

2011

City of Myrtle Beach



Annual Budget & Financial Plans

# 2010 – 2011 Municipal Budget



## Introduction

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 terms. 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 policies of the city by enacting ordinances and resolutions as well as approving the annual operating 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. Biographical information on Council Members and senior staff members are presented below.

## City Council

**JOHN B. RHODES, Mayor.** Mr. Rhodes was elected Mayor in 2005 and re-elected in 2009 for a term of office that will extend through January 2014. Mr. Rhodes, who attended Coastal Carolina University, is Executive Director of the Beach Ball Classic, an organization that annually produces a prestigious holiday invitational basketball tournament for high school teams from around the United States. He has previously owned and operated various businesses in the hospitality industry in Myrtle Beach. He has served as General Manager of a major local resort hotel and as Assistant Sales Director for the Hilton Myrtle Beach. Prior to his election as Mayor, he served on the Board of Directors of the Myrtle Beach Convention Center Hotel Corporation and, before the 1993 expansion, served on the Convention Center Advisory Board.

**PHILIP N. RENDER, DMD, Council Member and Mayor *Pro Tempore*.** Dr. Render is Dean of Academic Affairs at Horry-Georgetown Technical College and a dentist with a private practice in Surfside Beach, SC. He was first elected to Council in November 2003 and re-elected in 2007. His current term of office will expire in January 2012. Dr. Render is a graduate of Wofford College and the Medical University of South Carolina.

**MICHAEL CHESTNUT, Council Member.** Mr. Chestnut, a real estate agent, took office in November 2000 following his election to Council and was re-elected in 2003 and 2007. His current term continues until January 2012. A long-time resident and businessperson in the Myrtle Beach community, Mr. Chestnut is the former owner-operator of his own catering business and proprietor of a restaurant in the downtown area. He served on the Myrtle Beach Housing Authority prior to his election to City Council.

**W. WAYNE GRAY, Council Member.** Mr. Gray, a local banker and restaurateur, served on Council from 1998-2002 and was elected and re-elected in 2005 and 2009. His current term of office runs through January 2014. Prior to his first election, Mr. Gray served on the City's Tourism Committee, chairing its Financial Considerations Subcommittee. He is a graduate and member of the Board of Regents of Leadership Grand Strand, and is involved in various civic groups. Mr. Gray earned a B.S. in Finance from Presbyterian College.

**CLYDE H. "MIKE" LOWDER, Council Member.** Mr. Lowder was elected to City Council in 2009 for a term of office that will expire in January 2014. Prior to his election, he served on the City's Board of Zoning Appeals. Mr. Lowder is a graduate of Horry-Georgetown Technical College with a degree in Criminal Justice. He served for over 26 years in the Myrtle Beach Police Department before leaving to become Chief Deputy in the Horry County Sheriff's office, a position he occupied until his retirement from public law enforcement. He then became a private investigator and is now Vice-President of Excalibur Security & Investigations.

**SUSAN GRISSOM MEANS, Council Member.** Ms. Means is self-employed as a management consultant and serves part-time on the staff of the Myrtle Beach First Presbyterian Church. She was elected to Council in November 1999 and has served continuously since then. Her current term of office will expire in January 2012. She attended the University of South Carolina (Coastal Carolina), is a graduate of Leadership Grand Strand, former president of the Myrtle Beach Women's Club and is active in a number of community and charitable organizations.

**RANDAL WALLACE, Council Member.** Mr. Wallace, who works in insurance and direct sales, served on the Myrtle Beach Zoning Board of Adjustments prior to his election to Council. He was elected in November 2001 and re-elected in 2005 and 2009. His current term of office will expire in January 2014. He is active in a number of community and charitable organizations. Mr. Wallace has earned degrees from Spartanburg Methodist College (A.A.) and Lander University (B.S. in History & Political Science, B.A. in Mass Communication).

## City Manager, City Attorney, and Senior Management Group

**Thomas E. Leath, City Manager.** B.A., M.P.A., J.D., University of South Carolina (Columbia). Mr. Leath was appointed in November 1987 and serves at the pleasure of City Council. He was Assistant City Manager from February 1986 to November 1987, and Assistant City Attorney from January 1985 to February 1986. Before coming to Myrtle Beach, he was an attorney in private practice, and worked for the State of South Carolina's Reorganization Commission.

**Thomas E. Ellenburg, City Attorney.** B.A., Clemson University; J.D., University of South Carolina (Columbia). Mr. Ellenburg was appointed City Attorney in April 2000. Before joining the City, he was Assistant City Attorney for the City of Columbia and a Staff Attorney to the South Carolina Supreme Court. He taught emotionally handicapped children and was Administrator of Special Needs for emotionally handicapped children for Anderson County (SC) Schools prior to attending law school.

**Joan M. Grove, City Clerk.** Paralegal Cert., Monmouth College (NJ). Ms. Grove is Clerk to Council and is responsible for maintaining the records of the City, codifying ordinances, and organizing general elections. She was appointed in July 1993. Previously, she was Administrative Assistant to the President of Carolina First Savings Bank, and managed a law firm in New Jersey.

**Jennifer Peters Wilson, Municipal Court Judge.** B.A., Spelman College, J.D., Rutgers University. Ms. Wilson was appointed Municipal Judge in January 2000. She is licensed to practice law in the State of South Carolina, as well as in the United States District Court for the District of South Carolina and in the Fourth Circuit Court of Appeals. Prior to joining the City, she had a solo practice in family and criminal law in Conway, SC.

## **Manager's Office**

**John G. Pedersen, Assistant City Manager.** B.A., University of Delaware; M.P.A., University of North Carolina at Chapel Hill. Mr. Pedersen was appointed in February 2002. He has direct responsibility for Administrative & Support Services, Construction Services and Planning. Prior to his appointment he spent 24 years with the City of Durham, NC, serving as Assistant City Manager from March 1998 through February 2002. He is a former board member and President of the North Carolina Government Finance Officer's Association.

**E. Ronald Andrews, P. E., Assistant City Manager.** M.S. in Civil Engineering, University of Alabama, Registered Professional Engineer (SC). Mr. Andrews was appointed in 2005 after serving as Public Works Director for six years. Prior to joining the City in 2002, he served as Executive Director of the Horry County Solid Waste Authority for a period of eight years. He was with the City previously, serving as Public Works Director from 1981 to 1986. Mr. Andrews has also served as Horry County Engineer and as City Engineer for the City of North Augusta, South Carolina.

**Mark Kruea, Public Information Officer.** B. A., Wake Forest University. Mr. Kruea was appointed in August 1998. He is responsible for disseminating City information to the general public, the news media and the staff. Prior to his appointment, he was Director of Communications for St. Andrews Presbyterian College and served as Media and Community Relations Director for the Spartanburg County, SC, Sheriff's Office. His experience includes 10 years in broadcasting as a bureau chief and news director.

**Michael W. Shelton, CGFO, Budget & Evaluation Director.** B.A., Furman University; M.A., Webster University; doctoral study in public policy, University of Kentucky; Graduate, Advanced Government Finance Institute at Georgetown University. Mr. Shelton, a Certified Government Finance Officer (CGFO), is responsible for financial planning and debt management. He was appointed in May 1989 after serving three years as Finance Director. Mr. Shelton came to the City from Charlotte, NC, where he was a Senior Budget Analyst with the City of Charlotte. He has authored or co-authored a number of articles and monographs on financial management topics.

## **Public Safety**

**Warren S. Gall, Chief of Police.** A.S. in criminal justice, Horry-Georgetown Technical College; B.A., University of South Carolina (Coastal Carolina); M.A., Webster University; graduate, FBI National Academy. Chief Gall was appointed in March 1997, following 16 years of service as an officer, investigator, and administrator in various divisions of the department. From 1993 until his appointment as Chief, he served as Commander of the Uniform Division.

**Alvin Payne, Fire Chief.** Graduate, National Fire Academy. Mr. Payne's department is responsible for fire protection services, fire code enforcement, fire safety public education, emergency medical services, and hazardous materials response. He was appointed

in April, 2002. Since joining the department as a firefighter in 1979, he has advanced through the ranks. From 1992 until his appointment, he served as a Battalion Chief and Shift Commander.

### **Environmental Management**

**William Oliver, Director of Public Works.** A.S. in Civil Engineering, Florence-Darlington Technical College: business administration studies, Francis Marion University. Mr. Oliver's responsibilities include directing the City's Public Works administration, engineering, construction, fleet maintenance, traffic/transportation, solid waste, streets/stormwater and water and sewer system, with special emphasis upon managing the construction of capital improvement projects. He joined the City in June 1976 as Chief Water/Wastewater Facility Operator and has served in several different capacities during his tenure. He was appointed Deputy Director of Public Works in 1993 and served in that capacity until his appointment as Director of Public Works in July 2006.

### **Cultural and Leisure Services**

**Jimmie R. Walters, CPRP, Director of Cultural and Leisure Services.** B.S., Georgia Southern University. Mr. Walters, a Certified Parks and Recreation Professional (CPRP), is responsible for recreation programs and parks maintenance, the Library, the Convention Center and Whispering Pines Golf Course. He came to the City in May 1988 from Cobb County, GA, Parks and Recreation Department, where he served as Deputy Director. Prior to that he was Parks Superintendent in Sarasota, FL, and played baseball with the Chicago Cubs organization.

**Paul T. Edwards, General Manager, Myrtle Beach Convention Center.** A.S., Florence-Darlington Technical College. Mr. Edwards is responsible for the operation of the City's Convention Center. He was appointed General Manager in January 2000. Previously, he was Finance Manager in the City's Finance Department. Prior to his joining the City in 1985, he was a cost accountant with Grove Manufacturing in Conway, SC, and a supply petty officer in the U. S. Navy Mediterranean Fleet.

**Briget Livingston, Library Director.** B.A., M.L.I.S., University of South Carolina. Ms. Livingston, a Certified Public Librarian, was appointed in December 2009. She is responsible for the operations of the Chapin Memorial Library. Prior to her appointment, she was Circulation Manager for the Main Library of the Richland County Public Library in Columbia, SC and Systems Librarian and Head of Access Services for the School of Medicine Library at USC. Her experience also includes ten years working in the Circulation and Systems departments at USC's Thomas Cooper Library.

### **Community and Economic Development**

**Jack O. Walker, Planning Director.** B.A., Clemson University. Mr. Walker is responsible for a wide range of planning activities, including traditional municipal planning services and administration of the City's Community Development Block Grant Entitlement program. He was appointed in August 1984. Prior to his appointment, he was an urban planner with Wilbur Smith & Associates and an associate planner with Central Midlands Regional Planning Council.

**Bruce Boulineau, Construction Services Director.** B.A., Coastal Carolina University. Mr. Boulineau was appointed in January 2002. His responsibilities include building permit issuance and enforcement of building and zoning codes. He served in the

Department for 13 years prior to his appointment, serving as Chief Building Official since 1994. He holds 16 different building certifications and has been licensed as a General Contractor and Residential Home Builder. He is currently licensed as a Certified Asbestos Inspector and SC Home Inspector.

### **Administrative and Support Services**

**Maria E. Baisden, Finance Director.** B.B.A. Marshall University. Ms. Baisden is responsible for the City's financial operations, including revenue billing and collection activities, business licensing, purchasing, accounting, and management information services. She was appointed in May 1989. Previously, she was Assistant Director of Budget and Financial Reporting for Horry County, SC, and worked in various public accounting practices.

**Coleman H. Randall, SPHR, Human Resources Director.** B.S., South Carolina State University; post-graduate study, Middle Tennessee State University. Mr. Randall, a Senior Professional in Human Resources (SPHR), was appointed in July 1991. He is responsible for personnel policy, position classifications and pay plan, performance appraisal, recruitment and selection, benefits programs, training, and employee relations. Prior to his appointment, he was a Personnel Analyst and an employee relations assistant with the City.

# Myrtle Beach, South Carolina

## Area Accolades

**2009 recognized as a "Favorite Beach"**  
**"Favorite Family Destination" & "Favorite Weekend Getaway"**

-Southern Living Magazine

**2008 "Best Golf Vacation Value in the US"**

-USA Today

**2008 "Top ten Family Destinations"**

-ASK.COM

**"9th Greatest Golf Destination in the World"**

-Golf Digest

**#3 Travel Destination By Car**

-AAA

**#29 Best Places to do Business**

-Forbes Magazine

Named for native wax myrtle trees growing wild along the shores, Myrtle Beach was incorporated as a town in 1937 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 Intercoastal Waterway and the Atlantic Ocean, Myrtle Beach is home to over nine miles of recreational beachfront area and some of the worlds widest and cleanest stretches of white sandy beach. In addition to the world class beaches, 102 local golf courses, the Myrtle Beach Convention Center and nearby 312-acre oceanfront State Park, the City offers wide a variety of cultural entertainment, attracting nearly 14.7 million visitors annually, Myrtle Beach is a major U.S. tourist center continually receiving accolades from regional and national publications.



## Myrtle Beach Facts

*Population (2009):* 31,968

*Myrtle Beach MSA:* 263,868

*Median Home Price(2009):* \$191,495

*Largest Private Employer:* Wal-Mart

*Avg. Annual Salary(MSA 2008):* \$30,511

*Number of Hotel Rooms:* 89,000

*Estimated True Value of Taxable Property (county):* \$7,498,838,000

*Average High Temperature:* 63F

*Annual Precipitation:* 53.27"

*Sister Cities:* Burlington, Canada  
 Pinamar, Argentina  
 Bradford-Keighley, England  
 Killarney, Ireland

## First In Service

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

- Six fire stations and full EMS 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. The Boardwalk offers relaxing views of the beach, benches, natural landscaping and passive recreational opportunities
- 48 City Parks, three full-service recreation centers and 9.25 miles of beaches including 132 dune walkovers for public access.
- 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, a Three Diamond AAA property.
- Water and Sewer System serving over 15,000 commercial and residential customers.
- Full Solid Waste residential and commercial collection and recycling services.
- Myrtle Beach Colored School, historical site and community center.
- Restored historic Myrtle Beach Train Depot and community center.
- Chapin Memorial Library, owned and operated by the City.



Withers Swash Park



Whispering Pines Golf Course



# *City of Myrtle Beach 2010-2011 Annual Budget*



**WELCOME!** To the City of Myrtle Beach 2010-11 Budget. In this document you will find out a little about who we are both as a community and as an organization, including our financial standing and our priorities for this upcoming year. We in the Budget Office hope you find the information in this document useful in painting a portrait of the annual operations of our city.

Sincerely,

Michael Shelton, CGFO  
Budget & Evaluation Director

Michelle Shumpert, CPA  
Senior Budget & Evaluation Analyst

Michael Price  
Budget & Evaluation Analyst

## **Key Dates for Ratification of 2010-11 Budget:**

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> <b>November 21-</b> Budget Kick Off Meeting with Department Heads to begin budget submittal process         | <input checked="" type="checkbox"/> <b>April 15, 17, 26</b> Budget Workshops to review Manager's Recommended Budget and Outside Agency Requests |
| <input checked="" type="checkbox"/> <b>December 14-</b> Preliminary Budget Meeting With Council   | <input checked="" type="checkbox"/> <b>April 26</b> –Required Public Notice published.  |
| <input checked="" type="checkbox"/> <b>January 11-22-</b> City Manager meetings with departments to discuss budget requests and priorities      | <input checked="" type="checkbox"/> <b>May 11</b> -Statutory Public Hearing.  |
| <input checked="" type="checkbox"/> <b>April 7-9-</b> Budget Retreat to present Manager's Recommended Budget and Popular Budget to City Council | <input checked="" type="checkbox"/> <b>April 27 &amp; June 22-</b> 1st and 2nd Council Readings and Adoption                                    |
|   | <input checked="" type="checkbox"/> <b>July 1</b> - Enact 2010-11 Operating Budget  |



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## Transmittal Letter



### City of Myrtle Beach Office of the City Manager

Honorable Mayor John Rhodes  
and Members of City Council:

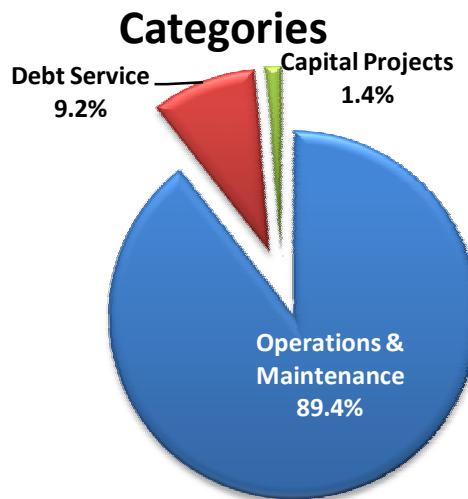
I am pleased to present the Adopted Budget for Fiscal Year 2010-11 (FY 2011), and the 2011-15 Capital Improvements Plan (CIP). The total of recommended expenditures/expenses for the upcoming fiscal year, net of interfund transfers, is approximately \$136.8 million, down from the \$140.3 million authorized in Fiscal Year 2009-10 by \$3.5 million or 2.5%. This is the second year of decreases in the total budget, which is down by \$24.4 million or 15.1% from a 2008-09 peak of \$161.2 million.

#### Comparison of Budgets, FY 2011 vs. FY2010

	FY2009-10 Revised Estimate	FY2010-11 Budget	Percent Change
Governmental Operations	116,704,508	114,066,221	(2.3%)
Enterprise Operations	<u>36,389,113</u>	<u>35,368,792</u>	(2.8%)
Total Operating Budget	<u>153,093,621</u>	<u>149,435,013</u>	(2.4%)
General Capital Project Authorizations	<u>2,164,778</u>	<u>2,147,985</u>	(0.7%)
Reconciling Items <sup>1</sup>			
Enterprise Capital Projects	<u>4,800,000</u>	<u>4,974,500</u>	3.6%
Gross Budget, All Funds	<u>160,058,399</u>	<u>156,557,498</u>	(2.2%)
Less: Interfund Transfers	<u>(19,789,147)</u>	<u>(19,717,266)</u>	(0.4%)
Grand Total FY2009 Appropriations	<u>140,269,252</u>	<u>136,840,232</u>	(2.4%)

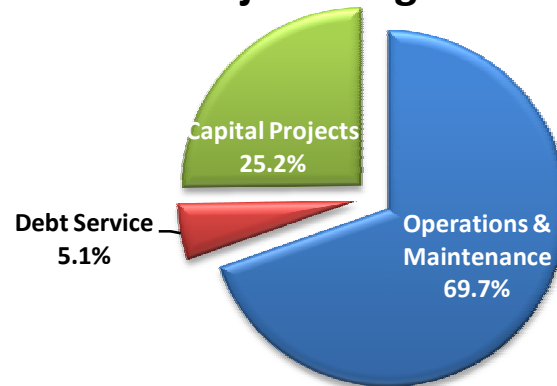
When interfund transfers are netted out, expenditures for operations and maintenance of general government responsibilities and of City enterprises are estimated at \$135.6 million (89.4% of total). Debt service expenditures/expenses equal \$13.9 million (9.2% of total). New capital improvement authorizations for FY 2011 have been approved in the amount of \$2.1 million (1.4% of total). The chart on the next page summarizes this information.

### FY 2011 Resource Allocation by Major



Compare the current allocation of resources to the 2008-09 budget, which was formulated just months before the dramatic economic downturn in September of 2008, and you will see that most of these cuts have been in the area of capital projects. This is not necessarily a bad thing. For the residents and businesses of the City, it means that we have sustained the provision of basic services without interruption and that we have deferred investments in new infrastructure for which the time may not have been ripe, given the slowing of the economy. For employees, it has meant that we have not made reductions in force and that almost all of them have continued to work without significant reductions in hours, pay rates or major benefits such as medical coverage. We *have* reduced the use of overtime, cut certain benefit programs and held salary increases and merit bonuses to zero, but that level is consistent with the market in which we are operating.

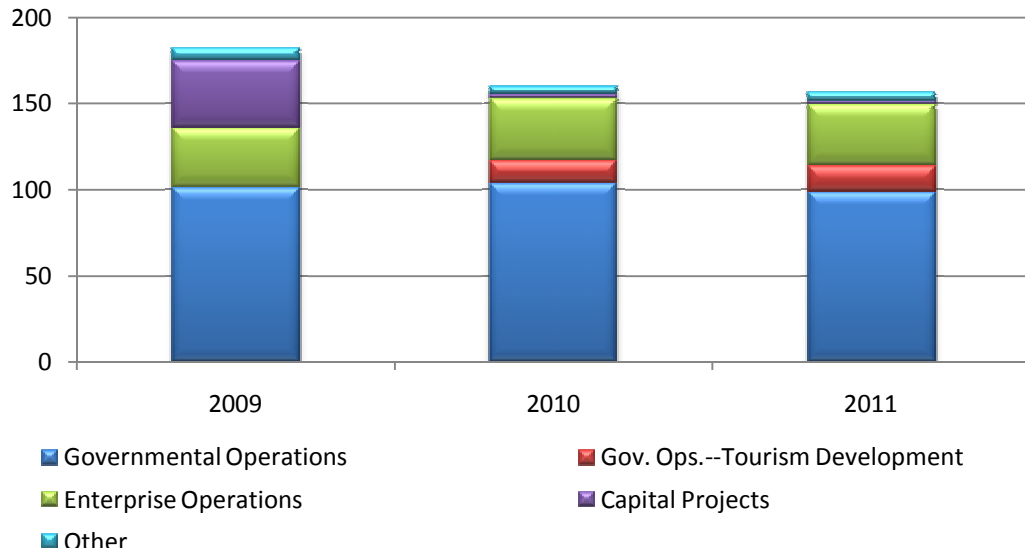
## FY 2009 Allocation of Resources by Major Categories



The one area of expenditure that has increased has been Operations and Maintenance but that figure can be misleading. In August 2009, the City implemented a one per cent (1.0%) Tourism Development Fee. During the first year of its collection, all of the revenue had to go to the Chamber of Commerce to fund out-of-market advertising. In the second 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. When the expenditure of these funds is segregated, as in the chart below, then it is obvious that operating expenditures have been cut in 2011 as well.



### Comparison of 2009, 2010 and 2011 Gross Budgets



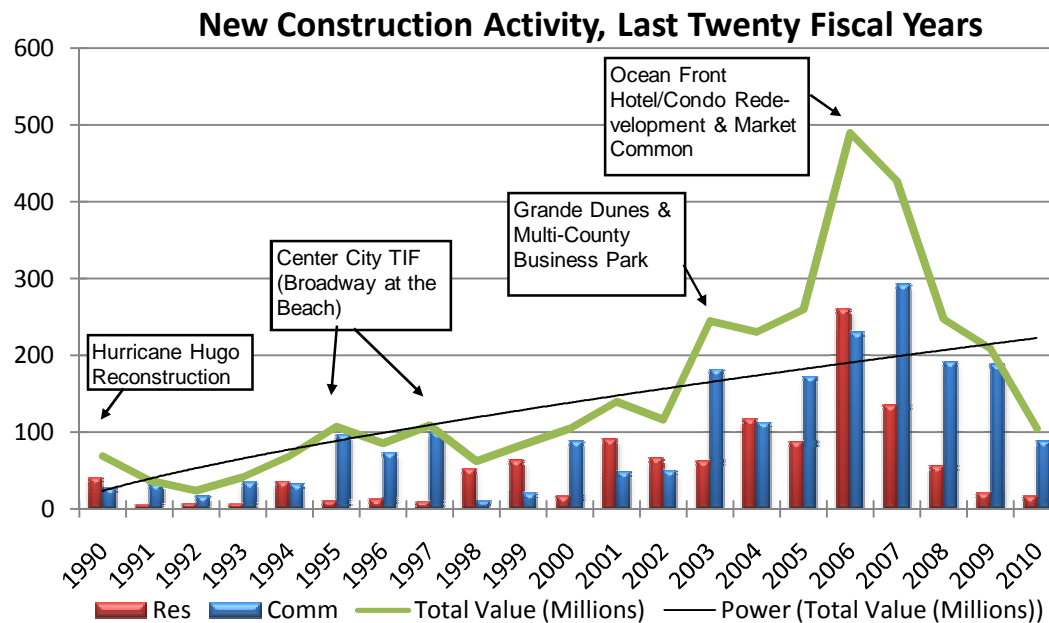
### Revenue Trends

It is no secret that the City has suffered the loss of significant amounts of operating revenue over the past two years. This was expected with regards to Business License revenue, Hospitality Fees and Accommodations Taxes. But we have also seen the erosion of Property Tax revenues as housing values have fallen.

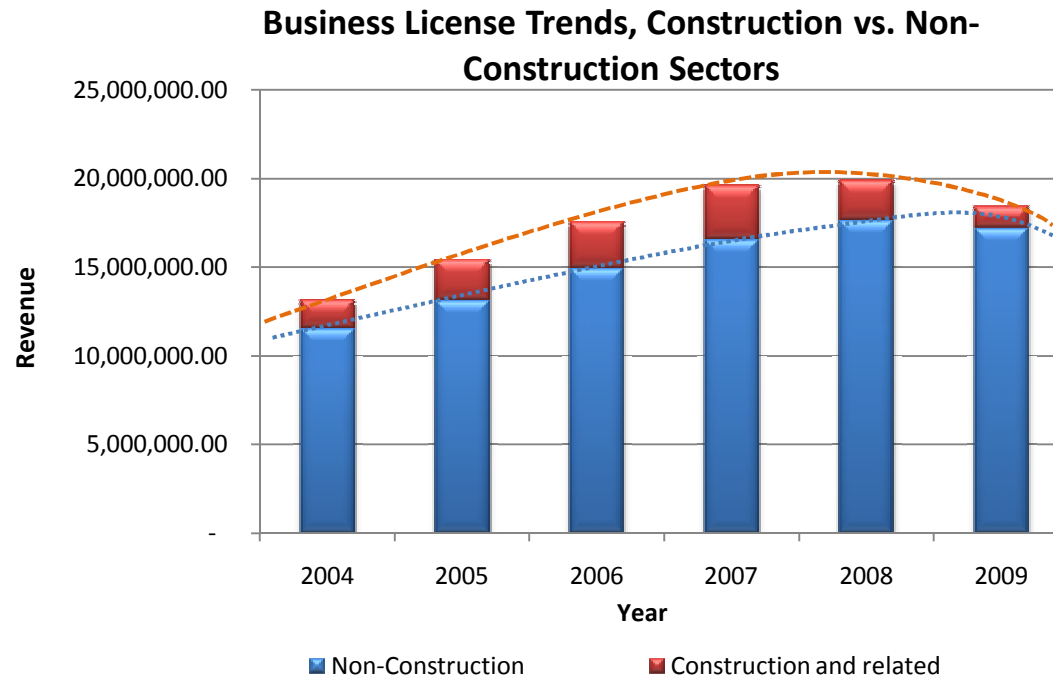
This has been particularly true for those property values that rose as the result of reassessment of properties creating Assessable Transfers of Interest (ATI) for which reassessment guidelines were changed by Act 388. Properties changing ownership subsequent to the Act's effective date were automatically reassessed at market value while those that continued to be occupied by the same property owners were limited to an increase of 15% every five years even if the market value were determined to be substantially

higher. When the property bubble burst, so did the values of many of those properties that had been the subject of ATI reassessments. The impact of out-of-cycle appeals for the reduction of assessed values on the City's collectible taxes over the past two years is estimated to be in excess of \$4 million per year. Fortunately, the City had not elected to increase its budget to use all of that additional collection, given the uncertainty stemming from efforts by the Real Estate industry to lobby for the repeal of the ATI provisions. That has limited our exposure to something closer to \$2 million per year. We still expect to lose some value on regular reassessment appeals. The County Assessor estimates that the City will lose about \$2.4 million on appeal—an adjustment that the City is not allowed to recognize when setting rollback millage. The Tax yield on that potential \$2.4 million loss of assessed value would be about \$163,000.

Business license and hospitality trends have been disrupted by the slowing of construction and reductions in spending on luxury items and travel for the past two years. At its peak in 2007, Construction and Related Industries accounted for 19.5% of the Business License base. In 2008-09, it represented 11.0%. A final estimate of the percentage of base for 2010 is not yet available but preliminary estimates are in the neighborhood of 6-7%.

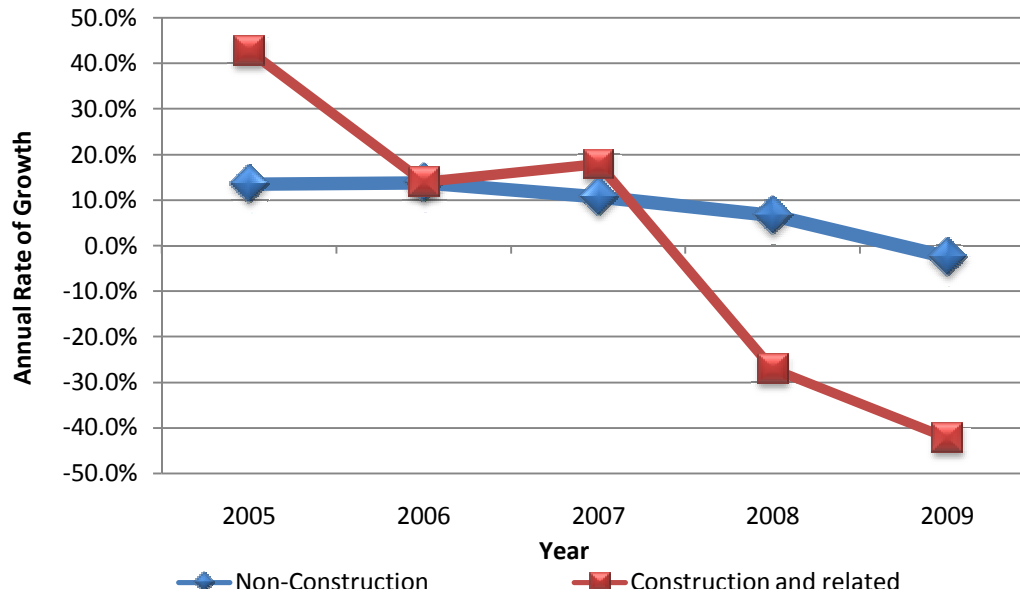


As the chart below shows, business license revenues from both construction and non-construction sectors have declined since the 2008 peak but the decline in the construction sector has had far more drastic an effect upon total revenues.



The City has made it a policy to project Business Licenses conservatively, recognizing that a significant portion of the Business License Base—the construction-related portion—is subject to considerable volatility. This proves to have been the case over the last five years. The graph on the next page contrasts the generally positive growth rates in the Non-Construction sectors (ranging from -2 to +12% per year) with the erratic changes in growth rates for the Construction sector (ranging from a high of 42.8% for 2005 over 2004 to a reduction, -42.2%, for 2009 vs. 2008).

### Relative Volatility, Non-Construction vs. Construction Sectors



#### Major Objectives in Formulating the 2010-11 Budget

This budget process began in earnest last November when our Budget Office sent out a sobering letter regarding the FY2011 budget. They discussed the likelihood of declines in property values and the odds that we would have to cut our estimates of revenues from business licenses for both 2010 and 2011.

In that letter, Budget Director Mike Shelton noted that it would be dangerous to continue to address budgeting in a linear fashion, talking about growth in a generally consistent trend, even if we adjusted downward first. We were not just in a slower growth

environment, he said, but we were in the midst of a “paradigm shift” regarding our revenue and cost structures. The declines that occurred in 2008 and 2009 meant that we had lost our structural balance in several funds and were in need of examining them again. We needed to consider the implications of planning with alternate assumptions regarding the growth or decline of our major revenue sources and of demand for City services.

The recommendations resulting from that examination became the themes of our budget deliberations as we moved into January of 2010. Specifically we have attempted, through this budget process, to:

- 1) Restructure revenue-cost relationships so as to restore structural balance;
- 2) Continue the work we began in 2007-08 of rethinking the health care benefit and the nature of the post-employment health package;
- 3) Reduce personnel costs while giving top priority to those austerity measures that would improve productivity and avoid reductions of occupied positions;
- 4) Realize that we may have to tolerate some reductions in service levels as we are already asking employees to work longer and harder for less reward;
- 5) Look at possibilities for restructuring of debt when this can be done without extending maturities.

## **Expenditure Adjustments**

With these things in mind, we presented a budget and you adopted the necessary changes to make significant strides in achieving these ends. This budget includes service changes or productivity measures including the following:

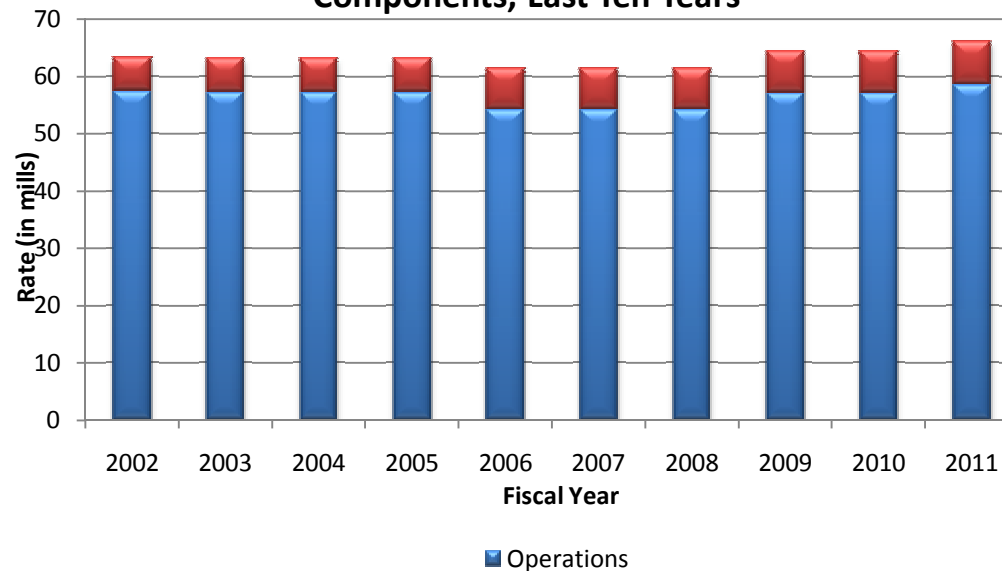
- Freeze vacant positions
- Use grant funds rather than current revenue for new acquisitions in library
- Suspend merit bonus program for 2010-11; General increases were suspended in 2009-10 and will remain so
- Change holiday overtime pay policy so that overtime pay for working on holidays is no longer automatic
- Reduce use of overtime generally
- Revise payment plan for accrued OPEB catch-up payments
- Cut capital outlay expenditures
- Defer capital replacements
- Defer replacement of Police vehicles, except for three critical units, for one year
- Reduce hours at Cultural & Leisure Services facilities and Chapin Library
- Privatize Myrtle’s Market & cut July 4<sup>th</sup> Fireworks display at the Stadium, given the other July 4<sup>th</sup> offerings available in the community
- Assume contract landscaping and maintenance services in-house; reduce frequency of maintenance at each location

## Revenue Adjustments

Real Property reassessment was implemented with the 2011 budget. The new values reflect the market values of properties as of December 2008, updated from the previous market values based upon December 2003 data. State law provides that Counties must reassess real property every five years and must implement the reassessment in the following year. The County can elect to postpone implementation by one year, which it did in 2009. New values became effective in time for the 2010 real property tax levy, which was published in October 2010.

When a reassessment is implemented, property tax millage must be reset. In normal circumstances, the reset amounts to a rollback of the tax rate so that the local government will not realize a windfall of revenues due to the reassessment of properties that were previously taxed. For 2011, the City's real property declined in value from the previous year and the "rollback" formula yielded an increased rate as a result. Property tax rates for 2011 have been set at 58.5 mills for operations and 7.6 mills for debt service for a total of 66.1 mills.

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



Business license revenues are expected to grow at a below-average but positive pace, after declining by roughly 15% over the two previous years. Given that the Business License is now the General Fund's second largest single source of revenue and that this source fell noticeably below its 2008 peak, the Budget Office watches this source closely to try to determine whether we should re-evaluate the estimate for the coming year. Initial indications for the 2011 year are positive in the hospitality and retail sectors. But the construction slump will continue.

The City adopted new fees or fee increases in the following areas:

- Fee increases in Stormwater Management Fund (75 cents per month to new rate of \$5.00 per month) to cover operating costs with fee revenue
- Fee increases of approximately 5% in each category in Solid Waste
- New Parking Fee at Convention Center (\$3.00 per space per day) was adopted with the provision that the fee be waived for residents with parking decals.

### **Capital Improvements**

The recommended five-year capital improvements plan includes new authorizations of pay-as-you-go funding for FY2010 of more than \$6.4 million, nearly \$5.0 million of it in the Water and Sewer Fund. No new General Obligation debt is provided for. Highlights include:

- Renewal and replacement of City facilities (\$1,154,500)
- Public Infrastructure projects including the dredging at Sancindy Lake, construction of new sidewalks and street ends and Master Street Tree Planting program (\$250,000)

An issue of approximately \$9.0 million in Tax Increment Revenue (TIF) Bonds to fund the Phase 3 Athletic Field project at Grand Park and the City's share of Phase I infrastructure at the International Technology and Aerospace Park on the site of the former Myrtle Beach Air Force Base will be proposed in the fall of 2010. Together with \$1.9 million in funds to be granted by the Air Base Redevelopment Authority these funds will allow us to move ahead with these two projects that are important for the continued development of the Sports Tourism industry and the diversification of the local economy into the areas of aerospace research, development, manufacture and distribution.

### **Fund Balances**

The projected unrestricted fund balances in the General Fund of \$8.3 million (14.7% of recurring expenditures) is expected to be adequate to meet working capital needs without interim borrowing, although it will require that we borrow from other funds of the City

during the late fall and winter months of the fiscal year. We will continue to pursue policies that will restore that balance to the upper target limit of 20%. Our fund balance policy served us well during the recent recession, putting us in a position to continue to provide largely uninterrupted services because we were not at the mercy of the financial community during a time when many state and local governments found it difficult and costly to obtain interim financing.

In the Enterprise Funds, the Water and Sewer Fund will exceed the required liquidity ratios, while other funds will need to rely on interfund borrowing during parts of the year in order to finance their operations. Looking ahead, though, we can say that you have taken initiatives to lessen those funds' dependence upon interfund borrowing during the year as well by addressing the structural imbalances in our system.

The year ahead will be challenging as while we feel that the worst is behind us, we more than likely will have bumps along the way. I am confident that through the hard work of your employees we will meet the challenges and remain "First In Service".

I want to thank Mike Shelton and his staff, along with those departmental staffers who work forecasting revenues, holding expenses and putting the final budget document together for your approval.

As always, I thank each of you for your leadership and support.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas E. Leath", with a long horizontal line extending to the right.

Thomas E. Leath  
City Manager



## **City of Myrtle Beach Structure and Services**

The City of Myrtle Beach operates under a council-manager form of government, which was adopted by voters in 1973. The City Council is the legislative body of government, comprised of seven members including the Mayor each elected at-large for four-year teams. The Council determines the policies of the city by enacting ordinances and resolutions as well as approving the annual operating 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.

### **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.

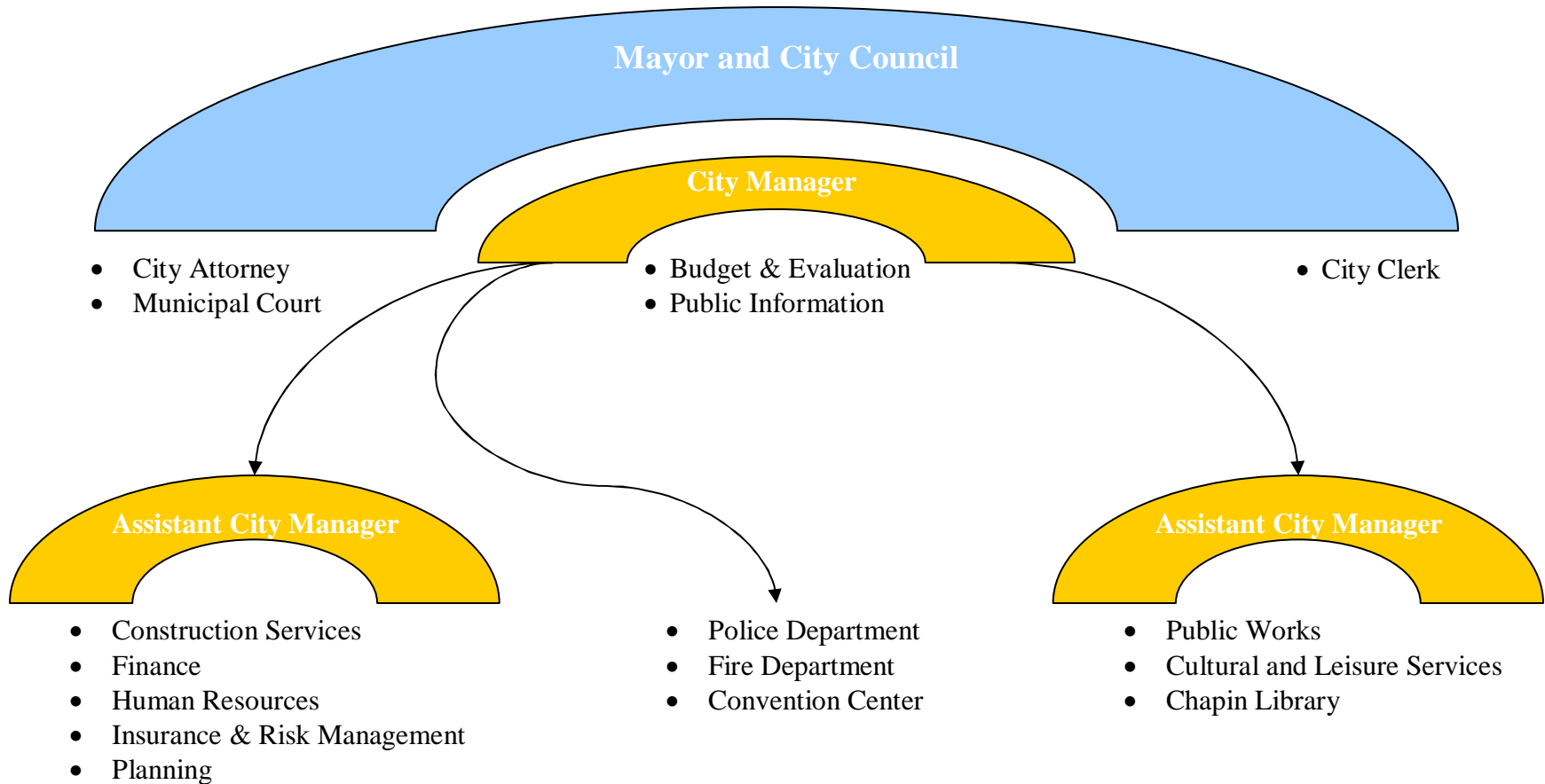
### **Government Services**

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.

### City of Myrtle Beach Organizational Chart

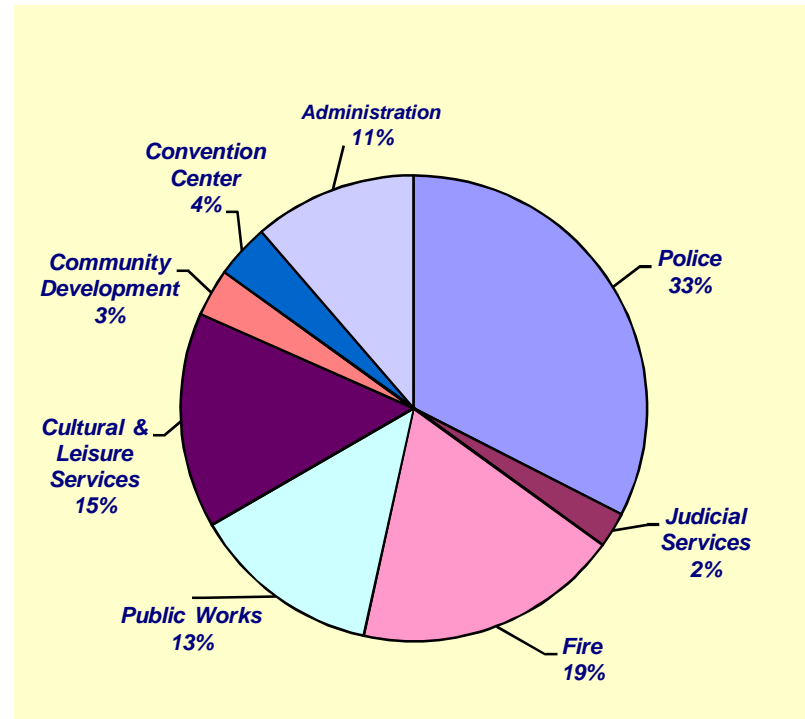


## Myrtle Beach City Employees

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.

Staffing Totals By Department				
Program	2008-09	2009-10	2010-11	Net-Change
<b>Community Services</b>				
Police	272	275	276	1
Municipal Court	17	17	17	-
Victim Witness/Advocate	4	4	4	-
Fire	157	157	157	-
Transportation	10	10	10	-
Cultural & Leisure Services	113	113	111	(2)
Baseball Stadium	1	1	1	-
Community Development	29	28	28	-
Water & Sewer	57	56	56	-
Convention Center	32	32	32	-
Golf Course	15	15	15	-
Solid Waste Management	30	30	30	-
Stormwater Management	16	16	16	-
<b>Total Community Services</b>	<b>753</b>	<b>754</b>	<b>753</b>	<b>(1)</b>
<b>Support Services</b>				
Policy & Administration	19	19	19	-
Financial Operations	3	36	36	-
Human Resources	6	6	6	-
Public Works Administration & Engineering*	28	28	28	-
<b>Total Support Services</b>	<b>88</b>	<b>89</b>	<b>89</b>	<b>-</b>
<b>Total Authorized Positions</b>	<b>841</b>	<b>843</b>	<b>842</b>	<b>(1)</b>

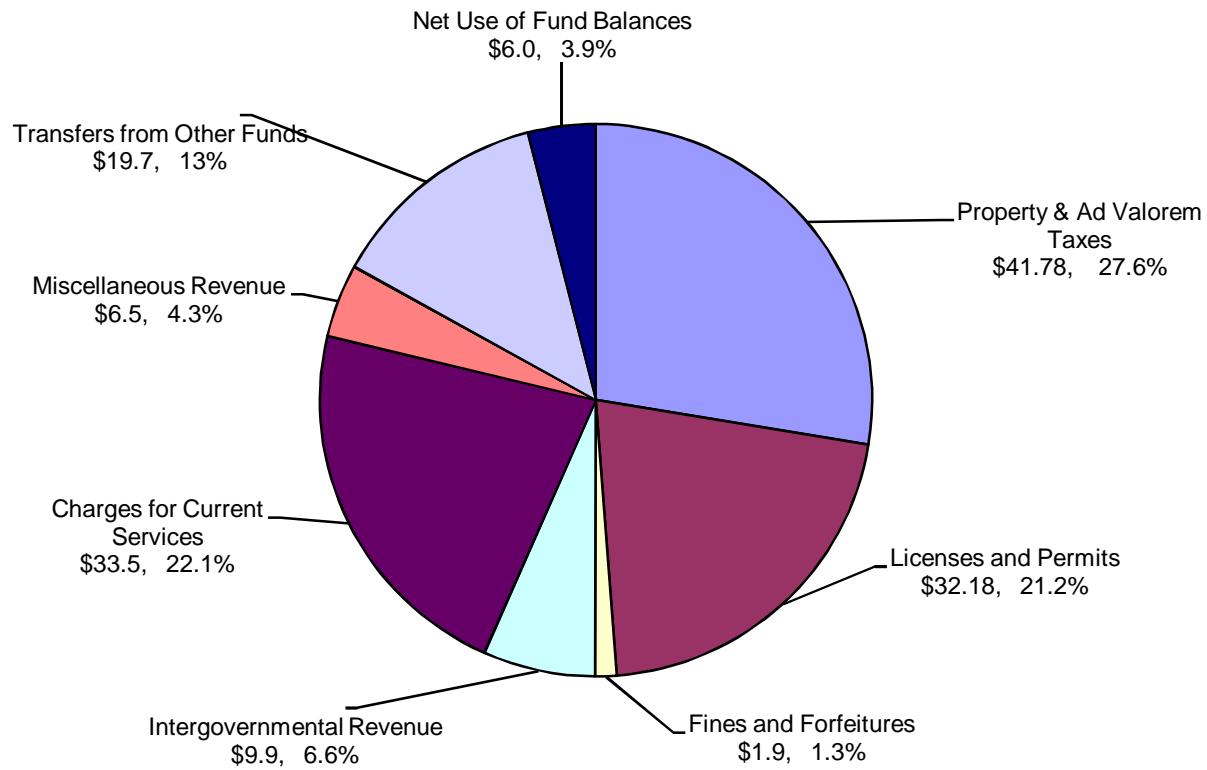
Staffing Comparison, Percent of Total



\*Includes 9 Employees in the Fleet Maintenance Internal Service Fund.

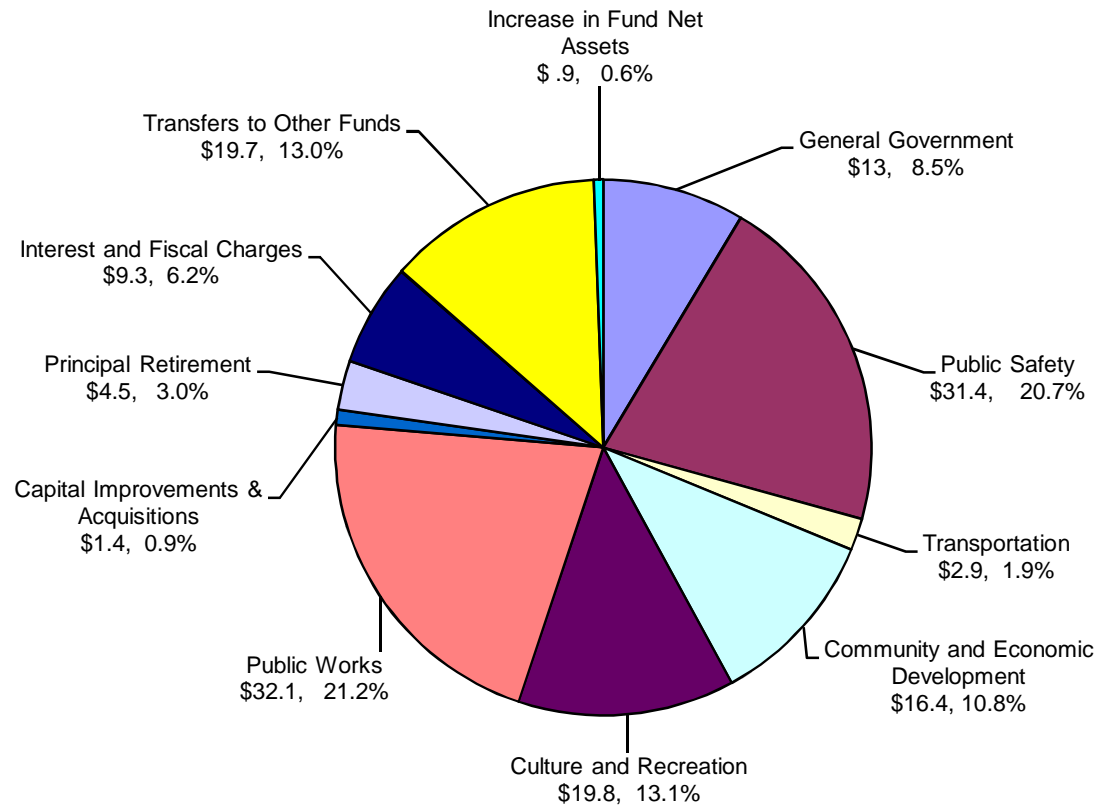
## Revenue Summary

### 2011 Revenues and Other Financing Sources, All Funds (in \$ millions, with percentage of total)



## Expenditure Summary

2011 Expenditures/Expenses and Other Financing Uses,  
All Funds  
(in \$ millions, with percentage of total)



## Service Changes & Cost Increases, FY10-FY11

### FY 2010-11 Increase/Decreases

- 5.0% Solid Waste Fee increase.
- 17.6% increase in Stormwater Fees.
- 27.0% increase in Fines and Forfeitures.
- 56.2% increase in Miscellaneous Revenues.
- 14.5% decrease in Property Tax Revenues.
- 6.8% decrease in Business License Revenues.
- 3.6% decrease in Charges for Current Services.
- 3.6% decrease in Intergovernmental Revenue.
- Discontinued Merit program for FY11, freezing salaries.
- Increased funding OPEB liability.

### FY 2010 –11 Service Enhancements/ Reductions

- Added tournament staffing for Grand Park Baseball Complex.
- Oceanfront Boardwalk maintenance added to workload.
- Implemented \$3 parking fee for non-resident parking at the Convention Center.
- Expanded the budget for Sports Tourism.
- Expanded the budget for the promotion and hosting of Special Events.
- Reduced Library hours of operation.
- Reduced Base Recreation & Tennis Center hours of operation.
- Reduced frequency of landscaping and grounds maintenance services.
- Cut 4<sup>th</sup> of July Fireworks display.
- Reduced overtime & temporary service budgets.

## Operating Environment: Property Taxes

### 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, a 2/3 majority vote is required. For Fiscal Year 2011, a reassessment year that saw a decrease in Assessed Value due to reassessment, the City set a millage rate of 66.1 mills. The adjacent chart compares Myrtle Beach tax millage to those of nine other South Carolina cities. Myrtle Beach is the lowest of the ten cities in terms of City millage.

### South Carolina Operating Millage Rates

City	City Millage
Myrtle Beach	66.1
Charleston	79.1
North Augusta	77.2
Orangeburg	84.0
Greenville	89.9
North Charleston	92.8
Rock Hill	95.0
Spartanburg	101.0
Columbia	106.3
Anderson	122.0

### 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	North Charleston	Columbia
Median Home Price (2009)	\$191,495.00	\$142,000.00	\$109,000.00	\$235,000.00	\$149,900.00	\$134,300.00
Household Median Income (2006)	\$35,498.00	\$34,482.00	\$32,235.00	\$44,765.00	\$34,296.00	\$36,930.00
Personal Real Estate Tax Burden based on Median Price	\$481.80	\$510.63	\$440.76	\$743.54	\$556.43	\$571.04
Percent of Real Estate Tax Burden based on Income	1.36%	1.48%	1.37%	1.66%	1.62%	1.55%

Source: US census Bureau estimates and information provided by respective cities.

## 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 the majority of the other in-state communities surveyed.

City	Water	Sewer	Total
Anderson	26.77	35.49	62.26
Orangeburg	13.04	18.92	31.96
Columbia	22.55	30.32	52.87
Myrtle Beach	16.79	21.58	38.37
Rock Hill	20.36	42.22	62.58
North Augusta	16.81	31.27	48.08
Spartanburg	21.68	42.91	64.59
North Charleston	48.15	51.95	100.10
Charleston	20.39	67.68	88.07
Greenville	13.13	41.33	54.46

*Source: Myrtle Beach Budget & Evaluation Office, Survey of South Carolina Water and Sewer Systems, July 2009.*

*Source: MB Office of Budget & Evaluation, August 2010.*



## What Can You Buy for \$46.42 per Month?\*

### 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, Development Review
- ✓ Construction Services
- ✓ Municipal Court
- ✓ Various Economic Development Services
- ✓ All Municipal Legislative, Management and Support Services



Total Cost of City Services:  
**\$46.42 Per Month**

### Compare With:



One tank of gasoline to fill your family's mid-sized sedan:

**\$49.13**

*Based upon 21.0 gallon fuel capacity at \$2.89 per gallon*



One evening out with dinner for two and a movie:

**\$ 72.46**

*Based upon entrée' price of \$19.95, including two drinks, taxes & tips.*



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

**\$86.00**

*\*Based upon a typical household with a primary residence valued at \$191,500 and two cars valued at a total of \$28,000.*

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

### Household:

Based Upon a house valued at \$191,500 and two cars valued at \$28,000, a typical Myrtle Beach Household will pay the City's General Government a Total of \$556.98 this year. This includes the local tourism development fee of \$180, City Taxes of \$70.98, Stormwater Fees of \$60.00 and Solid Waste Fees of \$246.00 in support of City services.



**Your \$556.98 will buy any one of these things:**

Hats and uniforms for 8 youth baseball teams, with 15 players each.

2.5 palm trees planted on city streets and in parks.

Most of the cost of one Continuing Disclosure report required by the SEC.

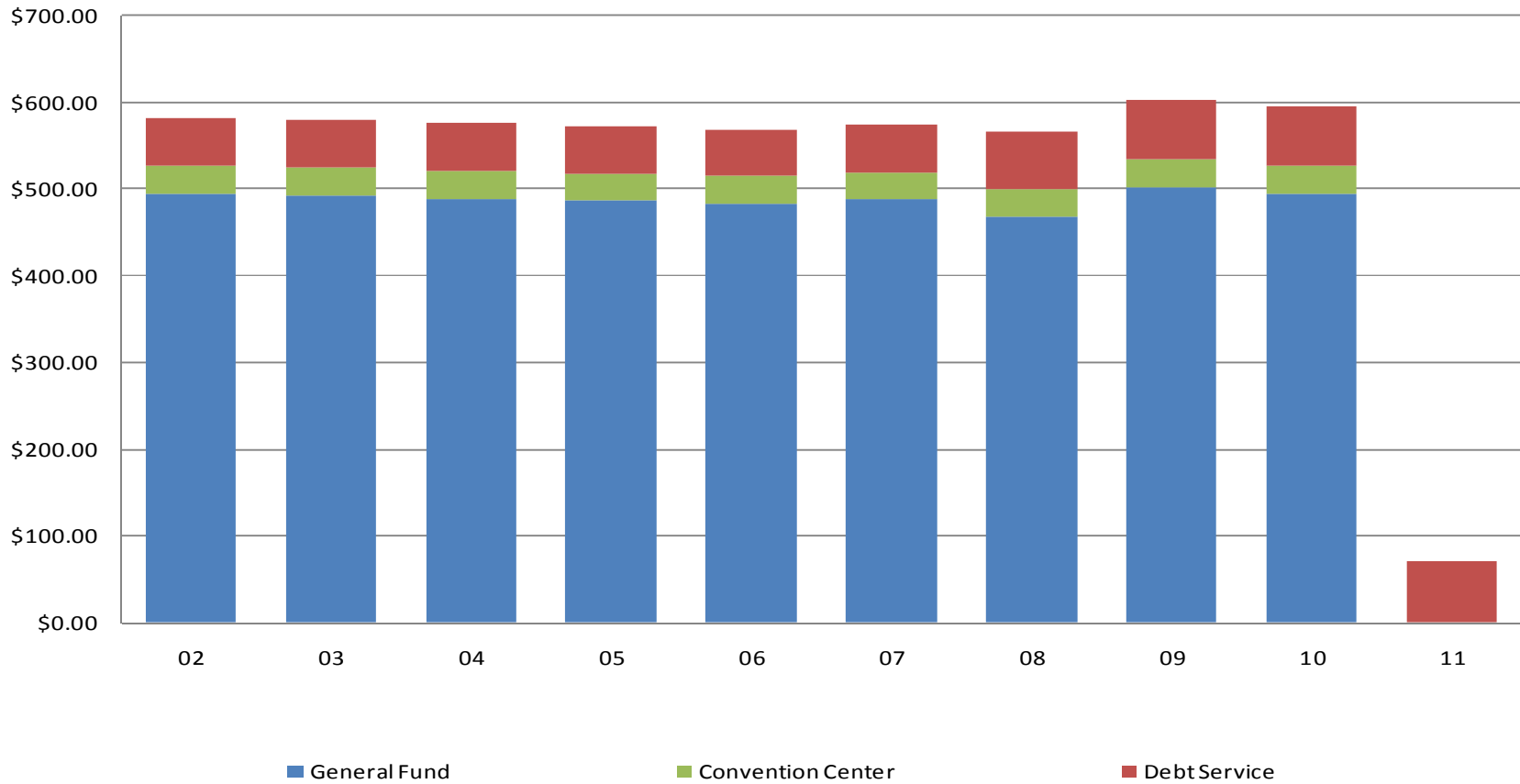
About 3 days salary and benefits for an entry-level Police Officer or Firefighter.

50 children's books or 10 reference books for Chapin Library.

91 yards of new paving, 3 street signs or 25 feet of sidewalk.

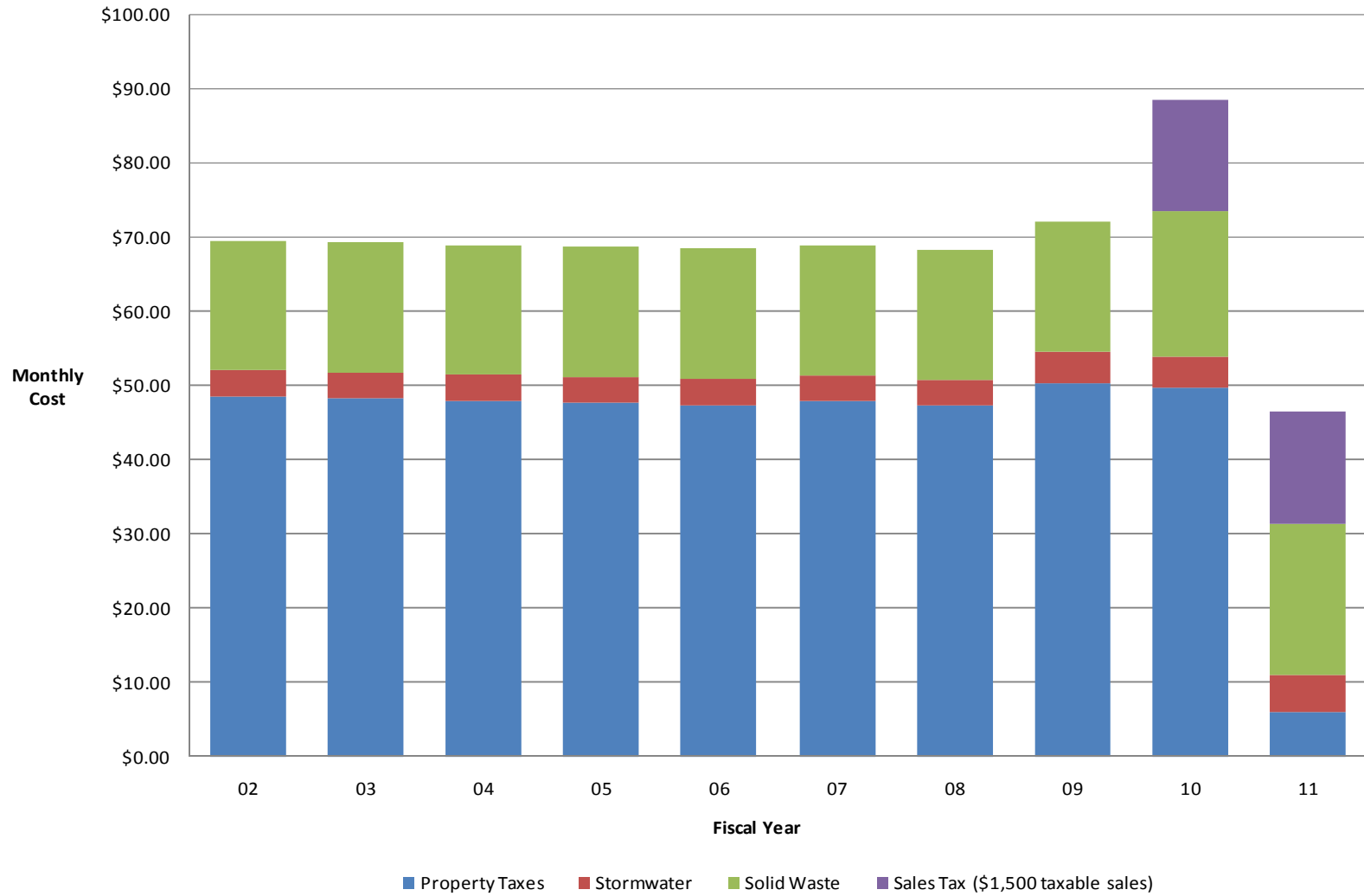
One firearm or 20 sets of handcuffs for Police Officers.

**Typical City Residential Property Taxes by Purpose of Levy, Last Ten Years**



1. The reduction in typical taxes paid from 2000 through 2005 is due to the fact that the assessment ratio for vehicles was reduced from 10.5% to 6.0% in 0.75% increments each year.  
 2. For the 2010 tax year, residential property taxes are substantially offset by a credit from the Tourism Development Fee. Residents pay debt service only.

## Typical Monthly Costs of City Services, 2002-2011



## 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 boardwalk is a traditional, raised boardwalk that meanders along the dunes leading into the central section, located next to Plyler 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.
- Dramatic transformation at the former Air Force Base with the opening of the Market Common, the renovation of Crabtree Gym and the 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.
- Preserving the natural resources by preserving ocean dunes in their natural state, and improving safety and accessibility for people of all ages and walks of life to enjoy the beaches.
- Pavilion Area Master Plan including the Public Market Plan and the Streetcar Proposal all proposed to invigorate life into the downtown area.
- The construction and opening of the world-class Coastal Federal Field, and the presence of the Single-A Myrtle Beach Pelicans, bringing professional baseball to the City.
- New roadways such as Grissom Parkway, the Carolina Bays Parkway, Pine Island Drive and 82nd Parkway extensions, 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 the Unity Village, a consolidated homeless housing, health care center 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 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:*

- ✓ Maintain 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 Budget Office updates both mathematical specifications of trends and their resulting long-term projections each year.
- Updates are informed 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**

- 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.
- 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.

### **Budget Amendments and Updates**

- Budget-to-actual reports are provided monthly. The Budget Office 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.

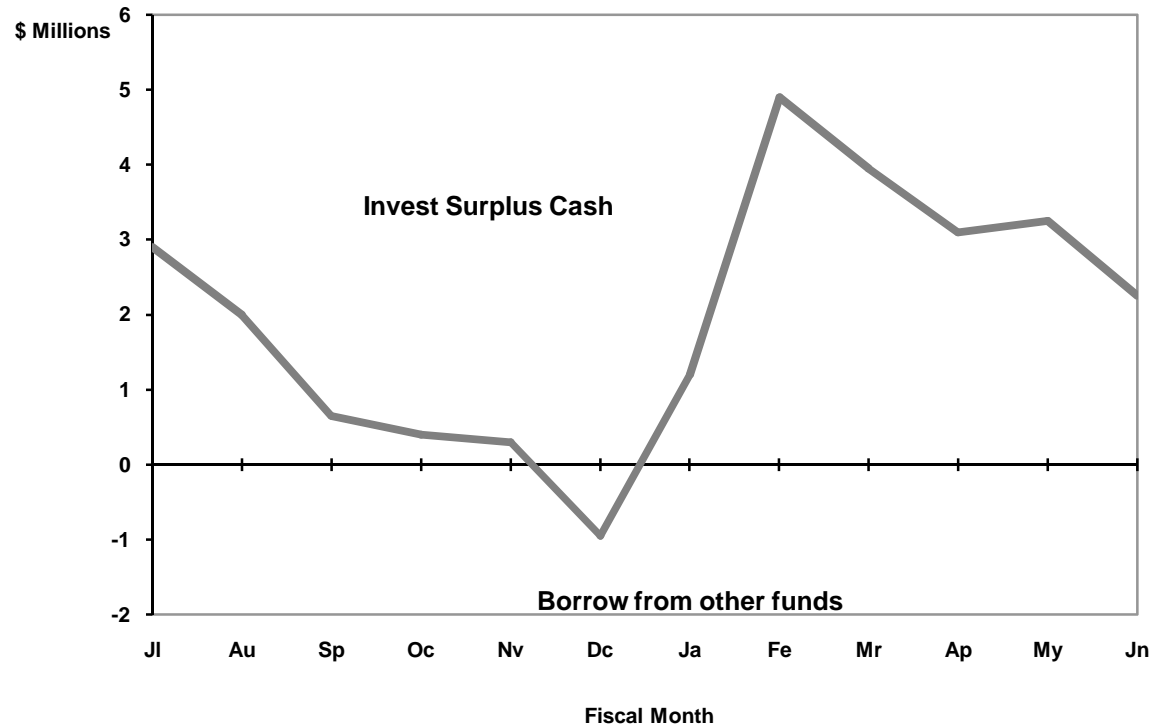
### **Working Capital**

- 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, this should normally be about 20% 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
  - maintain unreserved and undesignated fund balances in governmental funds which are sufficient to avoid interim borrowing or service interruptions under normal operating conditions.
  - 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 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 accompanying figure illustrates this policy.

## 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.

## **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 Budget Office 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.

## **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,
  - a share of the accommodations tax for beach monitoring, and
  - a 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.

### Objectives

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, Councils 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, (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 safekeep 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 these products is inconsistent with the City’s objectives for investment of working capital funds. They should *never* be used for this purpose.

The City’s financial management team are funds managers, not investors. The City’s funds can be adequately managed using more traditional products. In the interest of safety and of dealing with commonly known securities, any product more exotic than a straightforward treasury bond or note should be avoided. Any exceptions to this rule shall be authorized by City Council, as per bond ordinance.

*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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## FY 2010 – 11 Departmental Budgets

### Municipal Department Responsibilities

#### **Policy & Administration**

City Council and City Clerk  
City Manager's Office  
City Attorney & Victims Assistance Office  
Public Information Office  
Budget & Evaluation Office

#### **Human Resources Management**

Clerk of Court  
Recruitment and Employment  
Training and Developmental Activities  
Payroll Classification & Benefits Management

#### **Police Department**

Police Patrol  
Youth Programs  
Narcotics/Vice  
Animal Control

#### **Culture and Leisure Services**

Recreation Division & Facilities  
Park, Beach, Grounds & Building Maint.  
Chapin Library

#### **Whispering Pines Golf Course**

Administration and Operations  
Pro Shop & Restaurant Sales and Service

#### **Finance Department**

Finance Admin. & Accounting  
Business License & Utility Billing  
Information Systems & GIS  
Purchasing

#### **Community Development**

Planning Department  
Downtown Redevelopment  
Corporation (DRC)  
Construction Services

#### **Fire Department**

Fire Protection Services  
Emergency Medical Svc (EMS)  
Fire Prevention, Training  
& Public Education

#### **Myrtle Beach Convention Center**

Administration and Operations  
Sales and Marketing

#### **Public Works**

Transportation and Engineering  
Water & Wastewater Transmission  
Stormwater Management  
Solid Waste Collection & Disposal

## Administrative Departments

### Policy & Administration



City Manager greets employees at staff appreciation luncheon.

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

#### **2009-10 Accomplishments**

- Improved City web-site and media/public notification such as “Friday Faxes” and “Myrtle Beach Events”.
- Adopted 1% Tourism Development Fee effectively reducing property taxes for all owner occupied residents and significantly increased funds available for out-of-market advertising and tourism related infrastructure.
- Continued to manage a broad range of neighborhood initiatives, coordinating law enforcement, zoning , code enforcement and housing rehab efforts.
- Provided 4,000 in-house safety training hours and reduced claims by 34%.

#### **2010-11 Objectives**

- Continue to expand efforts to inform City residents, property owners, visitors and potential property owners of City events, policies and regulations.
- Manage the City’s Financial and Human Resources in the challenging economic climate, adjusting plans as required.
- Continue expansion of safety/ risk management programs.
- Modify Special Events process in an effort to grow the number of events.
- Continue to conduct reviews of the City’s Financial/Operational systems to improve effectiveness and safeguard the City’s Assets.
- Continue deployment of defibrillators to various City facilities.



Council Meeting at Law Enforcement Center.

<b>Policy &amp; Administration Performance Measures</b>	
<b>Measure</b>	<b>Accomplished?</b>
Give adequate public notice for hearings and council meetings.	✓
Respond to all public inquiries and freedom of information requests.	✓
Continue emergency preparedness plan.	✓
Evaluate city casualty insurance costs.	✓
Budget Document prepared in a timely manner.	✓

<b>Policy &amp; Administration Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b><i>Allocated Positions</i></b>	<b>43</b>	<b>43</b>	<b>--%</b>
Council/City Clerk	519,441	503,057	(3.2)%
City Attorney	605,121	576,981	(4.7)%
City Administration	1,100,114	1,062,440	(3.4)%
Clerk of Court	1,134,082	1,119,429	(1.3)%
Budget & Evaluation	317,228	311,731	(1.7)%
Public Information	131,929	129,799	(1.6)%
Sub-Total	<b>\$ 3,807,915</b>	<b>\$ 3,703,437</b>	<b>(2.7)%</b>
Capital Outlay	-	5,740	-
Grand Total	<b>\$ 3,807,915</b>	<b>\$ 3,709,177</b>	<b>(2.6)%</b>



Council Members volunteer at Community Assistance Center.

## Human Resource Management



Employees attend a "Snake Safety" training class.

**Mission: To facilitate the recruitment and retention of quality personnel and coordinate programs to encourage personal growth.**

### ***2009-10 Accomplishments***

- Opened Employee Medical Clinic.
- Met 85 – 95% utilization of available hours.
- Worked with benefit consultant and vendors to present comprehensive communications to employees and retirees.
- Provided 18 In-house training classes.
- Successfully selected and negotiated with benefits vendors, presented to employees and administered programs.
- Worked with School District and departments in placing high school students in Workforce Investment Act (summer work program).

### ***2010-11 Objectives***

- Implementation of Smoking Use Cessation Program.
- Present at least 6 Employee Wellness events.
- Update & distribute employee handbook.
- Utilize the experience Works Program to augment services.
- Present at least 3 additional in-house training workshops.

<b>Human Resources Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b><i>Allocated Positions</i></b>	<b>6</b>	<b>6</b>	<b>-</b>
Human Resources	729,534	726,147	(.5)%
Capital Outlay	-	-	-
Grand Total	<b>\$ 729,534</b>	<b>\$ 726,147</b>	<b>(.5)%</b>



Senior Job and Volunteer Assistance Fair.

<b>Human Resources Performance Measures</b>	
<b>Measure</b>	<b>Accomplished?</b>
Ensure that all new employees go through orientation.	✓
Update all employee manuals with current information.	✓
Advertise internal and external positions to widest possible audience.	✓
Provide extensive training courses and skill assessments for city employees.	✓
Provide benefits training and information on changes to employees.	✓

## Finance Department

**Mission: To provide accurate accounting and financial reporting for the City and to ensure efficient revenue collection and procurement.**

### 2009-10 Accomplishments

- Completed and submitted Comprehensive Annual Financial Report to GFOA.
- Partnered with Engineering Department to update center line street maps for new CAD system.
- Expanded wireless network with the installation of wireless surveillance cameras on Ocean Blvd, Greens Blvd and portions of the new Boardwalk.
- Sent 2,384 letters to city businesses, informing them of the new 1% Tourism Development Fee

### 2010-11 Objectives

- Continue to expand the network of wireless surveillance cameras on the new Boardwalk. Upgrade City-wide to Microsoft Office 2007.
- Implement new Storm Water and Solid Waste rates.
- Complete implementation of new electronic time sheet program.
- Complete installation of new CAD system.
- Complete and Submit Comprehensive Annual Financial Report to GFOA.

<b>Finance Budget Summary</b>			
	<b>2009-10</b>	<b>2010-11</b>	<b>%</b>
	<b>Budget</b>	<b>Budget</b>	<b>Change</b>
<b>Allocated Positions</b>	<b>36</b>	<b>36</b>	<b>--%</b>
Administration	524,721	504,599	(3.8)%
Fees & Licenses	295,834	332,121	12.3%
Purchasing	474,454	477,626	.7%
Information Systems	817,140	794,035	(2.8)%
Accounting	532,546	469,281	(11.9)%
Utility Billing	378,954	389,154	2.7%
Sub-Total	<b>\$ 3,023,649</b>	<b>\$ 2,966,816</b>	<b>(1.9)%</b>
Capital Outlay	-	-	-
Grand Total	<b>\$ 3,023,649</b>	<b>\$ 2,966,816</b>	<b>(1.9)%</b>

<b>Finance Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Business Licenses Issued	8,452	6,583	6,497	7,117
Utility Accounts	16,610	16,610	16,850	17,245
Hospitality Accounts Collected Monthly	911	815	960	1,005
Accounts Payable Checks Processed	14,035	13,918	14,396	15,020
Payroll Direct Deposit Vouchers & Checks Processed	24,758	24,779	26,140	27,919
Purchase Orders Processed Annually	796	765	712	621
Bids Conducted Annually	149	149	180	143
Parking Decals Issued	4,733	4,733	6,520	7,226

## Community Development

**Mission: To formulate recommended goals and objectives to provide for orderly growth and development.**

### 2009-10 Accomplishments

- Completed the update of all elements of the Comprehensive Plan.
- Coordinated preparation of the Withers Swash District Plan and continued implementation of the Canal/Nance Neighborhood Revitalization Plan.
- Prepared draft of revised zoning ordinance, continuing the effort to implement the land use plan.
- Continued replacement program for all street signs in neighborhoods.
- 19 Commercial properties cited for code violations and compliance was achieved.
- Maintained Class 5 rating allowing residents of the City a 25% discount on flood insurance annually.

### 2010-11 Objectives

- Begin aggressive implementation of comprehensive plan strategies and provide implementation plan to all departments.
- Develop Specific Plan for Neighborhoods.
- Comprehensively implement the land use plan: update land development regulations and zoning ordinance.
- Develop safe and attractive hiking trails and bike paths throughout the City.
- Support neighborhoods with appropriate facilities and services.
- Bring Unsightly and dilapidated properties into code compliance.
- Revitalize the Downtown area of Myrtle Beach.
- Maintain Class 5 rating and acquire additional points toward that

<b>Community Development Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>28</b>	<b>28</b>	<b>-</b>
Planning	646,999	644,682	(.4)%
MB Housing Authority	40,976	46,432	13.3%
Construction Services	1,561,054	1,432,780	(8.2)%
Sub-Total	<b>\$ 2,249,029</b>	<b>\$ 2,123,894</b>	<b>(5.6)%</b>
Capital Outlay	-	-	-
Grand Total	<b>\$ 2,249,029</b>	<b>\$ 2,123,894</b>	<b>(5.6)%</b>

<b>Community Development Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Planning Commission Meeting Convened	28	27	30	40
Annexations	12	14	13	13
Rezoning & Text Amendments	29	35	28	22
Encroachments	13	10	11	5
Permits Issued	4,447	3,899	2,506	2,931
Certificates of Occupancy Issued	371	495	365	146
Demolitions	71	57	27	42



## Public Safety

### Police Department

**Mission: To ensure safety, security and well being through crime prevention, education, enforcement and programs that enable an enhanced quality of life.**

#### **2009-10 Accomplishments**

- Completed partial renovation of the former MB Rescue Building, providing alternative storage for large police equipment & vehicle.
- Made extensive progress in the removal of homeless camps established illegally on public and private property, and worked with advocacy groups to provide assistance to those displaced and in need.
- Developed a Regulatory Unit to educate the community and enforce a wide range of regulations to improve the community and reduce incidents of criminal activity.
- Maintained a leadership role in the 15<sup>th</sup> Judicial Circuits Law Enforcement Network, and coordinated monthly traffic safety checkpoints countywide.
- Recognized the lowest yearly traffic fatality total (5) in the City limits since 1998.
- Recognized an 18% reduction in Part 1 Index Crimes for the calendar year 2009 over 2008.

#### **2010-11 Objectives**

- Complete Evidence Room renovation and upgrade evidence and supply system data bases to improve tracking and documentation of incoming and outgoing evidence and supplies.
- Adopt a successful FTO (Field Training Officer) program for Detention & Telecommunications personnel, incorporating formal certification and on-the-job training from certified FTO instructors and enhancing their ability to serve the community.
- Develop effective patrol strategy to police the Boardwalk without an increased level of staffing.
- Continue to reduce Part 1 Index Crime by maintaining high visibility, strong neighborhood and business watch programs, aggressive street level drug and nuisance enforcement, and an increased emphasis on the use of crime scene technology to identify and incarcerate offenders.
- Develop specific traffic enforcement priorities and initiatives that address the contributing factors that lead to collisions resulting in death and serious bodily injury, and work toward further reduction of traffic fatalities within the City.

<b>Police Services Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions*</b>	<b>275</b>	<b>276</b>	<b>.4%</b>
Administration	2,004,558	2,043,627	1.9%
Investigations	2,717,123	2,325,541	(14.4)%
Uniformed Patrol	10,722,053	10,117,742	(5.6)%
Support Services	4,238,093	3,909,108	(7.8)%
Sub-Total	<b>\$ 19,681,827</b>	<b>\$ 18,396,018</b>	<b>(6.5)%</b>
Capital Outlay	289,292	-	(100.0)%
Grand Total	<b>\$ 19,971,119</b>	<b>\$ 18,396,018</b>	<b>(7.9)%</b>

*\*Includes 8 funded Overhire Positions*

<b>Police Services Performance Measures</b>			
<b>Measure</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Traffic Fatalities	11	9	5
Traffic Accidents Investigated	3,214	2,943	2,736
Business Contacts - Crime Prevention Instruction	206	205	308
Animals Picked Up	2,092	1,663	2,071
Calls For Service	102,670	108,454	131,018
Arrest Totals (Including Tickets)	37,817	38,772	46,076
Seizures	\$ 95,917	\$ 56,171	52,047
Funeral Escorts	90	61	63
Homicides	3	2	5



Police host a "Help Us Help You" session at the Community Assistance Center.

## Fire & Emergency Services Department



**Mission: To reduce the loss of life and property within our community through an aggressive emergency response system.**

### ***2009-10 Accomplishments***

- Department received 59,723 hours of Fire, EMS and Specialty Training. Every City Business received a pre-plan inspection and all city hydrants were inspected and flowed.
- Purchased a new public education / fire department display module with 6 digital display frames and a flat panel television that will be used at all formal public education events.
- Division was awarded the State of South Carolina's "Richard S. Campbell - Award for excellence in Public Fire Education" for the second year in a row, bringing the total number of time the award has been received to 6.
- Conducted Public Fire Education Seminars and Fire Safety Classes at local schools and daycares, instructing #,539 students on the importance of fire safety and prevention.
- Instituted a department-wide web based training program, considerably reducing the need for travel between stations.

### ***2010-11 Objectives***

- Maintain current training, operational, and prevention programs required to meet ISO 1 Classification.
- Maintain the current hazardous material technician program, keeping all department personnel certified
- Continue with an aggressive campaign to inspect all businesses within the City of Myrtle Beach every 24 months.
- Continue to maintain and analyze response data for Fire Station #7 coverage area (near Coastal Grand Mall) to determine proper timing for construction.
- Monitor and analyze each firefighter's fitness capabilities through the use of interdepartmental programs.
- Develop specifications to replace existing heavy rescue and one aerial apparatus.



Myrtle Beach firefighters take a water survivability class at Canal Street Recreation Center.

<b>Fire Services Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions*</b>	<b>157</b>	<b>157</b>	<b>0.0%</b>
Administration	547,899	549,874	.4%
Emergency Services	10,246,332	9,923,401	(3.2)%
Technical Services	737,591	721,628	(2.2)%
Sub-Total	<b>\$ 11,531,822</b>	<b>\$ 11,194,903</b>	<b>(2.9)%</b>
Capital Outlay	-	-	-
Grand Total	<b>\$ 11,531,822</b>	<b>\$ 11,194,903</b>	<b>(2.9)%</b>
<i>*Includes 3 Unfunded Over hire Positions</i>			

<b>Fire Services Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Fire Calls / Company	367.90	364.30	314.45	301.36
EMS Calls / Company	581.67	592.75	533.62	515.23
Mean Response Time for Fire Calls (in minutes)	3.64	3.71	4.03	4.07
Mean Response Time for EMS Calls (in minutes)	3.54	3.73	3.77	3.91
Fire Code Inspections Conducted	4,625	4,312	4,473	4,354
Code Violations Discovered Through Inspection	5,451	4,198	4,110	4,156
Code Violations Brought Into Compliance Within 30 Days	3,360	2,687	2,764	2,863
% Code Violations Brought Into Compliance Within 30 Days	61.64%	64.01%	67.25%	68.89%

## Culture & Leisure Services



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

### **2009-10 Accomplishments**

- Won the SCRPA Athletics Program Branch – Athletic Agency of the Year Award.
- Completed Phase I of the Grand Park Multi-Use Athletic Complex.
- Hosted “Choose to Lose” nutrition, exercise and weight loss program for 300 participants from January through March.
- Facilitated 4,282 tournaments and field rental games, 250 YMCA soccer games, 6 Pro football games, 96 high school games, 1,086 adult sports program games and 1,051 youth sports league games at City ball fields and recreation centers.
- Provided story times for 4 different age groups for both the public and for 5-6 different pre-schools on a monthly basis.
- Introduced reading dog therapy to the community through the reading buddy program.

### **2010-11 Objectives**

- Strengthen safety and security by teaching 2000 participants to swim or save lives by offering American Red Cross swimming lessons and First Aid and CPR classes.
- Strengthen Community image and sense of place for children, families and seniors by providing clean, safe, modern programs and well maintained recreational facilities.
- Assist in the planning and implementation of Memorial Day Military Celebration.
- Provide Community opportunities for fun and celebration.
- Promote health and wellness by offering innovative fitness, nutrition and healthy choices classes.
- Add learning lab at the Library, for staff and the public, with 4 iMacs and 1 instructor iMac.

<b>Culture &amp; Leisure Services Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>113</b>	<b>111</b>	<b>(0.9)%</b>
Administration	493,296	455,438	(7.7)%
MB Colored School	22,438	23,793	6.0%
Historic Train Depot	29,731	34,963	17.6%
Myrtle's Market	15,604	-	(100.0)%
Sports Tourism	64,067	230,968	260.5%
Special Events	-	106,582	106.6%
Recreation	4,824,589	4,538,784	(5.9)%
ROW & Beach Maint.	1,848,668	1,694,958	(8.3)%
Litter Control	515,235	504,449	(2.1)%
Grounds Maintenance	1,553,418	1,527,725	(1.6)%
Building Maintenance	552,595	553,831	.2%
Cemetery	234,410	189,667	(19.1)%
Chapin Library	1,247,718	1,067,205	(14.5)%
Sub-Total	<b>\$ 11,401,769</b>	<b>\$ 10,928,363</b>	<b>(4.1)%</b>
Capital Outlay	38,000	12,840	(66.2)%
Grand Total	<b>\$ 11,439,769</b>	<b>\$ 10,941,203</b>	<b>(4.4)%</b>



The City opened its second pet park, Barc Parc North. The park is a 3.3 acre fenced property where dogs may run off-leash.



<b>Culture &amp; Leisure Services Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Participation in Youth Sports	2,363	2,937	2,630	2,509
Number of City Parks Maintained	48	48	49	49
Recreation Facility Memberships Sold	3,392	3,089	4,493	5,130
Library Memberships	30,177	29,706	24,882	27,882
Library Summer Reading Participation	1,476	1,942	1,806	1,865
Miles of Right-Of-Way Maintained	87	89	89	89
Number of City Trees Maintained	25,200	25,500	25,500	26,300
Miles of Beaches Cleaned	9.25	9.25	9.25	9.25
Miles of Median Strips	38	40	40	43

## Whispering Pines Golf Course



**Mission: To provide superior availability for golf clientele on a quality golf course with excellent customer service.**

### ***2009-10 Accomplishments***

- Enlarged the practice area in order to accommodate the increase in first tee youth participants and the general public.
- Completed renovation project on holes 2, 6, 10 and 12, improving the playability of those holes.
- Planted low maintenance flowers and grasses around the clubhouse and on the golf course.
- Relocated irrigation heads in order to allow water to be directed to areas that were not being reached before. This improved the playing surface conditions and allowed for more efficient irrigation of the course.

### ***2010-11 Objectives***

- Remain self-supporting.
- Enhance and protect the golf course's beauty and serenity.
- Foster social and physical development.
- Promote golf tourism in Myrtle Beach.
- Renovate hole #17.
- Add mounding to fairways on holes 5, 7 and 18.
- Reshape and re-work bunkers on 9, 16 and 18 in order to make them more playable and reduce the time needed to maintain them.

<b>Golf Course Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>15</b>	<b>15</b>	<b>-</b>
Maintenance	776,296	757,424	(2.4)%
Pro Shop & Operation	720,015	776,719	7.9%
Restaurant	139,855	137,439	(1.7)%
Sub-Total	<b>\$ 1,636,166</b>	<b>\$ 1,671,582</b>	<b>2.2%</b>
Capital Outlay	-	-	-
Grand Total	<b>\$ 1,636,166</b>	<b>\$ 1,671,582</b>	<b>2.2%</b>



<b>Golf Course Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Local Rounds Played	23,730	23,515	21,475	15,410
Non-Local Rounds Played	22,891	22,121	18,764	17,579
Total Rounds:	46,621	45,636	40,239	32,989
% Local Rounds	50.1	51.5	53.3	46.7
% Non-Local Rounds	49.9	48.5	46.7	53.3



## BB&T Coastal Field



**Mission: To see that the facility is used appropriately and kept in excellent condition.**

### 2009-10 Accomplishments

- Maintained playing surfaces, buildings and landscaping around facility.
- Partnered with Pelicans to increase attendance at baseball games.
- Hosted 4 Coastal Carolina Baseball games/clinics/tournaments.
- Hosted Carolina-California League All-Star Game.
- Hosted NCAA Regional & Super Regional Tournaments.
- Utilized stadium in a multi-purpose manner, hosting special events and promoting the facility.

### 2010-11 Objectives

- Strengthen a community landmark and sense of place by assisting the Pelicans with facility renovations.
- Continue to provide recreational experiences through special events, concerts and other promotions.
- Promote economic development through hosting sports tourism events.

<b>Stadium Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>1</b>	<b>1</b>	<b>-</b>
Stadium Maintenance	322,848	360,320	11.6%
Capital Outlay	-	-	-
<b>Grand Total</b>	<b>\$ 322,848</b>	<b>\$ 360,320</b>	<b>11.6%</b>

<b>Stadium Performance Measures</b>				
<b>Measure</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Baseball Games Played	121	128	130	136
Other Stadium Events	7	12	10	13

## Public Works Departments & Divisions

**Mission: To direct the operation of Public Works programs and to coordinate the implementation of the Capital Improvements Plan.**

### 2009-10 Accomplishments

- Managed and designed 61 projects including utilities, storm drains, bike paths, intersections, dune walkovers, etc.
- Quality Control/Inspected 1,066 projects – commercial and residential, medium sized and small projects.
- Initiated project for mapping accident location information.
- Resurfaced existing streets based upon prioritization and budget appropriations.
- Assisted Traffic Engineering with Sign Inventory Program.
- Created Map Layer for Way Finding Sign Program.

### 2010-11 Objectives

- Manage, administer, value engineer and inspect CIP projects.
- Complete the Way Finding, traffic accident and intersection signalization analysis program.
- Install handicap ramps along Ocean Boulevard for new pedestrian crosswalks.
- Resurface 35,000 square yards of City Streets.
- Maintain City Fleet of 656 vehicles.

<b>Public Works Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>28</b>	<b>28</b>	<b>-</b>
Administration	686,057	694,494	1.2%
Engineering	811,278	738,457	(9.0)%
Street Maintenance	930,673	912,957	(1.9)%
Traffic Engineering	1,846,270	1,980,296	7.3%
Sub-Total	<b>\$ 4,274,278</b>	<b>\$ 4,326,204</b>	<b>1.2%</b>
Capital Outlay	----	---	(100.0)%
Grand Total	<b>\$ 4,274,278</b>	<b>\$ 4,326,204</b>	<b>1.2%</b>

<b>Public Works Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Road Resurfacing	40,000	50,330	38,700	32,400
Asphalt Repairs ( tons)	320	345	315	355
Sidewalk/Curd Repairs ( feet)	2,500	2,800	3,762	4,473
Plan Reviews	n/a	1,069	802	745
Vehicle Performance Maintenance Services	775	612	815	885
Vehicle Work Orders Processed	3,441	3,169	3,233	3,279

## Waterworks & Sewer Enterprise Fund

**Mission: To deliver potable water to customers and ensure quality availability of fire flows, while exceeding mandated quality standards.**

### 2009-10 Accomplishments

- Maintained a chlorine residual of 1.0 parts per million (PPM) or higher throughout the distribution system.
- Maintained turbidity levels of 1.0 or lower throughout the distribution system.
- Complied with all State and Federal training and environmental requirements.
- Implemented Zero-consumption program. 4,365 accounts were and \$176,554 was collected.
- Developed a hydrant refurbishment program.
- Completed Phase I of Forcemain replacement project.
- Built 6 pump station control cabinets.

### 2010-11 Objectives

- Continue to maintain a chlorine residual of 1.0 parts per million (PPM) or higher throughout the distribution system.
- Continue to maintain turbidity levels of 1.0 or lower throughout the distribution system.
- Continue Replacement of smaller diameter lines with larger lines for better volume and fire protection.
- Continue to update & verify changes to the distribution map.
- Complete Phase II of forcemain replacement project(5,280 linear feet of 36" line).
- Rebuild 6 pump station control cabinets in-house.

<b>Water &amp; Sewer Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>56</b>	<b>56</b>	<b>-</b>
Administration	5,204,506	5,214,506	.2%
Water System	8,969,987	8,768,664	(2.2)%
Sewer System	8,768,705	8,004,995	(8.7)%
Construction Division	741,356	703,796	(5.1)%
<b>Grand Total</b>	<b>\$ 23,684,554</b>	<b>\$ 22,691, 961</b>	<b>(4.2)%</b>





<b>Water &amp; Sewer Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
New Water Meters Installed	708	552	210	161
Water Lines Installed (linear ft.)	40,207	46,729	35,358	14,795
Water Valves Installed	512	200	275	53
Fire Hydrants Maintained	2,027	2,348	2,416	2,446
Water Service Calls Completed	1,297	1,870	1,707	1,839
"Zero" Consumption Corrected	137	128	239	310
Sewer Service Calls	253	209	243	251
Sewer Lines Cleaned (feet)	491,064	513,551	521,449	537,704
Sewer Lines Checked by Camera (feet)	165,596	285,423	254,434	282,866

### ***2009-10 Accomplishments***

- Continued reductions in overtime expense through the utilization of a special Alert Crew for after hours service.
- Increased residential recycling through the distribution of Recycle Bins/Rollout Carts.
- Rebuilt one of the packing units at the Transfer Station, adding 4 – 6 years useful life.
- Incurred no State or Federal fine assessments or SC Department of Transportation (SCDOT) weight violations.

### ***2010-11 Objectives***

- Continue to minimize overtime costs by utilizing the Alert Crew after hours.
- Coordinate safety and maintenance inspections of the Transfer Station to assure OSHA/DHEC requirements are met.
- Respond to all internal/external customer service requests in a timely manner.
- Continue to improvements to the facility.

## Solid Waste Management

**Mission: To contribute to a safe and healthy living environment by providing quality services and promoting recycling.**

<b>Solid Waste Management Services Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>30</b>	<b>30</b>	<b>0.0%</b>
Administration	734,004	721,495	(1.7)%
Residential	1,016,609	970,009	(4.6)%
Special Services	408,491	398,372	(2.5)%
Commercial	502,440	546,741	8.8%
Refuse Hauling	1,300,679	1,229,263	(5.5)%
Special Litter Crew	122,977	111,929	(9.0)%
Sub-Total	<b>\$ 4,085,200</b>	<b>\$ 3,977,809</b>	<b>(2.6)%</b>
Capital Outlay	-	-	-
Grand Total	<b>\$ 4,085,200</b>	<b>\$ 3,977,809</b>	<b>(2.6)%</b>

<b>Solid Waste Management Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Tonnage of Garbage	21,267	20,706	19,870	19,722
Tonnage of Recyclables	705	645	859	1,056
Tonnage of Yard Waste	4,468	4,064	4,954	4,940
Tonnage of Bulk Waste	2,789	2,517	2,391	2,145
Tonnage Hauled to Landfill	28,217	27,341	27,664	27,414

## Stormwater Management

**Mission: To provide an increased level of service to reduce the threat of property damage and other loss during flooding events.**

### 2009-10 Accomplishments

- Cleaned and cut over 26 miles of ditch and pond banks on a routine basis.
- Sponsored internal and external stormwater educational training events.
- Created an aggressive post construction program for commercial properties.
- Performed routine maintenance of stormwater infrastructure.
- Installed new drainage system for Pinewood Road.

### 2010-11 Objectives

- Administer routine maintenance program for public drainage facilities, as well as post construction management and illicit discharge elimination programs to state and federal standards.
- Create new MS4 stormwater permit in conjunction with SCDHEC.
- Install neighborhood drainage systems to further control stormwater runoff.
- Schedule internal training programs for City employees directly and indirectly involved with stormwater runoff.

<b>Stormwater Management Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>16</b>	<b>16</b>	<b>0.0%</b>
Stormwater Maintenance	1,882,927	1,895,640	.68%
Capital Outlay	--	--	0.0%
Grand Total	<b>\$ 1,882,927</b>	<b>\$ 1,895,640</b>	<b>.68%</b>

<b>Stormwater Management Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Catch Basins Repaired	51	59	27	37
Storm Drains Cleaned (feet)	70,280	121,879	61,300	269,292
Ditches/Canals Maintained	60,464	131,135	260,440	457,303
Miles of Streets Swept	3,321	10,682	14,066	15,259

## Victims Advocate

**Mission: To ensure that all victims and witnesses of crime are treated with dignity, respect, courtesy and sensitivity.**

### 2009-10 Accomplishments

- Notified 2,828 Victims of all 2009 proceedings.
- Provided Service to victims using City vans to transport to and from court, safe shelters, medical appointments and bus stations.
- Filed 45 applications with the State Office of Victim Assistance on behalf of victims.
- Mailed out 3,049 Victim letters pertaining to their cases.

### 2010-11 Objectives

- Certify 3 Victim Advocates as Service Providers as required by the State Office of Victim Assistance.
- Provide discovery information to the Assistant City Attorney office for pending jury trials and Pre-trial Conferences.
- Maintain a statistical reporting system involving services provided to victims.
- Maintain a contact log of agencies and services for the Victim Advocate office.

<b>Victims Advocate Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>4</b>	<b>4</b>	<b>0.0%</b>
Victims Advocate	342,218	316,891	(7.4)%
Capital Outlay	-	-	-
Grand Total	<b>\$ 342,218</b>	<b>\$ 316,891</b>	<b>(7.4)%</b>

<b>Victims Advocate Performance Measures</b>				
<b>Measures</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Number of Cases Opened	4,239	3,330	3,049	3,175
Bond Hearings Attended	1,070	839	864	988
Number of Bench Trials Attended	343	375	380	470
Number of Jury Trial Attended	103	96	77	122

## Myrtle Beach Convention Center



**Mission: To create economic benefits for the community by providing a clean, safe facility with a professional, friendly staff.**

### ***2009-10 Accomplishments***

- Licensed future events that should produce approximately 183,750 hotel room reservations for future years.
- Renegotiated with events struggling with economic conditions to avoid losing events.
- Maintained strong partnership with Interstate Hotels Group as operators of the Sheraton Myrtle Beach and the Sheraton/Starwood Brand, with measured success for both entities.
- Replaced carpeting throughout the center, and refurbished all concession stands. Also completed a new staircase to accommodate foot traffic between meeting rooms and installed automatic doors between the kitchen, public space, and exhibit halls.
- Brought concession service “in-house”, creating “All Sports Concession Foodservice Group” and increasing sales 25% over previous year.

### ***2010-11 Objectives***

- License events that will use between 150,000 and 175,000 hotel room reservations to be realized in all future years.
- Add three new Citywide conventions to future events calendar.
- Work diligently with Myrtle Beach Performing Arts Committee to insure the creation of a Performing Arts Center that will function cohesively along side the Convention Center.
- Replace Convention Center HVAC, carpeting in public areas, and perform necessary maintenance on mechanical operations.
- Maintain 65% or higher annual occupancy.



<b>Convention Center Budget Summary</b>			
	<b>2009-10 Budget</b>	<b>2010-11 Budget</b>	<b>% Change</b>
<b>Allocated Positions</b>	<b>32</b>	<b>32</b>	<b>-</b>
Administration	970,726	970,512	0.0%
Convention Services	-	45,798	-
Sales & Marketing	1,226,581	1,202,418	(2.0)%
Operations	2,134,650	2,355,907	10.3%
Sub-Total	<b>\$ 4,331,957</b>	<b>\$ 4,574,635</b>	<b>(5.6)%</b>
Capital Outlay	-	-	-
Grand Total	<b>\$ 4,331,957</b>	<b>\$ 4,574,635</b>	<b>(5.6)%</b>



<b>Convention Center Performance Measures</b>				
<b>Measure</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Number of Events	155	173	152	146
Room-Nights generated	186,135	189,420	179,050	168,500
Total Attendance	546,250	542,300	521,350	518,500
% Occupancy Of the Convention Center	67%	67%	64%	64%

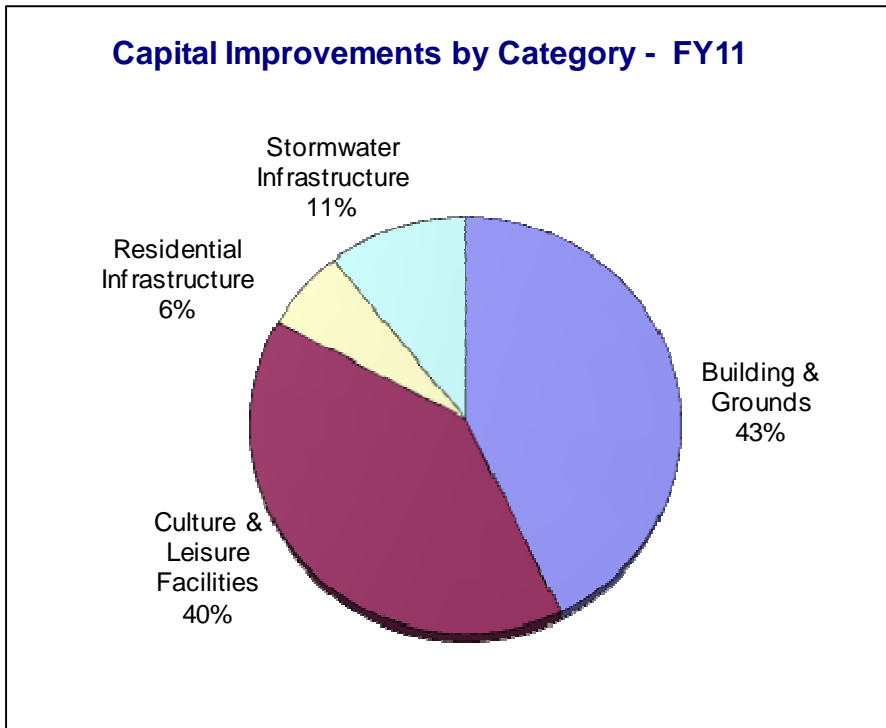


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## **Capital Projects and 2011-15 Capital Improvements Plan**

## FY 2011-2015 General Capital Improvement Plan



### *What is a Capital Improvement Plan?*

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.

### *What is a Capital Improvement Project?*

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.

## Capital Improvement Schedule

### General Capital Improvement Plan By Funding Source

Major Funding Source	2010-11	2011-2012	2012-2013	2013-2014	2014-2015	TOTAL
Hospitality	\$ -	\$ 800,000	\$ 800,000	\$ 800,000	\$ 1,300,000	\$ 3,700,000
General	1,404,500	1,075,000	1,050,000	900,000	1,050,000	5,479,500
Debt	-	-	-	1,500,000	1,575,000	3,075,000
<b>Total</b>	<b>\$ 1,404,500</b>	<b>\$ 1,875,000</b>	<b>\$ 1,850,000</b>	<b>\$ 3,200,000</b>	<b>\$ 3,925,000</b>	<b>\$ 12,254,500</b>

### General Capital Improvement Plan By Funding Category

Category	2010-11	2011-2012	2012-2013	2014-2015	2014-2015	TOTAL
Building & Grounds	\$ 599,000	\$ 526,000	\$ 538,000	\$ 1,931,000	\$ 1,360,000	\$ 5,500,000
Culture & Leisure Facilities	555,500	480,000	370,000	370,000	510,000	2,285,500
Residential Infrastructure	90,000	234,000	234,000	234,000	234,000	1,026,000
Transportation System Infrastructure	10,000	285,000	315,000	215,000	925,000	1,750,000
Stromwater Infrastructure	150,000	-	43,000	-	-	193,000
Underground Utility Conversion	-	350,000	350,000	450,000	350,000	1,500,000
<b>Total</b>	<b>\$ 1,404,500</b>	<b>\$ 1,875,000</b>	<b>\$ 1,850,000</b>	<b>\$ 3,200,000</b>	<b>\$ 4,360,000</b>	<b>\$ 12,254,500</b>

## General Capital Projects

The City's 2011-2015 General Capital Improvements Plan includes \$1.4 million in FY2011 appropriations and \$12.3 million of outlays over the five-year planning period. It addresses major comprehensive plan elements by providing \$193,000 for storm water work, \$1.75 million for transportation system infrastructure, \$1 million for residential infrastructure improvements, \$1.5 million for underground utilities, \$2.3 million for the improvement of Cultural and Leisure Services facilities, and also applies \$5.5 million toward the construction and maintenance of the City's general capital infrastructure over the coming five years.

## 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>1</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

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<sup>1</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.

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, a source generated by the collection of a 1% Hospitality Fee levied within the limits of the City and designated for a narrow range of specific uses. Money from this source is used to fund projects that generally support the community's tourism infrastructure and that may have shorter lives.

***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.

In the project descriptions that follow, the designation PG indicates a Pay-as-You-Go project; L/P is a Lease/Purchase Obligation, usually short-term (3-5 years in duration); LTO indicates one financed by the issuance of long term debt or other long-term obligations.

### **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:

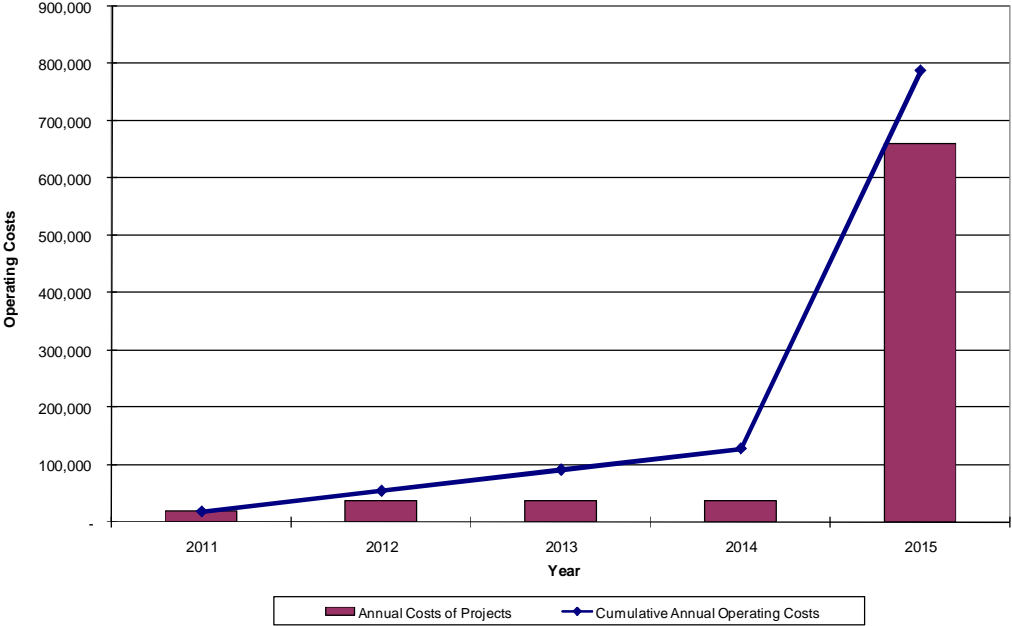
The renovation and subsequent occupation of the former MB Rescue Squad building will generate increased utility costs of approximately \$6,000 annually and other janitorial and maintenance costs of \$1,300 for a total annual operating cost increase of \$7,300.

Operating costs associated with transportation projects included in the five-year plan will be approximately \$15,000 per year and include street sweeping landscaping and general maintenance.

The approximate annual cost of maintenance associated with a new sidewalk is \$1.15 per foot. Approximately 8,000 feet of new sidewalks will be added to system infrastructure increasing operating cost by an estimated \$9,200 per year.

Projects completed during the 2011 Fiscal Year will result in a negligible 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 \$790,000, or the equivalent of approximately 2.3 mills on the City's property tax rate in the absence of other revenue growth.

Projected Operating Costs of Capital Improvements Sceduled for 2011-15



\* FY2015 Operating Cost include the \$60,000 one time purchase of a new Fire Vehicle.



## **Project Highlights (FY 11 - FY15)**

### **Building & Grounds**

The Building & Grounds category consist 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 projects proposed in the current five-year capital improvements plan include replacement of the Law Enforcement Center (LEC) roof and renovation of the former Myrtle Beach Rescue Squad building to provide additional bulk storage space and house the Waterfront/Special Operations, Bike Patrol and Patrol Shift Operations units. Funds are also identified in the plan for renewal and replacements at the Myrtle Beach Convention Center and additions to or replacements of other existing public improvements and infrastructure. The construction of Fire Station #7 (Harrelson Blvd.) at 17<sup>th</sup> Avenue South and the replacement of the Solid Waste Transfer Station are the largest building projects included in the plan with a combined cost of just over \$3 million.

### **Culture & Leisure Facilities**

Culture & Leisure Facilities projects include major maintenance, repair and replacement of Culture & Leisure buildings and facilities; park site acquisition and development. Culture & Leisure buildings and facilities may include gymnasiums, recreation centers, stadiums, ball fields, performing arts and cultural venues, etc.

The majority of projects identified and funded in the plan consist of installation of a rubber “poured in place” surfaces on the City’s playgrounds and improvements and maintenance of recreation and park facilities throughout the City. Projects involve re-sealing and re-striping parking lots, resurfacing tennis courts, basketball courts and hockey courts, replacing damaged play equipment, and maintaining beach signage and dune walkovers. The largest facility maintenance projects in the plan are pool deck resurfacing at the Canal Street and Pepper Geddings facilities and replacement of a section of the roof and renovation of the pool area locker rooms at the Canal Street facility.

### **Residential Infrastructure**

The Residential Infrastructure category addresses projects undertaken for the enhancement of neighborhoods, which may include sidewalk, curb and guttering, infrastructure restoration, signage, etc. Residential projects typically involve the repair, replacement and installation of infrastructure improvements to driveways, parking surfaces, streetscape, sidewalks, walkways and walkovers. The plan also includes funding for the Neighborhood Improvement Plan, which provides for signage and other projects identified in the WIN (Working to Improve Neighborhoods) process.

**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. The creations of a new Traffic Model and a Pedestrian Master Plan are specifically contemplated in the current 5-year plan. The largest maintenance project included involves the milling and resurfacing of the 9.4 miles of City owned roadway along Ocean Blvd. The largest roadway improvement project planned is the widening of 29th Ave. North from three-lanes to five-lanes between Grissom Parkway and Oak St. and from two-lanes to three-lanes from Oak St. to Kings Hwy. This plan provides funding for the 1<sup>st</sup> year of the project at \$435,000, however total project cost will be exceed \$1 million.

**Stormwater Infrastructure**

Stormwater Infrastructure projects address stormwater flood control system maintenance and construction, ocean outfall projects and drainage basin improvements. Stormwater improvements to Poinsett Rd. and dredging at Sancindy Lake.

**Underground Utility Conversion**

Underground Utility Conversion consists of the removal of utility poles and the burial of utility lines, including the streetscape, curb and gutter enhancements associated with each project.

**2011 - 2015 Capital Improvement Plan Revenue Sources**

<b>Revenue Source</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Delinquent Ad Valorem Taxes	\$ 480,000	\$ 485,000	\$ 485,000	\$ 485,000	\$ 485,000	\$ 2,420,000
Building Permit Fees	100,000	100,000	100,000	100,000	100,000	500,000
Hospitality Fee	-	800,000	800,000	800,000	1,300,000	3,700,000
Sunday Liquor Sale Revenue	450,000	300,000	450,000	300,000	450,000	1,950,000
Other State-Shared Revenue	175,000	175,000				350,000
General Obligation Bonds	-	-	-	1,500,000	1,575,000	3,075,000
Private Participation	15,000	15,000	15,000	15,000	15,000	75,000
Fund Balance	184,500	-	-	-	-	184,500
<b>Total Revenue Sources</b>	<b>\$ 1,404,500</b>	<b>\$ 1,875,000</b>	<b>\$ 1,850,000</b>	<b>\$ 3,200,000</b>	<b>\$ 3,925,000</b>	<b>\$ 12,254,500</b>

## 2011 - 2015 Capital Improvement Plan by Category

<b>Buildings &amp; Grounds</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Replace LEC Roof, 1101 Oak Street	75,000	-	-	-	-	\$ 75,000
Renovation-Rescue Bldg: Parking/Office/Storage Space	105,000	165,000	-	-	-	270,000
Public Facility Infrastructure	-	-	145,500	148,500	41,000	335,000
Convention Center Renewal and Replacement Account	419,000	361,000	392,500	282,500	290,000	1,745,000
Solid Waste Transfer Station	-	-	-	1,500,000	-	1,500,000
Fire Station #7 - Harrelson Blvd.	-	-	-	-	1,575,000	1,575,000
<b>Total Buildings &amp; Grounds</b>	<b>\$ 599,000</b>	<b>\$ 526,000</b>	<b>\$ 538,000</b>	<b>\$ 1,931,000</b>	<b>\$ 1,906,000</b>	<b>\$ 5,500,000</b>
<b>Culture &amp; Leisure Facilities</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Playground Improvements	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 240,000
Parks & Recreation Infrastructure	100,000	100,000	100,000	100,000	100,000	500,000
Pepper Geddings Play Courts	50,000	-	-	-	-	50,000
Canal Street Gymnasium Roof Replacement	100,000	-	-	-	-	100,000
Pepper Geddings - Junior Gym Improvements	-	70,000	-	-	-	70,000
Field Maintenance Storage Building	30,000	-	-	-	-	30,000
Pepper Geddings/Canal Street Pool Decks	135,000	-	-	-	-	135,000
Art Museum Painting	35,000	-	-	-	-	35,000
Doug Shaw Sidewalk	20,000	-	-	-	-	20,000
Doug Shaw Stadium Renovations	45,000	-	-	-	-	45,000
Beach Regulation Signs	40,500	-	-	-	-	40,500
Welcome Sign Replacement	-	-	60,000	60,000	-	120,000
Canal Street Pool Locker Room Renovation	-	-	-	-	200,000	200,000

Walkover Renovations	-	250,000	150,000	150,000	150,000	700,000
Total Culture & Leisure Facilities	\$ 555,500	\$ 480,000	\$ 370,000	\$ 370,000	\$ 510,000	\$ 2,285,500
<b>Residential Infrastructure</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Street Ends	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
Sidewalk Improvement Program	50,000	200,000	200,000	200,000	200,000	850,000
WIN- Neighborhood Plan Implementation	20,000	14,000	14,000	14,000	14,000	76,000
Total Residential Infrastructure	\$ 90,000	\$ 234,000	\$ 234,000	\$ 234,000	\$ 234,000	\$ 1,026,000
<b>Transportation System Infrastructure</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Pedestrian Master Plan	\$ -	\$ -	\$ -	\$ -	\$ 110,000	\$ 110,000
Master Street Tree Planting	10,000	10,000	15,000	15,000	15,000	65,000
Traffic Model	-	-	100,000	-	-	100,000
Ocean Blvd. Milling & Resurfacing	-	200,000	200,000	200,000	200,000	800,000
3rd Avenue Mastarms	-	75,000	-	-	-	75,000
29 <sup>th</sup> Ave. Lane Widening & Streetscape	-	-	-	-	600,000	600,000
Total Transportation System Infrastructure	\$ 10,000	\$ 285,000	\$ 315,000	\$ 215,000	\$ 925,000	\$ 1,750,000
<b>Stormwater Infrastructure</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Poinsett Rd, Kings to Springs Drainage	\$ -	\$ -	\$ 43,000	\$ -	\$ -	\$ 43,000
Sancindy Dredging	150,000	-	-	-	-	150,000
Total Stormwater Infrastructure	\$ 150,000	\$ -	\$ 43,000	\$ -	\$ -	\$ 193,000
<b>Underground Utility Conversion</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Conversion/Streetscape/Curb/Gutter	\$ -	\$ 350,000	\$ 350,000	\$ 450,000	\$ 350,000	\$ 1,500,000
<b>Total Projects</b>	<b>\$ 1,404,500</b>	<b>\$ 1,875,000</b>	<b>\$ 1,850,000</b>	<b>\$ 3,200,000</b>	<b>\$ 3,925,000</b>	<b>\$ 12,254,500</b>

## **FY 2011-2015 Downtown 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 2011-2015 Downtown Redevelopment Capital Improvements Plan includes \$2.9 million in capital outlays over the five-year planning period.

### **Financing Mix**

Financing for Downtown Redevelopment projects will consist of both (a) 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 Hospitality Fees, Stormwater Fees, Water and Sewer Fees, PUD (Planned Unit Development) Fees, Franchise Fees, MID (Municipal Improvement District) contributions, and grant revenues. **Pay-as-You-Use** funding will consist of Tax Increment Revenue Bonds and a State Revolving Fund Loan. This retirement of the debt may be supported by the tax revenues generated within the Tax Increment Financing District.

### **Highlights for the Five Year Downtown Redevelopment Capital Improvements Plan (FY 11 - FY15)**

At present, only one project is included in the 5-year plan for the Downtown area, the 3rd Avenue South Gateway project. This DRC District south gateway will improve pedestrian and vehicular access to the Family Kingdom area with utility and streetscape improvements similar to the Mr. Joe White Gateway. The 3rd Ave. S. Gateway will link up and be coordinated with the SCDOT improvements from Kings Highway to 501 providing another improved vehicular access route to the oceanfront areas of Downtown Myrtle Beach.

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

The improvement to 3rd Avenue South require only a nominal increase in maintenance and utility costs since the roadway is already lighted and in operation.

<b>Downtown Projects 2010-11 through 2014-15</b>						
<b>Financing Sources</b>	<b>2010-11</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>TOTAL</b>
Tax Increment Revenue Bonds	-	-	-	-	2,902,200	2,902,200
<b>Total Financing Sources</b>	-	-	-	-	2,902,200	2,902,200
<b>Project Total</b>	<b>2010-11</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>TOTAL</b>
3rd Ave. South Gateway	-	-	-	-	2,902,200	2,902,200
<b>Total Downtown Projects</b>	-	-	-	-	<b>2,902,200</b>	<b>2,902,200</b>

## **FY 2011-2015 Enterprise Capital Improvement Plan**

Enterprise Projects include capital improvements for replacement, expansions and upgrade of the Waterworks and Sewer System infrastructure. The City's 2011-2015 Waterworks and Sewer System Capital Improvements Plan includes \$ 4.9 million in FY2011 appropriations and \$ 20 million 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), retained earnings (major maintenance or reinforcement projects) of the system and grant revenues. **Pay-as-You-Use** funding will consist of Waterworks and Sewer System Revenue Bonds. The retirement of the debt will be supported by system revenues.

### **Highlights for the Five Year Enterprise Capital Improvements Plan (FY 11 - FY15)**

Capital improvement projects funded by the Water & Sewer enterprise fund include construction, replacement and upgrades of water delivery system infrastructure; construction and replacement of sewer system infrastructure; upgrades of existing pump stations; brick manhole relining and sewer relining projects; and replacement of various forcemains within the City. The major project included in the FY11 – FY15 is the replacement of a 36" forcemain that runs along the Hwy 17 Parkway.

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

The planned additions to the Waterworks and Sewerage 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.

**Waterworks and Sewer System Capital Improvements  
2010-11 through 2014-15**

<b>FINANCING SOURCES</b>	<b>2010-11</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Retained Earnings of the System	4,474,500	250,000	440,000	440,000	440,000	6,044,500
Contributed Capital (Water Impact Fees)	250,000	250,000	250,000	250,000	250,000	1,250,000
Contributed Capital (Sewer Impact Fees)	250,000	250,000	250,000	250,000	250,000	1,250,000
Debt Funding	-	10,694,500	-	-	-	10,694,500
Grants	-	800,000	-	-	-	800,000
<b>Total Financing Sources</b>	<b>4,974,500</b>	<b>12,244,500</b>	<b>940,000</b>	<b>940,000</b>	<b>940,000</b>	<b>20,039,000</b>
<b>WATER PROJECTS</b>	<b>2010-11</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>Total</b>
Water Model	5,000	5,000	5,000	5,000	5,000	25,000
Miscellaneous Water Projects	300,000	300,000	300,000	300,000	300,000	1,500,000
12" Waterline Along Grissom Pkwy 21 <sup>st</sup> Avenue North to 29th North	269,500	269,500	-	-	-	269,500
3 <sup>rd</sup> Avenue South Waterline Relocation	166,000	-	-	-	-	400,000
Hwy 17 Backgate 24" Waterline Relocation	1,200,000	-	-	-	-	1,200,000
Ext. Waterline Along 9 <sup>th</sup> Avenue North (N. Ocean Blvd to Kings Hwy)	-	22,500	-	-	-	22,500
Extend Waterline 62 <sup>nd</sup> Avenue North to Dunes Section	-	500,000	-	-	-	500,000
Chester Street: 8 <sup>th</sup> Avenue North to 1 <sup>st</sup> Avenue	-	320,000	-	-	-	350,000
Flagg Street: 8 <sup>th</sup> Avenue North to 1 <sup>st</sup> Avenue	120,000	-	-	-	-	120,000
Ocean Blvd. 1 <sup>st</sup> Avenue to 9 <sup>th</sup> Avenue (DRC project)	-	350,000	-	-	-	350,000
12" Waterline 79th Avenue North/Kings Highway to NOB	-	90,000	-	-	-	90,000
Waterline Extension for Proposed M.B. Convention Center	-	400,000	-	-	-	400,000
Extend 12" Waterline along Hwy. 15 - Harrelson to Pridgen	-	605,000	-	-	-	605,000
<b>Total Water Projects</b>	<b>2,060,500</b>	<b>2,592,500</b>	<b>305,000</b>	<b>305,000</b>	<b>305,000</b>	<b>5,568,000</b>
<b>SEWER PROJECTS</b>	<b>2009-10</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>Total</b>
Miscellaneous Sewer Projects	300,000	300,000	300,000	300,000	300,000	1,500,000
Brick Manhole Lining Program to Reduce I&I	-	90,000	90,000	90,000	90,000	360,000
Sewer Relining to Reduce I&I (cured-in-place pipe)	-	145,000	145,000	145,000	145,000	580,000
Existing Pump Station Upgrades	-	100,000	100,000	100,000	100,000	400,000



30" Forcemain Replacement Hwy 17 Bypass	1,688,000	8,617,000	-	-	-	10,305,000
3 <sup>rd</sup> Avenue South Sewer Relocation	889,000	-	-	-	-	889,000
Pickens & Pinckney Sewer Project	20,000	-	-	-	-	20,000
North Park Sewer Line – Marina Parkway Future Pump Station	17,000	-	-	-	-	17,000
Sewerline Extension for Proposed M.B. Convention Center	-	400,000	-	-	-	400,000
<b>Total Sewer Projects</b>	<b>2,914,000</b>	<b>9,652,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>	<b>14,471,000</b>
<b>Total Water and Sewer Projects</b>	<b>4,974,500</b>	<b>12,244,500</b>	<b>940,000</b>	<b>940,000</b>	<b>940,000</b>	<b>20,039,000</b>



## Debt Management

Pay-as-you-go financing is usually the preferred option for financing capital improvements. However, 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.

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
General Obligation Bonds, Series 1999	Full faith and credit	Law Enforcement Facilities, Transfer Station improvements, Performing Arts Theatre	Mar 2015	4.70-5.30%	2,100,000
General Obligation Bonds, Series 2001	Full faith and credit	Law Enforcement Center expansion, parking facilities, Doug Shaw stadium improvements, art museum	Dec 2017	4.75-5.10%	1,330,000
General Obligation Bonds, Series 2002A	Full faith and credit	Storm water management projects	Mar 2027	4.25-5.25%	3,875,000
General Obligation Bonds, Series 2002B	Full faith and credit	Improvements to Beckham Recreation Complex and Canal St. Recreation Center	Mar 2027	4.25-5.25%	4,985,000
General Obligation Bonds, Series 2003A	Full faith and credit	Storm water management projects	Mar 2028	4.00-5.00%	9,525,000
General Obligation Bonds, Series 2003B	Full faith and credit	Office Building, Fire station, miscellaneous	Mar 2014	3.25-4.00%	2,040,000
General Obligation Bonds, Series 2006A	Full faith and credit	Storm water management projects	Mar 2031	4.00-5.00%	6,580,000
General Obligation Bonds, Series 2006B	Full faith and credit	Construction of North Park, Grand Park and Bike Path	Mar 2031	4.00-5.00%	2,585,000
General Obligation Bonds, Series 2006C	Full faith and credit	Fire Station Construction – 38 <sup>th</sup> Avenue North	Mar 2026	4.00-6.00%	2,165,000
General Obligation Bonds, Series 2008	Full faith and credit	Construction of North Park, Grand Park, Crabtree Gymnasium and Public Facility Land Purchase	Mar 2033	4.63-5.13%	10,035,000
General Obligation Bonds, Series 2009A	Full faith and credit	Improvements/ Renovations to the Myrtle Beach Convention Center and Pepper Geddings Gymnasium Bulkhead Replacement	Mar 2017	3.41-3.38%	560,000
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 2017	1.35-3.52%	9,820,000
Myrtle Beach Public Facilities Corporation Certificates of Participation, Series 1998	Hospitality fee revenues, general revenue pledge	Acquisition of Coastal Federal Stadium	Jul 2018	3.65-4.95%	5,760,000
Myrtle Beach Public Facilities Corporation Certificates of Participation, Series 2003	Hospitality fee revenues, general revenue pledge	Downtown Redevelopment Projects	Aug 2023	3.65-4.95%	3,020,000
<b>Total General Long Term Debt</b>					<b>\$64,380,000</b>

## 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 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.

### Estimate of G.O. Debt Margin Fiscal Year 2010-2011

Item	Amount
Assessed Value:	
Taxable Property	\$ 366,910,851
Exempt Merchants' Inventory	<u>3,407,435</u>
Total Assessed Valuation	370,318,286
Rate (8.0% of Assessed Valuation)	<u>.08</u>
Constitutional Debt Limit	29,625,463
Total General Obligation Debt Outstanding	(45,780,000)
Add back: GO Debt Issued per referendum	<u>27,550,000</u>
Less: Outstanding restricted debt	<u>(18,230,000)</u>
<b>Constitutional GO Debt Margin at Fiscal Year 2010-2011</b>	<b>\$11,395,463</b>

## **Constitutional Debt Limit on General Obligation Indebtedness**

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.

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 1998, refunded a 1992 issue which financed the Convention Center renovation and expansion project. The 1992 issue predated the legislation and neither the 1992 issue nor its 1998 refunding issue is subject to the debt ceiling. (See *General Non-Bonded Debt* below.)

For Fiscal Year 2010-2011 outstanding GO debt of \$18.2 million issued under the constitutional debt limit equaled 62.5% of the City's constitutional debt limit. Available general obligation debt margin was estimated at almost \$11.12 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 Long-Term Debt**

Annual general obligation debt service requirements on debt issued under constitutional authority are funded by a tax levy of 7.6 mills, or about \$2.6 million per year based upon the estimated 2010 assessed valuation and a 92% collection rate. Hospitality fee revenues fund debt service payments for the Series 2002A, 2002B, 2003A, 2006A and 2006B general obligation bonds, all of which were issued under referendum authority.

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 for all general long-term debt by fiscal year appear in the following table. All information is current through June 30, 2010

### Gross Debt Service Requirements, General Long Term Debt

Fiscal Year Ending 6/30	Principal	Interest	Total
2011	4,310,000	3,094,979	7,404,979
2012	4,485,000	2,897,914	7,382,914
2013	4,680,000	2,439,836	7,119,836
2014	4,895,000	2,461,872	7,356,872
2015	4,124,921	2,072,223	6,197,144
2015-2036	<u>42,985,079</u>	<u>16,313,882</u>	<u>59,298,961</u>
<b>Total</b>	<b>\$65,480,000</b>	<b>\$29,280,706</b>	<b>\$94,760,706</b>

## Specific-source Debt

### 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. At June 30, 2010, the City had two Tax Increment Revenue Bonds outstanding.

In October of 2006, the City issued two series of Tax Increment Revenue Bonds to finance public improvements in the Myrtle Beach Air Force Base Redevelopment Area. The character of the 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 will be surrounded by condominium and single-family residential dwellings at build-out. 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; and a planned Olympic swimming pool. The Bond Issue consisted of Series 2006A bonds in the amount of \$30.8 million and Series B bonds of \$10.05 million.

*Outstanding Tax Increment Financing District Revenue Debt*

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Tax Increment Revenue Refunding Bonds, Series 2006A	Incremental Property Taxes	Former Myrtle Beach Air Force Base Redevelopment Area Projects	Oct 2036	5.25-5.33%	30,795,000
Tax Increment Revenue Refunding Bonds, Series 2006B	Incremental Property Taxes	Former Myrtle Beach Air Force Base Redevelopment Area Projects	Oct 2036	TBD	10,050,000
<b>Total</b>					<b>\$42,010,000</b>

Annual debt service requirements for all Tax Increment Financing District debt by fiscal year appear in the following table. All information is current through June 30, 2010.

## Gross Debt Service Requirements, Tax Increment Revenue Bonds

Fiscal Year Ending 6/30	Principal	Interest	Total
2011	580,000	1,609,245	2,189,245
2012	610,000	1,578,008	2,188,008
2013	645,000	1,545,064	2,190,064
2014	675,000	1,510,414	2,185,414
2015	710,000	1,510,414	2,185,414
2016-2036	<u>27,575,000</u>	<u>17,344,098</u>	<u>44,919,098</u>
<b>Total</b>	<b>\$30,795,000</b>	<b>\$25,495,421</b>	<b>\$56,290,421</b>

### Hospitality Fee Revenue Debt

The City has issued *Hospitality fee revenue debt* for instruments secured solely by a pledge of the City's 1% hospitality fee charged on accommodations, prepared food and beverages and admissions. The City has two series of debt so secured and they are accounted for in the Hospitality Fee Fund.

### Outstanding Hospitality Fee Revenue Debt

Outstanding Debt Issue	Type of Security Pledged	Project(s) Financed	Final Maturity	Interest Rates	Amount Outstanding
Hospitality Fee Revenue Bonds, Series 2004A (tax-exempt) (first maturity in 2011)	Hospitality Fee Revenues	Convention Center Hotel Refinancing, Downtown Redevelopment Projects	Jun 2036	4.00-5.38%	44,260,000
Hospitality Fee Revenue Bonds, Series 2004B (taxable) (first maturity in 2011)	Hospitality Fee Revenues	Convention Center Hotel Refinancing	Apr 2019	5.38-5.75%	5,400,000
<b>Total</b>					<b>\$49,660,000</b>



Annual Debt Service Requirements on the Series 2004A & 2004B 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 2004A & Series 2004B 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.

### Gross Debt Service Requirements, Hospitality Revenue Bonds

Fiscal Year Ending 6/30	Principal	Interest	Total
2011	555,000	2,545,325	3,100,325
2012	585,000	2,516,525	3,101,525
2013	615,000	2,486,081	3,101,081
2014	645,000	2,453,925	3,098,925
2015	685,000	2,419,406	3,104,406
2016-2036	<u>46,575,000</u>	<u>31,278,758</u>	<u>77,853,758</u>
<b>Total</b>	<b>\$49,660,000</b>	<b>\$43,700,020</b>	<b>\$93,360,020</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 \$11,075,871 loan, bearing an interest rate of 3.25% per annum, financed improvements in the 14<sup>th</sup> Avenue Storm Water Basin. At June 30, 2010 the principal balance on the SRF loan was \$9,323,165 and annual debt service obligations are \$715,972.64, based upon a standard amortization table with level payments. Debt Service on the SRF Loan is accounted for in the Storm Water Fund.

An additional 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 \$3,038,104 loan, bears interest of 3.5% per annum on only half of the loan amount

because of federal funding that allowed a portion of the loan to be made interest-free. At June 30, 2010, the final loan draw had not been made on the project.

**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. The bonds earned underlying ratings of Aaa/AAA from Standard and Poor’s and Moody’s respectively. The debt is insured by Financial Security Assurance Inc.

The following table sets forth the annual debt service requirements for the Waterworks and Sewerage System Revenue Debt incurred as of June 30, 2010.

**Gross Debt Service Requirements, Waterworks and Sewer System**

<b>Fiscal Year Ending 6/30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	450,000	506,363	956,363
2012	470,000	488,362	958,362
2013	485,000	469,563	954,563
2014	505,000	450,163	955,163
2015	525,000	429,963	954,963
2016-2036	<u>9,275,000</u>	<u>3,148,725</u>	<u>12,423,725</u>
<b>Total</b>	<b>\$11,710,000</b>	<b>\$5,493,139</b>	<b>\$17,203,139</b>

The System’s capital improvement plan contemplates the issuance \$10.7 million of new debt for distribution system improvements in fiscal year 2012.

## 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
Seniormost Tax Backed Rating (GO)	Aa2	AA
Utility Revenue Bond Rating	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

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

At present, the five-year plan calls one debt issue between fiscal years 2011 and 2015. The City anticipates the issuance of Water & Sewer Revenue Bonds in the approximate amount of \$10.7 million to fund major system improvements in fiscal year 2012.

### **Tax Increment Financing Debt**

The City anticipates the issuance of Tax Increment Revenue Bonds in the approximate amount of \$9.0 million to raise \$8.0 million of construction capital to assist in the financing of public improvements in the Myrtle Beach Air Force Base Redevelopment Area. The financing plan for the Redevelopment District includes \$5.5 million for completion of Grand Park Athletic Fields, Phase III and \$2.5 million for the City's share of Phase I Public Infrastructure work at the International Technology and Aerospace Park. Incremental *ad valorem* tax revenues generated within the district will be pledged to service the debt.



## **Community & Regional Profile**

## The City of Myrtle Beach



The City is in the center of a 60-mile long coastal beach known as the “Grand Strand” which extends from the 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.

## South Carolina



## Regional Economic and Demographic Information

The City of Myrtle Beach is on the forefront of business and economic development in one of the fastest growing regions of the nation. The U.S. Census estimated in 2009 that there are more than 263,868 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 (est. 2009)</b>
Myrtle Beach	31,968
North Myrtle Beach	16,221
Conway	16,317
Surfside Beach	4,383
Loris	2,378
Aynor	669
Briarcliff Acres	554
Atlantic Beach	412

*Source US Census Bureau, 2009 Estimates*

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

<b>City</b>	<b>Population (est. 2009)</b>
Garden City, SC	11,849
Georgetown, SC	8,441
Carolina Shores, NC	3,183
Tabor City, NC	2,749
Sunset Beach, NC	2,658
Shalotte, NC	2,210
Calabash, NC	1,404
Pawley's Island, SC	140

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

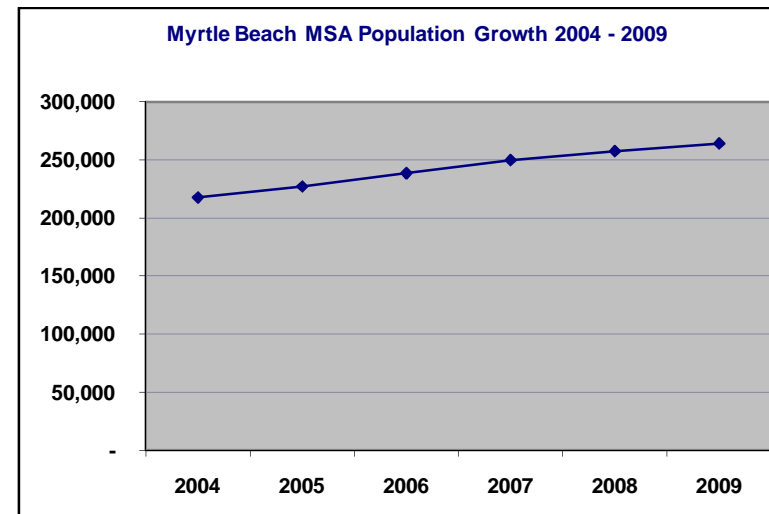
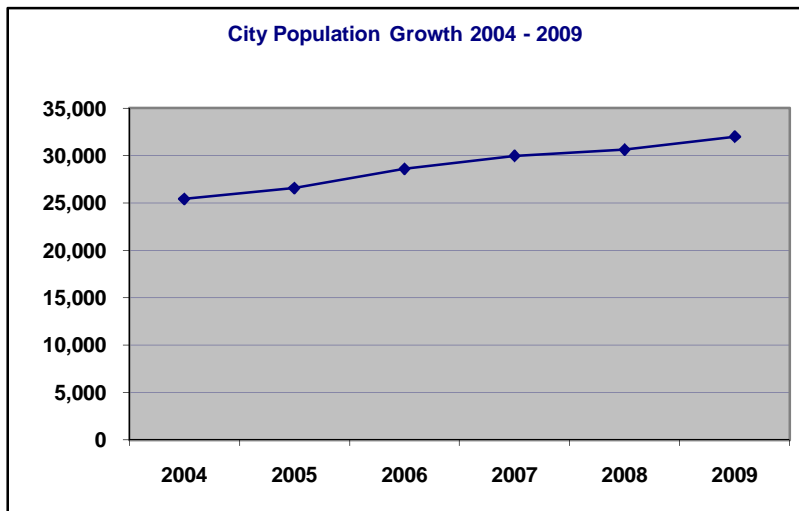
2009 Population Est.	263,868
White (2008)	83.0%
Black or African-American(2008)	14.5%
American Indian(2008)	0.4%
Identifies 2 or More Races(2008)	1.1%
Hispanic/Latino(2008)	4.3%
Median Age(2008)	39.5
Average Household Size(2007)	2.25
Average Family Size(2007)	2.73
High School Graduate(2007)	85.8%
Bachelors or Higher Degree(2007)	20.6%
Mean Travel to Work Time(2007)	23.7 min
Median Household Income(2008)	\$42,515
Median Family Income(2009)	\$51,300
Per Capita Income(2008)	\$26,789
Individuals Below Poverty Line(2008)	14.5%

*Source SC Statistical Abstract & US Census Bureau*

## Population & Growth Trends

	2004	2005	2006	2007	2008	2009	% Change
<b>City of Myrtle Beach</b>	<b>25,459</b>	<b>26,593</b>	<b>28,597</b>	<b>29,971</b>	<b>30,596</b>	<b>31,968</b>	<b>25.6%</b>
Myrtle Beach MSA	217,635	226,992	238,493	249,711	257,380	263,868	21.2%
South Carolina	4,194,694	4,246,933	4,321,249	4,404,914	4,479,800	4,561,242	8.7%

Source: US Census Bureau





## Local Employers

### Horry County, Top 10 Employers (March 2010)

Company/Organization	Type of Business	# Employees
Horry County School District	Education ( K-12)	4,870
Wal-Mart	Retail Sales	2,061
Horry County Government	County Government	1,480
Grand Strand Regional Medical Center	Hospital	1,200
Conway Hospital	Hospital	1,150
Coastal Carolina University	Higher Education	1,057
Regional Medical Center	Hospital	1,000
Myrtle Beach National	Golf Courses/Hotels	980
City of Myrtle Beach	Municipal Government	841
Blue Cross/Blue Shield	Health Insurer/Administrator	827

\* Source Myrtle Beach Area Chamber of Commerce Statistical Abstract (19<sup>th</sup> Edition), Updated March 2010

### Horry County, 5 Largest Industrial Employers (March 2010)

Company/Organization	Type of Business	# Employees
AVX Corporation	Electronics Research & Manufacturing	795
Conbraco Industries, Inc.	Steel Products & Components	400
New South	Pine Lumber	295
CHF Industries, Inc.	Curtains and Bedding	185
Wolverine Brass	Brass Plumbing Fittings	150

\* Source Myrtle Beach Area Chamber of Commerce Statistical Abstract (19<sup>th</sup> Edition), Updated March 2010

## Wage and Labor Statistics

### Horry County Employment (Non-Farm/Non-Government) 2005- 2009

Classification	2005	2006	2007	2008	2009
Manufacturing	8,497	4,630	4,490	4,580	4,230
Construction & Mining	12,692	14,010	14,710	13,000	10,890
Wholesale & Retail Trade	27,435	23,590	24,720	25,450	23,150
Information	1,687	1,610	1,730	1,720	1,500
Finance, Insurance and Real Estate	9,463	9,300	8,160	8,200	7,420
Services ( inc. Ag. Services)	60,089	64,060	63,620	67,230	63,620
Total	119,863	117,200	117,430	120,180	110,810

Source: US Department of Labor & SC Employment Security Commission, Labor Market Division

### Horry County Annual Unemployment 2005-2009

Year	Unemployed	Labor Force	Unemployment Rate
2009	15,989	131,233	12.2%
2008	9,417	131,478	7.2%
2007	6,729	131,188	5.1%
2006	7,010	128,516	5.4%
2005	6,730	121,670	5.5%

Note: Not Seasonally Adjusted

Source Employment Security Commission, Labor Market Information Division.

### Average Unemployment Rates, 2005-2009

Year	City	County	State	U.S
2009	12.2%	12.2%	11.7%	9.3%
2008	7.2%	7.2%	6.8%	5.8%
2007	5.1%	5.1%	5.9%	4.6%
2006	5.4%	5.5%	6.4%	4.6%
2005	5.6%	5.5%	6.7%	5.1%

Source Employment Security Commission, Labor Market Information Division.

## Hospitality Industry

### Tourism

The Grand Strand is one of the largest tourist destinations in the United States. According to a poll conducted by Yahoo! Travel, Myrtle Beach was rated the “Top ten Places for Families to Visit in the US” for 2008. In 2006, the American Automobile Association (AAA) ranked that Myrtle Beach and the Grand Strand is the third most popular vacation destination by car in the United States. According to the U.S. Bureau of Labor Statistics (BLS), approximately 30,000 jobs in the County were directly related to tourism in 2007. The County leads all counties of the State in visitor spending, lodging rentals, employment and tax revenues resulting from travel and tourism.

### Occupancy and Room Charges

Over the past few years, large-scale 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 county-wide since 2002. Occupancy rates have remained steady despite this increase in capacity as 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 during the slower tourism seasons.

### City of Myrtle Beach Occupancy Statistics July each year

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
% Units Occupied	55.7	58.9	56.4	50.7
Average Daily Rate	\$77.26	\$80.62	\$87.94	\$99.21
Average # Guest / Unit	2.5	2.5	2.5	2.5

*Source: MB Chamber of Commerce Statistical Abstract*

### Largest Hotels in the City & Immediate Vicinity

<u>Name of Hotel</u>	<u># of Rooms</u>
Kingston Plantation/Embassy Suites	925
Sea Mist Resort Hotel	820
Ocean Dunes/ Sand Dunes	793
Landmark Resort Hotel	570
Caravelle Resorts	566

*Source: MB Chamber of Commerce Statistical Abstract (19<sup>th</sup> Edition)*

## Education

### Institutions of Higher Learning

Coastal Carolina University (“Coastal Carolina”), located ten miles west of the City, offers 40 baccalaureate degree programs and 37 undergraduate minors, as well as three master’s degree programs. Approximately 8,100 students from 44 states and 33 countries are enrolled at Coastal Carolina. Coastal Carolina is fully accredited by the Southern Association of Colleges and Schools.

Horry-Georgetown Technical College (the “College”) is a comprehensive commuter college with three campus locations which serve more than 7,000 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 18,000 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*

### 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 48 schools consist of 26 primary/elementary schools, 11 middle schools, nine high schools, two career centers, a Scholars Academy and an Early College High School, and one alternative school. Fourteen private schools are located within the County. Of the District’s 2,483 classroom teachers, 74% have earned post-graduate degrees or education. Average daily attendance in Fall of 2008 was 96%.

### Horry County Public Schools Enrollment

<u>Year</u>	<u>Pre-K</u>	<u>K-8</u>	<u>9-12</u>	<u>Total</u>
2003-04	n/a	20,721	8,420	29,141
2004-05	n/a	22,330	9,522	31,852
2005-06	1,246	22,376	9,218	32,840
2006-07	1,462	24,339	10,267	36,068
2007-08	1,429	24,891	10,459	36,779
2008-09	1,379	25,350	11,006	37,735

*Source: Horry County School District annual statistics.*

## 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 3<sup>rd</sup> 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, 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 29<sup>th</sup> Avenue North to 3<sup>rd</sup> 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 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 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.** 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, an 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.

**DRAB.** Downtown Redevelopment Advisory Board.

**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.

## Budget Ordinances



ORDINANCE NO. 2010-39

STATE OF SOUTH CAROLINA )  
COUNTY OF HORRY )  
CITY OF MYRTLE BEACH )

**AN ORDINANCE TO LEVY TAXES AND ESTABLISH A MUNICIPAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2010, AND ENDING JUNE 30, 2011, AND A CAPITAL IMPROVEMENTS PROGRAM FOR FISCAL YEARS 2011-2015.**

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

**NOW, THEREFORE, BE IT ORDAINED** by the governing body of the City of Myrtle Beach, in Council duly assembled, and by the authority of the same, that taxes are hereby levied, and revenue estimates and appropriations are hereby established as set forth in the following Municipal Budget Ordinance for the Fiscal Year beginning July 1, 2010 and ending June 30, 2011 (the “Ordinance”).

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

For the support of general governmental functions of the City, an *ad valorem* tax to apply for the period July 1, 2010 through June 30, 2011, both inclusive, for the generation of property tax revenues equivalent to 2009-10 property tax revenues plus the value of taxes from New Growth to be taxed for the first time in 2010, is and shall be levied, collected, and paid into the treasury of the City of Myrtle Beach, South Carolina, for the use and service thereof. The Tax Levy and Distribution Table below shall be amended by means of a separate ordinance to adopt rates sufficient to generate such amount of revenue when applied to the 2010 Reassessment property values to be determined by the County Assessor, within the limits imposed by statute.

*Tax Levy and Distribution (in mills)*

<b><u>Operations</u></b>	
General Fund	53.7
Convention Center Fund	<u>3.4</u>
Total Levy for Operations	57.1
<b><u>Debt Service</u></b>	<u>7.3</u>
Total Tax Levy (in mills)	64.4

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

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

A. Moneys from revenues and other financing sources are hereby estimated to be available to finance appropriations of the 2010-11 fiscal year in the manner and the amounts as set forth in Exhibit A, which is attached hereto and made a part hereof.

**E. Exceptions for Certain Funds.**

*Provisions of Existing Statutes, Ordinances, Contracts and Covenants.* Where existing Statutes, Ordinances, Contracts and Covenants govern the use of funds according to legislatively or contractually determined formulae, the estimates in this ordinance are illustrative rather than controlling and appropriations of those funds will adjust according to the applicable provisions of such Statutes, Ordinances, Contracts and Covenants.

*Capital Project Appropriations.* Appropriations in the General Capital Projects Fund shall not lapse at June 30, 2011, but each project appropriation shall remain in force for the life of the project and shall be closed out upon completion or other disposition of the project.

*Appropriations Established by Other Ordinances.* Appropriations for capital investment or bond issuance costs or for the payment of annual installments of capitalized interest according to a predetermined schedule are made in the related Bond Ordinances. Nothing in this ordinance shall modify or amend the terms of any Bond Ordinance.

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

A. **Waterworks and Sewer System fees and charges.** Pursuant to provisions of the Code of Ordinances of the City of Myrtle Beach, Sec. 21-9(a), the schedule of Water and Sewer System Fees and Charges is hereby amended to read in its entirety according to the schedule attached hereunto as Exhibit B.

B. **Solid Waste Fees and Charges.** The schedule of Solid Waste Fees and Charges is hereby amended to read in its entirety according to the schedule attached hereto as Exhibit C.

C. **Other Fees and Charges.** Various other fees and charges set by ordinance are hereby affirmed or amended to read in their entirety according to the schedules appearing in Exhibits D through H, attached hereto.

**Sec. 4. FY2009-10 Encumbrances and Remaining Grant Authorizations Reappropriated; Recording of Assignments of Amounts Appropriated from Fund Balance.**

- A. Encumbrances in each fund at June 30, 2010, representing obligations made against 2009-10 appropriations outstanding as of that date, are hereby re-appropriated and the appropriations shall be distributed to the budgetary accounts under which the expenditures will be charged during the 2010-11 budget year as such obligations are satisfied, provided that such encumbrances, when taken together with 2009-10 expenditures, do not cause any fund to exceed its budgetary authorization for the year ended June 30, 2010.
- B. For each fund in which a reappropriation occurs under Sec. 5.A. above, the amount of funds appropriated hereunder shall be established in that fund as “Assigned for Encumbrances.”
- C. For each fund in which the balanced budget for 2010-11 includes the use of fund balance, the amount of fund balance so used shall be identified as “Assigned for Current Appropriations.”
- D. Appropriations for grants, the authorization for which extends beyond the end of the fiscal year, shall not lapse at the end of the fiscal year. Any such grant authorizations remaining at the end of a fiscal year shall be re-appropriated pursuant to the conditions of the respective grant agreements.
- E. Appropriations for active projects resulting in restrictions of fund balance shall be identified by appropriate titles in the financial statements of the affected funds.
- F. Amounts of Governmental Fund balances intended to be used for debt service expenditures during the coming year per the terms of Bond Ordinances, Indentures or local policy are hereby established as Assignments of Fund Balances.

**Sec. 5. Business Policies, Goals and Objectives, Capital Improvement and Debt Management Plans.** The business policies, goals and objectives, capital improvement and debt management plans of the 2010-2011 budget are hereby adopted by reference.

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

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

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

**Sec. 9. Conflicts with preceding ordinances.** Except as otherwise provided herein, in any conflicts arising between this and other ordinances, this Ordinance shall prevail with respect to the conflicting sections.

s/JOHN RHODES  
Mayor

**Attest:**

s/JOAN GROVE  
City Clerk

**First Reading: April 27, 2010**

**Second Reading: 6/22/2010**

Exhibit A. Estimated Revenues and Appropriations, Fiscal Year Ending June 30, 2011

Description	Governmental Operating Budget	Enterprise Operating Budget	Total Operating Budget	General Capital Improvements Budget	Total Budget
<b>Revenues &amp; Other Financing Sources</b>					
Ad Valorem & Other Taxes	41,295,851	-	41,295,851	480,000	41,775,851
Licenses and Permits	32,079,638	-	32,079,638	100,000	32,179,638
Fines and Forfeitures	1,922,800	-	1,922,800	-	1,922,800
Intergovernmental Revenue	9,343,050	-	9,343,050	625,000	9,968,050
Charges for Current Services	7,090,426	26,429,371	33,519,797	-	33,519,797
Miscellaneous Revenue	3,467,190	2,503,000	5,970,190	515,000	6,485,190
Bond Proceeds	-	-	-	-	-
Transfers from Other Funds	18,867,266	850,000	19,717,266	-	19,717,266
Net Use of Fund Balances	-	<u>5,586,421</u>	<u>5,586,421</u>	<u>427,985</u>	<u>6,014,406</u>
Total Revenues & Other Sources	<u>114,066,221</u>	<u>35,368,792</u>	<u>149,435,013</u>	<u>2,147,985</u>	<u>151,582,998</u>
<b>Expenditures/Expenses</b>					
General Government	12,396,376	-	12,396,376	703,485	13,099,861
Public Safety	31,379,424	-	31,379,424	-	31,379,424
Transportation	2,893,253	-	2,893,253	-	2,893,253
Community & Economic Development	16,441,087	-	16,441,087	-	16,441,087
Culture and Recreation	17,087,067	2,656,902	19,743,969	-	19,743,969
Public Works	1,432,951	30,734,770	32,167,721	-	32,167,721
Capital Improvements & Acquisitions	18,580	-	18,580	1,404,500	1,423,080
Principal Retirement	4,486,609	-	4,486,609	-	4,486,609
Interest and Fiscal Charges	8,556,499	797,555	9,354,054	-	9,354,054
Bond Issuance Costs	-	31,265	31,265	-	31,265
Transfers to Other Funds	18,528,966	1,148,300	19,677,266	40,000	19,717,266
Increase in Fund Net Assets	<u>845,409</u>	-	<u>845,409</u>	-	<u>845,409</u>
Total Expenditures & Other Uses	<u>114,066,221</u>	<u>35,368,792</u>	<u>149,435,013</u>	<u>2,147,985</u>	<u>151,582,998</u>
Add non-expense items					
Enterprise Capital Projects	-	-	-	<u>4,974,500</u>	<u>4,974,500</u>
Less Interfund Transfers	(18,528,966)	(1,148,300)	(19,677,266)	(40,000)	(19,717,266)
Grand Total FY2011 Budget	<u>95,537,255</u>	<u>34,220,492</u>	<u>129,757,747</u>	<u>7,082,485</u>	<u>136,840,232</u>

**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"	2.43	4.86
1"	4.05	8.10
1.5"	8.10	16.20
2"	12.96	25.92
3"	28.35	56.70
4"	40.50	81.00
6"	81.00	162.00

**Tiered Volume Charge**

(per 1,000 gallons)

Tier 1—0-4	1.35	2.70
Tier 2—5-30	2.56	5.12
Tier 3—> 30 <sup>1</sup>	2.89	5.78

**Sewer**

**Base Charge**

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>
3/4" & 5/8"	2.60	5.20
1"	4.34	8.68
1.5"	8.67	17.34
2"	13.88	27.76
3"	30.37	60.74
4"	43.38	86.76
6"	86.76	173.52

**Volume Charge**

(per 1,000 gal)	2.53	5.06
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<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 (i) 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 (ii) once per week service to each residential service address utilizing a shared 8 cubic yard container. For customers with more than two containers, each additional container is serviced at an additional charge. “8 cubic yard Container Service” shall mean one instance of collecting and removing the contents of one solid waste container with a rated capacity of eight cubic yards; “call-back service” refers to each incidence of unscheduled service above and beyond the rate for which the customer has subscribed; “compactor service” shall mean one instance of collecting and removing the contents of one compaction unit. “Transfer station customers” are (1) private haulers, (2) private individuals or firms doing business as landscapers, or (3) other individuals or firms not falling into a previously defined class, which customers collect waste and 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>		
One or two containers	\$ 15.75 per month	\$ 4.75 per month
Each Additional Container	\$ 8.50 per month, Per container	Included in rate
<u>Commercial Services:</u>		
8 cubic yard Container Service		
Once per week schedule	\$ 148.00 per month	Included in rate
All other service	\$ 42.50 per service	Included in rate
Call-Back Service (8 cu. yd. Container)	\$ 63.00 per service	Included in rate
Compactor Service	\$ 132.50 per service	Contemporary landfill tipping 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 Parks and Recreation Fees and Charges**

For the purposes of this section “youth” shall mean any person three (3) to twelve (12) years of age; “teen” shall mean any person thirteen (13) to seventeen (17) years of age; “adult” shall mean any person eighteen (18) through fifty-four (54) years of age; ‘senior’ shall mean any person fifty five (55) years of age or older; ‘civic’ shall mean any of the following non-profit organizations or persons:

- a) Government agency
- b) Civic Organization
- c) Church Organization
- d) Charitable Organization
- e) Individual requesting the use of a facility for a ‘not for profit’ function.

Recreation Division Uniform Schedule of Fees and Charges

Fitness Membership Fees

Prices for the new combined Fitness Fees are taken directly from the current ordinance. Non-city fees are computed by multiplying the city fee by 167% and rounding up to the nearest \$5.00 increment. Fitness classes are not included in membership fees.

City Resident Fees : **Guests under 14 are not permitted in the weight room**

Daily Use Fitness Fees

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

Monthly Membership Fitness Fees

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

Family members cannot be added to Teen memberships

Family members added to senior memberships must be seniors

Annual Membership Fitness Fees

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

Family members cannot be added to Teen memberships

Family members added to senior memberships must be seniors

Non-City Resident Fees :

Daily Use Fitness Fees

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

Monthly Membership Fitness Fees

Teen	13-17	\$35.00
Adult	18-54	\$55.00
Senior	55 and up	\$45.00
Add a Family Member		\$30.00

Family members cannot be added to Teen memberships

Family members added to senior memberships must be seniors

Annual Membership Fitness Fees

Teen	13-17	\$170.00
Adult	18-54	\$295.00
Senior	55 and up	\$210.00
Add a Family Member		\$55.00

Family members cannot be added to Teen memberships

Family members added to senior memberships must be seniors

Facility Fees

Rental Fees

Rates for facility rental to City residents and businesses are as follows. Non-resident persons or businesses shall be charged at 167% of 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.

**Staffing Fees & Labor Costs**

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. After hours gymnasium rentals require a minimum of 3 hours rental and a minimum of 2 staff members at overtime rates. 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	\$200.00-\$1,200.00/site/use depending on the event and the amount of clean-up required
Materials	provided at cost

Clients may reserve facilities no more than 730 days in advance of their events by entering into a contract with City. The contract may provide for a deposit to secure the reservation in an amount not to exceed 50.0% of the contract rental price. The reservation may be cancelled, with a full refund of the deposit, no fewer than 90 days prior to the event. In the event of a cancellation fewer than 90 days prior to the event, the client shall forfeit the deposit in its entirety. Should the client cancel the event fewer than ninety days in advance for two consecutive years, he or she shall forfeit the right to the event date(s) and the date(s) shall be returned to a list of available dates to be offered subject to lottery drawing.

**Pool Rental\***

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

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

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

**Recreation Facility Rental\***

	<b>Civic</b>	<b>Non-civic</b>
Meeting Room	\$ 20.00/hour	\$35.00/hour
Small Gymnasium	\$ 65.00/hour	\$90.00/hour
	\$ 250.00/day	\$ 360.00/day
Large Gymnasium	\$ 75.00/hour	\$ 120.00/hour
	\$ 300.00/day	\$ 400.00/day
Ballroom/Banquet Hall	\$ 30.00/hour	\$65.00/hour
Table & Chair Set Up Fee	\$25.00	\$25.00

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.

**See Staffing Fees and Labor Costs above for rentals that occur during non business hours.**

**Security Deposit**

Required when food and beverages are served. Security deposit may be returned after assessment by City provided that rooms are returned to the same condition as before rental.

	<b>Civic</b>	<b>Non-Civic</b>
	\$200.00	\$200.00
<b>Athletic Fields/Parks*</b>		
Ballfield Rental—single	\$ 30.00/hour	\$ 30.00/hour
Ballfield Rental—Tournament/League Rate (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.)	\$150.00/field court/day	or \$150.00/field or court/day
Doug Shaw Memorial Stadium	\$ 1,000.00/day	\$ 3,125.00/day
Additional Field Lines	\$ 540.00	\$ 540.00
Video Display Operator (if provided by City)	\$ 50.00/game or	\$ 20/hr/non game function
Scorekeeper	\$ 50.00/game or	\$ 20/hr/non game function
Clean Up Fee	\$ 500.00/function	\$ 500.00/function

(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.**

	<b>Civic</b>	<b>Non- Civic</b>
All City Parks except Grand Park	\$ 125.00/-day	\$ 500.00/ 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
Move in / Move out days, per day	50% of one-day rental	

**Any event of more than 250 people, and 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 people will be required to pay a clean up fee. (See labor rates, 2-person minimum.)**

Picnic Shelter (includes cleanup)	\$ \$50.000/day	\$ \$50.00/day
Concessions	The City of Myrtle Beach retains all concession rights for all city facilities.	

Preparation of Facility (in excess of initial preparation for natural grass



turf or if additional lines are required to be painted on synthetic turf for event)

Softball, Baseball Single and/or Seasonal	\$ 25.00/field/day	\$ 25.00/field/day
Football, Soccer, Lacrosse or Rugby	\$ 250.00/field/day	\$ 250.00/field/day

**Facility Lighting** (during periods of broad daylight)

Youth Fields (baseball, softball) and Courts	\$ 5.00/hour	\$ 5.00/hour
Adult Fields (softball)	\$ 9.00/hour	\$ 9.00/hour
Football, Soccer fields, Doug Shaw Memorial Stadium	\$ 12.00/hour	\$ 12.00/hour

**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 167% of the rate established for City residents. Non-city fees shall be computed by multiplying the city fee by 167% and rounding up to the nearest \$5.00 increment.

**Youth Sports Fees**

For each sport

City resident	\$15.00
Non-resident	\$75.00

**Special Program Fees**

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

Greens Fees—Whispering Pines Golf Course.

Maximum Resident Fee, per round including cart	35.00
Non-resident, per round including cart	Market rates
Other Golf Course fees and charges	Market rates

**Coastal Federal Field.**

COASTAL FEDERAL FIELD

RENTAL FEES SCHEDULE

CATEGORY 1

COMMERCIAL USE- defined as 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.)

CATEGORY 2

NON PROFIT USE- Defined as 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.

CATEGORY 3

GOVERNMENT AND PUBLIC SCHOOL USE Defined as use by any local government in Horry County, use by Horry County Government, or use by Horry County Public Schools for the purpose of providing recreational opportunities, public service opportunities or educational opportunities to their citizens.

AREA	RENTAL FEE	CATEGORY 1	CATEGORY 2	CATEGORY 3
Entire stadium	per day	\$4000.00	\$2400.00	\$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	\$1200.00	\$720.00	\$360.00
	per hour*	\$240.00	\$144.00	\$72.00

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

\* Three hour minimum rental on all areas. Must include set up and tear down time.

#### ADDITIONAL CHARGES

Stadium Head Groundskeeper	\$25 per hour (required for all events utilizing the playing field)
Grounds Crewman	\$15 per hour each (required for baseball events)
Cleaning Fees	\$100 - \$1200 per use depending on event based on \$15.00 per hour for supervisor and \$12.00 per hour for each laborer.
Field lights*	\$60 per hour (included in full day rentals)*
Video Board Operator	\$50.00 per game or
\$20.00 per hour for non game functions	
PA System Operator	\$50.00 per game or
\$20.00 per hour for non game functions	
Scoreboard operator	\$50.00 per game or \$20.00 per hour for non game functions
Sound System Operator	\$50.00 per game or \$20.00 per hour for non game functions
Scorekeeper	\$10 per hour
Move in / Move out days	50 % of one day's rental
Programs and Novelties Sales	\$300 vendor fee

Stadium/Field Damages	Lessee must pay 100% of repair costs.
8 Foot Folding Table	\$9 per day
Folding Chair	\$1.25 per day
Security Officer	\$15 per hour
Usher/Ticket Taker/Parking Attendant	\$9.25 per hour
Geotextile fabric installation	\$.0325 per square foot (required for all events utilizing the playing field)
Holiday Rates – Field Maintenance Crew	\$75.00/hour/person (minimum of 2 staff required)
Holiday Rates – Scoreboard & Operator	\$75.00/game/person (minimum of 2 staff required)

**Train Station Fees and Charges.**

City Resident	\$30.00/hour
Non-Resident	\$55.00/hour
Staffing Chg for events: non-business hours	\$30.00 per hour
Holiday Staffing Rate (if staff is available)	\$50.00/hour
Table/Chair Set-up Fee	\$25.00

(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. Setup and delivery must be coordinated with the Facility Attendant.)

Security Deposit	\$200.00
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Security deposit may be returned after assessment by City provided that Train Depot is returned to the same condition as before rental.

**Library Cards.** The current schedule of fees and charges for Library Cards is hereby amended to read in its entirety as follows:

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

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

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

“Non-resident” shall mean any person who does not qualify as either a City Resident or a County Resident.

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

Class	Annual Fee
City Resident	No charge
Horry County Resident	
Primary Card	\$20.00
Additional Cards for other family members	No charge
Non-resident 90-Day Card	
Primary Card	\$ 8.00
Additional cards for other family member(s)	\$ 2.00 per card
Non-resident annual card	
Primary Card	\$20.00
Additional cards for other family member(s)	\$ 8.00 per card”

## Exhibit E. 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>Space</b>	<b>Maximum Rate</b>
Exhibit Hall ABC (100,800 sq. ft.)	\$ 12,000.00
Exhibit Hall A (36,000 sq. ft.)	5,400.00
Exhibit Hall B (28,800 sq. ft.)	4,400.00
Exhibit Hall C (36,000 sq. ft.)	5,400.00
Meeting Rooms (per day or portion thereof, each room)	300.00
Ballroom (per day or portion thereof)	7,000.00
Parking Charge (per space per day)	3.00
Exception: Residents with City parking decal	No charge
Other Convention Center services and Charges	Market Rates

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

(a) PERMIT FEES:

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

<u>Total Valuation</u>	<u>Fee</u>
\$5,000 and less	\$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:

Permit fees	\$0.30 per square foot
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(b) MANUFACTURED HOME PERMIT FEES

Base	\$35.00
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(c) TRADE PERMIT FEES

Trade permits are required in addition to the permit fees of (a) & (b) herein above.

MECHANICAL PERMIT

\$2,000 and less	\$35.00
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Over \$2,000 \$35.00 plus \$2.00 for each \$1000, or fraction thereof, over \$2,000.

PLUMBING PERMIT

Base Fee	\$25.00
Per Fixture	\$2.50
Sewer	\$5.00
Vacuum Breaker	\$2.50
Grease Trap	\$5.00

GAS PERMIT

Base	\$25.00
Per Appliance	\$2.50



ELECTRICAL PERMIT

Base	\$25.00
Temporary Service Pole	\$10.00
Residential Service	\$10.00
Commercial Service	\$25.00
Each Sub-panel	\$10.00
Per 110 volt outlet	\$0.20
Per 220/440 volt outlet	\$2.00

(d) MOVING OF BUILDINGS OR STRUCTURES:

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

(d) DEMOLITION OF BUILDINGS OR STRUCTURES:

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

(e) RE-INSPECTION FEES:

All re-inspection fees will be One Hundred Dollars (\$100.00), which shall be paid before the re-inspection is made.

(f) PENALTIES

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

(g) PLAN-CHECKING FEES

When a plan is required to be submitted a plan-checking fee shall be paid at the time of submitting plans and specifications for checking. The plan-checking fee shall be equal to one-half of the building permit fee as determined in accordance with sub-section (a) herein above. Such plan-checking fee is in addition to the building permit fee.

(h) SIGN PERMIT FEES

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

(i) 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 sub-section (a) herein above. Plan-checking fees will be one-half the permit fees, payable at the time the permit application is made.

Exhibit G. **Schedule of Planning Fees and Charges**

Zoning Ordinance Text Change	\$200.00
Rezoning	\$500.00
Planned Unit Development applicant continuance	\$2,500.00 + \$1,000.00 per
Encroachments	
Residential, Right-of-Way	\$100.00
Residential, City Property	\$250.00
Commercial, Right-of-Way	\$300.00
Commercial, City Property	\$600.00
Subdivision Review (Minor Exempt)	No charge
Subdivision Review (Major)	\$100.00 + \$25.00 per lot
Annexation and Rezoning	No charge
Planned Unit Development Amendment	\$1,250.00 + actual noticing costs
Street Naming Fees	
With New Subdivision	\$100.00
Required of Private Drive	\$ 25.00 per street name
Plat Review (staff review)	
Combination Plats	\$ 25.00
Site Plats	\$ 25.00

Easements	\$ 50.00
Subdivisions with lots > 5 ac.	\$100.00 per lot
Minor Subdivision Review (Planning Commission)	\$ 50.00
Map Fees	\$ 100.00
Re-review of Plats	
First re-review	(No additional charge)
Second Re-review	\$ 50.00
Third Re-review	\$100.00
Fourth Re-review	\$150.00
Fifth and subsequent re-reviews	\$200.00
Restrictive Covenant, failure to apply	\$500.00
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	

**Exhibit H. Miscellaneous Fees and Charges**

**Cemetery Fees and Charges**

Cemetery Plot Price, each	\$1,250.00	
Niche, each		\$1,000.00
Pet Plot Price, each		
2ft. x 2ft.		\$ 400.00
2ft. x 4ft.		\$ 450.00
Continuing care charge	20% of Plot or Niche price	

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

<u>Service</u>	<u>City Resident</u>	<u>Non-City resident</u>
Base Transport Charges:		
Basic Life Support	\$300.00	\$ 400.00
Advanced Life Support (Tier 1)	400.00	500.00
Advanced Life Support (Tier 2)	500.00	600.00
Third Attendant	80.00	80.00
Mileage (charge per mile)	6.25	6.25

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

Hazardous Charges	Materials	Incident	The Fire Department shall, from time to time, establish reasonable rates sufficient to recoup the costs of these incidents but not in excess of the then current County rate schedule or, for items not included in the County rate schedule, not in excess of reasonable direct and indirect costs.
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**Ambulance and Medical Personnel.** 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.

**Fire Training.** 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.

ORDINANCE No. 2010-63

STATE OF SOUTH CAROLINA )  
COUNTY OF HORRY )  
CITY OF MYRTLE BEACH )

**AN ORDINANCE TO AMEND SECTION 1 OF ORDINANCE No. 2010-39, THE 2010-2011 BUDGET ORDINANCE, TO ADOPT TAX RATES CONSISTENT WITH THE HORRY COUNTY REASSESSMENT AND THE STATUTES GOVERNING IMPLEMENTATION OF A REASSESSMENT.**

**WHEREAS**, Section 5-13-30(3) of the Code of Laws of South Carolina (the “SC Code”) requires that a municipal council shall act by ordinance to adopt budgets and to levy taxes; and

**WHEREAS**, on June 22, 2010, the City Council of the City of Myrtle Beach (the “Council”) adopted Ordinance No. 2010-39 establishing a budget for the fiscal year beginning July 1, 2010 and ending on June 30, 2011 (the “2010-11 Budget Ordinance”) based upon an amount of property tax revenue, absent new growth, that equals the revenue generated in the previous year; and

**WHEREAS**, Section 6-1-30 of the SC Code establishes limits for the determination and levy of the millage rates for local government operations both during and outside of years when a reassessment is implemented, and

**WHEREAS**, by letter dated May 6, 2010, the South Carolina Budget & Control Board notified the City that the limit on its millage rate increase for operations for the 2010 tax year will be 3.0%; and

**WHEREAS**, Section 6-1-30 further requires that, in a year of implementation of a reassessment, the rollback millage as calculated pursuant to Sec. 12-37-251(E) must be used in lieu of the previous year’s millage rate as the base rate for determining the maximum allowable millage rate; and

**WHEREAS**, Horry County and all local governments located therein will implement a reassessment in Tax Year 2010 and Fiscal Year 2010-11; and

**WHEREAS**, the 2010-11 Budget Ordinance provided that the Tax Levy and Distribution Table appearing in Sec. 1 of that Ordinance should be amended by means of a separate ordinance to adopt rates sufficient to generate property tax revenue for 2010-11 equivalent to 2009-10 property

tax revenues, plus the value of taxes from New Growth to be taxed for the first time in 2010, when applied to the 2010 Reassessment property values to be determined by the County Assessor; and

**WHEREAS**, the County Assessor has now provided the Reassessment property values,

**NOW, THEREFORE, BE IT ORDAINED** by the governing body of the City of Myrtle Beach, in Council duly assembled and by the authority of the same that Sec. 1 of Ordinance No. 2010-39, the 2010-2011 Budget Ordinance, is hereby amended with to read, in its entirety, as follows:

**Sec. 2. Levy of taxes.**

For the support of general governmental functions of the City, an *ad valorem* tax to apply for the period July 1, 2010 through June 30, 2011, both inclusive, for the sums and in the manner set forth as follows, is and shall be levied, collected, and paid into the treasury of the City of Myrtle Beach, South Carolina, for the use and service thereof.

*Tax Levy and Distribution (in mills)*

**Operations**

General Fund	55.0
Convention Center Fund	3.5
Total Levy for	58.5

Operations

**Debt Service**

Total Tax Levy (in mills)	66.1
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Such tax is hereby levied upon the value of all real and personal property within the corporate limits of the City, except such as is exempt from taxation under the Constitution and Laws of the State of South Carolina, as such property is assessed for taxation for County and State purposes.

**Sec. 2. Validity of the ordinance.** If, for any reason, any sentence, clause or provision of this ordinance shall be declared invalid, such declaration shall not affect the remaining provisions thereof.



**Sec. 3. Conflicts with preceding ordinances.** Should conflicts arise between this and any preceding ordinances, this ordinance shall prevail with respect to the conflicting sections.

**This ordinance shall become effective upon its adoption.**

s/John T. Rhodes \_\_\_\_\_

**Mayor**

**Attest:**

s/ Joan Grove \_\_\_\_\_

**City Clerk**

**First Reading:** 9/14/2010

**Second Reading:** 10/21/2010