

2026 Accommodations Tax Funds Request Application

Organization Name: Hilton Head Island Airport

Project/Event Name: Hilton Head Island Airport

Executive Summary

An ATAX Effectiveness Measurement form has been attached to this application.

2026 Accommodations Tax Funds Request Application

Date Received: 09/03/2025

Time Received: 04:15 PM

By: Online Submittal

Applications will not be accepted if submitted after 4 pm on September 5, 2025

A. SUMMARY OF GRANT REQUEST:

ORGANIZATION NAME: Hilton Head Island Airport

Project/Event Name: Hilton Head Island Airport

Contact Name: Jon Rembold

Title: Airports Director

Address: 120 Beach City Road, Hilton Head Island, SC 29926

Email Address: jrembold@bcgov.net

Contact Phone: 843-441-5871

Event Date(s): Year-round

Event Location(s): The Hilton Head Island Airport

Total Budget: \$440,000.00

Grant Requested: \$175,000.00

Provide a brief summary on the intended use of the grant and how the money would be used. (100 words or less)

Grant funds will strengthen Hilton Head Island Airport's inbound marketing initiatives by promoting convenient flight access to the Island. Efforts will focus on attracting potential visitors through these key strategies:

1. Targeted digital campaigns reaching travel intenders
2. Expanded cooperative advertising with Hilton Head Island VCB
3. Visibility in leading tourism publications

Messaging will highlight more than 200 nonstop and one-stop destinations that American, Delta, and United serve. By emphasizing ease of access, the campaign aims to increase awareness, attract more visitors, and limit leakage to competing destinations—ultimately driving tourism growth for Hilton Head Island.

How does the organization/project/event either drive tourism to Hilton Head Island or enhance the visitor experience on Hilton Head Island? How is this impact being measured? (100 words or less)

As Hilton Head Island's sole commercial airport, HHH plays a critical role in driving tourism and enhancing the visitor experience:

1. Expanded carriers and routes increase direct access to the Island.
2. Convenient arrivals enhance tourist appeal.
3. On-island landings place visitors at their vacation's doorstep.
4. "Captive" tourists are likely to spend more locally on lodging, dining, and attractions.

Impact is measured by:

- Passenger volumes (FAA data)
- Airport-generated revenues, including:
 - Rental cars
 - Concessions
 - Parking
 - Other airport services

By facilitating seamless travel to Hilton Head Island, HHH improves the visitor experience and contributes significantly to the local economy through increased tourism spending and airport-related revenues.

A. Total Number of Physical Tourists Served: 110,071

A Tourist is considered a non-resident, traveling more than 50 miles to the Town of Hilton Head Island.

B. Total Number of Physical Visitors Served: N/A

A Visitor is considered a non-resident, who travels 50 miles or less to visit the Town of Hilton Head Island.

C. Total Number of Physical Residents Served: 36,690

A Resident is considered any person who claims their property address within the limits of the Town of Hilton Head Island as their primary residence.

D. Total Number of Physical Patrons Served (A+B+C=D): 146,761

How was the Number of visitors documented? (250 words or less)

Commercial airline passenger data for Hilton Head Island Airport (HHH) is formally tracked and reported by the Federal Aviation Administration (FAA), providing reliable documentation of visitor activity. Based on tourism surveys and industry benchmarks, approximately 75% of arriving commercial passengers are leisure visitors whose primary purpose is vacation or recreation on Hilton Head Island, making HHH a direct gateway to the Island's tourism economy.

General Aviation (GA) passenger activity is not reported in the same way due to the private nature of operations; however, GA plays a significant role at HHH. The 2018 South Carolina Statewide Aviation Economic Impact Study demonstrated that GA activity at destination airports like Hilton Head Island is substantially higher than the state average, both in operations and in visitor spending. GA travelers typically stay longer and spend more per capita, magnifying their economic impact on the Island.

The airport's inbound marketing and advertising produce a measurable spillover effect. By promoting air access broadly, these campaigns not only grow commercial passenger traffic but also encourage increased GA use, further enhancing Hilton Head Island's ATAX revenues.

For calendar year 2025, commercial passenger counts from January through July provide a verifiable measure of inbound demand, with the vast majority of travelers representing visitors rather than residents. Together, FAA-reported commercial data and the demonstrated economic importance of GA provide a comprehensive picture of HHH's critical role in sustaining and expanding Hilton Head Island's tourism economy.

Passenger numbers are for commercial flights only from January 2025 to July 2025

B. DESCRIPTION OF OPERATIONS:

1. For state reporting purposes, give a brief description of the organization. *(250 words or less)*

Hilton Head Island Airport (HHH) is a public-use facility owned and operated by Beaufort County. Operating as an enterprise fund, the airport relies entirely on self-generated revenues from airline fees, business contracts, parking, rental car operations, and aircraft services. Neither Beaufort County nor the Town of Hilton Head Island provides financial support for daily operations, while eligible capital improvements are funded through FAA and state grants.

HHH serves as a critical gateway for both commercial and general aviation (private), welcoming visitors from across the country and around the world. American Airlines, United Airlines (seasonal), and Delta Air Lines (seasonal) offer nonstop flights from up to eight major metropolitan areas during peak season and year-round connectivity to key hubs. While weekly commercial flights decreased slightly in 2024, this highlights the importance of ongoing marketing and advertising to maintain and grow service.

Devoted airport staff, a professional FAA-contract Air Traffic Control Tower, and an on-site Aircraft Rescue and Firefighting (ARFF) team ensure safe and efficient airport operations.

The runway extension and other airfield improvements significantly expanded HHH's reach, allowing larger aircraft and more direct service. This expansion strengthened the airport's role as Hilton Head Island's primary air gateway, bringing an increasing number of leisure visitors who support the Island's tourism-driven economy. The airport's convenience and charm continue to attract new travelers.

2. Describe in detail how the requested grant funding would be used? *(250 words or less)*

2026 Grant Funding Request: \$175,000

Funding will support Hilton Head Island Airport's inbound marketing campaign, which aims to reach travelers considering Hilton Head Island or competing destinations by air or car. The program highlights increased flight options to HHH, encouraging visitors to ***fly in and extend their stays***.

Program Overview:

- **Cooperative Digital Campaign with VCB: \$105,000**

Target key nonstop and 1-stop markets through layered digital ads to drive awareness of flight options, local hotel stays, dining, and rental car usage. Additional ad inventory expands reach to high-potential markets.

- **VCB Vacation Planner & Website: \$20,000**

Supports digital and print planners, as well as website placements, to guide visitors in planning trips.

- **Leakage Reduction Targeting: \$30,000**

Uses first-party booking data campaigns to convert travelers who might otherwise choose competing destinations, with landing pages driving direct bookings.

- **Key Publications & Programs: \$20,000**

Includes visitor guides, golf-focused publications, and promotions for RBC Heritage attendees and other high-value niche audiences.

New Recommendations:

- Social media retargeting for travelers searching for competitive destinations.
- Expanded video and OTT streaming campaigns showcasing direct air access and unique Hilton Head Island experiences.
- Partnerships with airline loyalty programs to reach frequent flyers.

This funding ensures that Hilton Head Island remains competitive in attracting air visitors, increasing overnight stays, and maximizing tourism spending.

3. What impact would partial funding have on the activities, if full funding were not received? What would the organization change to account for partial funding? (100 words or less)

Partial funding limits Hilton Head Island Airport's ability to reach inbound travelers, as FAA regulations restrict the use of airport revenue for destination promotion. This reduces national awareness of direct flights and constrains cooperative campaigns with other organizations. Program elements would be down-scaled proportionately, diminishing overall impact and outreach effectiveness. Full funding is critical to demonstrate to airline partners that Hilton Head Island and HHH are committed, helping maintain current routes and supporting opportunities for expanded air service. Without full support, marketing reach would shrink, potentially affecting visitor numbers, overnight stays, and tourism revenue.

4. What is expected economic impact and benefit to the Island's tourism? (100 words or less)

Hilton Head Island Airport's economic impact grew from \$166 million in 2018 to \$415 million by early 2020. Although 2023 saw a dip, passenger numbers are gradually rebounding, and continued marketing support will drive further growth. Key benefits include:

1. Air tourists spend more daily than drive-in visitors
2. Reduced revenue leakage to other states
3. Increased business for local shops, restaurants, and accommodations
4. Higher accommodation tax collection

Sustained promotion of direct flights maximizes economic returns and strengthens Hilton Head Island's tourism competitiveness.

5. In order to comply with the State's Tourism Expenditure Review Committee annual reporting requirements, **please classify your current grant request into the following authorized categories:**

1 - Destination Advertising/Promotion	
<i>Advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity.</i>	100 %
2 - Tourism-Related Events	
<i>Promotion of the arts and cultural events.</i>	0 %
3 - Tourism-Related Facilities	
<i>Construction, maintenance and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities.</i>	0 %
4 - Tourism-Related Public Services	
<i>The criminal justice system, law enforcement, fire protection, solid waste collection and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourist. Also includes public facilities such as restrooms, dressing rooms, parks and parking lots.</i>	0 %
5 - Tourist Public Transportation	
<i>Tourist shuttle transportation.</i>	0 %
6 - Waterfront Erosion/Control/Repair	
<i>Control and repair of waterfront erosion.</i>	0 %
7 - Operation of Visitor Information Centers	
<i>Operating visitor information centers.</i>	0 %
Total:	100 %

6. If not covered elsewhere in the application, please describe (a) how the organization will collaborate with other organizations to enhance tourism efforts, and (b) provide a venue or service not otherwise available to visitors to the Town of Hilton Head Island. (250 words or less)

To maximize the effectiveness of ATAX funds, Hilton Head Island Airport fosters key partnerships that enhance tourism and create unique visitor experiences.

Visitor and Convention Bureau (VCB):

- Largest cooperative marketing investment: Visitor Guide ads, website placements, and digital campaigns
- Promotes direct air travel to the Island, reducing drive-in competition
- Collaborates on creative initiatives to raise awareness

Heritage Classic Foundation / PGA Travel:

- Positions HHH as the airport of choice for players and visitors
- Provides free parking for player BMWs
- Sponsored the Lighthouse Club Observation Deck (non-ATAX) with staffed promotion

Hilton Head Island Motoring Festival / Concours d'Elegance:

- Hosts Flights & Fancy Gala and Aero Expo
- Features "hot laps" on airport taxiways—a one-of-a-kind Island experience

Emerging Collaborations:

- Mitchelville Preservation Project
- Town Office of Cultural Affairs
- Public Art Program, Community Foundation of the Lowcountry

Terminal Enhancements:

- New terminal elevates the arrival experience, showcasing Island culture, art, and history
- Reinforces HHH's role as Hilton Head's only airport, providing direct access to visitor destinations

Overall Impact:

- Partnerships strengthen tourism, attract high-value visitors, and create experiences unavailable elsewhere on Hilton Head Island
- Through these collaborations, HHH maximizes visitor spending, awareness, and satisfaction

As the Island's only airport, HHH allows travelers to arrive just minutes from their destination. The new terminal will further elevate this experience, complementing Hilton Head's premier events and attractions. Recognizing its critical role in the tourism economy, the airport remains committed to excellence.

7. Additional comments. (250 words or less)

Ongoing challenges and competition in the aviation industry continue to limit available airline seats, highlighting the importance of maximizing occupancy and expanding capacity. ATAX-funded marketing is essential to:

1. Drive awareness of direct flight options and stimulate demand.
2. Position Hilton Head Island as an attractive destination for airlines evaluating new service.
3. Maintain visibility in key inbound markets to support route success and revenue.
4. Demonstrate community commitment through partnerships and ATAX support, reinforcing airline confidence.
5. Reclaim tourism revenues that might otherwise shift to competing destinations.
6. Encourage longer visitor stays, increasing spending on lodging, dining, and attractions.
7. Reduce vehicle traffic in an area whose infrastructure is already overburdened.
8. Sustain a thriving airport that underpins Hilton Head Island's tourism economy.

Strategic use of ATAX funds ensures that HHH Airport continues to strengthen both the community and the Island's tourism economy through expanded air service and increased visitation.

C. FUNDING:

1. Please describe how the organization is currently funded. (100 words or less)

Operations at Hilton Head Island Airport are funded entirely through self-generated revenues, including airline leases and fees, tenant concessions (repair facilities, rental cars, flight schools), user fees, parking, hangar rentals, and aviation fuel sales. No local tax dollars are used to support airport operations. Capital improvement projects—such as airfield capacity and safety upgrades—are funded through Federal Aviation Administration and South Carolina Aeronautics Commission grants.

However, these grants cannot be applied to marketing or promotional efforts, making airport-generated revenue and programs like ATAX-funded advertising essential to promoting air service and attracting tourists to Hilton Head Island.

2. Please also estimate, as a percentage, the source of the organization's total annual funding.

<u>18</u>	Government Sources	Private Contributions, Donations and Grants
	Corporate Support, Sponsors	Membership, Dues, Subscriptions
<u>82</u>	Ticket Sales, or Sales and Services	Other

3. Has the organization requested other ATAX or any other funding from other public sources or organizations?

Yes X No

If so, please list top 3 sources and amounts.

FAA	\$2,343,758.00
SCAC	\$140,748.00

D. FINANCIAL INFORMATION:

Fiscal Year Disclosure: Start Month: **July** End Month: **June**

Financial Statement Requirements:

1. The upcoming fiscal year's **operating budget** for the organization.

Budget Provided: **Yes**

2. The previous two fiscal years and current year-to-date **profit and loss reports** for the organization.

Current fiscal year Profit Loss Report Provided: **Yes**

Previous fiscal year Profit Loss Reports Provided:

2023- Previous FY 1
2022- Previous FY 2

3. The previous two fiscal years and current year-to-date **balance sheets**.

Current fiscal year Balance Sheet Provided: **Yes**

Previous fiscal year Balance Sheets Provided:

2023 - Previous FY 1

2022 - Previous FY 2

4. The previous two years and current year **IRS Form 990 or 990T**.

Current year IRS Form 990 or 990T Provided: **Yes**

Previous IRS Form 990 or 990T Years Provided:

2024 - Previous FY 2

2023 - Previous FY 1

E. FINANCIAL GUARANTEES AND PROCEDURES:

1. Provide a copy of the **official minutes** wherein the organization approves the submission of this application.

An official set of minutes have been attached to this application.

2. Indicate whether your organization has procurement guidelines, which are utilized and followed in the expenditure of ATAX grant funds.

☒ Utilize and follow organization's own procurement guidelines

☐ Our organization does not have or follow procurement guidelines

F. MEASURING EFFECTIVENESS:

If you received 2024 or 2025 HHI ATAX funds

1. List any ATAX award amounts received in 2024 and/or 2025.

2023	\$155,000.00	Air Service Destination Marketing
2024	\$150,000.00	Air Service Destination Marketing
2025	\$150,000.00	Air Service Destination Marketing

2. How were the ATAX funds used? To what extent were the objectives achieved? The ATAX Effectiveness Measurement spreadsheet available in the application portal will show the numerics. Use the space below for verbal comments. (200 words or less)

In 2025, ATAX funds were used to advertise commercial air service access to Hilton Head Island Airport (HHI), highlighting nonstop and key connecting cities. The primary goal was to increase awareness of direct air service to Hilton Head Island and encourage travelers to book flights directly to the Island rather than neighboring airports.

The program included a cooperative campaign with the VCB, targeting travel seekers across the Midwest, Northeast, and all nonstop markets served by HHH. It was fully digital—spanning display, paid social media, and search engine marketing—with placements through **Expedia**, leveraging first-party booking data to reach travelers who had shown recent interest in Hilton Head Island or similar destinations but had not yet booked.

ATAX funds also ensured HHH visibility in key visitor guides and destination websites, placing the airport in front of travelers during the trip-planning process. Program objectives were achieved as demonstrated by increases in flight bookings, passenger boardings, rental car activity, and digital engagement metrics.

Without ATAX support, HHH could not maintain this valued partnership or achieve this level of awareness and measurable impact in key markets.

3. What impact did this have on the success of the organization/event and how did it benefit the community? (200 words or less)

Hilton Head Island Airport is a powerful engine for our community's prosperity. Its economic impact grew from \$166 million in 2018 to \$415 million by early 2020—a surge that demonstrates the airport's critical role in supporting local jobs, businesses, and tax revenues.

The benefits ripple widely across Hilton Head Island:

- **Visitors who arrive by air spend more per day than drive-in visitors**, directly supporting our restaurants, shops, attractions, and accommodations.
- **Local dollars stay local**—reduced revenue leakage means travelers choose Hilton Head instead of flying into airports in neighboring states.
- **Stronger small businesses** benefit from increased customer traffic and visibility.
- **Higher accommodation tax collections** strengthen the Town's ability to fund vital community services, infrastructure, and quality-of-life initiatives.
- **Sustained promotion of direct flights** keeps Hilton Head Island competitive with other coastal destinations, ensuring long-term tourism vitality.

By continuing to invest in and market Hilton Head Island Airport, we invest directly in our community's economic resilience, competitiveness, and quality of life.

4. How does the organization measure the effectiveness of both the overall activity and of individual programs? (200 words or less)

Effectiveness is measured through both **overall airport activity** and **individual program**

performance. Overall activity is tracked using metrics such as **passenger boardings, rental car usage, parking, and rideshare activity**, providing a direct view of airport growth and community impact.

Individual program effectiveness is evaluated through **digital analytics** from campaigns including display, paid social, search engine marketing, and Expedia placements. Key metrics include **impressions, clicks, engagement rates, partner link referrals, and conversions.** Geographic and demographic data ensure campaigns reach **target markets** in the Midwest, Northeast, and nonstop destinations served by HHH.

Program performance is measured against objectives like **raising awareness of direct air service, driving flight bookings to HHH, and increasing traffic to landing pages and partner sites.**

By combining **real-world airport data** with **digital campaign metrics**, HHH can assess immediate results, monitor trends, and optimize future initiatives. This integrated approach ensures marketing efforts are **measurable, data-driven, and aligned with operational and economic goals**, maximizing the airport's impact for the community and regional tourism.

G. EXECUTIVE SUMMARY

Provide an executive summary using the "ATAX Effectiveness Measurement" form provided via the link on the left, or by utilizing the text area provided below to report uses of the organization's prior ATAX grant, if applicable. If you create your own format, please refer to the "ATAX Effectiveness Measurement" form and use the criteria as a guideline in developing your executive summary below.

(1300 words or less)

An ATAX Effectiveness Measurement form has been attached to this application.

Signature: Jon

Title/Position: Jon Rembold

Mailing Address: 26 Hunter Rd, Hilton Head Island, SC 29926

Email Address: jrembold@bcgov.net

Office Phone Number: 843-441-5871

Home Phone Number:

ATAX EFFECTIVENESS MEASUREMENT

Please refer to the SAMPLE ATAX Effectiveness Measurement Form for examples. When completing this form, please expand, contract, or add to the sections as needed (but contain the form to a total of approximately 2 pages). You may choose to use your own format instead of this form, and if doing so, please use the criteria below as a guideline. Regardless of format, **each applicant should choose how they measure degree of success. Applicants need to explain why this is an effective measurement technique that reflects results and how that relates to the objective.**

TOPIC/Partner or Vendor in Advertising	THE PLAN	BUDGET	ACTUAL SPENT To Date	RESULTS
				<i>When possible, provide planned results vs. actual results, and/or current year vs. prior year results.</i>
Hilton Head Island VCB/Chamber Website Program	2025 Chamber/VCB Website Advertising - Aimed at showcasing the Airport's increased offerings to all visitors of the VCB website, namely inbound travelers and potential island visitors.	\$ 11,775.00	\$ 11,275.00	We are awaiting final reporting on the 2025 website program, but emphasize that continued inclusion of Hilton Head Island Airport (HHH) on the Visit Hilton Head websites remains imperative. This visibility is critical as we work to educate travelers that multiple flight options are available directly into Hilton Head Island, and that reliance on SAV has steadily decreased over the past 3-4 years. This program ensures HHH maintains consistent placement in front of potential visitors and delivers measurable impact on traveler decision-making.
Total		\$ 11,775.00	\$ 11,275.00	
Hilton Head Island VCB/Chamber Co-Op INBOUND ad targeting	2025 Digital Marketing Campaign - Co-op program for inbound advertising to target potential visitors to HHI, and encourage them to fly to Hilton Head Island Airport vs. another airport option. Program investment: \$100,000 Targeting: • DCA, BOS, PHL, PIT, CMH, CLE, CAK, CVG, IND, STL, ATL, Marketing Channels: • Paid Media • Brand and Category Search • Paid social advertising and boosting • GDN Display/Bing and Remarketing • Integrated Campaign Landing Page OBJECTIVES: 1. Increase awareness and interest in travel to Hilton Head Island target visitor markets. 2. Highlight Hilton Head Island's accessibility through direct flights and one-stop connecting flights right to the island. 3. Drive qualified traffic to the campaign landing page to facilitate trip booking and awareness of Hilton Head Island in new fly markets. Inspire desire to travel to Hilton Head Island and Bluffton. Encourage trip planning in all core drive and flight markets – consumer direct, trade, media, etc. Focused media efforts to drive maximum awareness in all core feeder markets. Push to integrate new HHH Airport branding into perspective of inbound travelers and position the travelers as viewing HHH as the airport located ON Hilton Head Island.	\$ 96,635.00	\$ 100,000.00	The 2025 digital advertising program builds on a successful multi-year partnership between Hilton Head Island Airport (HHI), the VCB, and the Chamber. This program ensures HHH is consistently included in destination marketing and positioned as the airport on Hilton Head Island. In 2025, campaigns were strategically aligned with the airport's rebranding rollout, leveraging new visuals and messaging to maximize awareness, engagement, and measurable conversions. The program is structured in two phases: Phase 1 (March-June 2025): \$50,000 investment – completed and reported below. Phase 2 (July-December 2025): \$50,000 investment – launched in July, with reporting to follow at year-end. Performance Highlights – Phase 1 (March-June 2025) - Landing Page Performance - Sessions: 52,134 - Engagement Rate: 63% - Partner Link Clicks: 32,547 - Traffic Sources: Google (51%), Paid Social (43%), Google Organic (1,258 sessions / 286 clicks). Top Performing Geo Segments (Engaged Users) Ohio (27%), New York (21%), Pennsylvania (11%), Illinois (9%), Michigan (8%). Other markets: Florida, Georgia, North Carolina, South Carolina, Virginia (each <10%). Google Campaigns Stats: - Total Conversions: 62,365 (-8.7% YoY, but +188% vs. 2023). - Partner Link Clicks: 44,214 - Conversion Rate: 40.2% (-10.2% YoY). Performance Max: 51% of conversions (78,425), slightly down in share YoY but still dominant. Search Campaigns: 9% of conversions (+2% YoY), with 12,058 clicks. Trend: Social conversions grew YoY, showing more diversified engagement beyond Google. Social Performance - Impressions: 2,461,257 (+30.8% YoY) - Clicks: 33,214 (+28% YoY) - CTR: +14% YoY - Source Ranking: Facebook was the second-highest referral driver, just below Google Performance Max. - Audience Insights: Engagement was especially strong with video and reels, suggesting expanded use of these formats for Phase 2. Key Takeaways from Phase 1 - Generated 32,500+ landing page partner referrals and 62,000+ Google conversions from a \$50K investment. - Delivered nearly 2.5 million impressions on social with YoY increases across every engagement metric. - Maintained strong performance in top feeder markets (OH, NY, PA, IL, MI), directly aligned with Hilton Head Island's core visitor base. - Campaign results confirm long-term growth trajectory (+188% vs. 2023 benchmarks), even with minor YoY fluctuations. Momentum is strong heading into Phase 2, with opportunities to scale social video formats and deepen market penetration. Conclusion Phase 1 of the 2025 co-op program has already proven highly effective, delivering significant reach, engagement, and conversions from a \$50,000 investment. Phase 2, now underway, will build on this momentum through the end of the year. Renewed grant funding will ensure Hilton Head Island Airport maintains its visibility in key feeder markets, continues driving measurable traveler consideration, and remains firmly positioned as the airport on Hilton Head Island.
Total		\$ 100,000.00	\$ 100,000.00	
SERG Restaurant Group	BackCover, Targeting Visitors in the dining guide	\$ 4,400.00	\$ 4,400.00	170,000 printed, and distributed to visitors in more than 130 prime high-traffic locations throughout the Lowcountry: HHI airport, premium hotels, timeshares, rental check-in areas, grocery stores & more. This is a static item, so tracking is difficult, but we have heard travelers mention the presence.
Total		\$ 4,400.00	\$ 4,400.00	
LowCountry Visitors Guide (Compass Media)	BackCover, Targeting Visitors	\$ 3,425.00	\$ 3,425.00	Distributed to visitors at key high-traffic locations across the Lowcountry — including the Hilton Head Island Airport, premium hotels, timeshares, rental check-in areas, grocery stores, and more. While this is a static piece and tracking is limited, travelers often mention noticing it during their visit.
Total		\$ 3,425.00	\$ 3,425.00	
VCB Travel Planners	Targeting Visitors through Vacation Planners	\$ 11,700.00		Vacation Planner Two-Page Spread To further strengthen Hilton Head Island Airport's visibility, we invested in a two-page spread in both the Hilton Head Island Vacation Planner and the Bluffton Vacation Planner. These publications are the primary trip-planning guides distributed to potential visitors and heavily utilized by both first-time and repeat travelers when researching accommodations, activities, and travel logistics. The placement serves several key purposes: Education & Awareness – Reinforces that Hilton Head Island has its own airport (HHH) with direct flight options, reducing the misconception that visitors must fly into Savannah. Brand Alignment – Strategically timed to coincide with HHH's rebranding, the spread highlights the airport's updated logo and refreshed identity in a trusted, high-visibility format. Audience Reach – Ensures HHH is directly in front of travelers actively planning their trips, positioning air access as a seamless part of the vacation experience. Regional Integration – By being featured alongside destination content for Hilton Head and Bluffton, HHH is promoted not only as the most convenient entry point but also as an integral part of the visitor experience. This investment ensures that every potential traveler using these essential planning tools understands that Hilton Head Island Airport is a convenient, on-island option for their upcoming trip.
Total		\$ 11,700.00		Placed but not yet billed back for ATAX Reimbursement

ATAX EFFECTIVENESS MEASUREMENT

TOPIC/Partner or Vendor in Advertising	THE PLAN	BUDGET	ACTUAL SPENT To Date	RESULTS <i>When possible, provide planned results vs. actual results, and/or current year vs. prior year results.</i>
Expedia	Targeting Travels that are seeking new flights and currently searching	\$ 18,700.00	\$ 2,002.45	ATAX-Funded Website & Expedia Program In prior years, this initiative has been funded through ATAX, with year-end funds strategically positioned to capture potential visitors during the holiday season—a peak period when travelers begin booking their summer 2026 trips. The Expedia partnership extends HHV's reach directly to passengers searching for flights, leveraging first-party booking data to target key visitor regions. Ads are served to travelers who have actively searched for Hilton Head Island or similar destinations in recent days but have not yet converted to book a flight through another facility. The program also targets audiences with demonstrated interest in destinations comparable to Hilton Head Island, ensuring high-value visibility. Reporting includes detailed insights on top search trends sourced from airline data, hotel booking data, and online travel agency analytics—providing a full view of consumer interest and booking behavior.
Total		\$ 18,700.00	\$ 2,002.45	
Total Budget to Actual to-date reimbursement		\$ 150,000.00	\$ 121,102.45	

























































MINUTES

Beaufort County Airports Board

February 20, 2025 | 10:00 am | Meeting called to order by Chairman Chris Butler

ATTENDANCE

Present: Chris Butler, Jim Starnes, Howard Ackerman, Leslie Adlam Flory, Brian Turrisi, Nick Mesenburg, Thomas Sheahan, David Nelems, Rich Sells and Mark Bailey

Absent: Anne Esposito

County Staff: Jon Rembold, Airports Director; Stephen Parry, Deputy Airports Director; and Rocio Rexrode, Administrative Specialist.

Beaufort County Council Liaison:

Hilton Head Island Town Council Liaison:

Public: Judy Elder, Talbert, Bright and Ellington, Inc.

AGENDA ADOPTION

Rich Sells made a motion to adopt February 20, 2025, BCAB meeting agenda. Leslie Adlam Flory seconded the motion. All were in favor and the motion passed.

APPROVAL OF MINUTES

Howard Ackerman made a motion to approve January 16, 2025, meeting minutes. Jim Starnes seconded the motion. All were in favor and the motion passed.

PUBLIC COMMENTS

There were no Public Comments

DIRECTOR'S REPORT

- **DEPARTMENT UPDATE:**

New Staff: Wesley Theobald and Joel Cody

Rembold welcomed both staff members to the Airports team. He stated that they are firefighters at the ARFF and were hired as part-time employees to help reduce overtime.

New Staff: Sandy Muller

Rembold mentioned that Sandy is the third member of the Airport Finance team. He explained that she was hired as an Accounts Payable Specialist and to assist with daily financial tasks.

Inspiring for the Future:

Rembold shared that Mike Waters' grandsons, Bennett and Chase, were invited by the Fire Chief to return for a tour of the ARFF.

Snow Days:

Rembold explained the impact of the snowstorm on both airports. He noted that they cleared the snow at HXD within a couple of days using a motor grader and that the airport was open for business by midmorning on Saturday following the storm.

Annual Conferences:

Jon Rembold and Steve Parry attended the South Carolina Aviation Conference in Greenville, SC, and Chief Bobby Davidson and Charles Neeson attended the FAA Southern Region Airports Conference in Atlanta, GA.

- **TERMINAL UPDATE:**

Rembold reported that the project is progressing smoothly and remains on schedule.

- **AIRPORTS' BUSINESS UPDATE:**

RBC Heritage Volunteers:

Rembold encouraged the Board members to volunteer at the Airport's sponsor tent during RBC Heritage week.

American Airlines Terminal Tour:

Jon shared that the property representative from American Airlines visited and toured the terminal. Rembold noted that the representative was highly impressed with the progress of the terminal construction project.

Board, Legislator Tours:

Rembold suggested organizing a joint tour of both airports for Board members and Legislators to build relationships in anticipation of Phase II of the Terminal Project.

March 4 Legislative Reception:

Rembold announced that the SCAA is hosting a Legislative Reception in Columbia, SC, and highlighted that it will be a great opportunity to engage with local legislators.

Military vs. GA Safe Practices:

Rembold mentioned that the opening session at the conference was led by a pilot from the Air National Guard. Rembold pointed out that the speaker and his team travel to airports to give shows and presentations upon request. He proposed considering the idea of inviting them to both airports to keep best practices up to date.

Military-Business Alliance:

Rembold shared that this is a new committee aimed at deliberately and intentionally connecting the transitioning military community with the business community.

There was no Unfinished Business.

NEW BUSINESS – ACTION ITEMS

1. HILTON HEAD ISLAND AIRPORT (HXD) – RECOMMENDATION TO APPLY FOR TOWN OF HILTON HEAD ISLAND ACCOMMODATIONS TAX (ATAX) GRANT FOR TOURISM MARKETING

Nick Mesenburg made a motion to approve a recommendation to apply for the Town of Hilton Head Island Accommodations Tax Grant for Tourism and Marketing. Rich Sells seconded the motion. All were in favor and the motion passed.

2. HILTON HEAD ISLAND AIRPORT (HXD) - RECOMMENDATION TO APPLY FOR COUNTY HOSPITALITY TAX (HTAX) GRANT FOR TOURISM MARKETING

Nick Mesenburg made a motion to approve a recommendation to apply for the County Hospitality Tax Grant for Tourism and Marketing. Rich Sells seconded the motion. All were in favor and the motion passed.

3. BEAUFORT EXECUTIVE AIRPORT (ARW) – RECOMMENDATION TO APPLY FOR COUNTY HOSPITALITY TAX (HTAX) GRANT FOR INFRASTRUCTURE

Nick Mesenburg made a motion to approve a recommendation to apply for the County Hospitality Tax Grant for Infrastructure. Rich Sells seconded the motion. Rich Sells seconded the motion. All were in favor and the motion passed.

4. NON-TENANT COMMERCIAL OPERATING AGREEMENT (HXD) – RECOMMENDATION TO APPROVE A RESOLUTION AUTHORIZING A NON-TENANT COMMERCIAL OPERATING AGREEMENT BETWEEN BEAUFORT COUNTY AND PALMETTO ACES FLYING CLUB

Brian Turrisi made a motion to approve a recommendation for a resolution authorizing a Non-tenant Commercial Operating agreement between Beaufort County and Palmetto Aces Flying Club. Leslie Flory seconded the motion. All were in favor and the motion passed.

5. NON-TENANT COMMERCIAL OPERATING AGREEMENT (ARW) – RECOMMENDATION TO APPROVE A RESOLUTION AUTHORIZING A NON-TENANT COMMERCIAL OPERATING AGREEMENT BETWEEN BEAUFORT COUNTY AND PILOT SPECIALTIES, LLC

Rich Sells made a motion to approve a recommendation for a resolution authorizing a Non-tenant Commercial Operating agreement between Beaufort County and Pilot Specialties, LCC. Nick Mesenburg seconded the motion. All were in favor and the motion passed.

6. OFFICE SPACE LEASE AGREEMENT (ARW) – RECOMMENDATION TO APPROVE AN ORDINANCE AUTHORIZING AN OFFICE SPACE LEASE AGREEMENT BETWEEN BEAUFORT COUNTY AND PILOT SPECIALTIES, LLC Brian Turrisi made a motion to approve a recommendation for an ordinance

authorizing an Office Space Lease agreement between Beaufort County and Pilot Specialties, LCC.
Howard Ackerman seconded the motion. All were in favor and the motion passed.

CHAIRMAN UPDATE

1. Finance Committee

Members: Howard Ackerman (Chair), Chris Butler, Tom Sheahan, Rich Sells and Brian Turrisi.

The Committee had nothing new to report this month. They will keep the board informed of any new developments.

2. Passenger Service Committee

Members: Leslie Adlam Flory (Chair), David Nelems, Jim Starnes, and Tom Sheahan

The Committee had nothing new to report this month. They will keep the board informed of any new developments.

3. ARW Facilities Use and Improvement Committee

Members: Jim Starnes (Chair), Mark Bailey, David Nelems, Chris Butler, and Nick Mesenburg

The Committee had nothing new to report this month. They will keep the board informed of any new developments.

4. HHI Airport Improvement Committee (HXD)

Members: Brian Turrisi (Chair), Howard Ackerman, Rich Sells, Chris Butler, and Anne Esposito

The Committee had nothing new to report this month. They will keep the board informed of any new developments.

PUBLIC COMMENTS

There were no Public Comments.

ADJOURNMENT

The motion to adjourn was made at 10:46 a.m. It passed unanimously.

NEXT MEETING

March 13, 2025 | 10:00 am

Town of Hilton Head Island, 1 Town Center Ct., Hilton Head Island, SC 29928

HILTON HEAD ISLAND AIRPORT FY2026 BUDGET

ACCOUNT	ACCOUNT DESCRIPTION	FY2026 Budget	
REVENUE BUDGET			
5400-90-0000-43680	TOWN OF HILTON HEAD REVENUES	\$	150,000
5400-90-0000-44840	RAMP FEES		794,953
5400-90-0000-44850	PARKING FEES		170,000
5400-90-0000-44860	TAXI/LIMO FEES		9,200
5400-90-0000-44890	FIREFIGHTING FEES-OTHERS		537,249
5400-90-0000-44895	SECURITY FEES (AIRLINES)		355,335
5400-90-0000-44896	SECURITY REVENUE (BADGES)		13,320
5400-90-0000-47010	MISCELLANEOUS REVENUES		94,102
5400-90-0000-47100	FBO - GROUND LEASE		75,532
5400-90-0000-47105	FBO - CONCESSIONS		41,441
5400-90-0000-47110	FBO - FUEL FLOW		730,616
5400-90-0000-47120	RENT -AIRLINE /COMMON		898,647
5400-90-0000-47121	RENT -AIRLINE / ASSIGNED SPACE		424,723
5400-90-0000-47130	RENTAL CARS - COUNTER		17,172
5400-90-0000-47131	RENTAL CARS -READY SPACES		27,760
5400-90-0000-47132	RENTAL CARS - COMMISSION		874,732
5400-90-0000-47140	RENT -SNACK BAR/GIFT SHOP		53,511
5400-90-0000-47150	RENT -ADVERTISING SPACE		33,749
5400-90-0000-47180	FLIGHT TRAINING COMMISSIONS		7,793
5400-90-0000-47190	OPERATING AGREEMENTS (3%)		32,596
5400-90-0000-47210	RENTAL CO PROPERTY		121,658
5400-90-0000-47220	HANGAR RENTAL		167,810
5400-90-0000-47230	HANGAR RENTAL - 60 X 52		59,328
5400-90-0000-47240	HANGAR RENTAL - 80 X 80		35,469
5400-90-0000-48910	CONT FROM PR YR FUND BAL		<u>550,000</u>
	TOTAL REVENUES	\$	6,276,696
EXPENSS BUDGET			
5400-90-0000-50020	SALARIES AND WAGES	\$	1,852,121
5400-90-0000-50060	OVERTIME		0
5400-90-0000-50100	EMPLOYER FICA		114,832
5400-90-0000-50110	EMPLOYER MEDICARE		26,856
5400-90-0000-50120	EMPLOYER SC RETIREMENT		193,473
5400-90-0000-50130	EMPLOYER PO RETIREMENT		93,815
5400-90-0000-50140	EMPLOYER GROUP INSURANCE		175,000
5400-90-0000-50150	EMPLOYER WORKERS COMP		18,000
5400-90-0000-50160	TORT LIABILITY INSURANCE		3,200
5400-90-0000-51000	ADVERTISING		440,000
5400-90-0000-51010	PRINTING		500
5400-90-0000-51030	POSTAGE		500
5400-90-0000-51040	LICENSES/PERMITS		681
5400-90-0000-51041	SWU FEES		34,000
5400-90-0000-51042	HH POLICE FEES		10,000
5400-90-0000-51050	TELEPHONE/COMMUNICATION		22,000

5400-90-0000-51060	ELECTRICITY	156,820
5400-90-0000-51070	WATER/SEWER/GARBAGE	30,900
5400-90-0000-51110	MAINTENANCE CONTRACTS	24,000
5400-90-0000-51110-ARFF	MAINTENANCE CONTRACTS	8,900
5400-90-0000-51110-MAINT	MAINTENANCE CONTRACTS	65,009
5400-90-0000-51110-OPER	MAINTENANCE CONTRACTS	25,000
5400-90-0000-51110-SEC	MAINTENANCE CONTRACTS	20,000
5400-90-0000-51120	EQUIPMENT MAINTENANCE	1,150
5400-90-0000-51120-ARFF	EQUIPMENT MAINTENANCE	150
5400-90-0000-51120-MAINT	EQUIPMENT MAINTENANCE	10,814
5400-90-0000-51120-OPER	EQUIPMENT MAINTENANCE	225
5400-90-0000-51120-SEC	EQUIPMENT MAINTENANCE	1,500
5400-90-0000-51130	REPAIRS TO BUILDINGS	75,000
5400-90-0000-51150	RENTALS	2,500
5400-90-0000-51160-ADMIN	PROFESSIONAL SERVICES	195,125
5400-90-0000-51160-ADVER	PROFESSIONAL SERVICES	53,401
5400-90-0000-51160-MAINT	PROFESSIONAL SERVICES	50,900
5400-90-0000-51160-OPER	PROFESSIONAL SERVICES	23,265
5400-90-0000-51160-SEC	PROFESSIONAL SERVICES	247,167
5400-90-0000-51170	NON-PROFESSIONAL SERVICES	309,000
5400-90-0000-51300	VEHICLE MAINT SERVICES	2,248
5400-90-0000-51300-ARFF	VEHICLE MAINT SERVICES	20,000
5400-90-0000-51300-MAINT	VEHICLE MAINT SERVICES	7,500
5400-90-0000-51310	DUES & SUBSCRIPTIONS	13,007
5400-90-0000-51320-ADMIN	TRAINING & CONFERENCES	12,000
5400-90-0000-51320-ARFF	TRAINING & CONFERENCES	11,000
5400-90-0000-51320-MAINT	TRAINING & CONFERENCES	6,700
5400-90-0000-51320-SEC	TRAINING & CONFERENCES	2,000
5400-90-0000-51500	VEHICLE INSURANCE	10,000
5400-90-0000-51510	BLDG/CONTENTS INSURANCE	55,000
5400-90-0000-51540	INSURANCE - OTHER	28,000
5400-90-0000-51990	MISC. EXPENDITURES	5,000
5400-90-0000-52010	SUPPLIES & MATERIALS	12,877
5400-90-0000-52010-ADMIN	SUPPLIES & MATERIALS	7,500
5400-90-0000-52010-ARFF	SUPPLIES & MATERIALS	14,200
5400-90-0000-52010-MAINT	SUPPLIES & MATERIALS	5,000
5400-90-0000-52010-SEC	SUPPLIES & MATERIALS	500
5400-90-0000-52050-ADMIN	UNIFORMS	1,000
5400-90-0000-52050-ARFF	UNIFORMS	4,000
5400-90-0000-52050-OPER	UNIFORMS	2,000
5400-90-0000-52050-SEC	UNIFORMS	2,500
5400-90-0000-52500	FUELS/LUBRICANTS	21,000
5400-90-0000-52600	NON-CAP EQUIPMENT	30,000
5400-90-0000-53010	BOND INTEREST	48,500
5400-90-0000-54200	CAPITAL EQUIPMENT	540,485
5400-90-0000-54420	RENOVATIONS TO BUILDINGS	250,000
5400-90-0000-54500	INFRASTRUCTURE	300,000
5400-90-0000-57999	LOCAL GRANT MATCH	128,875
5400-90-0000-58500	DEPRECIATION EXPENSE	<u>450,000</u>
	TOTAL EXPENSES	\$ <u>6,276,696</u>
	NET INCOME	\$ -

BEAUFORT COUNTY, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds				Internal Service Fund	
	Stormwater Utility	Beaufort Executive Airport	Hilton Head Airport	Solid Waste and Recycling	Totals	Garage
Operating Revenues						
Fuel and oil sales	\$ -	817,721	\$ -	\$ -	\$ 817,721	\$ -
Stormwater utility project billings	6,483,149	-	-	-	6,483,149	-
Solid waste and recycling fees	-	-	-	9,497,199	9,497,199	-
Solid waste disposal fees	-	-	-	89,933	89,933	-
Recyclables sales	-	-	-	275,548	275,548	-
Fixed base operator revenue	-	-	863,577	-	863,577	-
Operating agreements/commission revenue	-	-	43,325	-	43,325	-
Firefighting/security fees	-	-	676,245	-	676,245	-
Landing fees	-	272,784	-	-	272,784	-
Parking/taxi fees	-	-	596,184	-	596,184	-
Rentals	-	-	2,074,661	-	2,074,661	-
Other charges	152,151	26,292	770,786	-	949,229	688,815
Total operating revenues	6,635,300	1,116,797	5,024,778	9,862,680	22,639,555	688,815
Operating Expenses						
Personnel	1,767,684	196,177	1,892,935	2,285,757	6,142,553	1,033,769
Purchased services	887,617	163,702	1,953,566	7,386,550	10,391,435	1,168,972
Supplies	332,666	576,527	-	559,618	1,468,811	900,083
Depreciation	393,995	41,745	422,020	162,722	1,020,482	11,116
Total operating expenses	3,381,962	978,151	4,268,521	10,394,647	19,023,281	3,113,940
Operating income (loss)	3,253,338	138,646	756,257	(531,967)	3,616,274	(2,425,125)
Non-Operating Revenues (Expenses)						
Operating grant	-	-	8,803,639	-	8,803,639	-
Interest income	622,920	-	-	118,404	741,324	-
Interest expense	(182,386)	-	-	-	(182,386)	-
Total non-operating revenues, net	440,534	-	8,803,639	118,404	9,362,577	-
Income (loss) before capital contributions and transfers	3,693,872	138,646	9,559,896	(413,563)	12,978,851	(2,425,125)
Capital Contributions						
Capital grants - federal	-	200,994	-	-	200,994	-
Total capital contributions	-	200,994	-	-	200,994	-
Transfers						
Transfer in	-	-	-	1,032,553	1,032,553	3,224,731
Transfer out	(350,000)	-	-	-	(350,000)	-
Total transfers	(350,000)	-	-	1,032,553	682,553	3,224,731
Change in net position	3,343,872	339,640	9,559,896	618,990	13,862,398	799,606
Net position, beginning	16,524,030	2,978,450	35,635,919	2,631,654	57,770,053	(9,930)
Net position, ending	\$ 19,867,902	\$ 3,318,090	\$ 45,195,815	\$ 3,250,644	\$ 71,632,451	\$ 789,676

The accompanying notes are an integral part of these financial statements.

BEAUFORT COUNTY, SOUTH CAROLINA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

	Business-Type Activities - Enterprise Funds					Internal
	Stormwater Utility	Beaufort Executive Airport	Hilton Head Airport	Solid Waste and Recycling	Totals	Service Fund Garage
<u>ASSETS</u>						
Current assets:						
Cash and cash equivalents	\$ 22,643,132	\$ 134,988	\$ 2,335,578	\$ 5,368,989	\$ 30,482,687	\$ 704,615
Receivables, operating	135,690	217	431,409	21,134	588,450	28,862
Receivables, federal and state grants	-	16,433	3,348,600	-	3,365,033	-
Lease receivable	-	24,562	89,558	-	114,120	-
Inventories	385,651	65,158	-	-	450,809	171,815
Total current assets	23,164,473	241,358	6,205,145	5,390,123	35,001,099	906,292
Non-current assets:						
Lease receivable	-	405,618	831,089	-	1,236,707	-
Capital assets	7,961,362	5,489,202	61,365,704	4,252,422	79,068,690	665,768
Accumulated depreciation	(4,127,363)	(1,402,806)	(12,733,932)	(2,775,434)	(21,039,535)	(450,216)
Total non-current assets	3,833,999	4,492,014	49,462,861	1,476,988	59,265,862	215,552
Total assets	26,998,472	4,733,372	55,668,006	6,867,111	94,266,961	1,121,844
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Pension	505,636	52,786	419,291	598,470	1,576,183	-
Total deferred outflows of resources	505,636	52,786	419,291	598,470	1,576,183	-
of resources	\$ 27,504,108	\$ 4,786,158	\$ 56,087,297	\$ 7,465,581	\$ 95,843,144	\$ 1,121,844
<u>LIABILITIES</u>						
Current liabilities:						
Account payable	\$ 59,162	\$ 44,276	\$ 2,158,647	\$ 1,024,385	\$ 3,286,470	\$ 267,079
Accrued payroll	151,075	17,107	120,130	168,307	456,619	65,089
Accrued compensated absences	12,630	144	10,583	7,680	31,037	-
Unearned revenue	-	1,000	3,480	-	4,480	-
Current portion - due to debt service fund	58,824	-	193,043	-	251,867	-
Total current liabilities	281,691	62,527	2,485,883	1,200,372	4,030,473	332,168
Non-current liabilities:						
Accrued compensated absences	77,583	883	65,009	47,178	190,653	-
Net pension liability	2,479,231	258,579	2,087,204	2,931,692	7,756,706	-
Advances from other funds	-	712,751	3,410,811	-	4,123,562	-
Due to debt service fund	4,764,704	-	1,855,876	-	6,620,580	-
Total non-current liabilities	7,321,518	972,213	7,418,900	2,978,870	18,691,501	-
Total liabilities	7,603,209	1,034,740	9,904,783	4,179,242	22,721,974	332,168
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Lease receipts	-	430,180	920,647	-	1,350,827	-
Pension	32,997	3,148	66,052	35,695	137,892	-
Total deferred inflows of resources	32,997	433,328	986,699	35,695	1,488,719	-
<u>NET POSITION</u>						
Investment in capital assets	3,833,999	4,086,396	48,631,772	1,476,968	58,029,155	215,552
Unrestricted (deficit)	16,033,903	(768,306)	(3,435,957)	1,773,656	13,603,296	574,124
Total net position	19,867,902	3,318,090	45,195,815	3,250,644	71,632,451	789,676
Total liabilities, deferred inflows of resources, and net position	\$ 27,504,108	\$ 4,786,158	\$ 56,087,297	\$ 7,465,581	\$ 95,843,144	\$ 1,121,844

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION PROPRIETARY
FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Hilton Head Airport
Operating Revenues	
Fixed base operator revenue	844,253
Operating agreements/commission revenue	723,845
Concession sales	
Firefighting/security fees	678,458
Landing fees	192,340
Parking/taxi fees	175,212
Rentals	1,112,023
Hangar rentals	196,411
Other charges	277,260
Total operating revenues	<u>4,199,802</u>
Operating Expenses	
Costs of sales and services	
Personnel	1,512,019
Purchased services	1,562,940
Supplies	63,344
Capital	
Depreciation	441,755
Total operating expenses	<u>3,580,058</u>
Operating income (loss)	<u>619,744</u>
Non-Operating Revenues (Expenses)	
Operating grant	57,510
Loss on disposal of capital assets	
Passenger facility charges	426,771
Interest income	
Interest expense	(61,824)
Total non-operating revenues (expenses)	<u>422,457</u>
Income (loss) before capital contributions and transfers	<u>1,042,201</u>
Capital Contributions	
Capital grants - federal	3,782,584
Capital grants - state	
Other	
Total capital contributions	<u>3,782,584</u>
Transfers	
Transfer in	
Transfer out	
Total transfers	<u></u>
Change in net position	4,824,785
Net position, beginning	30,811,134
Net position, ending	<u>\$ 35,635,919</u>

The accompanying notes are an integral part of these financial statements.

**HXD STATEMENT OF NET POSITION PROPRIETARY
FUNDS
JUNE 30, 2023**

Current assets:	
Cash and cash equivalents	\$ 15,612
Receivables, operating	463,498
Receivables, federal and state grants	517,656
Lease receivable	87,930
Inventories	
Total current assets	<u>1,084,696</u>

Non-current assets:	
Lease receivable	920,647
Capital assets	54,449,837
Accumulated depreciation	<u>(12,311,912)</u>
Total non-current assets	<u>43,058,572</u>
Total assets	<u>44,143,268</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension	<u>379,601</u>
Total deferred outflows of resources	<u>379,601</u>

Total assets and deferred outflows of	
	\$ 44,522,869

LIABILITIES

Current liabilities:	
Account payable	\$ 150,213
Accrued payroll	16,671
Accrued compensated absences	6,789
Current portion - due to debt service fund	<u>188,167</u>
Total current liabilities	<u>361,840</u>

Non-current liabilities:	
Accrued compensated absences	41,700
Net pension liability	1,937,465
Advances from other funds	3,420,811
Due to debt service fund	<u>2,048,920</u>
Total non-current liabilities	<u>7,448,896</u>
Total liabilities	<u>7,810,736</u>

DEFERRED INFLOWS OF RESOURCES

Lease receipts	1,008,577
Pension	<u>67,637</u>
Total deferred inflows of resources	<u>1,076,214</u>

NET POSITION

Investment in capital assets	42,137,925
Unrestricted (deficit)	<u>(6,502,006)</u>
Total net position	<u>35,635,919</u>

Total liabilities, deferred inflows of resources, and net position	
	<u>\$ 44,522,869</u>

The accompanying notes are an integral part of these financial statements

BEAUFORT COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds					Internal Service Fund
	Stormwater Utility	Beaufort Executive Airport	Hilton Head Airport	Solid Waste and Recycling	Totals	Garage
Operating Revenues						
Fuel and oil sales	\$ -	\$ 731,986	\$ -	\$ -	\$ 731,986	\$ -
Stormwater utility fees	5,934,666	-	-	-	5,934,666	-
Stormwater utility project billings	783,661	-	-	-	783,661	-
Solid waste and recycling fees	-	-	-	9,911,562	9,911,562	-
Solid waste disposal fees	-	-	-	8,480	8,480	-
Recyclables sales	-	-	-	428,803	428,803	-
Fixed base operator revenue	-	-	867,472	-	867,472	-
Operating agreements/commission revenue	-	-	908,690	-	908,690	-
Concession sales	-	7,225	-	-	7,225	-
Firefighting/security fees	-	-	985,740	-	985,740	-
Landing fees	-	48,437	299,912	-	348,349	-
Parking/taxi fees	-	-	185,968	-	185,968	-
Rentals	-	-	1,354,519	-	1,354,519	-
Hangar rentals	-	97,676	198,955	-	296,631	-
Other charges	41,778	52,805	202,471	-	297,054	-
Total operating revenues	6,760,105	938,129	5,003,727	10,348,845	23,050,806	-
Operating Expenses						
Costs of sales and services	-	566,321	-	-	566,321	-
Personnel	1,857,453	252,386	1,377,064	4,432,700	7,919,603	99,983
Purchased services	2,413,953	201,765	1,482,358	5,964,729	10,062,805	1,289,308
Supplies	357,078	12,110	592,450	110,040	1,071,678	689,098
Capital	6,616	-	-	6,450	13,066	5,336
Depreciation	419,051	101,040	303,272	141,606	964,969	8,768
Total operating expenses	5,054,151	1,133,622	3,755,144	10,655,525	20,598,442	2,092,493
Operating income (loss)	1,705,954	(195,493)	1,248,583	(306,680)	2,452,364	(2,092,493)
Non-Operating Revenues (Expenses)						
Operating grant	-	-	52,730	-	52,730	-
Non-operating grant expenses	-	(46,352)	-	-	(46,352)	-
Passenger facility charges	-	-	549,911	-	549,911	-
Interest income	42,293	-	508	3,264	46,065	146
Interest expense	(188,231)	-	(66,450)	-	(254,681)	-
Total non-operating revenues (expenses)	(145,938)	(46,352)	536,699	3,264	347,673	146
Income (loss) before capital contributions and	1,560,016	(241,845)	1,785,282	(303,416)	2,800,037	(2,092,347)
Capital Contributions						
Capital grants - federal	142,937	239,815	4,011,188	-	4,393,940	-
Capital grants - state	-	118,999	153,742	-	272,741	-
Other	-	-	-	1,351,249	1,351,249	-
Total capital contributions	142,937	358,814	4,164,930	1,351,249	6,017,930	-
Transfers						
Transfer in	-	617,941	-	-	617,941	2,093,351
Transfer out	(350,000)	-	(617,941)	-	(967,941)	-
Total transfers	(350,000)	617,941	(617,941)	-	(350,000)	2,093,351
Change in net position	1,352,953	734,910	5,332,271	1,047,833	8,467,967	1,004
Net position, beginning	12,155,521	2,586,074	25,478,863	-	40,220,458	(8,871)
Net position, ending	\$ 13,508,474	\$ 3,320,984	\$ 30,811,134	\$ 1,047,833	\$ 48,688,425	\$ (7,867)

The accompanying notes are an integral part of these financial statements.

BEAUFORT COUNTY, SOUTH CAROLINA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2022

	Business-Type Activities - Enterprise Funds					Internal Service Fund
	Stormwater Utility	Beaufort Executive Airport	Hilton Head Airport	Solid Waste and Recycling	Totals	Garage
<u>ASSETS</u>						
Current assets:						
Cash and cash equivalents	\$ 18,490,060	\$ 250	\$ -	\$ 2,854,440	\$ 21,344,750	\$ 165,048
Receivables, operating	112,280	46,402	424,899	76,835	660,416	13,754
Receivables, federal and state grants	-	-	1,413,963	-	1,413,963	-
Lease receivable	-	31,055	86,332	-	117,387	-
Inventories	190,673	63,326	-	-	253,999	-
Total current assets	18,793,013	141,033	1,925,194	2,931,275	23,790,515	178,802
Non-current assets:						
Lease receivable	-	444,012	1,008,877	-	1,452,889	-
Capital assets	6,434,695	5,822,705	51,153,571	3,496,936	66,907,907	445,159
Accumulated depreciation	(3,877,117)	(1,373,289)	(11,899,882)	(2,287,293)	(19,437,581)	(430,333)
	2,557,578	4,893,428	40,262,566	1,209,643	48,923,215	14,826
Total assets	21,350,591	5,034,461	42,187,760	4,140,918	72,713,730	193,628
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Pension	449,265	46,228	318,699	432,500	1,246,692	-
Total deferred outflows of resources	449,265	46,228	318,699	432,500	1,246,692	-
Total assets and deferred outflows of resources	\$ 21,799,856	\$ 5,080,689	\$ 42,506,459	\$ 4,573,418	\$ 73,960,422	\$ 193,628
<u>LIABILITIES</u>						
Current liabilities:						
Account payable	\$ 252,362	\$ 49,409	\$ 669,411	\$ 584,659	\$ 1,555,841	\$ 200,196
Accrued payroll	32,441	6,493	14,606	31,031	84,571	1,299
Accrued compensated absences	14,201	258	5,638	6,424	26,521	-
Unearned revenue	-	-	7,392	-	7,392	-
Current portion - due to debt service fund	58,824	-	183,417	-	242,241	-
Total current liabilities	357,828	56,160	880,464	622,114	1,916,566	201,495
Non-current liabilities:						
Accrued compensated absences	87,238	1,582	34,633	39,465	162,918	-
Net pension liability	2,496,013	258,229	1,584,911	2,415,927	6,755,080	-
Advances from other funds	-	920,774	5,496,780	-	6,417,554	-
Due to debt service fund	4,882,352	-	2,237,088	-	7,119,440	-
Total non-current liabilities	7,465,603	1,180,585	9,353,412	2,455,392	20,454,992	-
Total liabilities	7,823,431	1,236,745	10,233,876	3,077,506	22,371,558	201,495
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Lease receipts	-	475,067	1,095,209	-	1,570,276	-
Pension	467,951	47,893	366,240	448,079	1,330,163	-
Total deferred inflows of resources	467,951	522,960	1,461,449	448,079	2,900,439	-
<u>NET POSITION</u>						
Investment in capital assets	2,557,578	4,893,428	40,262,566	1,209,643	48,923,215	14,826
Unrestricted (deficit)	10,950,896	(1,572,444)	(9,451,432)	(161,810)	(234,790)	(22,693)
Total net position	13,508,474	3,320,984	30,811,134	1,047,833	48,688,425	(7,867)
Total liabilities, deferred inflows of resources, and net position	\$ 21,799,856	\$ 5,080,689	\$ 42,506,459	\$ 4,573,418	\$ 73,960,422	\$ 193,628

The accompanying notes are an integral part of these financial statements

OFFICE OF THE COUNTY ADMINISTRATOR
COUNTY COUNCIL OF BEAUFORT COUNTY

GARY KUBIC
COUNTY ADMINISTRATOR

CHERYL HARRIS
EXECUTIVE ASSISTANT

ADMINISTRATION BUILDING
100 RIBAUT ROAD
POST OFFICE DRAWER 1228
BEAUFORT, SOUTH CAROLINA 29901-1228
TELEPHONE: (843) 255-2026
FAX: (843) 255-9403
www.bcgov.net

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

LADSON F. HOWELL
STAFF ATTORNEY

September 22, 2011

Mr. Bret Martin, Chairman
Accommodations Tax Advisory Committee
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

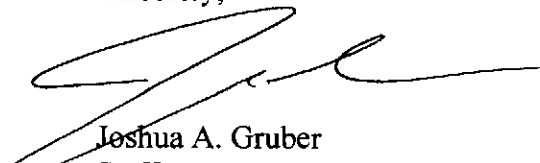
Dear Mr. Martin,

Beaufort County, a body politic and political subdivision within the State of South Carolina, is a tax exempt governmental entity. The Hilton Head Island Airport as a department within Beaufort County is also a tax exempt government entity. This tax exempt status as a governmental unit is the same as that of the Town of Hilton Head Island.

Beaufort County's Federal Tax Identification Number is #57-6000311. This statement is submitted in lieu of a Non-profit Determination Letter from the IRS. Due to the tax exempt and non-profit status of Beaufort County and the Hilton Head Island Airport, it is my legal opinion that the Hilton Head Island Airport is eligible to apply for Accommodations Tax consideration.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Joshua A. Gruber
Staff Attorney



August 6, 2025

Chairman
Accommodations Tax Advisory Committee
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

Dear ATAX Committee Chairman,

Beaufort County is a political subdivision within the State of South Carolina and is considered a tax-exempt governmental entity. The Hilton Head Island Airport, as a department within Beaufort County, is also a tax-exempt governmental entity. Beaufort County's Federal Tax Identification Number is #57-6000311.

Please accept this letter in lieu of an IRS 503 (c)(3) or IRS 990/990T.

Respectfully,

Jon Rembold
Airport Director



September 4, 2024

Chairman
Accommodations Tax Advisory Committee
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

Dear ATAX Committee Chairman,

Beaufort County is a political subdivision within the State of South Carolina and is considered a tax-exempt governmental entity. The Hilton Head Island Airport, as a department within Beaufort County, is also a tax-exempt governmental entity. Beaufort County's Federal Tax Identification Number is #57-6000311.

Please accept this letter in lieu of an IRS 503 (c)(3) or IRS 990/990T.

Respectfully,

Jon Rembold, C.M.
Airports Director



August 31, 2022

Chairman
Accommodations Tax Advisory Committee
Town of Hilton Head Island
One Town Center Court
Hilton Head Island, SC 29928

Dear ATAX Committee Chairman,

Beaufort County is a political subdivision within the State of South Carolina and is considered to be a tax-exempt governmental entity. The Hilton Head Island Airport, as a department within Beaufort County, is also a tax-exempt governmental entity. Beaufort County's Federal Tax Identification Number is #57-6000311.

Please accept this letter in lieu of an IRS 503 (c)(3) or IRS 990/990T.

Respectfully,

Jon Rembold
Airport Director