



**SURFSIDE BEACH TOWN COUNCIL
WORKSHOP MINUTES
JANUARY 20, 2015 AT 9:00 A.M.
TOWN COUNCIL CHAMBERS**

CALL TO ORDER. Mayor Samples called the workshop to order at 9:00 a.m. Mayor Samples, Mayor Pro Tempore Pellegrino, and Councilmembers Childs, Johnson, Mabry, Magliette, and Stevens were in attendance. A quorum was present. Others present: Administrator Fellner; Town Clerk Herrmann, and Finance Director King.

Mayor Samples explained that the workshop was to discuss the proposed fund balance ordinance and to establish priorities from the visioning workshop for the upcoming budget preparations.

Ms. King presented the fund balance ordinance and a breakdown of fund balances utilizing the proposed ordinance, copies of which are in file. The ordinance includes:

- *Disaster Recovery Reserve* includes funds reserved in the event of a hurricane or other natural disaster.
- *Assigned Funds* include:
 - ▶ Capital Replacement Reserves to buy equipment and vehicles. Historically, 3 mills has been allocated to capital replacement reserves. The millage will be evaluated for the 2015-2016 budget year, and a 10-year history of fund balance and anticipated expenditures for the next ten years will be provided to Town Council prior to second reading. Ms. Fellner believed it was prudent to save money in this fund; however, Town Council could use the funds for other purposes.
 - ▶ Land, Meters, and Parking Purposes Reserve receives net revenue from parking operations, except for the pier parking lot. Funds are used to beautify parking areas, purchase and maintain parking equipment, pay for parking operations, and/or to purchase additional land for parking. Town Council **CONCURRED** to amend paragraph (d), subparagraph (ii) to remove the words "for parking" from the last sentence.
- Unassigned Fund Balance includes funds not assigned to other funds or not restricted or committed. These funds are used for emergent situations other than natural disasters. Balance to be maintained at the end of each fiscal year is approximately four (4) months of General Fund expenditures.
- *Capital Projects Fund* was previously established by code. Staff will recommend 2 mills, approximately \$120,000, be allocated to this fund during the budget process to reserve for future projects along with any designated millage for stormwater, etc.
 - ▶ Street Funds will be transferred from the General Fund to the Capital Projects Fund.
 - ▶ Capital Projects include special projects that are not on-going, i.e. beach renourishment, underground utilities, drainage projects, etc.
 - ▶ Restricted for Street Improvements. Annual vehicle registration fees received from Horry County are to be used for road improvements.
 - ▶ Assigned to Beach Renourishment goal is \$1.2 million by 2020; Town Council will decide how much to allocate each budget year, except that a minimum each year is \$50,000 from Accommodations and/or Hospitality funds.
 - ▶ Town Council will determine which projects will be funded through the Capital Projects Fund during the annual budget review and approval.
- *Special Revenue Funds* include state accommodations taxes, local accommodations taxes, and hospitality taxes.
- *Enterprise Funds* have never been established by code. Enterprise Funds are required to report proceeds of specific revenue that are restricted or committed to expenditures for specified purposes. Unrestricted net position will be maintained at four (4) months of operating expenses and transfers out for all Enterprise Funds. Enterprise Funds reimburse the General Fund for its services using a formula of offsetting services and actual expenses between the two funds. There are two Enterprise Funds:
 - ▶ Sanitation Fund that was created April 1, 1997.

Town Council Workshop
January 20, 2015

58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75

- ▶ Pier Fund that was established by Resolution #08-073. Once the Pier Fund pays off the General Fund, Town Council will reconsider its reserve requirement as regards self-insuring.
- *Fund balances are estimated in the budgeting process.* Fund balance amounts will be reported to Town Council after the year-end audit is published. Shortfalls shall be required to be rebuilt to minimum levels with the next two fiscal years during budget preparation process. When fund balances are above the required minimum, the difference may be used to fund activities, subject to Town Council approval.

Town Council **CONCURRED** to have the ordinance presented for second reading at the January 27th regular meeting with a change to remove “for parking” as stated above.

Mayor Samples called **RECESS** at 10:05 a.m. and **RECONVENED** the workshop at 10:10 a.m.

The visioning recommendations presented by Ms. Fellner were reviewed line by line. Town Council suggested that in the future items be presented under the respective funds. Town Council’s dispositions are set forth beside each item below.

#	DEPT.	PERSONNEL ADDITIONS	\$/YEAR	DISPOSITION
1	PBZ/PW	PT code enforcement official	\$30,000	CONCURRED
2	PBZ	GIS/CRS Flood	\$60,000	CONCURRED
3	Admin	Network Administrator	\$70,000	Defer one year
4	PW	FT light equipment operator (PT now)	\$36,000	Reconsider
#	DEPT.	POSSIBLE NEW REVENUE SOURCES	\$/YEAR	DISPOSITION
1	Fire	Innovapad accident reimbursement	\$15,000	CONCURRED
2	Fire	Charge for fire inspections	\$25,000	FAILED
3	PBZ	Annexation in business district	\$5,000	FAILED
4	PBZ	Increase tree fines	\$5,000	CONCURRED
5	Admin	Pier development (destination)	\$50,000	CONCURRED
#	DEPT.	ADDITIONAL RESOURCES REQUESTED	\$/YEAR	DISPOSITION
1	Court	Metal Doors – 3 installed	\$4,250	CONCURRED
2	Finance	Document management system	\$30,000	FAILED
3	Events	Check with Santee Cooper re discount if LED lights are used. New Christmas decorations (\$10K if buy now)	\$12,500	CONCURRED
4	Fire	SCBA replacement (air tanks)	Questions	Administrator to follow-up
5	Fire	Radio upgrades	\$27,000	CONCURRED
6	Fire	Develop traffic management team	\$1,200	CONCURRED
7	Fire	Junior firefighters - 10 members maximum	\$7,250	CONCURRED
8	PBZ	ArcGIS Software	\$15,000	CONCURRED
9	PBZ	Plotter – 10 to 15 year life expectancy	\$15,000	CONCURRED
10	PBZ	PC & Monitors–for GIS 5-year life expectancy	\$5,000	CONCURRED
11	Police	LED message board purchase	\$15,000	A-Tax request
12	Police	Additional surveillance cameras	\$16,000	A-Tax request
13	Police	Replacement beach truck (purchase from PW @ \$20K, plus police equip @ \$8K) – this fiscal year	\$28,000	A-Tax request
14	Police	Capital replacement 2 patrol cars Detective’s car – wait a year	\$62,000 \$30,000	CONCURRED FAILED
15	Police	In car camera upgrades	Questions	Administrator to follow-up
16	PW	Public Works Director truck – this fiscal year	\$35,000	CONCURRED
17	PW	Mini excavator	\$30,000	CONCURRED
18	PW	Increase recycling unit line item	\$5,000	CONCURRED

Town Council Workshop
January 20, 2015

#	DEPT.	MAJOR EXPENDITURES MENTIONED	\$ COST	DISPOSITION
*1	Admin	Purchase lots at 3 rd Ave S & Willow	Unknown	CONCURRED
2	Police	Police station renovation—add line item to establish reserves for capital building upgrades	Questions	Administrator to follow-up
3	Admin	Town Hall reception lobby upgrade & Welcome Center this fiscal year - (sign & display case not included in estimate)	\$10,000	CONCURRED
4	Admin	Ernestine's building	\$125,000	FAILED
5	Admin	TOSB Greenway bike path-Clemson University cooperating to seek grants, develop plans, etc. \$5,000 est. for site visits/other cost unknown	Unknown	CONCURRED
6	Admin	Ocean outfalls – <i>reconsider in long term plans</i>	Unknown	FAILED
7	PW	Sidewalk construction 5 th Avenue North	Unknown	CONCURRED Administrator to follow-up
8	PW	Surfside Drive improvements curb and gutter. Director Adair to update Town Council on CTC process. May be done in increments.	Unknown	CONCURRED Administrator to follow-up
9	Admin	Pier development (privileged information – waiting for response in writing)	Unknown	CONCURRED
#	DEPT.	MAJOR INITIATIVES NOT MENTIONED	\$/YEAR	DISPOSITION
1		The Family Beach marketing plan via Chamber of Commerce (Chamber)		CONCURRED
2		We're Open for Business marketing plan via Chamber		CONCURRED
3		Human Resource Audits for consultant	\$5,600	CONCURRED
4		Business revitalization plan		CONCURRED

*Note: Mr. Magliette was excused from the meeting at 11:00 a.m., but expressed support for the proposed land purchase before leaving.

ADJOURNMENT. Mayor Samples declared the workshop adjourned at 11:51 a.m.

Prepared and submitted by,

Debra E. Herrmann, CMC, Town Clerk

Approved: January 27, 2015

Douglas F. Samples, Mayor

David L. Pellegrino, Mayor Pro Tempore

Robert F. Childs, Town Council

Mark L. Johnson, Town Council

Mary Beth Mabry, Town Council

Ralph J. Magliette, Town Council

Randle M. Stevens, Town Council

Clerk's Note: This document constitutes action minutes of the meeting that was digitally recorded. Appointments to hear recordings may be scheduled with the town clerk, or you may bring a flash drive to obtain a copy of the audio recording. In accordance with FOIA, meeting notice and the agenda were distributed to local media and interested parties. The agenda was posted on the town website, the entry door at Town Council Chambers, and in the Town Hall reception area. Meeting notice was also posted on the Town marquee.