

**TOWN OF HILTON HEAD ISLAND
ACCOMMODATIONS TAX ADVISORY COMMITTEE**

Date: April 7, 2009 **Time:** 9:00 a.m.

Members Present: Willis O. Shay, *Chairman*, John Diamond, *Vice-Chairman*, Michael A. Keskin, Bret Martin, Frank Soule

Members Absent: John Munro, Louise Cohen

Staff Present: Susan Simmons, *Director of Finance*; Brian Hulbert, *Staff Attorney*; Vicki Pfannenschmidt, *Administrative Assistant*

Others Present: Bill Miles, Susan Thomas, Other Staff Members, *Hilton Head Island-Bluffton Chamber of Commerce*; Ann-Marie Adams, Tony Fazzini, Other Board Members, *Hilton Head Area Hospitality Association*; Joe Croley, Hilton Head Area Association of Realtors

Media: None

I Call to Order:

The meeting was called to order at 9:00 A.M.

II 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.

III Approval of Minutes:

Mr. Soule moved to approve the Minutes of December 4, 2009. Mr. Martin seconded the motion. The Motion passed unanimously. (4-0). Mr. Keskin did not vote. He arrived after the Chairman's Report.

IV Chairman's Report

Mr. Shay reviewed the purpose of the meeting.

V Unfinished Business: None

VI New Business:

- a) **Review of Chamber of Commerce Visitors and Convention Bureau's proposal for year 2009-2010; budget of expenditures of 30% allocation of State Accommodations Tax Funds for advertising of tourism.**

Susan Thomas reviewed the projects the Chamber has underway and future projects planned utilizing the 2009-2010 budget. Mr. Soule asked if she could prepare a budget with a comparison to last year. Mr. Diamond stated he would prefer a three year comparison. Ms. Thomas said she would have the three year comparison prepared and submit it for Committee review. Mr. Shay asked her to include a three year budget

comparison annually and asked that it be reflected in the minutes. Ms. Thomas stated she would do so annually.

b) Review of Hilton Head Island Hospitality Association's proposal for year 2009-2010; budget of expenditures of 5% allocation from local 1% Accommodations Tax Revenue for promotion of festivals and promotion and sponsorship of the Island Ambassador Program.

Ann-Marie Adams reviewed the festivals the Hilton Head Area Hospitality Association has sponsored along with future plans for festivals. She also reviewed surveys that were taken and noted the improvement in attendance since they have scheduled the festivals around other events taking place in the area. Mr. Fazzini also spoke concerning changes in the organization and future plans to improve festivals. Mr. Soule stated in order to keep requirements for each agency the same he would like a three year budget comparison submitted by the Hospitality Association. Ms. Adams stated it would be completed and submitted to the Committee for review. It was noted that it would be an annual requirement.

Regarding the Island Ambassador program, Ms. Adams indicated that the HHAHA had determined that it could not conduct such a program as presently configured and that all available funds from the 5% appropriation would be devoted to the two festivals. In the coming year, HHAHA will investigate the restructuring of the Island Ambassador program to try to make it more efficient and cost-effective, and report to the committee the results of that study at HHAHA's presentation.

As to the ordinance-required review of HHAHA's books for the last fiscal year, Ms. Adams stated that the association had hired a CPA to do its books and to make periodic reports on the financial condition of the association. Rather than spend approximately \$5000 on an annual review, the HHAHA considers it more cost-effective to proceed as it has done. The association asks the committee to recommend to Town Council that it waive the ordinance requirement and approve the manner in which HHAHA is keeping its books and records.

After discussion, it was decided by the Committee to schedule another meeting with both agencies to review the budget comparisons. After reviewing calendars, the next meeting was scheduled for Thursday, April 23, 2009 at 3:30 p.m. to be held in the Benjamin M. Racusin Council Chambers.

X Adjournment:

Mr. Diamond moved to adjourn the meeting. Mr. Martin seconded the Motion. The meeting was adjourned at 12:01 p.m.

Approved:

Respectfully submitted:

Willis O. Shay, Chairman

Vicki Pfannenschmidt, Administrative Assistant