

**WAYS & MEANS COMMITTEE MEETING**  
**Municipal Center Council Chambers**  
**November 1, 2022; 12:30 pm**

Minutes

I. **Call to Order:** *Chairman Prickett called the meeting to order at 12:30 pm.*

II. **Pledge of Allegiance**

III. **Roll Call:**

**Present at Meeting:** Dan Prickett, *Chairman*  
John D. Labriola, *Mayor*  
John Moffitt, *Councilmember*

**Also Present:** Stephanie Tillerson, *Town Administrator*  
Dorota Szubert, *Finance Director*

**Present Via Zoom:** Clayton Demanes, *Placer.ai*

IV. **Approval of Minutes:**

A. Special Call Ways and Means Committee Meeting of October 4, 2022

*Committee Member Moffitt made a motion to approve the minutes of the October 4, 2022 Special Call Ways and Means Committee meeting. Mayor Labriola seconded the motion, and it was unanimously approved.*

V. **Citizens' Comments: (Agenda Items only)**

**Maura McIlvain – 146 Blue Heron Pond Road**

Ms. McIlvain expressed her concerns with the proposed contract agreement for Counsel. She reviewed previous agreements noting the agreement for 2022 had a one-year term, renewable for an additional one year and included a provision terminatable on sixty-day notice. The draft agreement for 2023 includes a two-year term which she noted was a consistent progression.

Ms. McIlvain indicated that in her experience as an attorney, agreements are terminatable “at will” by either party. The draft agreement is not terminatable and may violate ethical conduct in South Carolina. She also asked if terminated, would the Town be required to compensate for a portion of the unexpired term. She questioned why the agreement needs more than one year and why it does not have a provision that it can be terminated with notice as in the current agreement.

Chairman Prickett asked Ms. Tillerson if she felt the agreement was terminatable. Ms. Tillerson indicated that she would refer the question to the employment law attorney for clarification. She noted that the automatic one-year renewal in the draft agreement was the same as in the current agreement.

VI. **Old Business:**

**None**

## VII. New Business:

### A. Review and Recommendation to Town Council for Approval of the Contract Agreement for Municipal Legal Services

Ms. Tillerson stated that the Town retained Mr. Wilson in 2020 at a rate of \$6000 monthly. In 2021, the rate increased to \$7,500 and remained the same in 2022. She stated the rate was based on an average of fifty hours per month, but currently, with the work performed for Council and staff, the average has increased to sixty to seventy hours per month. Therefore, Mr. Wilson has requested that his rate be increased from \$90,000 to \$120,000 annually.

Ms. Tillerson responded to the question on the agreement termination by stating that Council appoints the attorney, so the answer would seem to be that it can be terminated. The additional question on the obligation to pay out the agreement would have to be answered by the employment law firm.

Discussion included contacting the employment law firm before the Council meeting, the option that the Council could add the sixty-day termination provision when considering the approval of the agreement, and the difference between a one-year agreement with auto-renewal and a two-year agreement.

***Mayor Labriola made a motion to recommend to the Town Council the approval of the 2023 Agreement for Municipal Legal Services with the provision that the questions raised are satisfied. Committee Member Moffitt seconded the motion, and it was unanimously approved.***

### B. Review and Recommendation to Town Council for Approval of a contract with Placer

Ms. Tillerson stated that Placer is a program that can track trends and information through cell phone services. For example, the program can provide the Town and other entities with reports on the number of individuals on the island and data on their location and movements.

Mr. Demanes gave a presentation on the Placer.ai software that collects mobile location data from about 10% of the population. The data is collected through anonymous panel members who have downloaded approximately 500 applications to a mobile device and always opt to allow location services. Data can be used to track information on economic development, travel, tourism, seasonal migration, or disaster recovery that can be shared with other island partners.

Mr. Demanes provided a report for data collected for the Sanctuary for 2022, including visitor metrics, visit trends, routes taken, daily visits, favorite places, and length of stay. The information within the platform is three days from the past. Reports are available for locations nationwide, can be customized, and exported to be shared. Town employees are allowed unlimited access to the information, and ongoing customer support and platform training are provided.

- Insights include:
  - Accurate foot traffic counts for any location
  - True Trade Areas displaying frequent-visitor-density by home and work locations
  - Visitor demographics, psychographics, interests, and time spent at relevant locations
  - Where visitors are coming from/going to, and along which routes
  - Ability to sort by audience type: visitors, residents, and employees
  - Area Analysis showing traffic counts, planned development, and crime data

Ms. Tillerson stated that the proposed municipal contract for recommendation to Council required a 12-month commitment of \$15,000 annually.

Chairman Prickett felt that an understanding of the information could be of value in a variety of ways. Committee Member Moffitt indicated he was not a supporter of tracking location services

which unknowingly made information available. He also questioned what better decisions could be made with the information provided. Mayor Labriola saw value in the data that could be collected on traffic. Committee Members discussed the proposal, information that could be collected, and the concerns expressed.

*Mayor Labriola made a motion to recommend to Town Council the approval of the contract with Placer.ai. Chairman Prickett seconded the motion, passing it by a two-to-one vote with Committee Member Moffitt voting “No.”*

#### **VIII. Chairman’s Report:**

Chairman Prickett stated he had reviewed the Town’s fiscal audit report draft and commended Town Staff and the Audit Committee for their work. He noted that the report was very comprehensive and easy to understand, encouraging everyone in the Town to review its information.

#### **IX. Treasurer’s Report:**

##### **A. Budget Report for the First the Three Months Ended 9/30/2022**

Ms. Szubert presented the Town’s Balance Sheet as of September 30, 2022, and the Budget to Actual Report for the first quarter. The Budget to Actual Report is compiled on a cash basis, and all the funds are consolidated.

As of September 30, 2022, the Town’s governmental funds combined have an ending fund balance of approximately \$28.8 million, an increase of approximately \$217,000 from June 30, 2022. Of this amount, approximately 57%, or \$16.5 million, is available for spending at the Town’s discretion (unassigned fund balance).

Overall, for the first three months, the Town’s consolidated revenues of \$2.2 million are slightly higher, \$169,000, or 9%, than budgeted. The positive variance is attributable primarily to interest revenue, which is expected to carry positive variance throughout the year, and miscellaneous revenue, as the Town has received a one-time restitution payment of \$30,000 from the former treasurer.

With 25% of the year lapsed at the end of September, expenditures are reasonable and in line with the budget. The total expenditures to date are approximately \$2.0 million, or 17% of total budgeted expenses. Most of the variances relate to the timing of the billing by the vendors.

Ms. Szubert indicated that the four-year contract with the audit firm has concluded. State statute recommends that the contract is rebid every four years. The Audit Committee members were split on whether the contract should be rebid. Still, the decision was made to release an RFP for Audit Services in the coming month, with a proposal submitted to the Ways and Means Committee for consideration in the new year.

#### **X. Citizen Comments:**

##### **Maura McIlvain – 146 Blue Heron Pond Road**

As a follow-up to the discussion following her comments on the legal services agreement, Ms. McIlvain stated Mr. Wilson is not an employee. As an independent contractor, she felt the employment philosophy does not apply.

##### **Larry Wolahan – 406 Snowy Egret**

Mr. Wolahan stated that he did not understand the catalyst for the discussion of the Placer contract and the spending decision. He indicated that more attention should be given to the Town's Comprehensive Plan to understand where money is spent. He noted that with the amount of money in the bank with Wells Fargo, the Town is only earning 2.7% interest when a six-month investment in Treasury direct would earn an interest rate of 4%.

Ms. Szubert stated that, as a municipality, investment options are limited, regulated by state law, and outlined in the Town's Investment Policy. The maximum allowable term for investment is five years, so the majority of the Town's investments are in SCLGIP (State of South Carolina Local Government Investment Pool) and are short-term. She noted that the funds in Wells Fargo have an earning interest rate, and monthly she calculates the minimum amount of money needed in the account to offset the banking fees.

Mr. Wolahan stated he understood that policies are in place, but they could be changed. He noted Ms. Szubert does a good job and that his comments were not a criticism of her work.

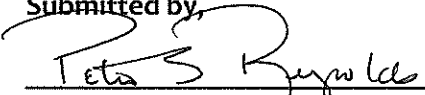
**XI. Committee Member's Comments:**

None

**XII. Adjournment:**

*Committee Member Moffitt made a motion to adjourn the meeting at 1:26 pm. Mayor Labriola seconded the motion, and it was unanimously approved.*

Submitted by,

  
\_\_\_\_\_  
Petra S. Reynolds, Town Clerk

Approved by,

  
\_\_\_\_\_  
John Moffitt, Chairman

3/6/23  
Date