



TOWN OF SURFSIDE BEACH ♦ TOWN COUNCIL CHAMBERS  
February 24, 2009 ♦ 5:30 P.M.

TOWN COUNCIL BUDGET MEETING MINUTES

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1. **CALL TO ORDER**

Mayor Deaton called the special budget workshop meeting to order at 5:35 p.m. Mayor Deaton, Mayor Pro Tem Truett and Councilmembers Blair, Johnson, Martin, Samples and Childs were present. A quorum was present. Staff present: Administrator Booth; Clerk Pinnell; Finance Treasurer Hursey; Associate Judge Wentz and Police Chief Christenson.

2. **BUSINESS**

*Changes made from Budget Previously Presented*

Mr. Booth reported that this is the second time that council would be going over this budget adding that this is basically the same budget presented at the previous budget workshop with a few exceptions. Mr. Booth stated that he would go over those exceptions. Mr. Booth reported that he has reduced the fuel cost from \$3.50 to \$2.50 since it has become obvious that the economic downturn would continue and that the fuel cost would not be going up past \$2.50. Mr. Booth stated that he has also reduced the overall cost for fuel 25 percent on the fire department and 25 percent on sanitation and the reason being that there are less calls being taken out of town for the fire department, and that sanitation collections are now being done on one side of the street; they are no longer going up and down the same street adding that this saves 20,000 gallons of fuel and has been a huge savings on the environment as well. Mr. Booth reported that he has added two safety officers for the beach to code enforce cigarettes, drinking and dogs and they will be seasonal officers. Mr. Booth reported that the cuts made have been an administrative position of dispatching in the police department and two positions in public works. The insurance was reduced by \$30,000; however \$100,000 has been lost in interest.

Mr. Childs asked what the hours of the additional beach officers would be. Mr. Christenson answered that they would be 8 hours during the day. Mr. Samples stated that the cover letter that council received dated February 20<sup>th</sup> mentions a reduction of two staff members in the police department. Mr. Booth confirmed that only one dispatcher would be lost and the information on this letter has since been changed adding that as the economy goes down crime increases and the town needed to revisit this. Mr. Samples stated that he is pleased to hear this and is glad to know that the cover letter information has since been changed. Mr. Booth reported that council needed to be informed that there may be more cuts with the State threatening to take \$70,000 from the town and hundreds of thousands from the County and if these come in then he would look at areas other than the police department to make cuts. Mr. Booth stated that these cuts might come out of Public Works. Mr. Booth stated that the town may be more fortunate and get more tourists in than anticipated and then cuts would not be necessary but they would have to wait and see since there are many unknowns. Mr. Samples stated that the summary for all funds indicate that the town plans on spending roughly three quarters of a million dollars more than it brings in. Mr. Booth stated that this comes from building a fire station and the town did not spend funds this year therefore there is no rolling into next year and it has to show as a deficit when in fact the funds are there.

52 Mr. Booth stated that there are infusion funds coming down from the federal government  
53 to the state and since the town has less than 35,000 it depends on the State to receive  
54 these funds. Mr. Booth stated that the town has a fire station that is shovel ready and  
55 would like to find out if the town is eligible for funding prior to presenting bids to  
56 council. Mr. Booth stated that once a project is awarded it no longer qualifies and stated  
57 that unless there was an objection from council he would delay presenting bids to  
58 council until he finds out all of the parameters regarding these funds. Mr. Booth stated  
59 that the Governor has threatened not to accept these funds but the legislature has stated  
60 that they will accept them so there are many dynamics involved and he would hate to see  
61 the town lose a million dollars in funding if they did not have to.

62  
63 Mayor Deaton stated that he has made recent trips to Washington and Columbia and  
64 clarified Mr. Booth's information. Mayor Deaton stated that the 35,000 is a stipulation  
65 on population and anything below 35,000 residents the money would go to the State and  
66 be appropriated by the State adding that this mechanism is not in place yet. Mayor  
67 Deaton stated that when they were in Columbia the legislators did not even know that it  
68 would be coming down that way and they were lucky enough to have the Director of the  
69 National League of Cities who works on a day to day basis with the package inform  
70 everyone of this. Mayor Deaton stated that the town will be depending on the State and  
71 how they chose to allocate these funds and they need to wait and see adding that there is  
72 a website [www//recovery.gov](http://www/recovery.gov) that they have been following and the town would need to  
73 wait until the information comes in. Mayor Deaton stated that the fire station project  
74 meets the criteria as far as they understand it on a national basis adding that it is shovel  
75 ready and has funds allocated towards it and if the town received funding it could use the  
76 allocated funds for other projects; a wellness center for seniors could be built adding that  
77 this is what the stimulus package is for, it is to stimulate the economy where one project  
78 creates another. Mayor Deaton stressed that the town is keeping on top of it. Mr. Martin  
79 stated that he is concerned that the fire station is the target and asked how long the bids  
80 that will be put in on Thursday would be good for. Mr. Booth stated that bids are  
81 generally good for 45 days but due to the way the current construction industry is they  
82 would be good for a year. Mr. Samples stated that there is still time to issue an  
83 amendment to the RFP, which would delay receipt adding that this is not unheard of and  
84 there is no reason to even receive the bids on Thursday. Mr. Samples stated that it could  
85 be delayed an additional 30 days and would suggest that the town do this. Mayor  
86 Deaton stated "certainly we would not want to shoot ourselves in the foot at this point in  
87 time". Mr. Booth stated that the bids would also need to be qualified adding that there  
88 are many things the town can do and that the bids to council would be delayed. Mr.  
89 Samples stated that the bids were advertised on February 5<sup>th</sup> on SCBO and he only saw it  
90 show up one time and if it shows up one or two more times there is a chance that the  
91 town would increase the competition adding that there is nothing wrong with increasing  
92 the competition on this bid and feels that adding an additional 30 days would be  
93 beneficial. Mr. Martin stated that he realizes that these are all positives but it also delays  
94 the building of the fire station and the town needs a fire station adding that this is his  
95 concern. Mr. Booth agreed. Mayor Deaton asked Mr. Booth if he wanted a consensus  
96 and Mr. Booth stated that he is comfortable in the direction the town needed to go.

97  
98 Mr. Booth reported that a budget has been created that is considerably less than the  
99 budget it is currently working on; it has gone down 18 percent in accommodation tax, 10  
100 percent in hospitality, 17 percent in local business taxes, 64 percent in building permits

101 and interest rates are shown at a major reduction. The budget, except for the issue of the  
102 fire department, is less than the year before and that this budget would continue to be  
103 monitored. Mr. Samples stated that even though it is projected that the town is spending  
104 three quarters of a million more than it is taking in by his calculation the town would still  
105 retain, after the fire station, roughly three and a half million dollar in "rainy day funds"  
106 in terms of fund balances. Mr. Booth stated that 2.5 million dollars would probably be  
107 needed for two hurricanes adding that he personally had experienced going through back  
108 to back hurricanes in the past. Mr. Booth stated that the town would be able to take care  
109 of things since it would take FEMA at least six months to give funding assistance.

110  
111 Mr. Booth stated that the town is spending the proposed expenditure of \$2,158,000 for  
112 the fire station and feels that the town may find to be less than that once the bids come  
113 in. The decrease in the fund balance with the anticipation of bringing in \$920,000 would  
114 be \$1,238,000 and when all of the pluses are added in it comes down to \$746,000 which  
115 makes it look like the town is "in the hole" but this would benefit the town when they  
116 ask for funds. Mr. Truett asked if there was a line the town should be standing in when  
117 these appropriation funds come down. Mayor Deaton stated that there is but we, at this  
118 time, do not know where the line will form and we do not know who is going to control  
119 the funds. Mayor Deaton stated that the legislators were under the impression that most  
120 of the money would be going to the DOT for transportation; for infrastructure work and  
121 they did not even realize that there were other "pots of money" coming down adding that  
122 they have been making them aware of this and the information should come in shortly.  
123 Mayor Deaton stated that the town is working in conjunction with Tom Leath of Myrtle  
124 Beach to let us know the information as it comes in. It was confirmed that the legislators  
125 in Columbia are now very aware of these funds. Mr. Booth stated that it would still  
126 come back through the bureaucracy rather than through the legislature and as soon as he  
127 finds out what office it is they would be requesting these funds. Mr. Booth stated that  
128 the thing is that the town really is shovel ready and should be eligible for these funds  
129 adding that the town could have the project starting in 30 days. Mr. Martin asked if the  
130 5<sup>th</sup> North swash would be on the list as a shovel ready project. Mr. Booth stated that this  
131 project is a corp. of engineers project; they have funds directly flowing to them and it  
132 has nothing to do with the State or the town adding that this project is on their shelf and  
133 he has spoken to a lieutenant colonel that runs the corp. of engineers and he wants as  
134 many projects funded as he can possibly get. Mr. Booth stated the swash project is 35  
135 percent designed which means that it is pretty much ready to go. Mr. Booth stated that  
136 he would follow this project to make sure it gets considered. Mayor Deaton stated that  
137 they had met with Lindsey Graham, Clyburn and Henry Brown and they are well aware  
138 of the project and added that our portion is 11 million dollars and it is under stormwater  
139 and has already gone through three of the required hurdles on the federal level; it has  
140 been allocated and now it just needs to be appropriated. Mayor Deaton stated that this is  
141 one of the projects they have been pushing in Washington with the meetings with their  
142 alliances. Mayor Deaton stated that it is a 42 million dollar package that they have been  
143 pushing and reiterated that 11 million dollars is for Surfside Beach and the swash project  
144 is included in this. Mr. Martin asked Mr. Booth to brief the public on funding. Mr.  
145 Booth stated that this is a project that has been fully engineered and the town is hoping  
146 for the corp. of engineers to fund this.

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### *Net Operating Funds*

Mr. Booth reported that the general fund shows \$6,052,000 and is really \$11,000 short and the reason that it is short is that the town has put in a mini-pumper since the last meeting. The town has cut back on a lot and in the process has been able to fund a mini-pumper to fill in for the engines that the town needs and it is something that can be well utilized with cutting down the use of its vehicles. Mr. Booth reported that he realizes that the fire department needs new vehicles but they are very expensive and the town is in the process of building a fire station. The mini-pumper would go on most of the calls which are medical calls and it carries 300 gallons and all of the necessary equipment and is easier to maneuver through town. Mr. Childs asked about the large truck they currently have. It was confirmed that the larger truck would be used when needed. Mr. Truett stated that one of the fire vehicles is an '88 and the other is an '89 and Chief Packard made a proposal at the budget retreat about a lease option for new vehicles and asked if the town was looking into this. Mr. Booth stated that the town is still looking into this but suggested that council have a workshop to discuss it adding that the town would still need to go out for bid. Mr. Booth stated that the request for the mini-pumper is an immediate need and they would discuss the other vehicles at a workshop. Mr. Booth stated that in 2013 the bonds for the road paving would be paid off and there may be funding available in 2013. Mr. Martin stated that they had discussed purchasing a second hybrid vehicle and he did not see it in the budget. Mr. Booth stated that this purchase might be put aside due to the need for the town to make cuts in all areas. Mr. Booth stated that in this budget he is trying to save jobs and has delayed the purchase of equipment except for necessary equipment. Mr. Booth stated that there is a request for a vehicle for the police department for the beach because their current vehicle is rusted out and it needs to be replaced. Mr. Booth stated that there is also a need for a sanitation vehicle but this would be through the enterprise fund as opposed to the general fund. Mr. Johnson asked about the time frame on the vehicle lease program for the fire vehicles because he thought that council had given the go ahead to look into this at the budget retreat. Mr. Booth stated that what he thought was decided was that there would be a workshop on it adding that the town is trying to get the information on it adding that he realizes that it sounds good to start with but because the town is a government agency they need to bid everything out even the financing for leased vehicles; he needs to contact other companies that provide financing for fire engines. It was confirmed that it would be discussed again in the future. Mr. Truett stated that the actual build time is 6 to 9 months and the lease option given allowed the town to put the payments off for 2 years so if the payments are put off to 2012 they are pretty close to 2013. Mr. Booth stated that he agrees with the need and the desire to have new trucks but would like to see the town first purchase the mini-pumper since he feels that it would be used the most. Mr. Truett stated that he agrees that the pumper truck is a great idea but does not want the town to lose focus that the fire department currently has two old trucks that need to be replaced. Mr. Booth stated that if the fire station gets funding there may be some funds available to go towards at least one new truck.

### *Revenue*

Mr. Booth reported that the revenue would be decreased considerably. The state is looking to balance their budget by not funding the town. Mr. Booth stated that his concern is also the Accommodations Tax. The state is only obligated to give the town \$400,000 and they can keep the rest. Mayor Deaton stated that the House Ways and Means Committee has passed a resolution to their committee, which Councilman Martin

198 had e-mailed him about and that also hit the Sun News the day after, about  
199 appropriations to local counties and municipal governments. It has not gone to the full  
200 house floor yet and has not been debated yet and from the House it would need to go to  
201 the Senate. Mayor Deaton stated that it has a ways to go but it has made it through the  
202 first committee and is something to watch.

203

204 General Fund Expenditures

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206 *Administrative and Legislative*

207 Mr. Booth stated that the past year the town funded shirts with the town logo and they  
208 would not be funding them for the following year. Mr. Booth stated that they would be  
209 cutting out all of the niceties and are looking at only necessities. Mr. Martin asked about  
210 the professional services that had gone up considerably and assumes that this is  
211 associated with changing the ordinances and asked if the fees for the architect for the fire  
212 house are included in the fee for the fire house. Mr. Booth stated that the fees for the  
213 architect were funded this year and Mr. Martin stated that he was talking about the fees  
214 for overseeing the construction. Mr. Booth stated that this was funded in the hospitality.  
215 \$150,000 was budgeted for the architect that includes overseeing the construction. Mr.  
216 Booth reported that most of the expenditures are in line or less than they were last year.  
217 Mr. Samples questioned the furniture and equipment costs that went up significantly.  
218 Mr. Booth stated that this is for computer equipment adding that the laptop he is  
219 currently giving the presentation on is his personal computer and the town is in need of  
220 new computers. Mr. Samples asked how many computers are needed. Ms. Hursey  
221 stated that they budgeted for 3 new computers.

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223 *Finance*

224 Mr. Booth stated that the finance department is in line to where they were last year with  
225 a slight increase for the auditor. Mr. Booth stated that this budget does not contain any  
226 merit increases. Mr. Booth stated that it includes a 3.5 percent cost of living increase.  
227 Mayor Deaton asked Mr. Booth if he was still comfortable with this increase due to the  
228 current economic state and if the town could still accommodate this. Mr. Booth stated  
229 that the budget being presented is a balanced budget. Mr. Samples asked if Mr. Booth  
230 knows what the inflation rate was from December 2007 to 2008. Mayor Deaton asked  
231 Mr. Samples if he knew then to please let Mr. Booth know. Mr. Samples stated that  
232 according to the Bureau of Labor Statistics it was .1 tenth of 1 percent. Mr. Booth stated  
233 that the Feds have the CPI and this year he received 5.9 percent, which was for the year  
234 before and this year the CPI is minus 4.2 percent. Mr. Samples stated that he is talking  
235 about a cost of living adjustment and asked what would happen the following year if the  
236 cost of living were to drop by 3 or 4 percent. Mr. Booth stated that the federal  
237 government would not do anything; they will not reduce social security or reduce  
238 military retired; it just stays the same until it catches up. Mayor Deaton stated that he  
239 does not think that they want to reduce anything but they want to be realistic as far as  
240 giving a cost of living raise for what the actual cost of living is. Mr. Truett stated that  
241 this was discussed at the budget retreat where the compromise was to shelf the bonus  
242 program for a year adding that there were department heads at the meeting who may  
243 have already spread the news to their staff and he does not feel that it is a good precedent  
244 to now take it away. Mr. Truett stated that he does not feel that it is that great of a  
245 number where it would put the town in a deficit. Mr. Samples stated that he understands  
246 where councilman Truett is coming from and does not have a problem discussing a raise.

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Mr. Samples asked about grade increases and how they were earned. Mr. Booth stated that increases are based on what your job is. An employee could go from working in the street department to working as a heavy equipment operator. Mr. Samples stated that this is a change in classification and stated that he is asking how it works within a particular job classification. Mr. Booth stated that this would be a merit and it would be based on your evaluation for the year. Mr. Samples stated that seniority then never plays a role. Mr. Booth stated that there are steps and a range within the merit system and if any employee has been with the town for 5 years and had done a great job they would certainly make more money than the individual coming into the job because you have had a number of step or merit increases. Mr. Samples stated that the way Mr. Booth is describing the step system is different than the merit raises that had previously been proposed. Mr. Samples stated that what was proposed in the budget was a 1 to 3 percent with an average of 2 percent. Mr. Booth stated that the maximum was 4 percent but there were only a certain percentage of employees allowed the maximum otherwise all of the employees would be given the maximum all of the time; there needs to be some parameters to delineate between the best and the "not quite so best". Mr. Samples asked for confirmation that the rate would be fixed based on the merit award. Mayor Deaton stated that this is a mute issue since council had decided not to approve merit increase for a year. Mayor Deaton stated that what council is now looking at is the value of a cost of living raise adding that there was no way that anyone could have predicted the current economic conditions from last November.

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Mr. Martin stated that he feels that Mr. Booth and the Finance staff did an excellent job putting the budget together adding that they have done a lot of squeezing with the budget and does not want to squeeze staff any more. Mr. Martin stated that he knows that many things have come down but he feels that gas may go up again and that medical costs have gone up and feels comfortable with what has been presented and would like to leave it this way. Mr. Booth stated that the feds gave 1 percent less than the CPI and as this falls it would have to rise above this level which would mean it would need to rise above the 4 percent to even get anything. Mr. Samples stated that he knows that in the past council has made a special effort to increase the salaries for the employees in the town and he knows that most people, himself included, think that they are worth more than what they make but in this particular economy if we give staff a cost of living adjustment it should be reasonably tied to the official cost of living increase during the past year adding that the information is available at the BLS.gov website; it is tracked by month, by quarter and by year. Mr. Samples stated that the fact is in the last year there has not been any increase; from December to December it is .1 tenth of 1 percent. Mr. Samples stated that rents and prices of homes and cars have all gone down. Mr. Booth stated that he has also removed overtime and he is trying to help the employees because many of them are not well paid. Mr. Booth stated that he is also trying to look at other ways for employees to earn extra money without paying out overtime. He is looking at selling soil and has found a property owner who will pay the town to clear out his lot. Mr. Samples stated that it was mentioned at the budget retreat that the merit increases would be re-examined if it was appropriate. Mr. Booth stated that what was said was that if the town was able to save money and the budget turned around then council would allow Mr. Booth as a one-time process to give out a merit bonus adding that this, however, is a long ways away and the town has a long road before they get there and that

295 council would be informed if this were to happen. There was consensus of council to  
296 leave the cost of living at 3.5 percent.

297  
298 Mr. Booth stated that this is a 15-month budget. Mr. Truett stated that council has done  
299 a good job in raising the pay of staff and feels that it is reflective in the staff and the  
300 turnover ratios is a lot lower than it has been in the past adding that the cost of training  
301 police has gone down because the town is now keeping police officers.

302  
303 *Court*

304 Mr. Booth stated that there have not been any changes in the court system; there are two  
305 individuals who operate out of the town. They are seeing many more cases than in the  
306 past. The parking tickets had been removed from the court and put onto the finance  
307 department. Mr. Booth stated that when he first started with the town the court system  
308 was a disaster and it is now working well and added that he gives the judge and judge  
309 Blanton full credit for bringing it up to where it is now. They have put it in line; it is  
310 operating and all of the funds are being taken care of. Mr. Booth stated that a good  
311 portion of the money they get in goes to the State. Mr. Martin asked if they court is in  
312 need of any additional computer systems. Mr. Booth stated that they currently have  
313 everything they need.

314  
315 *Recreation*

316 Mr. Booth reported that the town is doing more with special events. They have not cut  
317 back on recreation to any major point; however, they are going to turn over football to  
318 the County. Mr. Booth stated that the town will be pushing the County to take over  
319 some of their responsibilities and football will be the first one. Mr. Booth stated that as  
320 the recreation gets rid of some sports they would add others like a soccer program and  
321 feels that this type of program fits better in the town fields. Mr. Booth reported that  
322 football tears up the fields and they need to constantly be rebuilt. Mr. Booth stated that  
323 the town currently takes their baseball fields and turns them into football fields in the fall  
324 and they are not suited for football and that soccer is not as invasive on the fields. Mr.  
325 Booth stated that on Memorial weekend the town will have a car show and the town  
326 plans on having many more special events including fireworks on the fourth of July. Mr.  
327 Truett stated that he and the Mayor had lunch with the county councilman and they were  
328 told that he would bring County funds to the town if we developed a new program and  
329 soccer is new. Mr. Booth stated that the County is also planning on building a  
330 concession stand on Martin Field. Mr. Truett stated that they had discussed funding for  
331 the athletic programs. Mr. Booth stated that this funding was also discussed in addition  
332 to the concession stand. Mr. Booth stated that the town is looking at soccer for children  
333 and all that is needed is a small field. There was some additional discussion regarding  
334 the benefits of adding soccer.

335  
336 *Facilities*

337 Mr. Booth stated that facilities consists of two employees and instead of the town  
338 contracting work out they have this department to keep up on repairs and maintenance  
339 adding that it is very cost effective and they also clean the buildings.

340  
341 *Police Department*

342 Mr. Booth reported that this department is the largest in the budget. Mr. Booth reported  
343 that this department is busy since the town has many empty homes that need to be

344 watched in these economic times. Mr. Booth reported there would be a reduction of one  
345 staff person in dispatch. Mr. Booth stated that the plan is to purchase an Impala and to  
346 lease a truck for the beach. Mr. Booth stated that the vehicle will only last about 3 years  
347 on the beach and is not sure if a lease will work since the current vehicle is rusted out.  
348 Mr. Booth stated that the town leased a vehicle 10 years ago and has heard that it did not  
349 work out and does not know why. The vehicle would not cost any more to lease and  
350 there is a possibility that the town could save some money with the lease and if the lease  
351 does not work they would not do it again. Mr. Booth stated that this vehicle would be on  
352 the beach all of the time and it would take some wear and tear. Mr. Samples confirmed  
353 with Mr. Booth that the current vehicle is 3 years old and is rusted out and the town now  
354 wants to lease for three years. Mr. Booth stated that it fits better in the budget but he  
355 does not know if it will work out or not. Mr. Samples suggested that they at least review  
356 the terms of the lease to see if the vehicle can be operated off road. Mayor Deaton stated  
357 that the town would need to make sure that if the town were to turn in a rusted vehicle it  
358 would at least have the value and the town would not have to overpay to get out of the  
359 lease. Mr. Booth stated that they are looking at all of this. Mr. Christenson stated that  
360 other agencies have leased and purchased various vehicles in the past and there is no  
361 way they know what the end costs would be adding that it would definitely cost the town  
362 something to replace the rusted parts before it is turned in. The vehicle would cost  
363 \$25,901 to purchase and a 3 year lease at \$458 a month is \$16,605, a \$9,396 difference  
364 and it gives the town more options at the end of the lease. Mr. Christenson stated that a  
365 lease is a purchase and the town would have the option to turn it in at the end or  
366 purchase it. Mr. Christenson stated that it does not matter either way to him. The town  
367 could decide at the end of the agreement whether they could get more money if they  
368 bought it then sold it or to fix it and turn it in.

369  
370 Mr. Samples asked about the expenditure analysis on the full time equivalence. Mr.  
371 Samples stated that he understands that the town is losing one person and asked what the  
372 other .7 person was on the report. Ms. Hursey stated that in Accommodations Tax the  
373 town is only funding 2 and 1/3 officers on the beach. Mr. Booth stated that because the  
374 accommodations tax has been reduced so much the general fund has picked up some of  
375 the cost.

376  
377 *Fire Department*

378 Mr. Booth reported that the fuel cost has been reduced since they are not going out of  
379 town on calls. Mr. Booth stated that the maintenance cost should go down with the new  
380 vehicle.

381  
382 *Building, Planning & Zoning*

383 Mr. Booth reported that the revenues have gone down. Mr. Booth reported that he is  
384 now using the inspector in code enforcement for half a day and that he is looking at  
385 everything from trees to dogs to building without a permit. Mr. Booth stated that the  
386 department is now in the process of reviewing the zoning ordinances and is working  
387 together with the planning & zoning commission.

388  
389 *Public Works*

390 Mr. Booth reported that Public Works is involved in everything from stormwater to  
391 streets and the town is starting to look very good. Mr. Booth stated that Public Works is  
392 also involved in the beautification of the town adding that the Grounds Department is



393 well in place and is taking care of the Recreation Department and the town. Mr. Booth  
394 reported that the Grounds Department is currently working on the Yaupon parking lot  
395 and the pay stations will be going up soon. Mr. Booth stated that they are also working  
396 on crossovers and that the 50/50 project would probably be moved aside as the town gets  
397 into the summer season. Mr. Truett asked about the sidewalks. Mr. Truett stated that at  
398 the budget meeting council talked about putting sidewalks on Poplar. Mr. Booth stated  
399 that this has already been bid out and it would go the whole length of 14th and it would  
400 run from Surfside Drive to 5<sup>th</sup> Avenue. It would go from 14<sup>th</sup> to Ocean Blvd that is in  
401 this year's budget. Mr. Booth stated that he would come back to council to decide where  
402 sidewalks for next year's budget would go.

403  
404 *Fleet Maintenance*

405 Mr. Booth stated that this is the cost of the mechanic and parts. There is one individual  
406 in this department that keeps everything going.

407  
408 *Grounds Department*

409 Mr. Booth reported that this department is part of the Public Works Department and they  
410 work on beautification projects. Mr. Booth stated that \$80,000 from hospitality has been  
411 placed into beautification.

412  
413 *Non-Departmental*

414 Mr. Booth reported that this is not a major part of the budget. It is \$132,000 and  
415 includes insurance and professional services. Mr. Martin asked why employee health  
416 insurance went from \$90,000 to \$14,000 in one year. Ms. Hursey stated that the town  
417 did not previously charge this to the individual departments for the extra expense of the  
418 family coverage and non-departmental used to absorb that cost and going forward they  
419 are charging the individual departments. Mr. Booth reported that the debt service has to  
420 do with the bond that the town currently has out for \$416,000 that will go away in 2013  
421 and will give the town more flexibility once that is done.

422  
423 *Sanitation*

424 Mr. Booth reported that this fund runs as a business and is running with a current surplus  
425 of \$193,000 and that it would be used to replace vehicles. Mr. Booth stated that once the  
426 town gets rid of all of the soil they would put in commercial containers and lease them  
427 out. This will make the town look better since there are many unappealing commercial  
428 containers situated around town and they would recoup the costs. Mr. Samples asked  
429 what the fund balance is and asked if it is put into the general fund at the end of the year.  
430 Ms. Hursey and Mr. Booth answered that it is not and they are not allowed to do this.  
431 Mr. Booth stated that they charge it 5 percent because there are some overhead expenses  
432 involved. Mr. Samples asked that since the town is expecting to generate \$193,000 if it  
433 does not remain in the fund balance where does it go. Ms. Hursey stated that the fund  
434 balance is not the same as the governmental balance. Mr. Samples asked what the  
435 projected cash balance would be for the sanitation fund. Mayor Deaton asked Mr.  
436 Samples to discuss this with Ms. Hursey at another time due to time constraints of the  
437 meeting.

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### *Accommodations Tax*

Mr. Booth reported that by law this needs to be spent and cannot be held. The town recently received dispensation on some funds and the town was able to purchase the pier with those funds. Mr. Booth stated that there is a committee that reviews the funding and this pays for some of the police officers, some sanitation and 1/3 of it goes to the Chamber of Commerce. Mr. Booth reported that the town held of \$40,000 of the Chamber funds so that the town can do their own marketing. Mr. Booth stated that this money still needs to go to the Chamber of Commerce but this has been designated to go towards special events and this will insure that the town gets some direct marketing for special events. Mayor Deaton stated that the town is getting much better participation from the Chamber with them focusing a little more on the south end and added that he appreciates their efforts. Mr. Booth stated that these funds used to pay for a full three officers and has been cut back. These funds help pay for the clean up of the beach and there are some recreational events that are funded through this as well. Mr. Booth reported that a small amount of \$10,000 went towards the pier to help pay for the fireworks. Mr. Truett asked where the town is getting the rest of the funding for the fireworks. Mr. Booth stated that Santee Cooper, Grand Strand Water and Home Depot would be other contributors. Mr. Truett stated that the town should get all of their franchisees involved. Mr. Booth stated that he has sent letters to all of them with this request. Mr. Booth stated that he feels that the town needs about \$25,000 for a good fireworks show. Mr. Booth reported that some of the accommodations funds go into the general fund.

### *Hospitality*

Mr. Booth reported that the parking meters have been placed in hospitality and that he would be adding an amendment to the hospitality regarding the purchase of a piece of property on 3<sup>rd</sup> Avenue. Mr. Booth stated that he is looking to drastically increase the amount of parking by the following year. Mr. Booth reported that parking funds go into hospitality and these funds are only to be used to purchase property or to fix parking lots. Mr. Johnson stated that he is aware that the town is moving to pay stations but asked if the town was keeping the meters for future use. Mr. Booth answered that the town is keeping all of the meters to be used in the future. Mr. Booth reported that some hospitality goes into recreation and the majority of the hospitality is going towards the fire station. Mr. Martin asked about furnishing costs for the fire station. Mr. Booth stated that these costs would be placed into the following year.

### *Pier*

Mr. Booth reported that the town would pay back the general fund that they borrowed from. Mr. Booth stated that the pier fund is an enterprise fund and the money generated from the pier goes right back into it. Mr. Booth reported that there is major work to be done on the pier. There was a large storm a couple months back and there are repairs that need to be done from the damage that was caused by this storm. Mr. Booth reported that the pier has also been painted and new lights have been installed.

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**3. ADJOURNMENT**

Mr. Johnson made a motion to adjourn. Mr. Truett seconded the motion. **All voted in favor. MOTION CARRIED.** The meeting was adjourned at 6:55 PM.

Approved: March 10, 2009

\_\_\_\_\_  
Sharon Pinnell, Town Clerk

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K. Allen Deaton, Mayor

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Joseph P. Martin, Town Council

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Vicki W. Blair, Town Council

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James S. Truett, Mayor Pro Tem

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Douglas F. Samples, Town Council

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Mark L. Johnson, Town Council

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Robert F. Childs, III, Town Council

Clerk's Note: This document constitutes minutes of the meeting, which was audio taped. In accordance with FOIA, meeting notice and the agenda were faxed and/or emailed to local media and interested parties. A complete list is on file in the clerk's office. The agenda was posted on bulletin boards outside Council chambers and in the town hall reception area. Meeting notice was also posted on the town marquee.