



Town of Hilton Head Island  
**Finance & Administrative  
Special Committee Meeting**  
Tuesday, September 15, 2020, 10:00 a.m.  
Conference Room 3

## **MEETING MINUTES**

**Present from the Committee:** Tom Lennox, *Chairman*; Bill Harkins and Tamara Becker  
*Council Members*

**Present from Town Council:** David Ames and Glenn Stanford; *Council Members*

**Present from Town Staff:** Josh Gruber, *Deputy Town Manager*; John Troyer, *Director of Finance*; Angie Stone, *Director of Human Resources*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Shawn Colin, *Director of Community Development*; Cindaia Ervin, *Finance Assistant*

**Present from the Media:** None

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### **1. Call to Order**

The Chairman called the meeting to order at 10:02 a.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. Roll Call-** See as noted above

### **4. Approval of Agenda**

Chairman Lennox asked for a motion to approve the agenda. Mrs. Becker made a motion to approve the agenda as submitted. Mr. Harkins seconded. By way of roll call, the motion was approved by a vote of 3-0-0.

### **5. Approval of Minutes**

#### **a. Special Meeting, July 21, 2020**

Chairman Lennox asked for a motion to approve the minutes of the July 21, 2020 special meeting. Mr. Harkins moved to approve. Mrs. Becker seconded. By way of roll call, the motion passed with a vote of 3-0-0.

## **b. Special Meeting, August 18, 2020**

Chairman Lennox asked for a motion to approve the minutes of the August 18, 2020 special meeting. Mr. Harkins moved to approve. Mrs. Becker seconded. By way of roll call, the motion passed with a vote of 3-0-0.

## **6. Citizens Comments**

Public comments concerning today's agenda items were to be submitted electronically via the Town's Open Town Hall portal. The public comment period closed the day prior to the meeting at Noon. There was one comment made for a total of three minutes of public comment and one person signed up to address the Committee via telephone. All comments were provided to the Committee for review and will be made a part of today's official record.

**Skip Hoagland:** Addressed members of the Committee via phone regarding FOIA compliance and the corruption within the Town.

## **7. Unfinished Business- None**

## **8. New Business**

### **a. Financial Update from Finance Director**

John Troyer, Director of Finance, provided the Finance & Administrative Committee a Financial update on the Town's progress. In his discussion, he stated year-to-date collections were 55.6% higher than last year's collections. Some collections that he highlighted were Business License collections for June at 44.4% of budget, Stormwater 305.8% of budget and Real Estate Transfer fees are at 74.9%. The Town's General Fund year-to-date spending by category is down -8.4%; However, if spending were evenly distributed though the year it would be 16.67% spent through August. Mr. Troyer stated the timing of expenses has had a very similar pattern to last year and the Town depends on the temporary use of its reserves from time to time when Town collections are slower. However, for 2020 the Town will report a small surplus. Key items that Mr. Troyer wanted the Committee to be aware of are that the Town is continuing to keep an eye on expenditures and adjusting where necessary to continue to be in a good financial position. The Committee had many favorable comments regarding Mr. Troyer's presentation of the Town's finances. They were very pleased to see the positives in revenues regarding Real Estate showing the good health of the community even during a global pandemic. Glenn Stanford, Council Member, thought it would be a good idea to reach out to the realtor community to request additional information to understand the trends they are seeing better and they all agreed. Mr. Lennox thanked Mr. Troyer and all present for the good financial update discussion.

### **b. Review of Proposed Budget Amendment**

John Troyer, Director of Finance, provided a review of the Proposed Budget Amendments. Mr. Troyer stated that in light of some appropriations not spent in fiscal year 2020 this would allow for spending in fiscal year 2021. Due to the delay or cancelling of some Town projects, the reallocation of funds within the budget would provide for the operating costs required for the opening of Lowcountry Celebration Park and other vital Town initiatives. Key items of discussion were the funding of operating grants for the Hilton Head Concours d'Elegance

(HHC), the Arts Center of Coastal Carolina ACCC) and parks and recreation costs. The total budget amendment that Mr. Troyer is seeking to roll-forward is \$781,328.

Due the global pandemic of COVID-19, two of the Town's economic drivers during the Town's off-season are struggling to continue to operate and the Committee felt it would be reasonable to provide a one-time grant to them. The HHC is seeking \$100,000 and the ACCC is seeking \$200,000 to assist in operations while COVID-19 restrictions are still in place. William Harkins, Committee Member, felt that that having a clear understanding of how important each organizations survival is and the uniqueness is to our community is most important. David Ames, Council Member, was concerned with the message that the Town would potentially be sending regarding providing a grant to solely these two organizations and not others. Tom Lennox, Chairman, agreed and provided the Committee an example of the RBC Heritage having difficulty with sponsorship in the past and the Town agreed to a one time grant to assist as well. After some discussion, the Committee collectively felt that the proposed budget amendments were warranted and should be forwarded to Town Council for final approval. Mr. Harkins made a motion to raise the grant level funding for the Hilton Head Concours d' Elegance to \$150,000 with the difference being funded from the Town's Electric Franchise Fee. (The new total request for Townwide grants would be \$350,000). Mrs. Becker seconded. By way of roll call, the motion passed with a vote of 3-0-0. Mr. Lennox thanked Mr. Troyer and all present for the discussion.

**c. Discussion of Information Technology Organizational Assessment**

Josh Gruber, Deputy Town Manager, gave the Finance & Administrative Committee an update of the Town's recent Information Technology Organizational Assessment. Mr. Gruber stated that there was an evaluation of all departments that the Information Technology department provides services to. This review in particular focused on the delivery of information technology (IT) services and included a review of both "Town IT" and "Public Safety IT" functions Mr. Gruber said. He later outlined a number of recommendations of how to best improve the level and quality of service delivery within the information technology areas. One recommendation believed that would serve the Town best would be to hire a Chief Information Officer (CIO) having a focus of innovation and the development of a formalized information technology strategic plan. A formal steering committee has been formed to meet periodically and evaluates the progress. Mr. Gruber also informed the Committee that the Town has begun the implementation of recommendations that the consultant firm recommended such as forming an official IT Steering Committee, the creation of a Chief Information Officer level job description and the reorganization of several non-technical positions formally located within the Information Technology Department. He also shared that subsequent activities will include the posting and advertising for the Chief Information Officer level position and the development of several competitive Requests for Proposals (RFP) that will explore the possibility of outsourcing certain maintenance and security responsibilities stated Mr. Gruber. The overall discussion and feedback were positive from the Committee and they looked forward to future possibilities with the Town having a CIO. Mr. Lennox thanked Mr. Troyer and all present for the discussion.

**9. Executive Session**

**a. Contractual Matters:**

Discussion incident to proposed contractual negotiations relative to Designated Marketing Organizations Services Pursuant to Section 6-410 of the South Carolina Code of Laws.

Mr. Lennox stated that he had a need to enter into Executive Session to discuss the proposed contractual negotiations relative to Designated Marketing Organization Services Pursuant to Section 6-4-10 of South Carolina Laws.

At 11:11 a.m. Mr. Harkins moved to go into Executive Session for the item mentioned by Mr. Lennox. Mrs. Becker seconded. By way of roll call, the motion was approved by a vote of 3-0-0.

At 11:24 a.m. The Committee returned from Executive Session.

**10. Possible Actions by the Finance & Administrative Committee concerning matters discussed in Executive Session. There was no action taken as a result of Executive Session.**

There was no action taken as a result of Executive Session.

**11. Adjournment**

At 11:24 a.m. Mr. Harkins moved to adjourn. Mrs. Becker seconded. The motion to adjourn was approved by vote of 3-0-0.

**Submitted by:** Cindaia Ervin, Secretary

**Approved:** \_\_\_\_\_