

**Charleston Naval Complex Redevelopment Authority Naval Base Museum
Authority**

June 30, 2020
12:30 PM
RDA Board Room
1096 Navy Way
North Charleston, South Carolina

MINUTES

Present: RADM William Schachte, Jr. (Ret), Chairman
Ronnie Givens
Gene Hogan
Ms. Deborah Crosby-Summey
Fred Kemmerlin

Absent: Chris Sullivan, Vice Chairman
Randy Burbage, Secretary/Treasurer
Alan Coker
Ron Anderson
Thomas Myers

Staff: Robert Ryan Executive Director
Sean McDonell Operations Director
Jessica Hartzog Business Manager
Les Lockard Maintenance Director

Advisors: Wilbur Johnson, Esquire Young Clement Rivers, LLP

Others: Lisa Reynolds City of North Charleston
Sheri Cooper Palmetto Railways

1. Call to Order/Determine Quorum. The meeting was called to order at 12:30 PM by the Chairman, RADM Schachte, with a Quorum present.

2. Approval of Minutes. RADM Schachte asked if there were any corrections/additions to the July 10, 2019 Board meeting minutes. There being none, a motion was made to approve the minutes and they were approved and seconded unanimously.

3. Approval of Agenda. RADM Schachte asked if there were any objections to the agenda. There being none, a motion to approve the agenda as written was made and seconded and approved unanimously.

4. Old Business/New Business.

(1) Annual Audit. Mr. Ryan states that the RDA is asking to approve the annual audit services agreement with McCay Kiddy. Mr. Ryan adds that before next year, the RDA would go out with a solicitation for audit services and that due to COVID-19, the RDA did not go out with a solicitation this year. There was general discussion about this matter. RADM Schachte asks if there is anything further to discuss on this matter. There being none, a motion was made to approve and seconded and approved unanimously.

(2) Redevelopment Partners Contribution. Mr. Ryan states that for the last few years, the Authority has given funds to the Regional Development Alliance and to the area Chambers of Commerce. He adds that the Authority staff has not yet received all of the requests, which is why the action requested requires a written request from each group. Mr. Ryan states that the action requested is to approve an investment of \$50K each to each area Chamber of Commerce and to approve an investment of \$100K for the Charleston Regional Development Alliance upon written request by each entity. Ms. Summey expresses concern for granting the \$100K for the Charleston Regional Development Alliance. Mr. Hogan suggests the RDA offer more details on how they came to those figures. Mr. Hogan then makes a motion for more information on this matter and Ms. Summey seconded that motion.

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(3) Financial Advisor Agreement. Mr. Ryan states that with regard to the museum project, Bond Counsel has suggested that the Authority engage a financial advisor to assist in the preparation of a Strategic Financial Plan. He adds that such a plan would also allow the Authority to better position itself financially in any case and that the firm of Stifel, Nicolaus & Company (Stifel) is widely accepted to be a premier firm for such strategic planning. Mr. Ryan states that they propose to provide all services as described in the attached information for a cost of \$60K plus verifiable pre-approved expenses. Mr. Ryan further explains that the action requested is to approve a contract with Stifel, Nicolaus & Company for strategic financial planning services, and to authorize the Chairman or other appropriate officers to execute all necessary and satisfactory documents and amendments. There was general discussion on this matter. Mr. Hogan made a motion to approve and was seconded by Ms. Summey.

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(4) Budget Report. Mr. Ryan states that the budget report will be reflected in the next item as well. He asks if there are any questions regarding this matter. There being none, a motion was made to approve and seconded and approved unanimously.

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(5) 2020-2021 Budget. Mr. Ryan states that the revenue from the SC Department of Revenue (DOR) is on par with the capped amount instituted by legislation a couple of years ago, but the DOR still owes the Authority about \$3M that will get picked up in the Audit for this fiscal year. He adds that the simplified budget page shows actual expenditures and is derived from staff work product which is included in the Board Members briefing binders. Mr. Ryan then adds that the banking will have to be revisited at some point for action, but for now things are proposed to remain with Wells Fargo. He states that all other categories remain about the same as last year with all expense accounts below budgeted amounts. Mr. Ryan informs the Board that a new account was established last year to reflect the agreement with the IAAM, which although not accessed as of yet, it probably will be this fiscal year and that payment is about \$3.7M. This will require the Authority to access its

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accounts on hand and then be replenished as Rural Development money is returned from the State. Mr. Ryan adds that under Capital Improvement Projects he has allocated \$6M for the ongoing construction projects agreed to by the Authority such as Quarter's A and J and the new entry way for the park. These projects are ongoing and within the budget that was established by the Authority for the work. Mr. Ryan states that he is expecting revenues to be about \$7M and for expenditures to be about \$12.5M. The Authority's current total balance on hand is approximately \$47M. In summation, the budget is about the same as last year with some minor exceptions. Mr. Ryan asks the Board to approve the 2020-2021 Budget and to reconcile expenses to accurately reflect expenditures as of the end of the fiscal year. RADM Schachte asks if there is anything further to discuss on this matter. There being none, a motion was made to approve and seconded and approved unanimously.

(6) Date, Time, Location of the Next Meeting. To Be Announced.

(7) Adjournment. There being no further business to discuss, a motion to approve was made and was seconded and approved unanimously. The meeting was adjourned at 1:00 PM.

RECORDED BY:

Ashley Roberts

APPROVED:

4/13/21