



The Town of Hilton Head Island Regular Town Council Meeting

June 17, 2014

4:00 P.M.

AGENDA

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

- 1) Call to Order**
- 2) Pledge to the Flag**
- 3) Invocation**
- 4) 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.
- 5) Proclamations and Commendations**
- 6) Approval of Minutes**
 - a. Town Council Meeting/Public Hearing, June 10, 2014
- 7) Report of the Town Manager**
 - a. Hilton Head Island Airport Safety/Enhancement Projects – Jon Rembold, Airports Director
 - b. Underground Power Line Burial Program Update
 - c. Town Manager's Items of Interest
- 8) Reports from Members of Council**
 - a. General Reports from Council
 - b. Report of the Intergovernmental Relations Committee – George Williams, Chairman
 - c. Report of the Personnel Committee – Lee Edwards, Chairman
 - d. Report of the Planning & Development Standards Committee – John McCann, Chairman
 - e. Report of the Public Facilities Committee – Kim Likins, Chairman
 - f. Report of the Public Safety Committee – Marc Grant, Chairman
 - g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member
- 9) Appearance by Citizens**
- 10) Unfinished Business**
 - a. Second Reading of Proposed Ordinance 2014-10**

Second Reading of Proposed Ordinance 2014-10 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2015; to establish a property tax levy; to establish funds; to establish a policy for acquisition of rights of way and easements; and providing for severability and an effective date.

11) New Business

- a. Consideration of a Request to Amend the Beaufort County Sheriff's Office (BCSO) Contract Dated January 17, 2012**
- b. Consideration of a Recommendation - Traffic Safety Enhancements on Lagoon Road and US 278 (Bus.) at Shipyard Drive**

Consideration of a Recommendation that Town Council approve the dual recommendations of the Public Safety Committee made at their June 2, 2014 meeting to request that the South Carolina Department of Transportation implement safety improvements to Lagoon Road, and to direct staff to perform an engineering study and resulting recommendation for submission to the SCDOT for their approval that signal phasing revisions be implemented at the intersection of William Hilton Parkway with Shipyard Drive and Wexford Drive.

12) Executive Session

- a. Land Acquisition**
- b. Legal Matters**
- c. Contractual Matters**

13) Adjournment

THE TOWN OF HILTON HEAD ISLAND

REGULAR TOWN COUNCIL MEETING/PUBLIC HEARING

Date: Tuesday, June 10, 2014

Time: 5:30 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*; George Williams, Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Lavarn Lucas, *Fire Chief*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Bret Martin, *Deputy Director of Finance*; Victoria Shanahan, *Accounting Manager*; Natalie Majorkiewicz, *Systems and Reporting Administrator*; Brad Tadlock, *Deputy Fire Chief of Operations*; Brian Hulbert, *Staff Attorney*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Dan Burley, *Island Packet*

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 4:00 p.m.

2) PLEDGE TO THE FLAG

3) INVOCATION

4) 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.

5) Proclamations and Commendations

a. Hilton Head Island High School Varsity Boys Tennis

The coach and members of the team were present to accept the commendation.

b. Hilton Head Island High School Girls Relay

Coach Bishop was present to accept the commendation.

c. Hilton Head Island High School Boys Relay

Coach Bishop was present to accept the commendation.

d. Hilton Head Island High School Student Carley McGlinn – 1,600 Meter Run

Coach Bishop was present to accept the commendation.

e. Hilton Head Island High School Girls Soccer

Members and coaches of the team were present to accept the commendation.

6) Approval of Minutes

a. Town Council Budget Workshop, May 13, 2014

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the May 13, 2014 Town Council Budget Workshop were approved by a vote of 6-0-1. Mr. Edwards abstained as he was not present at the workshop.

b. Town Council Meeting, May 20, 2014

Mr. Harkins moved to approve. Mr. McCann seconded. Mr. Williams moved that Item 7.b. Town Managers Items of Interest be amended as such: *Mr. Riley reported on some items of interest and announced there would be a Public Hearing concerning the FY2014-2015 proposed budget on Tuesday, June 10, 2014 at 6:00 p.m.* Mr. McCann seconded. The motion to amend was approved by a vote of 7-0. The amended minutes of the May 20, 2014 Town Council Budget Workshop were approved by a vote of 7-0.

c. Town Council Budget Workshop, May 21, 2014

Mr. Williams moved to approve. Mrs. Likins seconded. The minutes of the May 21, 2014 Town Council Budget Workshop were approved by a vote of 6-0-1. Mr. Harkins abstained as he was not present at the workshop.

d. Town Council Special Meeting/Budget Workshop, May 29, 2014

Mrs. Likins moved to approve. Mr. McCann seconded. The minutes of the May 29, 2014 Town Council Special Meeting/Budget Workshop were approved by a vote of 5-0-2. Mr. Harkins and Mr. Williams abstained as they were not present at the workshop.

7) Report of the Town Manager

a. Town Manager's Items of Interest

Mr. Riley reported on some items of interest.

8) Reports from Members of Council

a. General Reports from Council

Mr. Harkins referenced the Draft LMO Rewrite and asked if staff could prepare an executive summary of the proposed changes.

Mrs. Likins addressed the lack of parking at Coligny stating Council needs to do everything they can to remedy the problem. Mayor Laughlin stated that as soon as staff can put together the necessary information for Council to make an informed decision they would be able to address the problem.

Mr. Williams stated he attended the Chamber of Commerce Government Affairs Committee meeting the previous week and representatives from South Carolina Connect were present and reviewed the results of a current survey they conducted. He added that Stu Rodman was present at the meeting and he suggested Town Council express some feeling about the list of suggested projects the Capital Project Sales Tax Commission presented. Mr. Williams stated he personally will not support the list as Hilton Head Island will contribute over 50 percent to the tax while the projects slated for the Town only amount to 11 percent.

Mr. McCann suggested that in the budget preparation process for FY2015-2016 that all CIP items include a line item for projected maintenance costs for future years and further requested that the items for FY2014-2015 be addressed at the December workshop for projected maintenance costs for future years.

Mr. Grant stated his constituents have approached him with concerns about road conditions in their community and the budget. He emphasized the need to take care of the taxpayers and the roads they ride and drive on daily.

- b. Report of the Intergovernmental Relations Committee – George Williams, Chairman
Mr. Williams stated the meeting scheduled for Monday, June 16, 2014 would be cancelled due to a lack of agenda items.
- c. Report of the Personnel Committee – Lee Edwards, Chairman
Mr. Edwards stated the Committee met previously and have a list of recommendations to share with Council in Executive Session.
- d. Report of the Planning & Development Standards Committee – John McCann, Chairman
No report.
- e. Report of the Public Facilities Committee – Kim Likins, Chairman
No report.
- f. Report of the Public Safety Committee – Marc Grant, Chairman
Mr. Grant stated the Committee met on June 2, 2014 and voted to recommend Town Council review suggested traffic safety enhancements to Lagoon Road and US 278 at Shipyard Drive.
- g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member
No report.

12) 6:00 p.m.- PUBLIC HEARING ON THE MUNICIPAL BUDGET FOR FY2014-2015

Mayor Laughlin opened the Public Hearing at 6:00 p.m. and invited public comment on the proposed budget for Fiscal Year 2014-2015.

Mr. Jeff Bradley spoke encouraging Council to consider funding the Know2 project. He stated he was available to answer any questions.

Mr. Richard Jackson spoke in support of funding a public road acquisition program.

Mr. Alex Brown spoke concerning increasing funding for paving and maintenance of dirt roads and sewer installation.

After all public comment, Mayor Laughlin closed the Public Hearing at 6:16 p.m.

9) Appearance by Citizens

None.

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2014-12

Second Reading of Proposed Ordinance 2014-12 of the Town of Hilton Head, South Carolina, authorizing the execution of a sanitary sewer easement agreement granting an easement by the Town of Hilton Head Island to South Island Public Service District for the construction, repair, maintenance, and use of a sanitary sewer line through property of the Town of Hilton Head Island, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2011), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mrs. Likins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

b. Second Reading of Proposed Ordinance 2014-11

Second Reading of Proposed Ordinance 2014-11 approving the Amended Tax Increment Financing Plan for the Town of Hilton Head Island, Redevelopment Plan, March 2014; and providing for severability and an effective date.

Mrs. Likins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

c. Second Reading of Proposed Ordinance 2014-13

Second Reading of Proposed Ordinance 2014-13 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a lease with Choate Construction Company for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Section 5-7-40 (Supp. 2011), and Section 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mrs. Likins moved to approve. Mr. McCann seconded. The motion was approved unanimously by a vote of 7-0.

d. Revised First Reading of Proposed Ordinance 2014-10

Revised First Reading of Proposed Ordinance 2014-10 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2015; to establish a property tax levy; to establish funds; to establish a policy for acquisition of rights of way and easements; and providing for severability and an effective date.

Mayor Laughlin stated Item 10.d. would be addressed after the Item 11.b. Budget Wrap Up.

11) New Business

a. Consideration of a Recommendation

Consideration of a Recommendation from the Accommodations Tax Advisory Committee for the Chamber of Commerce Visitor and Convention Bureau's proposed 2014-2015 "30 Percent" Budget.

Mr. Harkins moved to approve. Mrs. McCann seconded. The motion was unanimously approved by a vote of 7-0.

b. Budget Wrap-Up

Mrs. Gasen approached the dais and explained the proposed FY15 personnel budget increase. Council discussed the proposed increase at length.

Various areas of the budget were discussed.

Mr. Williams requested that USCB Event Management and Hospitality Training Program provide a quarterly report to Town Council.

Mr. Grant emphasized that public safety and quality of public life is a basic fundamental of government and he supported acquiring/repairing and maintenance of private dirt roads and installing water and sewer in areas that have none. Mr. Riley suggested moving funds from the Mathews Drive Power Pedestal to Private Road Acquisition to commit to the program. Council discussed the issue at great length. Mr. Grant said he could not support a budget of \$50,000 for the item and recommended

Council pass on it for this year and revisit it in the future when Town Council is committed to pledging adequate dollars.

Mr. Richard Jackson spoke in support of private road acquisition funding.

Mr. Jeff Bradley offered to meet with Council individually or as a group concerning the Know2 Program.

10) Unfinished Business

d. Revised First Reading of Proposed Ordinance 2014-10

Revised First Reading of Proposed Ordinance 2014-10 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2015; to establish a property tax levy; to establish funds; to establish a policy for acquisition of rights of way and easements; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Williams seconded.

Mr. William moved to remove the Power Pedestal on Mathews Roundabout from the proposed budget. Mr. Harkins seconded. After lengthy discussion the amendment was approved by a vote of 7-0.

Mr. Harkins moved to endorse a merit increase of 2.5 per cent and fund Private (Dirt) Road Acquisitions at \$100,000. Mrs. Likins seconded. Mr. McCann voiced his support for the 3% merit increase. Mr. Grant also supported the 3% merit increase. Mr. Riley explained that even if he had the funds for the Private (Dirt) Road Acquisition he would not be able to spend them due to the length of the process and staffing constraints. He suggested moving the funds committed to the Power Pedestal to Road Acquisitions to begin the project. The amendment was defeated by a vote of 1-6. (Mayor Laughlin, Mr. Williams, Mrs. Likins, Mr. Edwards, Mr. Grant, and Mr. McCann were opposed.)

Mr. Grant moved to increase the Private (Dirt) Road Acquisition Program to \$100,000. Mrs. Likins seconded. Mr. Edwards emphasized that if the funds were not allocated due to matter of time and staffing resources for the upcoming year, he did not understand why it was being addressed in the budget. Mr. Harkins concurred. He said Council would be funding the item for show rather than a realistic project. Mr. Grant said he would take it back to his community that the project would not be funded this year due to a lack of commitment by Council. Mayor Laughlin stated the commitment was made to make the program a priority by increasing the amount to \$50,000 to start the project.

Mr. Alex Brown suggested redirecting the funds towards a maintenance program rather than an acquisition program.

Mr. Gary Carter asked what would happen next year to make the program possible.

Mr. Riley stated that the Town cannot use tax dollars to maintain private roads. He added that if Council makes the program a priority in the following fiscal year he would shift staffing and resources to address the issue.

The amendment was defeated by a vote of 1-6. (Mayor Laughlin, Mr. Harkins, Mr. Williams, Mrs. Likins, Mr. Edwards and Mr. McCann were opposed.)

Mr. McCann moved to increase the Private (Dirt) Roads Acquisition Program to \$50,000. Mrs. Likins seconded. After further discussion, the amendment was approved by a vote of 6-1. (Mr. Grant was opposed.)

The amended motion was approved by a vote of 6-1. (Mr. Grant was opposed.)

13) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters pertaining to amendments to the Shelter Cove Town Center Developer Agreement and personnel matters pertaining to appointments to boards and commissions.

At 8:07 p.m. Mr. Harkins moved to go into Executive Session for the reasons given by the Town Manager. Mr. McCann seconded. The motion was approved by a vote of 7-0.

Mayor Laughlin called the meeting back to order at 8:53 p.m. and stated that as a result of Executive Session New Business, Item 11.c. would be addressed.

c. Consideration of Appointments to Boards and Commissions

Mr. Edwards moved to appoint the following persons:

For the Accommodations Tax Committee:

Charles Miner for a 3 year term as the Cultural Organization member (filling the expiring term of Frank Soule).

Brad Marra for a 3 year term as the Lodging member (filling a vacant position with the resignation of Robert Stenhammer).

Re-appoint Trish Heichel to a 3 year term as an At-Large member.

For the Board of Zoning Appeals:

Re-appoint Glen Stanford to a 3 year term as an At-Large member.

For the Construction Board of Adjustments and Appeals:

Re-appoint Chauncey Burtch (At-Large), Randy May (Electrical Industry), Robert Zinn (Building Industry), and Joe Nix (Building Industry) to 4 year terms.

For the Design Review Board:

Dale Strecker for a 3 year term as the Architect member (filling the expiring term of Tom Parker).

Brian Witmer for a 3 year term as the Landscape Architect member (filling the expiring term of Todd Theodore).

Kyle Theodore for an unfilled term to end 6/16 created by the recent resignation of At-Large member Deborah Welch.

Ron Hoffman for a 3 year term (filling the expiring term of Jennifer Moffet).

For the Parks and Recreation Commission:

Re-appoint Peter Keber, Heather Rath, and Mike Weaver to 3 year terms.

For the Planning Commission:

Re-appoint David Bennett for a 3 year term as an At-Large member.

Mr. Likins seconded. The motion was approved by a vote of 7-0.

14) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0. The meeting was adjourned at 8:56 p.m.

Vicki L. Pfannenschmidt,
Executive Assistant/Town Clerk

Approved:

Drew A. Laughlin, Mayor

DRAFT



Items of Interest

June 17, 2014

1. Town News

The Town of Hilton Head Island Financial Statements for the period ending April 30, 2014 including the Financial Dashboard have been posted on the Town's website. You can view them at www.hiltonheadislandsc.gov

(Contact: Susan Simmons, Director of Finance at 843-341-4645 or susans@hiltonheadislandsc.gov)

2. Noteworthy Events

a) Some of the upcoming meetings at Town Hall:

- Planning Commission Meeting – June 18, 2014, 3:00 p.m.
- Board of Zoning Appeals, June 23, 2014, 2:30 p.m.
- Design Review Board – June 24, 2014, 1:15 p.m.
- Public Facilities Committee – July 1, 2014, 2:00 p.m.
- Planning Commission – July 2, 2014, 9:00 a.m.
- Town Offices Closed in observance of Independence Day– July 4, 2014
- Public Safety Committee – July 7, 2014, 10:00 a.m.
- Design Review Board – July 8, 2014, 1:15 p.m.
- Town Council Workshop – July 8, 2014, 4:00 p.m.
- Parks and Recreation Commission – July 10, 2014, 3:30 p.m.
- Accommodations Tax Advisory Committee – July 15, 2014, 9:00 a.m.
- Town Council – July 15, 2014, 4:00 p.m.

(Meetings subject to change and/or cancellation. Please visit the Town of Hilton Head Island website at www.hiltonheadislandsc.gov for meeting agendas.

2014 Hilton Head Island Events

| | | |
|--------------------------------|--|--|
| July 4, 2014 6:00pm-11:00pm | Harbour Town 4 th of July Fireworks | Harbour Town |
| July 4, 2014 5:00pm-10:00pm | HarbourFest 2014 4 th of July | Shelter Cover Harbour |
| July 4, 2014 7:00pm-10:00pm | Skull Creek 4 th of July Celebration | Skull Creek Intracoastal Waterway Hudson's Seafood Restaurant |



MEMORANDUM

TO: Town Council

FROM: Steven G. Riley

VIA: Susan M. Simmons CPA, Director of Finance

DATE: June 12, 2014

RE: **Second Reading of Proposed Ordinance No. 2014-10**

Recommendation:

Town Council approves second reading of Proposed Ordinance No. 2014-10 to adopt the budget for Fiscal Year 2015.

Summary:

Town Council had First Reading by Title Only on May 6, 2014 and held several workshops on the budget in May and presented a Revised First Reading on June 10, 2014 which Council approved by vote 6-1.

Background:

A draft budget book was distributed to Town Council at the May 6, 2014 meeting. All changes that occurred to the proposed budget during the workshops were accumulated and presented in summary form at the June 10, 2014 meeting. On June 10, 2014 Council directed staff to make two minor adjustments to the Capital Projects Plan. These changes delete the Power Pedestal Installation at the Mathews Drive Roundabout and add some of those funds to the Private (Dirt) Road Acquisition. These changes were deemed to be insignificant to the overall budget. Attached for your ready reference, are the detailed statements for the General Fund, Debt Service Fund, Capital Projects Fund and Schedule which combine for a total expenditure budget of \$67,052,610. Additionally, I have attached the Stormwater Fund statement with FY'15 budgeted expenditures of \$3,549,749.

The following is a recap of the changes made since the May 6, 2014 meeting:

General Fund: The Sheriff's Office budget was reduced by \$21,167 based upon a revised request. A \$150,000 grant for First Tee was added. A \$50,000 increase was added to the grant for the Economic Development Corporation. A \$25,000 increase was added to the grant for LRTA – Palmetto Breeze. A \$200,000 Reserve was adopted in the General Fund for dredging.

Transfers in for Hospitality Tax has been reduced by \$21,167 as a result of the Sheriff's office reduction. The remaining increases are funded with Prior Year Funds, \$225,000. Total Prior Year Funds is now \$1,007,245.

Capital Projects Fund: A \$40,000 reduction was made to remove the Power Pedestal Installation at the Mathews Drive Roundabout budget, placing it on the capital needs assessment plan list. A \$25,000 increase was made to the Private (Dirt) Road Acquisition budget. An \$800,000 increase was made to the Chaplin Linear Park budget.

The removal of the Power Pedestal will result in an increase in the fund balance of the Capital Projects Fund, \$28,000 from property taxes and \$12,000 from lease revenues. The \$25,000 increase for Private (Dirt) Road Acquisition will be funded by property taxes and will reduce the fund balance. The \$800,000 increase to the Chaplin Linear Park will be funded by TIF funds.

Debt Service Fund: No change

Stormwater Utility Fund: No change

General Fund

| | 2011 | 2012 | 2013 | 2014 | | 2015 | | |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|------------------------|
| | | | | Revised Budget | Estimated Actual | FY 2015 Budget | % change | |
| | | | | | | | FY 2014 Budget | FY 2014 Est. Actual |
| Revenues | | | | | | | | |
| Property Taxes | 10,956,179 | 11,585,070 | 11,500,914 | 11,769,908 | 11,400,000 | 11,810,750 | 0% | 4% |
| ATAX Local 1% | 2,416,264 | 2,420,698 | 2,499,067 | 2,694,236 | 2,750,000 | 2,833,000 | 5% | 3% |
| Business Licenses: | | | | | | | | |
| Business Licenses - Town | 2,833,347 | 2,926,327 | 3,388,636 | 3,330,079 | 3,400,000 | 3,500,000 | 5% | 3% |
| Business Licenses - MASC | 4,067,077 | 4,217,999 | 4,385,502 | 4,200,661 | 4,400,000 | 4,532,000 | 8% | 3% |
| Franchise Fees: | | | | | | | | |
| Cable | 691,914 | 905,811 | 763,434 | 750,100 | 763,434 | 787,000 | 5% | 3% |
| Beach Fee | 23,200 | 22,161 | 21,811 | 22,000 | 25,000 | 25,750 | 17% | 3% |
| Recycling | 18,672 | 112,081 | 150,324 | 130,000 | 129,750 | - | -100% | -100% |
| Permit Fees: | | | | | | | | |
| Construction | 247,415 | 270,363 | 481,110 | 416,900 | 531,000 | 547,000 | 31% | 3% |
| Development | 5,526 | 5,700 | 13,212 | 11,899 | 6,000 | 6,180 | -48% | 3% |
| Other | 701,478 | 676,476 | 873,844 | 869,000 | 869,000 | 895,000 | 3% | 3% |
| Intergovernmental | 752,988 | 678,370 | 800,659 | 806,234 | 806,234 | 800,000 | -1% | -1% |
| Grants: | | | | | | | | |
| Beaufort County - Hazmat | 11,677 | 11,677 | 11,677 | 11,680 | 11,677 | 11,677 | 0% | 0% |
| Beaufort County - E911 | 106,760 | 109,779 | 140,328 | 110,000 | 140,000 | 144,200 | 31% | 3% |
| DHEC | 4,710 | 3,387 | 4,404 | 3,400 | 3,400 | 4,000 | 18% | 18% |
| FEMA | 25,087 | - | - | - | - | - | 0% | 0% |
| Red to Green Grant | 1,498 | - | 1,857 | - | 1,000 | 1,900 | 0% | 0% |
| FM Global Grant | 2,000 | - | - | - | - | - | 0% | 0% |
| State Grants | - | - | 94,494 | - | - | - | - | - |
| SCMIT Grant | - | - | 2,000 | - | - | - | - | - |
| Grants | - | - | - | - | 220,091 | - | - | -100% |
| Miscellaneous Revenue: | | | | | | | | |
| Beach Services | 206,040 | 207,182 | 223,196 | 210,000 | 219,000 | 225,500 | 7% | 3% |
| Donations | 225 | 450 | 155 | 500 | 275 | 300 | -40% | 9% |
| Municipal Court | 361,152 | 308,708 | 262,022 | 300,000 | 230,000 | 230,000 | -23% | 0% |
| Other | 140,335 | 152,348 | 228,715 | 172,120 | 251,606 | 259,200 | 51% | 3% |
| Public Safety - EMS | 1,352,088 | 1,340,787 | 1,198,868 | 1,402,787 | 1,275,925 | 1,314,000 | -6% | 3% |
| Public Safety - County D/T | 203,000 | 54,441 | 53,758 | 55,000 | 55,000 | 56,500 | 3% | 3% |
| Town Codes | 453 | 296 | 246 | 500 | 200 | 250 | -50% | 25% |
| Victim's Assistance | 57,045 | 50,142 | 42,477 | 45,000 | 40,000 | 45,000 | 0% | 13% |
| Transfers In: | | | | | | | | |
| Beach Preservation Fee Fund | 978,080 | 969,390 | 981,705 | 1,111,138 | 1,111,138 | 1,111,138 | 0% | 0% |
| Capital Projects Fund: | | | | | | | | |
| Hospitality Bond | - | - | - | - | - | - | - | - |
| Ad Valorem Taxes | - | - | - | - | - | 654,000 | - | - |
| Lease | - | - | - | - | - | 12,000 | - | - |
| Sunday Liquor Fees | 37,500 | 37,500 | 37,500 | 359,703 | 359,703 | 418,150 | 16% | 16% |
| Hospitality Tax Fund | 2,930,183 | 2,975,271 | 2,974,237 | 3,570,012 | 3,570,012 | 4,726,069 | 32% | 32% |
| Tax Increment Financing Fund | 184,330 | 181,480 | 182,930 | 163,775 | 163,775 | 169,398 | 3% | 3% |
| State Accommodations Tax Fund | 1,083,671 | 1,085,776 | 1,178,148 | 1,089,414 | 1,273,000 | 1,264,324 | 16% | -1% |
| Electricity Franchise Fee Fund | 78,176 | 83,602 | 82,551 | 85,576 | 85,576 | 87,878 | 3% | 3% |
| Stormwater Utility Fund | 389,730 | 235,330 | 236,130 | 74,258 | 74,258 | 94,258 | 27% | 27% |
| Investments | 41,785 | 1,865 | 2,732 | 2,512 | 2,500 | 2,700 | 7% | 8% |
| Total Revenues | 30,909,586 | 31,630,467 | 32,818,642 | 33,768,392 | 34,168,553 | 36,569,122 | 8% | 7% |
| Increase/Decrease | 329,996 | 720,881 | 1,188,175 | 2,137,925 | 2,538,086 | 2,400,569 | | |
| % | 1.08% | 2.33% | 3.76% | 6.76% | 8.02% | 7.03% | | |

| | 2011 | 2012 | 2013 | 2014 | | 2015 | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------|-------------|
| | | | | Revised | Estimated | FY 2015 | % change | |
| | | | | Budget | Actual | Budget | FY 2014 | FY 2014 |
| <u>Expenditures</u> | | | | | | | Budget | Est. Actual |
| General Government: | | | | | | | | |
| Town Council | 484,500 | 307,269 | 374,956 | 500,110 | 467,448 | 500,276 | 0% | 7% |
| Town Manager | 635,331 | 574,842 | 593,550 | 642,571 | 625,481 | 642,675 | 0% | 3% |
| Total General Government | 1,119,831 | 882,111 | 968,506 | 1,142,681 | 1,092,929 | 1,142,951 | 0% | 5% |
| Management Services: | | | | | | | | |
| Administration/Legal | 402,823 | 424,396 | 379,630 | 475,359 | 462,151 | 518,974 | 9% | 12% |
| Administrative Services | | | | | | | | |
| Administrative Support | 219,840 | 209,677 | 171,548 | 234,116 | 199,215 | 234,752 | 0% | 18% |
| Municipal Court | 400,355 | 371,047 | 376,951 | 413,405 | 393,884 | 425,391 | 3% | 8% |
| Information Technology | 1,573,291 | 1,576,389 | 1,813,266 | 2,308,507 | 2,368,085 | 2,075,209 | -10% | -12% |
| | 2,193,486 | 2,157,113 | 2,361,766 | 2,956,028 | 2,961,185 | 2,735,352 | -7% | -8% |
| Finance | | | | | | | | |
| Administration | 211,370 | 247,858 | 282,117 | 302,481 | 302,833 | 310,398 | 3% | 2% |
| Accounting | 589,795 | 538,530 | 546,355 | 606,582 | 590,724 | 626,488 | 3% | 6% |
| Revenue and Collections | 700,325 | 569,734 | 677,526 | 856,137 | 698,640 | 830,957 | -3% | 19% |
| | 1,501,490 | 1,356,122 | 1,505,998 | 1,765,200 | 1,592,197 | 1,767,843 | 0% | 11% |
| Human Resources | 495,425 | 486,729 | 526,430 | 589,914 | 560,828 | 574,227 | -3% | 2% |
| Total Management Services | 4,593,225 | 4,424,359 | 4,773,823 | 5,786,501 | 5,576,360 | 5,596,396 | -3% | 0% |
| Community Services: | | | | | | | | |
| Community Development | | | | | | | | |
| Administration | 548,302 | 593,454 | 562,958 | 600,343 | 586,434 | 548,286 | -9% | -7% |
| Comprehensive Planning | 367,135 | 347,178 | 366,297 | 498,782 | 500,569 | 524,929 | 5% | 5% |
| Development, Review and Zoning | 674,375 | 633,069 | 625,143 | 863,512 | 844,405 | 680,578 | -21% | -19% |
| Building | 603,691 | 614,999 | 664,599 | 636,722 | 650,615 | 701,677 | 10% | 8% |
| CD Services | 289,892 | 268,332 | 274,914 | 289,392 | 283,456 | 304,500 | 5% | 7% |
| Total Community Development | 2,483,395 | 2,457,032 | 2,493,911 | 2,888,751 | 2,865,479 | 2,759,970 | -4% | -4% |
| Public Projects and Facilities | | | | | | | | |
| Administration | 232,326 | 233,415 | 239,382 | 249,972 | 248,764 | 260,417 | 4% | 5% |
| Engineering | 643,071 | 654,347 | 723,367 | 816,139 | 799,941 | 1,291,589 | 58% | 61% |
| Facilities Management | 2,381,406 | 2,426,994 | 2,539,756 | 3,293,788 | 3,158,394 | 3,633,324 | 10% | 15% |
| Total Public Projects and Facilities | 3,256,803 | 3,314,757 | 3,502,505 | 4,359,899 | 4,207,099 | 5,185,330 | 19% | 23% |
| Total Community Services | 5,740,198 | 5,771,788 | 5,996,416 | 7,248,650 | 7,072,577 | 7,945,300 | 10% | 12% |

| | 2011 | 2012 | 2013 | 2014 | | 2015 | | |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|------------|-------------|
| | | | | Revised | Estimated | FY 2015 | % change | |
| | | | | Budget | Actual | Budget | FY 2014 | FY 2014 |
| | | | | | | | Budget | Est. Actual |
| Public Safety: | | | | | | | | |
| Fire | | | | | | | | |
| Administration | 285,915 | 321,194 | 308,546 | 368,491 | 410,109 | 368,716 | 0% | -10% |
| Operations | 8,964,000 | 9,068,353 | 9,138,386 | 9,135,064 | 9,533,766 | 9,496,249 | 4% | 0% |
| Fire Prevention | 521,577 | 491,236 | 540,727 | 565,001 | 577,198 | 610,411 | 8% | 6% |
| Logistics/Maintenance | 530,085 | 570,639 | 504,545 | 563,954 | 564,152 | 572,823 | 2% | 2% |
| Communications | 1,047,754 | 1,080,123 | 1,136,446 | 1,133,177 | 1,112,699 | 1,148,716 | 1% | 3% |
| Training | 625,232 | 683,782 | 701,681 | 715,508 | 691,366 | 718,481 | 0% | 4% |
| Emergency Management | 218,785 | 160,819 | 122,290 | 135,524 | 127,487 | 141,204 | 4% | 11% |
| E911 Communications | 232,346 | 232,094 | 238,152 | 273,705 | 245,414 | 283,313 | 4% | 15% |
| Support Services | 716,225 | 737,171 | 760,131 | 1,102,664 | 1,102,658 | 1,787,631 | 62% | 62% |
| Total Fire & Rescue | 13,141,918 | 13,345,409 | 13,450,904 | 13,993,088 | 14,364,849 | 15,127,544 | 8% | 5% |
| Sheriff/Other Public Safety | | | | | | | | |
| Police Services Contract | 2,731,804 | 2,763,629 | 2,806,908 | 2,801,438 | 2,801,438 | 2,853,320 | 2% | 2% |
| Beach Services | 212,568 | 192,058 | 203,339 | 205,638 | 205,638 | 232,065 | 13% | 13% |
| Stipend | 121,800 | 111,300 | 112,000 | 115,000 | 115,000 | 118,000 | 3% | 3% |
| Victims' Rights | 53,010 | 57,640 | 59,492 | 59,035 | 59,035 | 60,728 | 3% | 3% |
| New Position Request | | | | | | - | | |
| Total Sheriff/Other Public Safety | 3,119,183 | 3,124,627 | 3,181,739 | 3,181,111 | 3,181,111 | 3,264,113 | 3% | 3% |
| Total Public Safety | 16,261,101 | 16,470,036 | 16,632,643 | 17,174,199 | 17,545,960 | 18,391,657 | 7% | 5% |
| Townwide (non-departmental): | | | | | | | | |
| Personnel | 151,953 | 185,616 | 123,581 | 178,024 | 147,255 | 355,960 | 100% | 142% |
| Operating | 1,466,716 | 1,356,868 | 1,364,557 | 1,652,955 | 1,494,591 | 1,662,000 | 1% | 11% |
| Capital | - | - | - | 35,000 | 35,000 | 35,000 | 0% | 0% |
| Grants | 2,454,261 | 1,612,417 | 1,528,899 | 2,082,425 | 2,306,425 | 2,447,104 | 18% | 6% |
| Total Townwide (non-departmental) | 4,072,931 | 3,154,901 | 3,017,037 | 3,948,404 | 3,983,271 | 4,500,064 | 14% | 13% |
| Total Expenditures | 31,787,285 | 30,703,197 | 31,388,425 | 35,300,433 | 35,271,098 | 37,576,368 | 6% | 7% |
| Net change in fund balances | (877,699) | 927,270 | 1,430,217 | (1,532,041) | (1,102,545) | (1,007,245) | | |
| Fund balance - beginning | 15,763,985 | 14,886,286 | 15,813,556 | 17,243,773 | 17,243,773 | 16,141,228 | | |
| Fund balance - ending | 14,886,286 | 15,813,556 | 17,243,773 | 15,711,732 | 16,141,228 | 15,133,982 | * | |

*The amount proposed for dredging is not a FY15 budgeted expenditure. The proposal is to set aside \$200,000 each year from Local Accommodations Tax (Local ATAX) to be available for future dredging needs. Future Town Councils would have the authority to adopt the future annual set-aside amounts as well as budget expenditures as the needs arise.

Town of Hilton Head Island
 Budget Workbook for Debt Service Fund
 Year Ending June 30, 2015

| | | | | | | | % change | |
|--------------------------------------|-------------------|-------------------|-------------------|------------------------------|--------------------------------|-------------------|-------------------|------------------------|
| | FY 2011 Actual | FY 2012 Actual | FY 2013 Actual | FY 2014 Revised Budget | FY 2014 Estimated Actual | FY 2015 Budget | FY 2014 Budget | FY 2014 Est. Actual |
| Revenues: | | | | | | | | |
| Ad Valorem Property Taxes | 5,583,395 | 5,548,641 | 5,493,152 | 5,235,138 | 5,235,138 | 5,047,962 | -3.58% | -3.58% |
| Issuance of Bonds | - | 20,635,000 | - | - | - | - | | |
| Bond Premium | - | 228,064 | - | - | - | - | | |
| BABS Subsidy | 207,868 | 191,713 | 189,634 | 185,938 | 171,155 | 164,880 | -11.33% | -3.67% |
| Investment Income | 82,349 | 114,656 | 76,527 | 76,000 | 76,000 | 36,905 | -51.44% | -51.44% |
| | | | | | - | - | | |
| Transfers In: | | | | | | | | |
| Beach Preservation Fees | 2,785,750 | 2,853,015 | 3,113,645 | 3,103,968 | 3,103,968 | 4,378,838 | 41.07% | 41.07% |
| Hospitality Fees | 760,133 | 2,115,452 | 1,637,313 | 1,631,213 | 1,631,213 | 1,629,813 | -0.09% | -0.09% |
| Tax Increment Financing | 4,011,252 | 4,040,446 | 4,064,432 | 4,094,121 | 4,094,121 | 4,122,960 | 0.70% | 0.70% |
| Real Estate Transfer Fees | 2,469,965 | 1,863,828 | 2,152,296 | 2,169,796 | 2,169,796 | 2,268,727 | 4.56% | 4.56% |
| Capital Projects Fund | - | 1,100,000 | - | - | - | - | | |
| Series 2011 Hospitality Bond | - | - | 1,061,140 | - | - | - | | |
| Series 2013 General Obligation Bonds | - | - | 664,056 | - | - | - | | |
| Lease Revenue | - | - | - | - | 119,782 | 65,336 | 0.00% | -45.45% |
| Total Revenue | 15,900,711 | 38,690,814 | 18,452,194 | 16,496,174 | 16,601,173 | 17,715,421 | 7.39% | 6.71% |
| Expenditures: | | | | | | | | |
| Administrative | 17,300 | 20,575 | 23,625 | 19,000 | 19,000 | 19,000 | 0.00% | 0.00% |
| Payment to Escrow Agent | - | 21,675,878 | - | - | - | - | | |
| Debt Issue Costs | 27,090 | 387,940 | - | - | - | - | | |
| Principal | 12,305,000 | 12,105,000 | 11,645,000 | 12,950,000 | 12,950,000 | 12,995,000 | 0.35% | 0.35% |
| Interest | 4,524,266 | 3,914,974 | 4,265,011 | 4,081,403 | 4,081,403 | 3,702,756 | -9.28% | -9.28% |
| Total Expenditures | 16,873,656 | 38,104,367 | 15,933,636 | 17,050,403 | 17,050,403 | 16,716,756 | -1.96% | -1.96% |
| Net Change in Fund Balance | (972,945) | 586,448 | 2,518,559 | (554,229) | (449,230) | 998,665 | | |
| Beginning Fund Balance | 6,974,490 | 6,001,545 | 6,587,993 | 9,106,552 | 9,106,552 | 8,657,322 | | |
| Ending Fund Balance | 6,001,545 | 6,587,993 | 9,106,552 | 8,552,323 | 8,657,322 | 9,655,986 | | |

Town of Hilton Head Island
Budget Workbook for Capital Projects Fund
Year Ending June 30, 2015

| | | | | | | | % change | |
|---|--------------------|-------------------|--------------------|--------------------|--------------------------------|--------------------|-------------------|------------------------|
| | FY 2011 Actual | FY 2012 Actual | FY 2013 Actual | FY 2014 Budget | FY 2014 Estimated Actual | FY 2015 Budget | FY 2014 Budget | FY 2014 Est. Actual |
| Revenues: | | | | | | | | |
| Ad Valorem Property Taxes | 696,763 | 692,418 | 685,501 | 716,161 | 656,689 | 689,244 | -3.76% | 4.96% |
| Investment Income | 23,751 | 3,378 | 3,269 | 0 | 0 | 0 | | |
| Grants | 0 | 944,854 | 27,622 | 0 | 0 | 0 | | |
| Contributions | 7,500 | 100,000 | 20,000 | 0 | 0 | 0 | | |
| Sunday Permit Fees | 356,900 | 332,230 | 381,015 | 480,936 | 380,700 | 478,150 | -0.58% | 25.60% |
| Traffic Impact Fees | 79,254 | 151,989 | 100,572 | 840,594 | 162,700 | 0 | -100.00% | -100.00% |
| Park Impact Fees | 26,334 | 36,366 | 63,160 | 0 | 113,800 | 0 | | -100.00% |
| Beaufort County Bond | 275,000 | 0 | 0 | 0 | 0 | 0 | | |
| Refund of Prior Year Expenditure | 0 | 0 | 0 | 0 | 458,479 | 0 | | -100.00% |
| Bond Premium | 0 | 742,422 | 664,056 | 0 | 0 | 0 | | |
| Bond Proceeds (Beach Preservation) | 0 | 11,000,000 | 0 | 0 | 0 | 0 | | |
| Bond Proceeds (Hospitality) | 0 | 15,250,000 | 0 | 4,597,228 | 0 | 1,870,000 | -59.32% | |
| Bond Proceeds (TIF) | 0 | 0 | 0 | 0 | 0 | 3,075,000 | | |
| Bond Proceeds (2013 General Obligation) | 0 | 0 | 9,000,000 | 1,329,237 | 0 | 0 | -100.00% | |
| Bond Proceeds (2014 General Obligation) | 0 | 0 | 0 | 2,500,000 | 0 | 1,375,000 | -45.00% | |
| Lease Revenue | 19,200 | 46,978 | 208,998 | 12,000 | 125,700 | 89,336 | 644.47% | -28.93% |
| Sale of Property & Equipment | 247,712 | 264,930 | 266,622 | 0 | 175,000 | 0 | | -100.00% |
| Transfers In: | | | | | | | | |
| Beach Preservation Fees | 606,267 | 608,882 | 642,078 | 2,800,837 | 2,800,838 | 1,250,000 | -55.37% | -55.37% |
| Hospitality Fees | 1,543,734 | 888,292 | 273,575 | 3,201,023 | 3,201,023 | 600,000 | -81.26% | -81.26% |
| Tax Increment Financing | 376,744 | 3,436,996 | 1,594,527 | 9,563,200 | 9,563,200 | 3,300,000 | -65.49% | -65.49% |
| Real Estate Transfer Fees | 33,081 | 821 | 0 | 0 | 0 | 0 | | |
| Total Revenue | 4,292,240 | 34,500,556 | 13,930,996 | 26,041,216 | 17,638,129 | 12,726,730 | -51.13% | -27.85% |
| Expenditures: | | | | | | | | |
| Beach Maintenance | 568,575 | 11,357,778 | 711,633 | 2,800,837 | 2,800,837 | 1,250,000 | -55.37% | -55.37% |
| Existing Facilities | 2,997,297 | 1,853,681 | 1,220,282 | 4,470,518 | 4,470,518 | 300,000 | -93.29% | -93.29% |
| Park Development | 257,991 | 849,815 | 765,810 | 2,241,957 | 2,241,957 | 2,810,000 | 25.34% | 25.34% |
| New Facilities | 354,643 | 1,426,276 | 1,340,994 | 5,742,528 | 5,742,528 | 3,100,000 | -46.02% | -46.02% |
| Pathway Improvements | 548,127 | 510,075 | 1,354,268 | 1,836,133 | 1,836,133 | 1,720,000 | -6.32% | -6.32% |
| Roadway Improvements | 1,154,475 | 1,297,643 | 1,669,550 | 6,145,846 | 6,145,846 | 2,180,000 | -64.53% | -64.53% |
| Land Acquisition | 2,917,122 | 8,909,874 | 6,080,116 | 2,500,000 | 15,227 | 0 | -100.00% | -100.00% |
| Bond Issue Costs | 0 | 525,364 | 127,167 | 108,500 | 108,500 | 250,000 | 130.41% | 130.41% |
| Transfers Out | 37,500 | 1,137,500 | 4,215,828 | 318,400 | 438,182 | 1,149,486 | 261.02% | 162.33% |
| Total Expenditures | 8,835,731 | 27,868,005 | 17,485,649 | 26,164,720 | 23,799,728 | 12,759,486 | -51.23% | -46.39% |
| Other Financing Sources: | | | | | | | | |
| Bond Proceeds Previously Recognized | - | - | - | (4,597,228) | - | (1,870,000) | -59.32% | |
| Net Change in Fund Balance | (4,543,492) | 6,632,552 | (3,554,653) | (4,720,732) | (6,161,599) | (1,902,756) | | |
| Beginning Fund Balance | 18,385,008 | 13,841,516 | 20,474,068 | 16,919,415 | 16,919,415 | 10,757,816 | | |
| Ending Fund Balance | 13,841,516 | 20,474,068 | 16,919,415 | 12,198,683 | 10,757,816 | 8,855,060 | | |

* - For actual reporting purposes, all bond proceeds are recognized at the time of issuance and are therefore reflected in the beginning fund balance. For budgetary reporting purposes, bond proceeds are recognized to the extent the proceeds are utilized for capital projects. Therefore to reconcile between the two presentations it is necessary to adjust the Fund Balance by the previously recognized Bond Proceeds.

Capital Projects Fund (CIP) Expenditures by Funding Source - FY 2015

| THOUSANDS OF DOLLARS | | | | | | | | | | |
|---------------------------------------|----------------|------------------------|-----------|------------------|-----------------|----------|-----|---------------------------|-------|---------|
| Estimated FY 2014 Funding (Enc./Roll) | FY 2015 Budget | FY 2015 Property Taxes | Beach Fee | Hospitality Bond | Hospitality Tax | TIF Bond | TIF | Sunday Liquor Permit Fees | Lease | GO Bond |

BEACH MAINTENANCE

| | | | | | | | | | | |
|-----------------------------------|------------|--------------|----------|--------------|----------|----------|----------|----------|----------|----------|
| Beach Management & Monitoring | 272 | 500 | | 500 | | | | | | |
| Beach Renourishment - FY 2016 | 323 | 750 | | 750 | | | | | | |
| Beach Renourishment - Ocean Point | 302 | - | | - | | | | | | |
| TOTAL | 897 | 1,250 | - | 1,250 | - | - | - | - | - | - |

EXISTING FACILITIES & INFRASTRUCTURE

| | | | | | | | | | | |
|--|------------|------------|----------|----------|------------|------------|----------|----------|----------|----------|
| Fire Station 2 Replacement | - | 150 | | | 150 | | | | | |
| Town Hall Office Space Reconfiguration | | 150 | | | | 150 | | | | |
| Town Hall Renovations | 26 | - | | | | | | | | |
| Fire Station 6 Replacement | 367 | - | | | | | | | | |
| TOTAL | 393 | 300 | - | - | 150 | 150 | - | - | - | - |

PARK DEVELOPMENT

| | | | | | | | | | | |
|-----------------------------|--------------|--------------|----------|----------|----------|----------|----------|--------------|-----------|------------|
| Park Upgrades | 30 | 60 | | | | | | 60 | | |
| Chaplin Linear Park | 515 | 2,000 | | | | | 2,000 | | | |
| Recreation Center Expansion | 16 | 750 | | | | | | | | 750 |
| Rowing and Sailing Center | 1,149 | | | | | | | | | |
| TOTAL | 1,710 | 2,810 | - | - | - | - | - | 2,000 | 60 | 750 |

NEW FACILITIES & INFRASTRUCTURE

| | | | | | | | | | | |
|--|--------------|--------------|----------|----------|----------|----------|--------------|----------|----------|------------|
| USCB Hospitality Management Program Building | 4,020 | 2,600 | | | | | 2,600 | - | | |
| Sewer Service Projects | | 500 | | | | | | | | 500 |
| 58 Shelter Cove Lane - Tenant Upfit (BCSO) | 179 | - | | | | | | | | |
| Tenant Upfit Project at 58 Shelter cove | 59 | | | | | | | | | |
| Coligny/Pope Avenue Area Initiative | 143 | - | | | | | | | | |
| TOTAL | 4,401 | 3,100 | - | - | - | - | 2,600 | - | - | 500 |

Capital Projects Fund (CIP) Expenditures by Funding Source - FY 2015

| THOUSANDS OF DOLLARS | | | | | | | | | | |
|---------------------------------------|----------------|------------------------|-----------|------------------|-----------------|----------|-----|---------------------------|-------|---------|
| Estimated FY 2014 Funding (Enc./Roll) | FY 2015 Budget | FY 2015 Property Taxes | Beach Fee | Hospitality Bond | Hospitality Tax | TIF Bond | TIF | Sunday Liquor Permit Fees | Lease | GO Bond |

Capital Projects Fund (CIP) Expenditures by Funding Source - FY 2015

| THOUSANDS OF DOLLARS | | | | | | | | | | |
|---------------------------------------|----------------|------------------------|-----------|------------------|-----------------|----------|-----|---------------------------|-------|---------|
| Estimated FY 2014 Funding (Enc./Roll) | FY 2015 Budget | FY 2015 Property Taxes | Beach Fee | Hospitality Bond | Hospitality Tax | TIF Bond | TIF | Sunday Liquor Permit Fees | Lease | GO Bond |

PATHWAYS

| | | | | | | | | | | |
|---|------------|--------------|----------|--------------|----------|----------|----------|----------|----------|----------|
| US 278 (Shelter Cove/Chaplin to Mathews North) | 89 | - | | | | | | | | |
| US 278 (Gardner Drive to Jarvis Park / Honey Horn) | 119 | - | | | | | | | | |
| US 278 (Gum Tree Road to Squire Pope Road) | 54 | - | | | | | | | | |
| US 278 (Village at Wexford to Arrow Road) | 46 | - | | | | | | | | |
| US 278 (Fresh Market Shoppes to Shelter Cove/Chaplin) | 93 | 1,320 | | 1,320 | | | | | | |
| Pathway Safety Improvements | | 400 | | 400 | | | | | | |
| TOTAL | 401 | 1,720 | - | 1,720 | - | - | - | - | - | - |

ROADWAY IMPROVEMENTS

| | | | | | | | | | | |
|--|---------------|---------------|-----------|--------------|--------------|------------|--------------|--------------|-----------|--------------|
| Mathews Dr/Marshland Rd Roundabout | | 1,000 | | | | | 1,000 | | | |
| Office Park Rd Intersection Improvements | | 150 | | | | | 150 | | | |
| Heritage Plaza Road Extension | 2,509 | 350 | | | | 350 | | | | |
| Intersection Improvements at Shelter Cove Town Center | | TBD | | | | | | | | |
| Bluffton Parkway - Phase 5A Beautification | | 250 | | | 250 | | | | | |
| Traffic Signal Mast Arms | | 150 | | | | | 150 | | | |
| Private (Dirt) Road Acquisition | 73 | 50 | 50 | | | | | | | |
| WM. Hilton Parkway Intersection Improvements at Squire Pope Road- westbound third lane | | 30 | 30 | | | | | | | |
| Honey Horn Drive Apron and Access Aisle Improvements (facilitate special events parking) | | 200 | | | 200 | | | | | |
| Lemoyne Road Reconstruction & Extension | 82 | - | | | | | | | | |
| Traffic Signal System Pre-emption | 375 | - | | | | | | | | |
| F&R Emergency Access Points | 96 | - | | | | | | | | |
| Mathews Dr./Chaplin Area Connectivity | 897 | - | | | | | | | | |
| Leamington Fresh Market Shoppes | 25 | - | | | | | | | | |
| TOTAL | 4,057 | 2,180 | 80 | - | - | 450 | 350 | 1,300 | - | - |
| TOTAL FY 2015 BUDGET | 11,859 | 11,360 | 80 | 1,250 | 1,870 | 600 | 2,950 | 3,300 | 60 | 1,250 |

Town of Hilton Head Island
Budget Workbook for Stormwater Fund
Year Ending June 30, 2015

| | | FY 2014 | | | | % change | |
|----------------------|---|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------------------|
| | | FY 2012 Actual | FY 2013 Actual | FY 2014 Budget | Estimated Actual | FY 2015 Budget | FY 2014 Budget Est. Actual |
| Revenues: | Revenues: | | | | | | |
| 61001-40100 | Stormwater Fees | 3,491,879 | 3,574,933 | 3,587,573 | 3,587,573 | 3,564,900 | -0.63% |
| 61001-40401 | Miscellaneous Income | - | 5,512 | - | - | - | -0.63% |
| 61001-44100 | Investment Income | - | 253 | - | - | - | |
| | Total Revenue | 3,491,879 | 3,580,698 | 3,587,573 | 3,587,573 | 3,564,900 | -0.63% |
| Expenditures: | Expenditures: | | | | | | |
| Personnel: | Personnel: | | | | | | |
| | Total Personnel | 152,974 | 154,099 | 256,588 | 268,712 | 357,399 | 39.29% |
| Operating: | Operating: | | | | | | |
| 61000020-53041 | Public Education | - | 6,507 | 44,955 | 19,954 | 15,000 | -66.63% |
| 61000020-53045 | Mapping Update | - | - | 88,470 | 88,470 | - | -100.00% |
| 61000020-53320 | Professional Services | - | - | 40,000 | 40,000 | - | -100.00% |
| | General Operating Expense | - | 3,201 | 17,800 | 16,300 | 38,100 | |
| 61000020-55601 | Beaufort County SWU Admin Fees | 14,179 | 90,039 | 92,109 | 92,109 | 91,992 | -0.13% |
| 61000020-55603 | Permitting | - | - | - | - | 25,000 | |
| 61000020-55605 | Water Quality Monitoring | 34,359 | 42,353 | 90,002 | 41,172 | 120,000 | 33.33% |
| | Total Operating | 48,538 | 142,100 | 373,336 | 298,005 | 290,092 | -22.30% |
| Projects: | Projects: | | | | | | |
| | Infrastructure and Capital | 1,262,727 | 662,236 | 1,139,836 | 621,825 | 440,000 | -61.40% |
| | Inventory and Modeling | 86,382 | 522,127 | 626,533 | 356,076 | 264,000 | -57.86% |
| | Maintenance and Repairs | 307,957 | 264,092 | 991,914 | 408,830 | 753,000 | -24.09% |
| | Pump Station Costs | 174,183 | 249,884 | 538,370 | 457,052 | 201,000 | -62.67% |
| | Total Project Costs | 1,831,249 | 1,698,339 | 3,296,653 | 1,843,783 | 1,658,000 | -49.71% |
| Debt Service: | Debt Service: | | | | | | |
| 61000041-57121 | Principal | 605,000 | 780,000 | 805,000 | 805,000 | 825,000 | 2.48% |
| 61000041-57122 | Interest | 379,470 | 366,077 | 344,000 | 344,261 | 322,000 | -6.40% |
| 61000041-57123 | Other Charges | 105,258 | 2,500 | 3,000 | 2,500 | 3,000 | 0.00% |
| | Total Debt Service | 1,089,728 | 1,148,577 | 1,152,000 | 1,151,761 | 1,150,000 | -0.17% |
| | Total Expenditures | 3,122,488 | 3,143,114 | 5,078,577 | 3,562,261 | 3,455,491 | -31.96% |
| 61006-62110 | Transfer to General Fund | 235,330 | 236,130 | 74,258 | 74,258 | 94,258 | 26.93% |
| | Total Expenditures and Transfers Out | 3,357,818 | 3,379,244 | 5,152,835 | 3,636,519 | 3,549,749 | -31.11% |
| | Net Change in Fund Balance | 134,062 | 201,454 | (1,565,262) | (48,946) | 15,151 | |
| | Beginning Fund Balance | 3,557,718 | 3,691,780 | 3,893,233 | 3,893,233 | 3,844,287 | |
| | Ending Fund Balance | 3,691,780 | 3,893,233 | 2,327,971 | 3,844,287 | 3,859,438 | |

ORDINANCE NO. _____

PROPOSED ORDINANCE NO. 2014-10

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2015; TO ESTABLISH A PROPERTY TAX LEVY; TO ESTABLISH FUNDS; TO ESTABLISH A POLICY FOR ACQUISITION OF RIGHTS OF WAY AND EASEMENTS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260(3) of the Code of Laws for South Carolina 1976, as amended, and Section 2-7-20 of the Municipal Code of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, Town Council also desires to set aside funds for an Operating Reserve to provide for emergency-related expenditures and to offset fiscal year tax revenue income stream deficiency; and

WHEREAS, Town Council finds that it would be more economical and efficient to authorize the Town Manager to move forward with construction contract modifications, change orders, contract price adjustments, and execution of contracts for supplies, services, and construction where the contract amount involved does not exceed the budget line item or project budget as approved by Town Council in the Consolidated Municipal Budget.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS HEREBY ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL:

NOTE: Underlined and bold-face typed portions indicate additions to the Ordinance. ~~Stricken~~ Portions indicate deletions to the Ordinance.

Section 1. Adoption of the Budget. The prepared budget of estimated revenues and expenses, a copy of which is attached hereto and incorporated herein, is hereby adopted as the budget for the Town of Hilton Head Island for the fiscal year ending June 30, 2015.

Section 2. Establishment of Property Tax Levy. A tax to cover the period from July 1, 2014 through June 30, 2015, inclusive, for the sums and in the manner hereinafter mentioned, is and shall be, levied, collected and paid into the treasury of the Town of Hilton Head Island for its uses at a rate of mills on assessed value of real estate and personal property of every description owned in the Town of Hilton Head Island, except such property as is exempt from taxation under the Constitution and laws of the State of South Carolina. Said tax levy shall be paid into the Town Treasury for the credit of the Town of Hilton Head Island for its corporate purposes, for the purpose of paying current operational expenses of the said municipality 14.37 mills, Debt Service 6.14 mills, and Capital Projects Fund .84 mills making the total levy of 21.35 mills.

Section 3. Establishment of Funds. To facilitate operations, there shall be established and maintained a General Fund, a Capital Projects Fund, a Debt Service Fund, a Stormwater Fund and other appropriate funds in such amounts as are provided for in the aforesaid Budget, as hereby adopted or as hereafter modified pursuant to law.

Section 4. Acquisition of Rights of Way and Easements. The Town Manager is charged with the duty of executing all necessary documents to obtain rights of way, easements, and other property interests necessary to complete duly authorized Capital Improvement Projects. Capital Improvement Projects based on the ownership and life expectancy of the assets or improvements or based on the funding source authorized may be budgeted in the General, Capital Projects or Stormwater Funds. If expenditures are expressly authorized for an approved Capital Improvement Project in any of the budgeted funds, then the Town Manager is hereby authorized to execute all necessary documents and to expend such funds as are approved pursuant to the Capital Improvement budgets. Provided, however, in the event that the costs of an acquisition of such real property interests materially exceeds the amount budgeted in the approved Capital Improvement Project and the Town Manager is unable to shift additional funds from other authorized sources, the Town Manager shall be required to obtain the approval of Town Council for such additional expenditures. Nothing herein shall obviate the requirement that no condemnations shall be commenced without the appropriate approval of the Town Council for the Town of Hilton Head Island.

Section 5 Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 6. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS ____ DAY OF _____, 2014.**

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

First Reading: _____

Public Hearing: _____

Revised First Reading: _____

Second Reading: _____

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



Town of Hilton Head Island

One Town Center Court
Hilton Head Island, SC 29928

MEMORANDUM

June 3, 2014

FROM: Staff Attorney
TO: Town Council
Via: Town Manager

RE: Request for Authorization to Amend the Beaufort County Sheriff's Office (BCSO) Contract Dated January 17, 2012

Staff requests Town Council authorize the Town Manager to execute an amendment to the Beaufort County Sheriff's Office (BCSO) contract. This amendment would remove the requirement to have a four person traffic team operating on Hilton Head Island as part of the contract.

The Town currently contracts with BCSO for the provision of Police Services. As part of the Agreement, BCSO provides a four person traffic team to operate within the Town's boundaries. At the Town Council Budget Meeting on May 21, Sheriff P. J. Tanner made a request for funding for a Special Enforcement Unit which would consist of three deputies. This unit would operate on special assignments related to law enforcement and be assigned as needed throughout the year.

While discussing the Sheriff's request, Town Council indicated that they would remove the contractual requirement for BCSO to provide a four person traffic team. This amendment will remove the contractual requirement for a four person traffic team and allow the Sheriff to utilize the four positions in any manner he deems appropriate on Hilton Head Island.

STATE OF SOUTH CAROLINA)
)
BEAUFORT COUNTY)
ADDENDUM #1 TO TOWN/
BEAUFORT COUNTY/SHERIFF'S
OFFICE AGREEMENT

WHEREAS, an Agreement (C01-2012) was made and entered into on the 17th day of January 2012 between the Town of Hilton Head Island (hereinafter the "Town"), Beaufort County (hereinafter the "County"), and the Beaufort County Sheriff's Office (hereinafter "BCSO"); and

WHEREAS, the County and BCSO entered into an Agreement with the Town for the purpose of providing police services; and

WHEREAS, the Town, County, and the BCSO desire to amend the Agreement to remove the requirement for BCSO to provide a four member traffic enforcement team; and

NOW THEREFORE, the "Town," "County," and "BCSO" hereby mutually agree that Schedule 1 paragraph 3 shall be deleted in its entirety.

All other terms and conditions as set forth in the original Agreement remain binding upon all parties.

IN WITNESS WHEREOF, the parties hereto have caused the within Addendum to be executed this _____ day of _____, 2014.

WITNESSES

BEAUFORT COUNTY

Gary Kubic, Beaufort County Administrator

BEAUFORT COUNTY SHERIFF'S OFFICE

P. J. Tanner, Beaufort County Sheriff

TOWN OF HILTON HEAD ISLAND

Stephen G. Riley, ICMA-CM, Town Manager

AGREEMENT FOR POLICE SERVICES

SCHEDULE “1”

BASIC LAW ENFORCEMENT SERVICES

1. **SHERIFFS PATROL.** The BCSO shall provide a minimum of four (4) staffed patrol units on duty 24 hours a day, seven days a week to provide basic sheriffs patrol within the Town Boundaries.
2. **PATROL UNIT SUPERVISOR.** In addition to the minimum staffing requirements above, staffing shall consist of not less than one (1) “Patrol Unit Supervisor” on duty at all times, responsible for basic law enforcement patrol activities within the Town boundaries 24 hours per day, seven days a week.
3. **TRAFFIC ENFORCEMENT TEAM.** ~~The BCSO shall provide a four (4) person, two (2) unit Traffic Enforcement Team to work traffic during the hours of 0700—1900 within the Town Boundaries.~~
3. **MARINE/BEACH PATROL.** The BCSO shall provide and maintain a Marine/Beach Patrol Team consisting of at least two (2) designated uniformed deputy sheriffs. The Marine/Beach patrol shall patrol as deemed necessary to provide specialized enforcement on the beaches and waterways within the Town Boundaries.
4. **EVIDENCE TECHNICIAN.** The BCSO shall provide one deputy sheriff whom is tasked primarily with the collection, cataloging, custody and preservation of evidence collected at crime scenes within the Town Boundaries.
5. **CRIMINAL INVESTIGATORS.** The BCSO shall provide three (3) deputy sheriffs assigned to investigate major criminal incidents occurring within the Town Boundaries.
6. **DRUG INVESTIGATORS.** The BCSO shall provide two (2) deputy sheriffs assigned to enforce narcotics laws within the Town Boundaries.
7. **CLERK.** The BCSO shall provide three (3) clerks assigned to the Sheriff’s Substation on Hilton Head Island for the purpose of performing administrative duties such as correspondence and record keeping.
8. **VICTIM’S ADVOCATE.** The BCSO shall provide one deputy sheriff who is assigned as the Victim’s Advocate to work with victims of crimes occurring within the Town Boundaries in compliance with state statutes.
9. **COMMAND OFFICER.** At all times during the Term, BCSO shall employ a Command Officer to exercise authority over the Southern Enforcement Branch of the Enforcement Division. The Command Officer shall meet and confer with the Town Manager or his designee as needed, for the purpose of maintaining the viability and vitality of this Agreement.

Memo

To: Stephen G. Riley, ICMA-CM, Town Manager
From: Darrin Shoemaker, Traffic and Transportation Engineer
Via: Jeff Buckalew, Town Engineer
Scott Liggett, Director of Public Projects & Facilities/Chief Engineer
Date: June 2, 2014
Re: Traffic Safety Enhancements on Lagoon Road and US 278 (Bus.) at Shipyard Drive

Recommendation: Staff recommends that Town Council approve the dual recommendations of the Public Safety Committee made at their June 2, 2014 meeting to request that the South Carolina Department of Transportation implement safety improvements to Lagoon Road, and to direct staff to perform an engineering study and resulting recommendation for submission to the SCDOT for their approval that signal phasing revisions be implemented at the intersection of William Hilton Parkway with Shipyard Drive and Wexford Drive.

Summary: At their June 2, 2014 meeting, the Public Safety Committee approved a motion to recommend that staff ask the SCDOT to install “Speed Limit 30” signs on eastbound Lagoon Road just beyond the Coligny Exxon driveway near Pope Avenue and a short distance in advance of the Bittern Street intersection and refurbish the double solid yellow centerline marking on Lagoon Road and Ibis Street and add bi-directional raised reflective pavement markers along the centerline. Lastly, it was recommended that staff install a pathway guide sign on eastbound Lagoon Road at Avocet Road directing pathway users to the North Forest Beach Drive pathway via Avocet Road. A second motion was made to recommend staff to proceed with the requisite engineering study for submission to the SCDOT for their approval of a signal phasing revision at the intersection of William Hilton Parkway with Shipyard Drive and Wexford Drive, resulting in the two side streets being provided with protected-only left turn signals and taking turns as opposed to proceeding concurrently as is now the case. The pedestrian signals serving the William Hilton Parkway crosswalk would be activated concurrently with green signals displayed to Shipyard Drive rather than with green signals displayed to both Shipyard Drive and Wexford Drive as is now the case.

Background: At their May 5, 2014 meeting, the Public Safety Committee heard concerns during the public comment period regarding bicycle and pedestrian safety conditions in the residential area of Lagoon Road following a pedestrian fatality that occurred on February 14, 2014, and regarding the display of a walk signal to the pedestrian crosswalk on William Hilton Parkway at Shipyard Drive and Wexford Drive that occurs simultaneous with the display of green signals to both side streets. The committee passed a motion requesting the Traffic and Transportation Engineer to appear at their June 2, 2014 meeting to address these concerns, an appearance that resulted in the committee’s recommendations for consideration by Town Council.