

WAYS & MEANS COMMITTEE MEETING

Kiawah Island Municipal Center

Council Chambers

April 26, 2021; 3:00 pm

Minutes

I. Call to Order: *Chairman Prickett called the meeting to order at 3:00 pm.*

II. Pledge of Allegiance

Present at the meeting: Dan Prickett, *Chairman*
John D. Labriola, *Mayor*
Maryanne Connelly, *Committee Member*
John Moffitt, *Committee Member*
Dr. Scott Parker, *Committee Member*

Also Present: Stephanie Tillerson, *Town Administrator*
Dorota Szubert, *Town Treasurer*
Petra Reynolds, *Town Clerk*

III. Approval of Minutes:

A. Ways and Means Committee Meeting of March 22, 2021

Committee Member Connelly made a motion to approve the minutes of the March 22, 2021 Ways and Means Committee meeting. The motion was seconded by Committee Member Parker and was unanimously passed.

IV. Citizens' Comments: (Agenda Items only)

None

V. Old Business:

None

VI. New Business:

A. Review and Recommendation to Town Council for Approval of the Fiscal Year 2021/2022 State ATAX Funding Amounts

Chairman Prickett stated the SATAX (State Accommodations Tax) Committee at their meeting made their recommendations for the project funding amounts for FY 2021-2022. He noted the Committee discussed the reductions in the allocations taken in the current year and, despite a significantly higher funding amount than anticipated, agreed no additional funding would be allocated for the current year. With a possible \$500,000 in carry-over funding, the Committee also agreed to the option of a potential meeting in November to consider any increases in funding for 2022, in addition to the recommended allocations.

Chairman Prickett stated the SATAX Committee had recommended a total of \$1,093,764.00 in allocations for which funding is available.

Chairman Prickett made a motion to recommend to the Town Council the approval of the Fiscal Year 2021-2022 State ATAX funding amounts. The motion was seconded by Committee Member Parker.

Committee Member Parker asked for clarification on the excess in funding. Any funding not allocated can be carried over to the next year but must be allocated within two years. Ms. Szubert explained that the excess in funding was due to the underbudgeting of the projections in the current year.

Following discussion, the motion was unanimously approved.

Town of Kiawah Island SATAX Funding Recommendations FY 2021-2022								
Category #	Project	Applicant Sponsor	2019/2020 Funded Amount	2020/2021 Funded Amount	2021/2022 Application Request	SATAX Committee Funding Recommendation	Ways & Means Funding Recommendation	Percentage
2	Events Promotion	Freshfields Village	\$ 15,000	\$ 11,567	\$ 30,000	\$ 30,000	\$ 30,000	25
1	Marketing & Advertising Promoting Tourism	Freshfields Village	\$ 33,000	\$ 25,071	\$ 48,000	\$ 48,000	\$ 48,000	43
1	Public Access Events	Kiawah Island Golf Resort	\$ 435,000	\$ 325,143	\$ 435,000	\$ 435,000	\$ 435,000	283
1	Wedding Destination Marketing & Advertising	Andell Inn	\$ -	\$ -	\$ 47,764	\$ 47,764	\$ 47,764	05
4	Beach Patrol	Town of Kiawah Island	\$ 100,000	\$ 48,429	\$ 100,000	\$ 100,000	\$ 100,000	75
4	Charleston County Sheriff Deputies	Town of Kiawah Island	\$ 382,000	\$ 156,000	\$ 433,000	\$ 433,000	\$ 433,000	283
	2021 PGA Championship	Professional Golfer's Association of America	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ -	-
		Totals for Year Ending	\$ 1,085,000	\$ 739,000	\$ 1,093,764	\$ 1,093,764	\$ 1,093,764	681
Total Available for Funding				\$ 739,000	\$ 1,530,000	\$ 1,530,000	\$ 1,530,000	\$ -
Total in excess of Funding				\$ 416,216	\$ -	\$ (416,216)	\$ (416,216)	\$ -

B. Review and Recommendation to Town Council for Approval of the Fiscal Year 2021/2022 Budget

Ms. Szubert stated in previous meetings the Committee has discussed the budget in detail reviewing the revenues and expenditures. She indicated the approximately \$8.8 million draft budget presented reflected approximately \$585,000.00 in excess in revenues over expenditures. She reviewed the approval process, which includes two readings of the ordinance by the Town Council along with a public hearing. Ms. Szubert also reviewed the draft budget presented, discussed in detail any changes that had been made since the last discussion. She presented a detail of the changes in the fund balance over several years, highlighting the major items that affected the fund balances.

Committee Members discussed if there have been any levels of concerns noted in other municipalities in the state, any foreseeable changes in state funding, and the Town's fund balance policy.

Committee Member Connelly referred to the modification of the Charitable Grants policy to define the two types of charitable organizations funded and asked for a further definition of the category that would fund organizations promoting culture and education. Discussion included the grant application process, previous applications submitted by the arts community, defining Charitable Grants to include both categories, redefining the designation of the funding amount for each category, and reevaluating and revising the current Charitable Grant Policy.

Committee Member Parker discussed the Bobcat issue, which had been identified as a major priority. His option was that the Town is backing away from its financial commitment to the issue and that the Town should be an equal or significant funder of the Town SGA research project.

Members engaged in an in-depth discussion of the funding of the SGA research project and Committee Member Parker's suggestion that the funding is increased to the original four-year commitment amount. Members agreed to increase the funding amount to \$50,000.00 in the

budget for the current fiscal year, and any further increases would be contingent on Town Council review and approval.

Committee Member Parker suggested when contemplating the purchase of a new vehicle for the Building Department that alternative fuel possibilities be considered.

Chairman Prickett made a motion to recommend to Town Council the approval of the Fiscal Year 2021-2022 budget. The motion was seconded by Committee Member Parker and unanimously approved.

VII. **Chairman's Report:**
None

VIII. **Treasurer's Report:**

A. Budget Report for the First Nine Months ended 3/31/2021

Ms. Szubert presented the Town's Balance Sheet as of March 31, 2021, and Budget to Actual Report for the first nine months. The Budget to Actual Report is compiled on a cash basis, and all the funds are consolidated. The current year budget was amended on December 1, 2020; the amended totals are reflected in the presented report.

As of March 31, 2021, the Town's governmental funds combined have an ending fund balance of approximately \$21.4 million, an increase of approximately \$719,000.00 from June 30, 2020. Of this amount, approximately 53%, or \$11.4 million, is available for spending at the Town's discretion (unassigned fund balance).

Due to uncertainties related to the COVID-19 pandemic, the Town Council adopted the FY2021 budget with very conservative revenue projections. The first, second, and third-quarter revenues were projected with the assumption the Town will receive 50% and 75% respectively of the actual collection from the first and second quarters of last year and 100% of the third quarter of fiscal year 2019 in the tourists generated revenue sources. Almost all revenue sources have exceeded our projections. Overall, consolidated revenues for the first nine months of \$8.1 million are approximately 98% of total budgeted revenues. The only revenue source that falls below the budget is interest revenue.

With 75% of the year lapsed at the end of March, expenditures to date are approximately \$7.4 million, or 76% of total budgeted expenditures. Overall, expenditures are reasonable and in line with the budget, with the exception of capital expenditures. This line item will have a negative variance of approximately \$200,000.00 related to delays in the final payments for Kiawah Island Parkway resurfacing (\$160,000.00) and change order for the Parkway landscaping project (\$40,000.00).

Mayor Labriola asked if any funding was placed in the budget for additional maintenance of the Parkway Landscaping. Ms. Tillerson stated the Parkway maintenance contract was in the process of being rebid.


IX. **Citizen Comments:**
None

X. **Committee Member's Comments:**
None

XI. Adjournment:

Committee Member Connelly made a motion to adjourn the meeting at 3:56 pm. Committee Member Parker seconded the motion and was unanimously passed.

Submitted by,


Petra S. Reynolds
Petra S. Reynolds, Town Clerk

Approved by,


F. Daniel Prickett
F. Daniel Prickett, Chairman

7-12-2021
Date