

TOWN COUNCIL MEETING
Municipal Center Council Chambers
November 2, 2021; 2:00 PM

Minutes

I. **Call to Order:** *Mayor Labriola called the meeting to order at 2:00 pm.*

II. **Pledge of Allegiance**

III. **Roll Call:**

Present at meeting: John D. Labriola, *Mayor*
Dan Prickett, *Mayor Pro Tem*
Maryanne Connelly, *Councilmember*
Dr. Scott Parker, *Councilmember*
John Moffitt, *Councilmember*

Also Present: Stephanie Tillerson, *Town Administrator*
Joe Wilson, *Town Attorney*
Petra Reynolds, *Town Clerk*
Bruce Spicher, *Community Services Director*
David Irwin, *Mauldin and Jenkins*

IV. **Approval of Minutes:**

A. Minutes of the Town Council Meeting of October 12, 2021

Councilmember Connelly made a motion to approve the minutes of the October 12, 2021 Town Council Meeting. Councilmember Parker seconded the motion.

Councilmember Parker noted a correction to be made in New Business, Item D.

Following the notation, the minutes were unanimously approved as amended.

V. **Mayor's Update:**

Mayor Labriola stated last week the Town sent out information on the proposed development of a medical and wellness village on Betsy Kerrison Parkway. He encouraged residents and the community to attend the public meeting is scheduled for November 8th. He also stated that there was nothing to report on the Andell Tract that had previously come before Council.

VI. **Citizens' Comments (Agenda Items Only):**

None

VII. **Presentation:**

A. Fiscal Year 2020/2021 Audit Presentation – Mauldin and Jenkins

Mr. David Irwin, a managing partner with the audit firm of Mauldin Jenkins, gave a presentation on the Town's financial audit of the fiscal year ending June 30, 2021. He stated the purpose was to discuss some general information on Mauldin and Jenkins, provide an overview of the independent auditor's report, highlight the financial statements, review the results of the compliance report issued in conjunction with the audit, and provide the required auditing standards information.

Mr. Irwin reviewed the following discussion points:

- **Audit Opinion**

The financial statements are the responsibility of the Town's management and members of the Town Council. Mauldin Jenkins, as external auditors, is to express opinions on these financial statements based on our audit. Mauldin Jenkins conducted the audit in accordance with governmental auditing standards and generally accepted auditing standards (GAAP).

- **Opinions**

Mauldin Jenkins has issued a clean or unmodified opinion on this year's audit report, which is the highest level of assurance that can be provided. The respective financial statements are fairly presented in all material respects in accordance with GAAP.

- **Compliance Report**

The Compliance Report or Yellow Book Report reports the Town's internal controls and compliance with various state laws and regulations. Mauldin Jenkins has no audit findings to report or found no deficiencies or material weakness in the internal control during the audit. He also complimented Ms. Szubert and her staff for their efforts in preparing for the audit and the Audit Committee for their thoroughness.

- **Financial Statements - ACFR**

An Annual Comprehensive Financial Report (ACFR) goes beyond the standard financial reporting required by accounting principles. The Town's ACFR was submitted to the Government Finance Officers Association (GFOA) and was stringently reviewed and deemed to merit the award of the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the 17th year in a row.

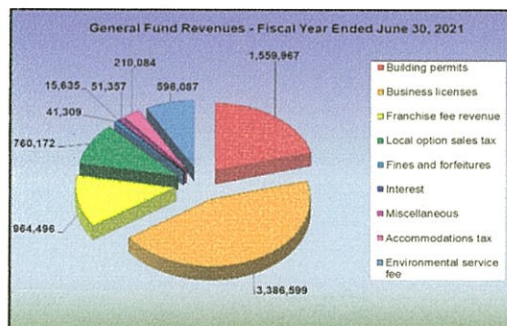
- **Financial Statements – MD&A**

The purpose of the Management's Discussion and Analysis (MD&A) is to make it easier to understand the financial statements by providing a narrative explanation or summary from the management's perspective of the activities that occurred throughout the year.

- **Financial Statements**

The presented financial statements included three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

During the discussion of the components of the financial statements, Mr. Irwin reviewed the assets, liabilities, revenues, expenses, and net position. He stated that the Town has a very healthy General Fund balance pointing out that Kiawah Island does not impose a property tax, and identified business licenses, building permits, and franchise fees as significant revenue sources.



Mr. Irwin stated that the footnotes, which disclose the Town's accounting methods and provide an expanded explanation of the financial activities throughout the year, showed no significant changes this year. He also reviewed the required communications.

Councilmember questions included a comparison to other coastal communities in how they managed through the economic challenges of the past two years and substantive accounting changes in the future for which the Town may have to make preparations.

VIII. Consent:

- A. To Consider Approval of the Contract with Kucera International for Aerial Photography and Lidar
- B. To Consider Approval of the Proposal for Municipal Center Landscape Installation
- C. To Consider Approval of the Proposal for Landscape Maintenance

Mayor Labriola stated that the Ways and Means Committee discussed the three consent items.

Mayor Pro Tem Prickett made a motion to approve consent items A, B, and C. Councilmember Parker seconded the motion, and it was unanimously approved.

Councilmember Parker made a motion to move into Executive Session to receive legal advice. Councilmember Connelly seconded the motion, and it was unanimously approved.

IX. Executive Session:

- A. Executive Session to Receive Legal Advice

Councilmember Parker made a motion to move into Regular Session. Councilmember Connelly seconded the motion, and it was unanimously approved.

Mayor Labriola stated that no actions were taken, and no votes were taken in the Executive Session.

X. New Business:

- A. To Consider Approval of **Ordinance 2021-14** - An Ordinance to Amend Article 4, Finance and Taxation, Chapter 3, Municipal Business Licenses– **First Reading**

Ms. Szubert stated the new rates were discussed and approved by the Ways and Means Committee. Instead of amending the current ordinance, the current ordinance will be repealed and replaced with the model ordinance recommended by the Municipal Association. She highlighted the change to the license year, clearer definition of gross income, changes to the appeal process, the new rate schedule, and the schedule of codes and classes.

Councilmember Connelly made a motion to approve Ordinance 2021-14 to Amend Article 4, Finance and Taxation, Chapter 3, Municipal Business Licenses. Councilmember Moffitt seconded the motion, and it was unanimously passed.

- B. To Consider Approval of **Ordinance 2021-15** - An Ordinance to Amend Article 9 - Building and Building Codes, Chapter 4 - Permits, License, and Fees, Division 2 - Licenses, Section 9-201. - Licenses – **First Reading**

Mr. Spicher stated the Article 9, section 201, subparagraphs (2) and (e) are being recommended for deletion.

Mayor Pro Tem Prickett made a motion to approve Ordinance 2021-15 to Amend Article 9 - Building and Building Codes, Chapter 4 - Permits, License, and Fees, Division 2 - Licenses, Section 9-201. - Licenses. Councilmember Parker seconded the motion, and it was unanimously passed.

- C. To Consider Approval of **Ordinance 2021-16** - An Ordinance to Amend Article 14 – General Regulations, Chapter 5 – Rental Applications and Regulations, Section 14-504 – Rental Business License, Section 14-505 - Short-Term Rental Property Caps, Section 14-509 - Revocation or Suspension of a Short-Term Rental Business License, Section 14-510 – Appeals to Town Council – **First Reading**

Ms. Szubert stated a short-term rental license, also a business license has more requirements that must be submitted and approved prior to issuing the license. The separate ordinance that regulates short-term rentals must be amended to make it consistent with the standard business license ordinance.

Councilmember Connelly made a motion to approve Ordinance 2021-16 to Amend Article 14 – General Regulations, Chapter 5 – Rental Applications and Regulations, Section 14-504 – Rental Business License, Section 14-505 - Short-Term Rental Property Caps, Section 14-509 - Revocation or Suspension of a Short-Term Rental Business License, Section 14-510 – Appeals to Town Council. Councilmember Parker seconded the motion.

Following discussion, the motion was unanimously passed.

D. Discussion of Amending the Noise Ordinance

Mr. Wilson stated the current noise ordinance is legal, effective, and in line with the structure of ordinances in other towns and cities in the area. After extensive study and the concerns expressed to staff, he recommended one change in the section governing amplified sound. He reviewed the current language and the suggested change that would address the problematic language; *amplified sound between the hours of 11 pm and 10 am is prohibited*. He stated that the new language would sync up with current enforcement efforts calling a close to any amplified music, covering public events, at 11 pm.

Mr. Wilson reviewed the previous discussion in which the removal of the subjective violation was considered and indicated that only one other town had no subjective violation. Therefore, he recommended not removing the subjective violation, leaving both the subjective and decibel level limits. He noted there was an option to add more definitions and factors for enforcement but pointed out that there are benefits to a shorter noise ordinance.

Councilmember Connelly stated that she felt it was important to be clear, and the 11 pm to 10 am left no questions. She indicated that she also felt that the subjective violation should be left in the ordinance.

Councilmember Parker indicated that after reviewing the ordinances from other jurisdictions, he liked the statement that was an acknowledgment that Kiawah is a unique community with residential with a resort that is a commercial entity that drives much economic activity on the island. Councilmembers discussed the suggestion to add the statement into the ordinance and what impact the 10 am cutoff may have on landscape maintenance and construction that is allowed to begin at 7 am.

Mr. Wilson stated he could prepare a draft ordinance for presentation to Council at their December meeting

XI. **Town Administrator's Report:**
None

XII. **Council Member:**
a. Committee Updates
b. General Comments

Mayor Pro Tem Prickett reported that he, Mr. Taylor, and others remain active on the roads issue and are working with neighboring communities and the County to find good solutions.

Councilmember Parker asked if the installation of the new signs was still on schedule to be installed before Thanksgiving. Mr. Gottshalk confirmed that the timetable was accurate.

XIII. Citizens' Comments:

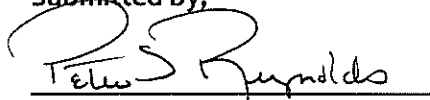
Alex Fernandez – 418 Snowy Egret

Mr. Fernandez stated he was a member of the Audit Committee and commented that the auditors did not release a management letter which was good because the management letter indicates there were control issues that should be resolved. No letter means there are no controls issues within the finance area and that controls are working well.

XIV. Adjournment:

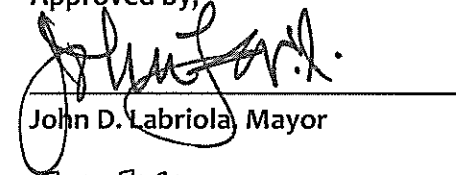
Councilmember Connelly made a motion to adjourn the meeting at 5:06 pm. The motion was seconded by Councilmember Parker and was unanimously passed.

Submitted by,



Petra S. Reynolds, Town Clerk

Approved by,



John D. Labriola, Mayor
12.10.2021
Date