

Town of Sullivan's Island Finance Committee Meeting

Town Hall- 2056 Middle Street

November 21, 2016

9:00 a.m.

Mayor O'Neil called the Finance Committee Meeting to order on November 21, 2016 at 9:00 a.m., and stated the press and public had been notified. In attendance were Mayor O'Neil, Mayor Pro-Tem Clark, Council members Sarah Church, Rita Langley, Susan Middaugh and Bachman Smith, IV. Staff members Andy Benke and Jason Blanton were also in attendance. There were no members of the press or public in the audience. The purpose of the meeting was to review the projected revenues and expenses related to capital improvement projects (funding information attached).

Mayor O'Neil stated there will be no decisions or votes on any particular projects. Comptroller Blanton began the meeting with approximate amount of cash on hand for capital projects per fund. With \$414,500 in the Capital Improvement Reserve and \$2,600,000 from lot sales, there is approximately \$3 million cash on hand. There is also \$100,000 in the Sewer Fund, \$200,000 in the Water Fund; and \$350,000 in the Hospitality and Accommodations Tax Funds.

In March 2017, the Town would have the ability to issue approximately \$2,200,000 in General Obligation Bonds. GO Bond debt service is generated through property taxes; therefore, it may be deductible from a resident's State and Federal income tax liability.

The total cost of completed projects is \$6,782,388 which includes construction of the Town Hall/Police Station, new ladder truck and I&I Phase 1. The total cost of planned and obligated projects is \$9,885,000 with \$9,000,000 coming from plant construction and the remainder includes Island Club improvements, Battery Gadsden engineering study, and Poe Avenue/Citadel Sewer Line Replacement.

The total cost of potential projects is approximately \$9,600,000. Various projects are included in that amount. The Storm Water Project from the October flood event is projected at \$1,900,000. The Town's portion would be \$475,000 (25%) of the FEMA match for Station 18 and 18 ½. The Station 22/Middle Street sidewalk project is projected at \$500,000, which will be paid using a transportation sales tax grant. The Town's pro rata share would be \$100,000 (20%). The Fire Station improvements project estimate is \$450,000. In FY 2020, Engine 2 Fire Truck will need replacement; and in FY 2024, Engine 1 Fire Truck will need replacement. Each of those projects are funded at \$450,000. Additional potential projects include, but are not limited to the following:

- Accreted Land Management
- Stith Park enhancements
- I&I Phase 2

- I&I Phase 3
- Pre-Disaster Mitigation for Storm Water
- 1610 Middle Street rehabilitation
- Additional storage for tractors/equipment
- Ongoing maintenance of Station 26 Boat Landing
- State Revolving Fund

The total cost of actual and potential loan payments is \$7,874,436.

Comptroller Blanton stated he would make necessary corrections to the spreadsheet and send Council the totals for the three separate categories, as well as the total cost and revenue.

Motion was made by Councilmember Smith, seconded by Councilmember Langley, to adjourn at 10:08 a.m., carried unanimously.

Respectfully submitted,



Courtney Liles