

TOWN OF MOUNT PLEASANT, SOUTH CAROLINA
FINANCE COMMITTEE
Tuesday, May 1, 2018
(May Committee Meetings)
Municipal Complex, Committee Meeting Room, 3rd Floor
100 Ann Edwards Lane
Mount Pleasant, SC 29464

MINUTES

PRESENT: Tom O'Rourke, Chair; Joe Bustos, Kathy Landing and Gary Santos

STAFF PRESENT: Eric DeMoura, Town Administrator; Marcy Cotov, Chief Financial Officer

Mr. O'Rourke called the meeting to order at 9:56 a.m. Mr. Santos was not in attendance at the start of the meeting.

1. Approval of Minutes from the April 3, 2018 meeting

Mr. Bustos moved for approval; seconded by Ms. Landing. All present voted in favor. (Mr. Santos was not present for the vote)

Mr. O'Rourke stated that he was contacted by Mr. Edward Oswald, who appeared before this committee last month on item #4. He stated that Mr. Oswald was doing his due diligence regarding the appraisals and it appears to be taking longer. Mr. O'Rourke requested that Mr. Oswald not attend today's Committee meeting until prepared to bring all the information. He said if the Committee is agreeable, he would like to remove Item #4 from the agenda and defer it until next month's meeting.

Committee members agreed.

[Mr. Santos entered the meeting at 9:57 a.m.]

2. Public Comments

[None]

3. Consideration of an ordinance authorizing the issuance of stormwater bonds not to exceed \$10,000,000 through the South Carolina Water Quality Revolving Fund Authority for the Snee Farm stormwater rehabilitation

Ms. Cotov stated that in November 2017, Town Council approved a Master Bond Ordinance (17057), to allow for the issuance of Stormwater Revenue Bonds. This proposed ordinance falls under that master bond ordinance and is for a loan from the South Carolina Water Quality Revolving Fund Authority, also referred to as the SRF, in an amount not to exceed \$10 million dollars to perform Stormwater rehabilitation at Snee Farm. She stated that the construction contract was approved yesterday at Bids & Purchases Committee. The bid tabulation sheet was submitted to SRF and they came back. She said the ordinance before Committee, the amount is slightly increased and instead of \$9.4 million, it is \$9.6 million. She said they are again requesting not to exceed \$10 million dollars.

Mr. Bustos made a motion to recommend approval of the bond ordinance authorizing not to exceed \$10 million dollars from SRF; seconded by Mr. Santos. All present voted in favor.

4. Request to purchase Town property near Walt Miller Street – move to next meeting. Edward Oswald not ready yet.

[Item deferred earlier in the agenda]

5. Review of Town five-year financial plan

Mr. O'Rourke said that he expressed concern at the Budget Committee meeting of the future financing of the Town's requirements. He said every meeting he attends everything requires substantial funding, and the Town only has so much. He wanted to ensure that there is a plan in place for five or ten years moving forward. He has met with the Town's CFO, Marcy Cotov, to review the five-year mark and from the five-year mark when the work is completed, it may be able to go further; however, from five to ten years, it would be an educated guess. He said Ms. Cotov has put together a presentation.

Ms. Cotov stated that the Town currently does perform five-year revenue projections, which is how they look at the capital and how they are funded. She said they also monitor expenditures, so they are consistently looking when the next expenditure item is done, what the impact is in the next couple of years to ensure they are sustainable. She stated that this is an item that would formalize our process to quantify the impact of future needs on the Town.

V. Five-Year Financial Plan

Goal

- Balanced revenues and expenditures in a five-year plan
- Healthy financial planning
- Provide a guiding document
- Supports decision-making
- First year is adopted budget

She said their goal is to balance our projected revenues and expenditures to provide healthy planning for sustainability, resiliency and to weather future storms. This five-year financial plan can serve as a guiding document to support decision-making. The first year would be the adopted budget of the five-year financial plan.

V. Five-Year Financial Plan

Revenues

- Projected out for five years
- As needed to balance, would include as appropriate
 - Tax increases
 - Fee increases
 - New sources of revenues

She said on the revenue side, they will show all their five-year projections. To the extent that these projections are insufficient to support operational needs, the projections will reflect increases as necessary.

She stated that on the expenditure side, projection of personnel costs will be shown. This would include such items as the State-mandated annual increase in retirement costs. She stated that the State has put this on the Town and last year, the Town was required to increase the amount by 2% and this year, it was increased an additional 1%. She said the plan, adopted by the State, is a 1% increase out to fiscal year 2023, which would put retirement costs for non-police and non-fire personnel at 18.5% of the Town salaries and for Public Safety, would put it at 21.24%. She said there are known mandates that the Town must cover.

V. Five-Year Financial Plan

Expenditures

- Personnel
 - Project cost of compensation and benefits
 - Project cost of staffing to accommodate
 - Maintaining current levels of service
 - Enhance service levels in departmental plans
 - Staffing of capital projects (e.g., recreational facilities)
- Operating
 - Project operational costs of capital projects
 - Inflationary increases
- Asset maintenance and replacements plans
- Debt service

Staffing would be reviewed to ensure that current levels of service are maintained, any proposed enhancement to service levels per departmental plans are included, and that any staffing requirements from capital projects are also included. Operationally, staff would perform similar estimates. Planning would also continue to include funding to maintain and replace existing and future Town assets, as well as debt service requirements.

She stated that to achieve the goal of this five-year financial plan requires staff to work with departments to formalize their plans, ensuring that the Town has effective and relevant service indicators for our projections.

V. Five-Year Financial Plan

How to achieve the goal

- Formalize departmental plan
 - Determine effective and relevant service indicators
- Change Budget and CIP Timeline
 - Budget commences earlier
 - CIP not presented at Council Retreat
 - Budget and CIP considered together
- Economic Indicators
 - Determining the correct leading and lagging indicators
- Stakeholder buy-in

She said that staff will need to change the budget and CIP timelines to consider both so that, in developing the five-year financial plan they are considering the whole picture at the same time. Staff plans to complete their work on developing leading and lagging economic indicators to help produce the best information for projections. She said they will also work to ensure they get buy-in on this process from all stakeholders.

Mr. O'Rourke stated that this will increase work on staff but believes it will help Council when they know five years ahead, what projects they will need to deal with. He said there is a Budget Committee in place that consists of full Council and what Ms. Cotov mentioned that was important is the departmental needs. He does not feel that the four members of Finance Committee should make these decisions, but possibly have the Budget Committee serve as the guiding group for this work and perhaps meet quarterly. He said this Committee will need to make the decisions in the end but wanted to have a discussion about including all Council members, because everyone chairs a committee and wants to ensure all departments are represented equally in the needs and level of service in the future.

Ms. Landing stated that she mentioned in the Budget Committee meeting, that corporations also do this, but it is very smart to plan out and five years is a very sensible time period. She said one of the things she is working very diligently on is a new initiative to be more proactive on economic development and fill the gaps in terms of services and businesses the Town needs, as well as bringing major industry to a much bigger position. She said if we do those things, we will be able to create the revenue in Mount Pleasant that we need to fund this community's dreams.

Mr. Santos stated that at the Recreation Committee meeting, it was evident that this Community has big dreams. He said the five-year plan will certainly help with planning Recreation, because we have land that cannot be developed. He is encouraged by this.

Mr. O'Rourke stated that what staff needs guidance on are policy decisions based on levels of service. He said the difficult thing with the Recreation Committee was staff is instructed to operate on a certain level of service and if Council wants them to move that, Council needs to determine the source of funding. He believes it is more sensible to do this in incremental years. He asked if any of the Committee members were opposed to this idea.

Committee members stated they agreed with the idea.

Mr. O'Rourke stated that this Committee may need assistance from staff to request that the Mayor weigh in on the Committee change, with the Budget Committee as a whole guiding this as opposed to only the Finance Committee.

Ms. Landing stated that the idea of changing the budget and the CIP timeline, the CIP was great information at the retreat, but took up the majority of the time. She said new Council members have previously stated that it would have been nice to collaborate on many different things.

6. FY 2019 Budget – 5 items were deferred back to this committee

a. Request from Housing for All Mount Pleasant for \$50,000 grant

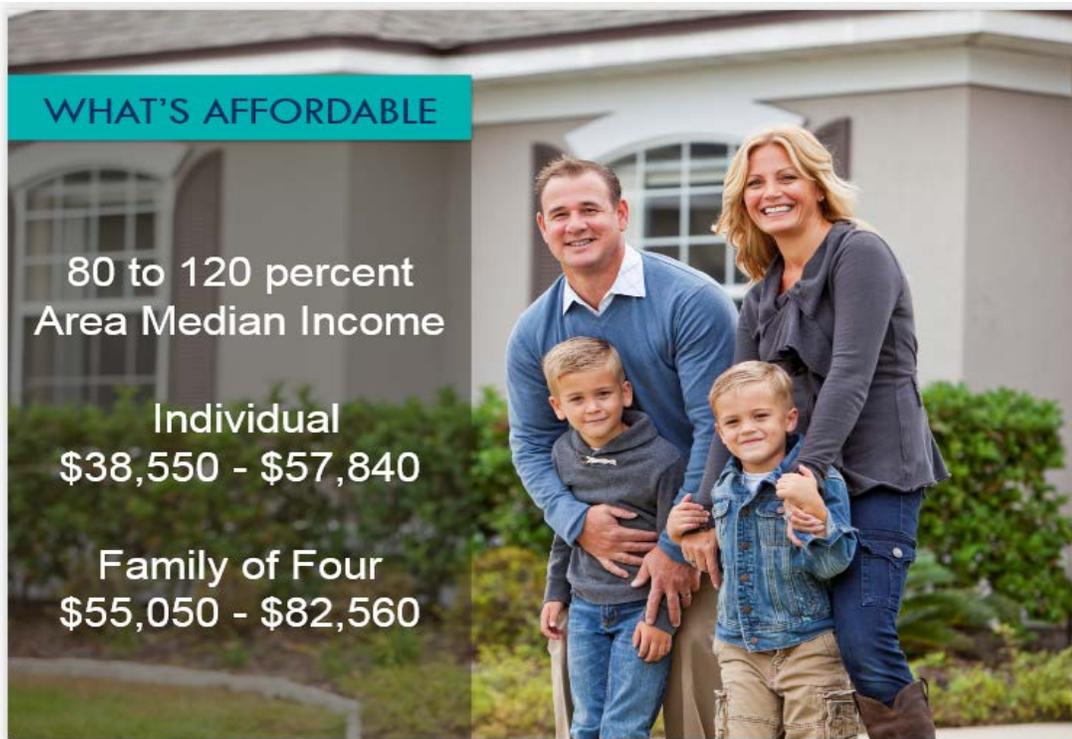
Rich Estes, Chairman of the Affordable Housing, formerly the Taskforce for the Town of Mount Pleasant. He is a resident of Mount Pleasant at 1300 Appling Drive. He said he has Debbie Wade with him, who resides at 305 Center Street.

Mr. Estes stated that the Town, much like many desirable places to live, is facing a shortage of Affordable Workforce and Senior housing in Mount Pleasant. He stated that this situation especially affects municipal servants, seniors, young professionals, native and long-time residents of the Town. The inability of these groups, individually and collectively to secure housing in Mount Pleasant, presents challenges to the Town ranging from increased traffic brought on by commuters, to a loss of community fabric.



He said no one is entitled to live in Mount Pleasant, but lack of affordable workforce housing will mean higher prices and lower quality of service at retail centers, restaurants, child-care facilities and more, negatively impacting the quality of life for all residents of Mount Pleasant. He said in a Town that prides itself on character and charm,

Mount Pleasant loses something when they lose long time residents who are priced out of the market.

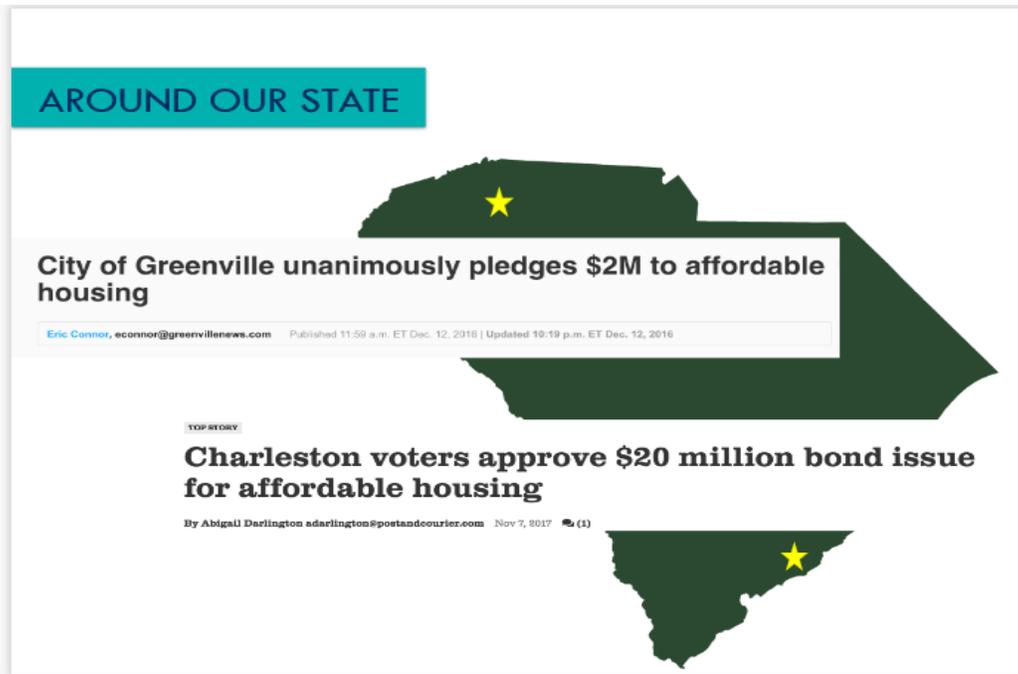


He stated that their group is looking to mitigate these and other issues by facilitating an atmosphere that will allow for affordable housing opportunities for those making less than 120% of the area median income. He stated that he conducted research and just the two new stores shown will offer over 400 jobs. He stated that he took a picture of the sign, as he sees it every day, being in the construction business, and they are advertising jobs starting at \$12.22 per hour, which is \$25,400 per year, full time, income. He said this person could not afford to live in Mount Pleasant. He said he also researched how many employees at Lowe's earn \$15.00 an hour or less and it was approximately 70% to 75%; therefore, this means that for just these two stores, this is 300 jobs that are driving to Mount Pleasant every day. He stated that the following slide was part of their presentation 18 months ago, which were the statistics provided by the Town of Mount Pleasant, which shows that 72% of the workforce in Mount

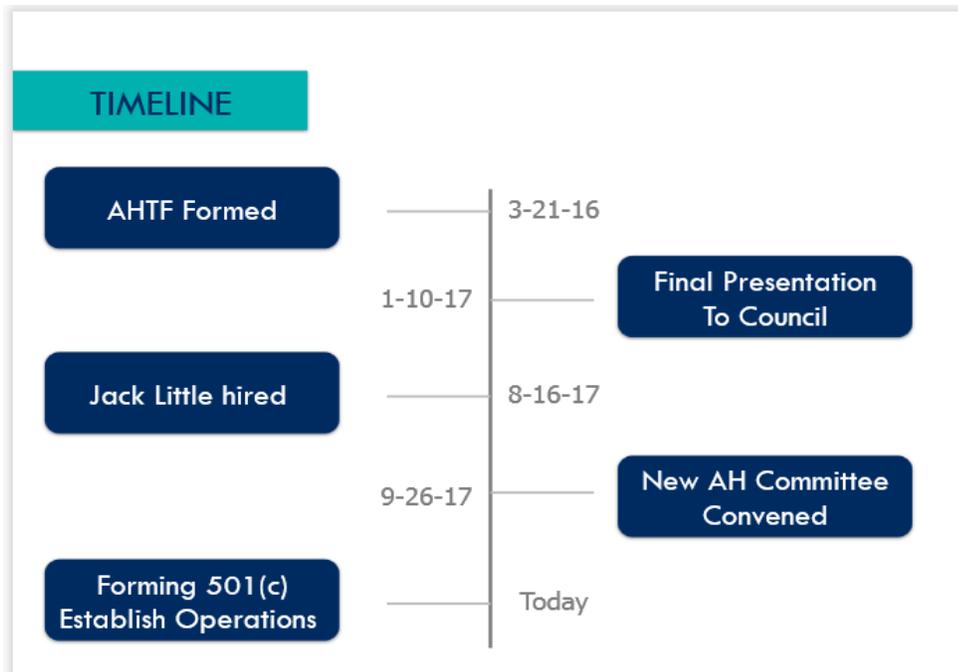
Pleasant, because the Town is consumer-oriented by restaurants and retail, drive to work every day.



Mr. Estes stated that they are requesting a \$50,000 contribution to their cause; however, the City of Greenville has pledged \$2 million dollars to Affordable Housing at the end of 2016 and the City of Charleston has approved a Bond Referendum last year for \$20 million all to the cause of Affordable Housing. He stated that the Town is still at infancy, but they are looking to get it started.



Mr. Estes stated that this is a brief description of the Affordable Housing Taskforce, which was originally formed in March 2016.



He stated that they did a final presentation to Council in January 2017 which was voted on and approved to move forward. He said a portion of this was to fund an administrative part-time staff with the Town,

which was Jack Little, who is here today. He said Mr. Little brought the group back together and formed the new committee in September to where they are today, which is that they are filed with the Secretary of State, so they are a corporation called Housing for All Mount Pleasant. He stated that they have filed their 501c3 to the IRS, which takes time to receive approval. He said this is where they are in the timeframe. He stated that the final slide is their "start-up" company budget. He said this is as light and lean and very dependent upon an executive director to bear the weight of most of the work for this, along with the Board of Directors. He said 1/3 of their Board of Directors, based on the 501c3 qualifications must be people in need. He said they are in the process of putting this final board together at this time. He reviewed the budget and said many of the items shown have been spoken for with in-kind contributions. He said they will have some fundraising expenses talking to the business leaders in the community, doing the networking it takes. He said they recently spoke to Habitat for Humanity as well. He stated that they are looking at a total budget of \$113,000 and are requesting from the Town a seed fund for less than half of what they need to operate their first year. He said if they are able to secure large donations early on, this amount can be adjusted; however, this amount is what they feel they are able to move forward with and take the next steps toward getting actual properties identified, securing grants, and obtaining funding to actually start putting affordable housing in the ground. He said the \$63,000 will be done through donations and grant money and in-kind donations.

Mr. Bustos stated that the Town provided \$30,000 to get the 501c3 up and running and asked when this transpired.

Mr. Estes stated that the Town approved a \$50,000 amount last year at their January 2017 meeting. He said the first position for the administrative staff was for \$30,000 and an additional \$7,500 went toward the attorneys to put all the paperwork together for the filings.

Mr. Bustos asked what the status is now.

Mr. Estes stated that the corporation and 501c3 are formed, but it takes the approval from the IRS before they can begin obtaining grant funding. He said they are operational already.

Mr. Bustos asked what took so long.

Ms. Wade stated that they began last September with this Committee and initially, they were working on forming the bylaws. In November, they met with the Town of Mount Pleasant's Planning Department and they recommended that the Committee hire a law firm to prepare the legal documentation to file the documents. She said in November, they began working with an attorney and in January, he left the law firm and they practically had to begin the process all over. She said they have been working with another attorney with the law firm and they are now at the point of filing with the IRS.

Mr. Bustos said that he is unable to support giving \$50,000 until they are up and running. He said this was the agreement that the Town would provide funding to get this Taskforce up and running and the Town has done this. He said now this Taskforce is back asking for another \$50,000. He said the 501c3 was supposed to be formed and away from the Town. He said the taxpayer was generous giving the initial funding. He said he has not seen anyone who has been able to do affordable housing in Mount Pleasant, because the land is too expensive. He does not think the Town should keep providing funding, because of the track record of what he has seen in Affordable Housing.

Ms. Wade stated that they have moved forward as quickly as they were able to get the 501c3 filed with the IRS. She said they were unable to take donations until they were registered with the State, which they are now, so they were not able to do that previously. They could not receive land donations either to benefit the donor. She said they are now at a point to do this, so they plan to move ahead to their next phase.

Mr. Bustos asked if they have had conversations about land.

Ms. Wade responded in the affirmative. She said they have done a great deal of preliminary discussions. They are looking forward to moving forward with this non-profit organization and feel they can make good progress in Mount Pleasant. She said it is a daunting task developing affordable housing in a Town where land values are so high but are hoping to get people to work with them. Seniors are particularly having a difficult time staying in Mount Pleasant where they have lived most of their lives. She said they lose a spouse and can no longer maintain a house and want to downsize into something more affordable, which does not exist. She said some have had to move out of Mount Pleasant, which is unfair. She said they are focusing on Seniors and workforce housing for the workforce in Mount Pleasant and must get started somewhere.

Mr. Bustos asked if there is a system of priorities of who the Taskforce will try to provide affordable housing for.

Ms. Wade stated that they are targeting seniors first. It would be rental housing, either apartments or townhomes to rent that are well-maintained where the seniors do not have to do lawn or building maintenance and in a community where there are other seniors there, as well. She said they do not want to leave their family, friends and church so it is important to start with them.

Ms. Landing asked about the funding provided and where the remaining funds are now.

Mr. Estes stated that \$7,500 went to the attorneys and \$30,000 to hire Mr. Little, which leaves a balance of \$12,500 and that funding is still with the Town.

Ms. Landing said it was granted from last year's budget, but it is still sitting there.

Ms. Cotov stated that it was her understanding that the actual amount was \$30,000 and then the additional amount of \$7,500 was for the attorneys.

Mr. Estes stated that the initial request was for \$100,000 over two years; \$50,000 for last year and with budget, negotiating, approvals and things that happened, he is guessing it went to \$30,000.

Ms. Landing stated that Housing for All Mount Pleasant is planning to focus on seniors this year and said at their last meeting, she mentioned a model that is used in a community that is the oldest model in the country that has been emulated in many other places. She said the first step they took was to provide housing for the essential workers for the Town. She said the benefit to this is when there are emergencies, these personnel are as close as possible to the equipment they need. She said another benefit is they also use this as a recruiting tool. She said if the Finance Committee were to agree with this request, she would suggest having conditions attached for the Housing for All to pursue workforce housing for the essential Town workers.

Mr. Estes and Ms. Wade responded in the affirmative. He stated that seniors were an initial focus. He said creating affordable housing is one issue but distributing it fairly will be a much larger issue, because everyone will want it. He said this is something they are working through now. He stated that they will be working with the Planning Department and the Comprehensive Plan to put these affordable housing locations near where people have transportation to get to the grocery store and other areas.

Ms. Landing stated that this could essentially be a restricted grant.

Mr. Santos stated that this was tried previously at the end of Rifle Range Road where there was land zoned for Workforce Housing; however, the developer said he could not make it work, so the Town granted R4 zoning and now those lots begin at \$500,000. He said this is why he is reluctant. He said his idea was to coordinate with Habitat for Humanity to explore whether they could build affordable homes on that property. He said he heard Mr. Estes mention Habitat for Humanity and asked if they have discussed partnering with them. He said his idea of affordable housing is not apartments and do not

believe seniors need to be going up and down stairs. He said they need a one story, no steps with a small yard. He said he lives in an area that are duplexes and believes this is what they should look at for seniors. He would like to hear more about their plans and who they will partner with. He said Habitat for Humanity has an excellent reputation of building affordable homes. He feels that they will likely need to look at the northern portion of the Town as land is too expensive closer to the center of Town. He said he would like to see more successes and partnerships. He said he will certainly support them on this.

Mr. O'Rourke said that affordable housing in this community is a big issue and there is a group that has been working on this now and they are not at the finish line and working hard to get to the start line, but they have had a number of meetings and a plan. He believes that as an elected official in this Town, he has to take some action towards moving forward with discussions or goals for affordable housing. He said that this group is ready to get rolling and an investment of \$50,000 gives the Town the opportunity to provide assistance to do this themselves and see if the Town is able to make this progress work. He said there are a number of intelligent individuals in this group.

Ms. Landing stated that the Christian Assembly of Justice Ministers had their Nehemiah Action meeting, and this was their big topic this year. She met with them at Town Hall with Councilmembers Jim Owens and Kevin Cunnane. She said they heard a lot of great information and they are they are ready to roll. She said the moment their 501c3 comes through, they will begin asking for funding and doing fundraisers. She encouraged them to have private-public partnerships and talk to all the hotel companies that are big chains, because they utilize the majority of employees who make minimum wage. She said this is all about to happen and if this Committee does not help at this point, she does not know how they can face the public and say they care about affordable housing. She feels very strongly

about helping at this point. She said there will be ongoing conversations. She stated that the Nehemiah Action group was asking for absolute commitment last night and are talking about taking a percentage of the tax base. She said her feeling is that we already have an organization in town that has already started, and this Town needs to support them.

Mr. Bustos stated that if this Committee recommends to the Budget Committee to fund the Housing for All Mount Pleasant for \$50,000 or less, he thinks this money should not be used for salaries and other things. He said if we are providing seed money it needs to be held for actually producing affordable housing. He said this is the only way he can support this.

Ms. Landing asked if this would be a restricted grant.

Mr. O'Rourke asked if this would hinder Housing for All Mount Pleasant moving forward.

Mr. Estes stated that it would, because this is a start-up and \$50,000 towards an actual project is a small amount. He said they need to use this money to get to more money. He said if you take a \$350,000 home and make it \$300,000 to hit the area median income so someone can afford to purchase it, that is the type of discounting that has to happen on these properties, whether in the land, materials or donations. He said the money they are going after is millions. They are talking to Lowe's, Home Depot and other major companies. How much money are they willing to contribute so their employees do not have to drive from Goose Creek or other areas.

Mr. Bustos stated that he thought the priority was seniors.

Mr. Estes stated that there is a long list of priorities.

Ms. Landing made a motion to approve funding for Housing for All Mount Pleasant in the form of a \$50,000 grant so that they are able to proceed with creating Affordable Housing for our community; seconded by Mr. Santos.

Mr. Santos stated that he would like for the Housing for All Mount Pleasant group to keep this Committee updated. He said he believes partnering with Habitat for Humanity and other similar groups will be beneficial as they have been very successful and looking at their business model and plan will help tremendously. He is hoping to see good results.

Mr. Bustos was opposed. All others present voted in favor. Motion carries 3-1.

b. Funding Fire Committee's recommendation

Mr. O'Rourke stated that this item is to fund the Fire Committee's recommendation for \$250,000 for personnel for the Fire Department.

Mr. Santos asked how many personnel.

Mr. DeMoura said approximately five personnel.

Mr. Santos asked where they would be stationed.

Mr. DeMoura stated that if Council is willing, the amount would be funded and cover five firefighters. He said this would be accomplished either before the budget is approved or after and the Fire Chief would determine the best way to allocate that manpower. He said the biggest thing that needs to happen is to get the funding in place if that is Council's desire.

Mr. O'Rourke stated that it was discussed at length and the determination was that because it was a budget item, it would to come to Finance Committee with an amount and let staff determine the source.

Mr. Santos made a motion to approve the \$250,000 funding increase as supported by the Fire Committee at yesterday's meeting; seconded by Ms. Landing.

Ms. Landing asked if there is information that our current fire department feels is needed or will that be determined once this Committee approves the funding.

Mr. O'Rourke said he is a member of the Fire Committee and there was a recommendation from the Fire Chief that this is needed. He said the discrepancy in yesterday's discussion was how far do we go and there was actually a motion for it to be more than double the \$250,000 amount that failed.

Mr. Bustos stated that his concern is that this worked in reverse. He said the request for the funding was made before it was properly brought to the Committees and then to the Budget Committee of Council. He said this was not initiated from the Fire Department, who is doing a great job, but with a Council Member who said the Fire Department needed this. He said then the justification is created for the request after you have requested. He said this is not the proper process and feels this should go back. He said the proper process would be to consider this at the mid-year budget adjustment.

Ms. Landing said this was not what was originally proposed for the budget and asked if these funds are actually available to do this or will this create an issue.

Mr. DeMoura stated that currently we have a balanced budget and in order to accommodate the additional \$250,000; things will need to be adjusted, which may mean capital funding may be moved, positions that were planned for hire, will not happen, as well as some smaller items. He said if it is the decision of this Committee to move forward, he and Ms. Cotov will work to ensure the budget stays balanced.

Ms. Landing stated that the Lucy Beckham Performing Arts Center amount was taken out and asked if those funds could be redirected.

Mr. DeMoura stated that what was funding this was General Fund, Fund Balance in the amount of \$500,000 and they try to avoid using Fund Balance for ongoing expenses, which is what this would be, so they will find other things in the operating budget to handle it.

Mr. O'Rourke stated that whatever is voted on today will go back to the Budget Committee.

Mr. DeMoura stated that it will go directly to Council.

Mr. Bustos opposed; all others present voted in favor. Motion carries 3-1.

c. Funding recommendations for Community Investment requests

Mr. O'Rourke stated that the next item is going to be difficult as the total requested amount is \$357,635 and there is only a \$200,000 budget. He said there will be big cuts. He said that he would like to listen to any recommendations on how to get to our goal.

Will Haynie, 316 Mallard Court, stated that he had a conversation with the Chair regarding some of the items that are essential to the Town of Mount Pleasant. He said that there is an Attorney General's opinion that the Town is unable to provide funding to non-profits, but there has to be a direct benefit to the citizens of Mount Pleasant. He said we are eight or nine meetings into a ten-meeting process and there is a \$250,000 request. He said that this may be an area to possibly get half of the funds needed for the Fire Department's request, because Public Safety is vital. He stated that as elected officials, they realized that increasing the number of School Resource Officers (SRO's), was important. He stated that he is glad to have a number of the requests for Community Investment Grants; however, there are some that may not be necessary to fund. He stated that perhaps this Committee could consider \$100,000 of this funding be used for the request by the Fire Department for additional personal in the amount of \$250,000.

Ms. Landing stated that she has reviewed the applications and one of the applicants, Dee Norton Lowcountry Children's Center, fall into one of the categories as to whether it is a required service in lieu of the Town. She said the spreadsheet indicates "yes" but has a zero next to it.

Ms. Cotov stated that they debated on this, because it is a County function and not a Town required function.

Ms. Landing stated that she remembers that this was specifically mentioned because what they do to help the children is essential to the Town and the Police Chief even supported this.

Ms. Cotov stated that staff only looks at the applications from the perspective of what was submitted, do not always know the circumstances, and based the evaluation on staff's interpretation. She said it can certainly be changed.

Ms. Landing stated that she is not aware of any facility in Mount Pleasant that does what they do for the children and the community.

Mr. Bustos stated that there are several organizations that provide services and if they were not here, the Town would have to provide that service. He said Dee Norton does the forensics, which is a service the Town would otherwise need to provide. He said those that provide a direct benefit should be prioritized.

Father Lynn Williams, Seafarers Ministry, stated that he would like to thank the Town for their past support and reiterate that this ministry has been going on for over 200 years in Charleston and now they have 20,000 mariners that come to the Wando Terminal from around the world. He said most of them are very poor and away from their homes for nine months to a year at a time. He said they provide free services to them such as free internet for them to contact their families and skype; however, they also give back. He said the economy here in Mount Pleasant is predicated on what they do, because 97% of the world's goods are shipped over water. He said the Seafarers are there to help them.

Mr. Santos stated that the Seafarers also do the Blessing of the Fleet and Father Lynn has been doing it for fifteen years.

Ms. Landing stated that being new, she noticed that there are some very large discrepancies on what was requested and what was contributed. She said one is the 3rd Brigade South Carolina State Guard who were very present for the Bridge Run. She said they had a sizeable request last year and only received \$2,500.

Mayor Haynie stated that they respond to any natural disaster and had over 100 personnel in attendance at the Bridge Run. He said the

Police Chief confirmed that they are a true augmentation of force for the Town.

Ms. Cotov stated that last year, they were a new request and most new requests receive a \$2,500 placeholder.

Mr. Bustos made a recommendation to fund the 3rd Brigade National Guard \$15,000.

Mr. O'Rourke stated that the Charleston Animal Society is another essential function to the Town.

Mr. Bustos suggested funding what they received last year at \$30,000.

Mr. O'Rourke stated that Dee Norton Lowcountry Children's Center requested \$25,000 and received \$15,000 last year.

Mr. Bustos suggested funding at the same amount as last year of \$15,000.

Mr. O'Rourke said that those were the essential functions and will now address all others.

Mr. O'Rourke asked for recommendations on Accelerate Charleston. They have requested \$25,000 and received \$25,000 last year.

Adrian Cain, 936 Cassique, stated that the entirety of the funds, plus go to scholarships at Wando High School. He said every dollar given is spent on the students here in Mount Pleasant.

Mr. Bustos stated that rather than going through Accelerate, if the Town would like to provide scholarships, it should be Mount Pleasant Scholarships.

Mr. Cain stated that the scholarship program was set up by the Charleston Metro Chamber of Commerce to do workforce scholarships to supply opportunities for children that would not otherwise have the opportunity, because they fall outside of traditional funding sources available, which are 2.0 to 2.9 GPA that are funneled through Career Academies at Wando and other high schools throughout the region that connect what they learn in the classroom to the jobs being

created in our community. He said that the direct correlation is applying these students the connectivity to the careers they desire and then stripping out any obstacle that they would otherwise have to ensure they have a pathway to Trident Technical College or a Technical education. He said there are students that are otherwise left behind by most of the sources. He said that they have no issue addressing the name. He said they have a structure that is built and proven, and have students and counselors that Accelerate Charleston invests in to ensure they are successful and if calling it the Mount Pleasant Scholarship Program would be appealing, they can take off the Accelerate. He said ultimately, their aim is to ensure the students are not left behind and have direct connectivity to the jobs being created, which is what this program funds. He said there are 18 students that have gone through this program at Wando and there are two current apprenticeship students at Wando right now and Mercedes Benz Vans has one and an IT company has the other. He said this is a direct connectivity to creating opportunities for students to go into a career.

Ms. Landing stated that she agrees with Mr. Bustos that people do not know what Accelerate Charleston is and perhaps Mount Pleasant Scholarships would be a better name that taxpayers could support, as this is a great cause.

Mr. Santos stated that the Town has contributed \$75,000.

Mr. DeMoura stated that this is the third year of a three-year commitment.

Ms. Cotov stated that the Town did a three-year commitment, and this is the third year.

Mr. DeMoura stated that the initial commitment was completed, and the Town did another three-year commitment, and this is the third year for the 2nd commitment.

Mr. Santos stated that he recalls discussions that this was a stretch to continue this program, because Mount Pleasant was not seeing the

benefits. He said he does not see the benefits to the Town. He stated that he does not know why this funding should be funneled through a Charleston based organization or come back into Mount Pleasant.

Mr. Bustos stated that he is not going to support any amount, unless the Committee decides that it is a Mount Pleasant scholarship, because this funding goes into the Charleston Metro Chamber of Commerce and gets lost and the Town does not have any oversight. He said they are requesting \$25,000 and there are only two students at Wando.

Mr. Cain stated that there are 18 students and two apprentices, so there is a total of 20 students at Wando. He said the reason their apparatus is successful is because there are 150 business partners, many of which go into Wando High School on a monthly basis to coordinate with the Career and Technology Teachers (CTE). He said those business partners work with those teachers to create opportunities for those students to have that connectivity. He said in terms of what the Town has received for their funding, there are opportunities to ensure that through this process, those students have a coach, a counselor, and Accelerate Charleston invests resources that are not paid for by the Town to ensure these students have continued coaching, so they can continue through. He said these students often come from single parent homes and the average retention rate for technical education is 30%. He said their students graduate at 50% which is a full 20% of the average because they invest in those students. He said the funding provided by the Town goes directly into Mount Pleasant Schools and the students that would not otherwise have the opportunity.

Ms. Landing said that (1) she would like to see a highlighted aspect that this is Mount Pleasant scholarships; (2) that the Town needs to have more feedback on an ongoing basis. She said if these students can be recognized for what they are accomplishing because of this program, it would help significantly as to taxpayer funding being used.

Mr. Cain stated that this is the final year of the three-year commitment that was made. He would endorse the idea of inviting Council members into Wando High School to see what a Career Academy does and learn the connectivity being created by the funding of those scholarships. He would love to host Town Council at Wando High School, so they can hear directly from the students and principals. He said they can absolutely rename the scholarship to better reflect that this investment is being made in the Mount Pleasant community. He would suggest that the resources they built to build a pipeline to identify the students and then provide coaching to those students, is something the Town is not able to replicate by themselves. He said there is also national data that suggests that taking those students and providing them with an opportunity has a direct correlation to crime statistics and providing opportunities for them to be better connected does work.

Ms. Landing said she does have some concern if this is not funded, just because we want it to be our own Mount Pleasant Scholarship. She said this is already something that is organized.

Mr. O'Rourke stated that this is merely a commitment that was made by a prior administration and this is simply the request for the final year of a previous commitment.

Ms. Landing voiced some concern that it has already been committed and we are going back on that commitment.

Mr. Bustos stated that his suggestion would be an amount of \$10,000 or \$15,000 with a stipulation that it must say Mount Pleasant.

Mr. Bustos made a motion to fund \$10,000 for Accelerate Charleston; seconded by Mr. Santos. All present voted in favor.

Mr. Santos made a motion to fund \$2,500 Bands of Wando as was done last year; seconded by Mr. Bustos. All present voted in favor.

Mr. O'Rourke stated that the next applicant is Center for Women.

Ms. Landing asked if the Committee was clear on how the funding was used, because there were a lot of questions asked that were not addressed.

Mr. Bustos stated that there were some political implications and was not sure if it was explained to everyone's satisfaction.

Mr. Bustos made a motion to fund Center for Women at \$1,000; seconded by Mr. Santos. All present voted in favor.

Mr. O'Rourke stated that the next applicant is Charleston Port and Seafarers Society.

Mr. Bustos made a motion to fund Charleston Port and Seafarers Society \$5,000; seconded by Ms. Landing.

Ms. Landing asked if Mr. Bustos would consider \$7,000.

Mr. Bustos amended his motion to fund \$7,000 to Charleston Port and Seafarers Society; Ms. Landing amended her second.

Mr. Santos stated for the record that he would be abstaining from the vote as he is a Board Member of this organization.

All present voted in favor. 3-0 with Mr. Santos abstaining.

Mr. O'Rourke stated that the Charleston Symphony Orchestra is next. He stated that the Arts organizations do receive special consideration from Accommodations Tax funding. He said that he believes they may have received ATAC funding but is not sure.

Mr. Bustos suggested moving to the next item and come back to the other applicants.

Mr. O'Rourke stated that Coastal Crisis Chaplaincy is the next item. They requested \$25,000 last year and received that amount last year.

Police Chief Carl Ritchie stated that they are an organization that is on-call to the Police Department 24/7 and the Police Department does call them. When they are at the crime scenes where they would not have been able to do their work, if they had to deal with the families. He said the Coastal Crisis Chaplaincy handles the family, so the Police

Department is able to conduct their investigations. He stated that the Coastal Crisis Chaplaincy also counsels and works with their police officers when they are in need. He said they are an organization that is all over the Charleston area that help the police, fire, first responders and are an asset.

Fire Chief Mike Mixon stated that the Coastal Crisis Chaplaincy is utilized after difficult calls and do stress debriefing for the crews and they work hand in hand with this organization. He said they consider the Coastal Crisis Chaplaincy an asset.

Mr. Bustos made a motion to fund the Coastal Crisis Chaplaincy \$20,000; seconded by Ms. Landing. All present voted in favor.

Mr. O'Rourke stated that Crime Stoppers of the Lowcountry is next and did not receive any funding last year but are requesting \$2,000 this year.

Police Chief Carl Ritchie stated that they do use Crime Stoppers; however, it is not often.

Mr. Bustos made a motion not to fund Crime Stoppers; seconded by Ms. Landing. All present voted in favor.

Mr. O'Rourke stated that the East Cooper Faith Network is next, and they did not receive funding last year and are requesting \$9,500 this year.

Mr. Bustos made a motion not to fund East Cooper Faith Network; seconded by Mr. Santos. All present voted in favor.

Mr. O'Rourke stated that the East Cooper Land Trust (ECLT) is next and last year they received \$25,000 and are requesting \$25,000 this year.

Catherine Main, Executive Director, 1321 Cassidy Court, said over the past year, they protected a property on Ben Sawyer Boulevard that was 400 acres along the causeway and did this with a grant that they applied for to receive federal funding through US Fish and Wildlife. She said the purchase of this property was over \$230,000 so they take the funding received from the Town and leverage it to put together

applications for greenbelt or SC Conservation Bank, but they attempt to leverage the funding they receive and it is a direct benefit for the residents of the Town of Mount Pleasant, because it is permanently protected greenspace. She said it is essential to the Town, because what the municipality can do is not permanent protection, but through zoning and other measures. She said when the Town is able to partner with the ECLT they can make the decisions that are being made today for conservation permanent.

Mr. O'Rourke stated that the Town of Mount Pleasant birthed this organization and considers them similar to the Housing Task Force, which is essential to our community.

Mr. Bustos made a motion to fund \$20,000 to the East Cooper Land Trust; seconded by Mr. Santos. All present voted in favor.

Mr. O'Rourke stated that Engaging Creative Minds is the next applicant. He stated that they received \$20,000 last year and are requesting \$20,000 this year.

Mr. Bustos stated that they had one of the best school programs at Laing and Jennie Moore. He stated that Laing is a STEM school, and this is an educational program for the children of Mount Pleasant.

Mr. Bustos made a motion to fund Engaging Creative Minds \$15,000; seconded by Mr. Santos.

Mr. Santos stated that Laing School is the #1 STEM school in the nation.

All present voted in favor.

Mr. O'Rourke stated that the Isle of Palms Walk/Run for Children is next and requested \$5,000 last year and received \$5,000 last year.

Mr. Santos asked if the Town received funding back from this event.

Mr. DeMoura responded in the affirmative. He stated that it is at least the amount that is funded.

[Mr. Bustos departed the meeting at 11:24 a.m.]

Mr. Santos made a motion to fund the Isle of Palms Walk/Run for the Children \$5,000; seconded by Ms. Landing. All present voted in favor. (Mr. Bustos was not present for the vote.)

Mr. O'Rourke stated that the next applicant is ITN Charleston Trident Senior Ride, and they received the \$10,000 requested last year. Mr. O'Rourke suggested coming back to this applicant.

Mr. Santos stated that this is going to be recommended to full Council; therefore, if this group comes to the Town Council meeting, they can plead their case at that time.

Mr. O'Rourke stated that Lowcountry Food Bank requested \$5,000 last year and received \$2,500.

Mr. Santos made a motion to fund Lowcountry Food Bank at \$2,500; seconded by Ms. Landing. All present voted in favor. (Mr. Bustos was not present for the vote.)

Mr. O'Rourke stated that the Lowcountry Orphan Relief is the next applicant and they requested \$3,500 and received \$3,500 last year.

Mr. Santos stated that he is very familiar with the organization and said they are the clearing house for the orphanages.

Mr. Santos moved to fund \$3,500 to the Lowcountry Orphan Relief; seconded by Ms. Landing. All present voted in favor. (Mr. Bustos was not present for the vote.)

Mr. O'Rourke stated that the next applicant is the Mount Pleasant Community Arts Center, who is requesting \$32,635 and were not funded last year because they were new.

[Mr. Bustos returned to the meeting at 11:28 a.m.]

Ms. Landing stated that after meeting with them, a big portion of the purpose is to get a whole strategy designed for what would be needed to have a facility in Mount Pleasant.

Mr. O'Rourke stated that this is not what this funding is being requested for. He said it is being requested to put on actual programs and plays.

Marie Louise Moreto, stated that their ultimate goal is to have a community arts center; however, until they are able to get to this point, because they are a new organization, they need to encourage community awareness, both with the residents of the community and Town Council, that there is a need for a community arts center and to keep awareness alive. She said there is a need for programs and the residents will support it. She said until they are able to obtain a physical facility, they will put on programs. She said they have done lecture series; however, this would be a play with a dinner theatre. She said it would be a buffet dinner and after the play, dessert and coffee where the attendees would be able to interact with the actors and directors. She said there is no theatre in the Town of Mount Pleasant or Arts Center and the Town is losing the artists. She said the Town lost the Village Playhouse, the Charleston Stage Company, which had a school here and rehearsal space and have now moved to West Ashley. The Crabpot Theatre is gone and there is no place for people to experience art.

Mr. O'Rourke stated that this request is to put on plays.

Ms. Moreto stated that this funding would be to put on six performances of a comedy. She said they would also include the Mount Pleasant Artist Guild and local artists to have them do their visual rendition of the play and would be on exhibit for sale.

Mr. Santos asked where this play would take place.

Ms. Moreto stated that they are hoping to use Jennie Moore School; however, with the School Districts new changes, principals no longer have discretion so it must go through the school district. She said they are still waiting to hear back from the School District. She said they may also put the plays on at the Presbyterian Church on US 17 near Highway 41.

Mr. Santos stated that he is concerned that they do not have anything confirmed. He said there was discussion of new construction at the foot of the Arthur Ravenel Bridge and is currently in discussions with the developer. He stated that they are planning to build an amphitheater and is open to an arts center as well. He said it is going to be difficult to provide this funding when nothing is set in stone. He said he was hoping that by now, a venue would have been confirmed and he is not seeing this.

Ms. Moreto stated that the Presbyterian Church is more than willing to have the plays there.

Mr. Santos stated that there is nothing finalized and agrees that the arts are important.

Ms. Moreto stated that they are not able to move forward with any funding. She said they do have a venue, because working with the school district has become difficult, and they have a list of plays. She said the reason they have not finalized which play, is because that will depend on funding. She said they are looking at plays that have between 2 to 5 characters and how much funding they are able to obtain will depend on which play they select. They have also been working with the Woolfe Street Theatre, formerly the Village Playhouse, and Geralee Ratner who had a Children's Theatre here. She said they have a list of plays and have everything they need to start and move forward, but just do not have any funding.

Ms. Landing stated that other than the Town, who has the Mount Pleasant Community Arts Center approached for funding.

Ms. Moreto stated that they have applied for a grant to fund plays and will also be requesting funding from the Coastal Community Foundation. She said they also have a fundraiser scheduled in August and a portion would be set aside for an actual facility and the rest for programs. She said any funding they receive from the programs for the admissions would go towards doing more programs, so they would

not have to keep coming back to ask for funding. She said they would like to be self-sufficient.

Ms. Landing stated that government funds for the Arts are always difficult. She said she would like to try and fund the seed money for their kickoff, but not for \$32,000. She suggested \$10,000 or \$15,000 to get started.

Ms. Moreto stated that if the funds are cut, that the Committee fund \$20,000 but anything less would be very difficult.

Mr. Bustos stated that the Town is being asked to totally fund six performances.

Ms. Moreto responded in the affirmative.

Mr. Bustos stated that the arts is important and ATAC funding was used to fund the Village Playhouse to assist with their performances. He does not believe the Town should pay for all six performances. He said \$5,000 or \$6,000 would pay for one performance.

Mr. Bustos made a motion to fund \$5,500 for one performance; seconded by Mr. Santos. All present voted in favor.

Mr. Bustos stated that if the Mount Pleasant Community Arts Center is able to get this up and going and it brings people in, the group may come and apply for ATAC funding.

Ms. Moreto stated that with ATAC funding, it is based on "Heads in Beds" and is difficult for art organizations to justify this. She said the arts community needs to grow first before you can have a community that draws people from the outside.

Mr. O'Rourke stated that the next applicant is Operation Home who requested \$10,000 and received \$1,500 last year.

Mr. Santos made a motion to deny; seconded by Mr. Bustos. All present voted in favor.

Mr. O'Rourke stated that Pet Helpers' request is for \$10,000 and they did not receive any funding last year.

Mr. Santos made a motion to deny; seconded by Mr. Bustos. All present voted in favor.

Mr. O'Rourke stated that Windwood Farm requested \$6,000 last year and received \$5,000.

Mr. Santos made a motion to fund Windwood Farm \$5,000; seconded by Mr. Bustos. All present voted in favor.

Mr. O'Rourke stated that the funding is currently at \$157,000 and will now come back to the Charleston Symphony Orchestra and ITN Charleston Senior Rides.

Mr. Bustos made a motion that we end the discussion on funding and recommend what has been voted on to the Budget Committee; seconded by Mr. Santos.

Ms. Landing asked if this meant ITN Charleston Senior Rides is not funded.

Mr. Santos stated that they still have the opportunity to appear before Town Council for funding. He stated that if these organizations are requesting funding, they should be present at this meeting.

All present voted in favor.

d. Approval of Revenues

Ms. Cotov stated that what came out of the Budget Committee was the following:

VI. FY 2019 Budget

Amendments approved by Budget Committee

▪ Addition of a Shared Recreational Facilities Grant	\$25,000
▪ Reduction of Contingency Reserve	\$25,000
▪ Additional Recreation Contractual Service for study	\$50,000
▪ Reduction of Lucy Beckham Performing Arts Center	\$500,000
▪ Reduction of Use of Fund Balance	\$450,000
▪ Reduce Accommodations Tax to Bands of Wando Boosters	\$3,000
▪ Increase Accommodations Tax Reserve	\$3,000

She stated that the next illustration is what the budget looks like; however, does not include today's actions.

VI. FY 2019 Budget

d. Approval of Revenues

Revenues	General Fund	\$	86,167,952
	Debt Service Fund		8,334,219
	State Accommodations Tax Fund		1,896,646
	Capital Asset Fund		84,530,419
	Less Interfund Transfers		<u>(22,776,043)</u>
	Proposed FY 2019 Budget	\$	158,153,193

Recommendation: That the Finance Committee recommend to Town Council, as directed by the Budget Committee, the revenues as presented plus any recommended amendments from this meeting for the Town of Mount Pleasant's FY 2019 Budget.

Mr. O'Rourke stated that today's action would also be added to this.

Ms. Cotov responded in the affirmative.

Mr. Santos moved for approval seconded by Ms. Landing. All present voted in favor.

e. Approval of Expenditures

Ms. Cotov stated that this also reflects all the actions coming out of the Budget Committee and would be adjusted for final reading based on today's actions.

VI. FY 2019 Budget

e. Approval of Expenditure

Expenditures	General Fund	\$ 86,167,952
	Debt Service Fund	8,334,219
	State Accommodations Tax Fund	1,896,646
	Capital Asset Fund	84,530,419
	Less Interfund Transfers	<u>(22,776,043)</u>
	Proposed FY 2019 Budget	\$ 158,153,193

Recommendation: That the Finance Committee recommend to Town Council, as directed by the Budget Committee, the expenditures as presented plus any recommended amendments from this meeting for the Town of Mount Pleasant's FY 2019 Budget.

Mr. Santos motioned to approve; seconded by Mr. Bustos. All present voted in favor.

7. Executive session to discuss a contractual matter related to the purchase of property

Mr. Bustos made a motion to adjourn into executive session; seconded by Mr. Santos. All present voted in favor.

Committee adjourned into executive session at 11:47 p.m. and reconvened at 11:59 a.m.

8. Post Executive Session

Committee may take action on any item listed on an executive session agenda or discussed in an executive session during a properly noticed meeting.

Mr. O'Rourke made a motion that we move forward by instructing staff to continue moving forward with the item discussed in executive session; seconded by Mr. Santos. All present voted in favor.

9. Adjourn

There being no further business, meeting adjourned at 12:00 noon.

Respectfully submitted,
Barbara Ashe
May 1, 2018