiction may issue without exceeding some legal or financial constraint.

**Debt Margin.** The amount of debt capacity available after existing debt obligations are subtracted.

**Debt Service.** The payment of principal and interest on borrowed funds such as bonds.

**Debt Service Coverage Ratio.** An expression of an enterprise's ability to service its debt, analogous to the "times interest earned" ratio used in the analysis of financial condition of private firms. It is determined by dividing net income by the total debt service obligation for a given year. The City's revenue bond covenants typically require a coverage ratio of 1.20.

**Deferred Revenue.** Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, amounts that are measurable but not available are one example of deferred revenue.

**Department.** A major operating budget area of the City which includes overall management for an activity or group of related activities with possibly one or more sub-activities.

**Depreciation.** The decrease in value of physical assets due to use and the passage of time.

**Development Agreement.** A document memorializing the mutual consent of the City and a private developer for the planning for or carrying out of a building activity, the making of a material change in the use or appearance of any structure or property, or the dividing of land into three or more parcels. The use of Development Agreements, as permitted under SC Code Title 6, Chapter 31, is intended to encourage a stronger commitment to comprehensive and capital facilities planning, ensure the provision of adequate public facilities for development, encourage the efficient use of resources, and reduce the economic cost of development.

**Downtown Redevelopment Advisory Board (DRAB).** An ad hoc board formed to assist City Council in its role as the City's redevelopment commission. It was dissolved in 1999 with the formation of the Downtown Redevelopment Corporation.

**Downtown Redevelopment Corporation (DRC).** The body charged with directing and overseeing the redevelopment of the downtown area of Myrtle Beach including the Pavilion and generally that area extending from 29th Avenue North to 3rd Avenue South and from the ocean on the southeast to Oak Street on the northwest.

**Drug Abuse Resistance Education (DARE).** A program provided to schools located inside the corporate limit which seeks to prepare children to make informed decisions against the illegal use of narcotics.

**Elasticity.** The degree to which a revenue source responds to rates of change in the economy. More elastic sources expand during economic expansion, and may contract during an economic downturn. Inelastic sources generally do not vary to a great extent depending upon economic conditions.

**Encumbrance.** A financial commitment for a contract not yet performed. An encumbrance is charged against an appropriation and a portion of the appropriation is reserved for the purpose of satisfying the encumbrance. It represents the expenditure the government will make after performance under the contract is completed and an invoice is served.

**Enterprise Fund.** A self-supporting fund designed to account for activities supported by user charges; examples are Sewer, Water, and Solid Waste Funds.

**Expenditures.** Amount paid for goods delivered or services rendered.

**Expenses.** Outflows or other using up of assets or the incurring of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

**Fair Market Value.** The value for which a willing buyer and a willing seller would trade a parcel of property.

**Financing Mix.** The combination of financing sources of different types and economic characteristics which comprise the total pool of financing sources for a fund, program, or other accounting entity or sub-entity.

**Fines and Forfeits.** Fines and Forfeits are derived from penalties imposed for the commission of statutory offenses, violation of lawful administrative rules, and regulations and for neglect of official duty. These revenues include court fines, confiscated property, and parking violations.

**First Responder.** A unit of certified emergency medical personnel who respond quickly to an emergency in hopes of stabilizing patients until ambulances can arrive to provide higher levels of care and patient transport services.

**Fiscal Year.** Any period of 12 consecutive months to be covered by a given financial plan or report. The City's fiscal year runs from July 1 through June 30.

**Fixed Asset.** Tangible property owned by the City having a monetary value of \$100 or greater and a useful life of one year or more.

**Full Faith and Credit.** A pledge of the governing body's taxing power for the repayment of debt obligations.

**Fund.** An independent fiscal and accounting entity with a self-balancing set of accounts for recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund Balance.** The excess of a governmental fund's assets and revenues over its liabilities, reserves, and expenditures at the close of the fiscal year.

**Fund Equity.** The difference between total assets and total liabilities in a fund. For governmental and similar trust funds, the term "fund balance" is often used. Fund equity, or fund balance, may have reserved and unreserved components. Only the unreserved portion is available for appropriation.

**General Capital Projects Fund.** A fund created to account for major capital expenditures (acquisitions and construction) other than those financed by Enterprise Funds.

**General Fund.** Used to account for all governmental functions not required to be separately recorded by laws or governmental policy. Most of the essential governmental services, such as police and fire protection and general administration are provided by the General Fund.

**General Government.** A major class of services provided by the legislative, judicial, and administrative branches for the benefit of the public and the governmental body as a whole.

**General Obligation Bonds.** Bonds backed by the full faith and credit (taxing power) of the City.

**Generally Accepted Accounting Principles (GAAP).** Uniform standards and guidelines as promulgated by the Governmental Accounting Standard Board. The treatment of each fund is determined by its measurement focus, with the flow of financial resources being the focus in governmental funds, and the flow of economic resources the focus of enterprise funds.

**Goal.** A broad statement of purpose or intent to achieve a desired state of affairs. A goal describes a desired effect on the community and its citizens.

**Governmental Funds.** Those funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects, funds, and permanent funds.

**Grand Strand Area Transportation System (GSATS).** This acronym refers to the Grand Strand Area Transportation System Enhancement Program.

**Home Rule.** A doctrine according local governments broad discretion to formulate policies affecting their own jurisdictions under both Constitutionally expressed and implied powers. The home rule doctrine contrasts with "Dillon's Rule," which holds that local

governments, as creatures of the state, possess only those powers the state has expressly granted them.

**Initial Total Equalized Assessed Value.** The assessed value of real property located within a legally designated redevelopment area at the time of its designation. The initial value continues to be taxable for all legal municipal purposes, while the incremental value of development occurring after the date of its designation yields taxes which must be used to finance capital improvements within the area.

**Interfund Charges.** Charges allocated to enterprise or special revenue funds for services provided by administrative staff members accounted for in the General Fund. (see Cost Allocation.)

**Interfund Transfers.** Transfers of monies from one fund to another fund in the same government. Transfers are not repayable and do not constitute payment or reimbursement of goods provided or services performed.

**Intergovernmental Revenues.** Revenues received from Federal, State, and other local government sources including grants, shared revenues, and payments in lieu of taxes.

**Interfund Borrowing.** The practice of borrowing from the cash balance of one fund in order to support a cash deficit in another.

**Interim Borrowing.** Short-term loans to be repaid from general revenues during the course of a fiscal year, or short-term loans in anticipation of tax collections, grants or bond issuance. Bond anticipation notes are the only form of interim borrowing currently allowed by City policy.

**Internal Service Funds.** Funds established to account for the financing of goods or services provided by one department for other departments within the City. Goods and services furnished and billed at cost plus a fixed factor which is designed to cover all expenses of the funds.

**Lease-Purchase Agreements.** Contractual agreements that are termed leases, but that in substance are purchase contracts.

**Levy.** (1)verb To impose taxes, special assessments or service charges for the support of government activities. (2)noun The total amount of taxes, special assessments or service charges imposed by a government.

**Liability.** A probable future sacrifice of economic benefit, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

**Licenses and Permits.** Revenues derived from the issuance of local licenses and permits including professional and occupational licenses, building permits, and other miscellaneous permits.

**Median Family Income .** A measure of central tendency. The income level at which fifty per cent (50%) of the population have greater annual incomes and fifty percent have lesser annual incomes.

**Mill.** A unit of taxation equal to \$1 per \$1,000 of assessed property value, or a factor of .001.

**Modified Accrual Basis.** An adaptation of the accrual basis of accounting for governmental fund types. Revenues and other financing resources are recognized when they become available to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred.

**Municipal Solid Waste.** Any solid waste (including garbage and trash) derived from households (including single- and multi-family residential, hotels and motels, bunkhouses, ranger stations, crew quarters, campgrounds, picnic grounds, and day-use recreation areas), and generated by commercial establishments (stores, offices, restaurants, warehouses, and other non-manufacturing) excluding industrial facilities and non-hazardous sludge.

**Municipal Solid Waste Landfill.** A discrete area of land or an excavation that receives household waste. The term “municipal” does not indicate ownership.

**Myrtle Beach Air Base Redevelopment Authority (ABRA).** A body constituted by the state of South Carolina to plan for and coordinate the redevelopment of the approximately 4,000-acre tract formerly occupied by the Myrtle Beach Air Force Base.

**Myrtle Beach Convention Center Hotel Corporation.** A non-profit public benefit corporation formed by the City to borrow funds for the construction of a 404-room four-star hotel adjacent to the City’s Convention Center. The corporation is also charged with coordinating and overseeing the development and operation of the hotel.

**Myrtle Beach Public Facilities Corporation.** A non-profit public benefit corporation which issues and services debt for the construction of certain facilities to benefit the City and leases those facilities back to the City for public use.

**National Pollution Discharge Elimination Systems (NPDES).** A set of standards regulating the quality of storm water runoff that may be discharged into waters of the United States, as defined by the U. S. Army Corps of Engineers.

**Non-bonded Debt.** Instruments that entitle the owner to a share of revenues of a project, but not by an unconditional promise to repay principal amounts at some designated future time. They are often secured by the capital asset being financed, and not by a “full faith and credit” pledge.

**Non-operating Revenues.** Proprietary fund revenues incidental to, or by-products of, the fund’s primary activities.

**Non-operating Expenses.** Proprietary fund expenses not directly related to the fund’s primary service activities (e.g., interest).

**Object of Expenditures.** Expenditures are classified based upon the type of good or service incurred. Such classification include:

- Personal Services: for all salaries, wages, and benefits;
- Services and Materials: for purchases of commodities and contractual services;
- Capital Outlay: for purchases of operating equipment with an expected life greater than two years and a cost of more than \$500;

- **Debt Service:** for the retirement of principal and the payment of interest on municipal debt.

**Objective.** A specific target for achievement which represents an interim step or progress toward a goal within a specified time span.

**Occupancy Rate.** The number of lodging room-nights occupied over a given period of time expressed as a percentage of the total room-nights available.

**Operating Budget.** Plans of current expenditures and the proposed means of financing them. It is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are anticipated and controlled.

**Operating Expenditures.** Expenditures of governmental funds for recurring items required in the delivery of essential services, such as wages and salaries, expendable supplies, contractual services, and utilities.

**Operating Expenses.** Proprietary fund expenses related directly to the fund's primary Proprietary fund revenues directly related activities.

**Operating Revenues.** Relate to the fund's primary activities. They consist primarily of user charges for goods and services. The term is also used loosely to refer to recurring revenues used to support ongoing operations, exclusive of capital outlays, for governmental funds.

**Ordinance.** A formal legislative enactment by the City Commission or governing body of a municipality. If it is not in conflict with any higher form of law such as a statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

**Other Financing Sources.** Governmental fund general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general fixed assets, and operating transfers in. Such amounts are classified separately from revenues on the governmental operating statement.

**Other Financing Uses.** Governmental Fund operating transfers out and the amount of refunding bond proceeds deposited with the escrow agent. Such amounts are classified separately from expenditures on the governmental operating statement.

**Other Post-Employment Benefits.** Continuing benefits of employment that are promised to be paid or otherwise provided to the employee after termination of active employment. Typical post-employment benefits include health insurance coverage provided to the employee during retirement.

**Overlapping Debt.** The proportionate share borne by property within each government of the debts of all local governments located wholly or partially within the geographic boundaries of the reporting government. In the City's case, these include the City, County, Horry County Board of Education, and the Higher Education Commission.

**Pay-as-You Go.** In capital improvement programming, the term refers to a financing strategy that relies upon current revenues rather than the issuance of debt to acquire capital improvements. In the context of pension accounting and risk management, the

failure to finance retirement obligations or anticipated losses on a current basis, using an acceptable actuarial funding method.

**Pay-as-You-Use.** A capital improvement programming strategy that relies upon the issuance of debt to finance capital projects with extended useful lives. It spreads the cost of the project over the generations of people who will benefit from it during its useful life.

**Per Capita Income.** A measure of income per resident in a census population area (city, county, urbanized area, etc.). The measure is derived by dividing the total income for the area by the census population.

**Performance Measurement.** The use of indicators, generally quantitative ones, which identify the inputs, outputs, efficiency, and effectiveness of an organization in performing its mission.

**Personal Services.** Salaries/Wages and Benefits (Social Security, Medical/Dental /Life Insurance, Retirement, etc.) provided by the City.

**Perspective.** The fund structure used by an entity for budgeting or financial reporting purposes. Where the structure of funds budgeted by a government differ from the structure reported in its general purpose financial statements, according to Generally Accepted Accounting Principles, a difference in perspective is said to exist.

**Price Excludable Public Goods.** Those public goods for which benefits can be priced and consumers allowed or excluded from consumption based upon their willingness to pay.

**Pro Forma.** Estimated in advance. Pro Forma statements as of certain dates in the future permit management to consider the need for changes in inventory and working capital policies, to judge the adequacy of the organization's liquidity, and anticipate its ability to finance projected operations.

**Program.** A program is a distinct, clearly identifiable activity, function, or organizational unit which is budgeted as a sub-unit of a department. A program budget utilizes the separate program budgets as its basic components.

**Proprietary Fund Types.** Income determination or commercial type funds, which are used to account for a government's ongoing activities or operations that are similar to those often found in the private sector (i.e., enterprise and internal service funds. The accounting principles used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position, and changes in financial position.

**Public Safety.** A major category of services provided by a government for the security of persons and property. This includes Law Enforcement, Fire Control, Rescue Services, Emergency Services, and Building and Zoning Inspections.

**Real Growth.** The underlying rate of growth absent any effects of inflation.

**Reclassification.** The moving of an existing position from one personnel classification (title) to another.

**Resources.** Total amounts available for appropriation, including estimated revenue, fund transfers, and beginning fund balances.

**Revenues.** (1) Increases in the net current assets of a governmental fund type other than from expenditure refunds and residual equity transfers. Also, general long-term debt proceeds and operating transfers in are classified as “other financing sources” rather than as revenues. (2) Increases in the net total assets of a proprietary fund type from other than expense refunds capital contributions and residual equity transfers. Also, operating transfers are classified separately from revenues.

**Revenue Bonds.** Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund.

**Revenue Mix.** The combination of revenues of different types and economic characteristics which comprise the total pool of revenues for a fund or other accounting entity. The mix may be more stable, as is the case when property tax revenues make up a larger share of the mix, or more elastic, as when heavier reliance is placed upon sales and use taxes.

**Room-night.** A measure of occupancy indicating one hotel or motel room available for one night. Each room theoretically is available for 30 nights per month. A hotel with 100 rooms would have a capacity of  $30 \times 100 = 3,000$  room nights per month. Total capacity of the Myrtle Beach area approaches 1.7 million per month.

**Southern Building Code Congress International (SBCCI).** A set of safety standard codes adopted annually. These codes cover the construction or development of any structure or technical discipline such as plumbing or heating, for example.

**Special Revenue Funds.** To account for revenues derived from specific sources which are restricted by law or policy to finance specific activities.

**Strategic Financial Planning.** An orderly way of assessing an organization’s position in its business environment and planning its financial activities accordingly. It is oriented toward the future, and seeks to make explicit the organization’s overall missions and goals. It has been called “organized common sense.”

**Tap Fee.** Fees charged to join or to extend an existing utility system.

**Tax Base.** The total assessed valuation of real property within the city limits.

**Tax Increment Revenue Bonds.** Debentures relying upon the developer’s ability to complete a tax increment district development project on time, and upon the tax increment district to reach its projected incremental valuation level in a timely manner. No other pledge of property or taxing authority is granted.

**Tax Increment Financing.** A method of financing capital improvements using any additional tax revenues generated by new development occurring within a designated area after a certain date. This method is generally used to stimulate investment in economically depressed areas.

**Tax Levy.** The total amount of revenue to be raised from the property tax levied in the budget ordinance.

**Tax Rate.** The amount of tax levied per unit of property value. The rate is stated in “mills,” with each mill equal to one cent (\$0.01) per thousand dollars (\$1,000) of assessed value.

**Timing of Fiscal Periods.** The intervals of time over which fiscal periods extend. In some jurisdictions, budgetary authority for a fiscal year may extend beyond that year, creating a difference between the budgetary period and the fiscal year, according to Generally Accepted Accounting Principles.

**Trust Fund.** A fund used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

**Urbanized Area.** A Census Bureau designation for an area including one or more central cities and surrounding territory with a combined population of 50,000 or more.

**User Charges.** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**Visioning.** A planning process which attempts to maximize public participation in a forum that leads to consensus on as many issues as possible.

**Working Capital.** The difference between current assets and current liabilities. Generally the greater the amount of working capital available the better prepared the organization is to meet its obligations as they come due.

## **Acronyms**

This list includes many commonly used acronyms appearing in this document. Most are also described or further defined in the Glossary above. They may be found listed under their full names.

**AACSB.** American Association of Collegiate Schools of Business.

**ABRA.** Air Base Redevelopment Authority.

**ADR.** Average Daily Rate.

**ALS.** Advanced Life Support.

**BAN.** Bond Anticipation Note.

**BLS.** Basic Life Support.

**CDBG.** Community Development Block Grant.

**COP.** Certificates of Participation.

**DARE.** Drug Abuse Resistance Education.

**DHEC.** The South Carolina Department of Health and Environmental Control.

**DRC.** Downtown Redevelopment Corporation.

**GAAP.** Generally Accepted Accounting Principles.

**GSATS.** Grand Strand Area Transportation System.

**MBAFB.** Myrtle Beach Air Force Base.

**OPEB.** Other Post-Employment Benefits.

**SBCCI.** Southern Building Code Congress International.



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