



Town of Hilton Head Island
Finance & Administrative Committee Meeting

Tuesday, January 7, 2020 at 2:00 p.m.

Conference Room 3

MEETING MINUTES

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

Present from Town Council: John McCann, *Mayor*; Glenn Stanford and David Ames; *Council Members*

Present from Town Staff: Josh Gruber, *Assistant Town Manager*; John Troyer, *Director of Finance*; Cindaia Ervin, *Finance Assistant*

Present from Media: Katherine Kokal, *Island Packet*

1. Call to Order

The Chairman called the meeting 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. Finance & Administrative Committee Meeting, January 7, 2020.

The minutes from January 7, 2020 were approved by unanimous consent.

4. Unfinished Business-None

5. New Business

Prior to the New Business being discussed, Tom Lennox, Chairman asked for public comment.

Mr. Skip Hoagland addressed the Committee regarding the previous Finance & Administrative Committee meeting of December 19, 2019. He stated that the minutes did not reflect his accurate statement and should be edited to reflect his suggested changes. He also addressed the Committee regarding him being investigated and the alleged violation of his December 10th Freedom of Information Act Request to the Town.

a. Discussion of Property Tax Overview.

John Troyer, Director of Finance, provided the Committee with a brief Property Tax Overview. Mr. Troyer informed the Committee that by State Law, Town Council sets the property tax rate of which the Town's rate for Fiscal Year 2020 is set at 28.10 mills. As established in the Budget Ordinance for Fiscal Year 2019-15, the Millage Rate accounts for 17.13 to the General Fund, 5.97 to Debt Service and 5.00 to Disaster Recovery. Currently the Town is in its 3rd of "5 mills for 5 years for Disaster Recovery". A *mill* is a rate per \$1,000 Assessed Value. The Assessed Value is set by the County Assessor using State Law as a guide- depending on the type of property use and owner. He also shared a sample property tax bill and demonstrated how it is calculated.

Mr. Troyer provided information showing the upward trend of the Collections by Fund based on the mills collected. This allowed the Committee to see how property tax collections have improved or declined based on factors such as the market declining and property reassessments. In this case property taxes accounts for 36% of the Town's General Fund. Having strong fund balances assists the Town in covering the seasonability of property taxes, as less than 12% of collections are in the first 6 months. June through November is when the Town can be financially vulnerable due to hurricane season, however, if needed, the Town relies on its reserves to continue operations as normal. The Committee was pleased with the information Mr. Troyer provided to understand the Town's financial and thanked him for his time. No action was requested or taken.

6. Adjournment

At 2:57 pm Mr. Harkins moved to adjourn. Mrs. Becker seconded. The motion to adjourn was approved by vote of 3-0.

Submitted by: Cindaia Ervin, Secretary

Approved: February 18, 2020

Tom Lennox, Chairman