



Town of Hilton Head Island  
**Finance & Administrative  
Special Committee Meeting**

Tuesday, June 16, 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:** John Troyer, *Director of Finance*; 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 10:00 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. Mr. Harkins made a motion approve the agenda as submitted. Mrs. Becker seconded. By way of roll call, the motion was approved by a vote of 3-0.

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

a. Finance & Administrative Committee Meeting, March 3, 2020.

Mr. Harkins moved to approve the minutes from March 3, 2020. Mrs. Becker seconded. The motion was approved by a vote of 3-0.

### **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 yesterday at Noon. At the conclusion of the Open Town Hall there were no comments nor did any citizens sign up to speak at today's meeting.

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

## **8. New Business**

### **a. Review and Discussion Regarding the Town's Revenue Collections and May 2020 Financial Statements**

Tom Lennox, Chairman, introduced John Troyer, Director of Finance, who provided the Committee with information regarding the Town's Revenue Collections and May 2020 Financial Statements. The Town's budgeted revenue consists of four main parts; Stormwater, Capital Improvements, Debt Service Fund and General Fund. Current revenue collections for the Town are slightly less than .09% than last year to date. Mr. Troyer stated that revenues are down slightly from this time last year, however, the Town has collected approximately 86% of its revenues. Revenues are considered with the Town seasonal and only having 86% in collections in May is normal.

Property tax and Business License Collections are also a key part of the Towns' Collections. Through May, the Town is 98.5% of budget for property tax collection. Mr. Troyer stated that property taxes are important to the Town's \$41.4M General Fund's budget, however, having diversification of revenue has been a major priority. Of the Town's General Fund, 36% or approximately \$15M is property tax revenue. Due to the global pandemic of Covid-19 Business License fees were postponed by Town Council until June 30, 2020 in order to allow businesses to have some financial relief from the virus. Mr. Troyer stated that business license collections currently are approximately 86% of the 2020 budget collected, which is comparable to 2019 even though the due date was adjusted.

General Fund expenses were relatively less in February, March and April compared to last year. Mr. Troyer stated that this can be attributed to the effects of COVID-19, however, June is expected to be a significant month due to 2020 fiscal year end spending. With the Town's various revenue streams, Mr. Troyer shared data that the current year collections are mixed compared to the prior year. Throughout the year, Town Council's Reserve Policy helps to carry the Town through months where incoming revenue is otherwise slower and those reserves are replenished when revenues are steady again. This process helps keep the Town's operation running smoothly while awaiting funds. The Committee had many favorable comments regarding Mr. Troyer's presentation of the Town's Revenue Collections and May Financial Statements and they look forward to Mr. Troyer updating them at their next meeting regarding year-end financials. 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 Organization Services Pursuant to Section 6-4-10 of 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 10:35 a.m. Mr. Harkins moved to go into Executive Session for the item mentioned by Mr. Lennox. Mrs. Becker seconded. The motion was approved by a vote of 3-0.

At 11:49 a.m., the Committee returned.

**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.

### **11. Adjournment**

At 11:50 a.m. The Committee returned from Executive Session. 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:** July 21, 2020