

THE TOWN OF HILTON HEAD ISLAND
TOWN COUNCIL BUDGET WORKSHOP

Date: Tuesday, May 16, 2012

Time: 5:00 P.M.

Present from Town Council: Drew A. Laughlin (arrived at 5:57 p.m.), *Mayor*; Ken Heitzke, *Mayor Pro-Tem*; George Williams, Bill Harkins, Kim Likins, *Council Members*.

Absent from Town Council: Lee Edwards, Bill Ferguson, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Charles Cousins, *Director of Community Development*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Susan Simmons, *Director of Finance*; Brian Hulbert, *Staff Attorney*; Jill Foster, *Deputy Director of Community Development*; Robert Clark, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Tom Barton, *Island Packet*

1) Call to Order

Mayor Pro Tem Heitzke called the workshop to order at 5:00 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) Review of Budgets of Affiliated Agencies

a. Island Recreation Association

Frank Soule noted the increase of \$12,338 in the budget that was submitted. He explained it was due to the cost of doing business and a two percent salary increase for staff. He said the staff has not had an increase for the past three years. He added that they will be reaching out to program participants for assistance with costs by increasing fees. Mr. Williams asked about the status of the funds from PALS. Mr. Soule stated he will not be able to apply for funds until July 1 but it has been indicated the funds will be available. Mr. Soule noted the changes that have taken place in managing the tennis courts is working out well and the residents and tourists will be able to utilize the courts more often. He explained that while revenues from the tennis courts were down, expenses were also down due to eliminating a full time position and contracting the scheduling out. He also said the concession stand at the RBC Heritage Golf Tournament was a success.

b. Coastal Discovery Museum

Michael Marks noted the Museum submitted two budget proposals which are the Management Fee Budget Request and the Sea Turtle Protection Budget. He stated the request for the management fee has remained the same as the three previous years. He noted major items in need of attention are the emergency access roadway (estimate

\$57,000), Discovery House parking lot and road repair (estimate \$27,000) and repaint/repair of the Discovery House exterior (estimate \$18,000-\$20,000). Mr. Harkins suggested the Town consider maintaining the road since the property is owned by the Town. Mr. Williams added that maybe it was time to think about doing something with the Museum as we do with the Island Recreation Center.

Mr. Marks reviewed the Sea Turtle Protection Budget request. He informed Council that during the 2011 sea turtle season, Hilton Head Island documented the highest number of sea turtle nests during the Project's 26 year history. He stated the budget reflects an anticipated increase in the amount of money needed for staff salaries and provides additional expenditures for project supplies. He also noted the request for funds to purchase one new John Deere Gator vehicle in April of 2013.

c. Lowcountry Regional Transportation Authority (LRTA)

Rochelle Ferguson thanked Town Council for their continued support of the transit program. Ms. Ferguson distributed the executive summary of the LRTA Annual Report and highlighted accomplishments for the past fiscal year. She reviewed the report and explained that public transportation is a necessary component of economic development for the Lowcountry region. She added that 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 means to get employees to work.

d. Solicitor's Office – Drug Court and Career Criminal Program

Susan Simmons explained that representatives of the Solicitor's Office could not be in attendance due to preparation for major cases. Ms. Simmons said they wanted her to convey their appreciation for past support and they would be available to meet with Council members individually or perhaps attend a Public Safety meeting in the near future to discuss the budget request. Mr. Williams asked if staff could obtain the statistical numbers the Solicitor's Office has provided in the past and distribute them to Council.

e. Beaufort County Sheriff's Office (BCSO)

Suzanne Cook distributed a one page revision on the budget request noting the revision was a decrease of \$7,351. She explained the budget increase of \$128,653 is contained in the personnel category which consists of mandatory increases in police officer and civilian retirement contributions, unemployment, workers compensation and health insurance, along with a two percent cost of living increase. She said they had requested an additional \$50,000 for bar patrol. Kim Likins noted the decrease in crime statistics and asked why the additional funds were needed. Sheriff Tanner explained the \$50,000 allocated will be surpassed by the end of this fiscal year. After lengthy discussion, it was noted that bar patrol extends beyond the actual bars and in to neighborhoods and patrol is needed.

Susan Simmons approached the dais and explained how the budget request was determined and noted that the funds requested do not reflect the dollars needed to complete the Sheriff's Office move to the LifeSpan building. Mr. Riley stated ownership of the building could take place as early as Friday, May 18. He said modest improvements are planned for the future but he would like to move the department as

soon as possible. Sheriff Tanner thanked Town Council for acquiring the building and congratulated Steve Riley for his efforts in securing a prime location for the Sheriff's Office.

f. Shore Beach Services, Inc

Ralph Wagner explained the minor increase of \$2,324 in the budget request. He said the increase resulted from rising automotive expenses, including gas prices, repair costs and replacement costs. He noted they have added more trash cans during 2011 and 2012 with a higher replacement rate. Mr. Williams commented that he would like flexibility in the budget to cover any additional recycling planned for the future.

g. Community Foundation of the Lowcountry Public Art Exhibition

Mark Baker and Carolyn Torgersen approached the dais. Mr. Baker thanked Town Council for their support for the program. He reviewed past efforts and stated the planning for the 2013 event is underway. Mr. Baker informed Council they are also looking into other funding sources such as grants to keep the program moving forward. Carolyn Torgersen reviewed the survey results from the 2011 event. Kim Likins asked how much money was raised from donations, contributions and grants. Ms. Torgersen said sponsorship funds, including the Town's contribution totaled \$125,000. Ms. Likins asked if they had a goal for donations. Ms. Torgersen said they were looking at \$75,000 which does not include a grant application for \$75,000. Mr. Williams asked about the source of funding for the budget. Susan Simmons responded the source was Sunday Liquor Fees.

h. USCB Event Management and Hospitality Training Program

Keri Olivetti reviewed the past year efforts stating they had a fantastic year. She said there were 86 students volunteering at community events noting they provided 1,761.5 hours of community involvement. Ms. Olivetti said they have also added the Island Training Program and to date have completed 19 training sessions reaching over 300 hospitality professionals with two more planned before the year end. She explained they will be adding an second component to the program which will be similar to the Island Ambassador Program. Dr. Charles Calvert answered questions from Town Council concerning participation and future plans for the program.

i. State Accommodations Tax Event Monitoring Project

Bret Martin spoke on behalf of the Accommodations Tax Advisory Committee in support of the project. He stated the Committee would like to have this as part of the grant application process in order to keep applicants on an even playing field. John Salazar conducted a detailed power point presentation on the research initiative. Susan Simmons explained that this request was not in the budget so funds have not been allocated. Mr. Harkins spoke in support of the project. Kim Likins spoke of the need to be able to measure event success when awarding funds through the grant process. She said they owe it to the public and organizations to have solid data and it would not only even the playing field but they will learn a lot about the community as a whole. Detailed discussion ensued concerning participation in filling out the surveys at the event.

Mayor Laughlin asked if this project could be funding through Accommodation Tax Funds. Mr. Martin responded that the Committee had researched the possibility but

research is not a category and the Committee does not have a budget. Mr. Riley said that twenty years ago the Committee did have an administrative budget and he would like to look in to that option. Mrs. Likins suggested taking it off of the top of the grant funding. Mr. Williams agreed the data would be beneficial but stated he was against using Accommodations Tax Grant Funds to pay for the project. Mr. Riley spoke of establishing a base level if the project would be undertaken by the Town.

4) Appearance by Citizens

None.

5) Adjournment

Mr. Heitzke moved to adjourn. Mr. Williams seconded. The motion was approved by a vote of 6-0. The meeting was adjourned at 7:18 p.m.

Vicki Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor