

**CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA
NORTH MYRTLE BEACH CITY HALL
SPECIAL CALLED CITY COUNCIL MEETING
Monday, June 13, 2022, 5:15 PM**

Minutes

1. ROLL CALL:

Mayor Hatley called the meeting to order and asked the Clerk to call the roll.

Marilyn Hatley
JO Baldwin, absent until 5:50 PM
Bubba Collins
Fred Coyne
Nicole Fontana
Trey Skidmore
Hank Thomas

A quorum was established.

2. EXECUTIVE SESSION:

Mayor Hatley called for a motion to go into Executive Session for a legal briefing regarding Kokopelli Surf Camp, LLC vs. City of North Myrtle Beach, 2022 CP-26-02724, a legal briefing regarding an amendment to Chapter 5, Beaches and Waterways, of the Code of Ordinances of North Myrtle Beach, South Carolina revising *Motor vehicles on beach*, and a legal briefing regarding an amendment to Chapter 5, Beaches and Waterways, of the Code of Ordinances of North Myrtle Beach, South Carolina revising *Selling or leasing goods—Prohibited, exceptions*. The motion was made by Councilman Thomas and seconded by Councilwoman Fontana. The motion passed 6-0. The Council returned to Chambers at 7:01 PM. The Mayor announced that no votes were taken at the session.

3. BUSINESS:

A. PUBLIC HEARING: Public hearing on the FY 2023 proposed budget.

Mayor Hatley opened the floor for public comment.

Sabina Lynskey, 1417 Hillside Drive South, asked if there would be a second reading and Mayor Hatley confirmed there would always be two readings before an item was passed. Ms. Lynskey stated on page 3 of the Proposed Budget, the budget was to be released 2 months prior. She asked if she missed it. Manager Mahaney stated there was a Budget Workshop in April. On Section 4 of the ordinance, it stated personal, instead of personnel. Mayor Hatley stated that was a mistake and there were no personal expenses. On page 210, she questioned the Park Concessions revenue was \$400,000 and the expenses were \$498,519. She asked if they considered franchising this because it would cost \$98,519. She did not want the city to pay for the cost of food that those going to the park would consume. Randy Wright, Finance Director, explained Park Concessions were those that were done when ball teams came to the park. The Park Concession Expenditures were for two full-time employees that work year-round. Concessions were collected at a certain time. Mayor Hatley stated she would not be paying for other people's hamburgers. Ms. Lynskey stated they were running at a deficit with it costing \$498,000. Mayor Hatley stated they had to provide services and have concessions.

Director Wright stated she was comparing apples to oranges. The \$400,000 was a part of all the revenues, which included sponsorships, tournament fees, etc. The people who run it were the Park Concession employees. The actual concession sales were around \$400,000. But the people also do the Christmas Light Show. That revenue was \$639,000. They also do General Fund work with a revenue of \$100,000 to \$130,000. The revenue from them does not just come from park concessions. As a government, not everything pays for themselves, like police. The services provided were more than concessions. Ms. Lynskey stated it was an Enterprise Fund, and to fund the Enterprise Fund for the city, we were pulling from accommodations and beach services around \$800,000. She asked what funded those two to pull the \$800,000. Director Wright stated accommodations and beach services and they were funded by sales on the beach for umbrella/chair rentals and Italian ice. There were other extra monies that allowed to keep the park up and running. Ms. Lynskey stated they wanted to keep it going by the Enterprise Fund. Director Wright stated the definition of the Enterprise Fund was the intent of the government to pay back as much of the cost as they could. Most Enterprise Funds in governmental accounting did not pay back. In the City of North Myrtle Beach most of them do. The Solid Waste Fund has a surplus of \$700,000-800,000. The intent was to pay those back. Beach services and the Enterprise Fund was to provide services. Sometimes they mix and match to fund each other. The Enterprise Fund was the intent to try. Mayor Hatley stated Ms. Lynskey wanted it just explained to her.

Ms. Lynskey asked if the Improper Parking Fines, on page 24, was from the paid parking lots or from improper, in general. Director Wright stated this was done by our police officers, usually in the off season. The other parking funds from the beach parking lots come into the General Fund under the parking amount. That was also not only the parking fines, but money paid for parking at the different parking lots. Ms. Lynskey asked if it was only for off season. Director Wright stated for the most part it was and run by the Police Department. However, if an officer wrote a ticket on July 4, it would go to this fund. It was not related to the paid parking. Mayor Hatley stated there was a parking company that collected the money and ran the program. Ms. Lynskey stated there was an Agent Fee for \$150,000 that was listed on page 151, but not listed in the itemized list on page 165. She asked which one was the source of truth. Director Wright stated that was a mistake and the balance number should be listed. Ms. Lynskey stated on page 248, it says that Santee Cooper pays 5% gross for operating in the city and wondered if it could be 10% to get the utilities underground quicker. Manager Mahaney stated he believed it was state law. Director Wright stated it was the franchise agreement fee that was signed on July 1, 2005 and expired in 30 years. Ms. Lynskey asked on page 250, South Carolina Electric and Gas was 3%, when did it happen and expire. Director Wright stated it expired in 10 years and then was extended. She asked if they could go to 10% on this until it was underground. Director Wright stated the gas was underground.

- B. **ORDINANCE/FIRST READING:** An ordinance setting the tax levy for FY 2023. Manager Mahaney read the ordinance by title and Mayor Hatley called for a motion. The motion to approve was made by Councilman Coyne and seconded by Councilwoman Fontana. Mayor Hatley stated the taxes were not raised this year.

Having no further comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

- C. **ORDINANCE/FIRST READING:** An ordinance to provide for the adoption of the budget for FY 2023. Mayor Hatley read the ordinance by title and called for a motion. The motion to approve was made by Councilwoman Fontana and seconded by Mayor Pro Tempore Baldwin.

Having no comment from the Council or public, Mayor Hatley called for a vote. The motion to approve passed 7-0.

Damien Triouleyre, 902 Perrin Drive, stated he came feeling sad. There was a big election tomorrow and it was an important election. Mayor Hatley stated they were only speaking about the three business items on the agenda.

Mayor Hatley thanked everyone for coming to the meeting and adjourned the meeting at 7:20 PM.

Respectfully submitted,

Allison K. Galbreath, City Clerk

MARILYN HATLEY, MAYOR

Minutes approved and adopted this 20th day of June 2022