

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

Date: July 6, 2009 **Time:** 2:00 p.m.
Members Present: Willis O. Shay, *Chairman*, John Diamond, *Vice-Chairman*, Louise Cohen,
Michael A. Keskin, Bret Martin, Frank Soule
Members Absent: John Munro
Staff Present: Susan Simmons, *Director of Finance*; Rene Phillips, Website/Court Systems
Administrator; Vicki Pfannenschmidt, *Administrative Assistant*
Others Present: Ken Heitzke, *Mayor Pro-tempore*; Bill Ferguson, *Councilman*; Joe Croley,
Hilton Head Area Association of Realtors; Mary Amonetti
Media: None

I Call to Order:

The meeting was called to order at 2:00 P.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 SWEARING IN OF REAPPOINTED MEMBERS

- Kenneth S. Heitzke, Mayor Pro-tempore

- John Diamond
- Bret Martin
- Willis O. Shay

Mayor Pro-tem Heitzke swore in the three reappointed members of the Committee. He thanked them for their willingness to serve on the Accommodations Tax Advisory Committee noting the large amount of time and effort they contribute to the Town of Hilton Head Island.

IV SPECIAL ORDERS

- Election of Chairman and Vice Chairman; appointment of Secretary

John Diamond nominated Willis Shay as Chairman. Bret Martin seconded the motion. There were no other nominations. Mr. Shay was elected Chairman unanimously. (6-0)

Mr. Bret Martin nominated John Diamond as Vice-Chairman. Mr. Michael Keskin seconded the motion. There were no other nominations. Mr. Diamond was elected Vice-Chairman unanimously. (6-0)

Mr. Shay announced Vicki Pfannenschmidt is the appointed Secretary of the Committee.

V APPROVAL OF MINUTES

- April 23, 2009

Bret Martin noted that on page 2 of the minutes, the second paragraph from the bottom, second sentence should read Mr. Martin moved to recommend to Town Council that the funding for the Island Ambassador Program not be required this year but that it be put to festivals and also

require that the Hilton Head Area Hospitality Association come forward with a program of what they intend to do next year regarding the Island Ambassador Program.

Mr. Diamond noted that on page 1 next to Unfinished Business the word None should be removed.

Mr. Diamond moved to approve the minutes of April 23, 2009 as corrected. Mr. Keskin seconded the motion. The Motion passed unanimously. (6-0)

VII CHAIRMAN'S REPORT

Mr. Shay stated the Committee needed to discuss the review of the application used last year for Accommodations Tax Funds. He asked the Committee if he and John Diamond could review the application and work on the needed changes for this year and distribute them to the entire Committee for review and approval. All agreed.

Mr. Martin asked if there were any updates on the electronic filing process. Mr. Shay asked if Rene Phillips could come to the meeting to update the Committee on the process of electronic filing. He asked Vicki Pfannenschmidt to call Ms. Phillips and see if she could attend the meeting. Mr. Soule stated he felt the applicants should be required to file electronically and only submit documentation required on the application and not to submit unnecessary papers to the Committee. He stated this would eliminate the volume of paper the members have to carry with them. Mr. Soule explained he fills out applications for grants electronically and the requirement is to complete the entire application on-line and not submit anything else. Mr. Diamond stated that brochures and other boiler plates are not necessary but last year it was decided the organizations could submit one set of additional documentation for the entire Committee to review. He also stated there are organizations that feel they have needed supplemental material as back-up for the application that they submit besides what is required by the electronic application. He also felt this is needed material. Mr. Soule noted they could scan the materials and submit them as additional materials. Mr. Shay stated he thought the expectation was to require all applicants to file their applications electronically. He also noted the applicants should be discouraged from supplying anything that was not directly supportive of the application and if they did recommend they file it on-line and if they cannot do so to submit it in hard copy.

Rene Phillips approached the dais and reviewed the feedback she received from applicants. Ms. Phillips explained all applications were either filed electronically or scanned in electronically after the applicant submitted the application in hard copy so all applications are available on line. She said two thirds of the applicants filed electronically. She noted only five applicants completed the survey so she did not have a true sample of how the applicants felt about the on-line application. Of the ones that did respond, the survey was positive as to the ease of filing electronically.

Mr. Shay asked Ms. Phillips what she or other staff felt about standardizing the financial information required of the applicants. She stated the finance assistant felt the process would be easier if the financial information was standardized. It was also noted a question on the survey inquired about having the financial information standardized and three of the five responses responded no, that it would be easier to submit the financials in the format they already have. Mr. Diamond voiced his concern that a standardized format would greatly increase the difficulty in communicating with applicants. In particular it would be difficult for

them to respond to questions from the committee, about key trends and details because financial data would be submitted in a format that applicants did not use on a day-to-day basis. Mr. Keskin stated he felt it would make it easier if all applicants utilized the same form for financials. Mr. Shay asked Susan Simmons, Director of Finance her opinion on the subject. Ms. Simmons stated it would be difficult for all applicants to adhere to a one size fits all financial form. She suggested the standardized form be available for applicants but also to allow them to submit their own financials if they feel it is necessary. After lengthy discussion, Mr. Shay asked Rene Phillips if she could submit a standardized form for the Committee to review. Mr. Soule moved that the Committee will require, in addition to the regular financial information, that applicants file a standardized form the Committee will work on. Mr. Keskin seconded the motion. The Motion passed (4-2). Mr. Shay and Mr. Diamond voted against the Motion. Mr. Shay asked if Mr. Soule, Mr. Martin and Mr. Diamond would get together and work on the form and report back to the Committee via email for comments. It was determined Rene Phillips will email Mr. Soule, Mr. Martin and Mr. Diamond concerning the standardized financial form recommended format by August 1.

Mr. Shay asked the Committee Members what they thought about a letter being sent to last year's applicants advising them of the levels of revenue for Accommodations Tax Funds for the first two quarters and advising them to keep that in mind when making their requests. It was decided Mr. Shay should compose such a letter and send it.

After discussion of how applicants derive their figures for attendance at the events, it was decided Mr. Soule would contact Mr. John Salazar of USCB and ask if he would consider speaking at the October 20 scheduled meeting of the Committee to review how to go about surveying visitors to our community who attend events. The Committee's objective is to bring consistency to the information we receive from the applicants on how many visitors participated or attended their events. All Committee members were in agreement this would not be implemented for the application process this year but would be considered as a requirement for the application process for next year. Mr. Shay pointed out that the law does not require tourist data, but over the years this Committee has customarily felt it was important to see the data regarding arts and cultural activities to evaluate the draw to tourists the organization has.

VIII UNFINISHED BUSINESS

IX NEW BUSINESS

X ADJOURNMENT

Mr. Keskin moved to adjourn the meeting. Mr. Soule seconded the Motion. The meeting was adjourned at 3:20 p.m.

Approved:

Respectfully submitted:

Willis O. Shay, Chairman

Vicki Pfannenschmidt, Administrative Assistant