



The Town of Hilton Head Island Regular Finance & Administrative Committee Meeting

**Tuesday, March 15, 2016
2:00 pm. – Conference Room 3**

AGENDA

As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting

- 1. Call to Order**
- 2. Freedom of Information Act Compliance**
Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 3. Approval of Minutes**
 - a. Finance and Administrative Committee Meeting, March 1, 2016
- 4. Unfinished Business**
 - a. Update: General Discussion with the Island Recreation Center regarding programming
 - b. General Discussion Regarding Town Council Initiatives Budgeted Funds-Fiscal Year 2016 Balance and Needs for Fiscal Year 2017.
 - c. USCB/Clemson proposed analysis/study on the effect of a Hilton Head Island Performing Arts Center on property values.
 - d. Update: Beaufort County Sheriff's Office Performance Audit.
- 5. New Business**
 - None
- 6. Adjournment**

Please note that a quorum of Town Council may result if four (4) or more of Town Council members attend this meeting.

TOWN OF HILTON HEAD ISLAND
FINANCE AND ADMINISTRATIVE COMMITTEE MEETING

Date: March 1, 2016 **Time:** 2:30 p.m.

Members Present: John McCann, *Chairman*; Bill Harkins and Tom Lennox, *Council Members*

Members Absent: None

Staff Present: Greg DeLoach, *Assistant Town Manager*; Brian Hulbert, *Staff Attorney*; Susan Simmons, *Director of Finance*; John Troyer, *Deputy Director of Finance*; Tom Fultz, *Director of Administrative Services*; and Cindaia Ervin, *Finance Assistant*

Others Present: David Bennett, *Mayor*; Don Kirkman, *Executive Director-Economic Development Corporation*; Hannah Horne, *Hilton Head Island-Bluffton Chamber of Commerce*; Frank Soule; *Executive Director- Island Recreation Center*, Eleanor O’Key, *Lowcountry Inside Track*; Charles Brown, *Marriott and other members of the community.*

Media: None

1. Call to Order:

The meeting was called to order at 2:30 p.m.

2. FOIA Compliance:

Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Approval of Minutes:

a. Mr. Harkins moved to approve the minutes from the Finance and Administrative Committee Meeting on February 16, 2016 at 2:00 p.m. Mr. Lennox seconded, and the motion passed with a vote of 3-0.

4. Unfinished Business:

None

5. New Business:

a. Town Council Budget Calendar for Fiscal Year 2016-2017.

Susan Simmons, Director of Finance, shared with the Committee members the budget calendar and what is covered in each meeting. She stated that there was interest in reducing the schedule by one meeting, however, she noted that the Mayor had previously consolidated two meetings. Bill Harkins, Committee Member, suggested that the May 10th budget work shop meeting start at 2:00 pm and the overall consensus of that suggestion was favored. Ms. Simmons suggested to the Committee that the June 14th public hearing typically is not a long meeting and could actually be included with the June 7th regular Town Council Meeting if they approved of the change. The overall consensus of the Committee was to start the May 10th budget work shop at 2:00 pm, allow the June 7th budget wrap-up meeting to include the public hearing of the budget and use the June 14th date only if necessary. Mr. McCann, Chairman, suggested that there be a deadline for

Town Council initiative requests for the budget. Ms. Simmons stated that there will be funds left over from current fiscal year and she would be happy to present information to the Committee at the next meeting. Mr. McCann stated he will include that topic for the March 15th meeting.

b. Beaufort County Sheriff's Office Performance Audit.

John McCann, Chairman, discussed that they wanted to review the contract for Beaufort County Sheriff's Office (BCSO) as they are the second largest affiliated agency that receives funds from the Town of Hilton Head Island. Greg DeLoach, Assistant Town Manager, stated that he expects that selecting a performance auditing firm to be roughly a three month process starting with defining the scope, receiving an approval from Town Council, advertising the contract, interviewing and selecting the performance auditing firm. Tom Fultz, Director of Administrative Services, informed the Committee that in the case of a performance auditing firm a Request for Performance (RFP) is needed. He stated that if there is a well-defined scope of work and deliverables he feels that the firms applying will be able to submit a work plan, pricing plan and past work references. Mr. DeLoach stated he and Mr. Fultz would come back to the next Finance & Administrative Committee with information regarding a scope of work for the Committee to review for a possible recommendation. Mr. McCann concurred.

c. General Discussion of Town Council Attendance Fees.

Mr. McCann, Chairman, discussed that currently Town Council and the Mayor meeting attendance fee is \$40 excluding regular Town Council meetings. He also stated that the current policy includes a max of 100 meetings a year with a cap of \$4,000 for council and a 125 meeting cap for the Mayor and Mayor Pro Tem. He suggested to the Committee members that the maximum number of meeting for Town Council be raised to 150 meetings, the Mayor Pro Tem to 175, and the Mayor to 200 meetings; and raise the attendance fee from \$40 to \$50. These changes if approved by Council, would go into effect after the next election. Bill Harkins, Committee Member, asked Mr. DeLoach for the history regarding the attendance fee and how it is figured as far as factoring in the level of activity. Mr. Harkins stated that feels that it may have been adequate at the time; however, those same factors are now generating the need for more meetings. Mr. DeLoach stated that with the creation of new committees and task forces, there are more expectations for council members to be present so attendance has increased over the years. He also stated that the last time the salary was increased for Town Council and the Mayor was 2012. When comparing to other communities the Town found that the compensation was below average compared to those reviewed. Mr. DeLoach informed the committee that he would re-survey the surrounding communities and bring back results to the Committee. If the Finance and Administrative Committee recommends the raise, a recommendation will then go to Town Council for approval. If council approves the ordinance will be drafted for a future council meeting.

Mr. McCann made a motion to go out of order and discuss agenda topic "E"-Review Mayors Speech Writing Preparation Allowances. Mr. Harkins moved to approve and Mr. Lennox seconded, and the motion passed with a vote of 3-0.

d. Consideration of Accommodations Tax Committee Proposal for Out-Of-Cycle Grant Process.

Stewart Brown, Vice Chairman- ATAC, discussed the policy that was brought forth to the Finance & Administrative Committee. He went over the application, process and

information that would be provided by the applicant. He urged the Committee that this out-of-cycle process would be for Urgent and Emergent priorities in the community. Mr. Harkins asked how the public would know the application availability. Susan Simmons, Director of Finance, stated that in the past a media release was sent out and would be done again to alert the community for the opening and closing of the application process. Mr. McCann stated that he would discuss the policy in the general reports at the Town Council meeting for the other council members to be aware and request it be added to the next Town Council meeting on March 15th. The Committee was in favor of the policy and thanked Mr. Brown for his time.

Mr. McCann made a motion to accept the Accommodations Tax Committee Proposal for Out-Of Cycle Grant Process. Mr. Harkins moved to approve and Mr. Lennox seconded and the motion passed with a vote of 3-0.

e. **Review Mayor's Speech Writing Preparation Allowances.**

Mr. McCann stated that when the Public Communications Firm was selected, \$5000 was allocated towards the Mayor's speech writing. The Mayor currently has about 20 meetings a month and the current funding of \$5,000 is not sufficient for the demands. Mr. McCann stated that the Mayor would like an increase towards his preparation allowances. Mr. Harkins feels that if the Mayor is facing more demands as the key communicator for the community, he should have an increase. He feels that the increase should be used for major Mayoral communication. Mr. DeLoach confirmed with the Committee that the communication would include speech writing, prepared remarks, and or ribbon cuttings and all members agreed. Mr. McCann proposed that the new allowance be raised to \$10,000. Mr. Harkins agreed but stated that it should not exceed \$10,000 and that the increase be taken out of the total \$100,000 for public communications.

Mr. McCann made a motion to raise the Mayor's current speech writing allowance to \$10,000. Mr. Harkins moved to approve and Mr. Lennox seconded, and the motion passed with a vote of 3-0.

6. **Adjournment:**

Mr. Harkins made a motion to adjourn and Mr. Lennox seconded. The motion passed with a vote of 3-0. The meeting was adjourned at 3:10 p.m.

Approved:

John McCann, Chairman

Respectfully submitted:

Cindaia Ervin, Secretary