

A Ways & Means Committee meeting of the James Island Public Service District (JIPSD) Commission was held at 6:30 p.m. on April 12, 2021, at James Island Town Hall located at 1122 Dills Bluff Road, James Island, South Carolina.

Present at the meeting were the following members: Marilyn Clifford, Chair, who presided; Inez BrownCrouch, Brenda Grant, Meredith Poston, Alan Laughlin, Susan Milliken and Kathy Woolsey.

Also present were: Chip Bruorton, District Attorney; Tim Muller, District Attorney; Dave Schaeffer, District Manager; Jim Driscoll, CPA Consultant; Chris Seabolt, Fire Chief; Tamara White, Administrative Services Manager; Ed Kilcullen, Director of Finance; Shawn Engelman, Deputy Fire Chief for Administration & JIPSD Safety; David Hoffman, Director of Wastewater Services; Walter Desmond, Director of Solid Waste Services; Steve Aden, Director of Fleet Services; Lisa Kluczinsky, Director of Human Resources and David Major, Facilities Maintenance Specialist.

Ms. Clifford called the meeting to order.

Ms. Clifford led the invocation, followed by the pledge to the flag of the United States of America.

1. The Freedom of Information Act Report – In compliance with the Freedom of Information Act, notice of this meeting and its agenda were provided to all news media and persons requesting notification.
2. The roll was called.
3. Updates from the District Manager
 - A. Mr. Schaeffer reported:
 - I sent an ALLUSERS email on Monday 29 March with the most recent updates from the State concerning the rollout of the COVID-19 vaccination programs.
 - Fire Command Staff has been onsite with CBRE for the showings from prospective buyers and I'm happy to report there has been a lot of interest thus far. Final and best offers are due this Thursday 15 April at 3:00 pm. In addition to the potential sale of Old Fire Station #1, the 26 April Regular meeting will be jammed-packed with a theoretical First Reading of the FY22 Budget as well as a theoretical First Reading of a Wastewater Rate Increase.
 - The District has posted on its website an RFP for Auditing Services on Friday 26 March. Due Date for Responses to the RFP are Monday 17 May at 3:00 pm. Based on the results of the Auditing Services RFP process, I am hopeful that the Commission can expect to see a recommendation for the Regular Meeting 24 May 2021. Commissioners can also expect to see an RFP for Financial Advisory Services to be advertised this week. There is a similar timeline where the Commission can expect to see a recommendation for the Regular Meeting 24 May 2021.
 - Based on discussions with Bond Counsel, the Commission can expect to see changes incorporated into the FY22 Budget Ordinance that reflect revisions that the District can carry forward into future years. As a result, the Commission can also expect Lawrence Flynn with Pope Flynn, the District's Bond Counsel, to attend the Regular Commission Meeting 26 April 2021.
 - Tamara will be posting the meeting notices associated with the Solid Waste Committee Meeting next Monday 19 April at 6:00 pm here at Town Hall; that will be immediately followed by the Wastewater Committee Meeting at 7:00 pm
4. Recap of March 12th Ways & Means Committee Meeting

A. Mr. Schaeffer stated:

- I want to thank the Commissioners that provided questions in advance. The Team has spent the afternoon digging into answers and providing the clarification into the talking points of the presentation for this evening. There are a few handouts that will be provided based on answers to the questions received.
- I wanted to help the Commission better understand the impacts to their constituency based on the proposed General Fund Operating Millage Increase and the proposed increase to the Wastewater rates. It took some data-mining efforts with the County and some data-mining efforts within the BS&A Utility Billing Software, but we can present the Commission with figures associated with what the proposed General Fund Operating Millage Increase means to the average tax bill for a PSD resident; we can now also present the Commission with figures associated with what the proposed Wastewater Rate Increase will mean to the average monthly customers utility bill. We discussed a 4 Mil Increase at the Meeting on 12 March 2021 – there were two factors that made my initial request NOT possible to increase the FY22 Operating Budget by 4 Mils. Long story short, 3.5 Mils is the maximum amount the District can increase the FY22 General Fund Operating Millage. Based on Lawrence Flynn's presentation from 2019, there were over 7 Mils available to increase the District's Operational Millage. However, the District moved 4 of those Mils from the Debt Service Fund to now count towards the Operating Millage; that took over half of the originally available 7-Mils away from the equation moving forward. The other factor that contributed to reducing the District's available Operating Millage was the County-wide reassessment of property Values that happened last year. Each of the District's Mills became more valuable as a result of the reassessment, however, the room available to increasing the Operating Millage was also reduced. Based on these two factors, the total Operating Millage Increase for the FY22 Budget is now 3.5 Mils instead of the previously proposed 4 Mils. Based on our previous discussion last month, the 3.5 Mil Increase for FY22 General Fund Operating Millage was incorporated into the General Fund Revenue figures that will be presented to the Commission this evening at the 2nd Ways & Means Committee Meeting. Based on our previous discussion last month, the 9.5% Increase to WW Rates for FY22 Proprietary Fund / Wastewater Fund has been incorporated into the Revenue figures that will be presented to the Commission this evening. After I get done with my recap, your presentation will be broken up into another 3 components meaning #5, #6, and #7 with different slides for each agenda Item.

5. HR Presentation

- A. Ms. Kluczinsky presented an overview of the salary changes to the District's Administration Department from 2018 to the present.

6. Proposed FY22 Wastewater Rates Presentation

- A. Mr. Kilcullen spoke in detail to the proposed wastewater rate increase.

7. FY22 Budget Presentation

- A. Mr. Driscoll explained the proposed 9.5% increase to the wastewater rates calculated by Wildan and Associates rate consultants that performed an update to the District's 2019 rate study. The increase revenue was associated with the skyrocketing treatment costs the District paid to CWS's Plum Island facility.

8. Discuss Budget Recommendations to the Full Commission
 - A. Mr. Schaeffer led a discussion detailing the budget recommendations.
9. **Ms. BrownCrouch moved to adjourn, seconded by Ms. Poston. Ms. Clifford adjourned the meeting at 8:08 p.m.**



Marilyn Clifford

Chair

MC/TW