



Town of Sullivan's Island, South Carolina
Finance Committee
Meeting Minutes
Thursday, March 13, 2025

A Finance Committee Meeting of Town Council was held on the above date at 4:00 p.m., all requirements of the Freedom of Information Act having been satisfied.

Present were: Patrick M. O'Neil, Mayor
Ned Higgins, Councilmember
Jody Latham, Councilmember
Justin Novak, Mayor Pro-Tem
Scott Millimet, Councilmember (Chair)
Gary Visser, Councilmember

Councilmember Carl Hubbard previously notified Council he would not be available for this meeting

I. Call to Order and Confirmation of FOIA Notice

Chair Millimet called the meeting to order at 4:01 p.m. and stated the press and public had been notified in accordance with State Law. Staff members present were: Jason Blanton, Charles Drayton, Rebecca Fanning, Greg Gress, Amanda Hawver, Joe Henderson, Matt Jensen, Police Chief Glenn Meadows, Fire Chief Anthony Stith, Bridget Welch, and Max Wurthmann. There was one (1) member of the public and no (0) members of the press in attendance.

II. Review Proposed Water and Sewer Budget FY2026

Chair Millimet reviewed the purpose and intent of developing the FY2026 capital budget as well as what it covers, who is involved with developing it, and other items to expect. Town Administrator Joe Henderson went over the plan for the meeting and mentioned they would also touch on the capital plan for 2025-2030.

Greg Gress gave a review of the Water and Sewer FY2026 budget draft providing visuals and highlighted the main increases. These include a 3.5% COLA increase for staff. The Water budget has a proposed increase of 17.9%, primarily due to the cost increase from Charleston Water System. Many of these increases are due to P-FAS changes, which have been discussed in detail at Water and Sewer Committee Meetings. Starting July 1, water per thousand gallons from CWS will increase from \$1.40 to \$1.59. The total increase from FY025 to FY2026 is \$283,484; this does not include any rate increases, which will come later. It was clarified this also does not include revenue at the moment. Mr. Gress then took questions from the Committee.

He stated on the Sewer side, there are similar increases in salaries and insurance but the operating costs are higher. There is a \$44,000 increase for this year. Mayor Pro-Tem Novak made positive comments about Mr. Gress' budget and how most of the increases are due to circumstances outside of the department's control. He then took questions about the Sewer budget. Mr. Visser complimented Mr. Gress on the low water loss percentage the plant has, which is generally less than ten percent.

III. Capital Budget Review

Mr. Henderson provided a brief overview of the new five-year capital improvement plan. He presented a few plans for laying out the five-year plan. All the projects presented this evening will become the FY2026 budget. There are five categories in the plan: Town Departments, Public Recreation, Public Works, Transportation, Major Studies & Plans, Bond Debt Service. Town Departments include Fire, Police, Planning, and Resiliency, Maintenance, Fleet Maintenance, Administration and Facilities. Public Recreation includes park projects, trails, boardwalks, and beach access improvements. Public Works is the largest percentage of the budget and includes stormwater utilities, the dune restoration project, and undergrounding powerlines. Transportation includes street paving and resurfacing of Town-owned roads and sidewalk projects. For FY2025 Major Studies and Plans included the Stormwater Master Plan, Sea Level Rise Adaptation Plan, the Historic Survey, and the Historic Design Guidelines. Bond and Debt Service which outlines the Town's annual short-term borrowing.

Green Finney Cauley, the Town's consultants, recommended the Town create a Capital Improvement Plan to identify needs for the next fiscal year and to develop a three-to-five-year plan. He then reviewed the different tables provided which included funding sources, projects over a five-year period, and projects by funding source. These tables were created by department heads providing inventory along with needs and wants over the next five years as well as a number of meetings. Mr. Henderson reviewed the major Administration projects and took questions from Council. This included replacing all of the porches on the Town Hall building, adding more parking spaces, reworking the storage area, updating Council Chambers (improving acoustics and replacing audio equipment), SC250 celebration expenses, updating BS&A

permitting and licensing to a now required cloud-based system and resurfacing the Battery Thompson parking lot.

Next, he reviewed the projects for Building, Planning, and Resiliency which includes a truck replacement, tree restoration program, nature appreciation educational programming, and enforcement camera replacement. Rebecca Fanning spoke about the costs associated with the latter three projects. Mr. Henderson mentioned some of the money for these programs would come from the tree fund.

The Fire Department has a request to replace one of their existing pick-up trucks. The previous one would be sold.

The Maintenance Department also requested to replace a pick-up truck. Their budget also includes replacing and maintaining all beach path signs, purchasing barricades for special events, a jet vac trailer, and a portable stormwater pump. The jet vac trailer would be used to clean out stormwater outfalls.

Fleet Maintenance is requesting a vehicle alignment machine. Matt Jensen spoke further on the necessity of this equipment.

The Police Department requests were presented by Police Chief Glenn Meadows. Those include a FLOCK Camera system, a utility terrain vehicle, a radar speed and messaging sign for the Causeway, two Ford F150 trucks, and Motorola mobile radios for the new trucks.

The Public Recreation budget is to fund Stith Park engineering and permitting.

For Public Works and Storm Water Utilities, the budget covers the Town's share of grants and powerline underground engineering plans. The grants include Stormwater Improvements (FEMA 4241) at Stations 18 and 19 and Stormwater Improvements through SCIIP and FEMA.

Mr. Blanton then reviewed the various funding sources for these projects which include donations, grants, revenue, etc. He also explained how certain funds can and cannot be used for. Council thanked staff as well as Pat Votava, who has been assisting with grants, for their work on securing grants for a multitude of projects for the Town. Staff also took questions from the Committee.

IV. Review Proposed General Fund Operating Budget FY2026

Mr. Jason Blanton provided a summary of the draft of the operating budget highlights for FY 2026 and focused on various line items including legal expenses, garbage collection fees, insurance, etc. He stated the increase in property taxes will be about 3% and will be the largest increase in revenue. Mr. Blanton also said the two budgets will eventually be merged and we will have a clearer picture of what we budgeted versus what was actually used for FY2026.

Chair Millimet stated he would like to review the General Fund Operating Budget FY2026 at the next Council Workshop and have it on the agenda for First Reading at the Regular Council Meeting in April.

Motion was made by Mayor Pro-Tem Novak, seconded by Councilmember Latham, to recommend the Capital Improvement Budget as presented today to Council for First Reading in the April meeting, passed unanimously.

V. Adjourn

Motion was made by Mayor O'Neil, seconded by Councilmember Latham, to adjourn the meeting at 5:47 p.m., passed unanimously.

Respectfully submitted,



Bridget Welch