

TOWN OF HILTON HEAD ISLAND
FINANCE AND ADMINISTRATIVE COMMITTEE MEETING

Date: November 17, 2015 **Time:** 2:00 p.m.
Members Present: John McCann, *Chairman*; Bill Harkins, Tom Lennox, *Council Members*
Members Absent: None
Staff Present: Brian Hulbert, *Staff Attorney*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Brad Tadlock, *Fire Chief*; Tom Fultz, *Director of Administrative Services*; Ed Boring, *Deputy Fire Chief - Support Services*
Cindaia Ervin, *Finance Assistant*
Others Present: Charles Brown, *Marriott*; Eleanor O'Key, *Lowcountry Inside Track* and other members of the community.
Media: None

1. Call to Order:

The meeting was called to order at 2:00 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 November 3, 2015 at 3:00pm. Mr. Lennox seconded, and the motion passed with a vote of 3-0.

4. Unfinished Business:

a. Discussion of Maintenance and Fixed Costs relative to the Town's total budget

Tom Fultz, Director of Administrative Services, prepared detailed Administrative division budgets that the Committee was able to review regarding fixed costs relative to the Town's total budget. He proposed that in order to continue to maintain the same level of service there will be costs that have to be funded every year from a legal and liability stand point and other fixed costs should be funded at the minimum level. Mr. McCann asked Mr. Fultz to explain the courts budget. He responded that the budget includes administrative costs, however, a large part of that budget is the expense of the contract that they have with the City of Beaufort for the bond court. He explained that the cost is split between the Town of Hilton Head, Bluffton, City of Beaufort, Town of Port Royal and the County for the service. Mr. Fultz explained the life cycle of the vehicles used by the Town. They are currently on a 12 year/100K mile life cycle and are in good condition. All maintenance, except all non-warranty or specialty work is done at the Fire Rescue Headquarters to cut down on the cost. He explained to the committee that he has prepared a method in conjunction with Munis that he updates weekly to help maintain the Administrative Service budget. Using this method each line-item has a justification to back up and decide upon future budgets.

Brad Tadlock, Fire Chief, gave a brief summary regarding the Fire Rescue budget. He explained that with the advisement of Town Council, they have worked to streamline the budget as much as possible and to be conservative in amounts. Mr. Tadlock stated that with increased technology, some budget items such as the cardiac monitors will have an ongoing maintenance contract yearly to maintain the product. Mr. McCann asked Mr. Tadlock roughly how much of the Fire Rescue budget includes maintenance. Mr. Tadlock explained that roughly more than half of the total budget is considered maintenance which also included fleet maintenance. Mr. Lennox stated that he was impressed they are able to maintain the Town's fleet which includes Town cars, fire trucks and ambulances in-house for the cost allotted in the budget.

Scott Liggett, Director of Public Projects and Facilities, explained that he currently does not have any new updates regarding the budget he presented at a previous meeting. He informed the Committee he is prepared to under the advisement of the Committee present the engineering maintenance and the stormwater facility maintenance budget. Mr. McCann responded that he would like to discuss at the next meeting the engineering/storm water budget. Mr. Lennox thanked all for the time they took to prepare for this meeting and he is impressed with the level of detail that they received.

b. General discussion of Post 2016 / Pre 2017 Budget.

Mr. McCann stated that he would like to postpone this topic until the next meeting on December 1st.

5. New Business:

None

6. Adjournment:

Mr. Harkins made a motion to adjourn and Mr. Lennox seconded. The motion passed with a vote of 3-0 and the meeting was adjourned at 3:04 p.m.

Approved: December 1, 2015

Respectfully submitted:

John McCann, Chairman

Cindaia Ervin, Secretary