

Town of Kiawah Island
TOWN COUNCIL MEETING
Municipal Center Council Chambers
June 9, 2020; 10:00 AM

Special Call Meeting

MINUTES

I. Call to Order: Mayor Weaver called the meeting to order at 10:00 am.

Present at the meeting: Craig Weaver, Mayor
Chris Widuch, Mayor Pro Tem
Maryanne Connelly, Councilmember
Dan Prickett, Councilmember
Klaus Said, Councilmember

Also Present: Stephanie Tillerson, Town Administrator
Joe Wilson, Town Attorney
Stephanie Braswell Edgerton, Town Communications Manager
Petra Reynolds, Town Clerk

II. New Business:

A. Ordinance 2020-05 – An Ordinance to Adopt the Fiscal Year 2020-2021 Budget for the Town of Kiawah Island, South Carolina (7/1/20 through 6/30/21) – *Second Reading*

Mayor Weaver stated the Town’s Fiscal Year 20-21 Budget was discussed and recommended for approval by the Way and Means Committee followed by a Public Hearing and Town Council approval of the ordinance on its first reading at the June 2nd Council Meeting.

With the second reading of the ordinance, Mayor Weaver stressed that like many other communities whose budgets are impacted by the Coronavirus, pointed out that the Town’s revenue stream is very much tied to the economic and business activity. Kiawah does not impose property taxes; therefore, revenues are predominantly derived from business licensing and permitting or from taxes generated through tourism. He stated the Town has benefited from a strong economic environment, which produced significant revenues over the past years. Still, as shown in the proposed budget, the Town is vulnerable when moving into an economic environment with a significant downside to economic and business activity.

Mayor Weaver highlighted several key numbers in the proposed budget;

- A projected 19.4% or \$2 million reduction in the revenues budgeted for FY19-20
- A FY 19-20 budget of a \$2.5 million surplus to a \$1.5 million deficit driven by the movement of the road project from FY 20-21 to FY19-20
- A 25% or \$2.63 million reduction in revenues incorporated in the proposed FY 20-21 Budget

Mayor Weaver stated that the proposed FY 20-21 Budget has relatively few reductions in spending. The movement from a financial environment with a surplus to one with no surplus has allowed for the funding of most activities but reflects a significantly different situation. He stated there is a great deal of uncertainty in future revenues with the proposed budget, including assumptions of a drop in business activities along with the impact of the Coronavirus on tourism. He noted that while early signs suggest the impact on tourism revenues could be less dire than first anticipated, there are any number of future events that can suspend tourism.

Councilmember Said made a motion to approve the second reading of Ordinance 2020-05 – An Ordinance to Adopt the Fiscal Year 2020-2021 Budget for the Town of Kiawah Island, South Carolina (7/1/20 through 6/30/21). The motion was seconded by Councilmember Connelly.

Councilmember Connelly questioned if money leftover in the existing Wildlife budget can be carried over to the next years' budget. Mayor Weaver indicated that monies do not carry over and spoke to the emails received by Council expressing concern with the reduction in funding for one of the Town's Wildlife projects.

Councilmember Connelly stated she felt funding of the dolphin strand feeding program was very important, and in the past three years, the project has communicated with and educated over 10,000 people. She noted that Kiawah is a unique sanctuary for sea turtles, bobcat, and dolphins and considers providing an educational program extremely important. She asked if an additional \$3,000.00 could be found in the budget to fund the program.

Council discussed the amount requested by Councilmember Connelly requiring clarification on the request. Ms. Tillerson stated the amount of the original request for the project was \$9,000.00 with Councilmember Connelly's requesting one-third of the funding. Ms. Tillerson indicated that in an email from Ms. Rust, the project director, to Mr. Jim Jordan that the project is currently funded until the end of this calendar year. Following the Town's fiscal year, Ms. Rust submitted a revised budget indicating funding of the project from January 1 to June 30 to be \$4,400.00.

Mayor Weaver stated that members could take the approach to make a recommendation to restore in the budget, funding for the project, along with identifying the offsetting reduction. The second approach is to agree to put the project funding request on the agenda for the November Town Council meeting and agree to reconsider the request after a review of the budget and revenue activity.

Councilmember Connelly made a motion that the Dolphin Strand Feeding funding request be placed on the agenda for the November Town Council meeting budget discussion. The motion was seconded by Councilmember Said.

Councilmember discussion included consideration of funding the project while looking ahead to a budget with a 20% reduction in revenues, the Town's commitment to the project, and the prospect that more budget adjustments could be made in November. The members agreed with the approach to putting the request on the November Town Council agenda, with some members taking issue with singling out a project for reconsideration based on public comment. It was suggested to consider a reevaluation of the entire budget as an item on the November agenda.

Mr. Scott Nelson, a Kiawah resident, stated that he has been involved with the dolphin program since its inception and pointed out in the budget, the program was cut in its entirety where others were cut partially. He asked that Council consider the proposal submitted as an effort to restore some funding to the program.

Following the discussion, the motion was passed by a 3 to 2 vote with Mayor Pro Tem Widuch and Councilmember Said voting "No."

Councilmember Said made a motion that a formal review of the budget is included as an item on the November Town Council agenda. The motion was seconded by Mayor Pro Tem Widuch and was unanimously passed.

Mayor Weaver gave a brief summary by stating that the budget approved was the original

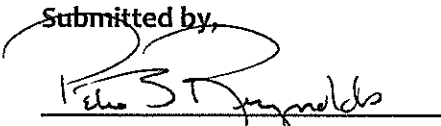
recommendation by the Ways and Means Committee, approved by Town Council with a public hearing, two readings, and presented at this meeting. Council has also agreed that the November agenda will include an item to conduct a formal review of the budget looking at the specific line item for the funding for the Dolphin Strand Feeding Program.

Mayor Weaver thanked Mayor Pro Tem Widuch, Ms. Tillerson, Ms. Szubert, and staff involved in the hard work invested in the completion of a very challenging budget.

III. Adjournment:


Councilmember Said motioned to adjourn the meeting at 10:33 am. The motion was seconded by Councilmember Connelly and carried unanimously.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



Craig E. Weaver, Mayor

7-9-2020
Date