

FIRST IN SERVICE



**City of Myrtle Beach
FY2026-2027 Budget
Retreat**

ONE TEAM • ONE PURPOSE • ONE GOAL

IT TAKES ALL OF US TO COMPLETE THE PUZZLE

One Team • One Purpose • One Goal • First in Service Teamwork

“Whatever affects one directly, affects all indirectly. For some strange reason, I can never be what I ought to be until you are what you ought to be. And you can never be what you ought to be until I am what I ought to be - this is the interrelated structure of reality.”

- ▶ Dr. Martin Luther King Jr., -
Commencement address for Oberlin
College, June 1962



CITY OF MYRTLE BEACH BUDGET CALENDAR

FOR THE FISCAL YEAR ENDED JUNE 30, 2027

<u>DATE</u>	<u>ACTIVITY</u>										
July 1, 2025	Roll FY 2026 Bdugets from Sherpa into Infor										
August 22, 2025	Request PIO with messaging to the public our grant cycle is open for applicants that will be holding events eligible for accommodations tax funding										
September 4, 2025	Send the invite email with the Accommodations Tax application										
September 22, 2025	Accommodations Tax Request are due										
October 8, 2025	Accommodations Tax Meeting with Accommodations Tax Advisory Committee										
October 31, 2025	Send out Memorandum to Senior Management Group to assist in preparation of their FY 2026 requested five-yr CIP and FY 2026 Enhancemnet requests										
November 21, 2025	Review and Feedback on personnel listing and fleet replacement detail due										
December 5, 2025	Budget packets due from departments - Current level request, capital outlay, service level request, and CIP requests										
December 15, 2025	Update Budget Master File with FY25 Actuals & begin revenue projections										
December 31, 2026	Performance indicators, budget formation narratives, and Fleet inspection deadline										
January 6, 2026	Schedule Departmental budget meetings (January-February)										
February 10, 2026	ATAX Grant to Council										
February 17, 2026	Planning Commission review of five-year CIP plan										
March 19 - 20, 2026	Budget Retreat Ted C. Collins Law Enforcement Center										
March 19 - 20, 2026	Outside Agencies to Council										
March 23 - 30, 2026	CIP Committee Meeting - Review CIP and Enhancement requests										
April 7 & May 5, 2026	Council Workshops, Budget Workshop Updates										
May 26, 2026	1st Reading of the Budget Ordinance to include:										
	<table border="1" style="width: 100%;"> <tr> <td style="text-align: center;">1</td> <td><i>Budget Ordinance</i></td> </tr> <tr> <td style="text-align: center;">2</td> <td><i>Public Hearing & Reassessment</i></td> </tr> <tr> <td style="text-align: center;">3</td> <td><i>Stormwater Resolution</i></td> </tr> <tr> <td style="text-align: center;">4</td> <td><i>5-Year Capital Improvement Plan Resolution</i></td> </tr> <tr> <td style="text-align: center;">5</td> <td><i>MID Budget (MBDA)</i></td> </tr> </table>	1	<i>Budget Ordinance</i>	2	<i>Public Hearing & Reassessment</i>	3	<i>Stormwater Resolution</i>	4	<i>5-Year Capital Improvement Plan Resolution</i>	5	<i>MID Budget (MBDA)</i>
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June 8, 2025	2nd Reading of the Budget Ordinance to include:										
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5	<i>MID Budget (MBDA)</i>										
July 1, 2026	Begin new fiscal year with implementation of the FY 2027 Adopted Budget										
July 31, 2026	Budget Document Complete										



Current Status in the budget process

- ▶ The budget being presented to you today is currently not balanced.
 - ▶ Approximately \$1,500,000 out of balance.
- ▶ CIP projects will be discussed in a later workshop.
- ▶ Need to pass a balanced budget by 6.30.26
 - ▶ No continuing Resolution.
 - ▶ No stop gap funding measures.
- ▶ It's been a challenge.



Budget Challenges

- ▶ TDF vis-à-vis growth in residential property
- ▶ Revenue declines
 - ▶ Tourism revenues:
 - ▶ Moderate to no growth for local tourism revenues.
- ▶ Population Growth vis-à-vis Service Demands
 - ▶ Demographics
- ▶ Geopolitical Issues / Economy

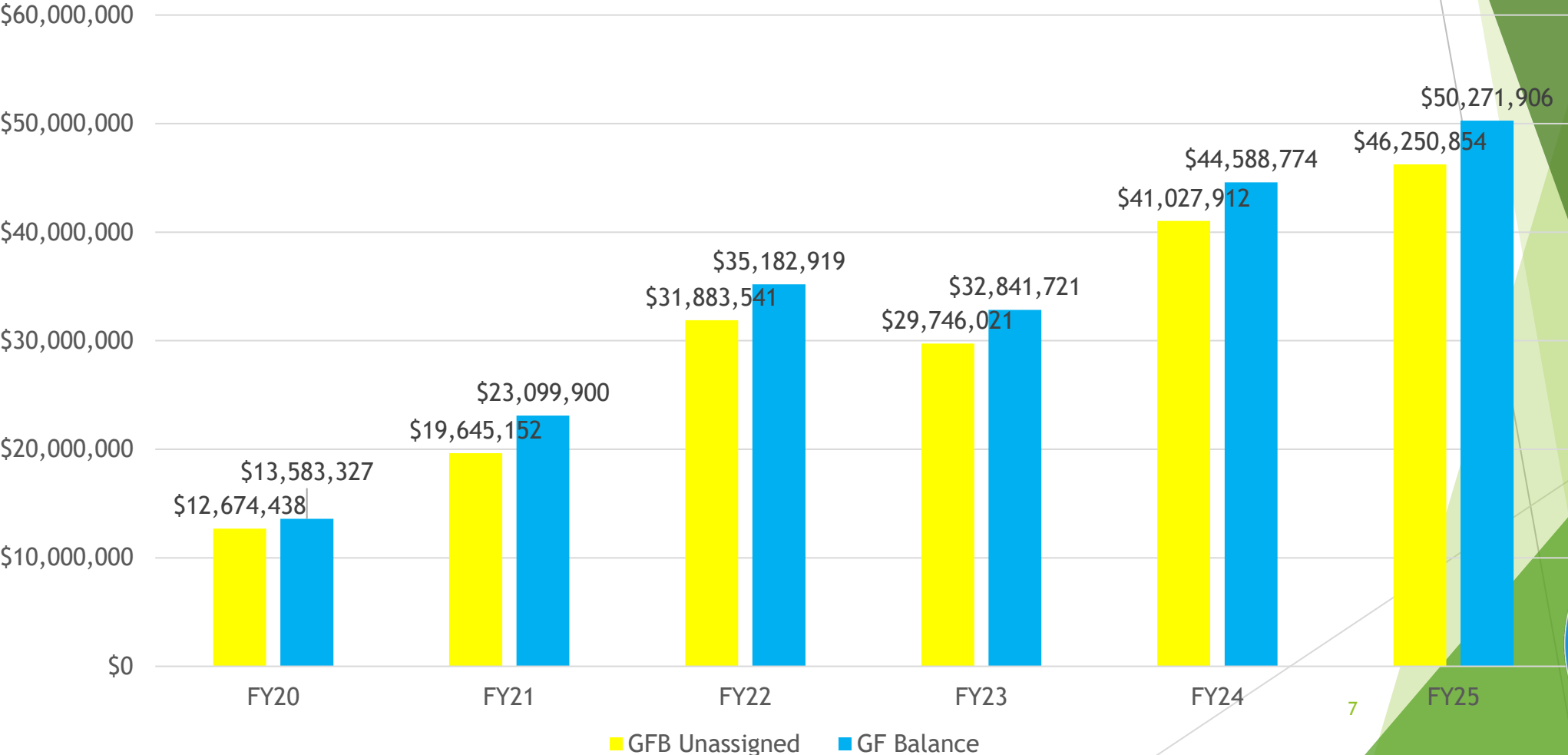


- ▶ The City of Myrtle Beach is in a very healthy financial position.

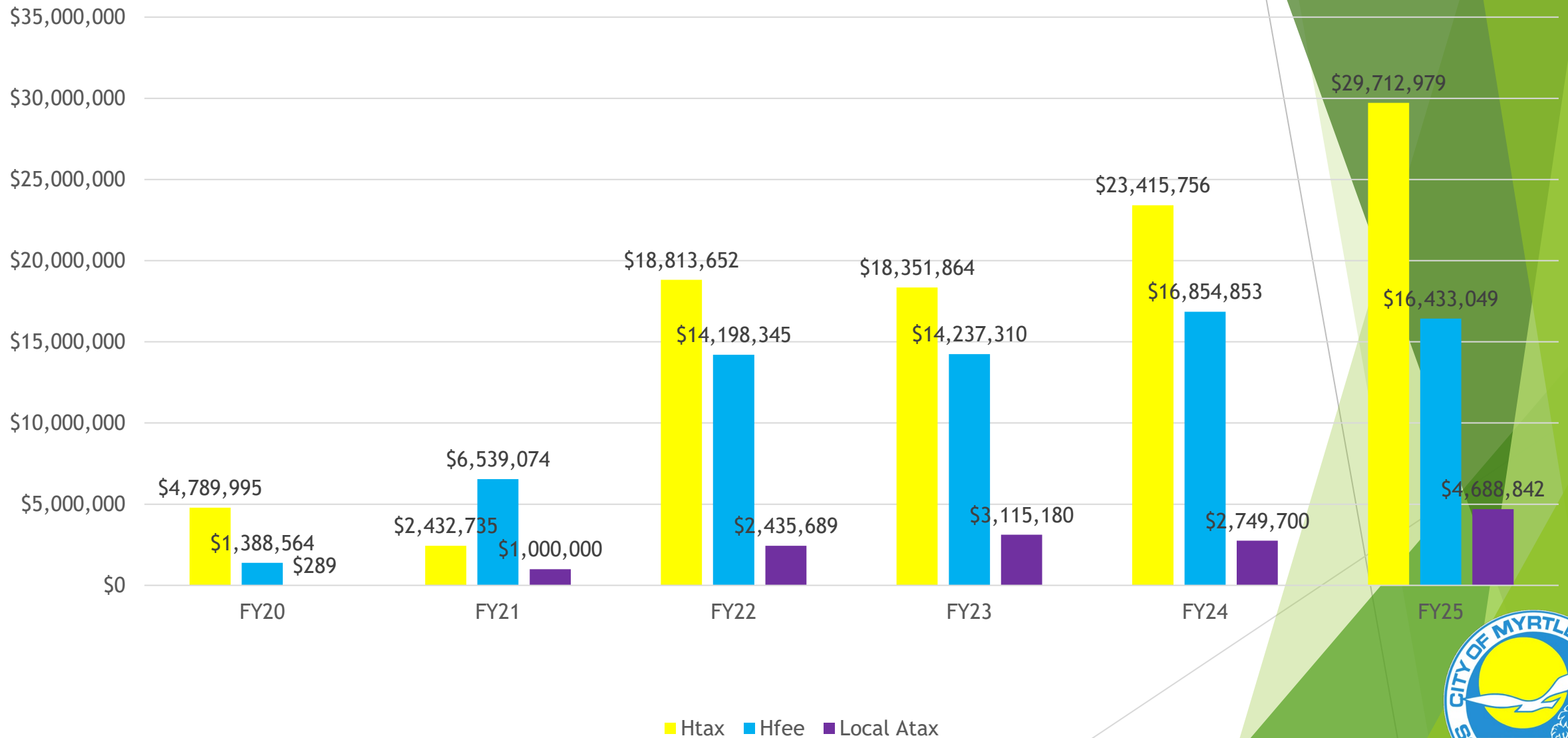


General Fund Balance - 6.30.25

General Fund Balance: FY20-FY25



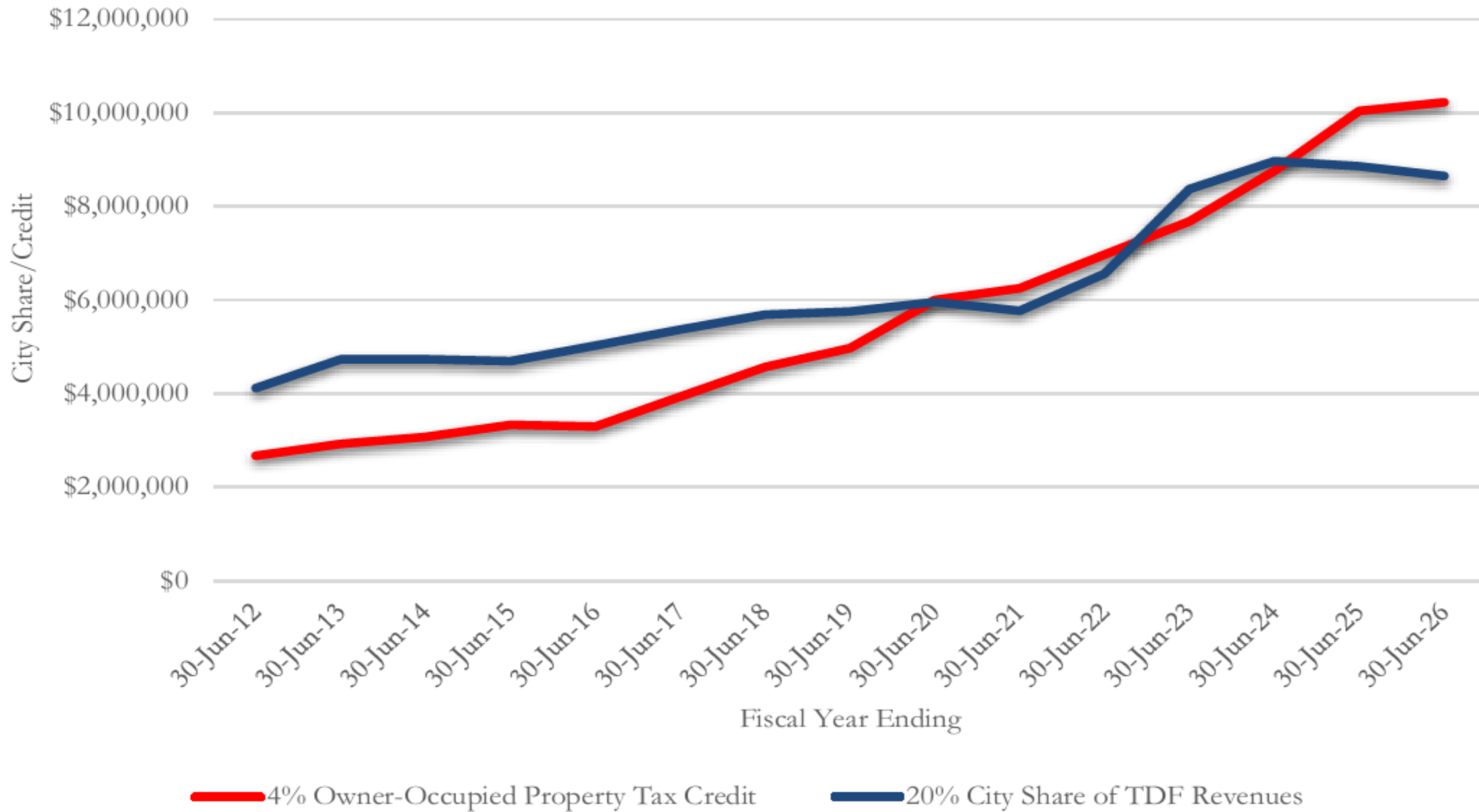
Tourism Revenues: 6.30.25 Fund Balances



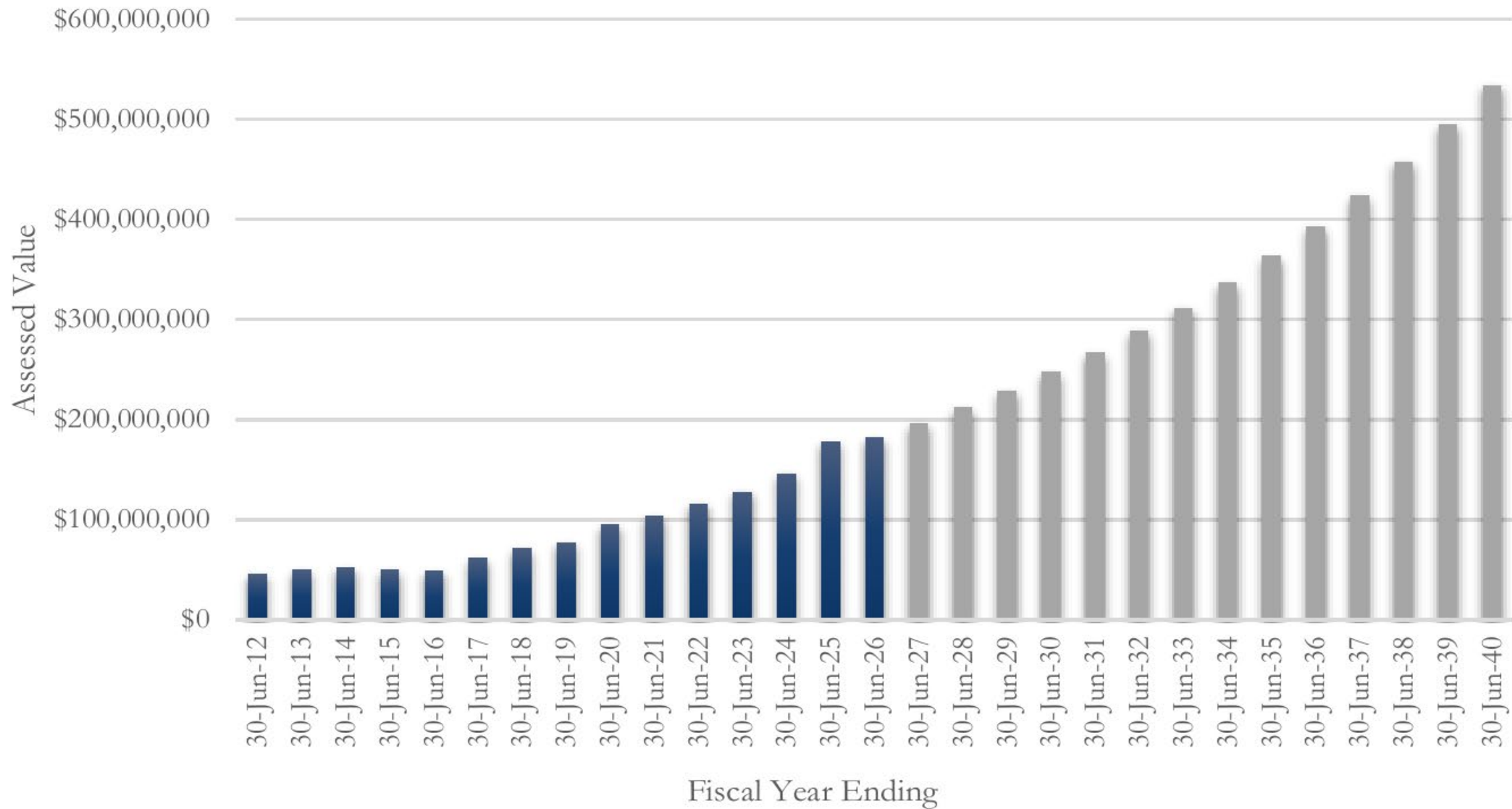
► Challenges - TDF



Historic TDF Revenues & Property Tax Credit



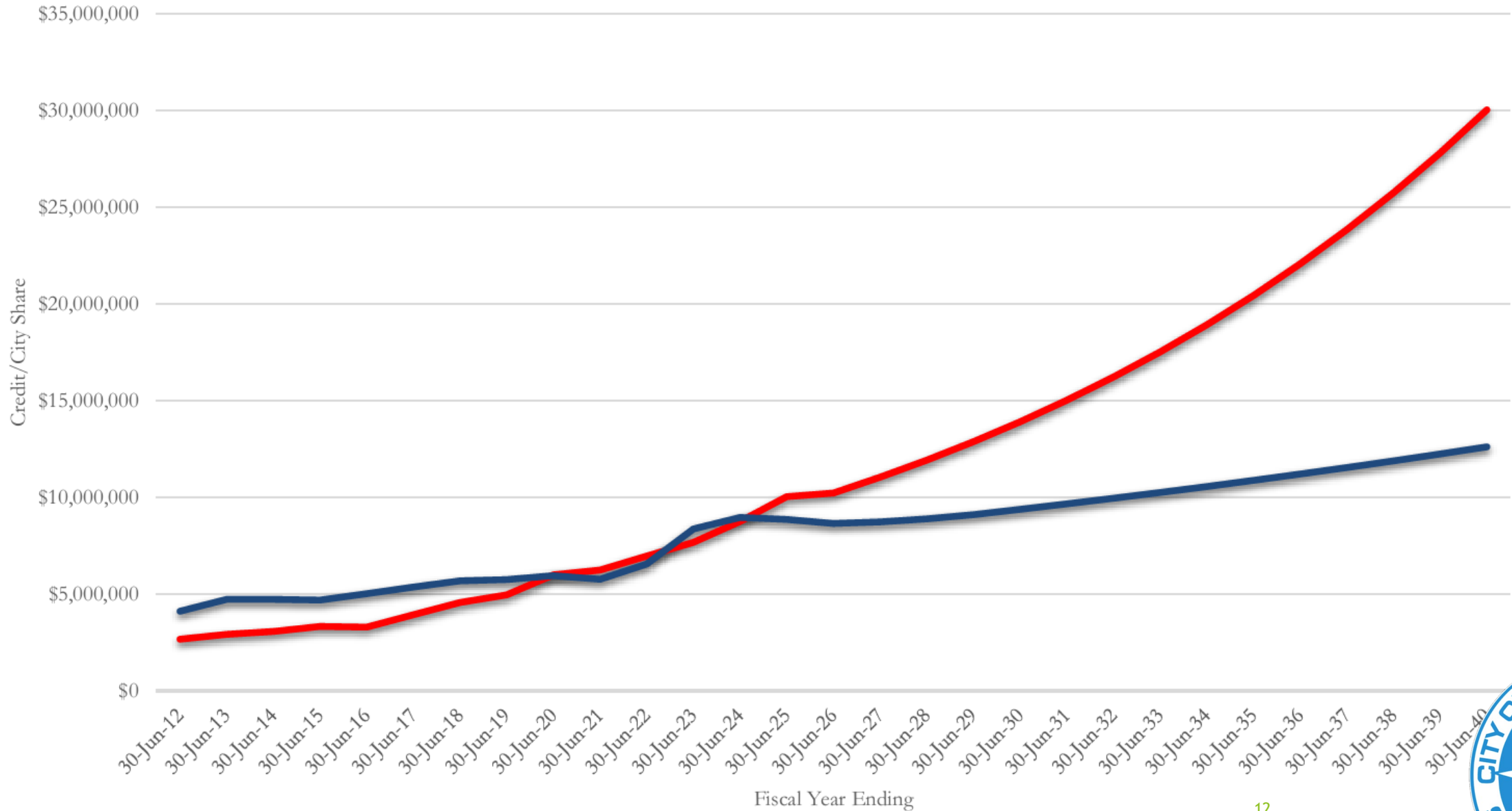
4% Property Assessed Value Growth



■ Historical 4% Owner-Occupied Property Assessed Value ■ Projected 4% Owner-Occupied Property Assessed Value



Projected City Share versus Credit



— 4% Owner-Occupied Property Tax Credit

— 20% City Share of TDF Revenues

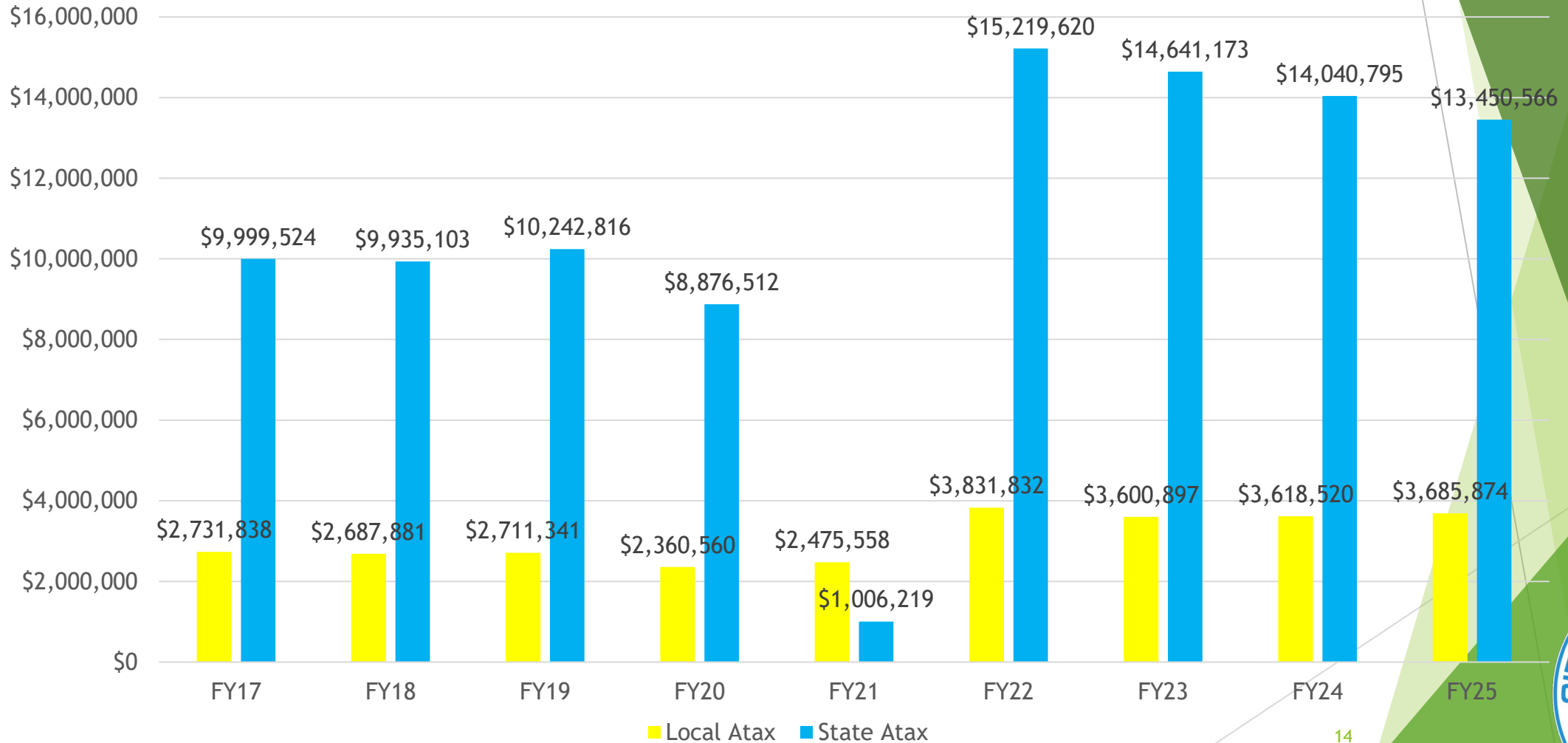
Source: Municap Report, 2.6.26



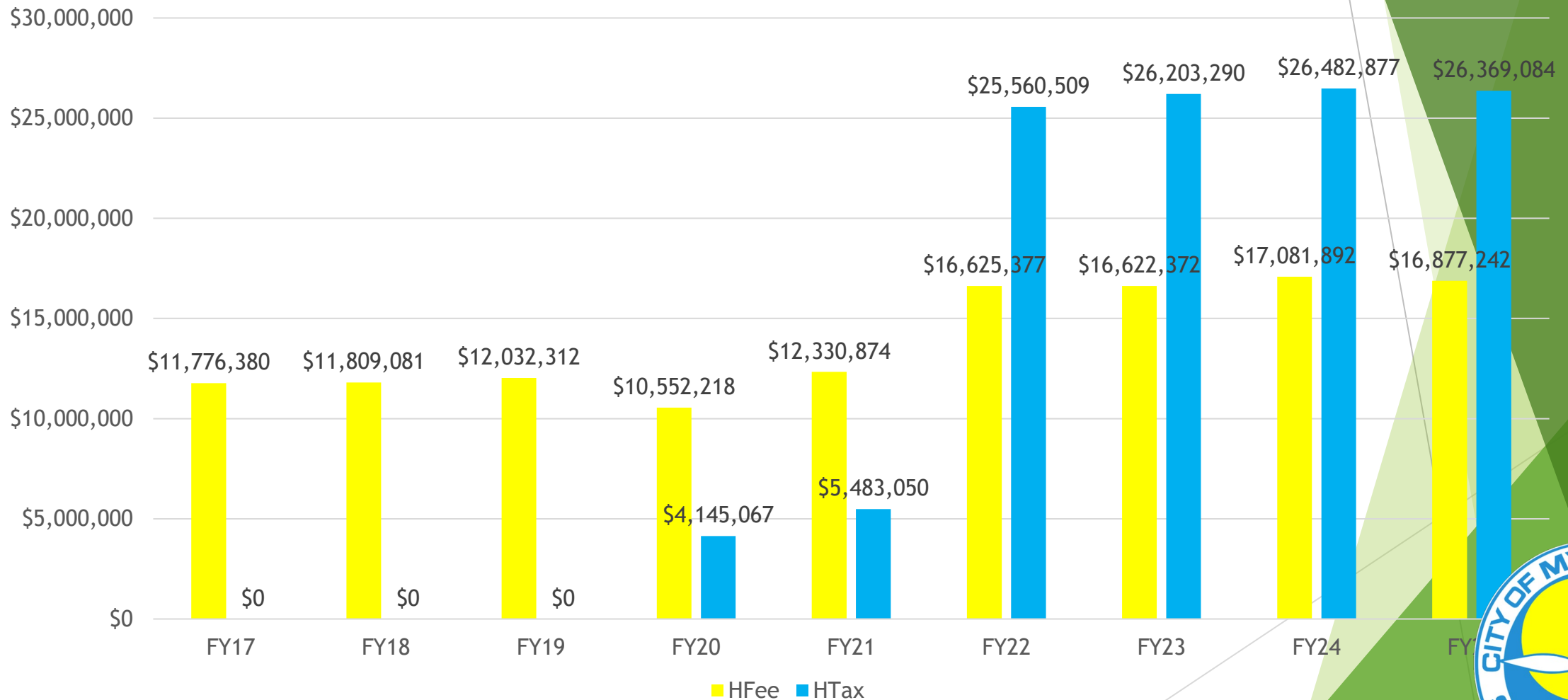
► Challenges - Tourism Revenues



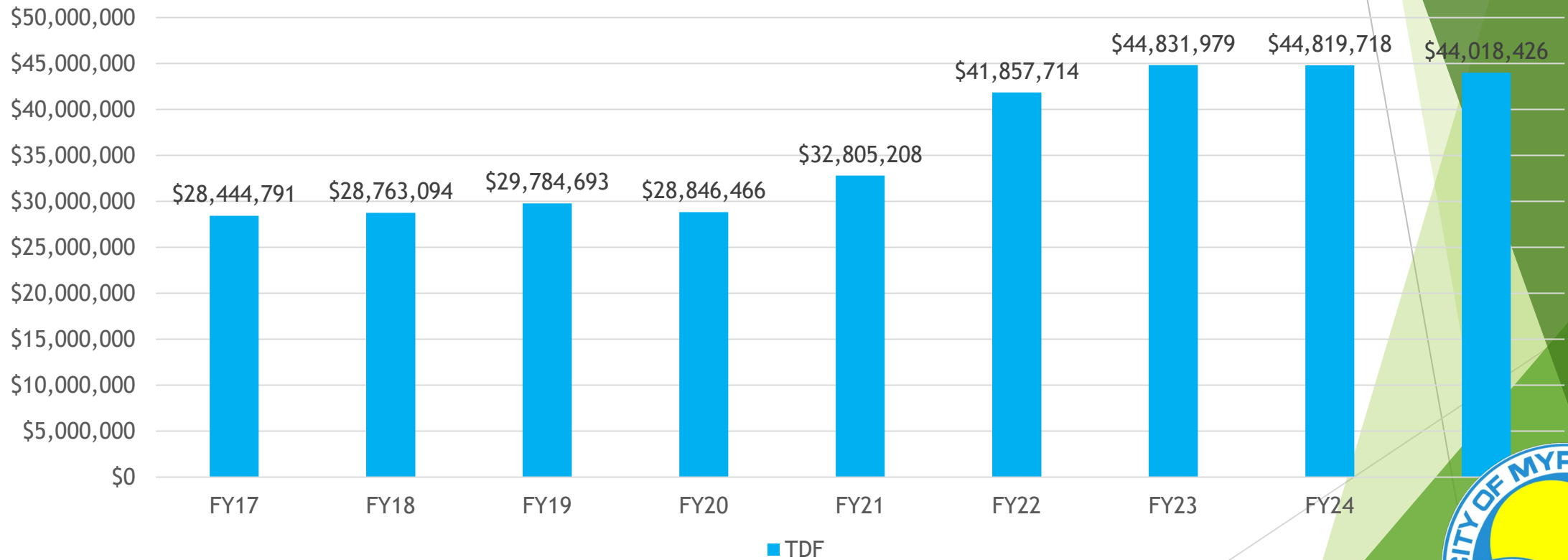
Tourism Revenue Collection: State and Local Accommodations Taxes



Tourism Revenue Collection: Hospitality Fee and Hospitality Taxes



Tourism Revenue Collection: TDF



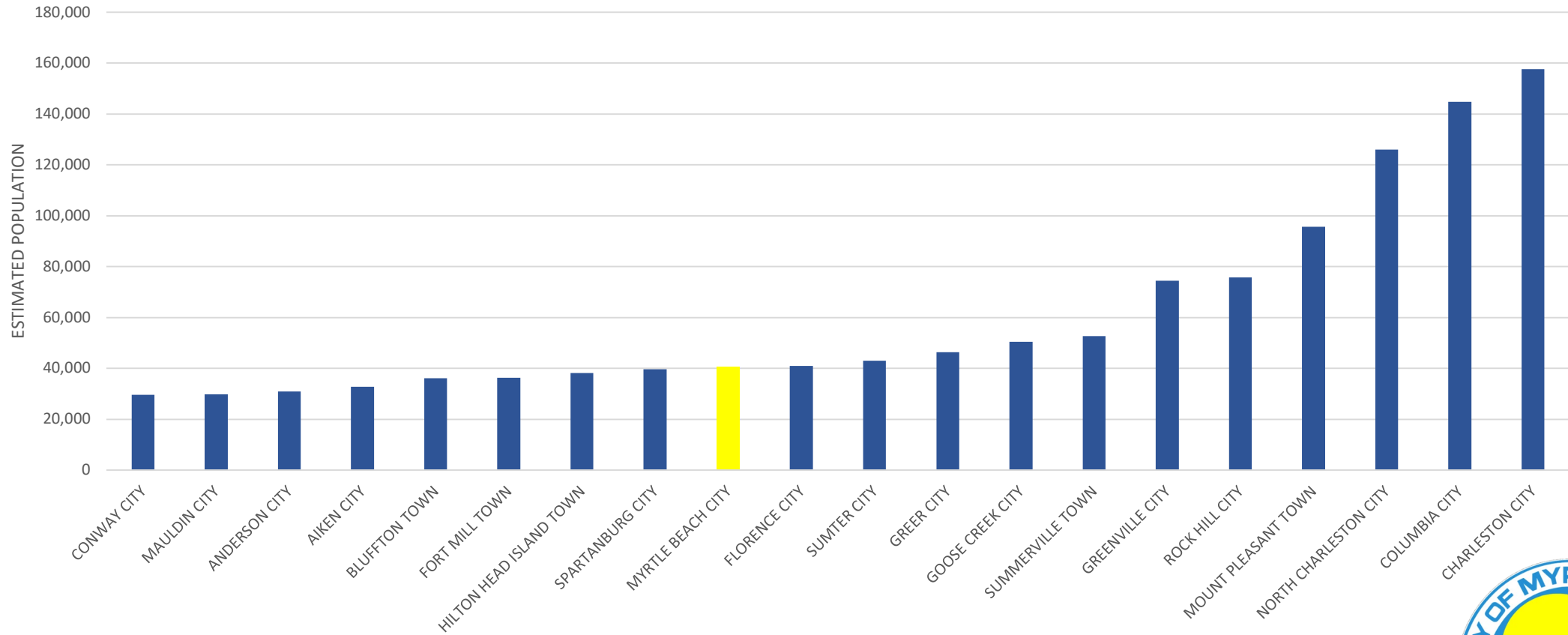
► Challenges - Growth and Demographics



South Carolina City Population, 2024

There are eight cities with a population over 50,000.

- 2020 Population = 35,682
- 2024 Population est. = 40,535
- 13.6% increase in 4 years.

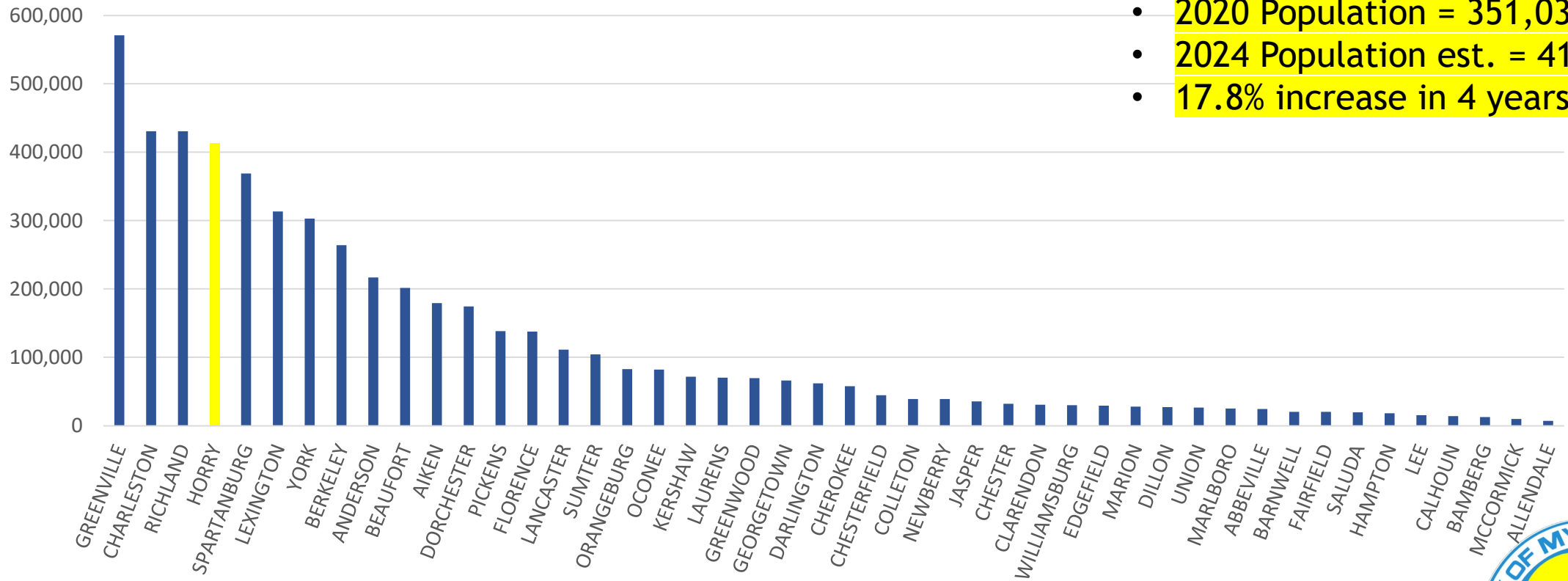


Source: US Census Bureau, Vintage 2024 Postcensal Estimates



South Carolina Population, 2024

Five Largest: Greenville, Charleston, Richland, **Horry**, Spartanburg
Five Smallest: Allendale, McCormick, Bamberg, Calhoun, Lee



- 2020 Population = 351,038
- 2024 Population est. = 413,391
- 17.8% increase in 4 years.

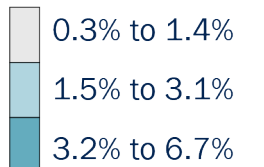
Source: US Census Bureau, Vintage 2024 Postcensal Estimates



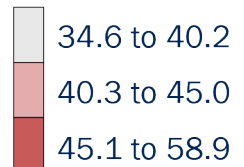
SC Bivariate Analysis of Population Migration and Age: 2023

Legend

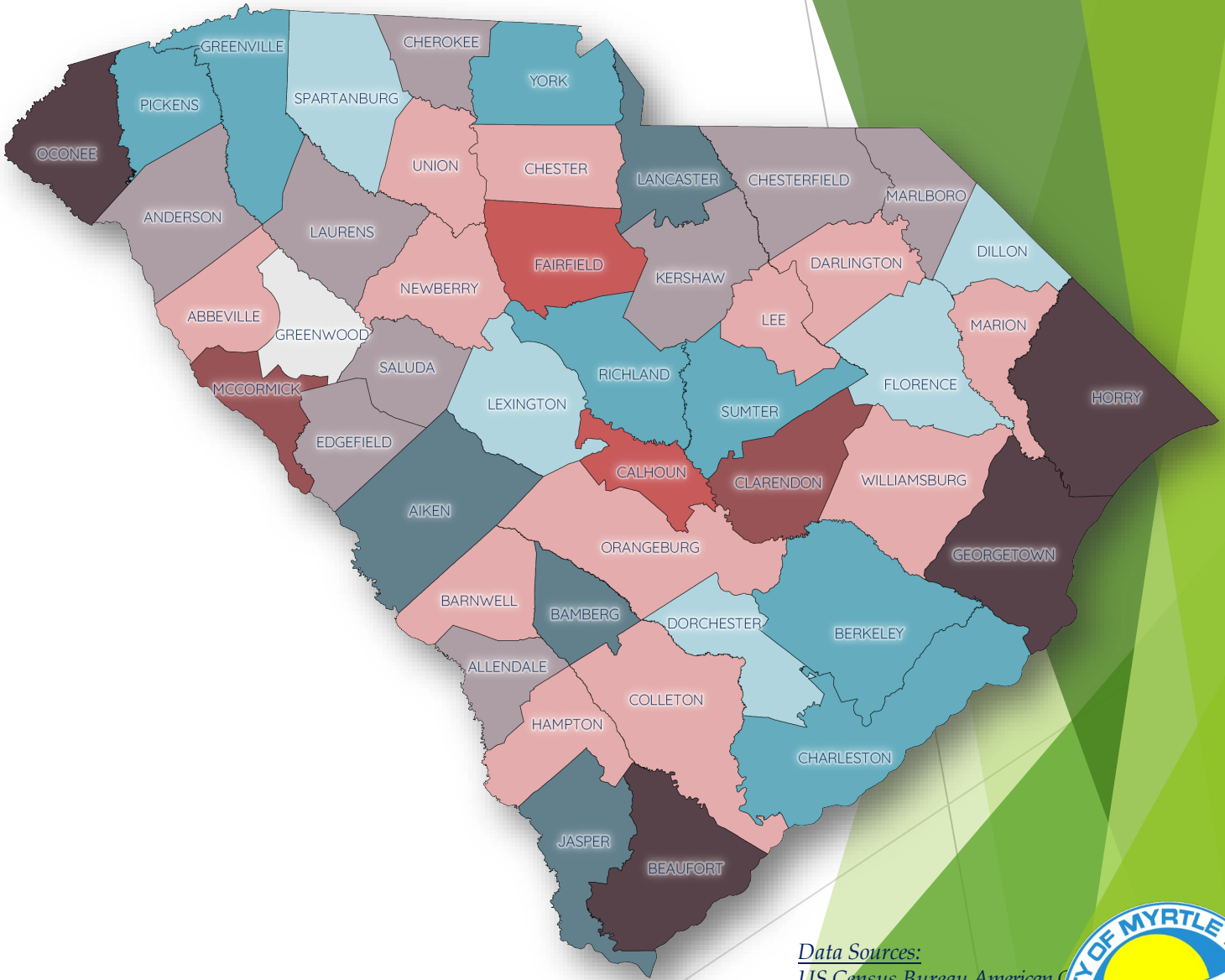
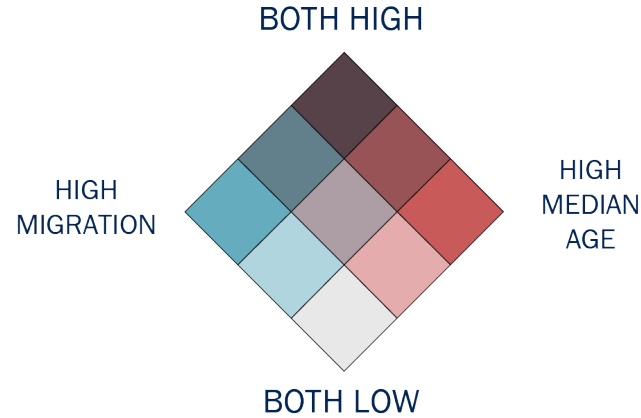
% In-Migration
(from out of state)



Median Age



Note: Classes represent natural breaks.



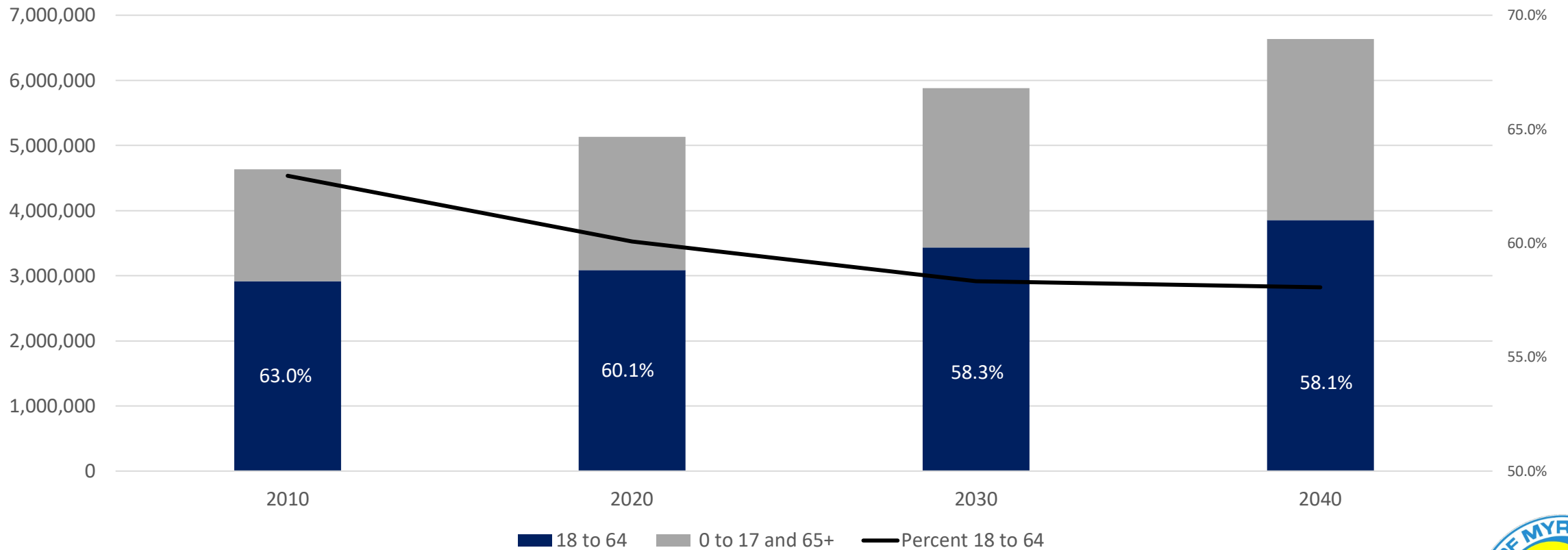
January 23,
2026

Data Sources:
US Census Bureau American
Vintage 2023 5-Year Estimate



SC Workforce Population, Age 18 - 64

The workforce age population is expected to comprise a smaller percentage of the total SC population; employers may be faced with more demand for goods and services but a smaller pool of workers



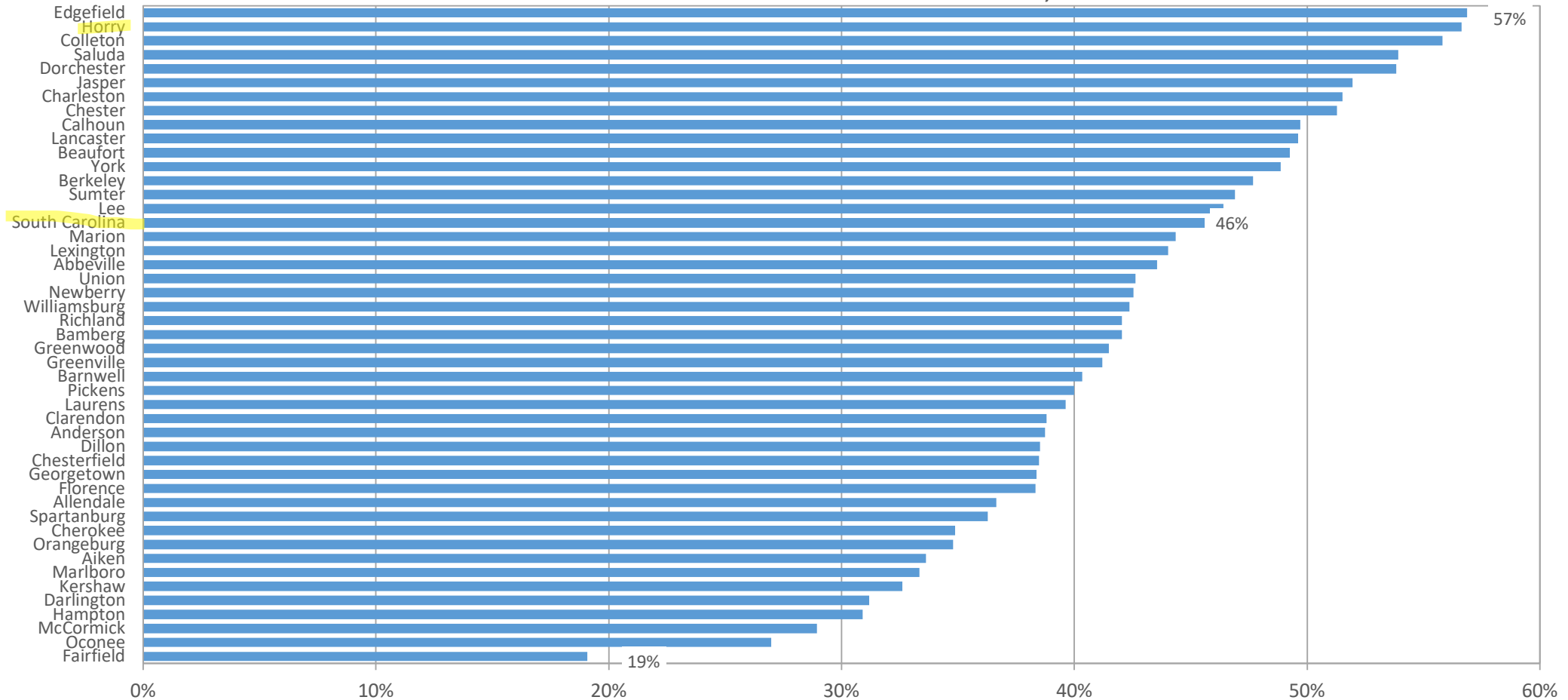
Source: US Census Bureau Estimates; RFA Projections



Average Job Wage Growth by County over the Past 10 Years

The annual wage for the average job has risen 46% statewide in the past 10 years

AVERAGE WAGE AND SALARY GROWTH BY COUNTY, 2013 TO 2023



Source: Bureau of Labor Statistics, U.S. Department of Labor 363-RFA/kv/2/21/2025



► Challenges - Global geopolitical issues
/ Economy



Challenges - Global geopolitical issues / Economy

- ▶ Impacts of the war with Iran?
 - ▶ Oil prices.
 - ▶ Will gas prices continue to escalate? For how long? How much?
 - ▶ Impact of oil prices on oil-based commodities (i.e., asphalt, fertilizer, etc...)
 - ▶ Golf course fertilizer costs have increased significantly.
 - ▶ Impact of gas on summer vacation plans - Primarily a drive to destination.
- ▶ Stock market loses.
- ▶ Inflation?
 - ▶ Decisions from the Federal Reserve Bank?
 - ▶ War with Iran?
 - ▶ Russia - Ukraine?
 - ▶ China?
 - ▶ Tariffs?
- ▶ A lot of uneasiness, and nervousness right now.



FY26-FY27 Budget Highlights

- ▶ No tax increase.
- ▶ No Business License fee increase.
- ▶ Recommend adjustments in Water, and Sewer fees.
 - ▶ In accordance with previously approved rate studies.
- ▶ Recommend adjustment in Solid Waste fees
 - ▶ Pass through - Horry County Landfill tipping fees



Highlights

- ▶ As has been already mentioned, the budget is currently not balanced.
- ▶ Currently there is one service level change.
 - ▶ Added Water Tech position, but cost is offset with added revenue = net impact \$0.00
- ▶ General Fund budget - General operating fund of the city
 - ▶ 1.4% increase without Capital; 0.3% increase with Capital
- ▶ All funds = 3.9% increase
- ▶ 70% of budget is personnel related (when benefits are included)



Planning and Zoning Evaluation

► Motion M2026-6 to direct the city manager to evaluate the separation of the Planning and Zoning Departments, as a part of the upcoming FY26-FY27 Budget Planning Process.

Planning and Zoning Dept. Research			
	<u>Separate</u> <u>Depts.</u>	<u>Unified</u> <u>Dept.</u>	<u>Notes</u>
City of Conway	<input type="checkbox"/>	X	Staff works with Planning Commission, Community Appearance Board, Tree Board, and Board of Zoning Appeals
Horry County	<input type="checkbox"/>	X	Planning, land development, long range planning, enforcing zoning ordinances
City of Greenville	<input type="checkbox"/>	X	Staff works with Planning Commission, Design Review Board, Historic Review Board, and Board of Zoning Appeals
Town of Mount Pleasant	<input type="checkbox"/>	X	Staff works with Planning Commission, Design Review Board, and Board of Zoning Appeals
City of Charleston	<input type="checkbox"/>	X	Includes Planning, Preservation & Urban Design, and Zoning
City of Columbia	<input type="checkbox"/>	X	1 Department, separate divisions- Development Review and Permitting, Building Inspections, Planning, and Land Development & Zoning
City of Rock Hill	<input type="checkbox"/>	X	Includes permits, inspections, business licenses, development plan review, planning, zoning, and preservation

► Staff recommendation: Planning & Zoning remain in the same department.



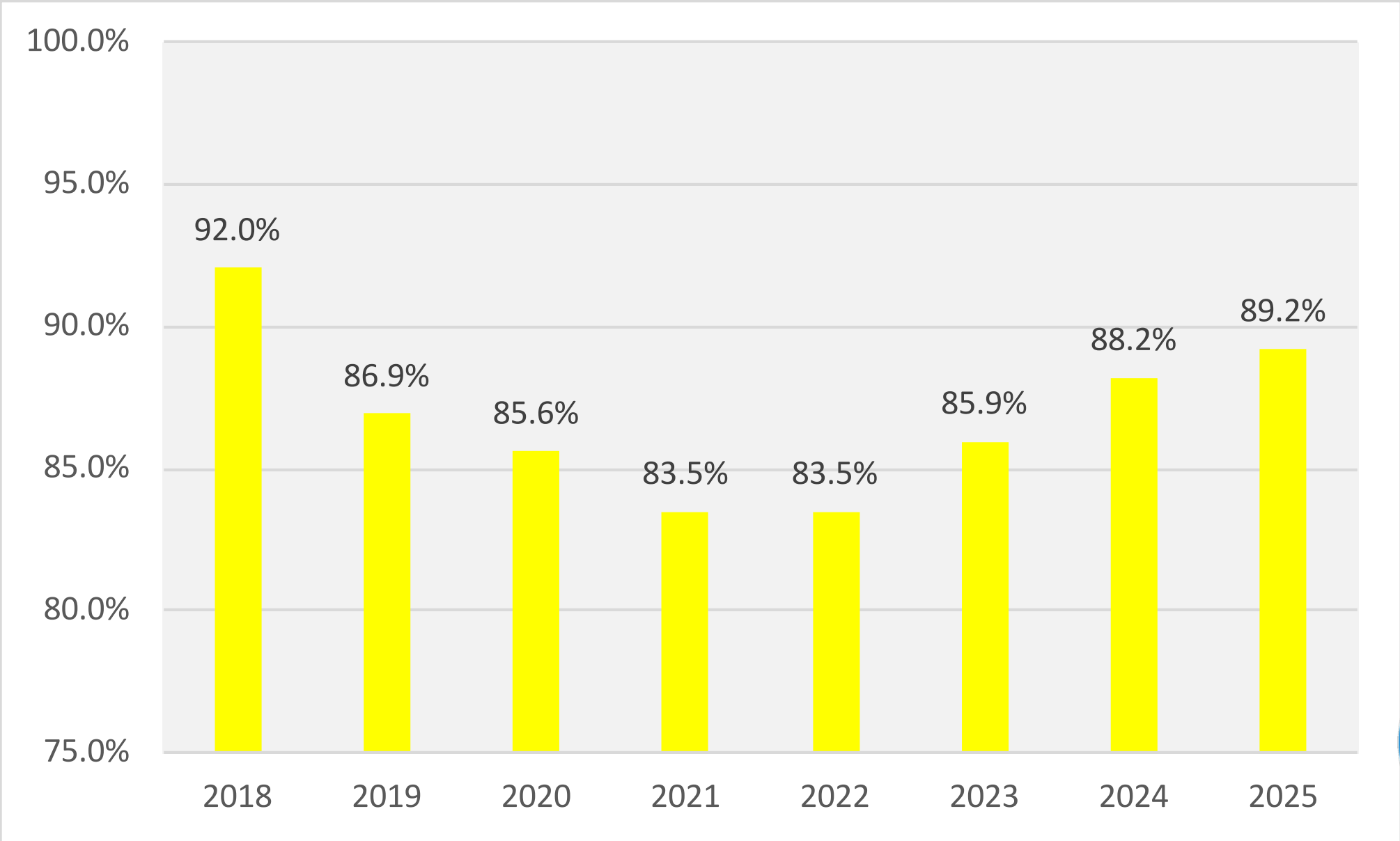
Salary History - Impactful change

- ▶ 3% COLA - July 1, 2026 (FTE)
 - ▶ Need to recruit and retain
 - ▶ Focus on recruitment and retention

		FY26	FY27 Recom
SW Collector		\$ 40,310	\$ 41,538
PRST Maintenance		\$ 40,310	\$ 41,538
MBPD - Certified		\$ 64,792	\$ 66,747
MBPD - Uncertified		\$ 62,088	\$ 63,960
MBPD - Communication		\$ 54,745	\$ 56,389
MBPD - Detention		\$ 54,745	\$ 56,389
MBFD		\$ 54,293	\$ 55,948
MBFD - FF/Paramedic		\$ 65,234	\$ 67,216



Historical Full Time Retention Rates Year



Current Vacancies

Department Description	# of vacancies as of 2/2024	% vacancies as of 2/2024	# of vacancies as of 2/2025	% vacancies as of 2/2025	# of vacancies as of 2/2026	% vacancies as of 2/2026
City Manager	1		1		0	
City Attorney	1		0		0	
Municipal Court	4		0		1	
Human Resources	0		0		1	
Insurance & Risk Management	1		0		0	
Financial Mgmt & Reporting	1		0		1	
Accounting	1		0		-1	
Financial Services	0		1		0	
Planning & Zoning	0		2		0	
Information Systems	1		1		1	
Capital Projects / Building Mntnce	1		1		1	
Police	68		51		44	
Fire	6		5		-8	
Construction Services	1		2		4	
PRST	4		8		2	
Convention Center	3		1		3	
Public Works	12		9		6	
TOTALS	105	9.90%	82	8.36%	55	5.09%



SLC's - If funds become available

- ▶ Police take home cars - \$200,000
- ▶ Road Maintenance Crew - \$670,000
 - ▶ 3-person crew, including equipment
 - ▶ Does not include asphalt
- ▶ New PRST Landscape Crew - \$270,000
 - ▶ 3-person crew, including equipment
 - ▶ Does not include material
- ▶ Benefits Manager (HR) - \$120,000
- ▶ Records Retention Clerk - \$89,000



One Team • One Purpose • One Goal • First in Service Teamwork

▶ “If you want to go fast, go alone, if you want to go far, go together.” - African Proverb

▶ “The path of progress is seldom smooth. New things are often found hard to do.” - President William McKinley

▶ “Your ultimate level of achievement, accomplishment, happiness and success is not going be based on just you.” - John Wooden



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Teamwork

