

December 6, 2022 – 1st reading  
 December 13, 2022 – presented for approval

---

1 **2022-54 (2<sup>nd</sup> READING): AN ORDINANCE TO AMEND ORDINANCE 2022-028,**  
 2 **THE 2022-23 MUNICIPAL BUDGET ORDINANCE, BY APPROPRIATING**  
 3 **ALLOCATIONS FROM FUND BALANCE/RETAINED EARNINGS FOR CERTAIN**  
 4 **OPERATING AND CAPITAL EXPENDITURES.**

---

5 **Staff/Purpose:** Staff/ amend the FY22/23 budget ordinance to appropriate funds from Fund  
 6 Balance/Retained Earnings.

7  
 8 **Brief:**

- 9 • As a result of vacancies throughout the City, considerable savings in personnel costs were  
 10 recognized during the year ended June 30, 2022. The savings are sufficient to allow a one-  
 11 time bonus to those employees that maintained service levels in spite of staffing shortages.  
 12 (\$3,462,341)
- 13 • The combination of stronger than expected revenues and expenditure savings in the General  
 14 Fund for the year ended June 30, 2022 and the corresponding Fund Balance growth allows  
 15 for the funding of a number of items that were not included in the original FY23 budget.  
 16 (\$6,510,000)
- 17 • The combination of stronger than expected revenues and expenditure savings in the General  
 18 Fund for the year ended June 30, 2022 and the corresponding Fund Balance growth allows  
 19 for the appropriation of funds to expedite deficit funding in the Health Insurance Fund.  
 20 (\$1,000,000)
- 21 • Stronger than expected Tourism Driven Revenues received for the year ended June 30, 2022  
 22 allow for the allocation of funds for projects that either came in over (Fire Station#3 \$4,500,000)  
 23 budget or need to be addressed at this time (Storm Water properties \$600,000 & Crabtree  
 24 Gymnasium \$825,000)
- 25 • No changes since 1<sup>st</sup> reading.

26  
 27 **Issues:**

- 28 • While improving somewhat, staffing or filling vacant positions remains a challenge and the  
 29 recommended bonus is intended to recognize the "First in Service" response of those  
 30 employees that maintained service levels through June 30, 2022 and encourage retention of  
 31 our existing workforce.
- 32 • Lead time on acquiring Fire Apparatus is currently 3 years. Appropriating funds for advance  
 33 purchases at this time will allow the City to acquire apparatus as our equipment reaches the  
 34 end of its useful life.
- 35 • The various software enhancements will allow for heightened cybersecurity, greater  
 36 operational efficiencies and information exchange.
- 37 • Facility maintenance and renovation is necessary for preservation and enhancement of the  
 38 City's infrastructure.

39  
 40 **Public Notification:** Normal advertising for agenda items.

41  
 42 **Alternatives:** Council may amend or deny the proposed ordinance.

43  
 44 **Financial Impact:** Using the Fund Balance/Retained earnings does not result in any negative impact  
 45 on the fiscal status of the funds indicated.

46  
 47 **Manager's Recommendation:** I recommend 1<sup>st</sup> reading (12.6.22). I recommend approval (12.13.22)

48  
 49 **Attachment(s):** Proposed ordinance.

CITY OF MYRTLE BEACH  
COUNTY OF HORRY  
STATE OF SOUTH CAROLINA

TO AMEND ORDINANCE NO. 2022-028,  
THE 2022-23 MUNICIPAL BUDGET  
ORDINANCE, BY APPROPRIATING  
ALLOCATIONS FROM FUND BALANCE  
/RETAINED EARNINGS FOR CERTAIN  
OPERATING AND CAPITAL  
EXPENDITURES.

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; and

WHEREAS, Ordinance 2022-028, the City's Budget Ordinance for FY 2022-23 was adopted by City Council on June 14, 2022; and

WHEREAS, Certain revenues generated during the year ended June 30, 2022 exceeded budget estimates; and

WHEREAS, Certain expenditures incurred during the year ended June 30, 2022 were below budget allocations, most notably personnel service expenditures; and

WHEREAS, The resulting growth in fund balance (retained earnings) allows for allocations for appropriations not previously included in the FY 2022-23 Budget Ordinance;

**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 the FY 2022-23 budget is hereby amended as follows:

Sec. 1. **Appropriation.** The sum of \$3,462,341 is hereby appropriated for a one time employee bonus from the Fund Balance/Retained Earnings of each respective Funds as follows:

|                        |                |
|------------------------|----------------|
| General Fund           | \$ 2,880,514   |
| Victims Advocate       | 10,463         |
| Fleet Maintenance      | 24,637         |
| MB Convention Center   | 147,680        |
| Sports Tourism         | 29,929         |
| Storm Water            | 52,229         |
| Solid Waste Management | 137,555        |
| Water & Sewer Utility  | <u>179,334</u> |
| Total                  | \$ 3,462,341   |

Sec. 2. **Appropriation.** The sum of \$6,510,000 is hereby appropriated for expenditures in the General Fund from the accumulated Fund Balance as follows:

|                |             |
|----------------|-------------|
| Fire Apparatus | \$4,850,000 |
|----------------|-------------|

|   |                            |               |
|---|----------------------------|---------------|
| 1 | Software Upgrades          | 600,000       |
| 2 | Enterprise Resource System | 500,000       |
| 3 | Police Equipment           | 500,000       |
| 4 | Fire Alarm Service         | <u>60,000</u> |
| 5 | Total                      | \$6,510,000   |

6 **Sec. 3. Appropriation.** The sum of \$1,000,000 is hereby appropriated as a transfer from  
7 the General Fund to the Health Insurance Fund from the accumulated General  
8 Fund Balance.

9 **Sec. 4. Appropriation.** The sum of \$825,000 is hereby appropriated as a transfer from  
10 the Hospitality Tax Fund from the accumulated Hospitality Tax Fund Balance to  
11 the Capital Projects Fund and an appropriation in the Capital Projects Fund for  
12 the renovation of the Crabtree Gymnasium Roof.

13 **Sec. 5. Appropriation.** The sum of \$5,100,000 is hereby appropriated as transfers from  
14 the Hospitality Fee Fund from the accumulated Hospitality Fee Fund Balance and  
15 appropriations in the following Funds:

|    |                                    |                |
|----|------------------------------------|----------------|
| 16 | Capital Projects (Fire Station#3)  | \$4,500,000    |
| 17 | Storm Water (Property Acquisition) | <u>600,000</u> |
| 18 | Total                              | \$5,100,000    |

19 **Sec. 6. Validity of this ordinance.** If, for any reason, any sentence, clause, or provision  
20 of this ordinance shall be declared invalid, such declaration shall not affect the  
21 remaining provisions thereof.

22 a. **Conflicts with preceding ordinances.** Should conflicts arise between this and  
23 any preceding ordinances, this ordinance shall prevail with respect to the  
24 conflicting sections.  
25  
26  
27

28 BRENDA BETHUNE, MAYOR

29 ATTEST:

30  
31  
32 JENNIFER ADKINS, CITY CLERK

33  
34  
35 1<sup>st</sup> Reading: 12-6-2022  
36 2<sup>nd</sup> Reading: 12-13-2022