



Town of Hilton Head Island
**Finance & Administrative
Special Committee Meeting**
Tuesday, February 16, 2021, 2:00 p.m.
MEETING MINUTES

Present from the Committee: Tom Lennox, *Chairman*; Bill Harkins, Glenn Stanford, Alexander Brown, Jr. and Tamara Becker (Alternate) *Council Members*

Present from Town Council: David Ames; Council Member

Present from Town Staff: Josh Gruber, *Interim Town Manager*; John Troyer, *Director of Finance*; Jennifer Ray, *Interim Director of Community Development*; Diane Busch, *Staff Attorney*; Teri Lewis, *Deputy Community Director*; Cindaia Ervin, *Finance Assistant*

Present from the Media: None

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. Roll Call- See as noted above

4. Approval of Agenda

Chairman Lennox asked for a motion to approve the agenda. Mr. Stanford made a motion to approve the agenda as submitted. Mr. Harkins seconded. By way of roll call, the motion was approved by a vote of 4-0-0.

5. Approval of Minutes

a. Special Meeting, January 19, 2021

Chairman Lennox asked for a motion to approve the minutes of the January 19, 2021 meeting. Mr. Harkins moved to approve. Mr. Stanford seconded. By way of roll call, the motion passed with a vote of 4-0-0.

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 the day prior to the meeting at Noon. At the conclusion of the Open Town Hall there were no comments; however, there was one caller that signed up to address the Committee at today's meeting.

Skip Hoagland: Addressed members of the Committee via phone regarding FOIA compliance and his thoughts of corruption within the Town of Hilton Head Island.

7. Unfinished Business- None

8. New Business

a. Town of Hilton Head Island Financial Update

John Troyer, Director of Finance, provided the Finance & Administrative Committee a Financial update on the Town's progress. Mr. Troyer informed the Committee that the delay in property tax billing has impacted collections causing January totals to be 0.9% above last year's totals. In his discussion, he stated that December year-to-date collections were 26% higher than last year's collections. Some collections that he highlighted for January collections that are dependent on the timing of property tax collections are; Tax Increment Financing down -63.6%, Road Usage Fee down -2.8%, Stormwater down -51.2% and Property Taxes down -52.4%. Other positive January collections were Business License for January at 152.4% of budget, Local ATAX at 43% of budget, State ATAX at 35.1% of budget and Real Estate Transfer fees are at 114.2%.

One major item that Mr. Troyer spoke on was Property Taxes. He stated that the County has received approval from the State to extend the deadline for property taxes this year to March 31st. The Town has been working with the County Treasure to ensure prompt and timely payments with property taxes being its largest revenue stream. At this time last year \$8.4M or 56% of the budget for Property Taxes were collected compared to this year at \$4.0M. Generally, what is collected in December and January at the County is remitted to the Town in January and February; however, there was a late start this year which will cause a temporary delay in collections. Mr. Troyer also provided insight into the Town's General Fund. The Town's General Fund year-to-date spending by category through January is 1.7% more than last year to date. At this time Mr. Troyer could confirm that no department is in an unfavorable spending position at this time. At level spending 58.3% would occur by January; however, last year the Town was at 52% thru January. Mr. Troyer stated the timing of expenses has had a very similar pattern to last year and the Town depends on the temporary use of its reserves from time-to-time when Town collections are slower.

Lastly Mr. Troyer provided a brief update on the Town's Dept. activity for this year. The Town had the opportunity with the authorization of Town Council to issue two bonds for savings this year. The bonds sold were Stormwater and a GO Bond; however, at this time there are no future plans for new funding issues for this fiscal year. Key items that Mr. Troyer wanted the Committee to be aware of are that the Town is continuing to keep an eye on expenditures and adjusting where necessary to continue to be in a good financial position. The Committee had many favorable comments regarding Mr. Troyer's presentation of the Town's finances. They were very pleased to see the continued positives in revenues showing the good health of the community and Town even during a global pandemic. Chairman Lennox, thanked all of those in attendance for their comments and questions, and also Mr. Troyer for his good financial presentation to the Committee.

b. General Discussion Regarding Volunteers in Medicine Parking

Teri Lewis, Deputy Community Development Director, gave the Committee a brief background regarding the Volunteers in Medicine Parking. Mrs. Lewis stated that Volunteers in Medicine (VIM), a clinic that provides free healthcare to the medically underserved populations of Hilton Head and Daufuskie Island, approached the Town with concerns about their existing parking situation. The existing site does not provide enough parking to accommodate the high volume of clientele that is served. Mrs. Lewis stated that the Town owns several parcels in the Northridge area; three of these parcels contain conservation easements over a portion of them. One of these parcels is the vacant 1.06 acre parcel adjacent to VIM; however, 0.35 acres of this parcel is under a conservation easement to the benefit of the Hilton Head Land Trust. Mrs. Lewis informed the Committee that Staff reached out to the Hilton Head Land Trust with a proposal to release the subject parcel from the easement and re-assign the conservation easement to the parcel that contains the greater Northridge conservation easement. The Board of the Hilton Head Land Trust has indicated that they see the public benefit of the relocated conservation easement and support the recommendation to relocate the 0.35-acre conservation easement from the 1.06-acre tract to the larger Northridge tract. The wetland area on this property, which is a single isolated wetland, would be mitigated on Conservation Area One as a part of the conservation easement relocation. The Committee had questions regarding the wetlands and specimen trees in the area but their thoughts were favorable regarding VIM and were in favor of Staff's recommendation.

Mr. Lennox asked for a motion to forward to Town Council for approval that the Finance and Administrative Committee support the proposal to partner with Volunteers in Medicine (VIM) and the Hilton Head Land Trust to sell or lease the Town-owned property to VIM with the following conditions: the parcel will only be used for parking; the existing conservation easement is to be relocated; and the addition of a reverter clause. Mr. Stanford moved to approve the motion as stated by Chairman Lennox. Mr. Harkins seconded. By way of roll call, the motion passed with a vote of 4-0-0.

Chairman Lennox, thanked all of those in attendance for their comments, questions, and presentation to the Committee.

9. Adjournment

At 3:05 p.m. Mr. Stanford moved to adjourn. Mr. Harkins seconded. The motion to adjourn was approved by vote of 4-0-0.

Submitted by: Cindaia Ervin, Secretary

Approved: March 2, 2021