



The Town of Hilton Head Island
Regular Town Council Meeting/Public Hearing
June 10, 2014
5:30 P.M.
AGENDA

**As a Courtesy to Others Please Turn Off/Silence All Mobile Devices During
the Town Council Meeting**

- 1) Call to Order**
- 2) Pledge to the Flag**
- 3) Invocation**
- 4) 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.
- 5) Proclamations and Commendations**
 - a. Hilton Head Island High School Varsity Boys Tennis
 - b. Hilton Head Island High School Girls Relay
 - c. Hilton Head Island High School Boys Relay
 - d. Hilton Head Island High School Student Carley McGlinn – 1,600 Meter Run
 - e. Hilton Head Island High School Girls Soccer
- 6) Approval of Minutes**
 - a. Town Council Budget Workshop, May 13, 2014
 - b. Town Council Meeting, May 20, 2014
 - c. Town Council Budget Workshop, May 21, 2014
 - d. Town Council Special Meeting/Budget Workshop, May 29, 2014
- 7) Report of the Town Manager**
 - a. Town Manager's Items of Interest
- 8) Reports from Members of Council**
 - a. General Reports from Council
 - b. Report of the Intergovernmental Relations Committee – George Williams, Chairman
 - c. Report of the Personnel Committee – Lee Edwards, Chairman
 - d. Report of the Planning & Development Standards Committee – John McCann, Chairman
 - e. Report of the Public Facilities Committee – Kim Likins, Chairman
 - f. Report of the Public Safety Committee – Marc Grant, Chairman
 - g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member

9) Appearance by Citizens

10) Unfinished Business

a. Second Reading of Proposed Ordinance 2014-12

Second Reading of Proposed Ordinance 2014-12 of the Town of Hilton Head, South Carolina, authorizing the execution of a sanitary sewer easement agreement granting an easement by the Town of Hilton Head Island to South Island Public Service District for the construction, repair, maintenance, and use of a sanitary sewer line through property of the Town of Hilton Head Island, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2011), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

b. Second Reading of Proposed Ordinance 2014-11

Second Reading of Proposed Ordinance 2014-11 approving the Amended Tax Increment Financing Plan for the Town of Hilton Head Island, Redevelopment Plan, March 2014; and providing for severability and an effective date.

c. Second Reading of Proposed Ordinance 2014-13

Second Reading of Proposed Ordinance 2014-13 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a lease with Choate Construction Company for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Section 5-7-40 (Supp. 2011), and Section 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

d. Revised First Reading of Proposed Ordinance 2014-10

Revised First Reading of Proposed Ordinance 2014-10 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina, for the fiscal year ending June 30, 2015; to establish a property tax levy; to establish funds; to establish a policy for acquisition of rights of way and easements; and providing for severability and an effective date.

11) New Business

a. Consideration of a Recommendation

Consideration of a Recommendation from the Accommodations Tax Advisory Committee for the Chamber of Commerce Visitor and Convention Bureau's proposed 2014-2015 "30 Percent" Budget.

b. Budget Wrap-Up

c. Consideration of Appointments to Boards and Commissions

12) 6:00 p.m.- PUBLIC HEARING ON THE MUNICIPAL BUDGET FOR FY2014-2015

13) Executive Session

a. Land Acquisition

b. Legal Matters

c. Contractual Matters

d. Appointments to Boards and Commissions

13) Adjournment

Commendation

By the

Town of Hilton Head Island

Congratulating

**All Members of the Hilton Head Island High School “Seahawks”
Varsity Boys Tennis Team on Capturing the Class 3-A State
Championship**

WHEREAS, Hilton Head Island High School “Seahawks” Varsity Boys Tennis Team defeated A. C. Flora by a score of 6-0 in a victory to win the Class 3-A State Championship on May 17, 2014; and

WHEREAS, the title caps off a stellar season and is the first championship in Hilton Head Island High School Varsity Boys Tennis since 1989; and

WHEREAS, Hilton Head Island High School continues to encourage and support student participation in all programs, and

WHEREAS, Head Coach Jennifer Weitekamper has continued the tradition of outstanding coaching which resulted in a successful year for the tennis program; and

WHEREAS, the Hilton Head Island Town Council recognizes and congratulates each team member: Roman Battistelli, Mitchell Brockmann, Cole Bryant, Will Danzell, Steven DeVincentis, Matthew Feldman, Brad Malool, Matthew Oliver, Hunter Parrott, Sam Rothwell, Ian Schenkel, and Tate Steinour for the conclusion of a victorious season; and

WHEREAS, this championship is a tribute to the efforts of the team, students, staff and coaches of Hilton Head Island High School, and the Hilton Head Island community, as a whole.

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina, on behalf of the Town Council, do hereby commend and congratulate Hilton Head Island High School Boys Tennis Team and Head Coach on capturing the Class 3-A State Championship.

*IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed **this 10th day of June** in the year of our Lord, two thousand and fourteen.*

Drew A. Laughlin, Mayor

Commendation

By the

Town of Hilton Head Island

Congratulating

All Members of the Hilton Head Island High School 4x800 Meter Girls Relay Team on Capturing the Class 3-A State Championship

WHEREAS, the Hilton Head Island High School “Lady Seahawks” 4x800 Meter Girls Relay Team won the Class 3-A State Championship on May 16, 2014 during the S.C. Track and Field State Championships at Spring Valley High School in Columbia; and

WHEREAS, the “Lady Seahawks” 4x800 Meter Girls Relay Team won with a winning time of 9 minutes, 48.40 seconds; and

WHEREAS, the Hilton Head Island High School Track and Field Program brings great pride to the high school community, the Town of Hilton Head Island, and Beaufort County, and

WHEREAS, the team demonstrated the power of friendship and teamwork through discipline, motivation and perseverance, and

WHEREAS, Head Coach Blake Bishop and Assistant Coaches Bill Wrightson and Max Mayo have continued the tradition of excellent coaching with dedication and hard work, and

WHEREAS, the Hilton Head Island Town Council recognizes and congratulates each runner: Rachel Friend, Carley McGlinn, Ciara McMahon, and Rebeka Parent for a successful season; and

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina, on behalf of the Town Council, do hereby commend and congratulate Hilton Head Island High School “Lady Seahawks” 4x800 Meter Girls Relay Team and Coaches on capturing the 2014 Class 3-A S.C. Track and Field State Championship.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed ***this 10th day of June*** in the year of our Lord, two thousand and fourteen.

Drew A. Laughlin, Mayor

Commendation

By the

Town of Hilton Head Island

Congratulating

All Members of the Hilton Head Island High School 4x800 Meter Boys Relay Team on Capturing the Class 3-A State Championship

WHEREAS, the Hilton Head Island High School “Seahawks” 4x800 Meter Boys Relay Team won their seventh Class 3-A State Championship on May 16, 2014 during the S.C. Track and Field State Championships at Spring Valley High School in Columbia; and

WHEREAS, the “Seahawks” 4x800 Meter Boys Relay Team won with a winning time of 8 minutes, 9.74 seconds; and

WHEREAS, it is the philosophy of the Beaufort County School District that a well-administered and comprehensive program of athletics is essential to the overall development of young people; and

WHEREAS, Head Coach Blake Bishop and Assistant Coaches Bill Wrightson and Max Mayo have continued the tradition of excellent coaching that is the hallmark of the Hilton Head Island High School track and field program; and

WHEREAS, the Hilton Head Island Town Council recognizes and congratulates each runner: Colton Hennessey, Victor Jimenez, Seamus Love, and Chris Skager for a successful season.

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina, on behalf of the Town Council, do hereby commend and congratulate Hilton Head Island High School “Seahawks” 4x800 Meter Boys Relay Team and Coaches on capturing the 2014 Class 3-A S.C. Track and Field State Championship.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed ***this 10th day of June*** in the year of our Lord, two thousand and fourteen.

Drew A. Laughlin, Mayor

Commendation

By the
Town of Hilton Head Island
Congratulating
Carley McGlinn on Winning the 1,600 Meter Run,
Class 3-A State Championship

WHEREAS, Carley McGlinn participated in the S.C. Track and Field State Championships held at Spring Valley High School in Columbia on May 16 – 17, 2014, along with her team mates from Hilton Head Island High School “Lady Seahawks” Track and Field Program; and

WHEREAS, Carley was a valuable member of the “Lady Seahawks” 4x800 Meter Girls Relay Team, who won the Class 3-1 State Championship during Friday night’s competition; and

WHEREAS, on Saturday of the competition, Carley won the 1,600-meter run at the Class 3-A State Championship, running her best race of the year, where she rallied over the last 100 meters with a winning time of 5 minutes, 13.64 seconds, just one second ahead of her A.C. Flora opponent; and

WHEREAS, Carley’s success in both team and individual track events is a reflection of not only her athletic prowess, but of her discipline, motivation and perseverance, and she serves as an excellent example of what can be accomplished under the dedicated coaches at Hilton Head Island High School led by Head Coach Blake Bishop.

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina, on behalf of the Town Council, do hereby commend and congratulate Carley McGlinn on winning the 1,600-meter run at the 2014 Class 3-A S.C. Track and Field State Championship.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this 10th day of June in the year of our Lord, two thousand and fourteen.

Drew A. Laughlin, Mayor

Commendation

A Commendation of the Town of Hilton Head Island Congratulating

All Members of the Hilton Head Island High School “Lady Seahawks” Soccer Team on Capturing the Class 3-A State Championship

WHEREAS, on May 23, 2014, the Hilton Head Island High School “Lady Seahawks” Soccer Team defeated Chapin High School by a score of 1-0 to extend their Class 3-A State Championship dominance for a fourth consecutive year; and

WHEREAS, the victory marked the end of another impressive season, with a postseason winning streak of 20 consecutive games for the “Lady Seahawks;” and

WHEREAS, Head Coach Ernie Suozzi and Assistant Coaches Ray Craver and Anthony Serpe are to be commended for the excellent coaching that is the cornerstone of the Hilton Head Island High School soccer program; and

WHEREAS, the Hilton Head Island Town Council recognizes and congratulates each team member: Amanda Green, Ashley Green, Natalie Mlodzinski, Leighton Smith, Jamie Danzell, Samantha Wammock, Rebecca Johnston, Claire Kent, Brennan O’Gorman, Rebeka Parent, Emma Fields, Kyra Anderson, Hannah Hartberger, Nicole Moosbrugger, Claudia Murphy, Arianna Serpe, Esther Anderson, Celia Balfour, Shea Jenkins, Lexi Lainhart, Estelle Murphy, Sydney Segars, and Austin Seelbach for their truly remarkable accomplishments this season; and

NOW, THEREFORE, I, Drew A. Laughlin, Mayor, of the Town of Hilton Head Island, South Carolina, on behalf of the Town Council, do hereby commend and congratulate Hilton Head Island High School “Lady Seahawks” Soccer Team and Head Coach, Ernie Suozzi, and Assistant Coaches, Ray Craver and Anthony Serpe, on capturing the 2014 Class 3-A State Championship.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hilton Head Island to be affixed this 10th day of June in the year of our Lord, two thousand and fourteen.

Drew A. Laughlin, Mayor

THE TOWN OF HILTON HEAD ISLAND
TOWN COUNCIL BUDGET WORKSHOP

Date: Tuesday, May 13, 2014

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*; George Williams, Kim Likins, Marc Grant, John McCann, *Council Members*

Absent from Town Council: Lee Edwards, *Council Member*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Charles Cousins, *Director of Community Development*; Lavarn Lucas, *Fire Chief*; Tom Fultz, *Director of Administrative Services*; Susan Simmons, *Director of Finance*; Bret Martin, *Deputy Director of Finance*; Jeff Buckalew, *Town Engineer*; Julian Walls, *Facilities Manager*; Brad Tadlock, *Deputy Fire Chief – Operations*; Ed Boring, *Deputy Fire Chief- Support Services*; Natalie Majorkiewicz, *Systems & Reporting Administrator*; Jill Foster, *Deputy Director of Community Development*; Shawn Colin, *Deputy Director of Community Development*; Nancy Gasen, *Director of Human Resources*; Angie Stone, *Sr. Human Resources Administrator*; Lisa Stauffer, *Sr. Human Resources Administrator*; Brian Hulbert, *Staff Attorney*; Jayme Lopko, *Senior Planner*; Brian McIlwee, *Assistant Town Engineer* Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: None

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 4:00 p.m. Mayor Laughlin stated Mr. Edwards had previously notified him that he would not be in attendance at the workshop.

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) Second Reading of Proposed Ordinance 2014-09

Second Reading of Proposed Ordinance 2014-09 to amend Title 16, the Land Management Ordinance, of the Municipal Code of the Town of Hilton Head Island, South Carolina, by amending Section 16-4-102, the Official Zoning Map, the Hilton Head Plantation Master Plan, specifically rezoning 0.14 acres identified as parcel 263 on Beaufort County Tax Map 3 to add Telecommunications Facilities as a permitted use on the property and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Williams seconded. The motion was approved by a vote of 6-0.

4) Review of General Operating Budget

Regarding revenue estimates, Susan Simmons explained staff used specific information on increases/decreases in revenue funds when it was available, while on certain revenues they utilized an average of the past three years and came up with the 3% growth rate. She noted it was a conservative number. Ms. Simmons noted there is a recommended millage

increase of 3.5% for General and Capital Projects Fund and there is no recommended change for debt service. She said expenditures are being controlled while maintaining service levels.

Mayor Laughlin asked if the 3.5% was the roll-up to revenue neutrality. Ms. Simmons said that it was and explained it is not a use it or lose it figure. Ms. Simmons noted there was a small increase in the general fund over the revised budget for FY14. She said the Capital Projects are significantly less and the debt service is less due to bonds that matured in FY14.

Ms. Simmons noted the increases in the budget for Administration/Legal is for some capital that is increasing this year and Administrative Services decreased because in the previous year there was a software cost in FY14 which is not being replicated in FY15. She added that Public Projects and Facilities increased due to moving items from the Capital Projects Fund to the General Fund and in Engineering the increase is due to roadway maintenance. Ms. Simmons explained Fire and Rescue's increase is due to a large line item for self-contained breathing apparatus at a cost over \$700,000.

Ms. Simmons explained the increase in Townwide is due to the 1% compensation study placed in that budget until they knew which departments would have recommended increases and decreases. She stated that in total it was estimated they would use \$782,246 of prior year funds and that is consistent with what is normally done.

Ms. Simmons reviewed the revenue sources noting that in the past they relied more on property taxes for revenue and that the Town is very blessed to have a variety of revenue sources as to not depend entirely on one funding source. Mr. Riley added that in the 1994 budget property taxes represented 67% of total revenues as opposed to 33% in the present budget due to a focus over the years to find other funding sources. Ms. Simmons proceeded to review highlights of the revenues. She noted they are estimating a \$717,000 increase in revenues.

Ms. Simmons highlighted the expenditures stating a proposed 5.1% increase in the general fund budget is a 4.4% increase over the FY14 estimated actual. She explained within the budget there is a 3% merit increase and a 1% budget for classification and compensation survey recommendations and no new FTE's are proposed for the General Fund and one new FTE for the Stormwater Fund and will be funded without an increase in revenues. Mr. Harkins asked what percentage of employees receive the full 3% merit increase. Nancy Gasen approached the dais and explained the procedure.

Ms. Simmons noted the General Fund Budget continues to capture more operational expenditures previously budgeted in the Capital Projects Fund or resulting from increased maintenance cost of facilities or Town owned roads. She explained by moving these items to the General Fund there is a much clearer picture of what it costs to operate the Town.

Fire Chief Lavarn Lucas was invited to approach the dais and explain the expenditure of \$765,000 for the self-contained breathing apparatus. Chief Lucas stated this is the apparatus worn by firefighters any time they enter a dangerous life and health atmosphere or in the case of a structure fire, where there is smoke. He explained it is a mask and the pack that is worn on their back that provides breathable air. He stated it is time to replace 92 total units. Mr. Harkins asked what would happen if there is no replacement. Chief Lucas explained maintenance costs would continue to rise and there is the possibility of injury or death. But more importantly, the current units are at the end of their useful life

as defined by OSHA and NFPA. He explained this is one of the most important safety devices utilized. Mr. Harkins suggested setting aside funds annually for future replacement items. Ms. Simmons explained Finance has worked closely with Fire and Rescue to look at a ten year plan for such items and this is the beginning. She added that next year there will be a request for this amount or more for other replacement items.

Mr. Williams asked if reclassifying the items from CIP to General Fund would create an issue. Ms. Simmons stated the cap from Act 388 is on the General Fund and CIP Fund; there is no cap on Debt Service. Mr. Riley stated that even when the items are moved from one fund to the other there is the option of financing.

Ms. Simmons reviewed the affiliated agencies requests noting representatives will be in attendance at the May 29 Town Council Workshop. She explained that due to a scheduling conflict, the Sheriff's Department representatives will be in attendance at the May 21 Town Council Workshop.

5) Review of Debt Service

Ms. Simmons stated there is no proposed change in millage as the Certificates of Participation hit their final maturity in 2014. She explained it is anticipated bonds will be issued near the end of FY15. She said if the TIF is extended and construction begins quickly they may have to look at issuing TIF bonds in FY 15. She added that shortly into FY16 they will issue Beach Preservation Bonds for the next renourishment. Mr. Harkins asked if any long term debt was being considered for refinancing. Ms. Simmons stated there is one that has potential for savings but they would like to wait to review until they issue new bonds in approximately one year as they may consider combining and refinancing. She said the debt is reviewed once or twice a year for consideration of refinancing.

Ms. Simmons reviewed upcoming GO bond issues and funding limitations and reviewed the Town's capacity to issue debt.

Mr. McCann asked how Council could budget for items not listed in the budget. Mr. Riley explained there is always something that comes up which is unexpected. He noted that as far as the Know2 request and the Heritage Library History Day request, it would be up to Council to add those items to the budget as they are not included at this time. He suggested if Council would like them added, they would need to be addressed at this time or at the May 29 Budget Workshop. He said Mr. Williams mentioned creating a fund for future dredging and something for First Tee which would fall under the CIP budget and would need discussed at the CIP Budget Review at the May 21 Budget Workshop.

Mr. McCann asked if the Arts request is included in the budget. Mr. Riley stated there really isn't a request. He said the Arts Study suggested creating an Office of Cultural Affairs but he has no costs submitted and it is not included in the upcoming budget.

6) Capital Improvements Program (CIP)/Storm Water Utility(SWU) Review

Scott Liggett reviewed the proposed FY15 new funding consisting of beach management, existing facilities, parks, new facilities, pathways and roadways for a total of \$10,575,000. He reviewed specifics within each item and detailed the projected costs.

Mr. Riley stated that originally they had looked at no funding for pathways and then looked into the funding from Hospitality Taxes. He said originally funds were obligated from Hospitality Taxes for Fire Station 2 and while it does have an impact from tourism it

would be difficult to fund entirely from Hospitality Taxes. He said the pathways do qualify for Hospitality Tax funding and if the \$1,720,000 is approved it will come from Hospitality Tax money will be moved out of reserve for the Fire Station replacement. Mr. Riley said that the replacement then could possibly come back to Council in the form of a GO bond issue.

Mr. McCann asked if the Heritage Plaza Road Extension project was placed on hold. Mr. Riley said that it had not officially been placed on hold. He stated that there is a traffic consultant looking at Office Park Road and Sea Pines Circle as they look at construction of USCB. The same consultant is looking at traffic impacts on Coligny Circle, Lagoon Road and South and North Forest Beach as they relate to Coligny improvements. He said he has asked for a price for the consultant to look at the entire stretch and the long term and include Heritage Road Plaza Extension and see if there is a cost benefit to completing the project. He asked that Council wait for results of the study before cancelling the project. Mr. McCann suggested renaming the project and applying the funds to all of the areas.

Mr. Liggett reviewed the need for intersection improvements at Shelter Cove Town Center. He said staff will identify the needs for the improvements and come back with cost estimates.

Mr. McCann asked that the Bluffton Pkwy. Phase 5A Beautification be scheduled for discussion at the May 21 Budget Workshop.

Mr. Liggett stated the Honey Horn improvements will also include access enhancements for busses due to parking for other events. Mr. Williams stated the open space often needs repaired after use for parking for large events and maintenance should be kept in the forefront. Mr. Riley stated he would like to get this project in place before the Conours' in the fall. He said that long term there are two significant international events that depend on that area for parking and besides being a museum with many activities, it is a resource as to how the two international events are handled on the Island. He encouraged the land be kept as open space that serves that need while not compromising the mission of the Coastal Discovery Museum.

Mr. Riley encouraged Council to submit any further questions concerning the budget to him in advance of the Workshop scheduled for May 21.

Mr. Richard Jackson spoke in support of funding for the private road acceptance policy.

7) Adjournment

Mr. Williams moved to adjourn. Mr. Harkins seconded. The workshop was adjourned at 6:27 p.m. by a vote of 7-0.

Vicki L. Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor

THE TOWN OF HILTON HEAD ISLAND
REGULAR TOWN COUNCIL MEETING

Date: Tuesday, May 20, 2014

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Bill Harkins, *Mayor Pro Tem*; George Williams, Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Lavar Lucas, *Fire Chief*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Susan Simmons, *Director of Finance*; Brad Tadlock, *Deputy Fire Chief of Operations*; Ed Boring, *Deputy Fire Chief of Support Services*; Brian Hulbert, *Staff Attorney*; Jeff Buckalew, *Town Engineer*; Marcy Benson, *Senior Grants Administrator*; Bob Klein, *Building Official*; Joheida Fister, *Fire Marshal*; Cinda Seamon, *Public Education Officer*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant*; Numerous members of Hilton Head Island Fire Rescue

Present from Media: Dan Burley, Island Packet

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 4:00 p.m.

2) PLEDGE TO THE FLAG

3) INVOCATION

4) 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.

5) Proclamations and Commendations

a. Hilton Head Preparatory School “Dolphins” Varsity Boys Tennis Team

The coach and team members were present to accept the Commendation.

b. Emergency Medical Services Week

Joheida Fister and numerous members of Fire and Rescue were present to accept the Proclamation.

c. Building Safety Month

Bob Klein was present to accept the Proclamation.

6) Approval of Minutes

a. Town Council Meeting – May 6, 2014

Mr. Harkins moved to approve. Mr. McCann seconded. The minutes of the May 6, 2014 Town Council meeting were approved by a vote of 6-0-1. (Mr. Edwards abstained.)

7) Report of the Town Manager

a. Hazard Mitigation Plan Annual Progress Report

Steve Riley referenced the report and noted staff was available to answer any questions.

b. Town Manager's Items of Interest

Mr. Riley reported on some items of interest. He stated that he and the Assistant Town Manager would be unavailable for the Town Council meeting scheduled for June 3 and suggested rescheduling the meeting to take place on June 10 at 5:30 p.m. All members present concurred.

c. April, 2014 Policy Agenda, Management Targets and CIP Updates

Mr. Riley stated he would be happy to answer any questions.

8) Reports from Members of Council

a. General Reports from Council

None.

b. Report of the Intergovernmental Relations Committee – George Williams, Chairman

Mr. Williams stated that the meeting scheduled for earlier in the day was cancelled due to a lack of agenda items.

c. Report of the Personnel Committee – Lee Edwards, Chairman

Mr. Edwards stated the Committee has met several times conducting interviews and would be bringing nominations forward at a future meeting.

d. Report of the Planning & Development Standards Committee – John McCann, Chairman

No report.

e. Report of the Public Facilities Committee – Kim Likins, Chairman

No report.

f. Report of the Public Safety Committee – Marc Grant, Chairman

No report.

g. Report of the LMO Rewrite Committee – Kim Likins, Ex-Officio Member

No report.

9) Appearance by Citizens

None.

10) Unfinished Business

None.

11) New Business

a. First Reading of Proposed Ordinance 2014-12

First Reading of Proposed Ordinance 2014-12 of the Town of Hilton Head, South Carolina, authorizing the execution of a sanitary sewer easement agreement granting an easement by the Town of Hilton Head Island to South Island Public Service District for the construction, repair, maintenance, and use of a sanitary sewer line through property of the Town of Hilton Head Island, pursuant to the authority of S.C. Code Ann. Sec. 5-7-40 (Supp. 2011), and Sec. 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Williams seconded. The motion was approved by a vote of 7-0.

b. Consideration of a Resolution – Rhiner Drive, Outlaw Road and Wiley Lane

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, authorizing condemnation, pursuant to S.C. Code Section 28-2-10, *et seq.*, of right-of-way rights in parcels adjacent to, surrounding, and/or otherwise containing portions of Rhiner Drive, Outlaw Road, and Wiley Lane.

Mr. Harkins moved to approve. Mr. Williams seconded. The motion was approved by a vote of 7-0.

13) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters relating to land acquisition and contractual matters pertaining to a proposed Memorandum of Understanding with USCB.

At 4:22 p.m. Mr. Harkins moved to go into Executive Session for the reasons given by the Town Manager. Mr. Williams seconded. The motion was approved by a vote of 7-0.

Mayor Laughlin called the meeting back to order at 4:59 p.m. and stated there was no business as a result of the Executive Session.

12) 5:00 P.M. – PUBLIC HEARING – Amendment to Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Areas

Mayor Laughlin opened the public hearing at 5:00 p.m.

Mr. Joe Kernan encouraged Council to conduct a traffic study before proceeding with the USCB campus.

c. First Reading of Proposed Ordinance 2014-11

First Reading of Proposed Ordinance 2014-11 approving the Amended Tax Increment Financing Plan for the Town of Hilton Head Island, Redevelopment Plan, March 2014; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. Williams seconded. The motion was approved by a vote of 7-0.

14) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0. The meeting was adjourned at 5:10 p.m.

Approved:

Vicki Pfannenschmidt,
Executive Assistant/Town Clerk

Drew A. Laughlin, Mayor

DRAFT

THE TOWN OF HILTON HEAD ISLAND
TOWN COUNCIL BUDGET WORKSHOP

Date: Wednesday, May 21, 2014

Time: 5:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; George Williams, Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Absent from Town Council: Bill Harkins, *Mayor Pro-Tem*

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Charles Cousins, *Director of Community Development*; Lavarn Lucas, *Fire Chief*; Tom Fultz, *Director of Administrative Services*; Susan Simmons, *Director of Finance*; Bret Martin, *Deputy Director of Finance*; Jeff Buckalew, *Town Engineer*; Brad Tadlock, *Deputy Fire Chief – Operations*; Natalie Majorkiewicz, *Systems & Reporting Administrator*; Nancy Gasen, *Director of Human Resources*; Brian Hulbert, *Staff Attorney*; Brian McIlwee, *Assistant Town Engineer* Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: None

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 5:00 p.m. Mayor Laughlin stated Mr. Harkins had previously notified him that he would not be in attendance at the workshop.

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) Review of Budget of Beaufort County Sheriff's Office

Suzanne Cook, Financial Officer distributed and reviewed the revised budget request for FY15. She noted the increase of \$501,400 and explained it was due to an increase in health insurance in the amount of \$50,000, an approximate increase of \$13,833 for the employer share for retirement and \$437,567 for three new special enforcement officers.

Sheriff Tanner spoke concerning the quarterly crime statistics and reporting of such. He said the reports would now include an additional page with total calls for service, number of arrests, and patrols.

Funds specified for traffic enforcement were discussed. Mr. Williams suggested that the funds currently used for the traffic enforcement team be redirected to fund the proposed special enforcement unit. Sheriff Tanner stated he was in favor of the idea but the existing contract would need to be amended.

4) Capital Improvements Program (CIP)/Storm Water Utility(SWU) Review

Scott Liggett reviewed a summary of the larger projects within the CIP Program stating they represent projects not yet completed from the original TIF district and those newly added.

Mr. Liggett reviewed the CIP Program Summary noting the funds to be rolled from FY14 and new funds assigned combined for total project costs. He emphasized the amounts were estimates. Within the program summary he detailed the projects regarding beach maintenance, existing facilities improvements, park development, new facilities improvements, pathways and roadway improvements.

Mr. McCann suggested removing the \$40,000 cost for the power pedestal at Mathews Drive from the budget and placing it on the capital needs assessment plan list.

Mr. Liggett noted that in the budget distributed the new funding for Chaplin Linear Park was listed at \$1,200,000. He explained that the \$800,000 moved out of the rolled funds for the budget amendment earlier in the year should have been replaced in the new funds making the total \$2,000,000. Mr. Williams suggested downsizing the first phase of Chaplin Linear Park and assigning those funds to Coligny improvements.

Mr. Liggett explained staff recommended new funding for the pathway project on US278 from Fresh Market to Shelter/Cove Chaplin area in the amount of \$1,320,000 and an additional \$400,000 for pathway safety improvements and noted the locations for the safety improvements.

In reviewing the roadway improvements, Mr. Liggett explained the \$250,000 proposed for the Bluffton Parkway Phase 5A Beautification is the first infusion of the funding of up to \$1,000,000 Council had previously committed to the project.

Mayor Laughlin expressed concern about funding the Heritage Plaza Road Extension in the form it had been discussed. Mr. Riley explained a traffic study of the entire region is being conducted and he suggested the project not be eliminated entirely. He added there is also a traffic study to be conducted in the Shelter Cove Town Center area and it would assist staff in determining how to program and fund any improvements needed.

Mr. Williams stated he would like to discuss funding for the First Tee. Mrs. Likins stated she needed to recuse herself from the discussion due to a potential conflict of interest and left the dais. (The required Potential Conflict of Interest form will be attached to the signed/approved minutes.)

Mr. Williams stated the he would like Council to enter into a matching grant with First Tee in the amount of \$150,000. He stated there would need to be a business plan approval and the match would be for actual dollars brought in and not pledges effective with FY15 budget approval. He explained his reasoning is that RBC is deeply involved with First Tee and the community is coming forward with great support of the program. He stated he felt the Town should show their support for the community youth. Mayor Laughlin and Mr. Edwards voiced concern that other charity groups would come forward requesting the same type of funding. Mr. Williams said that each request would need to be judged on its own merits and noted the Town has assisted other organizations whether it be by land or grant. Mr. Edwards stated he feels it is more of an investment in the community rather than a contribution to a charity. Mr. Grant stated he felt it is a great venture for the Town because First Tee gives youth the opportunity to explore a very expensive sport and get engaged in something different.

Mr. Williams proposed the Town create a reserve fund for future dredging needs within the Town so that in future years, the Council at that time can allocate the funds. He suggested the funds come from beach fee side of accommodations tax in the amount of \$200,000 annually. Mr. Edwards and Mrs. Likins agreed with Mr. Williams. Mr. Riley said if the funds would come out of beach fees, there would need to be an amendment to the Town ordinance concerning beach fee distribution.

Mr. Liggett conducted a summary of the Storm Water Utility reviewing the salary and benefits, operating expenses, debt service, capital and infrastructure improvement, inventory and modeling, maintenance and repairs and pump station expenses. He noted the fee was unchanged at \$108.70 per single family unit. He explained the changes in how funds are expensed going forward. Questions from Council were addressed.

Mr. Frank Babel spoke in support of the Chaplin Linear Park pathway.

Ms. Heather Rath also spoke in support of the Chaplin Linear Park Pathway, the crossing on Palmetto Bay Road to the Newhall Audubon Preserve and encouraged completion of the pathway from Fresh Market to Shelter Cove.

5) Adjournment

Mr. Williams moved to adjourn. Mr. McCann seconded. The workshop was adjourned at 7:16 p.m. by a vote of 6-0.

Vicki L. Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor

THE TOWN OF HILTON HEAD ISLAND

TOWN COUNCIL BUDGET WORKSHOP

Date: Thursday, May 29, 2014

Time: 4:00 P.M.

Present from Town Council: Drew A. Laughlin, *Mayor*; Kim Likins, Lee Edwards, Marc Grant, John McCann, *Council Members*

Absent from Town Council: Bill Harkins, *Mayor Pro-Tem*, George Williams, Council Member

Present from Town Staff: Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*, Scott Liggett, *Director of Public Projects and Facilities/Chief Engineer*; Charles Cousins, *Director of Community Development*; Lavar Lucas, *Fire Chief*; Susan Simmons, *Director of Finance*; Bret Martin, *Deputy Director of Finance*; Julian Walls, *Facilities Manager*; Shawn Colin, *Deputy Director of Community Development*; Nancy Gasen, *Director of Human Resources*; Brian Hulbert, *Staff Attorney*; Vicki Pfannenschmidt, *Executive Assistant*

Present from Media: Dan Burley, Island Packet

1) CALL TO ORDER

Mayor Laughlin called the meeting to order at 5:00 p.m. Mayor Laughlin stated Mr. Harkins and Mr. Williams had previously notified him that due to prior commitments they would not be in attendance at the workshop.

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) Review of Budgets of Affiliated Agencies

a. USCB Event Management and Hospitality Training Program

Keri Olivetti, Director, USCB Center for Event Management & Hospitality Training and Charles Calvert, USCB Department Head for Hotel, Restaurant and Tourism reviewed the program and budget request.

b. Solicitor's Office – Drug Court and Career Criminal Program

No one was present to review request.

c. Hilton Head Island Economic Development Corporation

John Joseph, Treasurer, conducted a power point presentation reviewing the request. He encouraged Council to consider awarding the requested amount of \$441,012 as opposed to the budgeted amount of \$391,012.

d. Coastal Discovery Museum

Michael Marks, President and CEO reviewed the specifics of his operating budget request along with the \$67,700 request for capital improvements.

e. Community Foundation of the Lowcountry Public Art Exhibition

Susan Simmons spoke on behalf of the Foundation noting the request was for \$75,000 - for a two year period and the FY14-15 budget includes the amount of \$37,500.

f. Palmetto Breeze (LRTA)

Rochelle Ferguson, Executive Director, highlighted recent achievements noting an upward trend of ridership and passenger growth. She stated it is estimated they will provide more than 100,000 one-way passenger trips to Hilton Head Island and a total of 170,000 trips this current fiscal year. She explained the numerous partnerships with other agencies. She explained the agency is looking at a budget deficit for the upcoming year. She thanked Council for their continuing support of public transportation. Mayor Laughlin suggested the budget be increased to \$200,000. Mrs. Likins agreed stating the operation of the agency is efficient. Mr. Edwards said if the funds are available he is in agreement with the increase.

g. Island Recreation Association

Frank Soule, Executive Director conducted a presentation concerning his budget request. He reviewed the services, programs and events provided by the Association and explained how different areas are expanding and participation has increased.

a. Shore Beach Services, Inc.

Ralph Wagner reviewed the specifics of the budget request.

Mrs. Simmons reviewed the upcoming dates for revised first and second readings. She reviewed suggested changes and said she would have them prepared for Council's review at the June 10 Budget Wrap Up.

7) Executive Session

Mr. Riley stated he needed an Executive Session for contractual matters related to the purchase of land within the Pope Avenue Corridor; contractual matters regarding a proposed lease with Choate Construction Company for town owned land; and personnel matters related to Boards and Commissions.

At 5:52 p.m. Mr. Edwards moved to go into Executive Session for the reasons given by the Town Manager. Mrs. Likins seconded. The motion was approved by a vote of 5-0.

Mayor Laughlin called the meeting back to order at 6:44 p.m. and stated as a result of Executive Session Council would address the remainder of the agenda. He added he would be recusing himself from Item 4 due to a potential conflict of interest and he had previously recused himself from all Executive Session discussion on the item. (The required Potential Conflict of Interest form will be attached to the signed/approved minutes.) He passed the gavel to Mr. Riley and vacated the dais.

Mr. Riley explained that with the Mayor not participating and Mr. Harkins, Mayor Pro Tem absent, Council would need to elect a temporary Mayor Pro Tem. Mr. Edwards moved to elect Kim Likins as Temporary Mayor Pro Tem. Mr. McCann seconded. The motion was approved by a vote of 4-0. Mrs. Likins accepted the gavel from Mr. Riley and continued the meeting.

4) Consideration of a Resolution for the purchase of land within the Pope Avenue Corridor

Mr. Edwards moved that the Town Council of the Town of Hilton Head Island, South Carolina, authorize the Town Manager to execute a contract for purchase of the Kiawah Building, also known as Unit 1, Carolina Office Park, Hilton Head Island, South Carolina from RL Properties, LLC for one million two hundred ten thousand dollars (\$1,210,000.00). Mr. McCann seconded. The motion was approved by a vote of 4-0. (Mayor Laughlin recused. See above.)

Mayor Laughlin returned to the dais at this time.

5) Consideration of Proposed Ordinance 2014-13

Consideration of Proposed Ordinance 2014-13 of the Town of Hilton Head Island, South Carolina, authorizing the execution of a lease with Choate Construction Company for property owned by the Town of Hilton Head Island, South Carolina, pursuant to the authority of S.C. Code Ann. Section 5-7-40 (Supp. 2011), and Section 2-7-20, *Code of the Town of Hilton Head Island, South Carolina*, (1983); and providing for severability and an effective date.

Mrs. Likins moved to approve. Mr. McCann seconded. Mr. Steve Aasheim, President of the POA for the Hilton Head Island Motorcoach Resort spoke of their concerns about the use of the Town's property as an active construction site for assembly of rebar and construction of metal trusses, and as a storage site for construction materials. He stated he and Suzanne Bishop, Director of the Resort, have worked with representatives of Sea Pines and Choate Construction on specifics concerning altering hours of operation at the site. He stated they have come to an agreement and suggested Choate Construction with the help of Sea Pines provide in writing the items discussed and agreed to. Mayor Laughlin stated the need to move forward with the lease due to the time frame and asked if both parties could have a separate agreement concerning the Resort's requests. Cliff McMackin, Director of Resort Development, Sea Pines Resort stated they have been working together and they would work with the Resort to develop a separate agreement concerning their requests. The motion was approved by a vote of 5-0.

6) Consideration of Appointments to Boards and Commissions

Mr. Edwards moved that Town Council nominate Todd Theodore for appointment by Beaufort County Council to the Southern Beaufort County Corridor Beautification Board for a four (4) year term.

Mr. Edwards further moved that the following persons be appointment for three (3) year terms on the Planning Commission: Jim Gant, and Peter Kristian as at-large members; and Caroline McVitty, as the attorney appointee. Finally, Todd Theodore as the landscape architect appointee to fill the unexpired term of Brian Witmer on the Planning Commission.

Mrs. Likins seconded. The motion was approved by a vote of 5-0.

8) Adjournment

Mr. Edwards moved to adjourn. Mr. McCann seconded. The workshop was adjourned at 6:58 p.m. by a vote of 5-0.

Vicki L. Pfannenschmidt
Executive Assistant

Approved:

Drew A. Laughlin, Mayor



Items of Interest

June 10, 2014

1. Noteworthy Events

a) Some of the upcoming meetings at Town Hall:

- Intergovernmental Relations Committee – June 16, 2014, 10:00 a.m.
- Town Council – June 17, 2014, 4:00 p.m.

(Meetings subject to change and/or cancellation. Please visit the Town of Hilton Head Island website at www.hiltonheadislandsc.gov for meeting agendas.

Memo

To: Stephen G. Riley, ICMA-CM, Town Manager
From: Jeff Buckalew, Town Engineer
Via: Scott Liggett, Director of Public Projects & Facilities/Chief Engineer
Mitch Thoreson, Town Attorney's office
Date: May 30, 2014
Re: Second Reading of Proposed Ordinance 2014-12, a Sanitary Sewer Easement Agreement between the Town and the South Island Public Service District

Town Council made no changes to Proposed Ordinance 2014-12, as a result of the first reading held on May 20, 2014.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND

PROPOSED ORDINANCE NUMBER : 2014-12 ORDINANCE NUMBER: 2014-_____

AN ORDINANCE OF THE TOWN OF HILTON HEAD, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A SANITARY SEWER EASEMENT AGREEMENT GRANTING AN EASEMENT BY THE TOWN OF HILTON HEAD ISLAND TO SOUTH ISLAND PUBLIC SERVICE DISTRICT FOR THE CONSTRUCTION, REPAIR, MAINTENANCE, AND USE OF A SANITARY SEWER LINE THROUGH PROPERTY OF THE TOWN OF HILTON HEAD ISLAND, PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. SEC. 5-7-40 (SUPP. 2011), AND SEC. 2-7-20, *CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA*, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, the Town of Hilton Head Island, South Carolina (the “Town”) is the owner of certain real property known as TMS # R550-015-000-0324-0000 (“Town Property”); and,

WHEREAS, South Island Public Service District (“SIPSD”) is extending sanitary sewer service pipelines to sewage treatment facilities owned and operated by SIPSD; and,

WHEREAS, the Town desires to grant and SIPSD desires to accept an easement for the purpose of constructing, maintaining and using a sewer pipeline on, in and through the Town Property subject to certain terms and conditions as set forth therein, and the Town Council for the Town of Hilton Head Island, South Carolina, has determined that it is in the best interests of the Town to execute such an agreement for the same; and,

WHEREAS, under the provisions of S.C. Code Ann. § 5-7-40 (SUPP. 2011) and § 2-7-20, *Code of the Town of Hilton Head Island*, South Carolina, (1983), the conveyance or granting of an interest in real property owned by the Town of Hilton Head Island must be effected by Ordinance.

NOW THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL, AS FOLLOWS:

Section 1. Execution of Agreement.

- (a) The Mayor and Town Manager are hereby authorized to execute and deliver the Sanitary Sewer Easement Agreement which is attached hereto as Exhibit “A”; and
- (b) The Mayor and/or Town Manager are hereby authorized to take such other and further actions as may be necessary to complete the transactions contemplated in the Easement Agreement.

Section 2. Severability.

If any section, phrase, sentence or portion of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction, then such section, phrase, sentence or portion shall be deemed a separate, distinct and independent provision and shall not affect the remaining portion thereof.

Section 3. Effective Date.

This Ordinance shall become effective upon adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

(THIS SPACE LEFT BLANK)

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS _____ DAY OF _____, 2014.**

By:_____
Drew A. Laughlin, Mayor

ATTEST:

By:_____
Victoria L. Pfannenschmidt, Town Clerk

First Reading: _____

Second Reading: _____

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member:_____



MEMORANDUM

TO: Town Council

FROM: Stephen G. Riley, ICMA-CM, Town Manager

VIA: Susan M. Simmons, CPA, Director of Finance

DATE: May 30, 2014

RE: **Second Reading of Proposed Ordinance No. 2014-11 Amending the TIF Plan**

Town Council made no changes to Proposed Ordinance 2014-11, as a result of the first reading on May 20, 2014.

AN ORDINANCE APPROVING THE AMENDED TAX INCREMENT FINANCING PLAN FOR THE TOWN OF HILTON HEAD ISLAND, REDEVELOPMENT PLAN, MARCH 2014; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID TOWN COUNCIL:

Section 1. Findings and Determinations. The Town Council (the "Council") of the Town of Hilton Head Island, South Carolina (the "Town"), hereby finds and determines:

(a) The Town is an incorporated municipality located in Beaufort County, and as such possesses all powers granted to municipalities by the Constitution and general laws of this State.

(b) Pursuant to Section 5-5-10, Code of Laws of South Carolina, 1976, as amended (the "Code"), the Town has selected the Council form of government and is governed by a Council composed of a Mayor and six (6) council members which constitute the governing body of the Town.

(c) Pursuant to Ordinance No. 99-35 duly enacted by Council on December 7, 1999, the Town established and approved a plan for the redevelopment of a portion of the Town pursuant to the Hilton Head Tax Increment Financing Development Plan dated October 1999 (the "Original TIF Plan"); designating a redevelopment project area; making findings of the redevelopment project areas a conservation area; and designating redevelopment projects.

(d) The Town has caused to be prepared a redevelopment plan entitled: "Amended Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area, March 2014" (the "Amended TIF Plan").

(e) The Amended TIF Plan amends the Original TIF Plan as follows: (1) Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town's tax increment financing district (the "TIF District") for an additional 10 years; (2) Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan; (3) Describing the TIF Projects which will be included in the Amended TIF plan; and (4) Establishing binding terms and conditions upon which Hilton Head Public Service District (the "PSD"), Beaufort County, South Carolina (the "County"), and the Beaufort County School District, South Carolina (the "School District") (collectively the "Taxing Districts") will agree to participate in the Amended TIF Plan.

(f) The Amended TIF Plan does not change the boundaries of the TIF District.

(g) Pursuant to Section 31-6-80, Code of Laws of South Carolina, 1976, as amended (the "TIF Act"), the Taxing Districts (as defined in the TIF Act) have the right to allow or disallow the revenue generated within the TIF District from millage imposed for each of the Taxing Districts as applied to assessed value above the initial equalized assessed value (the "Incremental Tax Revenue") to be used to fund TIF Expenditures.

(h) On April 1, 2014, the Council adopted a Resolution authorizing the distribution of the Amended TIF Plan to the Taxing Districts and scheduling a public hearing for May 20, 2014, at 5:00 p.m. in Council Chambers at Town Hall.

(i) Pursuant to the Act, the Town distributed the Amended TIF Plan and Notice of Public Hearing to the Tax Districts not less than forty-five (45) days prior to the date set for the public hearing.

(j) The Taxing Districts have each agreed to participate in the Amended TIF Plan by allowing such revenue to be included as Incremental Tax Revenue so long as the following conditions are observed:

(i) The Incremental Tax Revenue generated from the millage of the School District of Beaufort County to be included in funding the Amended TIF Plan will be limited to 75% of its debt service millage provided that the total contribution for the Amended TIF Plan will be no more than \$13,000,000;

(ii) The Incremental Tax Revenue generated from the millage of Beaufort County to be included in funding the Amended TIF Plan will be limited to \$26 million or the cost necessary to establish the University of South Carolina Beaufort campus (as described in the Amended TIF Plan) within the incorporated boundaries of the Town, whichever is less;

(iii) The Original TIF Plan and TIF District will not be further amended or modified without the approval of the Taxing Districts; and

(iv) Participation in the Amended TIF Plan is contingent upon the consent of all Taxing Districts.

(k) It is now in the best interest of the Town for the Council to approve the Amended TIF Plan.

Section 2. Approval of Amended TIF Plan. The Town Council hereby approves and adopts the Amended TIF Plan attached hereto as Exhibit A and incorporated herein by reference.

Section 3. Notice of Public Hearing. The Council hereby ratifies and approves the publication of a notice of public hearing regarding the Amended TIF Plan and this Ordinance having been published in The Island Packet, a newspaper of general circulation in Beaufort County, not less than 15 days prior to the date of such public hearing.

Section 4. Filing of Ordinance. A certified copy of this Ordinance shall be filed with the Clerk of the County Council of Beaufort County and Treasurer of Beaufort County and such filing shall constitute the authority for the extension of the TIF District and collection of the taxes to be deposited in the Special Tax Allocation Fund (as defined in the Act).

Section 5. Notice. Pursuant to the Act, a notice of the enactment of this Ordinance shall be published in The Island Packet, a newspaper of general circulation in Beaufort County.

Section 6. Declaration of Intent to Reimburse Certain Expenditures. This Ordinance shall constitute the Town's declaration of official intent pursuant to Regulation §1.150-2 of the IRC to reimburse the Town from a portion of the proceeds of the Bonds for expenditures it anticipates incurring (the "Expenditures") with respect to the projects prior to the issuance of tax-exempt bonds. The Expenditures which are reimbursed are limited to Expenditures which are: (a) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Regulation §1.150-2 of the IRC) under general federal income tax principals; or (2) certain de minimis or preliminary Expenditures satisfying the requirements of Regulation §1.150-2(f) of the IRC. The source of funds for the Expenditures with respect to the projects will be the Town's reserve funds. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid; or (b) the date such projects were placed in service, but in no event more than three (3) years after the original Expenditures.

Section 7. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 8. Effectiveness of Ordinance; Codification. This Ordinance shall be in full force and effect from and after it is enacted as provided by law

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND, SOUTH CAROLINA ON THIS ____ DAY OF _____,
2014.**

Drew A. Laughlin, Mayor

(SEAL)

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

Public Hearing:

Date of First Reading:

Date of Second Reading:

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member:

EXHIBIT A

**AMENDED TAX INCREMENT FINANCING PLAN
FOR THE TOWN OF HILTON HEAD ISLAND REDEVELOPMENT AREA**

(See Attached)

**AMENDED TAX INCREMENT FINANCING PLAN
FOR THE TOWN OF HILTON HEAD ISLAND
REDEVELOPMENT AREAS**

HILTON HEAD ISLAND, SOUTH CAROLINA

MARCH 2014

May 2014: Amended Section II. 4. B. to include County's conditions and informed all Taxing Districts of the change.

I. INTRODUCTION

This amendment to the Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area (the “Amended TIF Plan”) is intended to modify and supplement the original Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area approved in 1999 (the “Original TIF Plan”). The Original TIF Plan will remain in full force and effect except to the extent modified herein.

The amendments to the Original TIF Plan are being proposed for the purposes of:

1. Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town of Hilton Head Island’s (the “Town”) tax increment financing district (the “TIF District”) for an additional 10 years;
2. Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan;
3. Describing the TIF Projects which will be included in the Amended TIF plan; and
4. Establishing binding terms and conditions upon which Hilton Head Public Service District (the “PSD”), Beaufort County, South Carolina (the “County”), and the Beaufort County School District, South Carolina (the “School District”) (collectively the “Taxing Districts”) will agree to participate in the Amended TIF Plan.

II. FINDINGS OF FACT

This Amended TIF Plan sets forth the following significant facts supplementing the Original TIF Plan.

1. The Original TIF Plan was approved in December 1999 and has been implemented over the past 14 years, with the desired results of encouraging private investment in the TIF District. Many improvements in the conditions existing in 1999 have been made. However, deleterious conditions continue to exist which cannot be mitigated within the one remaining year and remaining capped expenditures of the original TIF Plan.
2. Additional public investment in the TIF District will encourage additional private development, which will result in increases in the assessed values within the TIF District, and improve land use conditions and improve quality of life for the residents within the TIF District.
3. Continued implementation of the Original TIF Plan, as amended, and completion of the TIF Projects will advance the interests of the health, safety, and general welfare of the Town.
4. Pursuant to Section 31-6-80, Code of Laws of South Carolina, 1976, as amended (the “TIF Act”), the Taxing Districts have the right to allow or disallow the revenue generated within the TIF District from millage imposed for each of the Taxing Districts as applied to assessed value above the initial equalized assessed value (the “Incremental Tax Revenue”) to be used to fund the TIF Projects. The Taxing Districts have agreed to participate in the Amended TIF Plan by allowing such revenue to be included as Incremental Tax Revenue so long as the following conditions are observed.
 - A. The Incremental Tax Revenue from the School District for funding the Amended TIF Plan will be generated from 75% of the debt service millage of the School District for no more

than 10 years and not exceed \$13 million in total (the District will retain its total operating millage revenues in the Amended TIF Plan);

- B. The Incremental Tax Revenue generated from the millage of Beaufort County; Beaufort County to be included in funding the Amended TIF Plan will be limited to \$26 million or the cost necessary to establish the University of South Carolina Beaufort campus as described in this Amended TIF Plan within the incorporated boundaries of the Town, whichever is less;
- C. The Incremental Tax Revenue to be included in funding the Amended TIF Plan will be generated from the millage of the PSD for no more than 10 years;
- D. The 10 years of Incremental Tax Revenues in the Amended TIF Plan are based on tax years 2015 through 2024 which correlate with the Town and Taxing Districts' fiscal years 2016 through 2025;
- E. Expenditures from the Original TIF Plan and Amended TIF Plan will not exceed \$115 million;
- F. All Incremental Tax Revenue from the TIF District during the implementation of the Amended TIF Plan will be used to retire tax increment financing bonds or directly pay the costs of the TIF Projects;
- G. The Amended TIF Plan and TIF District will terminate and cease to exist upon the later of the repayment of the tax increment bonds or completion of the TIF Projects;
- H. The TIF Projects as described herein will be the only projects included in this Amended TIF Plan;
- I. The Town will continue to provide the Taxing Districts with an annual report of the Incremental Tax Revenues received and expended;
- J. The geographic area of the TIF District as described in the Original TIF Plan will not be amended;
- K. The Original TIF Plan and TIF District will not be further amended or modified without the approval of the Taxing Districts; and
- L. The consent to this Amended TIF Plan and the agreement to participate in this Amended TIF Plan of each Taxing District is contingent upon the consent of the other Taxing Districts.

III. CURRENT CONDITIONS

While significant improvements have been made in the inadequacy of utilities, deteriorating structures, and excessive vacancies identified in the Original TIF Plan, many areas within the TIF District continue to experience problems associated with the following conditions.

1. Dilapidated, obsolete and deteriorating structures;
2. Structures below minimum Town code standards;
3. Excessive vacancies and abandonment of property;
4. Inadequate utilities;

5. Deleterious land use or layout;
6. Depreciation of physical maintenance;
7. Lack of community planning; and
8. Illegal use of structures.

Eliminating or mitigating each of these problem areas continues to be a priority for the Town. The TIF Projects are intended to directly address the need for catalyzing private investment in distressed and underperforming areas of the TIF District. This public investment is intended to make the area within the TIF District more desirable for residential and commercial development. The quality of life, general safety and welfare of residents of the TIF District and the community as a whole will be greatly improved as the result of the TIF Projects.

IV. DESCRIPTION OF TIF PROJECTS

TIF Expenditures through June 30, 2013 **\$51,875,403**

Through June 30, 2013, the Town has completed most of the projects included in the Original TIF Plan; a few are in progress or not yet started. These actual project expenditures have been reported to the Taxing Districts in the annual TIF report for fiscal year 2013.

TIF Budget for remainder of Original TIF Plan **\$13,124,597**

1. Projects Completed within Original TIF Plan
2. Financing and Project Management
3. Coligny/Pope Initiative Area – Planning/Design/Land Acquisition
4. Chaplin Linear Park – Planning/Design/Phase I
5. Mathews/Chaplin and Stoney – Planning/Design/Begin Construction

In fiscal years 2014 and 2015 with Original TIF Plan revenues, the Town will make the final interest payments on its 2004 and 2008 TIF Revenue Bonds and incur project management costs. The Town will begin the remaining three groups of projects described below but completion of these projects will likely extend several years into the Amended TIF Plan.

Estimated TIF Expenditures in Amended TIF Plan **\$50,000,000**

As noted above, the TIF Projects in the Amended TIF Plan will consist of projects designed or started in the final two years of the Original TIF Plan. Due to timing and funding limitations or significant project size, these projects will not be complete at the end of the Original TIF Plan. The Town anticipates these project expenditures to be paid with monies generated through the Original TIF Plan, the Amended TIF Plan or both.

1. COLIGNY/POPE INITIATIVE AREA

- A. Coligny Area Improvements
- B. University of South Carolina - Beaufort (USCB) at Office Park Road

2. CHAPLIN LINEAR PARK

3. COMPLETION OF MATHEWS/CHAPLIN AND STONEY PROJECTS

4. FINANCING COSTS AND PROJECT MANAGEMENT

TOTAL TIF EXPENDITURES FOR ORIGINAL AND AMENDED TIF PLANS \$115,000,000

V. TAX INCREMENT FUNDING PLAN

As described above, the TIF Projects in the Amended TIF Plan shall be initially funded with monies generated from the Original TIF Plan and subsequently funded with the monies generated during the Amended TIF Plan. The cumulative TIF Project expenditures for the Original and Amended TIF Plans will not exceed \$115 million.

Additional funding beyond TIF Incremental Tax Revenues for the TIF Projects will come from USCB's fundraising or appropriations, other Town funding sources, investment income, and private fundraising. Some of the remaining TIF Projects are currently in design phases; therefore, final estimated total costs and funding sources have not been determined.

VI. IMPACT ON TAXING DISTRICTS

Based on current millage rates for the Town and the Taxing Districts, the Town estimates the following breakdown of Incremental Tax Revenues by Taxing District over the life of the Amended TIF Plan. These amounts and percentages will change as one Taxing District increases its millage rates independently of the other Taxing Districts. The table below represents only the \$50 million Incremental Tax Revenues planned during the Amended TIF Plan. The Town and its other partners using other public funding sources and private fundraising will provide additional monies to the TIF Projects and other projects within the TIF District.

<u>Taxing District</u>	<u>Percentage</u>	<u>Incremental Tax Revenues Projected During Amended TIF Plan</u>
Beaufort County	52%	\$ 26,100,000
Hilton Head Island PSD	2%	1,100,000
Town of Hilton Head Island	20%	9,800,000
Beaufort County School District	26%	13,000,000 ^a
Total TIF Extension Tax Revenues	100%	\$ 50,000,000

a The School District will participate at 75% of debt service millage and its Incremental Tax Revenues for the Amended TIF Plan will be capped at \$13 million.



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Stephen G. Riley, ICMA~CM, *Town Manager*
FROM: Charles Cousins, AICP, *Director of Community Development*
DATE: May 30, 2014
SUBJECT: Second Reading of Proposed Ordinance 2014-13 to Lease Town Property at 139 Arrow Road

Town Council made no changes to Proposed Ordinance 2014-13, as a result of the first reading held on May 20, 2014.

AN ORDINANCE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, AUTHORIZING THE EXECUTION OF A LEASE WITH CHOATE CONSTRUCTION COMPANY FOR PROPERTY OWNED BY THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, PURSUANT TO THE AUTHORITY OF S.C. CODE ANN. § 5-7-40 (SUPP. 2011), AND § 2-7-20, *CODE OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA*, (1983); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

LEGISLATIVE FINDINGS

WHEREAS, the Town of Hilton Head Island (hereinafter “Town”) owns a parcel of real property known as R552-015-000-0255-0000 and located at 139 Arrow Road, Hilton Head Island, South Carolina (hereinafter, the “Property”); and,

WHEREAS, Choate Construction Company desires to lease the Property for purposes of staging and/or temporary storage of construction materials and related items; and,

WHEREAS, the Town Council for the Town of Hilton Head Island, South Carolina, has determined that it is in the best interests of the Town to enter into a Lease Agreement with Choate Construction Company for the above purposes pursuant to the terms and conditions set forth in that certain Lease, a copy of which is attached hereto as Exhibit “A”; and,

WHEREAS, under the provisions of S.C. Code Ann. § 5-7-40 (SUPP. 2011) and § 2-7-20, *Code of the Town of Hilton Head Island , South Carolina*, (1983), the conveyance or granting of an interest in real property owned by the Town of Hilton Head Island must be authorized by Ordinance.

NOW THEREFORE, BE IT ORDERED AND ORDAINED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS ORDAINED BY THE AUTHORITY OF THE SAID TOWN COUNCIL, AS FOLLOWS:

Section 1. Execution of Lease.

- (a) The Mayor and/or Town Manager are hereby authorized to execute and deliver the Lease in a substantially similar form to that attached hereto as Exhibit "A"; and

- (b) The Mayor and/or Town Manager are hereby authorized to take such other and further actions as may be necessary to complete the transactions contemplated in the Lease and as authorized hereby.

Section 2. Severability.

If any section, phrase, sentence or portion of this Ordinance is, for any reason, held or deemed to be invalid or unconstitutional by any court of competent jurisdiction, then such section, phrase, sentence or portion shall be deemed a separate, distinct and independent provision and shall not affect the remaining portion thereof.

Section 3. Effective Date.

This Ordinance shall become effective upon adoption thereof by the Town Council for the Town of Hilton Head Island, South Carolina.

PASSED, APPROVED AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, ON THIS _____ DAY OF _____, 2014.

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

First Reading: _____

Second Reading: _____

Approved as to form: _____
Gregory M. Alford, Town Attorney

Introduced by Council Member: _____



MEMORANDUM

TO: Town Council

VIA: Stephen G. Riley, ICMA-CM, Town Manager

FROM: Susan M. Simmons, CPA, Director of Finance

DATE: June 4, 2014

RE: **Revised First Reading of Proposed Ordinance No. 2014-10**

Recommendation:

Town Council approves the **revised** first reading of Proposed Ordinance No. 2014-10 to raise revenue and adopt a budget for the Town of Hilton Head Island, South Carolina for the Fiscal Year ending June 30, 2015.

Summary:

Council held budget workshops throughout May to consider the proposed budget for the following funds. Changes from the original budget are described below. There have been no changes to the recommend millage of 21.35.

Governmental Funds:

General Fund	See attached summary and revised statement.
Capital Projects Fund	See attached summary and revised statements.
Debt Service Fund	No changes.

Enterprise Fund:

Stormwater Utility Fund:	No changes.
--------------------------	-------------

Accounting and Financial Policies: No changes.

Budget Process Overview: No changes.

Background:

By its last meeting, Council had determined most budget directions for staff's inclusion in the revised first reading of the budget. Attached are the Summary of Changes and the Budgeted Financial Statements for the two changed funds. Mr. Grant wanted further discussion for an increase in Private (Dirt) Roads Acquisition which has been noted in italics on the Summary of Changes; it has not been included in the Budgeted Financial Statements. Mrs. Likins requested more information about personnel increases which has been provided to Council. Mr. Williams and Mr. Harkins were not in attendance to discuss further desired changes.

Council may opt to discuss the changes summarized in this package and additional ones they may have. If further information is not required and a consensus is reached, Council may then vote on the revised first reading at this June 10 meeting and have second reading at its regular meeting on June 17. Alternatively, Council can delay revised first reading until June 17 and hold a special meeting the following week for second reading. (Tuesday, June 24 has been held, but if needed this meeting would likely be scheduled for Wednesday, June 25.)

Town of Hilton Head Island
Summary of Changes to Proposed FY15 Budget

	<u>Originally Proposed</u>	<u>Currently Proposed</u>	<u>Revised Proposed Budget</u>	<u>Funding Source for Changes</u>
General Fund				
Original Expenditure Budget			\$ 37,372,535	
Public Safety:				
Sheriff's Office	\$ 2,935,215	2,914,048	(21,167)	Hospitality Tax
Townwide - Grants				
First Tee	-	150,000	150,000	Prior Year Funds
Economic Development Commission	391,012	441,012	50,000	Prior Year Funds
LRTA - Palmetto Breeze	175,000	200,000	25,000	Prior Year Funds
Revised Proposed Budget			\$ 37,576,368	

Fund Balance Reserve

Future Dredging Needs	-	\$ 200,000	200,000 A	Local ATAX
-----------------------	---	------------	-----------	------------

A The amount proposed for dredging is not a FY15 budgeted expenditure. The proposal is to set aside \$200,000 each year from Local Accommodations Tax (Local ATAX) to be available for future dredging needs. Future Town Councils would have the authority to adopt the future annual set-aside amounts as well as budget expenditures as the needs arise.

Debt Service Fund

Original Expenditure Budget	\$ 16,716,756
-----------------------------	---------------

No Proposed Changes

Stormwater Fund

Original Expenditure Budget	\$ 3,455,491
Original Transfers to General Fund	94,258
Total Expenditures and Transfers Out	\$ 3,549,749

No Proposed Changes

Town of Hilton Head Island
Summary of Changes to Proposed FY15 Budget

	<u>Originally Proposed</u>	<u>Currently Proposed</u>	<u>Revised Proposed Budget</u>	<u>Funding Source for Changes</u>
Capital Projects Fund				
Original Expenditure Budget			\$ 11,974,786	
Park Improvements				
Chaplin Linear Park	\$ 1,200,000	\$ 2,000,000	800,000 B	TIF Tax
Revised Proposed Budget			12,774,786	
<i>Remaining Discussion Items:</i>				
<i>Road Improvements</i>				
Private (Dirt) Road Acquisitions	25,000	100,000	75,000 C	Ad Valorem Tax
Revised Budget if Dirts Rds. Included without Offsets			\$ 12,849,786	

B This change is to restore the budget planned last year. A FY14 midyear budget decreased the budget by \$800,000 with the intention of restoring it for FY15. The total for the two years is \$2.5 million as planned in the prior year.

C This item was proposed at the end of the last workshop - to be discussed in more detail. Council requested that staff provide a proposed funding source and staffing impact of adding funding to this recurring project.
Staff Response: Overall staff is concerned about the initial funding to acquire/construct road improvements as well as funding the costs to maintain them. The Town is acquiring some roads with the intent to transfer them to the County, but the County has not always been willing to accept them. The primary sources of funding for road improvements has been (1) hospitality taxes, (2) traffic impact fees, and (3) ad valorem (property) taxes. Anticipated revenues for funding sources 1 and 2 have long-term commitments against them and will not be a potential funding source for many years. Ad valorem (property) taxes could be used for Private (Dirt) Road Acquisitions but a \$75,000 increase would need to be offset by other projects currently funded from this source due to the budgetary constraints of this funding source as well as staffing limitations to complete additional projects. For future budget years, Council should consider discussing a funding strategy for maintaining the roads currently owned or maintained and those it may acquire.

Potential donor projects are:

Pathway Rehab	\$ 55,000	Property Cleanup/Daylighting	\$ 70,000
Town Hall Vehicles (2)	52,000	Other Misc. General Fund Facilities	
Demolition of Structures	88,000	Management	279,000
Parking Lot/Sidewalk Refurbishments	60,000	Power Pedastal at Mathews Roundabout	28,000
Planting Replacements	50,000	U. S. 278 at Squire Pope Intersection	30,000

Note 1: Council had multiple discussions about projects in the current year budget and 10-year CIP project plan which were to be funded by the new Amended TIF Plan, namely Heritage Plaza Road Extension, USCB/Office Park Road, Chaplin Linear Park, and Coligny Initiative Area projects. Because most of these projects are still in the design/permitting phase, it is likely that scope and costs may still change. Therefore, staff recommends that these budgets not be further revised for the adopted budget. As plans and costs are finalized, staff will propose midyear budget amendments as appropriate.

General Fund

	2011	2012	2013	2014		2015		
				Revised Budget	Estimated Actual	FY 2015 Budget	% change	
							FY 2014 Budget	FY 2014 Est. Actual
Revenues								
Property Taxes	10,956,179	11,585,070	11,500,914	11,769,908	11,400,000	11,810,750	0%	4%
ATAX Local 1%	2,416,264	2,420,698	2,499,067	2,694,236	2,750,000	2,833,000	5%	3%
Business Licenses:								
Business Licenses - Town	2,833,347	2,926,327	3,388,636	3,330,079	3,400,000	3,500,000	5%	3%
Business Licenses - MASC	4,067,077	4,217,999	4,385,502	4,200,661	4,400,000	4,532,000	8%	3%
Franchise Fees:								
Cable	691,914	905,811	763,434	750,100	763,434	787,000	5%	3%
Beach Fee	23,200	22,161	21,811	22,000	25,000	25,750	17%	3%
Recycling	18,672	112,081	150,324	130,000	129,750	-	-100%	-100%
Permit Fees:								
Construction	247,415	270,363	481,110	416,900	531,000	547,000	31%	3%
Development	5,526	5,700	13,212	11,899	6,000	6,180	-48%	3%
Other	701,478	676,476	873,844	869,000	869,000	895,000	3%	3%
Intergovernmental	752,988	678,370	800,659	806,234	806,234	800,000	-1%	-1%
Grants:								
Beaufort County - Hazmat	11,677	11,677	11,677	11,680	11,677	11,677	0%	0%
Beaufort County - E911	106,760	109,779	140,328	110,000	140,000	144,200	31%	3%
DHEC	4,710	3,387	4,404	3,400	3,400	4,000	18%	18%
FEMA	25,087	-	-	-	-	-	0%	0%
Red to Green Grant	1,498	-	1,857	-	1,000	1,900	0%	0%
FM Global Grant	2,000	-	-	-	-	-	0%	0%
State Grants	-	-	94,494	-	-	-		
SCMIT Grant	-	-	2,000	-	-	-		
Grants	-	-	-	-	220,091	-		-100%
Miscellaneous Revenue:								
Beach Services	206,040	207,182	223,196	210,000	219,000	225,500	7%	3%
Donations	225	450	155	500	275	300	-40%	9%
Municipal Court	361,152	308,708	262,022	300,000	230,000	230,000	-23%	0%
Other	140,335	152,348	228,715	172,120	251,606	259,200	51%	3%
Public Safety - EMS	1,352,088	1,340,787	1,198,868	1,402,787	1,275,925	1,314,000	-6%	3%
Public Safety - County D/T	203,000	54,441	53,758	55,000	55,000	56,500	3%	3%
Town Codes	453	296	246	500	200	250	-50%	25%
Victim's Assistance	57,045	50,142	42,477	45,000	40,000	45,000	0%	13%
Transfers In:								
Beach Preservation Fee Fund	978,080	969,390	981,705	1,111,138	1,111,138	1,111,138	0%	0%
Capital Projects Fund:								
Hospitality Bond	-	-	-	-	-	-		
Ad Valorem Taxes	-	-	-	-	-	654,000		
Lease	-	-	-	-	-	12,000		
Sunday Liquor Fees	37,500	37,500	37,500	359,703	359,703	418,150	16%	16%
Hospitality Tax Fund	2,930,183	2,975,271	2,974,237	3,570,012	3,570,012	4,726,069	32%	32%
Tax Increment Financing Fund	184,330	181,480	182,930	163,775	163,775	169,398	3%	3%
State Accommodations Tax Fund	1,083,671	1,085,776	1,178,148	1,089,414	1,273,000	1,264,324	16%	-1%
Electricity Franchise Fee Fund	78,176	83,602	82,551	85,576	85,576	87,878	3%	3%
Stormwater Utility Fund	389,730	235,330	236,130	74,258	74,258	94,258	27%	27%
Investments	41,785	1,865	2,732	2,512	2,500	2,700	7%	8%
Total Revenues	30,909,586	31,630,467	32,818,642	33,768,392	34,168,553	36,569,122	8%	7%
Increase/Decrease	329,996	720,881	1,188,175	2,137,925	2,538,086	2,400,569		
%	1.08%	2.33%	3.76%	6.76%	8.02%	7.03%		

						2015		
	2011	2012	2013	2014		FY 2015 Budget	% change	
				Revised Budget	Estimated Actual		FY 2014 Budget	FY 2014 Est. Actual
Expenditures								
General Government:								
Town Council	484,500	307,269	374,956	500,110	467,448	500,276	0%	7%
Town Manager	635,331	574,842	593,550	642,571	625,481	642,675	0%	3%
Total General Government	1,119,831	882,111	968,506	1,142,681	1,092,929	1,142,951	0%	5%
Management Services:								
Administration/Legal	402,823	424,396	379,630	475,359	462,151	518,974	9%	12%
Administrative Services								
Administrative Support	219,840	209,677	171,548	234,116	199,215	234,752	0%	18%
Municipal Court	400,355	371,047	376,951	413,405	393,884	425,391	3%	8%
Information Technology	1,573,291	1,576,389	1,813,266	2,308,507	2,368,085	2,075,209	-10%	-12%
	2,193,486	2,157,113	2,361,766	2,956,028	2,961,185	2,735,352	-7%	-8%
Finance								
Administration	211,370	247,858	282,117	302,481	302,833	310,398	3%	2%
Accounting	589,795	538,530	546,355	606,582	590,724	626,488	3%	6%
Revenue and Collections	700,325	569,734	677,526	856,137	698,640	830,957	-3%	19%
	1,501,490	1,356,122	1,505,998	1,765,200	1,592,197	1,767,843	0%	11%
Human Resources	495,425	486,729	526,430	589,914	560,828	574,227	-3%	2%
Total Management Services	4,593,225	4,424,359	4,773,823	5,786,501	5,576,360	5,596,396	-3%	0%
Community Services:								
Community Development								
Administration	548,302	593,454	562,958	600,343	586,434	548,286	-9%	-7%
Comprehensive Planning	367,135	347,178	366,297	498,782	500,569	524,929	5%	5%
Development, Review and Zoning	674,375	633,069	625,143	863,512	844,405	680,578	-21%	-19%
Building	603,691	614,999	664,599	636,722	650,615	701,677	10%	8%
CD Services	289,892	268,332	274,914	289,392	283,456	304,500	5%	7%
Total Community Development	2,483,395	2,457,032	2,493,911	2,888,751	2,865,479	2,759,970	-4%	-4%
Public Projects and Facilities								
Administration	232,326	233,415	239,382	249,972	248,764	260,417	4%	5%
Engineering	643,071	654,347	723,367	816,139	799,941	1,291,589	58%	61%
Facilities Management	2,381,406	2,426,994	2,539,756	3,293,788	3,158,394	3,633,324	10%	15%
Total Public Projects and Facilities	3,256,803	3,314,757	3,502,505	4,359,899	4,207,099	5,185,330	19%	23%
Total Community Services	5,740,198	5,771,788	5,996,416	7,248,650	7,072,577	7,945,300	10%	12%

	2011	2012	2013	2014		2015		
				Revised Budget	Estimated Actual	FY 2015 Budget	% change	
							FY 2014 Budget	FY 2014 Est. Actual
Public Safety:								
Fire								
Administration	285,915	321,194	308,546	368,491	410,109	368,716	0%	-10%
Operations	8,964,000	9,068,353	9,138,386	9,135,064	9,533,766	9,496,249	4%	0%
Fire Prevention	521,577	491,236	540,727	565,001	577,198	610,411	8%	6%
Logistics/Maintenance	530,085	570,639	504,545	563,954	564,152	572,823	2%	2%
Communications	1,047,754	1,080,123	1,136,446	1,133,177	1,112,699	1,148,716	1%	3%
Training	625,232	683,782	701,681	715,508	691,366	718,481	0%	4%
Emergency Management	218,785	160,819	122,290	135,524	127,487	141,204	4%	11%
E911 Communications	232,346	232,094	238,152	273,705	245,414	283,313	4%	15%
Support Services	716,225	737,171	760,131	1,102,664	1,102,658	1,787,631	62%	62%
Total Fire & Rescue	13,141,918	13,345,409	13,450,904	13,993,088	14,364,849	15,127,544	8%	5%
Sheriff/Other Public Safety								
Police Services Contract	2,731,804	2,763,629	2,806,908	2,801,438	2,801,438	2,853,320	2%	2%
Beach Services	212,568	192,058	203,339	205,638	205,638	232,065	13%	13%
Stipend	121,800	111,300	112,000	115,000	115,000	118,000	3%	3%
Victims' Rights	53,010	57,640	59,492	59,035	59,035	60,728	3%	3%
New Position Request						-		
Total Sheriff/Other Public Safety	3,119,183	3,124,627	3,181,739	3,181,111	3,181,111	3,264,113	3%	3%
Total Public Safety	16,261,101	16,470,036	16,632,643	17,174,199	17,545,960	18,391,657	7%	5%
Townwide (non-departmental):								
Personnel	151,953	185,616	123,581	178,024	147,255	355,960	100%	142%
Operating	1,466,716	1,356,868	1,364,557	1,652,955	1,494,591	1,662,000	1%	11%
Capital	-	-	-	35,000	35,000	35,000	0%	0%
Grants	2,454,261	1,612,417	1,528,899	2,082,425	2,306,425	2,447,104	18%	6%
Total Townwide (non-departmental)	4,072,931	3,154,901	3,017,037	3,948,404	3,983,271	4,500,064	14%	13%
Total Expenditures	31,787,285	30,703,197	31,388,425	35,300,433	35,271,098	37,576,368	6%	7%
Net change in fund balances	(877,699)	927,270	1,430,217	(1,532,041)	(1,102,545)	(1,007,245)		
Fund balance - beginning	15,763,985	14,886,286	15,813,556	17,243,773	17,243,773	16,141,228		
Fund balance - ending	14,886,286	15,813,556	17,243,773	15,711,732	16,141,228	15,133,982	*	

*The amount proposed for dredging is not a FY15 budgeted expenditure. The proposal is to set aside \$200,000 each year from Local Accommodations Tax (Local ATAX) to be available for future dredging needs. Future Town Councils would have the authority to adopt the future annual set-aside amounts as well as budget expenditures as the needs arise.

Town of Hilton Head Island
Budget Workbook for Capital Projects Fund
Year Ending June 30, 2015

							% change	
	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2014 Estimated Actual	FY 2015 Budget	FY 2014 Budget	FY 2014 Est. Actual
Revenues:								
Ad Valorem Property Taxes	696,763	692,418	685,501	716,161	656,689	689,244	-3.76%	4.96%
Investment Income	23,751	3,378	3,269	0	0	0		
Grants	0	944,854	27,622	0	0	0		
Contributions	7,500	100,000	20,000	0	0	0		
Sunday Permit Fees	356,900	332,230	381,015	480,936	380,700	478,150	-0.58%	25.60%
Traffic Impact Fees	79,254	151,989	100,572	840,594	162,700	0	-100.00%	-100.00%
Park Impact Fees	26,334	36,366	63,160	0	113,800	0		-100.00%
Beaufort County Bond	275,000	0	0	0	0	0		
Refund of Prior Year Expenditure	0	0	0	0	458,479	0		-100.00%
Bond Premium	0	742,422	664,056	0	0	0		
Bond Proceeds (Beach Preservation)	0	11,000,000	0	0	0	0		
Bond Proceeds (Hospitality)	0	15,250,000	0	4,597,228	0	1,870,000	-59.32%	
Bond Proceeds (TIF)	0	0	0	0	0	1,350,000		
Bond Proceeds (2013 General Obligation)	0	0	9,000,000	1,329,237	0	0	-100.00%	
Bond Proceeds (2014 General Obligation)	0	0	0	2,500,000	0	1,375,000	-45.00%	
Lease Revenue	19,200	46,978	208,998	12,000	125,700	89,336	644.47%	-28.93%
Sale of Property & Equipment	247,712	264,930	266,622	0	175,000	0		-100.00%
Transfers In:								
Beach Preservation Fees	606,267	608,882	642,078	2,800,837	2,800,838	1,250,000	-55.37%	
Hospitality Fees	1,543,734	888,292	273,575	3,201,023	3,201,023	600,000	-81.26%	
Tax Increment Financing	376,744	3,436,996	1,594,527	9,563,200	9,563,200	4,900,000	-48.76%	-48.76%
Real Estate Transfer Fees	33,081	821	0	0	0	0		
Total Revenue	4,292,240	34,500,556	13,930,996	26,041,216	17,638,129	12,601,730	-51.61%	-28.55%
Expenditures:								
Beach Maintenance	568,575	11,357,778	711,633	2,800,837	2,800,837	1,250,000	-55.37%	-55.37%
Existing Facilities	2,997,297	1,853,681	1,220,282	4,470,518	4,470,518	340,000	-92.39%	-92.39%
Park Development	257,991	849,815	765,810	2,241,957	2,241,957	2,810,000	25.34%	25.34%
New Facilities	354,643	1,426,276	1,340,994	5,742,528	5,742,528	3,100,000	-46.02%	-46.02%
Pathway Improvements	548,127	510,075	1,354,268	1,836,133	1,836,133	1,720,000	-6.32%	-6.32%
Roadway Improvements	1,154,475	1,297,643	1,669,550	6,145,846	6,145,846	2,155,000	-64.94%	-64.94%
Land Acquisition	2,917,122	8,909,874	6,080,116	2,500,000	15,227	0	-100.00%	-100.00%
Bond Issue Costs	0	525,364	127,167	108,500	108,500	250,000	130.41%	130.41%
Transfers Out	37,500	1,137,500	4,215,828	318,400	438,182	1,149,486	261.02%	162.33%
Total Expenditures	8,835,731	27,868,005	17,485,649	26,164,720	23,799,728	12,774,486	-51.18%	-46.33%
Other Financing Sources:								
Bond Proceeds Previously Recognized	-	-	-	(4,597,228)	-	(1,870,000)	-59.32%	
Net Change in Fund Balance	(4,543,492)	6,632,552	(3,554,653)	(4,720,732)	(6,161,599)	(2,042,756)		
Beginning Fund Balance	18,385,008	13,841,516	20,474,068	16,919,415	16,919,415	10,757,816		
Ending Fund Balance	13,841,516	20,474,068	16,919,415	12,198,683	10,757,816	8,715,060		

* - For actual reporting purposes, all bond proceeds are recognized at the time of issuance and are therefore reflected in the beginning fund balance. For budgetary reporting purposes, bond proceeds are recognized to the extent the proceeds are utilized for capital projects. Therefore to reconcile between the two presentations it is necessary to adjust the Fund Balance by the previously recognized Bond Proceeds.

Capital Projects Fund (CIP) Expenditures by Funding Source - FY 2015

THOUSANDS OF DOLLARS										
Estimated FY 2014 Funding (Enc./Roll)	FY 2015 Budget	FY 2015 Property Taxes	Beach Fee	Hospitality Bond	Hospitality Tax	TIF Bond	TIF	Sunday Liquor Permit Fees	Lease	GO Bond

BEACH MAINTENANCE

Beach Management & Monitoring	272	500		500						
Beach Renourishment - FY 2016	323	750		750						
Beach Renourishment - Ocean Point	302	-		-						
TOTAL	897	1,250	-	1,250	-	-	-	-	-	-

EXISTING FACILITIES & INFRASTRUCTURE

Fire Station 2 Replacement	-	150			150					
Power Pedestal Installation at Mathews Dr. Roundabout		40	28						12	
Town Hall Office Space Reconfiguration		150			150					
Town Hall Renovations	26	-								
Fire Station 6 Replacement	367	-								
TOTAL	393	340	28	-	150	150	-	-	12	-

PARK DEVELOPMENT

Park Upgrades	30	60						60		
Chaplin Linear Park	515	2,000					2,000			
Recreation Center Expansion	16	750								750
Rowing and Sailing Center	1,149									
TOTAL	1,710	2,810	-	-	-	-	2,000	60	-	750

NEW FACILITIES & INFRASTRUCTURE

USCB Hospitality Management Program Building	4,020	2,600					2,600	-		
Sewer Service Projects		500								500
58 Shelter Cove Lane - Tenant Upfit (BCSO)	179	-								
Tenant Upfit Project at 58 Shelter cove	59									
Coligny/Pope Avenue Area Initiative	143	-								
TOTAL	4,401	3,100	-	-	-	-	2,600	-	-	500

Capital Projects Fund (CIP) Expenditures by Funding Source - FY 2015

THOUSANDS OF DOLLARS											
Estimated FY 2014 Funding (Enc./Roll)		FY 2015 Budget	FY 2015 Property Taxes	Beach Fee	Hospitality Bond	Hospitality Tax	TIF Bond	TIF	Sunday Liquor Permit Fees	Lease	GO Bond
PATHWAYS											
US 278 (Shelter Cove/Chaplin to Mathews North)	89	-									
US 278 (Gardner Drive to Jarvis Park / Honey Horn)	119	-									
US 278 (Gum Tree Road to Squire Pope Road)	54	-									
US 278 (Village at Wexford to Arrow Road)	46	-									
US 278 (Fresh Market Shoppes to Shelter Cove/Chaplin)	93	1,320			1,320						
Pathway Safety Improvements		400			400						
TOTAL	401	1,720	-	-	1,720	-	-	-	-	-	-
ROADWAY IMPROVEMENTS											
Mathews Dr/Marshland Rd Roundabout		1,000						1,000			
Office Park Rd Intersection Improvements		150						150			
Heritage Plaza Road Extension	2,509	350					350				
Intersection Improvements at Shelter Cove Town Center		TBD									
Bluffton Parkway - Phase 5A Beautification		250				250					
Traffic Signal Mast Arms		150						150			
Private (Dirt) Road Acquisition	73	25	25								
WM. Hilton Parkway Intersection Improvements at Squire Pope Road- westbound third lane		30	30								
Honey Horn Drive Apron and Access Aisle Improvements (facilitate special events parking)		200				200					
Lemoyne Road Reconstruction & Extension	82	-									
Traffic Signal System Pre-emption	375	-									
F&R Emergency Access Points	96	-									
Mathews Dr./Chaplin Area Connectivity	897	-									
Leamington Fresh Market Shoppes	25	-									
TOTAL	4,057	2,155	55	-	-	450	350	1,300	-	-	-
TOTAL FY 2015 BUDGET	11,859	11,375	83	1,250	1,870	600	2,950	3,300	60	12	1,250

Capital Projects Fund (CIP) Expenditures by Category 2015-2024

THOUSANDS OF DOLLARS						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020-2024

Summary

Beach Maintenance	1,250	18,000	500	500	500	2,500
Existing Facilities & Infrastructure	340	240	2,925	50	-	-
Park Development	2,810	5,450	2,700	200	200	7,500
New facilities & Infrastructure	3,100	3,750	17,550	750	2,100	6,800
Pathways	1,720	-	-	-	-	560
Roadway Improvements	2,155	1,105	2,296	3,710	1,000	750
TOTALS (THOUSANDS OF DOLLARS)	11,375	28,545	25,971	5,210	3,800	18,110

Capital Projects Fund (CIP) Expenditures by Category 2014-2023

	THOUSANDS OF DOLLARS					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020- 2024

BEACH MAINTENANCE

Beach Management & Monitoring	500	500	500	500	500	2,500
Beach Renourishment - Island Wide	750	17,500				

TOTAL	1,250	18,000	500	500	500	2,500
--------------	--------------	---------------	------------	------------	------------	--------------

EXISTING FACILITIES & INFRASTRUCTURE

Power Pedestal Installation at Mathews Drive roundabout	40					
Town Hall Renovations	150	50	50	50		
Fire Station 2 Replacement	150	150	2,700			
F&R Training Center Enhancemenss (Proposed Strategic Plan Recommendation)		40	175			

TOTAL	340	240	2,925	50	-	-
--------------	------------	------------	--------------	-----------	----------	----------

PARK DEVELOPMENT

Park Upgrades	60	200	200	200	200	1,000
Chaplin Linear Park	2,000					6,500
Recreation Center Enhancements	750	5,250	2,500			

TOTAL	2,810	5,450	2,700	200	200	7,500
--------------	--------------	--------------	--------------	------------	------------	--------------

NEW FACILITIES & INFRASTRUCTURE

Coligny/Pope Avenue Area Initiative	-	750	50	750	2,100	6,800
USCB Hospitality Management Program Building	2,600	2,500	17,500			
58 Shelter Cove Lane - Tenant Upfit (Town Use)	-	-	-	-	-	-
Sewer Services Projects	500					
Wall at Airport	-	500				

TOTAL	3,100	3,750	17,550	750	2,100	6,800
--------------	--------------	--------------	---------------	------------	--------------	--------------

PATHWAYS

US 278 (Gum Tree Road to Squire Pope Road)						560
US 278 (Fresh Market Shoppes to Shelter Cove/Chaplin)	1,320					-
Pathway Safety Improvements	400					-

TOTAL	1,720	-	-	-	-	560
--------------	--------------	----------	----------	----------	----------	------------

Capital Projects Fund (CIP) Expenditures by Category 2014-2023

	THOUSANDS OF DOLLARS					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020- 2024
ROADWAY IMPROVEMENTS						
Mathews Drive/Marshland Road Roundabout	1,000					
Office Park Road Intersection Improvements	150	500	1,000			
Reconstruction of South Lagoon Road		120		1,200		
Reconstruction of Nassau street		100		760		
Pope Avenue Improvements			100		1,000	
South Forest Beach Drive Improvements				100		750
Heritage Plaza Road Extension	350			1,500		
WM. Hilton Parkway Intersection Improvements at Squire Pope Road - westbound third lane	30		300			
Honey Horn Drive Apron and Access Aisle Improvements (facilities special events parking)	200					
Intersection Improvements at Shelter Cove Town Center	TBD	TBD				
Miscellaneous Turning lane Improvements: EB Wm. Hilton parkway @ Queens Folly, WB Wm. Hilton Pkwy @ Beach City Rd., Arrow rd. @ Palmetto Bay		35	300			
Bluffton Parkway - Phase 5A Beautification	250	250	500			
Traffic signal Mast Arms (TIF Funded in District)	150	100	96	150		
Private (Dirt) Roads Acquisition	25	TBD	TBD	TBD	TBD	TBD
TOTAL	2,155	1,105	2,296	3,710	1,000	750
TOTALS (THOUSAND OF DOLLARS)	11,375	28,545	25,971	5,210	3,800	18,110

ORDINANCE NO. _____

PROPOSED ORDINANCE NO. 2014-10

AN ORDINANCE TO RAISE REVENUE AND ADOPT A BUDGET FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, FOR THE FISCAL YEAR ENDING JUNE 30, 2015; TO ESTABLISH A PROPERTY TAX LEVY; TO ESTABLISH FUNDS; TO ESTABLISH A POLICY FOR ACQUISITION OF RIGHTS OF WAY AND EASEMENTS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Section 5-7-260(3) of the Code of Laws for South Carolina 1976, as amended, and Section 2-7-20 of the Municipal Code of the Town of Hilton Head Island, South Carolina, require that the Town Council act by ordinance to adopt a budget and levy taxes, pursuant to public notice; and

WHEREAS, Town Council also desires to set aside funds for an Operating Reserve to provide for emergency-related expenditures and to offset fiscal year tax revenue income stream deficiency; and

WHEREAS, Town Council finds that it would be more economical and efficient to authorize the Town Manager to move forward with construction contract modifications, change orders, contract price adjustments, and execution of contracts for supplies, services, and construction where the contract amount involved does not exceed the budget line item or project budget as approved by Town Council in the Consolidated Municipal Budget.

NOW, THEREFORE, BE IT ORDERED AND ORDAINED BY THE COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA; AND IT IS HEREBY ORDAINED BY THE AUTHORITY OF THE SAID COUNCIL:

NOTE: Underlined and bold-face typed portions indicate additions to the Ordinance. ~~Stricken~~ Portions indicate deletions to the Ordinance.

Section 1. Adoption of the Budget. The prepared budget of estimated revenues and expenses, a copy of which is attached hereto and incorporated herein, is hereby adopted as the budget for the Town of Hilton Head Island for the fiscal year ending June 30, 2015.

Section 2. Establishment of Property Tax Levy. A tax to cover the period from July 1, 2014 through June 30, 2015, inclusive, for the sums and in the manner hereinafter mentioned, is and shall be, levied, collected and paid into the treasury of the Town of Hilton Head Island for its uses at a rate of mills on assessed value of real estate and personal property of every description owned in the Town of Hilton Head Island, except such property as is exempt from taxation under the Constitution and laws of the State of South Carolina. Said tax levy shall be paid into the Town Treasury for the credit of the Town of Hilton Head Island for its corporate purposes, for the purpose of paying current operational expenses of the said municipality 14.37 mills, Debt Service 6.14 mills, and Capital Projects Fund .84 mills making the total levy of 21.35 mills.

Section 3. Establishment of Funds. To facilitate operations, there shall be established and maintained a General Fund, a Capital Projects Fund, a Debt Service Fund, a Stormwater Fund and other appropriate funds in such amounts as are provided for in the aforesaid Budget, as hereby adopted or as hereafter modified pursuant to law.

Section 4. Acquisition of Rights of Way and Easements. The Town Manager is charged with the duty of executing all necessary documents to obtain rights of way, easements, and other property interests necessary to complete duly authorized Capital Improvement Projects. Capital Improvement Projects based on the ownership and life expectancy of the assets or improvements or based on the funding source authorized may be budgeted in the General, Capital Projects or Stormwater Funds. If expenditures are expressly authorized for an approved Capital Improvement Project in any of the budgeted funds, then the Town Manager is hereby authorized to execute all necessary documents and to expend such funds as are approved pursuant to the Capital Improvement budgets. Provided, however, in the event that the costs of an acquisition of such real property interests materially exceeds the amount budgeted in the approved Capital Improvement Project and the Town Manager is unable to shift additional funds from other authorized sources, the Town Manager shall be required to obtain the approval of Town Council for such additional expenditures. Nothing herein shall obviate the requirement that no condemnations shall be commenced without the appropriate approval of the Town Council for the Town of Hilton Head Island.

Section 5 Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 6. Effective Date. This Ordinance shall be effective upon its enactment by the Town Council for the Town of Hilton Head Island.

**PASSED, APPROVED, AND ADOPTED BY THE COUNCIL FOR THE TOWN OF
HILTON HEAD ISLAND ON THIS ____ DAY OF _____, 2014.**

Drew A. Laughlin, Mayor

ATTEST:

Victoria L. Pfannenschmidt, Town Clerk

First Reading: _____

Public Hearing: _____

Revised First Reading: _____

Second Reading: _____

APPROVED AS TO FORM:

Gregory M. Alford, Town Attorney

Introduced by Council Member: _____

MEMORANDUM

TO: Town Council
FROM: Nancy Gasen and Susan Simmons
VIA: Stephen G. Riley
DATE: June 4, 2014
SUBJECT: Explanation of FY15 Personnel Budget Increase

In response to Ms. Likens' request during the 5/29 budget workshop, the Town Manager asked staff to provide more detail related to factors contributing to the FY15 personnel budget increase. That response is provided below.

The FY14 to FY15 Personnel Budget increase of \$1,072,053 includes not only a net increase in actual personnel expenditures, but also a significant increase resulting from two FY15 changes in accounting/budgeting methods shown in the chart and explained below. **Excluding the impact of these changes totaling almost \$300,000, actual personnel expense increases are less than \$800,000.**

	FY14 Budget	FY15 Budget	Change	
			\$	%
Personnel Budget	\$21,034,966	\$22,107,019	\$ 1,072,053	5.1%
Changes in Accounting/Budgeting Methods				
Vacancy Factor Budgeted in FY14, not FY15			(201,139)	
Workers' Compensation Credit Accounting Change			(79,485)	
Total Changes in Methods			(280,624)	
Increase in Budget, Net of Methods Changes			\$ 791,429	3.8%

Increase Due to FY15 Changes in Accounting/Budgeting Methods: \$280,624

1. Budgeting for Full Employment vs. Reduced Employment Cost:
In the FY14 budget, projected personnel expenses were reduced by a "personnel vacancy factor" of \$201,139 (approximately 1% of budget) to reflect the historical savings generated when positions remain temporarily vacant due to employee turnover. However, the entire amount of anticipated FY14 savings did not materialize due to increased costs associated with higher than anticipated Fire Rescue retirements, use of an expedited hiring process for Fire Rescue vacancies, and a very low turnover rate outside of Fire Rescue. Although the overall FY14 budget to actual variance is still expected to be positive, a decision was made to budget "full employment" (no "personnel vacancy factor") in FY15 as a conservative measure.
2. Workers' Compensation Program Change:
In the FY14 budget, an anticipated WC program participation credit of \$79,485 was used to directly reduce budgeted FY14 WC premium expense. Beginning in FY15, budgeted WC premiums have been increased in recognition of the fact that the participation credit must now be considered revenue. Although the participation credit has been re-categorized, this action will result in no net change to the fund balance.

Primary Contributors to Actual Personnel Expense Increase:

1. Merit Increase (3% of Salary + Benefit Impact) - \$538,941
The recommended merit budget % increase is the same increase approved in FY14 and is based on survey data collected by staff either directly or from professional associations. Data considered includes local, SC municipal, regional public sector, and national public/private sector projected salary increase budgets as well as compensation consultant recommendations. Additional information is available upon request.
2. Classification & Compensation Study Increase (1% of Salary + Benefit Impact) - \$182,700
The recommended increase is based on study findings as described in the Town Manager's 4/30/14 memo to Town Council. The increase is very low compared to the FY07 study increase budget that equaled 6% of salary. A comprehensive study of this type is unlikely to be conducted again for at least 5 years.
3. Medical Premium Increase - \$148,823 (8.31%)
The FY15 premium increase reflects an overall 4.50% employer increase effective 1/1/15 as well as an enrollment shift toward more expensive coverage levels as retiring employees with single or two-person coverage have been replaced by younger employees selecting family coverage.
4. Overtime Increase - \$34,429 (5.41%)
5. Retirement Health Savings Plan Contribution Increase - \$29,934 (22.11%)

The above expense increases are partially offset by personnel expense decreases in other areas such as base salary (decrease of \$163,729 or 1.10%).

In summary, the year-over-year personnel expense budget is increased by almost \$300,000 due to FY15 changes in accounting/budgeting methods. This one-time spike in the FY15 Personnel Budget is similar to that experienced in the Operating Budget due to the transfer in of expenses previously shown in the CIP Budget. With the adoption of these method changes in FY15, future year-over-year budget comparisons will more accurately reflect actual personnel expenditure changes.

If you have additional personnel expense questions not addressed by the information above, please share them in advance of the 6/10 workshop so accurate responses can be provided.



MEMORANDUM

TO: Town Council

CC: Accommodations Tax Advisory Committee

FROM: Susan M. Simmons, CPA, Director of Finance

VIA: Stephen G. Riley, ICMA-CM, Town Manager

DATE: May 22, 2014

SUBJECT: Chamber of Commerce Visitor and Convention Bureau Proposed 2014-2015 Budget

Recommendation:

After a full review by the Accommodations Tax Advisory Committee of the 2014-2015 proposed budget and Marketing Plan for the Chamber of Commerce Visitor and Convention Bureau, the Committee voted to recommend to Town Council that the proposed budget be approved. Staff also recommends that Town Council approve the 2014-2015 proposed budget and marketing plan.

Summary:

On March 29, 2014, the Chamber of Commerce Visitor and Convention Bureau (V&CB) submitted to the Town and the Accommodations Tax Advisory Committee its detailed proposed budget and marketing plan for 2014-2015. The budget breaks down revenues and expenses between Hilton Head Island and other areas, and also breaks down Hilton Head Island expenses per category. The marketing plan details key marketing strategies; research-based destination marketing and planning; target audiences; social media strategies; the digital marketing and media campaign; etc. Also provided was a Marketing Dashboard with comparative statistics showing the goals and results of previous years' marketing efforts and promotions along with statistics comparing Hilton Head's efforts and results to other similar or comparative destinations.

Background:

According to law, 30% of two percent of the bed tax funds collected by the State of South Carolina go to the pre-determined Destination Marketing Organization with an ongoing tourist program, which is the V&CB of the Hilton Head Island Chamber of Commerce. Town Code requires the Accommodations Tax Advisory Committee to review the V&CB's proposed budget and marketing plan each year and make a recommendation to Town Council. Attached is a memo from the Accommodations Tax Advisory Committee Chairman, Mike Alsko, and a synopsis of the V&CB's proposed budget and marketing plan. The detailed budget proposal is available at Town Hall for your review.



THE TOWN OF HILTON HEAD ISLAND ACCOMMODATION TAX ADVISORY COMMITTEE

To: Mayor Drew Laughlin, Town of Hilton Head Island
Town Council Members, Town of Hilton Head Island
Steve Riley, Town Manager, Town of Hilton Head Island

Cc: Members, Accommodation Tax Advisory Committee

From: Mike Alsko, Chairman, Accommodation Tax Advisory Committee

Date: May 13, 2014

Subject: Recommended approval of the DMO's marketing plan and budget

On April 3, 2014, the Accommodations Tax Advisory Committee (ATAC) met to hear and review the marketing and budget presentation of the Town's Designated Marketing Organization (DMO), the Hilton Head Island Visitor and Convention Bureau (HHIVCB). As the Town's DMO, the HHIVCB is allocated 30% of available annual ATAX funding, through state statute, for the purpose of promoting and enhancing tourism to the Island.

Summary of Presentation

Susan Thomas, Senior Vice President of the Hilton Head Island-Bluffton Chamber of Commerce and Visitor and Convention Bureau, started the presentation by pointing out some highlights of the 2014-2015 budget and marketing plan. The Chamber and HHIVCB have been engaging with the private sector over the last few years, which led to the creation of the Marketing Council with representatives from all sectors of the local tourism industry. The Marketing Council has had a large impact on the new plans and programs that are being put in place to support the short and long term goals of the HHIVCB. Ms. Thomas highlighted the following initiatives from their marketing plan:

- **Growth of group and event business** - One major goal is to grow group and event business on the island through offering new incentives, and by getting the word out through public relations and social media regarding the "Island Renaissance". Earning more group and event business would grow shoulder and off-season business and be a great benefit to the Island.
- **Investment in social media and public relations** – Maintain an on-going effort in social media strategy and public relations investment. The HHIVCB is working hard at bringing media opportunities to Hilton Head such as the Today Show, CNN, and Money Magazine, all of which would have an enormous marketing impact.
- **Increasing air service to Hilton Head Island** – Continued efforts towards increasing air service to drive travelers to Hilton Head Island on the success of the new Jet Blue service from Boston and New York City to the Savannah/Hilton Head Airport. The HHIVCB has been conducting sales programs and promotions, and also participated in travel shows particularly in Boston. A sign that this effort is being successful is that Jet Blue has already increased the aircraft size based on initial demand. The improvements in air service will help growth in all seasons, and there is already great potential in further air service expansion.
- **Targeting the affluent traveler** – Marketing to households whose annual income is over \$150,000 is a long term goal this upcoming year. The HHIVCB is now looking towards targeting younger, newer travelers that will eventually become an affluent traveler. Regarding the targeting of new travelers, the HHIVCB is also concentrating on the ratio of repeat versus new visitors. In 2009, there were 70% repeat visitors to the Island and 30% new visitors. In 2013, out of the 2.4 million people that visited during the year, 60% were repeat visitors and 40% were new visitors. The HHIVCB likes the shift in this ratio and the great opportunity it brings to create loyal repeat visitors out of the brand new, younger visitors.

- **Tourism product development and packaging** - Packaging is a new program being kicked off this year as Hilton Head Island has many new, as well as great existing, attractions to offer visitors. Whether they are leisure, corporate or group travelers, the HHIVCB would like to provide easy connections to these attractions during the travel planning phase. Through the HHIVCB's website, connections could be made, for example, to the new outdoor adventure park, zip line, Jazz Corner, shopping and retail, restaurants, cultural attractions, the Symphony or Arts Center performances, Gullah tours, etc...as a part of customized packages.

Committee Review

The Committee felt the presentation was very informative and well thought out with the goal of driving and enhancing tourism in mind. During the review, various committee members asked the DMO additional questions about the state of the Island as well as the other marketability factors that should be worth noting.

- **Impact of cellular availability** – The committee made brief comments related to potential concerns of lack of cell service on the Island. Ms. Thomas indicated that although cell service has improved, it is still an issue and will continue to be, both for business and leisure travelers, and will need continuous attention.
- **Destination review and comparison** – The committee inquired about how our market compares to surrounding comparable markets. Ms. Thomas spoke about the DMO's plan on conducting a study comparing Hilton Head Island to other destinations without convention centers. This study is expected to take about four months to complete and can ultimately strengthen our competitiveness and lead to more effective research-based marketing.
- **Demographics and seasonality** – The committee inquired about the DMO's goals specific to new vs. repeat travelers, how peak season and family travel was in 2013, and where the travelers were coming from. Ms. Thomas responded that the goal is 50% new to 50% repeat visitors; that peak season business grew in 2013, especially in August, and that July and August, 2014 are looking up, as well. She also noted that there has been an increase in travelers from the Northeast since the recession, plus there has been a lot of growth in visitors from International and Canadian destinations.
- **Group business trends** – The committee asked the DMO to provide additional insight into the Island's group business travel market. Ms. Thomas explained it is looking up with a high conversion rate of 1 out of every 5 leads converting. The majority of groups are coming from Atlanta, Charlotte, Tennessee, and Washington DC. The Marriott is the largest hotel on the island, with the Westin being the second largest. Most groups that are coming to the Island can fit into one of the two resorts; however larger groups would have to be split between many locations.
- **Requesting additional metrics and summaries** – In concluding the review, the Committee suggested that for the 2015 presentation that the VCB include a quick narrative of the 2014 results, providing candid feedback as to what worked and what didn't work in their marketing efforts and spend. The committee felt this was important towards educating the committee, the community, and other applicants by providing professional insight on the most effective marketing avenues and trends impacting our tourism market.

There were two specific line items presented in the DMO's budget that the Committee recommended be funded from private sources instead of through ATAX funds:

- **First time group incentives** - The use of cash incentives to be used to help bring first time groups to the Island. This is not an uncommon practice in the group lodging industry and it actually is a valid use of HHIVCB funds. In the eyes of the committee, this felt more like a specific rebate with limited scope than a productive spend with a larger scope of potential. Additionally, the Committee had concerns about setting a precedent of funding incentives that do not have a larger, Island-wide impact. Ms. Thomas understood our concerns, acknowledged our opinion, and agreed that funding this initiative privately would be a better solution.
- **Group closing funds** - The establishment of a "Group Closing Fund" – which would help fund small and specific group expenses such as underwriting transportation costs from Savannah airport to make HHI more of an appealing destination for meeting planners who may be concerned with the additional expense of providing higher cost transportation from a distant airport. From a marketing perspective this is a good strategic initiative by the HHIVCB. However, in the DMO's narrative it was discussed that these funds would be distributed by them based on requests made from member organizations who applied for funding. The Committee felt that this raised a concern of a possible conflict with a TERC opinion surrounding the re-granting of public funds. In interpreting TERC's position, funds that are awarded to an organization must be directly spent by that organization on tourism related expenses. By the VCB creating a fund, from either statute allocated or Town Council awarded grants, and then allowing other organizations to apply for use of those same funds appears to be in violation of SC Law because the VCB is not authorized to award funds and any organization requesting those funds did not go through the proper application and review process. Ms. Thomas understood our concerns, acknowledged our opinion, and agreed that funding this initiative privately would be a better solution.

Recommendation

Overall, the Committee was impressed with the plans and the budget presented for review. It was noted that the HHIVCB is spending dollars to research target markets as well as attract leisure and group travelers. The Committee was pleased to see that the HHIVCB is investing in consumer and competitive market research as that is vital to the long term economy and to the overall success of current and future marketing spends.

The Committee made a motion to recommend to Town Council that they approve the budget as presented and for the Visitor & Convention Bureau to continue as the Town's Destination Marketing Organization. The motion was seconded and was approved by a unanimous vote of 6-0.

Respectfully,

A handwritten signature in black ink, appearing to read 'Mike Alsko', with a stylized, flowing script.

Mike Alsko, Chairman
Accommodations Tax Advisory Committee

Hilton Head Island-Bluffton Chamber of Commerce
Hilton Head Island Visitor Convention Bureau Schedule of Functional Revenues Expenditures
FY 2014-15 Budget

	VCB TOTALS	Town of HHI DMO	VCB Private Sector	SCPRT Dest. Specific	SCPRT Co-ops	Town of Bluffton Beaufort Co DMO	Membership
Revenues							
Town of HHI DMO	1,270,000	1,270,000					
Town of HHI Supplemental Grant	330,000	330,000					
VCB Private Sector	420,500		420,500				
SCPRT Destination Specific	675,000			675,000			
SCPRT Coop	625,000				625,000		
Private Match Coop	1,350,000				1,350,000		
Town of Bluffton DMO	85,000					85,000	
B/C Bluffton & Daufuskie	219,000						219,000
Total Revenues	4,974,500	1,600,000	420,500	675,000	1,975,000	85,000	219,000
Membership Revenue							1,700,000
Total Revenues with Membership	6,674,500						
Expenses							
Research & Planning	92,000	48,000	14,250	29,750			
Destination PR							
Agency Fees	160,000						
Out-of-Pocket/ Promos	22,000						
Satellite Media Tour	10,000						
Cison Broadcasting	8,000						
Sub-total	200,000	115,800	33,800	50,400			
Destination Photography	14,000	8,106	2,366	3,528			
Social Media							
Agency Promotions	45,000						
Blog/Writers	30,000						
Video Production	3,000						
Sub-total	78,000	45,162	13,182	19,656			
Digital Marketing							
VERB Daily Site Work	39,600						
Special Section Updates	45,000						
SEO/Ad Serve/Hosting	24,000						
Madden Digital Content	25,000						
SEM Marketing	220,000						
Escape to the SE	3,000						
SCPRT Coops	25,000						

Hilton Head Island-Bluffton Chamber of Commerce
Hilton Head Island Visitor Convention Bureau Schedule of Functional Revenues Expenditures
FY 2014-15 Budget

	VCB TOTALS	Town of HHI DMO	VCB Private Sector	SCPRT Dest. Specific	SCPRT Co-ops	Town of Bluffton Beaufort Co DMO	Membership
Media Contingency	12,000						
Sub-total	393,600	227,894	66,518	99,187			
Consumer Promos & Lead Gen							
Broadcast & Print							
NYC/ Boston Broadcast	40,000						
Garden and Gun	30,000						
Southern Living	37,000						
Ad Production	5,000						
Sub-total	112,000	64,848	18,928	28,224			
Sweet Tea Partnership							
JetBlue Coop/ 2015	30,000						
Sub-total	30,000	17,370	5,070	7,560			
Insiders/Collateral/Fulfillment							
E-Promos/E-News	18,000						
Vacation Planner	120,000						
Envelopes	6,000						
Fulfillment Mail Ops/							
Postage/Visitor Database	65,000						
Toll-Free Phone	5,000						
Sub-total	214,000	123,906	36,166	53,928			
Group Sales & Marketing							
Corp. Lead Prospecting	42,000						
Flights for Sites	5,000						
Group Closing Fund	15,000						
First Time Groups	10,000						
Select Service Blitz	5,000						
Promotional Giveaways	6,000						
Site inspections	3,000						
Sales Industry Dues	3,000						
Trade/ Affinity Sponsorsh	30,000						
Website Updates	Included in digital						
Social Media/ Linked In	5,000						
Trade Shows	36,500						
Trade Media Co-op	See Meetings Co-op						
Group Experiences	12,500						
E-Promos	12,000						

Hilton Head Island-Bluffton Chamber of Commerce
Hilton Head Island Visitor Convention Bureau Schedule of Functional Revenues Expenditures
FY 2014-15 Budget

	VCB TOTALS	Town of HHI DMO	VCB Private Sector	SCPRT Dest. Specific	SCPRT Co-ops	Town of Bluffton Beaufort Co DMO	Membership
Contingency	5,000						
Trade/ PR	See PR Budget						
Sub-total	190,000	110,010	32,110	47,880			
International							
Coastal SC USA Coop	60,000						
Brand USA Coops	80,000						
ITB Trade Show	6,500						
Ontario Motorcoach Show	2,500						
UK Sales Mission	5,000						
IAGTO/ WTM	4,000						
Pow Wow Trade Show	8,000						
Sub-total	166,000	96,114	28,054	41,832			
VCB Contingency	18,250	10,567	3,084	4,599			
HHI Destination Marketing Operations & Management							
VCB Sales, Mkt, Visitor Services, Admin & Ops:							
Personnel	644,867						
Benefits	151,141						
Operations	211,597						
Sub-total	1,007,605	483,650	191,445	332,510			
HHI Supplemental Grant							
Golf	160,000						
Tennis	45,000						
Event bid	80,000						
Meetings & Group	45,000						
VCB Sales, Mkt, Visitor Services & Operations	0						
Sub-total	330,000	330,000					
SCPRT Coops							
Meetings/ RBC	175,000						
RBC Heritage	750,000						
Group Co-ops	200,000						
Air Service Promos	150,000						
Leisure Coops	180,000						
Destination Events	100,000						

Hilton Head Island-Bluffton Chamber of Commerce
Hilton Head Island Visitor Convention Bureau Schedule of Functional Revenues Expenditures
FY 2014-15 Budget

	VCB TOTALS	Town of HHI DMO	VCB Private Sector	SCPRT Dest. Specific	SCPRT Co-ops	Town of Bluffton Beaufort Co DMO	Membership	
VCB Sales, Mkt, Visitor Services & Operations	270,045							
Sub-total	1,825,045				1,825,045			
Town of Bluffton DMO								
Promotions	55,250							
VCB Sales, Mkt, Visitor Services & Operations	29,750							
Sub-total	85,000					85,000		
B/C Bluffton & Daufuskie DMO								
Promotions	131,400							
VCB Sales, Mkt, Visitor Services & Operations	87,600							
Sub-total	219,000					219,000	1,700,000	
TOTAL EXPENSES	4,974,500	1,681,427	444,974	719,054	1,825,045	85,000	219,000	1,700,000
Total Expenses with Membership	6,674,500							6,674,500
Revenues Minus Expenses:	0							
Expenses for Hilton Head Island Specific Programs								
Expenses for other marketing programs								



HILTON HEAD ISLAND
VISITOR & CONVENTION BUREAU
South Carolina

YEAR END 2013 MARKETING DASHBOARD

2013 Comparative statistics for www.hiltonheadisland.org

2012 Year end		2013 Year end	Year over Year % change
1,505,905	Site visits	1,765,596	↑17.24%
6,646,797	Page views	7,068,551	↑6.35%
4.41	Pages per visit	4	↓9.3%
4.44	Minutes Avg on site	3.51	↓18.76%
72.2%	New visits	70.25%	↓2.7%
33%	Bounce rate	40.07%	↑21.54%

Top content areas page views

2012

1. See and Do	264,568
2. Event Calendar	174,616
3. Dining /Restaurants	140,672
4. Lodging/Hotels/Inns/Resorts	132,493
5. About the Island	132,170

2013

1. See and Do	265,587
2. Lodging/Hotels/Inns/Resorts	174,232
3. Event Calendar	163,515
4. 2013 HHI Vacation Getaways	141,777
5. Mobile See and Do	136,636

Mobile Traffic

2012

184,934	Tablets
198,289	Other mobile devices

2013

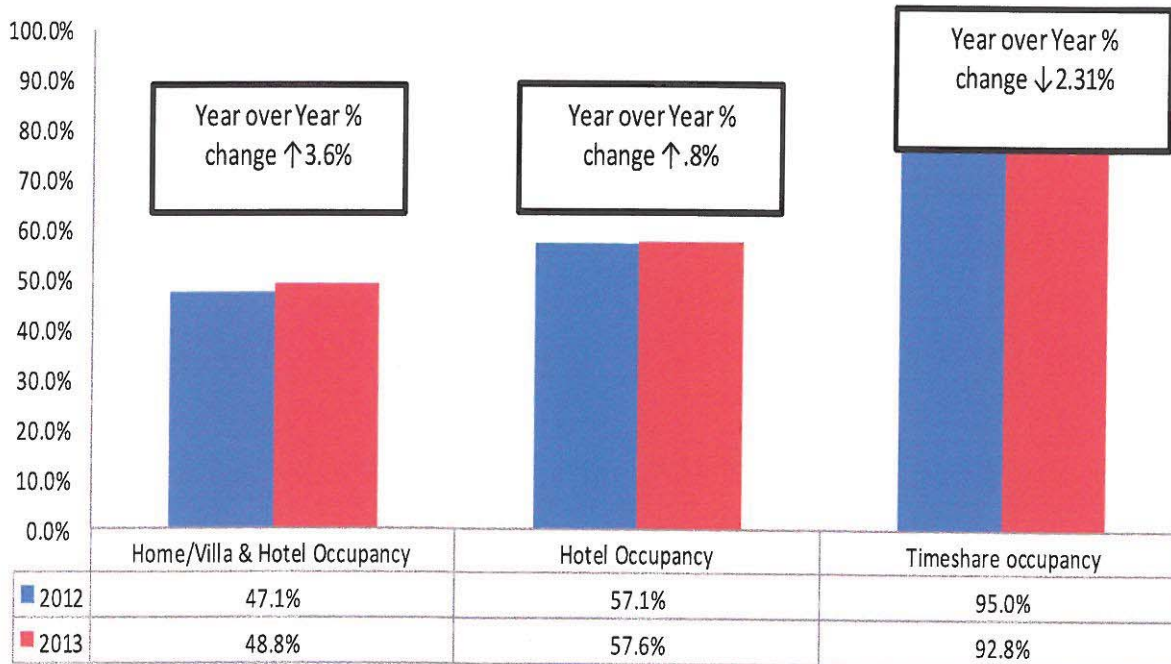
348,191
290,172

Year over Year % change

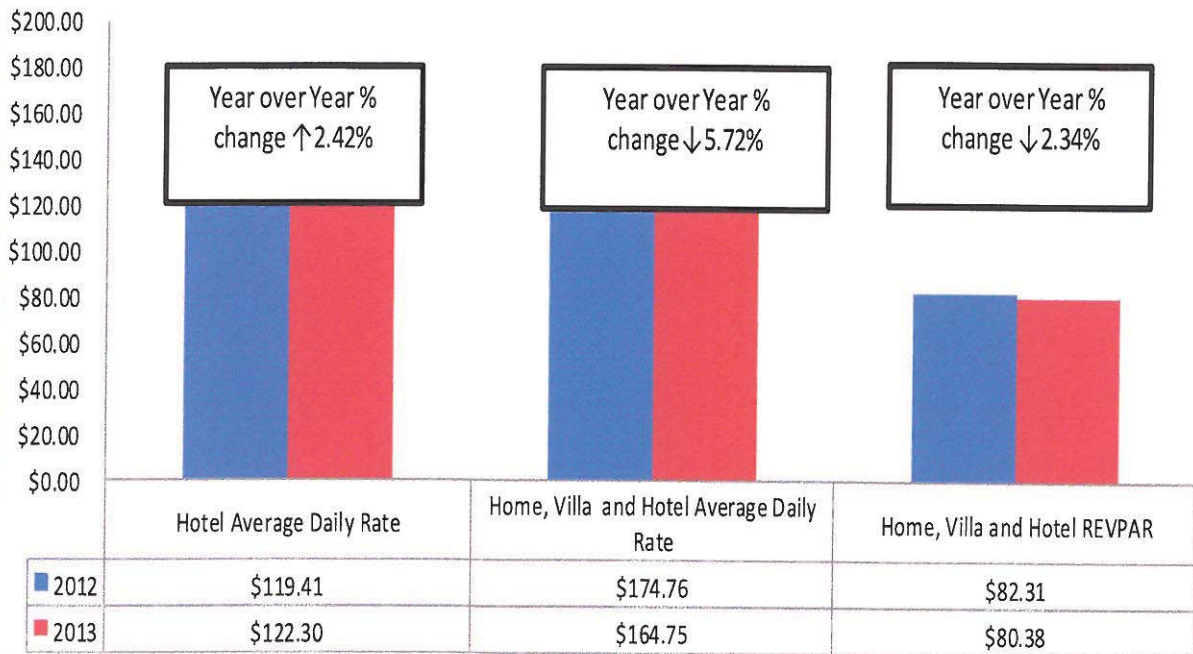
↑88.28%
↑46.34%



Lodging Occupancy Comparison 2012/2013



Average Daily Rate and REVPAR comparison 2012/2013



BOOKING PACE FOR HOMES AND VILLAS

Month	2014 Occupancy	2013 Occupancy	% increase/decrease
March	60.5%	65.2%	-7.1%
April	40.5%	38.5%	+5.3%
May	30.2%	28.5%	+6.1%
June	35.6%	40.7%	-12.6%
July	33.6%	25.4%	+3.0%
August	26.3%	25.4%	+3.8%
Total	37.4%	38.4%	-2.7%

2013 Actual Occupancy

March 69.8%

April 47.2%

May 45.1%

June 74.1%

July 83.6%

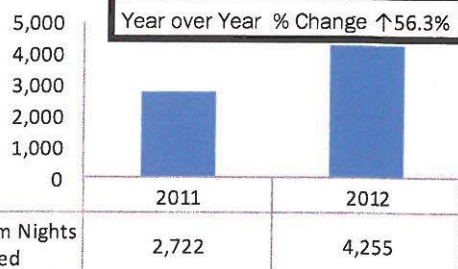
August 70.9%

Total 65.3

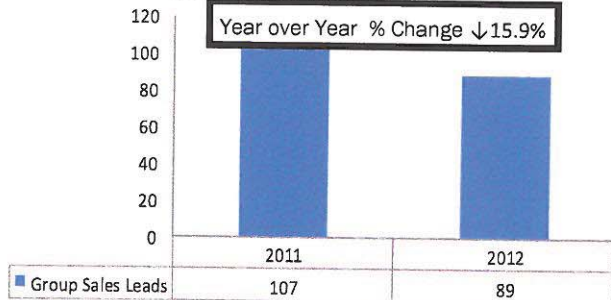
Source: Vacation Travel Research Program (VTRIP) Home and Villa Data
as of December 31, 2013

Group Sales Results

Group Room Nights Booked YTD 2011 vs YTD 2012



Group Sales Leads YTD 2011 vs YTD 2012



Conversions of bookings from leads are up 8% as compared to 2012.

2013 EPROMO/ENEWS RESULTS

Name	Date sent	Delivered	Opened	Open Rate	Total Clicks	Click Rate
Gullah Culture	2/1/2013	113,036	25,660	14.49%	2,619	1.16%
Wine and Food Festival	2/12/2013	118,531	25,812	26.62%	2,589	3.56%
Order 2013 HHI Bluffton Vacation Planner to all Insiders	2/21/2013	118,364	36,910	33.61%	6,521	13.03%
RBC Heritage	3/8/2013	117,912	21,882	13.13%	2,002	1.15%
Home and Villa Vacation Packages	3/28/2013	120,272	28,620	18.52%	2,939	1.91%
Book Your Hilton Head Island Summer Vacation	4/18/2013	120,689	25,215	20.72%	4,168	4.59%
Bike, Dine and Wine on Hilton Head Island	5/7/2013	116,016	29,239	17.54%	2,225	1.47%
Summer's Hottest Hilton Head Island Deals	5/23/2013	116,905	29,073	15.92%	5,076	2.65%
Outdoor Adventures on Hilton Head Island	6/12/2013	117,076	24,715	13.25%	3,761	1.92%
Win a trip for 2 to Hilton Head Island	6/18/2013	116,887	43,896	20.90%	14,781	10.06%
Summer Offers from Hilton Head Island Hotels	6/27/2013	116,609	25,766	15.05%	3,436	1.86%
Where to Golf, Stay and Eat on Hilton Head Island	9/6/2013	119,123	22,412	12.15%	2,792	1.54%
Jet Blue to Offer Flights to Savannah Hilton Head Island Airport	9/16/2013	118,789	31,617	16.43%	4,094	2.70%
Concours d'Elegance	9/23/2013	118,516	21,938	12.64%	1,468	.84%
Discover Bluffton's Fall Festivals, Shopping and Dining	9/30/2013	118,563	29,954	31.12%	2,772	10.73%
Total/Average		1,885,128	449,888	20.87%	65,476	4.73%