

WAYS & MEANS COMMITTEE MEETING
Municipal Center Council Chambers
September 9, 2025, 10:00 am

AGENDA

I. Call to Order: *Chairman Farrell called the meeting to order at 10:00 am.*

II. Roll Call:

Present at the Meeting: Luke Farrell, *Chairman*
Brad Belt, *Mayor*
Lance Spencer, *Committee Member*

Also Present: Stephanie Tillerson, *Town Administrator*
Dorota Szubert, *Finance Director*
Jim Jordan, *Wildlife and Natural Resources Director*

III. Approval of Minutes:

A. Minutes of the Ways and Means Committee Meeting of July 1, 2025

Chairman Farrell asked for any additions or corrections to the minutes that had not been submitted.

Mayor Belt commended the Town Clerk for her work on the July 1st meeting minutes. He noted that it was "a rather lengthy Ways and Means Committee meeting, with detailed discussion on a wide range of issues, particularly related to State Accommodations Tax allocations," and praised her for accurately capturing that complex discussion.

Chairman Farrell acknowledged the compliment, and the minutes were then approved without any additions or corrections.

IV. Citizens' Comments (Agenda Items Only):

There were no citizens' comments.

V. Old Business:

None

VI. New Business:

A. Consideration and Recommendation to the Town Council for Approval of Boat Purchase

Mr. Jordan presented the request to purchase a boat for the Town. He explained that the Town had budgeted for a boat purchase, and that staff had spent considerable time identifying the right vessel to meet all of the Town's potential needs. After extensive research, they settled on specifications of approximately 20 feet in length, at least 8 feet wide, with comfortable seating for at least five adults.

Mr. Jordan explained that after evaluating numerous brands and boat types, they narrowed the selection down to two options. Based on internal discussions, staff recommended the Robalo 206 Cayman, a 2024 model currently in stock at Longshore Marine, at a discounted MSRP.

Mayor Belt provided additional context, commending Mr. Jordan for his balanced presentation of the option. He mentioned that the recommended boat would come in under the budgeted amount, which had been increased at the Chairman's suggestion. Mayor Belt explained that the focus of the discussions was on the primary utilization and selecting between a flatter-bottom aluminum boat, favored for marsh access, and a more versatile vessel. While the Wildlife and Natural Resources

Department would likely be the primary user, the boat would serve multiple Town departments, including Public Safety, Code Enforcement, and, potentially, Council Members, as well as members of the Resiliency and Environmental Committee, for assessing marsh health and flooding intrusion.

The Mayor noted that while a flatter-bottomed, aluminum hull boat might better access shallow areas, the Robalo would provide greater versatility, including the ability to handle not just marsh work but also the Town's police power jurisdiction, which extended one mile offshore and halfway across navigable rivers, including the Edisto and Kiawah Rivers, that are currently difficult to monitor effectively. He noted that the boat would be marked with the Town's insignia and potentially have emergency lighting.

Council Member Spencer stated that the Public Works Department could also utilize the boat for bridge inspections, as well as for a wide range of other purposes. He mentioned that since he would likely be in the boat at some point, he also emphasized the importance of comfort and safety features.

Chairman Farrell raised several questions based on his experience owning a similar Mako center console boat. He questioned whether a bay boat with shallow freeboard was the best choice given the need to potentially access Sandy Point through ocean waters. He also expressed concern about the T-top's ability to clear under bridges, particularly at high tide.

Mr. Jordan responded that the Robalo 206 Cayman could easily handle 2-4 foot seas despite being a bay boat, noting its relatively high gunnels and deeper V-bow compared to other bay boats. He explained that the lower sides would facilitate loading and unloading people, equipment, and signage when pulling up to hummock islands or sandbars. Regarding bridge clearance, he acknowledged they would need to monitor tides but believed the approximately 7-foot height above the waterline would clear the bridge on most tides.

Council Member Farrell stated that he was supportive of the purchase, provided staff had thought through the issues. He also asked about potential State Accommodations Tax funding for the purchase. Mayor Belt indicated that, while it would qualify as an emergency vehicle use under state tax allocation rules, given the amount, it might not be necessary to seek state funding; however, a percentage allocation could be considered.

Mayor Belt made a motion to recommend to the Town Council the approval of the acquisition of the boat as recommended by staff. Council Member Spencer seconded the motion, and it was unanimously approved.

VII. Chairman's Report:

Chairman Farrell stated that he had been away for much of the month, but noted that both the Town's financial audit and Internal Controls Assessment had started. He expressed optimism that the financial audit would be completed by the end of September, with the Internal Controls Assessment following shortly thereafter.

Mayor Belt added that the Town had actually received a preliminary report on the Internal Controls Assessment, which he characterized as "very constructive."

VIII. Treasurer's Report:

A. Monthly Budget Report

As of the end of July 2025, the Town's consolidated revenues totaled \$1.5 million, reflecting an increase of \$562K, or 57% compared to the year-to-date (YTD) totals for the previous fiscal year, FY2025. This amount represents 9% of the total budgeted revenues for the current fiscal year.

All revenues are tracking as expected at this early stage in the fiscal year. Since this report is prepared on a cash basis, a significant portion of tourism-generated revenue will not be received until the following month.

Primary contributions to the positive revenue variance include:

- **Building Permits:** Revenues increased by \$223K, or 226%, despite issuing fewer permits, 133 permits this year compared to 212 through July 31, 2024. The increase is attributed to significantly higher construction costs, which have led to increased permit fees.
- **Business Licenses:** Revenues rose by \$175K, or 169%, driven by the issuance of approximately 140 additional business licenses. This growth is a result of the Finance department's increased efforts to improve licensing compliance.
- **Environmental Services:** Revenues increased by \$220K, or 40% over the same period last year.

On the expenditure side, as of July 31, 2025, total expenditures amounted to \$1.1 million, an increase of \$ 63,000, or 6%, compared to FY2025. This represents 7% of the current year's budget. Overall, expenditure remains consistent with the budget and is comparable to last year's.

Ms. Szubert presented the July 2025 budget report. She reported that the Town collected approximately \$1.5 million in revenue in July, about \$562,000 more than in July 2024, representing approximately 9% of the year's total budgeted revenues. She noted that this was on a cash basis so that tourist-generated revenues would not be received until the following month.

Ms. Szubert highlighted several factors contributing to the positive variance compared to the previous year. Building permits showed strong performance, despite issuing about 100 fewer permits in July. The Town collected approximately \$223,000 more in permit fees due to higher construction costs and new permit fees that were not implemented until October of the previous year. Business license revenue was also higher by approximately \$175,000, driven by the issuance of about 140 additional business licenses. She attributed this increase to her department's efforts to pursue businesses that had obtained decals to access the island but lacked proper licenses. Waste fees were also slightly higher, though she noted this was simply a matter of payment timing.

Expenditures were tracking within budget at approximately \$1.1 million, slightly higher than last year and about 6% of total expenditure for the year.

Chairman Farrell asked about business license requirements for delivery companies. Ms. Szubert explained the complexities: if a furniture store in Charleston makes deliveries with its own vehicles, it requires a business license; however, independent delivery companies are regulated differently and do not need one. Interstate deliveries from places like North Carolina are subject to different interstate commerce laws and do not require local business licenses.

Ms. Szubert concluded by noting that auditors from both audit teams were on-site the previous week, and work was ongoing. She anticipated having the financial audit draft ready for the November Town Council meeting.

IX. Citizens' Comments:

There were no citizens' comments.

X. Committee Member's Comments:

Council Member Spencer raised the topic of establishing a land bank or similar mechanism to support strategic land purchases that would benefit the community. He cited potential benefits including aesthetics, traffic reduction, and conservation. He expressed concern about development along Bohicket Road, noting that each new sign represented potential traffic and aesthetic impacts. He emphasized the desire to maintain Kiawah's ambiance rather than resembling Hilton Head's entrance.

Mayor Belt expressed conceptual support for the approach, noting that the state has a conservation bank and the county has its greenbelt fund. He confirmed the town had adequate resources and no legal impediments to investing in land acquisition or conservation easements. He suggested establishing a task force to explore creating a more formal mechanism, noting that they currently handle such opportunities on a case-by-case basis.

Mayor Belt raised policy questions about the geographic scope—how far from Kiawah such investments should extend, whether to the river or to all Bohicket. He emphasized the need for a clear nexus or benefit to Kiawah Island, though he clarified that this would not require spending money within town limits. He identified clear environmental benefits, including reduced traffic congestion and protected wildlife habitats, as valid justifications for investments in portions of Johns Island.

He proposed creating a formal mechanism for organizations like the Lowcountry Land Trust or Kiawah Conservancy to apply for town support, similar to existing state and county programs, with established criteria for evaluation and review. He indicated this could be added to the near-term agenda while not precluding opportunistic acquisitions in the interim.

Council Member Spencer agreed that a task force would be a good approach to explore formalizing considerations that would benefit the community. He reiterated his concerns about the impacts of development on traffic and aesthetics.

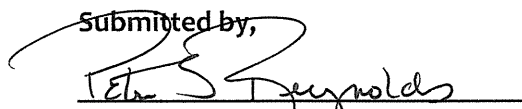
Ms. Tillerson thanked the committee for their support during the recent water damage at the Town Hall. She reported that insurance claims had been submitted with a \$3,000 deductible, and the Town expected reimbursement for costs above that amount. She specifically thanked the maintenance staff, Mr. Gottshalk, and Mr. Nardelli for working to get the staff back into the building. She noted that they had discovered and addressed another potentially corroded sprinkler head near the contractor's bathroom during inspections, finding that only two heads had been used with incompatible metals.

Mayor Belt suggested exploring devices to monitor water flow with automatic shutoff capabilities, noting that the damage occurred on a Sunday and that the flow had been ongoing for at least 24 hours. Had it occurred during the work week, it could have been addressed immediately with virtually no damage. Council Member Spencer mentioned having used an affordable smart sensor by his water heater that provided similar functionality.

XI. Adjournment:

Chairman Farrell adjourned the meeting at 10:32 am.

Submitted by,



Petra S. Reynolds, Town Clerk

11-18-2025

Date