

TOWN OF

Kiawah Island[®]

ESTABLISHED
1888

A scenic view of a coastal wetland. In the foreground, a body of blue water reflects the sky. A single bird, possibly a heron, stands in the shallow water near the shore. The middle ground is dominated by a dense thicket of tall, brownish-green marsh grasses. In the background, a sandy dune is visible, topped with a line of green trees under a clear blue sky.

**BUDGET
AT A
GLANCE**

2025-2026

A LETTER FROM THE MAYOR

Dear Kiawah Island Community:

I am pleased to provide the FY 2025-2026 “Budget at a Glance,” which provides an overview of the Town’s revenues and expenditures. This budget summary highlights some of the unique aspects of the Town’s finances:

- The FY 2025-26 budget projects a surplus of \$2.4 million based on \$17.6 million in projected revenues and \$15.1 million in budgeted expenditures.
- 57% of budgeted Town revenues are unrestricted funds, including business license and permitting fees, solid waste fees, franchise fees, and investment income. The Town has some discretion to adjust certain of these fees if necessary.
- 43% of budgeted revenues constitute restricted funds, including accommodation and hospitality taxes. The Town has limited discretion to adjust these revenues and funds must be used for specific purposes generally related to attracting or providing for visitors to Kiawah.
- No property taxes are collected by the Town; property taxes are paid directly to Charleston County. These taxes fund County provided services, such as schools, law enforcement, and emergency management services.

What underpins the Town budget is a commitment to responsible stewardship of public funds. Town Councils have traditionally taken a very conservative approach with regard to both revenues and expenditures, which is also the case for this coming fiscal year. This approach has in large measure resulted in the Town’s accumulated reserves of \$45 million as of the end of this past fiscal year; a level that is extraordinary by any measure. The GFOA recommends that municipalities have cash reserves to cover 3-6 months of operating expenses. The Town’s unrestricted cash reserves of \$24 million would cover approximately 2.5 years of operating expenses. In addition, restricted funds may also be used to cover some operating expenditures. Reserves are also substantially in excess of the replacement value of all Town infrastructure assets. As we look to the future, the question is whether some portion of reserves should be judiciously tapped to fund capital projects and strategic priorities.

Letter Continued➤

This budget begins to answer this question and reflect some strategic priorities. In addition to normal administrative functions, some highlights of Town supported services and programs include providing complimentary curbside solid waste service and a credit for additional solid waste services to property owners; enhancing landscaping along Beachwalker Drive, Kiawah Island Parkway, and at the roundabout entering the Town; and expansion of and improvements to the Town-owned leisure trails. The budget further promotes environmental stewardship through beach, marsh and wildlife management programs, funds an expanding array of arts and cultural programs, and supports the broader Sea Islands community through the Town's charitable grants program and community engagement initiatives. The Town is also sponsoring an architectural design competition for a proposed civic and cultural center addition to Town Hall, intended to provide a dedicated space for cultural events, performing arts programs, and community gatherings.

The Town strives to be fully transparent with regard to all aspects of the Town's finances. The budget is proposed by the Mayor with the assistance of the Town Finance Director and Finance Department staff and presented to the Ways and Means Committee and Town Council for review, discussion and approval in a series of public meetings. Citizens can find much more detailed information on our website, including the full budget, quarterly financial statements, and annual comprehensive financial reports at www.kiawahisland.org/transparency.

Ensuring the integrity of the Town's finances is of paramount importance. To that end, this past year the Town Council approved significant changes to the Town's Accounting Policies and Procedures manual to strengthen internal controls and meet best practices. The Council also approved substantial changes to the Town's procurement ordinance designed to both streamline and strengthen the process for purchasing or contracting for goods and services. The Town is in the process of retaining an outside auditing firm to provide an independent assessment of internal controls; this is in addition to the required annual audit of the Town's financial statements.

With the support of the Town Council and dedication of Town staff, the Town continues to be committed to accessible, accountable, and transparent government practices.

Sincerely,
Bradley D. Belt
Mayor

About the Town

The Town of Kiawah Island is dedicated to protecting the health, safety, and welfare of all who live, visit, or work on the island. At the direction of the Mayor and Town Council, staff oversee essential services including public safety, planning and zoning, wildlife management, code enforcement, recycling, and emergency preparedness. By working in partnership with key stakeholders, the Town supports efforts to maintain Kiawah's distinctive character and quality of life for current and future generations.

Meet your Elected Officials



Bradley D. Belt
Mayor



Russell Berner
Mayor Pro Tempore



E. Luke Farrell
Council Member



Madeleine Kaye
Council Member



Lance Spencer
Council Member

Other Officials



Stephanie Tillerson
Town Administrator



Stafford J. (Mac) McQuillin III
Town Attorney



Dorota Szubert
Finance Director

TOWN SERVICES

Public Safety

Beach patrol, code enforcement, and disaster planning. The Charleston County Sheriff's Office (CCSO) is responsible for law enforcement services for Kiawah and the Town contracts additional deputy coverage through CCSO for enhanced police protection.

Public Works

Maintenance of Beachwalker Drive and the portion of Kiawah Island Parkway from the roundabout at Freshfields Village to the front gate; the Municipal Center; and the Town's leisure trails.

Solid Waste Disposal

Collection and disposal of garbage, recycling, yard debris, brown trash, and household hazardous waste. This also covers trash services on the beach and trash and recycling services at Kestrel Court and the KICA Administrative Building.

Planning and Zoning

Zoning and land development regulations, zoning permits, re-zonings, planned developments, variance and special exception requests, site plan reviews, and appeals of administrative decisions.

Environmental

Monitor beach and marsh health, wildlife population, conduct research, habitat management, nuisance/injured wildlife response, education, and outreach.



Building Services and Business Licenses

Business licensing, building permits, and inspection processes for all commercial and residential projects within the Town.

Communications

Public information on routine and emergency operations through various mediums, including the Town website, mobile app, e-newsletter, social media, and podcast series.

Arts and Cultural Events

Annual arts and cultural events for the community.

Tourism Promotion

Tourism promotion through allocations of the Accommodation Taxes and Hospitality Tax.

Municipal Court

Cases involving violations of Town ordinances and exercises additional criminal jurisdiction powers conferred by state law upon magistrates.

TOTAL REVENUE SUMMARY

\$17.6 Million

Restricted and Unrestricted Funds

40%



Cost for Services

- Business Licenses
- Building Permits
- Solid Waste

43%



Accommodations and Hospitality Taxes

6%



Franchise Fees

11%



Other

Investments and Miscellaneous

0%

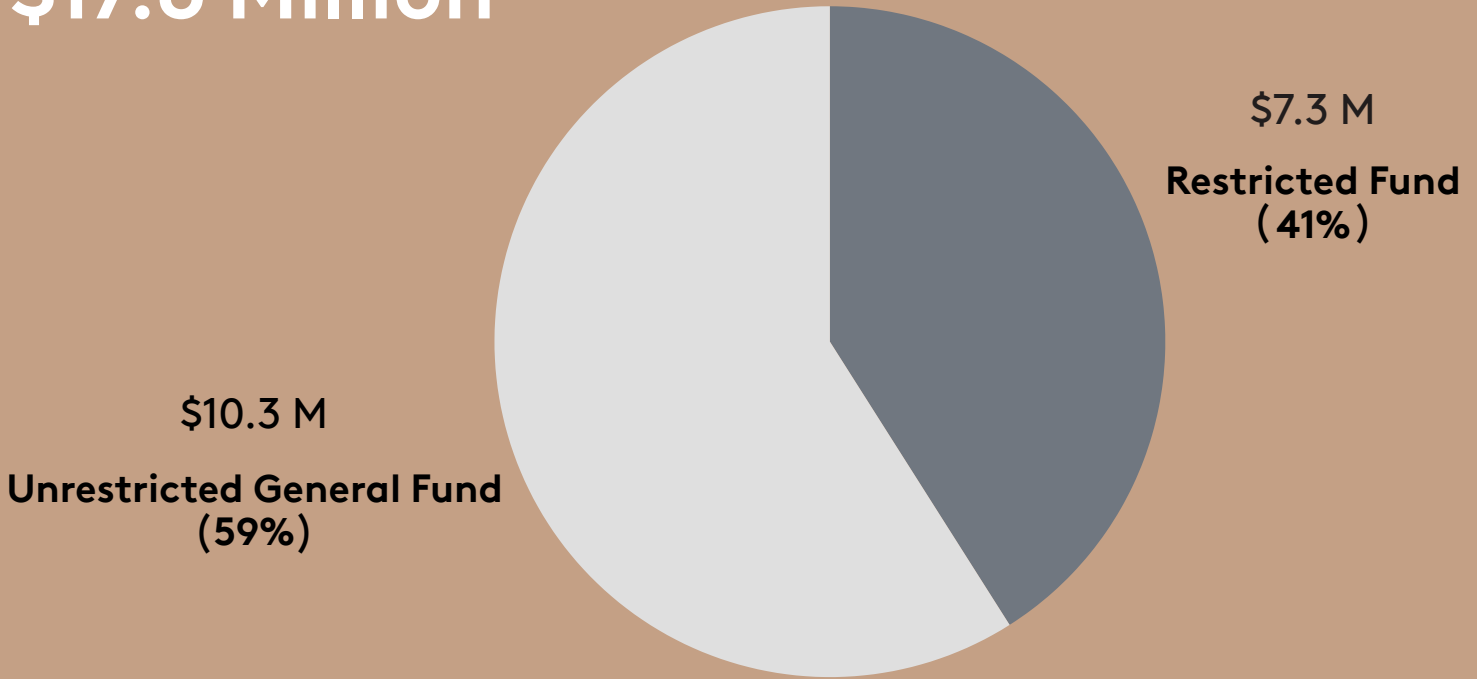
Property Tax (No Municipal Tax)

Property taxes paid to Charleston County do not include any taxes for the Town

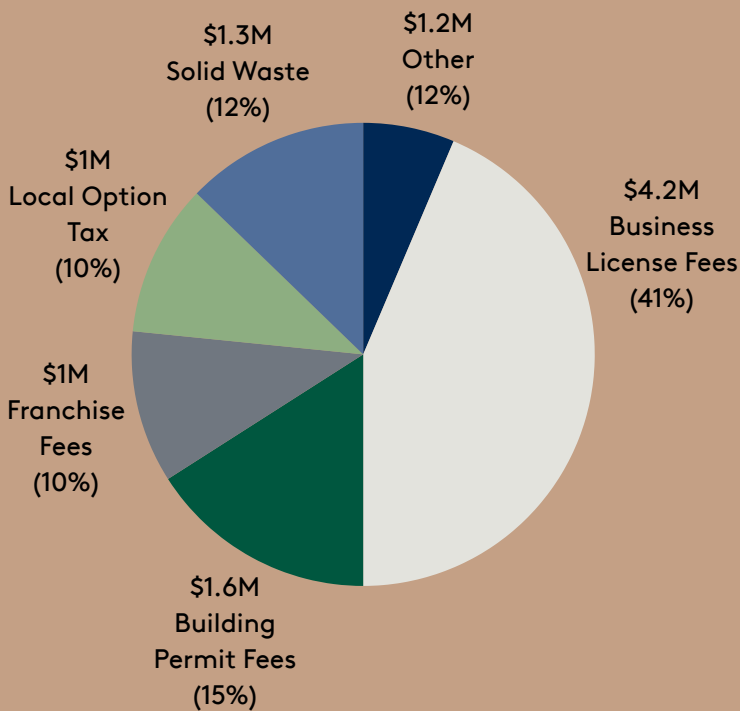


Total Revenues Budgeted

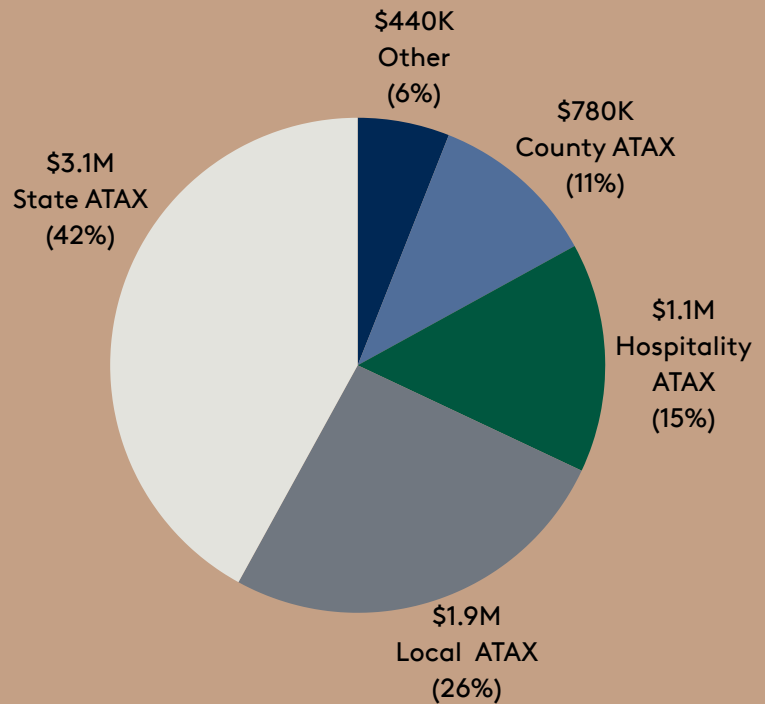
\$17.6 Million



Unrestricted Fund Revenues (59%) Total \$10.3M



Restricted Fund Revenues (41%) Total \$7.3M



REVENUE SOURCES DETAILED

Unrestricted Funds



Business Licenses

Fees charged to businesses and short-term rentals to be able to operate within the limits of the Town.



Building Permits

Fees for all construction projects, whether done by a licensed contractor or property owner.



Solid Waste Collection

Fees for collection and disposal of residential garbage, recycling, and yard debris. The Town absorbs curbside collection costs and provides a credit towards additional services for property owners.



Franchise Fees

Fees for the rights of specific businesses to provide services within the Town, such as electricity, cable, and beach operations.



Local Option Tax

A uniform 1% tax on taxable sales. The state collects this tax and distributes a percent to municipalities in the county.



Other

- Interest on Town investments.
- Beverage tax.
- State aid to local governments.



Restricted Funds



State Accommodation Tax (SATAX)

A tax tourists pay on their hotel or rental accommodations in the Town. Revenues from this tax must be spent on tourism-related expenditures except for the first \$25K plus 5% of the remaining total revenues, which are allocated to the Town's general fund. Allocation includes enhanced police protection through Charleston County Sheriff's Office; Beach Patrol; and promotion of civic and arts and cultural events.



Local Accommodation Tax

The Town levies a 1% municipal local accommodation tax. Revenues must be spent exclusively for things such as tourism development, cultural facilities, and access roads to tourist destinations.



County Accommodation Tax

Charleston County levies a 2% accommodation tax, of which a portion is distributed to municipalities where they were generated. The Town receives approximately 25% of the fees collected, for use on capital projects or services related to tourism promotion.



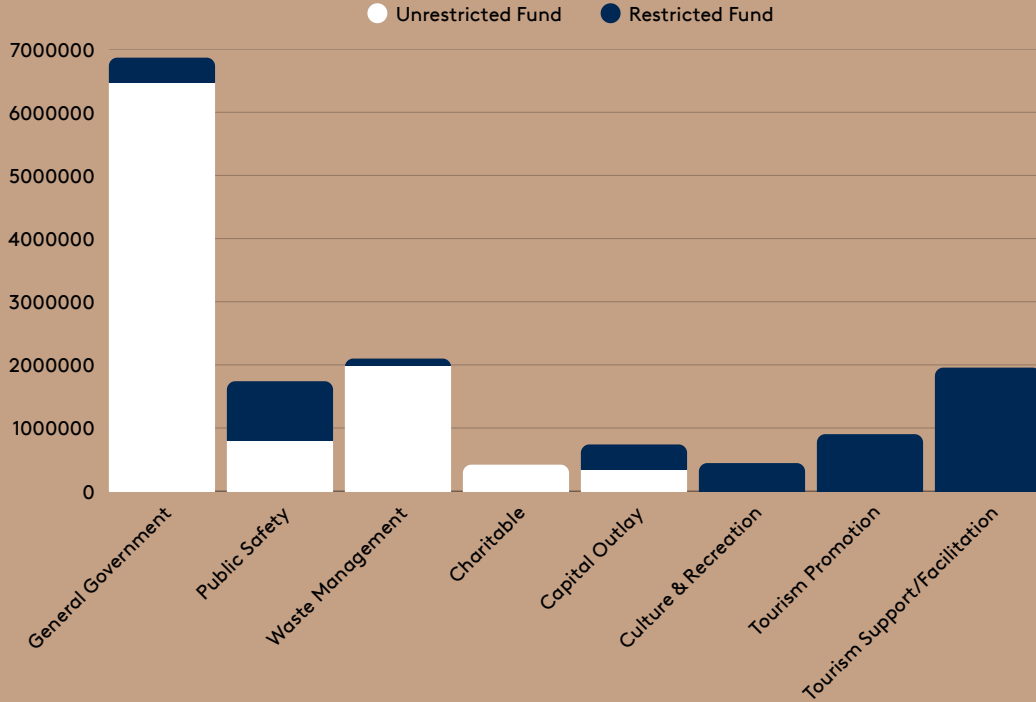
Hospitality Tax

A tax paid by patrons of restaurants, grocery stores, and other establishments that sell and prepare food and beverages. The 1% tax is remitted to the Town by these businesses monthly.

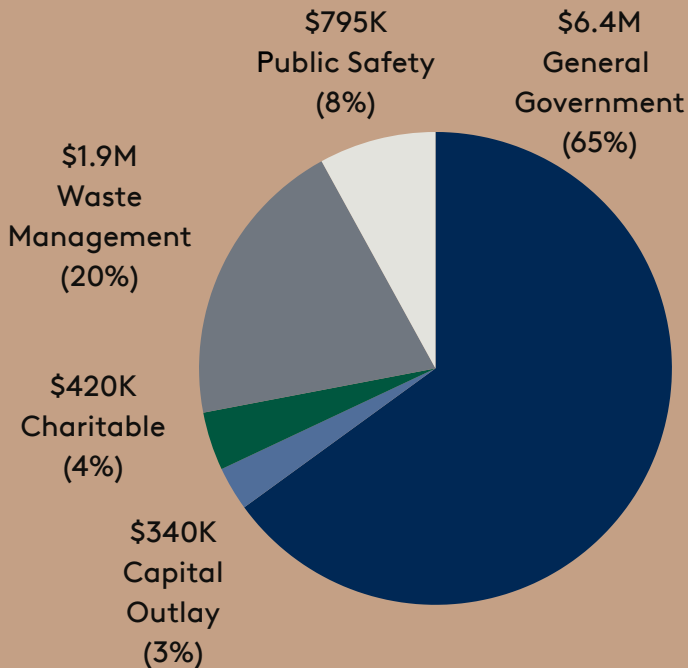
EXPENDITURES SUMMARY

\$15.1 Million

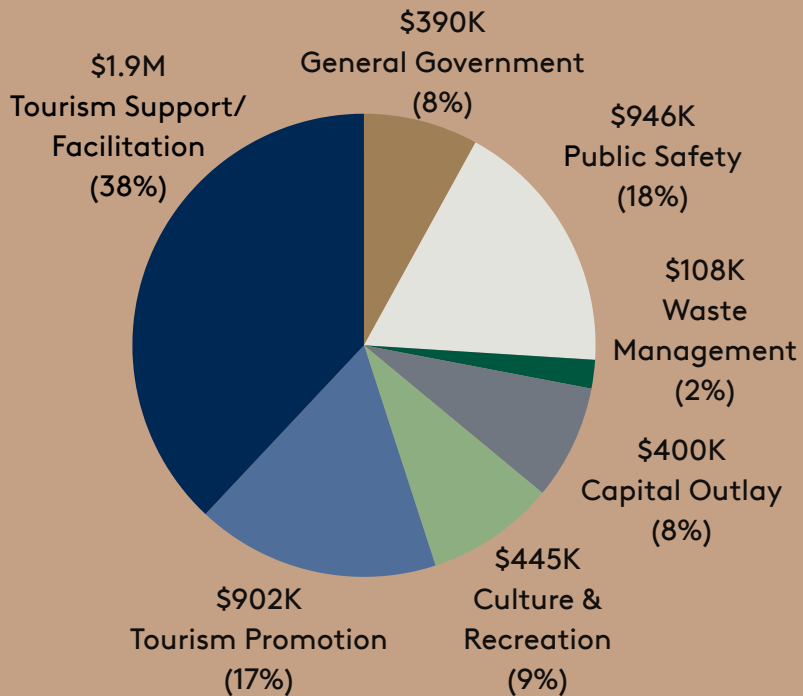
Unrestricted and Restricted Funds



Unrestricted Fund Expenditures (66%) Total 9.9M



Restricted Fund Expenditures (34%) Total \$5.2M



Expenditures Detailed

General Government

Town operational costs, such as employee compensation, department budgets, professional fees, consultants, insurance and maintenance.

Capital Outlay

Town-maintained roadways and leisure trails improvements.

Public Safety

Code enforcement, beach patrol services, and disaster planning and recovery. Law enforcement services contracted with the Charleston County Sheriff's Office.

Tourism Promotion

Funds allocated to Charleston Visitor Bureau for tourism promotion and marketing as required by state law.

Charitable Contributions

The Town's charitable contribution program supports a variety of charitable organizations. The latest grant recipients can be found at:
www.kiawahisland.org/charitable.

Waste Management

Complimentary curbside service and a credit towards additional services for property owners and various collection options for renters. Expenditures also include garbage collection on the beach, Kestrel Court and KICA Administrative Building.

Tourism Support/ Facilitation

Allocation of Accommodation and Hospitality taxes as required by state law.

- Town's allocation for additional police protection, beach patrol and beach garbage collection
- Arts and Cultural Events
- Environmental Programs



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ESTABLISHED
1988