



Town of Hilton Head Island  
**Accommodations Tax Advisory Committee**

Thursday, April 6, 2023, at 9:00 a.m.

## **MEETING MINUTES**

**Present from the Committee:** Jim Fluker, *Chairman*; Richard Thomas, *Vice-Chairman*; Stephen Arnold, Cecile Eck, John Farrell, and Margaret Johnson

**Absent from the Committee:** James Berghausen

**Present from Town Council:** Steven Alfred, David Ames and Patsy Brison

**Present from Town Staff:** John Troyer, *Director of Finance*; Bob Bromage, *Director of Public Safety*; Kelly Spinella, *Social Media & Marketing Manager*; and Cindaia Ervin, *Finance Assistant*

**Present from the Media:** None

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### **1. Call to Order**

The meeting was called to order at 9:02 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. Swearing in of a New Member**

a. Cecile Eck-John Troyer, *Director of Finance*

John Troyer, Director of Finance, swore in newly appointed committee member Cecile Eck. He congratulated Ms. Eck on behalf of the Town and thanked her for the important role she will now serve in the community.

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

a. Regular Meeting - November 3, 2022

Chairman Fluker asked for a motion to approve the meeting minutes from November 3, 2022. Mrs. Johnson moved to approve the meeting minutes as submitted. Mr. Arnold seconded. By way of roll call, the motion was approved by a vote of 5-0-0 with Ms. Eck abstaining due to her not being a Committee Member at the time.

### **6. Appearance by Citizens**

Cindaia Ervin, Committee Secretary, stated that comments concerning agenda items were to be submitted electronically via the Town's Open Town Hall portal. The public comment period closed the day prior to the meeting at 4:30 p.m. At the conclusion of the Open Town Hall, there was no public comment; however, there were two requests to speak to the Committee.

**Skip Hoagland:** Addressed the members of the Accommodations Tax Advisory Committee regarding his concerns of the Hilton Head Island-Bluffton Chamber of Commerce, the Freedom of information Act and other issues related to the Town of Hilton Head Island.

**Lynn Greeley:** Was not present at the time of the meeting. Mr. Skip Hoagland presented a Power of Attorney on her behalf and addressed the Committee for her. Ms. Greeley's address

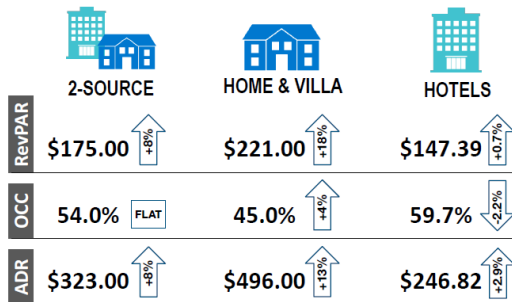
was regarding concerns of the Hilton Head Island-Bluffton Chamber of Commerce and transparency issues related to the Town of Hilton Head Island.

## 7. New Business

- a. Hearing regarding the Hilton Head Island-Bluffton Chamber of Commerce/Visitor & Convention Bureau's proposed 2023-2024 Marketing Plan and Budget of Expenditures of the 30% Allocation of State Accommodations Tax Funds for the Advertising and Promotion of Tourism.

Ariana Pernice, VP of the HHIVCB, shared information with Accommodations Tax Advisory Committee regarding the number of visitors to Hilton Head, website visits, social engagement, public relations ad equivalency and Hotel/Home & Villa statistics. The statics showed positive records for Hilton Head through their continuous strong marketing efforts. The vision of the DMO is to continue to be a welcoming, world-class community embracing nature, culture and economic vibrancy for residents and visitors. The Hilton Head Island Visitor & Convention Bureau continues to design campaigns to reach Hilton Head's target audience by continuous evolution to national and international markets. The mission of the Destination Marketing Organization is to stimulate the regional economy while enhancing the quality of life for all by maintaining a high standard of its vision and mission. As the Town's Destination Marketing Organization, the Hilton Head Island-Bluffton Chamber of Commerce is charged with driving awareness and connecting visitors to the destination, our community, and businesses. Many slides that were spoken of during the presentation are below.

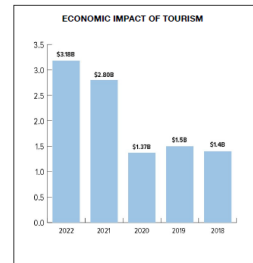
HILTON HEAD ISLAND LODGING PERFORMANCE



Source: 2022 Key Data and 2022 South Travel Research (STR) Inc. 6

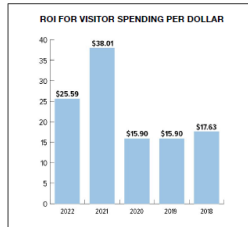
VISITOR SPENDING STUDIES

**\$3.18 BILLION**  
ECONOMIC IMPACT  
OF HILTON HEAD ISLAND  
TOURISM IN 2022



Source: Estimated Total Impact of Tourism in Hilton Head Island on Beaufort County, South Carolina 2022 7

RETURN ON INVESTMENT

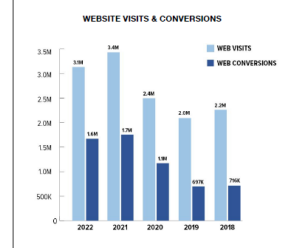


Source: Estimated Total Impact of Tourism in Hilton Head Island on Beaufort County, South Carolina 2022 8

NUMBER OF REFERRALS, WEBSITE HITS & CLICK THROUGH TO AREA BUSINESSES

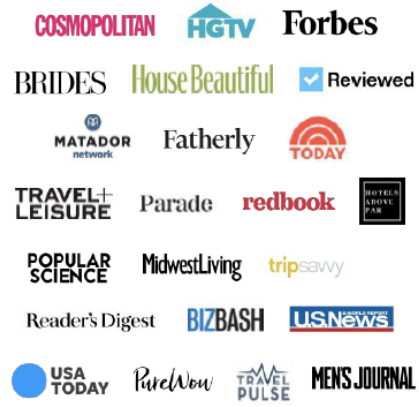
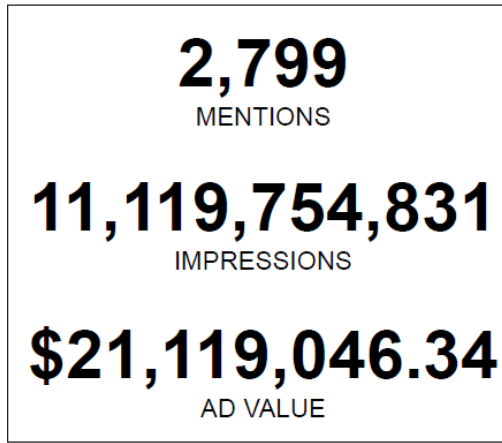
**3.1 MILLION**  
WEBSITE VISITS IN 2022

**1.6 MILLION**  
WEBSITE CONVERSIONS TO  
PARTNERS IN 2022



Source: Google Analytics and GTM Interactive 11

PUBLIC RELATIONS MEDIA IMPRESSIONS &  
DOLLAR EQUIVALENT



Source: Weber Shandwick 16

The HHIVCB outlined their 2024-2026 Community Cornerstone Plan. This plan outlines the long-term vision for how residents, visitors, businesses, and natural resources can be fully integrated into all marketing efforts. With the five strategies outlined the HHIVCB will be able to implement a marketing plan to drive qualified visitation to our destination.

2023 - 2024 OVERARCHING GOAL & STRATEGIES

**Overarching Goal:**

The overarching goal of the marketing plan is to drive qualified visitation to our destination.

STRATEGIES
1. Develop and implement a Community Cornerstone Plan
2. Connect the marketing promise with the on-Island experience
3. Create an understanding of and respect for our delicate ecosystem (resident and visitor)
4. Drive the discovery and exploration of the destination
5. Build brand awareness
6. Enhance leisure and meeting and group business by supporting qualified visitation

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COMMUNITY CORNERSTONE PLAN

The Community Cornerstone Plan (2024-2026) outlines the long-term vision for how our residents, visitors, businesses, and natural resources can be fully integrated into all marketing efforts.

STRATEGIES
1. Foster effective and inclusive community collaboration
2. Attract extraordinary talent
3. Diversify the visitor and local experience year-round
4. Modernize island capital investment and venue capabilities for the future
5. Improve mobility and connectivity to support local businesses

The Committee received the content shared of the 2023-2024 Marketing Plan & Budget. There was a general question and answer session between the Committee and Mrs. Pernice related to the presentation and the marketing plan of which the Committee collectively had feedback regarding the of history promotion relating to Hilton Head Island. Mrs. Pernice indicated that the HHIVCB has been had conversations with members of Town Council at the request of the Town’s Finance & Administrative Committee to bridge the gap with concerns of how funding that the HHIVCB receives through the annual Accommodations Tax process and the State mandated 30% as the Town’s Destination Marketing Organization is used. The results of those meetings were positive, however, the Finance & Administrative Committee wanted to continue the conversations to better understand the overall needs of the Town and the HHIVCB. The Committee too questioned the funding aspect and Ray Deal, Controller for the HHIVCB provided answers to the many questions that the Committee had. Below is the 2023-2024 budget submitted by the HHIVCB.

**FY 2023 - 2024 BUDGET**

<b>REVENUES</b>	
Town of HHI DMO	\$4,000,000*
<b>Total Revenues</b>	<b>\$4,000,000</b>
<b>EXPENSES</b>	
Leisure Media	\$752,404
Social Media	\$188,101
Digital Marketing	\$506,218
Destination Public Relations	\$295,920
Group Sales & Marketing	\$327,296
International	\$127,909
Destination Photography & Video	\$94,049
Insiders/Collateral/Fulfillment	\$326,543
Research & Planning	\$155,560
Sports Marketing	\$200,000
VCB Sales, Mkt, Services & Ops	\$1,026,000
<b>Total Expenses</b>	<b>\$4,000,000</b>

\*Projected revenues based on prior year actuals and future forecasting. This number is only a projection and could fluctuate based on new data and updated forecasting.

By way of roll call, the motion was approved by a vote of 6-0-0. (For the record, Mr. Berghausen was absent from this meeting/vote).

**b. Discussion Regarding Potential Amendments to the Accommodations Tax Grant Application for 2024.**

Cindaia Ervin, Committee Secretary, outlined the 2024 Accommodations Tax Grant Application for 2024 for the Committee and potential applicants in the audience. She and the Committee discussed pervious concerns that they have seen throughout the past year that possibly needed to be addressed. The overall conversation was positive with slight wording changes that were made to the financial section, bolding of dates to help draw the applicant’s attention to, and having the Town’s Web Administrator to not allow the application to be able to be submitted if all areas of the final check list were agreed to by the applicant. Mrs. Ervin informed the Committee with starting early, this would allow time for any additional thoughts to be complied and or additional changes made prior to the opening of the application on July 31<sup>st</sup>.

**8. Adjournment**

At 10:12 a.m. Mr. Fluker adjourned the meeting.

**Submitted by:** Cindaia Ervin, Secretary

**Approved:** July 6, 2023