



# The Town of Hilton Head Island Town Council Budget Workshop

May 10, 2016

4:00 P.M.

**BENJAMIN M. RACUSIN COUNCIL CHAMBERS**

## **AGENDA**

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**As a Courtesy to Others Please Turn Off/Silence All Mobile Devices During  
the Town Council Workshop**

- 1) **Call to Order**
- 2) **Pledge to the Flag**
- 3) **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.
- 4) **Review of Budgets of Affiliated Agencies**
  - a. Solicitor's Office – Drug Court and Career Criminal Program
  - b. Beaufort County Sheriff's Office
  - c. USCB Event Management and Hospitality Training Program
  - d. Hilton Head Island Economic Development Corporation
  - e. Shore Beach Services, Inc.
  - f. Coastal Discovery Museum
  - g. Island Recreation Association
  - h. Palmetto Breeze (LRTA)
  - i. Community Foundation of the Lowcountry Public Art Exhibition
- 5) **Review of General Operating Budget**
- 6) **Review of Debt Service**
- 7) **Review of Capital Projects Fund (CPF) and Storm Water Utility Fund (SWU)**
- 8) **Adjournment**



## **MEMORANDUM**

**TO:** Town Council

**FROM:** Susan M. Simmons, CPA, Director of Finance

**VIA:** Stephen G. Riley, ICMA-CM, Town Manager

**DATE:** May 6, 2016

**RE:** **FY17 Budget Workshop - May 10, 2016**

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**Recommendation:** Staff recommends Council consider the proposed fiscal year budget for fiscal year 2017 and direct staff to make any changes determined necessary.

**Summary:** The Town Manager presented the fiscal year 2017 budget for first reading by title only to Council on May 3, 2017. The Manager and staff believe the budget is responsive yet prudent using reasonable amounts of prior year funds for the General Fund and planned amounts of prior year funds for Capital Projects.

Council had not approved its Town Council Initiatives' budget when the proposed budget was completed; therefore, the Initiatives' budget is not included in the proposed budget. However, significant funding from the same fiscal year 2016 budget will be rolled to the new year to address Council Initiatives. To the extent supplemental funds are needed to complete the funding on fiscal year 2017 Council Initiatives, staff reserved the .56 mil increase available.

The Town chose to schedule only one budget workshop to be held on May 10 (although additional dates are reserved if needed). This agenda is aggressive and the planned order is scheduled below.

1. Affiliated agencies
2. General Fund
3. Debt Service Fund
4. Capital Projects Fund
5. Stormwater Fund
6. Wrap-Up

The revised first reading (regular Council meeting at 4 p.m.) and public hearing (6 p.m.) is scheduled for June 7, 2016. The second reading is scheduled for June 21, 2016.

**Background:** The Finance and Administrative Committee devoted the majority of its last three meetings to meet with the Town's Affiliated Organizations to review their operations, the Town's role with these organizations, and their fiscal year 2017 budget requests. Council has requested the affiliated agencies be present to respond to Council but not to prepare presentations.

- a. **Solicitor's Office – Multidisciplinary Court (\$50,000) and Career Criminal Court (33,500).** The Solicitor has received this recurring budget for several years at the same funding level. The Deputy Solicitor reported continuing success providing examples: Multidisciplinary Court – working to prevent recurring violations with veterans suffering from PTSD and alcohol/drug issues; Career Criminal Court – the trials for Khalil Singleton's murder. **The F&A Committee recommends approval of this budget.**
- b. **Sheriff's Office – (Amount included in Budget - \$3,190,122; revised \$3,053,178 which in both cases excludes new requests).** The Sheriff presented a revised budget request for recurring operations (<2% increase – mostly increases in staff benefits) and new requests for 4 patrol officers, 1 investigator, and radar equipment/trailer. As in prior years, the new requests are not included in the proposed budget. **The F&A Committee recommends approval of the recurring budget and recommends the entire Council consider whether the new requests should be added to the budget.**
- c. **USCB Event Management & Hospitality Training (\$144,830).** This program is established per Town Code and is funded with 5% of the 1% local accommodations tax. Ms. Olivetti presented the successes of the program: training Island Ambassadors and providing event management support to the Island's nonprofits for their events at the same time providing valuable learning experiences for the USCB hospitality school students. **The F&A Committee recommends approval of this budget.**
- d. **Hilton Head Island Economic Development Corporation (EDC) (\$496,874 – 9.3% increase).** The EDC presented to the F&A Committee twice. There was considerable conversation whether the EDC was on track for successful ROI and midyear proactive directional changes and the associated budgetary amendments. Other discussion topics included what types of industries should be recruited; whether the Town, EDC and the Don Ryan Center should have collaborative efforts; and the impacts of affordable housing, availability of a trained workforce, and employee transportation on economic development. **The F&A Committee recommends approval of this budget.**
- e. **Shore Beach Services – (\$247,257 – 2.4% increase).** In addition to the commercial beach services franchise, the Town contracts with Shore Beach to provide other services. Shore Beach stated its requested increase is directly related to its increased costs to provide the services specifically for its vehicles and insurance. **The F&A Committee recommends approval of this budget.**
- f. **Coastal Discovery Museum**
1. **Capital – (\$61,500 – 25.6% decrease).** The Executive Director noted the Museum's efforts to reduce its reliance on the Town.
  2. **General – (\$75,000 – no change).** The Town's long-term agreement with the Museum to manage the Town's Honey Horn property establishes the management fee at \$75,000 annually.
  3. **Turtle Watch – (\$36,500 – 14% decrease).** The Town supports the recurring Turtle Watch program operated by the Museum. The decrease is needs-based including less capital needs this year (gator vehicles used on beach).  
*Note: Additional funding is budgeted in the Capital Projects Fund for the required monitoring for turtles and piping plover during the major beach renourishment.*
- The F&A Committee recommends approval of these three recurring budgets.**

- 4. Joint Effort for Executive Director for Mitchelville Preservation Project (MPP) – (\$100,000 new program).** The Museum made a *late request which is not included in the proposed budget* for a joint effort with MPP wherein the Museum would help MPP hire an executive director to work under the tutelage of the Museum Director to improve the sustainability of the MPP in its efforts to have viable fundraising and progress toward permanent infrastructure at the Mitchelville Park. **The F&A Committee expressed an interest in funding this request with restrictions related to a formally executed agreement and consideration of other collaborative efforts to include the Heritage Library. Town Council should provide direction to staff whether to add this to the budget.**
- g. Island Recreation Association – (Capital - \$267,000 – 4.7% increase; Operating \$683,052 – 3.8% increase).** The F&A Committee also met with this organization twice focusing on the recreational programs provided, how the programs are assessed, how participation might be increased among younger children and teenagers, impact of the planned major building expansion on programming, etc. The budget was also discussed for both recreational activities and senior activities at SHARE. **The F&A Committee recommends approval of these budgets.**
- h. Palmetto Breeze (LRTA) - \$250,000 (\$200,000 is recurring operational funding; \$50,000 new funding request for capital match).** The LRTA requests the same funding as the last two years for its operating request. It also requested \$50,000 for capital match but stated that it needs additional support from surrounding local governments for this program. Staff recommends that a capital budget be on a reimbursement basis to ensure a viable capital program. **The F&A Committee recommends approval of these budgets.**
- i. Community Foundation-Public Art – (\$50,000 – 33.3% increase).** The Town has supported this Public Art program at \$75,000 biennially for many years (\$37,500 annually). This is the first increase requested to \$100,000 biennially (\$50,000 in the fiscal year 2017 proposed budget). **The F&A Committee recommends approval of this budget.**

# TOWN OF HILTON HEAD ISLAND

## Affiliated Agencies

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Fiscal Year 2017 Budget

05/10/2016

Town of Hilton Head Island  
FY 2017 Budget  
Affiliated Agencies

**Table of Contents**

	<b>Page</b>
Solicitor’s Office .....	4
Beaufort County Sheriff’s Office .....	5
USCB Event Management & Hospitality Training Program .....	6-8
Economic Development Corporation.....	9-12
Shore Beach Services, Inc.....	13-18
Coastal Discovery Museum.....	19-29
Island Recreation Association.....	30-33
Palmetto Breeze (LRTA) .....	34-36
Community Foundation of the Lowcountry Public Art Exhibition .....	37-39

## FY17 Budget - Summary of Affiliated Agencies

Agency	FY 16 Revised Budget	FY 17 Requested Budget	FY 17 Proposed Budget	Request Not Included in Town Budget		Increase/ Decrease Over Prior Year	% Change
a Solicitors Office-Multidisciplinary Court	\$ 50,000	\$ 50,000	\$ 50,000	\$ -		\$ -	0.0%
Solicitors Office-Career Criminal Court	33,500	33,500	33,500	-		-	0.0%
b Beaufort County Sheriff's Office (BCSO)	3,126,980	4,036,771	3,190,122	846,649	1,2	63,142	2.0%
c USCB Event Management & Hospitality Training	145,330	144,830	144,830	-		(500)	-0.3%
d Hilton Head Island Economic Development Corporation	454,574	496,874	496,874	-		42,300	9.3%
e Shore Beach Services, Inc.	241,404	247,257	247,257	-		5,853	2.4%
f Coastal Discovery Museum (CDM)-Capital	82,672	61,500	61,500	-		(21,172)	-25.6%
Coastal Discovery Museum-General	75,000	75,000	75,000	-		-	0.0%
Coastal Discovery Museum-Turtle Watch	42,450	36,500	36,500	-		(5,950)	-14.0%
CDM - Executive Director for Mitchelville Preservation Project	-	100,000	-	100,000	3	-	new
g Island Recreation Association-Capital	255,113	267,000	267,000	-		11,887	4.7%
Island Recreation Association-General	657,748	683,052	683,052	-		25,304	3.8%
h Palmetto Breeze (LRTA)	200,000	250,000	250,000	-	4	50,000	25.0%
i Community Foundation of the Lowcountry-Public Art	37,500	50,000	50,000	-		12,500	33.3%
<b>Total</b>	<b>\$ 5,402,271</b>	<b>\$ 6,532,284</b>	<b>\$ 5,585,635</b>	<b>\$ 946,649</b>		<b>\$ 183,364</b>	<b>3.4%</b>

- 1 budget does NOT include requests for new staff: 4 patrol and 1 investigator staff and radar/trailer equipment; DOES INCLUDE detention center request
- 2 BCSO subsequently revised its budget downward after proposed budget deadline; this change will be included in the running tally of budget changes
- 3 new funding request after deadline; proposes Museum and Mitchelville Pres. Project joint effort to hire Executive Director for MPP
- 4 includes new funding for capital match; needs participation from other local governments

### Reconciling Items:

Stipends for BCSO officers living on-Island	118,000		120,000
Heritage Classic Foundation - support for PGA tournament	383,722	@	125,000
Airport Noise Reduction Wall	500,000		-
Operating Grants	2,806		-
	<u>2,920,415</u>		<u>2,273,256</u>
Townwide Grants Total	2,920,415		2,273,256
Police Services inc. Shore Beach, Total	3,486,384		3,557,379
	<u>\$ 6,406,799</u>		<u>\$ 5,830,635</u>

@ The Town's support of the Heritage tournament also includes \$300k (FY16) and \$125k (FY17) from the Hospitality Fund, bringing the total to \$683,722 for fiscal year 2016 and \$250,000 requested for fiscal year 2017, a significant reduction in this sponsorship transition year.

State of South Carolina  
OFFICE OF THE SOLICITOR  
FOURTEENTH JUDICIAL CIRCUIT

ALLENDALE, BEAUFORT  
COLLETON, HAMPTON AND  
JASPER COUNTIES



POST OFFICE BOX 1880  
BLUFFTON, SOUTH CAROLINA 29910  
TELEPHONE: (843) 255-5880  
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Isaac McDuffie Stone, III  
SOLICITOR

February 11, 2016

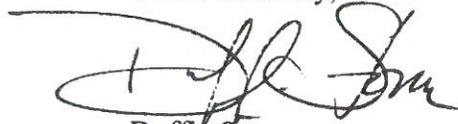
Ms. Susan Simmons  
Director of Finance  
One Town Center Court  
Hilton Head Island, SC 29928

Dear Ms. Simmons

I am asking that the Town of Hilton Head continue to fund the Solicitor's Office in 2016-2017. I am requesting funds in the amount of \$83,500.00, the same amount as approved by the Town of Hilton Head for Fiscal Year 2015-2016.

I would like to thank you in advance for your help in this matter. The funding provided by the Town of Hilton Head has been and will continue to be essential to our office. It is the support of municipalities, like the Town of Hilton Head, that allow us to maintain programs that help to benefit and serve our community.

Yours sincerely,



Duffie Stone

IMS:ld

Beaufort County Sheriff's Office				
	FY2016	FY2017	FY2017	
	Approved	Budget	Budget	FY2017 requests include the following:
Personnel Costs	Budget	Requests 2/29/16	Requests 4/5/16	
Hilton Head Patrol	\$1,928,304	\$1,987,110	\$1,885,886	
Hilton Head Traffic (as titled in the accounting software)-SEU unit	\$275,880	\$278,294	\$259,260	
Hilton Head Marine & Beach	\$129,330	\$130,777	\$127,084	
Hilton Head Investigations	\$388,059	\$392,399	\$381,252	
Hilton Head Victim's Advocate	\$64,664	\$65,388	\$63,542	
OT Bar Patrol	\$75,000	\$75,000	\$75,000	
	\$2,861,237	\$2,928,968	\$2,792,024	
<b>Operating Costs</b>				
Cell Phones 1/2	\$2,300	\$2,300	\$2,300	
Fuel 1/2	\$90,720	\$90,720	\$90,720	
	\$93,020	\$93,020	\$93,020	
Above Items listed billed by BCSO				
Uniforms	\$28,860	\$28,860	\$28,860	
Body Armor	\$5,827	\$4,524	\$4,524	4 body armor with 2 carriers and 2 body armor with 1 carrier and tac vest (replacements)
Administrative Supplies	\$48,750	\$48,750	\$48,750	
Radio Repair & Maintenance	\$5,000	\$5,000	\$5,000	
	\$88,437	\$87,134	\$87,134	
BCSO will submit invoices for reimbursement from the Town for the items listed below.				
Computers-12098040	\$6,000	\$6,000	\$6,000	
	\$6,000	\$6,000	\$6,000	
<b>New Requests:</b>				
Radar Trailer		\$43,100	\$43,100	
Radars		\$15,635	\$15,635	5 Radars-State Contract
4 Patrol Officers		\$594,982	\$577,625	
1 Investigator		\$140,000	\$135,300	
Detention Center Reimbursement	\$75,000	\$75,000	\$75,000	
Bullet Proof Enclosure		\$40,000	\$0	
Replace 2 ATV's		\$12,932	\$0	
New Request Total	\$75,000	\$921,649	\$846,660	
<b>Total</b>	<b>\$3,123,694</b>	<b>\$4,036,771</b>	<b>\$3,824,838</b>	
			\$701,144	Increase from FY2016



February 26, 2015

Dear Mayor Bennett, Honorable Members of Town Council and Manager Riley:

We are delighted to present to you our proposed budget for 2016-17 and to take this opportunity to inform you of our great successes during this past year.

**Update of Training:**

The Center is delighted to announce that we have certified over **500 Island Ambassadors** to date. Certified Island Ambassadors have completed our three required courses- Island Knowledge, Island Culture and Island Ecology. Our Ambassadors are experts on Hilton Head Island and provide excellent guest experiences. To date this year, we have educated 852 individuals in 58 classes. In addition, we added an additional educational seminar to our offerings – Guest Appreciation. This seminar inspires hospitality professionals to create amazing guest experiences. We continue to expand our program as we have educated Security Officers, Trolley Drivers, Realtors as well as hospitality professionals. Our evaluations continue to indicate that the Island Ambassador Program is a success.

**Update on Volunteer Management:**

The Center has placed 55 student volunteers at fifteen community festivals and events including Burgers and Brew, Seafood Fest and Winter Wonderland Festival. A total of over 440 service learning hours have been provided to date ensuring a quality event experience for all attendees.

**Update on Event Incubation:**

Sandbox at the Stables once again proved to be a great success for the Sandbox! The event raised over \$12,000 for the Interactive Children's Museum. It is always such fun to ride horses, eat burgers and enjoy water jumpies on Memorial Day.

Burgers and Brew was challenging this year as due to the inclement weather and 100 year floods we had to change the date at the last minute. Events seldom are able to change dates with success – but we did it. And what an amazing learning experience for our students.

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One University Boulevard \* Bluffton, South Carolina 29909 \* 843/208-8230

**Budget Changes:**

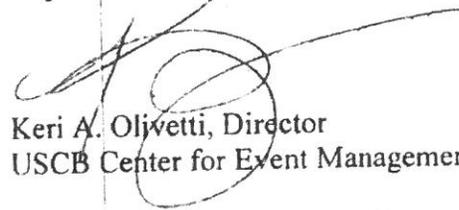
Our proposed budget this year is less than last year due to the decrease in our equipment request. Last year we were able to purchase a camera, microphone and screen which allowed us to update our seminars. We do not anticipate these purchases this year; however we will need to update our office computer.

USCB remains delighted to have the Center on Hilton Head Island and to continue to work with the Hospitality Industry Professionals to ensure that all Island visitors have a pleasurable time. We again thank you for this opportunity and look forward to keeping you apprised of our progress.

Sincerely,



Charles L. Calvert, Ed.D.  
Department Chair and Professor of Hospitality Management



Keri A. Olivetti, Director  
USCB Center for Event Management and Hospitality Training

Cc: Dr. Al M. Panu, Chancellor

USCB CEMHT  
PROPOSED BUDGET 2016-17

Directors Salary and Benefits	48750
Training Coordinator	30200
Training Programs;Curriculum Development	36380
Office Expense	15500
Marketing	7500
Equipment	1500
Printing and Supplies	5000
Total	144830

**Hilton Head Island Economic Development Corporation**  
**Fiscal Year 2017 Operating Budget Plan**  
(Preliminary—subject to Town Council appropriation)

The Hilton Head Island Economic Development Corporation exists to grow and diversify the Town of Hilton Head Island economy. The HHIEDC works to support existing businesses, catalyze entrepreneurship, and attract new businesses and investment to Hilton Head Island.

Hilton Head Island has a resident population of more than 40,000, making it South Carolina’s ninth largest municipality. Hilton Head Island also attracts over 2.6 million visitors annually. The Town is well-positioned to take advantage of structural economic changes that are allowing many entrepreneurs and small business owners to locate their businesses where they want to live.

Hilton Head Island offers a suburb quality of life for professionals seeking work-life balance. The HHIEDC is working to provide the infrastructure, real estate solutions and support systems to make Hilton Head Island a thriving location for entrepreneurship and small business.

**Business Retention, Expansion and Attraction/Marketing**

The HHIEDC seeks to capitalize on the Town of Hilton Head Island’s attractiveness as a place to live by promoting the opportunity to live and operate a business on Hilton Head Island. Because technology has enabled many businesses to locate where the principal of the company wishes to live, the HHIEDC’s business recruitment strategy targets people who are already familiar with Hilton Head Island. The HHIEDC prioritizes advertising in media seen by people who (i) are already visiting Hilton Head Island, (ii) live in areas that produce high percentages of Hilton Head visitors, or (iii) have an identified interest in relocating to the coastal Carolinas. This strategy has been validated through the generation of leads from advertisements in *Hilton Head Monthly* and *CarolinaLiving.com*, among other publications. The HHIEDC also works with existing business to help address challenges to their existing operation in the Town of Hilton Head Island and to assist with expansion opportunities.

Advertising and Marketing, including website

• Marketing company retainer (@ \$1,350/mo.)	\$16,200
• <i>Hilton Head Monthly</i> (@\$1,500/placement plus digital)	18,000
• Target display advertising (@\$1,000/mo.)	12,000
• <i>CarolinaLiving.com</i> (digital and semi-annual publication)	8,000
• Media 360 <i>Real Estate Guide</i>	2,000
• SERG Group <i>Dining Guide</i>	<u>2,700</u>
Total Advertising and Marketing	\$58,900

Meetings and Events

• Concours d’Elegance sponsorship	\$ 2,500
• Luncheon for hotel/villa rental property managers	1,000
• RBC Heritage participation (complementary tickets)	0

- Economic development summit (will also solicit sponsors) 4,000
- Miscellaneous client meetings (breakfasts, lunches) 2,500
- Total Meetings and Events \$10,000

Collateral, Research and Resource Materials (including printing and publishing)

- Hotel/villa piece (rack brochure) \$ 2,000
- New HHIEDC brochure 2,000
- Annual Report 1,000
- Research and resource materials/data purchases 3,000
- Total Collateral, Research and Resource Materials \$ 8,000

Tours, Site Visits and Travel

- Tours and site visits (site location consultants, SCDOC, clients) \$ 2,500
- Travel (outgoing calls on SCDOC, SC-based site consultants) 2,000
- Total Tours, Site Visits and Travel \$ 4,500

**Total Business Retention, Expansion and Attraction/Marketing \$81,400**

**Entrepreneurial and Small Business Support**

Many large businesses are unable to locate on Hilton Head Island because of constrained land availability, a limited labor force, and other factors. Consequently, a key component of the Town's economic development and diversification strategy is the creation of an entrepreneurial ecosystem to identify and grow entrepreneurial enterprises from the lowcountry and to make the Town of Hilton Head Island attractive to entrepreneurs seeking to locate their business in a place where they can achieve a desirable work/life balance.

Don Ryan Center for Innovation Alliance

- Support for HHI-based companies enrolled in DRCI \$45,000
- Total Don Ryan Center for Innovation Alliance \$45,000

Co-Working and Entrepreneurial Center

- Travel and research to identify best practices/HHI model \$ 6,000
- Total Co-Working and Entrepreneurial Center \$ 6,000

2017 Business Pitch Competition

- Pitch competition promotion and implementation \$30,000
- Temporary administrative staff to assist with event 10,000
- Compile and publish applicant dossier; applicant support 3,000
- Total 2017 Business Pitch Competition \$43,000

Other Entrepreneurship Support

- Create and convene community investor community group \$ 6,000
  - Marketing/website/social media campaign targeting millennials 5,000
  - Travel to promote HHI as entrepreneurial destination 4,000
- Total Other Entrepreneurship Support \$15,000

**Total Entrepreneurial and Small Business Support \$109,000**

**HHI Economic Development Real Estate Solutions**

Summit Drive Commerce Park

- Marketing and collateral material development (incl. printing) \$ 10,000
  - Events, tours, site visits and travel 4,500
  - Professional services (legal) 3,000
- Total Summit Drive Commerce Park \$ 17,500

**Total HHI Economic Development Real Estate Solutions \$ 17,500**

**Non-Discretionary Recurring Operating Expenses**

- Professional dues and memberships \$ 1,000
  - Technology services 11,500
  - Professional development 3,000
  - Books, subscriptions and dues 1,500
  - Insurance 5,000
  - Office supplies 3,000
  - Postage 200
  - Lease payments 9,500
  - Utilities 1,000
  - Furniture/fixtures 1,000
- Total Non-Discretionary Recurring Operating Expenses \$ 36,700**

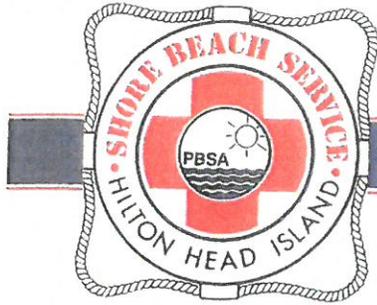
**TOTAL HHIEDC FISCAL YEAR 2017 BUDGET**

- **GENERAL OPERATING BUDGET \$244,600**
  - **PERSONNEL (prepared by Town HR) 252,274**
- TOTAL OPERATING BUDGET \$496,874**

Town of Hilton Head Island  
 General Fund Budget Worksheet  
 Year Ending June 30, 2016

Department: Townwide  
 Division: Economic Development Corporation

<u>Org/Object</u>	<u>Description</u>	<u>FY 2016 Budget</u>	<u>FY 2017 Budget</u>
<b>Personnel:</b>			
	Personnel Subtotal	243,985	252,274
<b>Operating:</b>			
18000020-53010	Travel	10,000	12,000
18000020-53018	Tours/Site Visits	10,000	4,000
18000020-53020	Meetings & Conferences	21,000	49,000
18000020-53060	Professional Development	5,000	3,000
18000020-53072	Employee Recruitment	-	-
18000020-53080	Professional Dues	2,000	1,000
18000020-53320	Professional Services	27,590	58,000
18000020-53350	Consulting Services	10,000	-
18000020-53355	Technology Services	11,000	11,500
18000020-53410	Printing & Publishing	15,000	10,000
18000020-53414	Marketing	60,000	71,900
18000020-53750	Insurance	5,000	5,000
18000020-54010	Books, Subscriptions & Dues	1,000	1,500
18000020-54270	Research and Resource Materials	15,000	3,000
18000020-54710	Office Supplies	3,000	3,000
18000020-54740	Postage	2,000	200
18000020-54954	Lease Payments	10,000	9,500
18000020-55345	Utilities	2,000	1,000
18000020-54953	Furniture/Fixtures < \$5,000	1,000	1,000
	Operating Subtotal	210,590	244,600
	TOTAL	<u>454,575</u>	<u>496,874</u>



# SHORE BEACH SERVICE, INC. HILTON HEAD ISLAND BEACH PATROL

Certified Agency—United States Lifesaving Association  
Charter Member—Professional Beach Service Association

116 Arrow Road • Hilton Head, SC 29928  
Phone (843)785-3494 • Fax (843)785-2023  
sbeach@hargray.com • www.shorebeach.com

February 20, 2016

Ms. Susan Simmons  
Director of Finance  
Town Of Hilton Head Island  
One Center Court  
Hilton Head, SC 29928

Dear Susan,

Our budget request for Fiscal Year Ending June 30, 2017 for the Beach Patrol services called for under our existing Services Agreement with the Town of Hilton Head Island totals \$247,257. This is an increase of \$13,935 or 6% over our budget for Fiscal Year Ending June 30, 2016.

Fixed Amount Services are budgeted to increase by \$12,295 or 7.3%, mostly due to higher vehicle and labor related costs.

The proposed decrease of \$1,360 or 4.5% in Variable Amount Services primarily reflects lowering the estimated number of recycling dumpsters needed.

Annual Costs are budgeted to increase by \$3,000 or 8.8% due to an additional trash dumpster needed during the busy season.

Attached is Discussion of Fiscal Year 2017 Budget for Beach Patrol Services including three schedules showing this budget with comparisons to the budget for Fiscal Year Ending June 30, 2016.

Let me know if there is anything else you need. I am available to discuss at your convenience.

Sincerely,

Ralph A. Wagner  
President



# SHORE BEACH SERVICE, INC. HILTON HEAD ISLAND BEACH PATROL

Certified Agency—United States Lifesaving Association  
Charter Member—Professional Beach Service Association

116 Arrow Road • Hilton Head, SC 29928  
Phone (843)785-3494 • Fax (843)785-2023  
sbeach@hargray.com • www.shorebeach.com

## **Discussion Of Fiscal Year 2017 Budget For Beach Patrol Services Under Services Agreement With The Town Of Hilton Head Island**

Shore Beach Service, Inc. has a Services Agreement with the Town Of Hilton Head Island under which we provide a service generally known as the Beach Patrol.

The Agreement provides that services will be billed in two ways:

- 1) Fixed Amount Services, with the fee amounts to be determined during the annual budget process, and
- 2) Variable Amount Services with the fee amounts based on monthly time spent and materials & equipment used, with the hourly rates to be determined during the annual budget process.

Our total request for the Fiscal Year 2017 budget equals \$247,257 compared to \$233,322 for Fiscal Year 2016, which is an increase of \$13,935 or 6.0%.

We are requesting a budget for Fixed Amount Services of \$181,097 for Fiscal Year 2017, which is an increase of \$12,295 or 7.3%. This increase reflects the higher cost of replacing vehicles together with higher labor related costs including rates and health insurance.

Our budget request for Variable Amount Services is \$29,160 for Fiscal Year 2017, which is a decrease of \$1,360 or 4.5%. This decrease results from a combination of lowering the estimated number of recycling dumpsters, reducing the time spent maintaining the beach matting, and increasing the time maintaining the dog litterbag stations.

The budget for Variable Amount Services reflects our request to increase hourly labor rates by 3% from last year's range of \$11.98 to \$24.04 to a range of \$12.35 to \$24.75 for Fiscal Year 2017.

Our rate for Fiscal Year 2017 for equipment, primarily our tractor used for maintenance of the beach matting, remains unchanged at \$30.00 per hour.

Annual Costs, primarily for the cost of waste dumpsters used for the disposal of trash removed from the beach, are budgeted to increase by \$3,000 or 8.8% due to an additional dumpster being added during the busy season. We are reimbursed annually for the actual costs we incur throughout the year.

We have attached three schedules summarizing our budget requests.

Schedule 1 shows our proposed annual Budget For Beach Patrol Services with comparisons to our Fiscal Year 2016 Budget.

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Schedule 2 shows our proposed monthly budget for Fixed Amount Services with comparisons to our Fiscal Year 2016 Budget.

Schedule 3 shows our proposed monthly budget for Variable Amount Services with comparisons to our Fiscal Year 2016 Budget.

Fixed Amount Services performed by the Beach Patrol currently include:

- Patrolling over thirteen miles of beach front (from Braddock Cove to Fish Haul Creek) in marked vehicles for the purpose of rendering assistance to members of the public in need of assistance in the water or on the beach.
- Assisting in off shore rescue, maintaining buoys in designating swimming areas, effecting contact with private boat operators to keep clear of swimming areas and assisting in beach ordinance enforcement. Two personal watercraft ("PWC") are provided for this purpose and a third PWC is used as backup.
- Placing trash collection barrels on the beach, collecting trash and debris from these barrels, and picking up loose trash and debris.
- Advising beachgoers of beach ordinance violations.
- Notifying and coordinating with law enforcement authorities regarding any continuing unlawful activities on the beach
- Administering first aid to beachgoers who sustain injuries on the beach.
- Notifying and cooperating with EMS when emergency medical services are required on the beach.
- Providing a program for animal control.

Variable Amount Services performed by the Beach Patrol currently include:

- Installing and maintaining beach matting on public beach areas as designated by the Town (now at five locations).
- Installing and maintaining dog litterbag stations on public beach areas as designated by the Town (now at forty-five locations).
- Providing a program for recycling on public beach areas as designated by the Town.

Ralph A. Wagner  
Beach Patrol Director  
February 20, 2016

<b>Schedule 1</b>				
<b>Shore Beach Service, Inc. Budget For Beach Patrol Services</b>				
	Fiscal Year Ending June 30		Over (Under) Fiscal Year 2016 Budget	
	2016	2017		
Basic Beach Patrol Services	\$ 110,533	\$ 117,399	\$ 6,866	6.2%
Expanded Trash Patrol	29,760	33,489	3,729	12.5%
Expanded Beach Patrol	28,509	30,209	1,700	6.0%
Fixed Amount Services	\$ 168,802	\$ 181,097	\$ 12,295	7.3%
Variable Amount Services				
Beach Matting	5,995	5,400	(595)	-9.9%
Dog Litterbag Stations	725	1,160	435	60.0%
Recycling On The Beach	23,800	22,600	(1,200)	-5.0%
Total Variable Amounts	30,520	29,160	(1,360)	-4.5%
Annual Costs	34,000	37,000	3,000	8.8%
Total	\$ 233,322	\$ 247,257	\$ 13,935	6.0%

Fees for Fixed Amount Services are set as part of the annual budget process.

Fees for installation and maintenance of Beach Matting, Dog Litterbag Stations, and Recycling On The Beach are determined monthly based on time spent, equipment used and materials purchased.

The proposed hourly labor rates for Fiscal Year 2017 range from \$12.35 to \$24.75 which is an increase of 3% over the hourly labor rates used in Fiscal Year 2016.

Equipment rate per hour for Fiscal Year 2017 is \$30.00 which is the same rate used in Fiscal Year 2016.

Fees for annual costs, primarily for dumpsters for trash disposal, are actual costs incurred.

**Shore Beach Service, Inc.**  
**Budget For Beach Patrol Services**  
**Fixed Amounts Budget**

Schedule 2

Fiscal Year Ending June 30, 2016 Fixed Amounts						Fiscal Year Ending June 30, 2017 Fixed Amounts						Over (Under) Fiscal Year 2016 Budget	
Year	Month	Basic Services	Expanded Trash Patrol	Expanded Beach Patrol	Total	Year	Month	Basic Services	Expanded Trash Patrol	Expanded Beach Patrol	Total	Amount	%
2015	July	\$ 16,735	\$ 5,040	\$ 6,798	\$ 28,573	2016	July	\$ 17,680	\$ 5,673	\$ 7,374	\$ 30,727	\$ 2,154	7.5%
2015	August	16,735	5,040	6,798	28,573	2016	August	17,680	5,673	7,374	30,727	2,154	7.5%
2015	September	13,706	4,880	1,535	20,121	2016	September	15,122	5,490	951	21,563	1,442	7.2%
2015	October	3,063			3,063	2016	October	3,060			3,060	(3)	-0.1%
2015	November	2,968			2,968	2016	November	2,369			2,369	(599)	-20.2%
2015	December	3,063			3,063	2016	December	2,857			2,857	(206)	-6.7%
2016	January	2,883			2,883	2017	January	2,449			2,449	(434)	-15.1%
2016	February	2,610			2,610	2017	February	2,211			2,211	(399)	-15.3%
2016	March	2,883			2,883	2017	March	3,935			3,935	1,052	36.5%
2016	April	12,941	4,880		17,821	2017	April	14,812	5,490		20,302	2,481	13.9%
2016	May	16,361	5,040	6,798	28,199	2017	May	17,680	5,673	7,374	30,727	2,528	9.0%
2016	June	16,585	4,880	6,580	28,045	2017	June	17,544	5,490	7,136	30,170	2,125	7.6%
<b>Total For Year</b>		<b>\$ 110,533</b>	<b>\$ 29,760</b>	<b>\$ 28,509</b>	<b>\$ 168,802</b>	<b>Total For Year</b>		<b>\$ 117,399</b>	<b>\$ 33,489</b>	<b>\$ 30,209</b>	<b>\$ 181,097</b>	<b>\$ 12,295</b>	<b>7.3%</b>

Fees for Fixed Amount Services are set as part of the annual budget process.

**Shore Beach Service, Inc.  
Budget For Beach Patrol Services  
Variable Amounts Budget**

**Schedule 3**

Fiscal Year 2016 Variable Amounts						Fiscal Year 2017 Variable Amounts						Over (Under) Fiscal Year 2016 Budget	
Year	Month	Beach Matting	Dog Litterbag Stations	Recycling On The Beach	Total	Year	Month	Beach Matting	Dog Litterbag Stations	Recycling On The Beach	Total	Amount	%
2015	July	\$ 770	\$ 45	\$ 4,100	\$ 4,915	2016	July	\$ 700	\$ 40	\$ 4,200	\$ 4,940	\$ 25	0.5%
2015	August	455	50	3,400	3,905	2016	August	400	50	3,300	3,750	(155)	-4.0%
2015	September	400	45	1,700	2,145	2016	September	400	85	1,900	2,385	240	11.2%
2015	October	500	50	1,400	1,950	2016	October	500	100	1,100	1,700	(250)	-12.8%
2015	November	385	55	700	1,140	2016	November	400	185	350	935	(205)	-18.0%
2015	December	350	60	700	1,110	2016	December	400	165	350	915	(195)	-17.6%
2016	January	325	60	700	1,085	2017	January	400	125	300	825	(260)	-24.0%
2016	February	360	80	700	1,140	2017	February	400	115	300	815	(325)	-28.5%
2016	March	485	90	900	1,475	2017	March	400	130	2,800	3,330	1,855	125.8%
2016	April	620	80	2,500	3,200	2017	April	450	85	1,800	2,335	(865)	-27.0%
2016	May	585	60	3,000	3,645	2017	May	400	45	2,700	3,145	(500)	-13.7%
2016	June	760	50	4,000	4,810	2017	June	550	35	3,500	4,085	(725)	-15.1%
<b>Total For Year</b>		<b>\$ 5,995</b>	<b>\$ 725</b>	<b>\$ 23,800</b>	<b>\$ 30,520</b>	<b>Total For Year</b>		<b>\$ 5,400</b>	<b>\$ 1,160</b>	<b>\$ 22,600</b>	<b>\$ 29,160</b>	<b>\$ (1,360)</b>	<b>-4.5%</b>

Fees for installation and maintenance of Beach Matting, Dog Litterbag Stations, and Recycling On The Beach are determined monthly based on time spent, equipment used and materials purchased.

Hourly rates for labor and equipment are set during the annual budget process.

The proposed hourly labor rates for Fiscal Year 2017 range from \$12.35 to \$24.75 which is an increase of 3% over the hourly labor rates used in Fiscal Year 2016.

The proposed hourly equipment rate for Fiscal Year 2017 is \$30.00 which is the same rate used in Fiscal Year 2016.

81 Fiscal Year 2017 Variable Amounts Budgets are estimated based on past experience.



**COASTAL DISCOVERY MUSEUM**  
Experience The Lowcountry Up Close

**MEMO**

To: Steve Riley

From: Rex Garniewicz

Re: General Fund Budget Request

Date: February 26, 2016

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Please find attached Coastal Discovery Museum's Four (4) Year Property Maintenance Program spreadsheet indicating upcoming property maintenance needs. Also included are the previous two fiscal years. The FY 17 *General Fund Budget* request is for \$61,500, a \$1,200 decrease over the previous FY 16 grant. This reduction follows a 7.5% decrease from the previous year and a 12% decrease from the year before. This reflects the museum's increased ability to finance property maintenance through other revenue sources and generous ATAX support. Further cost savings has been made possible through the dedicated work of a core of volunteers who perform minor repair and maintenance at the property, as well as in-kind donations from local area businesses, including lumber, paint, and labor.

Currently the Museum is actively utilizing 9 of the 10 structures on the Honey Horn property. Funding from a variety of public and private sources, including ATAX money allocated by the Town, will allow us to completely renovate the 10<sup>th</sup> building (the Supervisor's House/Discovery Lab) outside of our normal property maintenance program and open this space to the public late in FY 16.

In nine years of major property improvements at Honey Horn, the Museum has invested nearly six million dollars in assets that are owned by the Town and leased to the museum. The Coastal Discovery Museum wants to be a good steward of these assets for the Town and is grateful for the Town's support of the major maintenance activities on the property.

Coastal Discovery Museum  
Property Maintenance Program  
FY 15 - FY19

Item	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
<b>Discovery House</b>						
Paint						
Interior	\$ 4,000	\$ 4,000			\$ 5,000	\$ 5,000
Floors	\$ 8,500		\$ 5,000		\$ 5,000	\$ 5,000
Doors/Hardware	\$ 5,000		\$ 2,500		\$ 2,500	\$ 2,500
Window Frames	\$ 2,500	\$ 2,500		\$ 5,000		
Bathroom Fixtures/Repairs	\$ 2,000	\$ 1,500				
Hot Water Heaters		\$ 1,000				
HVAC		\$ 20,000	\$ 5,000			
Trellis/Service Yard Repairs	\$ 2,500		\$ 1,000	\$ 1,500		
<b>Sub-Total</b>	<b>\$ 24,500</b>	<b>\$ 29,000</b>	<b>\$ 13,500</b>	<b>\$ 6,500</b>	<b>\$ 12,500</b>	<b>\$ 12,500</b>
<b>Armstrong/Hack House</b>						
Paint						
Exterior			\$ 7,000			
Interior				\$ 1,500		
Floors				\$ 2,000		
HVAC			\$ 1,500		\$ 9,500	\$ 9,500
Exterior Repairs/Doors		\$ 2,500				
<b>Sub-Total</b>		<b>\$ 2,500</b>	<b>\$ 8,500</b>	<b>\$ 3,500</b>	<b>\$ 9,500</b>	<b>\$ 9,500</b>
<b>Pavilion</b>						
Floors		\$ 2,000	\$ 2,000			
Electrical	\$ 1,500		\$ -	\$ 1,500		
<b>Sub-Total</b>	<b>\$ 1,500</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 1,500</b>		
<b>Discovery Lab</b>						
Exterior repairs					\$ 3,500	
Interior repairs						\$ 4,500
<b>Sub-Total</b>					<b>\$ 3,500</b>	<b>\$ 4,500</b>
<b>Pavilion Restroom Building</b>						
Paint						
Exterior		\$ 5,000				
Interior	\$ 1,500			\$ 1,500		
Bathroom Fixtures	\$ 2,000	\$ 1,000		\$ 1,000		
HVAC			\$ 5,500			
Handicap Ramp Repairs	\$ 1,000				\$ 1,500	\$ 1,500
Porch Repairs	\$ 2,000					
Collections shelving					\$ 7,500	
<b>Sub-Total</b>	<b>\$ 6,500</b>	<b>\$ 6,000</b>	<b>\$ 5,500</b>	<b>\$ 2,500</b>	<b>\$ 9,000</b>	<b>\$ 1,500</b>
<b>Horse Barn</b>						
Paint/Exterior		\$ 3,000				
Paint/Interior		\$ 1,000				
Fencing		\$ 1,500				
Interior Repairs/Plumbing	\$ 2,000					
<b>Sub-Total</b>	<b>\$ 2,000</b>	<b>\$ 5,500</b>	<b>\$ -</b>			
<b>Hay Barn</b>						
Paint/Exterior				\$ 4,500		
Doors	\$ 4,000					
Roof				\$ 14,500		
<b>Sub-Total</b>	<b>\$ 4,000</b>	<b>\$ -</b>	<b>\$ -</b>			
<b>Miscellaneous</b>						
Boardwalks/Repair	\$ 2,000	\$ 2,000	\$ 1,800			
Emergency Access Road				\$ 30,000		
Paved Roadway/Repair	\$ 15,000				\$ 8,000	\$ 8,000
Parking Lot/Driveway	\$ 2,000	\$ 2,500	\$ 15,000		\$ 2,500	\$ 2,500
Well/Field Irrigation		\$ 5,000	\$ 5,000			
Fencing/Repair	\$ 1,500		\$ 2,000		\$ 1,500	\$ 1,500
Security Cameras	\$ 8,200	\$ 8,200	\$ 8,200	\$ 8,500		
<b>Sub-Total</b>	<b>\$ 28,700</b>	<b>\$ 17,700</b>	<b>\$ 32,000</b>	<b>\$ 38,500</b>	<b>\$ 12,000</b>	<b>\$ 12,000</b>
<b>Totals</b>	<b>\$ 67,700</b>	<b>\$ 62,700</b>	<b>\$ 61,500</b>	<b>\$ 52,500</b>	<b>\$ 46,500</b>	<b>\$ 40,000</b>



**COASTAL DISCOVERY MUSEUM**  
Experience The Lowcountry Up Close

**MEMO**

To: Steve Riley  
Town Manager

From: Rex Garniewicz

Re: 2016-17 Management Fee Budget Request

Date: February 26, 2016

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The Coastal Discovery Museum Board of Directors, Staff, Members, and Volunteers are grateful for the continued commitment of the Town of Hilton Head Island in providing support to the operations and maintenance of the Honey Horn property.

Since opening the property to the public in 2007, attendance has remained strong. Last fiscal year we served 116,661 individuals and in the first six months of this fiscal year, attendance is up by 3.5%. If our numbers hold, we expect our total attendance this fiscal year to exceed 120,000. This will be the largest attendance total in our history at Honey Horn.

One area where our performance has been extremely strong is in our school programming which serves island residents. Year-to-date cumulative attendance for our school programs is outpacing the FY 15 results by 49%. We are at full capacity for these programs and very much look forward to the opening of the new Discovery Lab.

We are pleased to serve the community through a number of events including: The Gullah Celebration; Symphony under the Stars; Kiwanis; Chili Cookoff; Italian Festival; St. Francis Picnic, Relay for Life, and Kiwanis Rib Burnoff. Support from the Town allows us to offer reduced property rental fees to not-for-profit organizations. We assist with other events on the island, such as Heritage RBC and Concours D'Elegance, by providing parking.

Other important accomplishments in the past year include:

- **Education** – 475 school programs, reaching 5,775 individual students, many of whom participated in multiple programs.
- **Public Programs** – The Museum offered over 1,500 separate programs for visitors and residents during the past 12 months, impacting over 21,000 individuals.

- **Property Improvements** – Upgrades to the public bathrooms located in the Farmhouse, landscaping of Discovery House.
- **New Property Installations** – Through generous funding from the Town of Hilton Head Island (ATAX), The VanLandingham Rotary, the Community Foundation of the Lowcountry, and over 120 individual donors; the museum is nearly finished with the construction of our new Discovery Lab!

The museum is proud to be the site of the *Hilton Head Island Hall of Fame*, sponsored by the Rotary Club of Hilton Head Island. Thus far, seven (7) prominent Hilton Head Island residents have been enshrined at Honey Horn with bronze plaques highlighting their service to this community.

Last year the town repaved the exit road out to U.S. Route 278. This project significantly improved site use for larger events, such as parking or the Heritage RBC and Councours D'Elegance events.

Thanks in part to the continued support of the Town of Hilton Head Island, the finances for the Museum remain stable. During the previous year the museum was able to raise both total earned revenue and individual contributions. Private support for the museum has shown a significant increase in the past two years and this has allowed us to grow our offerings without additional cost to the town. Much of the continued success of this Museum is also due to the support of a large volunteer force numbering some 150 residents. This dedicated team has helped to reduce/stabilize the annual operating costs of the Museum through their service. And finally, there are a number of Lowcountry businesses that have provided free and/or reduced fees for services rendered to the Museum.

Through the efforts of a diversified group of supporters and funders, the Coastal Discovery Museum has been able to sustain its goal of being a premier cultural attraction for Hilton Head Island. Of all the things to do on Hilton Head Island, it has moved from a rank of #6 last year to #5 this year. (<http://www.tripadvisor.com>). The Town's elected officials and staff have played a significant role in this accomplishment.

As to the Fiscal Year 2017 Budget, the Museum Board and Staff respectfully seek a Management Fee in the amount of \$75,000. This request is at level funding for the seventh (7<sup>th</sup>) consecutive year.



## COASTAL DISCOVERY MUSEUM

Experience The Lowcountry Up Close

### MEMO

To: Steve Riley  
Town Manager

From: Rex Garniewcz

Re: Sea Turtle Protection Budget FY 2016-17

Date: February 26, 2016

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The Hilton Head Island Sea Turtle Protection Project provides professional monitoring and protection of sea turtle nests and hatching activity on Hilton Head Island. I have included a 2015 summary report that demonstrates the high success rate of our Sea Turtle Protection Project which ensures that there is no negative impact of Hilton Head Island's beach renourishment projects on sea turtle hatchling success. Nests relocated by the Sea Turtle Protection Project have increased survivorship when compared to in-situ nests, and overall high hatching and emerging rates suggest that renourishment on Hilton Head Island, when combined with the effort of the Sea Turtle Protection Project, has improved the nesting success rates of loggerhead turtles.

It is with this letter that we request funding for the 2016-2017 sea turtle season in the amount of \$36,500. This represents a decrease of \$5,950 over the previous year's \$42,450. The total last year included the replacement of a five year old John Deere Gator at a cost of \$7,750 and savings in other areas to partially balance this cost. Last year we projected our FY2017 cost to be at or below the \$37,050 level of FY15, and we have been able to do so.

Explanation of Budget Categories with any change from previous year:

1. Staff Salaries show an increase of 3% after many years without a cost of living adjustment.
2. Supplies: Last year this category had a decrease of \$1,500. We had a record nesting season in 2013 (339 nests). In 2014, we were expecting to exceed these numbers, but instead experienced a 61.3% decrease in nesting density. We were prepared for more nests by purchasing additional supplies, most of which we have left over for use in

2015. 2015 was another record nesting year, so we have no reserved supplies and have returned our budget to 2013 levels.

3. Vehicle Purchase. We will not need to purchase a vehicle this year and will do as much as possible to prolong the working lives of our vehicles.

The Coastal Discovery Museum appreciates the support from the Town of Hilton Head Island in funding the Sea Turtle Protection Project. It is a highly visible conservation effort that constantly receives positive feedback from both residents and tourists. Furthermore, the Hilton Head Island Sea Turtle Protection Project is recognized as one of the most successful programs on the East Coast.

Attachments: (1) – Budget Request Itemization  
(2) – Final Sea Turtle Summary Report for 2015



**COASTAL DISCOVERY MUSEUM**  
Experience The Lowcountry Up Close

**FY 17 Requested Sea Turtle Protection Project Budget  
(Does not include renourishment project)**

**Sea Turtle Season – May 1 Through October 30**

Staff Salaries		\$26,300
Museum Administration		5,500
Staff Training	Uniforms	500
Vehicle Maintenance	General maintenance, parts, fuel	1,800
Supplies	Gloves, poles, flagging tape, probes, etc.	1,500
Equipment	Verizon wireless, tools	600
Vehicle Purchase	Will not occur until FY 18	0
Insurance		300
	<b>Grand Total</b>	<b>\$36,500</b>



## COASTAL DISCOVERY MUSEUM

Experience The Lowcountry Up Close

### MEMO

To: Steve Riley

From: Rex Garniewicz

Re: General Fund Budget Request

Date: April 15, 2016

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Please find attached a special request from the Mitchelville Preservation Project and the Coastal Discovery Museum for consideration in the FY 17 *General Fund Budget*.

The location of the former town of Michelville, owned by the Town of Hilton Head Island, is one of the most significant sites related to the story of Reconstruction in the South. It is nationally significant and is a keystone in a plan to increase heritage tourism in Beaufort County.

Our two organizations believe that we can work together to successfully advance the Michelville Preservation Project to a strong, self-sustaining organization under an experienced full-time Executive Director. The Mitchelville Preservation Project has knowledge of the Native Island cultural heritage and is familiar with issues in the African American community. The Executive Director of the Coastal Discovery Museum has demonstrated an expertise in planning, execution of strategy and is effective in day to day operational issues. We therefore propose that as part of a joint effort at bringing Mitchelville to the next level of professionalism, that the Town of Hilton Head Island fund an Executive Director position for two years, during which time these two organizations will collaborate to ensure self-sustaining fundraising for salaries of the Mitchelville Preservation Project staff.

The FY 17 *General Fund Budget* request is for \$100,000 to cover salary and benefits, and we will request an additional \$100,000 in FY 18. As part of that

second request we will demonstrate forward progress and instill confidence that the Town will not need to fund this position after FY 18.

The position will include clear performance expectations (draft attached) and will have a dual reporting structure to the President of the Coastal Discovery Museum and the Chair of the MPP Board. Annual reviews will be done by a joint committee composed of CDM and MPP Board members.

We recognize that this is a significant commitment from the Town, but we feel it is necessary to move forward programming and fundraising to interpret and protect this site which has tremendous importance for the Town and for the Nation.

**Mitchelville Preservation Project**  
**EXECUTIVE DIRECTOR**  
**Job Description**

**Rationale:** The Mitchelville Preservation Project has knowledge of the Native Island cultural heritage and is familiar with issues in the African American community. The Executive Director of the Coastal Discovery Museum has demonstrated an expertise in planning, execution of strategy and is effective in day to day operational issues. We therefore propose that as part of a joint effort at bringing Mitchelville to the next level of professionalism, that the Town of Hilton Head Island fund an Executive Director position for two years, during which time these two organizations will collaborate to ensure self-sustaining fundraising for salaries of the Mitchelville Preservation Project staff.

**Reporting Structure:** The position will operate within a Dual Reporting Structure. The Coastal Discovery Museum (CDM) President will supervise the MPP Executive Director on operations and fundraising as defined in annual goals. The Mitchelville Preservation Project (MPP) Board Chairperson (on behalf on the Board of Directors) will supervise the Executive Director in content related to history, culture, and community issues. For the two years during which funding is received from the Town, CDM will administer the salary and benefits. At the conclusion of these two years, MPP will take over the salary and benefits for this position.

**Work Location:** The ED will be located at the MPP office site, located in the Beaufort County Government Center on Hilton Head Island. The employee will meet with the Executive Director of the Coastal Discovery Museum on a weekly basis, and will have access to CDM resources as necessary.

**Job Responsibilities:** The MPP Executive Director's job responsibilities will include both financial and programming goals which include: Increasing membership by 10% per year. Identifying a development strategy and implementing fundraising to bring in unrestricted funds totaling \$50,000 in year one, \$75,000 in year two, and \$100,000 in year three. Developing and implementing a programing plan and accompanying marketing strategy that best utilizes the Michelville site and promotes Heritage Tourism. The MPP ED will also work to develop a strong board, talented staff, and volunteers.

**Compensation:** Total compensation is budgeted at \$75,000 per year. Part of this compensation will be base salary and the remainder will be awarded as a bonus based on successfully meeting quantitative goals for fundraising and programming.

**Review Process:**

A joint committee composed of three board members from The Coastal Discovery Museum and three board members from The Mitchelville Preservation Project will conduct an annual review of this employee. The President of CDM and The Mitchelville Preservation Board Chairperson will be part of this joint committee.

Coastal Discovery Museum  
 Mitchelville Preservation Project Executive Director  
 FY 17 - FY21

Item	Expenses	FY2017	FY2018	FY2019	FY2020	FY2021
<b>Salary</b>						
	Base	\$ 65,000	\$ 70,000	\$ 73,000	\$ 76,000	\$ 80,000
	bonus	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	benefits	\$ 21,667	\$ 23,333	\$ 24,333	\$ 25,333	\$ 26,667
	benefits	\$ 3,333	\$ 3,333	\$ 3,333	\$ 3,333	\$ 3,333
	<b>subtotal</b>	<b>\$ 100,000</b>	<b>\$ 106,666</b>	<b>\$ 110,666</b>	<b>\$ 114,666</b>	<b>\$ 120,000</b>
<b>Office</b>						
	computer	\$ 2,000	\$ 500	\$ 500	\$ 2,000	\$ 500
	phone	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
	printing + mailing	\$ 1,000	\$ 3,000	\$ 4,000	\$ 4,000	\$ 4,000
	internet	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480
	misc	\$ 320	\$ 800	\$ 1,000	\$ 1,200	\$ 1,500
	<b>subtotal</b>	<b>\$ 5,000</b>	<b>\$ 5,980</b>	<b>\$ 7,180</b>	<b>\$ 8,880</b>	<b>\$ 7,680</b>
	<b>Total</b>	<b>\$ 105,000</b>	<b>\$ 112,646</b>	<b>\$ 117,846</b>	<b>\$ 123,546</b>	<b>\$ 127,680</b>

Item	Income	FY2017	FY2018	FY2019	FY2020	FY2021
<b>Town of HHI</b>						
	salary	\$ 100,000	\$ 100,000			
<b>Mitchelville Preservation Project</b>						
	salary	\$ -	\$ 6,666	\$ 110,666	\$ 114,666	\$ 120,000
	Other	\$ 5,000	\$ 5,980	\$ 7,180	\$ 8,880	\$ 7,680
	<b>Total</b>	<b>\$ 105,000</b>	<b>\$ 112,646</b>	<b>\$ 117,846</b>	<b>\$ 123,546</b>	<b>\$ 127,680</b>

# Memorandum

Date: February 25, 2016  
TO: Town of Hilton Head Island  
FROM: Hilton Head Island Recreation Association Board of Directors  
RE: FY 17 Funding Request

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The Island Recreation Association presents this funding request with one objective in mind; to provide the highest quality and greatest variety of recreational services to the community. The resources requested from the Town will allow the Association to continue the effective management of recreational facilities, as well as the coordination of recreational programs and community events.

The Association's Board approved an operating budget of \$2,227,032 for FY 2017. The general fund support request to the Town is **\$683,052**.

The Association's budget is built on three years of revenue and expense history. We have taken into account the expanding opportunities that come with our community events. The Association estimates additional increases in revenues from programs.

## Town's General Fund Support:

The Town will fund 31% of the Association's overall revenues for the operations budget in FY 17.

	Proposed	Current Budget
	FY 17	FY16
GOVERNMENT		
Town - General Fund	\$ 586,673	\$ 561,369
Town-Senior Programs	\$ 96,379	\$ 96,379
Total	<u>\$ 683,052</u>	<u>\$ 657,748</u>

## CIP Funding:

The CIP funding request is \$267,000. Projects in the CIP request take into account the enhancement and expansion of the Recreation Center. This request is in the Town's CIP budget under parks upgrades and the general fund.

**County:**

The Association's Board continues to work with Hilton Head Island county representatives to increase the level of support to our community. At this time, there is no clear indication from the County as to what level of support we will receive in FY 17. We have budgeted \$80,000 for program support and \$60,000 for pool operations for a total of \$140,000. There is always a concern this funding could be reduced. The amount of county support will determine the overall impact on the residents of our community and the Association's general services.

**Town Support:**

The Town's Finance Department prepares, bi-weekly, the Association's payroll and payable checks. The Town supplies us with a monthly financial statement and general ledger report. The Town and the Association work to produce an annual audit. The Town reviews capital expenditures reimbursed to the Association. The Association provides annual review of funding and programs to the Town's Parks and Recreation Commission. All financial records are available to the public.

**Other Support Documents include:**

2015 Scholarship

2015 Program participate visit numbers

Listing of program offered by the Island Recreation Association

Island Recreation Association  
 FY17 Budget  
 Summary Page

REVENUES	FY 17	FY 16
Program Revenue	\$ 985,230	\$ 925,030
Community Events & Fundraising	\$ 411,250	\$ 346,250
	<b>\$ 1,396,480</b>	<b>\$ 1,271,280</b>
Town of HHI Support	\$ 683,052	\$ 657,748
Town of HHI Support-ATAX	\$ 7,500	\$ 7,500
Town of HHI (Fencing)	\$ -	\$ 21,317
Town Funding subtotal	\$ 690,552	\$ 686,565
County Support	\$ 140,000	\$ 140,000
County Funding Subtotal	\$ 140,000	\$ 140,000
<b>SUB TOTAL INCOME</b>	<b>\$ 2,227,032</b>	<b>\$ 2,097,845</b>
<b>FY 15-16 CIP BUDGET-REVENUE TOTAL</b>	<b>\$ 267,000</b>	<b>\$ 255,112</b>
<b>TOTAL INCOME</b>	<b>\$ 2,494,032</b>	<b>\$ 2,352,957</b>

EXPENSES	FY17	FY16
Program Expenses	\$ 350,140	\$ 318,725
Community Events & Fundraising	\$ 282,375	\$ 191,375
Program and Admin Payroll	\$ 957,430	\$ 966,991
Payroll Taxes and Benefits	\$ 210,887	\$ 187,487
General Administration	\$ 203,250	\$ 183,250
Facilities	\$ 192,200	\$ 219,267
Marketing	\$ 30,750	\$ 30,750
<b>SUB TOTAL EXPENSES</b>	<b>\$ 2,227,032</b>	<b>\$ 2,097,845</b>
<b>FY 15-16 CIP BUDGET-EXPENSES TOTAL</b>	<b>\$ 267,000</b>	<b>\$ 255,112</b>
<b>TOTAL EXPENSES</b>	<b>\$ 2,494,032</b>	<b>\$ 2,352,957</b>

CIP Budget  
FY 17

**CIP Budget 2017**

<b>PROJECT</b>	
Replace Education Equipment	\$ 12,000
Lighting improvements	\$ 15,000
Rec Center Building	\$ 30,000
Pool Filtering System Equipment	\$ 20,000
Dome Equipment Update	\$ 25,000
Windscreens Pool and Tennis fences	\$ 15,000
Chaplin Tennis Court Lights	\$ 75,000
Special Events Park Improvements	\$ 25,000
Ice Machines for Events	\$ 20,000
Soccer Goals	\$ 15,000
Picnic Tables & Trash Cans	\$ 15,000
<b>Total</b>	<b>\$ 267,000</b>



February 23, 2016

Cindaia Ervin  
Finance Assistant  
Town of Hilton Head Island  
One Town Center Court  
Hilton Head Island, SC 29928

**RE: Fiscal Year 2016-2017 Budget Request**

Dear Ms. Ervin:

The Lowcountry Regional Transportation Authority d.b.a. Palmetto Breeze appreciates the opportunity to submit the following budget request to the Town of Hilton Head Island. Palmetto Breeze respectfully requests **\$250,000** for Fiscal Year 2016-2017 for the provision of public transportation throughout the Lowcountry region including Hilton Head Island. Of that amount **\$200,000** will be used to leverage state and federal dollars and subsidize the costs of operating the public transportation system and **\$50,000** will be set aside as capital match money for the much anticipated urban funds. This will allow LRTA to utilize a portion of the new funding to purchase additional rolling stock such as trolley buses. The funding breakdown for these purchases is 85% federal grant money and 15% local money.

**Small Urbanized Area**

As a result of the 2010 census, the Town of Hilton Head Island, the Town of Bluffton, and portions of unincorporated Beaufort County were designated as a small urban area. This designation required:

- Metropolitan Planning Organization (MPO) established,
- Long Range Transportation Plan (LRTP) implemented, and
- Transportation Improvement Program (TIP) established.

The MPO voted to approve the LRTP and TIP at their January meeting. The Lowcountry Regional Transportation Authority is now working with the Federal Transit Administration (FTA) to become a new grantee for federal funds for the urbanized area. The process should be completed within 6 months. The annual allotment of urbanized funding is \$778,000 per year.

**Palmetto Breeze Commuter Routes**

Ridership has increased 5% for the first 6 months of the fiscal year versus the first 6 months of the previous fiscal year. Public transportation is a necessary component of economic development for the Lowcountry region. Transportation service to Hilton Head Island is still very much needed as many people depend on the bus for their livelihood and the tourism industry relies on the transit system as a reliable means to get employees to work.

### **Contract Services**

Numerous human service agencies contract with Palmetto Breeze to provide transportation services to their clients including: Beaufort County Senior Services, Programs for Exceptional People, Beaufort County Adult Education, Beaufort County Disabilities and Special Needs, Technical College of the Lowcountry, and Jasper County Disabilities and Special Needs. Diversification of revenue sources to gain financial stability has been an ongoing effort. Palmetto Breeze continues to seek a variety of alternative revenue sources often through transportation contracts to expand services throughout the region and diversify funding streams rather than solely relying on government resources.

### **Hurricane Evacuation**

Palmetto Breeze works closely with Beaufort County Emergency Management and Town of Hilton Head Island officials to provide transportation services to area shelters in the event of a hurricane evacuation or other disaster event.

### **Local Commitment**

Like most public transit systems, Palmetto Breeze relies heavily on local, state, and federal funds to subsidize expenses. Palmetto Breeze appreciates the commitment the Town of Hilton Head Island has made over the years by investing in the regional public transportation system. The funding provided by the Town of Hilton Head Island has played a vital role in the continuation of commuter route services as well as the expansion towards new services. This year's request will go towards the subsidization of public transportation operating and administration expenditures including vehicle operator's wages, fuel, maintaining capital equipment, parts and supplies.

Please contact me at 843-757-5781 or via email at [llrta@hargray.com](mailto:llrta@hargray.com) should you have any questions or concerns regarding this request. Thank you for your time and attention to this matter. We look forward to another safe and successful year with the Town of Hilton Head Island as our partner!

Sincerely,



Mary Lou Franzoni  
Executive Director

**Lowcountry Regional Transportation Authority Local Match Needs FY 16-17**

	FY 2016-2017		FY 2016-2017		
	5311 Rural Grant		5307 Urban Area Grant		Total
Federal Portion	\$	1,222,013.00	\$	771,364.00	\$ 1,993,377.00
State Portion	\$	322,851.00	\$	86,579.00	\$ 409,430.00
<b>Local Match Needed</b>	\$	537,232.00	\$	154,272.80	<b>\$ 691,504.80</b>
	\$	2,082,096.00	\$	1,012,215.80	\$ 3,094,311.80

**Current 5311 Local Match**

Allendale County Council		\$62,500.00
Jasper County Council		\$18,500.00
Hampton County		\$27,280.00
Colleton County		\$5,000.00
Town of Hilton Head		\$118,250.84
Beaufort County Council		\$165,091.19
<b>Total Expected</b>		<b>\$396,622.03</b>
<b>Match Needed</b>	\$	537,232.00
<b>Additional Required</b>	\$	(140,609.97)

**Anticipated 5307 Local Match**

	Population	% of Population	Total
Town of Bluffton	12,530	17.90%	\$ 27,614.83
Town of Hilton Head	37,099	52.99%	\$ 81,749.16
Unincorporated Beaufort County	20,378	29.11%	\$ 44,908.81
<b>Total Small Urban Population</b>	<b>70,007</b>	<b>100%</b>	<b>\$ 154,272.80</b>

**Current Year Local**

	Match	Requested for 16-17
County Allocations		
Beaufort County Council	\$210,000.00	\$ 250,000.00
Allendale County Council	\$62,500.00	\$ 62,500.00
Jasper County Council	\$18,500.00	\$ 20,000.00
Hampton County	\$27,280.00	\$ 50,000.00
Colleton County	\$5,000.00	\$ 40,000.00
Town of Hilton Head	\$200,000.00	\$ 250,000.00
<b>Total</b>	<b>\$523,280.00</b>	<b>\$ 672,500.00</b>
Bluffton		\$ 27,614.83
		<b>\$ 700,114.83</b>



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February 23, 2016

Ms. Cindaia Ervin  
Finance Assistant  
Town of Hilton Head Island  
One Town Center Court  
Hilton Head Island, SC 29928

Dear Ms. Ervin and Town of Hilton Head Island Finance Committee,

The Town of Hilton Head Island and the Public Art Fund of Community Foundation of the Lowcountry have enjoyed a rewarding partnership that has enhanced the Island's growing arts environment, augmented the area's "shoulder season" tourist industry and, ultimately, resulted in a burgeoning public art collection that is enjoyed by both residents and visitors of Hilton Head Island.

Partnerships and in-kind donations, along with corporate sponsorships, private donations and funding from the Town of Hilton Head Island and Beaufort County ATAX dollars, allow the Exhibition to take place, with admission being free of charge. This gives everyone, regardless of income, the opportunity to "Be a pArt of Public Art."

We are grateful for the continued commitment the Town of Hilton Head Island has shown for this endeavor. This mutually-beneficial partnership has culminated in the acquisition of **nine permanent public sculptures**, six of which have been installed in various locations across the Island and three that currently await installation.

We have leveraged this and other partnerships to boost awareness of this biennial exhibition – and of Hilton Head Island. Here are some activities and accomplishments of the 2015 Exhibition, which ran from October 1, 2015 – December 31, 2015 at Coastal Discovery Museum.

- In addition to multiple private donations, we secured 14 financial sponsors and 10 in-kind sponsors. The largest sponsors included Blanchard & Calhoun, The Richardson Group (Coligny), Alston & Bird, Town of Hilton Head Island and Beaufort County.
- Program funding has been used to develop the marketing/promotion campaign that included local and regional cable television ad buys, various collateral materials, public/media relations efforts, website enhancements, Guide by Cell, and signage. Additionally, it allowed the program to fully enter the digital advertising arena for the first time. All of these efforts had a markedly positive effect on the reach and, ultimately, audience attendance for the Public Art Exhibition.
- The Public Art Fund Advisory Committee established a close working relationship with the Hilton Head Island – Bluffton Chamber of Commerce, allowing us to take advantage of a co-op advertising opportunity in a national publication and to piggyback on the Chamber's broader, more sophisticated outreach efforts. We believe this contributed to an astounding increase in our Public Art website activity compared to our 2013 Exhibition:

- Sessions increased from 893 to 7,066
- Users increased from 701 to 5,979
- Page views increased from 4,733 to 18,872
- Average session duration increased from 1:27 to 2:22
- 83% of the Public Art website activity came from outside Beaufort County and more than half came from outside South Carolina
- Guide by Cell activity increased over 2013:
  - Total number for calls: 1,093, a 177% increase
  - Average minute per call: 12:51, a 13.7% increase
  - Average number of items heard: 9.3, an 89.8% increase
- Educational outreach, particularly hands-on activities, are an important component of the Exhibition. We partner with Island School Council for the Arts to connect us with teachers and schools.
  - Six different schools participated in various educational opportunities, including workshops, site builds, field trips, related writing assignments and photography exhibitions
    - Hilton Head Island Elementary School
    - H.E. McCracken Middle School
    - Hilton Head Christian Academy
    - Bluffton High School
    - Hilton Head Island High School
    - University of South Carolina Beaufort
  - Hundreds of local students were reached in the classroom
    - Artist David Teng-Olsen (Wellesley, MA) visited Hilton Head Elementary School, where he engaged 171 3<sup>rd</sup> graders and nine teachers in participatory activities
    - Artist Jeffrey Boshart (Charleston, IL) participated in two hands-on workshops with 90 8<sup>th</sup> and 9<sup>th</sup> graders at H.E. McCracken Middle School (God bless him)
- We believe these, and other efforts, fueled a 10.3% increase in the number of visitors to Coastal Discovery Museum during the Exhibition (based on numbers provided by Coastal Discovery Museum), as compared to the same Exhibition timeframe in 2013.
- Most importantly, the 2015 Exhibition yielded not one, but two large-scale sculptures that the Public Art Fund donated to the Town of Hilton Head Island. The first, "Setting Sun," was the Purchase Prize winner and is expected to be installed in the new Coligny Park. The second piece, "THEB: Tally," was donated by the artist and will be the first piece installed on the north end of the Island, at the Stoney Area site.

Town funding is critically important to the success of this Exhibition. And, with the recent increased focus on arts and culture, we respectfully ask that the Town provide \$100,000 in funding over the next two-year period, an overall increase of \$25,000.

This increase will add value in the following ways:

- We believe this year's expanded marketing efforts illustrate that increased targeted marketing results in more visitors to the Exhibition and, ultimately, to Hilton Head Island. Additional funding would allow us to undertake new, or expand existing, marketing efforts.
- Increased funding will provide increased purchasing power. For the past three Exhibitions our purchasing decisions have been driven, to some degree, by how much we have available for

purchase. The price of a single sculpture can exceed \$100,000. ("Charles E. Fraser" cost \$127,000.) Over the course of three exhibitions, the sculptures' purchase price averaged \$36,650. This year, we had only between \$25,000 and \$30,000 to spend, which limited our selection. With more funds to purchase a piece, the Public Art Fund would have broader selection of pieces from which to choose. This may prove critical in keeping with any "vision" developed through the Town's arts and cultural efforts.

The Public Art Fund of Community Foundation of the Lowcountry was established in 2006. Several years later, the Town approached the Public Art Fund Advisory Committee and asked us to assume responsibility for selecting public art pieces to enhance the beauty of our community. Each Exhibition yields at least one sculpture – and sometimes more – that are placed in the public domain for the enjoyment of all. The Exhibition is truly a labor of love, but it requires financial support. We have not asked for an increase in funding in the six years the Town has supported these efforts. We hope you'll take all of these things into consideration as you make your decision.

Sincerely,

*Beth Mayo*

Beth Mayo  
Chair, Public Art Committee  
Community Foundation of the Lowcountry