



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

Tuesday, March 3, 2015

2:00 p.m. – Benjamin M. Racusin Council Chambers

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, February 17, 2015
- 4. Unfinished Business**
None
- 5. New Business**
 - a. Continuation of discussion on ATAX Grant processing
 - b. Presentation by Tom Fultz on the Town of Hilton Head Island's Standard Operating Procedure for Procurement
- 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: February 17, 2015 **Time:** 2:00 p.m.
Members Present: John McCann, *Chairman*; Tom Lennox and Bill Harkins, *Council Members*
Members Absent: None
Staff Present: Tom Fultz, *Director of Administrative Services*; Scott Liggett, *Director of Public Projects and Facilities*; Nancy Gasen, *Director of Human Resources*; Susan Simmons, *Director of Finance*; Rene Phillips, *Website Administrator*; Erica Madhere, *Finance Assistant*
Others Present: Kim Likins, *Council Member*; Members of the public
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:

None

4. Unfinished Business:

None

5. New Business:

a. Proposed 2015 Finance & Administrative Committee Meeting Dates

Mr. Harkins moved to approve the proposed 2015 Finance and Administrative Committee Meeting Dates. Mr. Lennox seconded the motion, and the motion passed with a vote of 3-0.

b. Outlining the work of the Committee

Mr. McCann gave the following objectives with deliverable dates:

- Recommendation for modifications to the ATAX procedure, due by March 31, 2015.
- Establishment of performance measurements for the Town Manager, due by April 30, 2015.
- Internal review of vendor contracts, due by May 31, 2015.

Other objectives without a deliverable date at this time include:

- RFP procedure, including how consultants are hired
- Budget analysis
- Review and analysis of the Financial Statements including the Balance Sheet
- Business Licensing Fees
- Philosophy of Town's Debt Cap

Mr. McCann commented that the review process for the Town Manager is being put into place simply because one does not exist at this time.

Regarding reviewing vendor contracts, Mr. McCann commented that one of the items the Committee will look into is why there is not an existing contract between the Town and the Chamber of Commerce and the possibility of drafting a document between the entities. The Committee will also look at other vendor contracts to understand how they are approved, renewed, etc. The purpose of this project is to be able to understand, and then make suggestions on how to improve the process. Mr. Harkins added that the Committee may want to evaluate potential contracts that could have significant island wide impact based on a certain dollar threshold and bring those to Town Council for input.

c. Brief discussion on ATAX Grant processing

During the next few weeks the Committee will be reviewing the state law and Town process, and will look at items such as forward financing of the grants, requirements for recipients of the larger grants, Town procedures for lapsed grants, and ideas to make the process smoother, possibly including an appeal process. Mr. McCann stated the Committee is impressed with the current ATAX Committee as it is thoughtful and very well run. Mr. Lennox added the Committee will be reviewing and insuring compliance with the ATAX regulations, and would also like to implement some sort of performance measures for the grantees on how the grant dollars are being spent.

In order to prepare for the next meeting, Mr. McCann requested a copy of the RFP procedure for vendors, services, etc. Tom Fultz, Director of Administrative Services for the Town, stated he will provide the Town's Standard Operating Procedure for Procurement as it should answer their questions on the requirements and specific dollar amounts.

Susan Simmons, Finance Director for the Town, asked Mr. McCann to clarify how the Committee views a contract vs. a grant, and how the Chamber of Commerce or ATAX recipients would fit into the upcoming review of contracts. Mr. McCann stated the contracts that will be reviewed are primarily the recurring contracts, for example, a contract for ongoing landscape maintenance or consulting services, and how those contracts are renewed and evaluated for performance. The general ATAX grant recipients would not be included in this category; however, the Committee would like to look at the Chamber of Commerce in order to understand the D.M.O. agreement between it and the Town. Ms. Simmons explained the D.M.O. agreement is a part of the Town Code that has been in place for much of the Town's incorporated history. She will ensure the Committee members receive this section of the Town

Code, as well as the State Accommodations Tax law, as these documents explain the specifications and requirements of the D.M.O. fund.

Finally, Mr. Lennox stated the Committee will be looking at two filters for organizations receiving Town money. The first filter will be compliance with regulations set forth, and the second filter will be effective and efficient use of funds. The Committee is concerned that all organizations receiving Town money must be held accountable for the money they receive.

6. Adjournment:

Mr. Harkins made a motion to adjourn and Mr. Lennox seconded. All members voted in favor and the meeting was adjourned at 2:32 p.m.

Approved:

Respectfully submitted:

John McCann, Chairman

Erica Madhere, Secretary