

Town of James Island

Special Meeting

The Town of James Island held a Special Meeting on Thursday, October 1, 2020 at 7:00 p.m. by Zoom at the Town Hall, 1122 Dills Bluff Road, James Island, SC. The following Councilmembers were present: Boles, Mignano, Milliken, Mullinax, and Mayor Woolsey presided. Also, Town Administrator, Ashley Kellahan, Town Attorney, Bonum S. Wilson, and Town Clerk, Frances Simmons. A quorum was present to conduct business.

In compliance with the Freedom of Information Act and the requirements of the Town of James Island, members of the public were provided a link and information for the proceedings of the meeting.

Mayor Woolsey called the Special Meeting to order and Town Clerk Simmons called the roll.

Public Comment: No member of the public signed in or sent in comments.

The purpose of the Special Meeting is to adopt a millage roll back. South Carolina law requires Counties to reassess property values every five years. Charleston County completed its reassessment this summer. South Carolina law also requires local governments to rollback their millage, so their new millage is equal to the amount of revenue raised from property taxes the previous year.

Adopt "Rollback Millage" due to Reassessment: Mayor Woolsey moved to adopt Resolution 2020-16 to Rollback the Town's Millage to 17.9; a decrease of 2.1 mils from the current 20 mills; Councilman Mullinax seconded for discussion.

Councilman Boles moved for an executive session for advice from the Town Attorney before voting; Councilman Milliken seconded.

Vote for Executive Session

Councilman Boles	Yes
Councilwoman Mignano	Yes
Councilman Milliken	Yes
Councilman Mullinax	Yes
Mayor Woolsey	No

Passed

Return to Regular Session: Council returned to regular session. Mayor Woolsey announced that no votes were taken during the Executive Session.

Council engaged in lengthy discussion regarding the rollback. Councilwoman Mignano addressed what the Town of Mt. Pleasant did regarding its rollback. Mayor Woolsey explained that Mt. Pleasant has a debt millage and the Town has an Operating Budget. Mayor Woolsey explained that the Auditor's office notified the Town that its rollback is 17.9; 2.1 mils below the previous millage of 20. He said this millage would raise as much property tax revenue for the Town with the new assessments as the previous 20 mils. Councilwoman Mignano said some municipalities chose not to rollback and use that money for other projects and thought the Town could do the same to address drainage issues. Mayor Woolsey explained the rollback is a state law and the

Town is required to comply. Councilwoman Mignano spoke about changing the millage to 18.9 instead of 17.9 for drainage projects. Councilman Milliken spoke of having better communication and this was rapidly thrown on Council. He asked the opinion of many others who said 'no and at this point he cannot vote for it.

Mayor Woolsey explained for the budget we passed in June; we would collect the same amount of money. The bills to our citizens would be the same and there would be a credit against the billed amount. The credit is equaled to the billed amount and is zeroed. If we continue to follow that policy, we will not get revenue this year to spend on anything. He commented it is not on the agenda to adjust the credit or to change funding in the budget, but to roll back the millage. Councilwoman Mignano said since the millage has to be addressed tonight, if it were changed a mil above, could that be discussed at the October Council meeting. Mayor Woolsey said in order to get more money the tax credit has to be reduced on the tax bills that goes out in two weeks. Councilwoman Mignano said she did not want to speak for anyone but would be happy to have another meeting to get the budget taken care of so people's yards that are soaked, and ditches overrunning could be fixed rather than waiting on other entities. Mayor Woolsey said the deadline was Wednesday and the Town was given an additional day, so we have passed the deadline. He said it is Council's responsibility to pass a millage. If we continue with a budget that zeros out the millage it would not give us any more money and trying to fix the tax credit would not be a mil that is identified to anything. He said we cannot adjust the tax credit in such a way that a mil is identified to some purpose, that would require a capital improvements program funded by debt. He said the tax credit cannot be done where everyone pays a mil (i.e., 18.9 and 1 mil for drainage is not possible). Councilman Milliken asked why, and Mayor Woolsey answered because it is proportional to the appraised value of the property, not an assessment. Mayor Woolsey spoke against raising a property tax and asked Councilwoman Mignano to offer a dollar amount of how much property tax she wants the Town to collect. He said a millage is required but to do the tax credit a dollar amount would be needed. Councilwoman Mignano offered a percentage of 10%. Mayor Woolsey said 10% would not be for everyone; it would vary being heavier on businesses and vehicles and lower on homeowners. He said this is not easy because it is not proportional.

Councilman Milliken moved to amend the motion for a millage of 18.9, Councilwoman Mignano seconded. Councilman Milliken said we would still be compliant with the rollback and this would be positive, perhaps work out options related to credit and be able to use money for other things such as drainage projects. Mayor Woolsey said it would mean in the future we could not increase much because we would've already done it. In reply Councilman Milliken said he does not want to do anything to jeopardize action the Town takes in the future regarding other millage and 1% does not seem onerous to interfere with future plans we might have. Mayor Woolsey commented that next year the possible increase in property tax that Council could approve would be 1% than otherwise. Councilman Mullinax asked if Council approves the 18.9 millage, would taxes increase on the bills going out. Mayor Woolsey said the amount before the credit would increase so it would show on the tax bill how much would be paid before the credit but depends on what we do with the credit which no decision has been made on. He said he assumed a member of Council would amend the Resolution to include that and if it happens the property tax would increase and residents would write checks to the Treasurer for the Town and some of the money would come to the Town.

Vote on Amendment 18.9 Millage

Councilman Boles	No
Councilwoman Mignano	Yes
Councilman Milliken	Yes

Councilman Mullinax Yes

Mayor Woolsey No

Passed

Mayor Woolsey announced that the millage has been reduced by less and the net result is that it would increase taxes. However, we still have the policy of a tax credit that zeros out property tax, so our people do not pay property tax. Councilman Boles said he keeps hearing that taxes would increase, and his understanding is the County sets the tax and we have a policy to pay it down so it is not true to say the vote will raise taxes. Mayor Woolsey disagreed stating that if we did not have a tax credit at all then this would result in the people on James Island paying more to the Town than they did before. Because we have a credit if we continue to zero it out it has no effect on what they pay. They would continue to pay nothing, and we would not collect from them. In order to be clear Councilman Boles said the Town is not raising taxes. Council is voting to roll back the millage which may affect the amount the Town zeros out under our budget policy; Councilman Milliken agreed that the rollback is being lessened, not increasing taxes.

Councilwoman Mignano moved to further amend the Resolution to reduce the sum of the tax credit by 5% for drainage. Mrs. Kellahan was asked to provide the amount of tax credit that is in the budget. Councilman Milliken spoke of the importance of doing this but asked if it was in order as it was not advertised, and he does not want it to be a disservice to the public to go beyond what was published. Mayor Woolsey responded that it would be too late if not done now. No second was given to the motion and it failed. Mrs. Kellahan provided the amount of tax credit, however, since no second was offered to the motion this was information. Councilman Mullinax asked if an amendment was needed to be sure no one receives an increase on their October tax bill and Mayor Woolsey answered him. In further discussions Councilwoman Mignano asked if tax credit reductions could be addressed in October because it is something that needs more public opinion. Mayor Woolsey said that it could be but is not necessary if we do not reduce the amount of the credit there is no need to revise the budget. He said when plans for the budget comes forth next year if Council wants to provide a minimum credit or one that is higher but not sufficient to zero the property tax it can be done and the result would be more money next fiscal year to spend on the projects Council feels are appropriate. Councilman Mullinax said having these kinds of discussions at a budget workshop would be helpful to do especially since the process begins in February.

Councilwoman Mignano recapped that if the millage is left at 17.9 money would still be available to designate for drainage. She voiced understanding that the 17.9 had to be rolled back to the citizens and we had opportunity between 20 and 17.9. If it is zeroed out until the next budget year, then it would not impact the citizens until the budget is changed. Mayor Woolsey explained that if we continue to write a credit so that property taxes are zeroed, the property tax would remain zero and no money would be collected. Next year, if we reduce the amount of the credit, we could have more money for projects and citizens would begin to pay a property tax.

Vote Resolution 2020-16 from Millage 20 to 18.9

Councilman Boles No

Councilwoman Mignano Yes

Councilman Milliken Yes

Councilman Mullinax No

Mayor Woolsey No

Failed

Mayor Woolsey moved that Council reconsider and return to the original millage of 17.9 and Councilman Boles seconded.

Councilman Boles said this is more of a topic to take up at a special meeting. He is voting with the Mayor but feels that Council does not need these kinds of things brought up at the last second having hour and a half meeting off the cuff. He doubts anyone from the public is aware of this as it would be discussed at a regular meeting. When talking about public funds it is an important issue that needs public participation and he doesn't think we got it this time.

Mayor Woolsey said he agreed and understands that we are obligated to undertake this process. The proposal that he made had no fundamental change and some members of Council wanted to develop new policies tonight which is not the right thing to do. He said if we wanted to raise taxes to address drainage the time to have brought that up was last February and we didn't; we kept the policy the same and provided a 100% credit. If we want to change the policy, the time would be during the next budget process. He further commented the millage of 17.9 could have been changed in June if we wanted to address drainage projects and if we want to address that in the future it can be done next year. He believes the Town should keep its policy of not collecting property taxes but if the majority of Council wants to because they believe it is important to get money for drainage it can be done. He said major policy decisions at this point is not a good idea, but he did not consider what he proposed as a major policy decision.

Councilwoman Mignano stated that if she knew in June the length of time it takes to get drainage projects accomplished, even small ones, she would have brought it up then. But now that we're working on the rollback in the future, she will get public input for discussion during the next budget process.

Councilman Milliken spoke that a part of the problem with the process is not understanding it. He is not an economist and had a hard time learning about the issues and the resources were not very transparent. He said there is a lot of learning and he still does not understand all of the nuances, but he is elected to try to do it. He said in the future he doesn't know if we need to have workshops about these things to understand our options and have a clearer understanding of the law associated with it but need the equipment to make good policy decisions and that comes from the Mayor and staff and that would be helpful moving forward.

Mayor Woolsey reiterated his motion to the floor to revert from the millage of 18.9 to 17.9. There was no further discussion.

Vote for Millage 17.9 Councilman

Boles	Yes
Councilwoman Mignano	No
Councilman Milliken	No
Councilman Mullinax	Yes
Mayor Woolsey	Yes

Passed

Vote on Resolution 2020-16 as Amended

Councilman Boles	Yes
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Councilwoman Mignano No

Councilman Milliken No

Councilman Mullinax Yes

Mayor Woolsey Yes

Passed

Executive Session: Mayor Woolsey moved for a motion to enter into an Executive Session in accordance with 30-4-70 (a) Code of laws of South Carolina for discussion of contractual matters relating to Dominion Energy. There was no second. Motion failed.

Respectfully submitted:



Frances Simmons
Town Clerk