



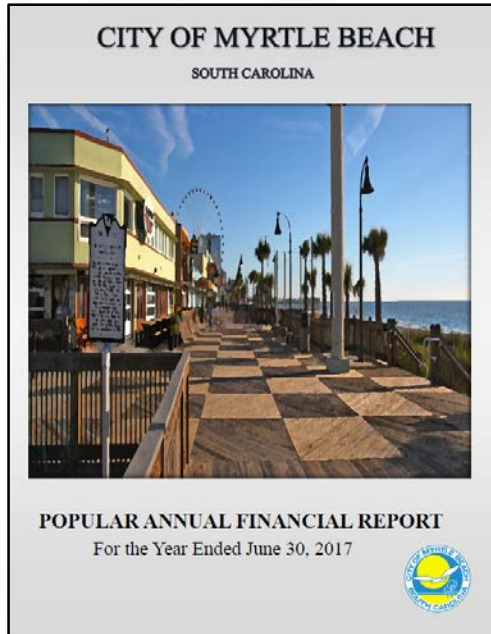
CITY OF MYRTLE BEACH



WHAT IS A POPULAR ANNUAL FINANCIAL REPORT?



WHAT IS A PAFR?

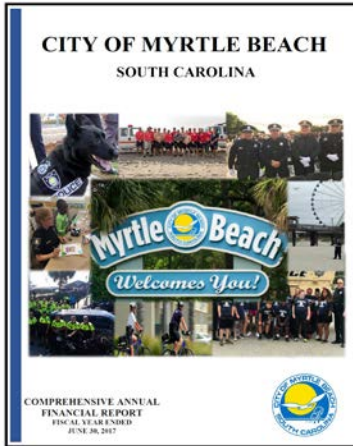


- A **Popular Annual Financial Report, or PAFR**, is a document that is intended to convey the financial results of the City's operations to stakeholder's of the City that don't necessarily have a background or interest in public finance.
- The PAFR is derived from the Comprehensive Annual Financial Report (CAFR), and presents information about the operations of the City's Governmental and Enterprise Funds without the use of "Technical Jargon".
- Graphics and other visuals are used to compliment the more formal information provided in the **CAFR**.



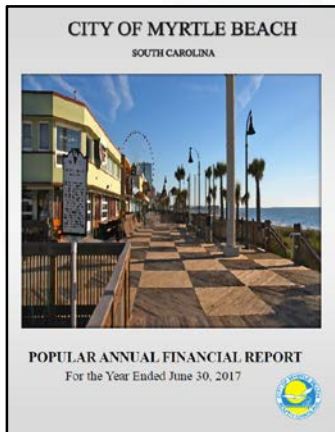
PAFR VS. CAFR

CAFR



= Highly Technical Document that presents financial information in conformity with GAAP and provides other such information as prescribed by industry best practices. The results of the Annual Audit and Federal Financial Assistance are included in the report.

PAFR



= Derived from the CAFR, but focuses on information of interest to a broad range of stakeholders and serves to compliment the CAFR.



WHY PRODUCE A PAFR?

- Inform broader audience – Accessibility & Transparency.
- Highlight annual performance and accomplishments.

Where does the Money Come From?



Governmental Revenue	
Revenue Source	
Property Taxes	23.0%
Licenses and Permits	21.8%
Local Option Tourism Taxes	19.5%
Intergovernmental Revenues	12.3%
Hospitality Fee Taxes	8.1%
Miscellaneous	5.8%
Charges for Services	5.2%
Local Accommodations	1.5%
Storm Water	1.8%
Fees and Forfeitures	1.6%

Property Tax is the largest source of operating revenues for the City. Property taxes are levied collected from property within the City based on assessed value and a tax rate.

Business License revenue is the second largest revenue source for the City. Licenses and permit revenues are revenues generated through business licensing, construction permit issuance, enforcement, zoning, and franchising.

The Local Option Tourism Tax is the third largest revenue. It is a general sales and use tax on almost all retail sales taxable under the state sales and use tax.

The Hospitality Fee Taxes are a uniform fee equal to 6% on gross proceeds derived from the rental of transient accommodations.

The Accommodations tax is a uniform fee equal to 6% on gross proceeds derived from the rental of transient accommodations.

The Hospitality Fees is a uniform fee equal to 1% on gross proceeds derived from the rental of short term or transient accommodations, the sale of all prepared food and beverages, and paid admission to places of amusement.

Storm Water Fee is charged to all developed sites located within the corporate area of the city. The fee is set by the City to recover the costs of maintaining and operating the storm water system.

Fees and Forfeitures revenues are generated from cost and traffic fines, parking violations, and library fines.

Intergovernmental Revenue consists of grants and other funding Federal, State, and County sources.

Charges for Services are revenues collected for services rendered to the public. Users of the service or facility pay a fee for use of the service or facility. Recreation program and membership fees, concessions revenues, facility or shelter rental, and cemetery plot sales are examples of charges for services.

Miscellaneous Revenues are those that do not fall into designated categories, such as sales tax discounts and vending machine commissions.

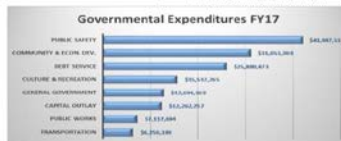
Revenue growth in business license fees, local option tourism fees, hospitality fees, and accommodations taxes evidence the strength of the local economy. All of the aforementioned revenues are generated through business conducted in the City limits and, with the exception of the business license fee, all are special purpose revenues that are restricted primarily for capital projects or the promotion of tourism.



Where does the Money Go?



Governmental Expenditures	
Expenditure	
General Government	\$3.3M
Public Safety	\$7.5M
Transportation	\$4.1M
Community & Economic Development	\$2.3M
Culture & Recreation	\$1.2M
Public Works	\$4.7M
Capital Outlay	\$8.0M
Debt Service	\$6.9M



Public Safety expenditures represent the largest operational General Government expense for the City. Funds expended on Public Safety in FY17 were \$42M (5.9%) greater than incurred in the prior year as a result of increased personnel costs and a heightened oceanfront presence by the Police and Fire departments. Community and Economic Development expenditures grew by \$2M (8.9%) over FY16 primarily as a result of an increase in local option tourism fees and the mandated remittances for out-of-market advertising. The next largest increase was \$1.6M in the Culture and Recreation division and represented growth of 11.6% over the prior year. The Myrtle Beach Convention Center and Sports Tourism operations began managing concessions operations in City facilities, resulting in increased costs for staffing and concessions inventory and supplies. Transportation costs increased \$418K (7.2%). Recovery efforts following Hurricane Matthew contributed to the increased costs. Debt Service Expenditures increased as a result of several debt refundings that will result in lower debt services expenditures in the long run.

General Government expenditures include Council Administration, Legal, Court Administration, Finance, Insurance and Risk Services, Human Resources and Organizational Development, Public Information, and Information Services.

Public Safety includes all operations of the Police Department, Fire Services, and Emergency Services.

Transportation includes construction and maintenance of roadways, traffic signals, interchanges, one path, storm water infrastructure, and sidewalks.

Community & Economic Development includes the Planning department, the Neighborhood Services department, and the Construction Services department. The category includes programs and efforts to promote opportunities for growth and development and to build a vibrant and healthy community.

Culture & Recreation includes the operation and maintenance of recreation centers, programming, and operation

of recreational athletic leagues by the Recreation Department. Operation of the Library, Train Depot, Myrtle Market, the Myrtle Beach Convention Center, and Sports Tourism are included in the category as well.

Public Works includes expenditures for administrative and engineering staff, right of way maintenance, street crews, basin maintenance, and capital project management.

Capital Outlay expenditures include purchases of capital equipment, major maintenance and renovation projects, and construction. Capital equipment purchases include items such as police vehicles, fire trucks, lawn mowers, and heavy equipment. Maintenance projects involve items such as sidewalk and roadway repair, or roof replacements, and roof re-insulating.

Debt Service includes principal and interest payments for the City's general obligation, limited obligation, and special obligation debt.





ENGAGING OUR CITIZENS

City Day 
MYRTLE BEACH

