



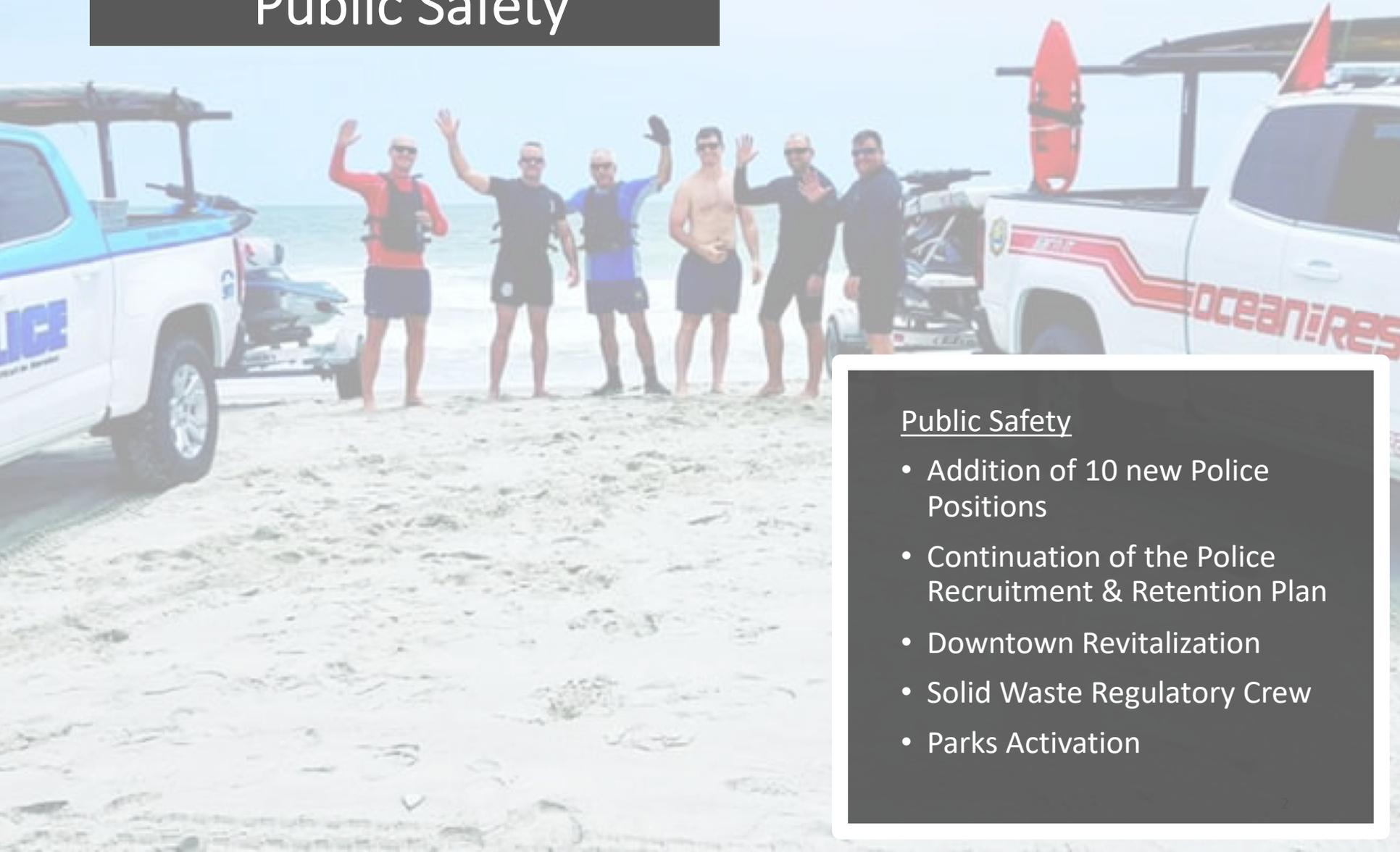
CITY OF MYRTLE BEACH

**1ST READING
FY20 BUDGET ORDINANCE
MAY 28, 2019**





Council Priorities – Public Safety



Public Safety

- Addition of 10 new Police Positions
- Continuation of the Police Recruitment & Retention Plan
- Downtown Revitalization
- Solid Waste Regulatory Crew
- Parks Activation



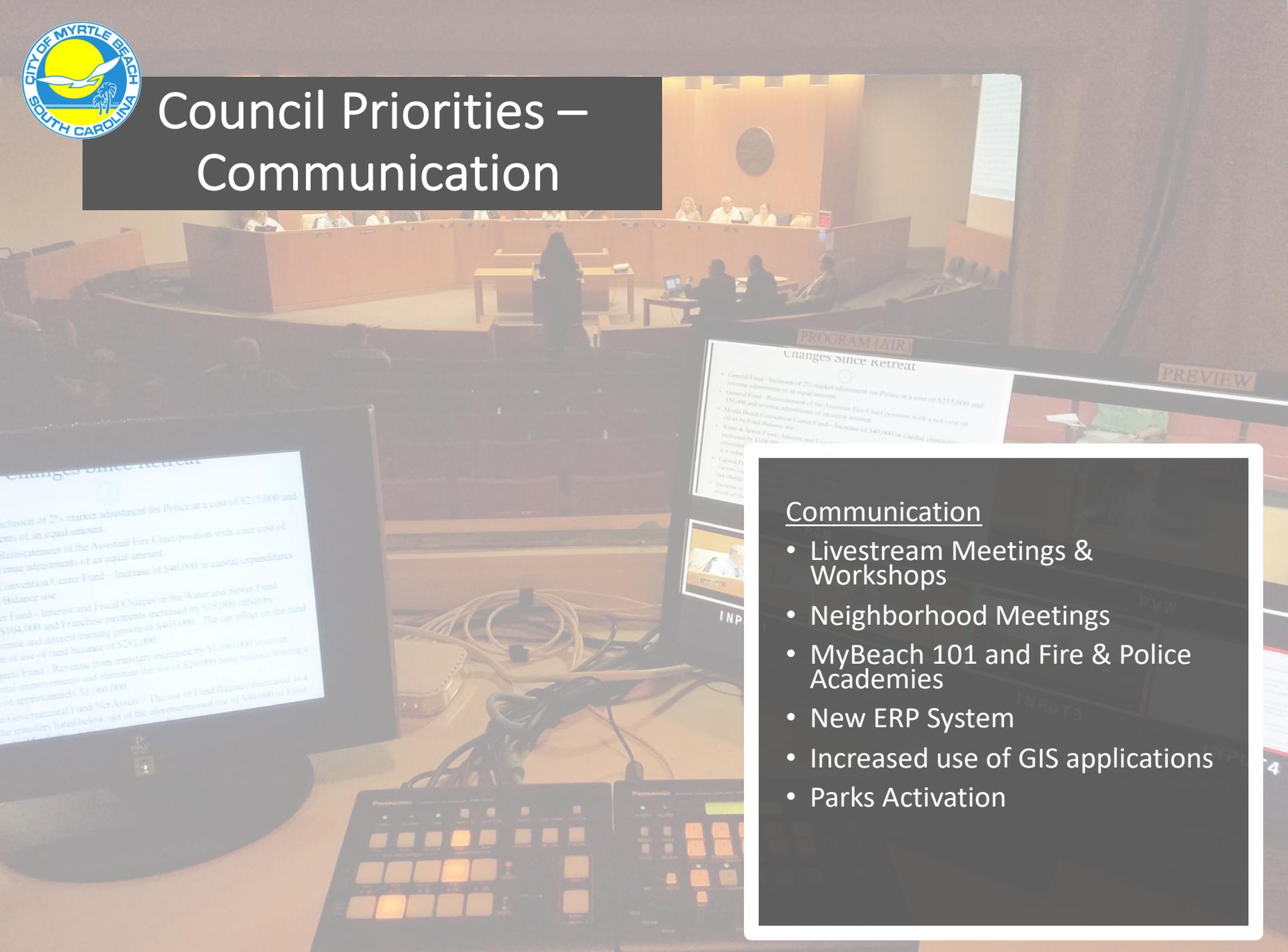
Council Priorities – Economic Development

Economic Development

- Economic & Community Development Position
- Business Support Position
- Workforce Housing Initiative
- Continuation of Downtown Master Planning
- Solid Waste Regulatory Crew
- Parks Activation



Council Priorities – Communication



Communication

- Livestream Meetings & Workshops
- Neighborhood Meetings
- MyBeach 101 and Fire & Police Academies
- New ERP System
- Increased use of GIS applications
- Parks Activation



Council Priorities – Equipment/ Infrastructure

Equipment/Infrastructure

- Capital Improvements Plan:
 - Engineering and Design for a future Municipal Complex
 - Roof and HVAC Maintenance program
 - Maintenance and Renovation of a number of recreational facilities
 - Road resurfacing and transportation and pedestrian access improvements
 - Storm Water Projects inclusive of master planning and construction of a South End Ocean Outfall
- Retention of secondary use vehicles for back-up in Solid Waste
- Replacement of rolling stock and operating equipment

Financial Objectives

General Fund is balanced w/ ratio of recurring sources to recurring uses at 101% & fund balance at 15% of recurring expenditures.

- *Focus available resources on Council identified priorities*
- *Recognize the need for Fund Balance growth during strong economic cycles*
- *Reduce our reliance on volatile, economically sensitive revenue sources*

3 Mill Ad Valorem tax increase

Proposed Water rates increased by 7% & Sewer rates increased by 5%

- *Continue efforts to properly value our taxpayer assets*
- *Position the City to address future Capital needs*

Solid Waste Collection increase of \$4.75 residential, \$2.00 (commercial rollout), and \$7.25 commercial (8 cubic yard container)

- *Continue efforts to properly value our taxpayer assets*
- *Position the City to address future Waste Management needs*

SERVICE LEVEL CHANGE REQUESTS INCLUDED IN THE FY20 BUDGET

GENERAL FUND

Public Defender	Part-time Administrative Assistant	Assist with office duties and client consultations	\$ 20,000
Building Maintenance	Office Assistant	Administrative support supervisors and trades workers	50,092
Police, Patrol	10 New Officers	Includes \$240,000 for 4 vehicles	1,036,077
Total General Fund			\$ 1,106,169

SOLID WASTE MANAGEMENT

Solid Waste Residential Collection	New Collection Route	4 Equipment Operators and 2 Solid Waste Workers; \$540,000 for 2 Rear Loaders; \$320,000 for 2 Knucklebooms	\$ 1,211,003
Solid Waste Special Services	Enforcement & Collection Program	1 Equipment Operator Sr. and 1 Code Enforcement Officer; \$35,000 for a truck	169,545
Total Solid Waste Fund			\$ 1,380,548



2019-20 Budget Summary

	FY2017-18	FY2018-19	FY2019-20	
	<u>Actual</u>	<u>Rev. Budget</u>	<u>Budget</u>	<u>% Δ</u>
Governmental Operations	\$ 172,254,452	\$ 175,353,812	\$ 177,475,764	1.2%
Enterprise Operations	<u>41,501,035</u>	<u>41,060,832</u>	<u>41,631,921</u>	1.4%
Total Operating Budget	<u>213,755,487</u>	<u>216,414,644</u>	<u>219,107,685</u>	1.2%
Governmental Capital Projects	<u>13,525,642</u>	<u>11,744,126</u>	<u>7,903,057</u>	-32.7%
Reconciling Items				
Enterprise Capital Projects	<u>2,355,700</u>	<u>2,605,700</u>	<u>3,799,300</u>	45.8%
Total Reconciling Items	<u>2,355,700</u>	<u>2,605,700</u>	<u>3,799,300</u>	45.8%
Less: Interfund Transfers	<u>(40,102,672)</u>	<u>(31,652,452)</u>	<u>(28,788,404)</u>	-9.0%
Grand Total Appropriations	<u>\$ 189,534,157</u>	<u>\$ 199,112,018</u>	<u>\$ 202,021,638</u>	1.5%

Net Change In Appropriations Since Retreat

**Grand Total FY20 Recommended Budget,
Budget Retreat** **\$205,019,358**

**Grand Total FY20 Recommended Budget,
1st Reading** **\$202,021,638**

Total Reduction **(\$ 2,997,720)**

Operating Budget Reduction **(\$ 624,073)**

Capital Projects Adjustments - Governmental **(\$ 1,142,110)**

Capital Projects Adjustments - Enterprise **(\$ 2,198,000)**

Transfers – Reduction **\$ 966,463**

Total Reduction **(\$ 2,997,720)**

Operating Changes Since Retreat - Revenue

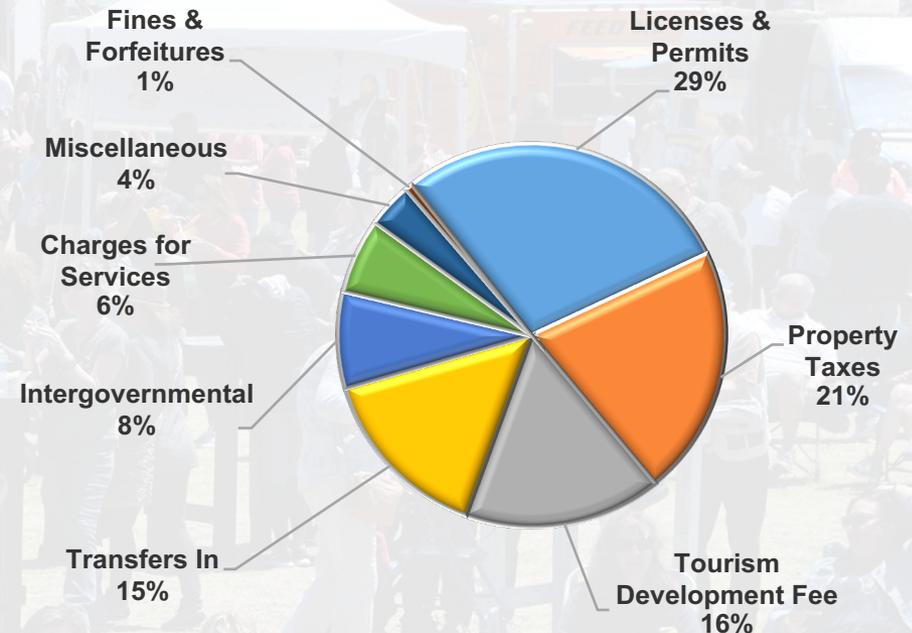
<u>Revenue Adjustments</u>	<u>Amount</u>	<u>Description</u>
TDF Tax Credit	\$150,000	Increased TDF credit estimate
Charges for Services - Rentals Rental	\$ 45,000	Banquet Hall & Large Classroom Train Depot & Train Cars
Miscellaneous Revenue	\$ 32,000	HC Schools Maintenance Agreement Doug Shaw Stadium
MB Chamber Hold-Back	\$137,000	Waves of Praise
Property Tax	(\$385,000)	Revised based on Current Revenues
Building Permits	(\$275,000)	Revised based on Current Revenues
Tourism Development Fee	(\$217,000)	Revised based on Current Revenues
MB Convention Center	(\$100,000)	Hotel Ground Lease
Miscellaneous Revenue	<u>(\$ 11,000)</u>	Revised based on Current Revenues
Revenue Change	(\$624,000)	

Operating Changes Since Retreat – Expenditures

<u>Expenditure Adjustments</u>	<u>Amount</u>	<u>Description</u>
Waves of Praise	\$ 137,000	Outside Agency Grant
Staffing of Charlie's Place	\$ 60,000	Position for Charlie's Place
TDF Advertising – 80%	(\$174,000)	Expense Reduction corresponds with Revenue Estimate Reduction
Reclass of Concessions	(\$564,000)	Sports Tourism Concessions Expense Reclass to MBCC COGS
Salary & Miscellaneous	<u>(\$ 83,000)</u>	Revised based on Updated Estimates
Expenditure Change	(\$624,000)	

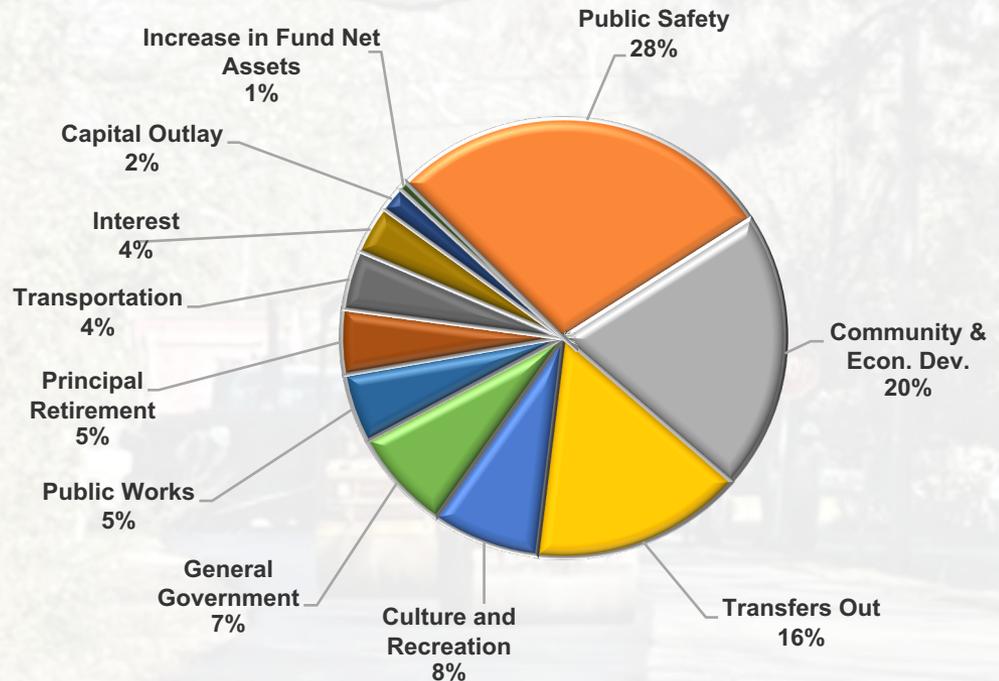
FY20 GOVERNMENTAL OPERATING REVENUES & OTHER FINANCING USES

Licenses & Permits	\$	51,922,323
Property Taxes		38,129,000
Tourism Development Fee		29,707,500
Transfers In		27,595,674
Intergovernmental		14,829,700
Charges for Services		10,894,967
Miscellaneous		7,002,100
Fines & Forfeitures		1,152,000
	\$	<u>181,233,264</u>

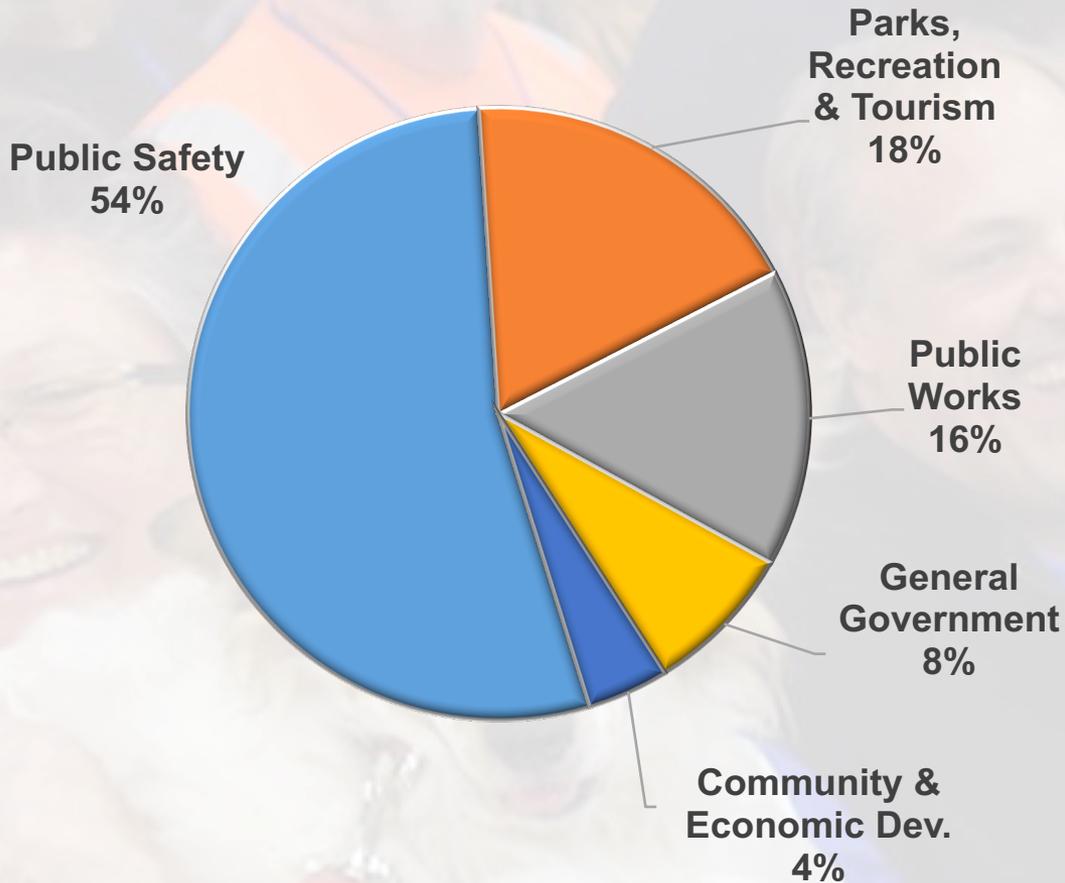


FY20 GOVERNMENTAL OPERATING EXPENDITURES & OTHER FINANCING USES

Public Safety	\$	51,678,555
Community & Econ. Dev.		36,334,011
Transfers Out		27,266,904
Culture and Recreation		14,212,421
General Government		13,857,722
Public Works		9,289,567
Principal Retirement		8,835,154
Transportation		7,885,749
Interest & Fiscal Charges		6,463,352
Capital Outlay		3,354,520
Increase in Fund Net Assets		2,055,309
	\$	181,233,264



POSITION ALLOCATION FY20



Public Safety	520
Parks, Recreation & Tourism	178
Public Works	152
General Govern.	77
Community & Econ. Development	<u>41</u>
Total	968

IMPACT OF 3 MILL PROPERTY TAX INCREASE

4% Property Value	FY19 80.5 mils	FY20 83.5 mils	Increase Over FY19
\$100,000	\$65	\$77	\$11
\$250,000	\$162	\$192	\$30
\$500,000	\$324	\$384	\$60

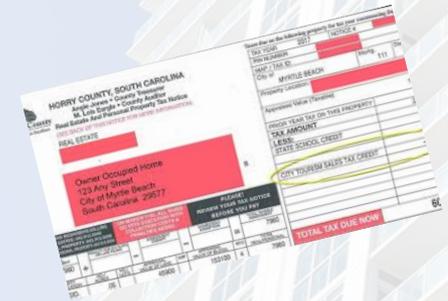
6% Property Value	FY19 - 80.5 mils Taxes Due	FY20 - 83.5 mils Taxes Due	Increase Over FY19
\$100,000	\$483	\$501	\$18
\$250,000	\$1,208	\$1,253	\$45
\$500,000	\$2,415	\$2,505	\$90

Proposed 3 mil increase would generate approximately \$1,050,000, which would cover the Service Level Change Request for 10 new police positions. The cost of the 10 officers with 4 police cars is \$1,036,077.



4% Property =
\$ 1.10 / \$10,000 Value

6% Property =
\$ 1.80 / \$10,000 Value



WATER & SEWER RATE INCREASE

Water & Sewer

- Water & Sewer revenue growth since FY17 has been flat
- Operating Expense growth since FY17 is 7.2%
- Water rate increase of 7.0% and Sewer rate increase of 5%
- \$2.20/month for a residential user of an average of 7,500 gallons /month
- GSWS rate increase for 2020 is 2.2% for Water & 2.4% for Sewer



Residential 7,500 gallons, 3/4" to 5/8"		Commercial (Restaurant) 40,000 gallons, 1.5" Line		Commercial (Hotel) 2,000,000 gallons, 4" Line	
Annual Increase	\$ 38.84	Annual Increase	\$205.29	Annual Increase	\$10,255.49
Monthly	\$ 2.90	Monthly	\$ 17.10	Monthly	\$ 854.60
Percentage	5.9%	Percentage	5.9%	Percentage	5.9%

SOLID WASTE – PROPOSED INCREASES FY20

Residential Service	Current	Proposed	Increase
Service 2 Containers	\$18.15	\$21.90	\$3.75
Landfill Tipping Fee	\$5.90	\$5.90	\$0.00
Regulatory Fee	\$0.00	\$1.00	\$1.00
Container Fee	\$2.00	\$2.00	\$0.00
Total Monthly Residential	\$26.05	\$30.80	\$4.75
Total Annual Residential	\$312.60	\$369.60	\$57.00



Commercial Service	Current	Proposed	Increase
8 yd³ Container Service:			
Once per week service	\$148.00	\$148.00	\$0.00
Landfill Tipping Fee	\$42.50	\$42.50	\$0.00
Compactor Fee	\$132.50	\$132.50	\$0.00
Regulatory Fee	\$0.00	\$7.25	\$7.25
Total Monthly Commercial	\$323.00	\$330.25	\$7.25
Total Annual Commercial	\$3,876.00	\$3,963.00	\$87.00
Roll-out Container Service:			
One Container twice per week	\$132.50	\$132.50	\$0.00
Regulatory Fee	\$0.00	\$2.00	\$2.00
Total Monthly Commercial	\$132.50	\$134.50	\$2.00
Total Annual Commercial	\$1,590.00	\$1,614.00	\$24.00



CAPITAL IMPROVEMENT PLAN SUMMARY

<u>Projects</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>Total</u>
General Pay-As-You-Go						
Administration, Buildings & Grounds	455,000	365,000	400,000	400,000	400,000	2,020,000
Culture & Recreational Facilities	910,000	430,000	455,000	405,000	405,000	2,605,000
Residential Infrastructure	15,000	215,000	215,000	215,000	215,000	875,000
Transportation System Infrastructure	660,000	760,000	720,000	770,000	770,000	3,680,000
Total General Pay-As-You-Go Projects	2,040,000	1,770,000	1,790,000	1,790,000	1,790,000	9,180,000
Oceanfront Redevelopment Projects						
	715,000	10,160,000	275,000	2,536,000	1,900,000	15,586,000
Myrtle Beach Convention Center Projects	975,000	912,500	375,000	-	-	2,262,500
Whispering Pines Golf Course Projects	30,000	-	-	-	-	30,000
Baseball Stadium Projects	53,900	385,663	350,000	350,000	1,441,707	2,581,270
Storm Water Projects	2,752,500	4,738,950	4,065,300	1,765,300	4,675,000	17,997,050
Water & Sewer Projects	3,799,300	4,661,000	8,303,243	3,375,000	3,417,000	23,555,543